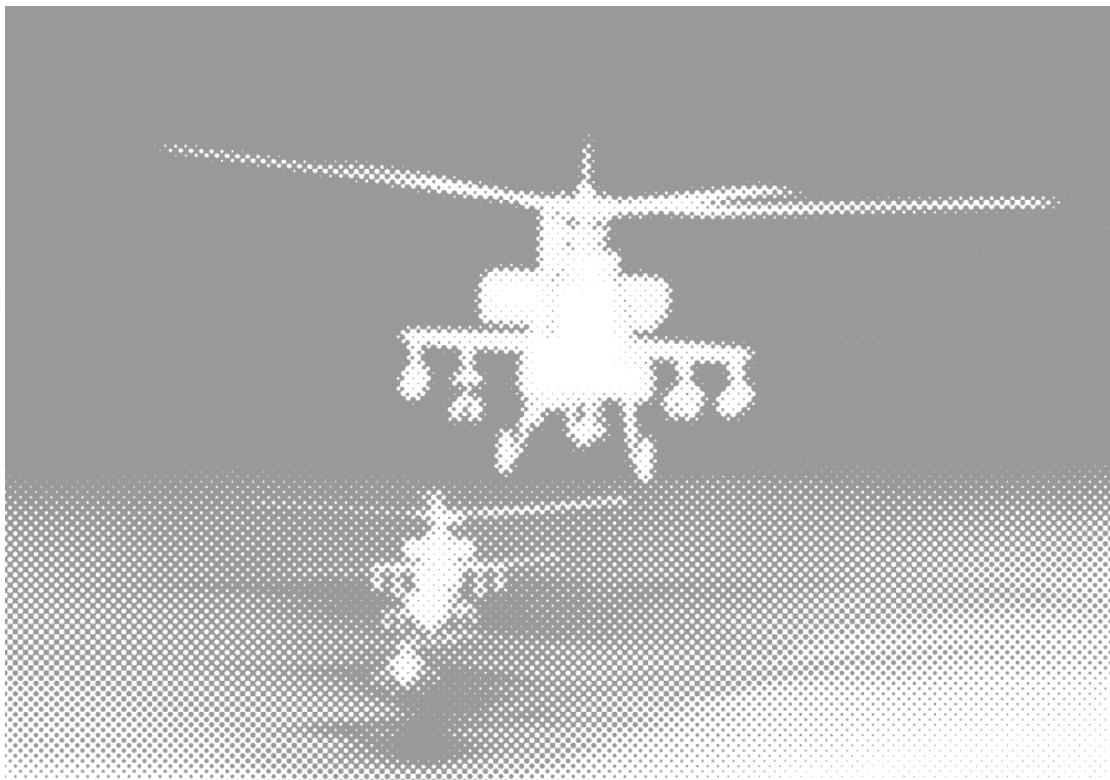


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ON THE EVE OF ISTANBUL: CAN NATO BECOME A MOTOR FOR REFORM?



Rapporteur: John Chapman
Monthly Roundtable Report



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Programme for the day:

Session I

HAS NATO'S MILITARY STRUCTURE BECOME AN ALIBI FOR EUROPE'S OBSOLETE DEFENCES?

With the Iraq crisis behind them and the alliance's enlargement firmly digested, NATO foreign and defence ministers are set to be in buoyant mood when they gather in Istanbul. But has the NATO alliance genuinely found a new role for itself, or is its continued existence a tribute to political inertia?

What should NATO be doing to help shake-up its European members, who are most of them still gearing-up to confront the 21st Century's global security challenges with the tanks and submarines of the post WWII era?

Moderator: **Giles Merritt**, Director, New Defence Agenda

- **Julian Lindley-French**, ETC Course Director, Geneva Centre for Security Policy (GCSP)
- **Alessandro Minuto Rizzo**, Deputy Secretary General, NATO
- **Ergin Saygun**, Military Representative, Delegation of Turkey to NATO

Session II

DOES THE U.S. LOOK TO NATO FOR EFFICIENCY, OR FOR LOYALTY?

To European eyes, America's enthusiasm for NATO had been waning during the 1990s, but was revived after 9/11 by its need to build coalitions for its actions in Afghanistan and Iraq. To what extent do U.S. planners now see NATO as a framework for building more efficient military partnerships with European governments?

Moderator: **Jamie Shea**, Deputy Assistant Secretary General for External Relations, Public Diplomacy Division, NATO

- **Stephan De Spiegeleire**, Deputy Program Director for Defence and Security, RAND Europe
- **Charles Grant**, Director, Centre for European Reform
- **John Koenig**, Deputy Head of Mission, Delegation of the United States of America to NATO

NATO AS A MOTOR FOR REFORM - KEY POINTS

Ambassador **Nicholas Burns** opened his remarks by confirming the US's firm commitment to NATO, a commitment that came from "every level and every branch of the US government". Ambassador Burns stated that a strong NATO alliance was the basis of American policy. Despite well-publicised differences, he noted that the Alliance had proved to be "a flexible and supple instrument". The US Delegation to NATO's **John Koenig** concurred, saying that the US wanted NATO to be closer to the centre of its global security calculations.

Despite arguing that both the US and Europe were taking NATO less seriously, the Centre for European Reform's **Charles Grant** argued that NATO was unique and "here to stay". His concern was that NATO was now operating in so many areas, it perhaps had an "identity crisis".

On the issue of transformation, Ambassador Burns described it as "the most important reform in military terms". However the Ambassador bemoaned that fact that many of NATO's nations were spending less than 2% of GDP on national defence. The Ambassador argued that this could lead to an unhealthy two-speed alliance.

The GCSP's **Julian Lindley-French** could not agree that Europe should completely buy-in to the US's ideas on transformation as it would not be possible for all of the EU to transform to the US's expectations. Lindley-French wanted less emphasis on network-centric warfare and he wanted the US to listen to Europe's ideas at the forthcoming summit.

RAND Europe's **Stephan De Spiegeleire** said the transformation process was going much further than many people appreciated and "Europe was not on board". He added that this was unfortunate as the concept of networked warfare could be a "dream come true" even for smaller European nations – as contributions of all sizes could bring high added-value. De Spiegeleire also called for creative solutions to be applied to the political-military interface especially with respect to the foreign policy departments, which he described as "dinosaurs".

Lindley-French also kick-started a discussion on the problems being caused by one partner being dominant within a coalition. Arguments were raised on both sides (it could aid decision-making but it was not healthy in the long-term). Koenig argued that the dominance was caused by the capabilities gap and that had to be addressed.

On the usability front, Ambassador Burns was unhappy that NATO risked not meeting its Prague commitments due to a lack of resources – both the Ambassador and NATO Deputy Secretary General **Alessandro Minuto Rizzo** were critical of the fact that only 5% of NATO's troops were able to operate outside of their national boundaries. Rizzo announced that NATO wanted to increase this figure to 40% in the light of the Alliances' new commitments.

Viewing the Istanbul Summit, Ambassador Burns looked to announcements concerning NATO's expanded operations in Afghanistan, an enhanced 'Operation Active Endeavour', actions against people trafficking, a refocused Partnership for Peace, a decision on NATO involvement in Iraq, proposals on engagement in the Greater Middle East and the maintenance of the troops on Kosovo. He concluded that Istanbul would be "a more consequential summit than Prague".

The Turkish Delegation to NATO's **Ergin Saygun** saw the summit as being a new page in NATO's history. For Saygun, it signified a strategic shift and a new direction, with Istanbul being the "perfect" location as it was at "the centre of cultures and instabilities". There were differing opinions though. While Rizzo saw the summit as a confirmation of US-Europe co-operation, De Spiegeleire had few expectations of Istanbul. Koenig announced that a package of measures to improve the generation of forces would be announced at the Summit, which he considered would be as important as Prague.

Perhaps the last word had to go to Lindley-French, who called for "a period of vision" and fresh thinking. Although good work had been done, he argued that much more had to be achieved in a world that would not become easier in the next 15 – 30 years.

SESSION I: HAS NATO'S MILITARY STRUCTURE BECOME AN ALIBI FOR EUROPE'S OBSOLETE DEFENCES?

As the atmosphere was suspiciously quiet, the NDA's **Giles Merritt** looked ahead to the Istanbul Summit and wondered if it was the *calm before the storm*. Welcoming the panel members, he looked forward to hearing their ideas on what the forthcoming summit might bring and whether they agreed that NATO was dependent on "post World War II" equipment.

First speaker: Alessandro Minuto Rizzo, Deputy Secretary General, NATO

Reacting to the NDA's programme notes which ascribed NATO's continued existence as being a "tribute to political inertia", **Alessandro Minuto Rizzo** highlighted the Alliance's role in "supporting Afghanistan in a difficult political context" and insisted this was not a sign of inertia. While acknowledging that some observers, such as *the Economist*, had accused NATO of not succeeding in Afghanistan, Rizzo dismissed that view, explaining that NATO was providing a security frame under the auspices of the UN.

Giving an overview of NATO's achievements, Rizzo described the Alliance as the best-placed security organisation for Europe. It had played an important role in the creation of the ESDP's first structures and it had developed a good relationship with the EU, as shown by the agreement on using NATO's assets and the possible handover in Bosnia-Herzegovina ("a significant achievement").

On the subject of capabilities, Rizzo said it was unfair to say that the Alliance was still using World War II equipment. He preferred to see transformation as a challenge – and as a military revolution – where NATO was perhaps leading the way with the EU following. Rizzo described the task ahead – to change NATO from being a static eurocentric grouping of units to a mobile and agile unit that worked out-of-area. This was the kind of operation that could not be completed in one year!

On usability, Rizzo focussed on the problem. Only 5% of NATO's troops were able to operate outside of their national boundaries. Rizzo was ambitious though, setting a usability target of 40% for NATO's troops. It was another challenge and it was a big one.

Second speaker: Ergin Saygun, Military Representative, Delegation of Turkey to NATO



Ergin Saygun saw the Istanbul summit as being a new page in NATO's history. It signified a strategic shift and a new direction. But more than that, Saygun focussed on the location – Istanbul. He described it as being "perfect" for the summit as it was at "the centre of cultures and instabilities".

Saygun saw Turkey as being poised to become a pivotal player in NATO. It could play a bridging role by developing links with its Mediterranean Dialogue partners, bringing those countries closer to NATO. Looking further afield, he saw challenges in the Greater Middle East and in North Africa, where the need for NATO's influence was clear.

Earlier, Saygun had talked of NATO handing over some responsibilities to the EU with a view to expanding its own objectives of bringing peace and stability out-of-area. He saw the summit, coming

at a crucial time, as one that would reflect the reality of Turkey's role. With the location and the foreseen agenda, Turkey was becoming a symbol of NATO's new vision.

Final speaker: Julian Lindley-French, ETC Course Director, Geneva Centre for Security Policy (GCSP)



Julian Lindley-French used his remarks to highlight a number of problems. After a wide-ranging review of European defence, he called for “a period of vision” and fresh thinking. Lindley-French concluded that although good work had been done, much more had to be achieved in a world that would not become easier in the next 15 – 30 years.

The GCSP Director emphasised three vital areas for NATO, arguing that the Alliance must remain / become:

a vital inter-operable mechanism between the US and Europe – “there is a gap to be managed”.

the centre for all actions outside of Europe; preparations must be made via NATO.

the global promoter of regional reform via a re-energised partnership for global peace.

Overall, Lindley-French argued that NATO must “think, act and stay global”, as it was obvious that the Alliance was going to be operating “way beyond Europe”. Looking at the approaching summit, he discussed the problems of transformation, especially the difficulties of planning for a future that lacked firm scenarios.

Lindley-French did not put the blame on NATO for the (poor) state of Europe's military forces. Settling responsibility firmly on a lack of funding (by nations), Lindley-French said that while Europe had never been richer, it only wanted as much strength as it could afford.

Striking a controversial note, Lindley-French argued that Europe should not completely buy-in to the US's ideas on transformation. He did not see the 21st century as being one that would be dominated by networked-centric warfare. Rather, Lindley-French saw a predominance of urban conflicts, peace-making and peace-keeping operations.

He concluded that Europe should not buy transformation “lock, stock and barrel”. Instead, he recommended that the Istanbul summit should also be one that allowed the US to learn from Europe. Hence his call for a new co-operative vision.

NATO'S MILITARY STRUCTURE – THE DEBATE

After summing up the first session, the NDA's **Giles Merritt** focussed on two areas that might prompt further questions:

1. Iraq: Would NATO be offered a political role in that arena?
2. The “Clash of Civilisations” – was the rise of Islam bringing a new set of problems and could Turkey actually act as a bridge in the region (The Black Sea, the Caspian Sea, the Caucasus)?



Transformation

EADS's **Pierre Sabatié-Garat** was interested in **Julian Lindley-French's** suggestion that Europe should not blindly follow the US's transformation plans, as not everything in these plans is either affordable or useful for the Europeans. The discussion should be two ways, as he had noted that the US JFCOM were putting an increased focus on the stabilisation phase of any operation, a domain where the Europeans have their say.

Lindley-French agreed but reflected that the US did not seem to be paying much attention to European thinking. Following-up, he argued that transformation covered co-operability as well as inter-operability, i.e. the necessity for "transformed" forces to operate with "non-transformed" ones. Thales' **Martin Hill** commented that every EU nation had its own ideas about transformation, as there were several drivers and no single answer.



The "Clash of Civilisations"

Hill also wanted to respond to Merritt's reference to the "Clash of Civilisations", where he saw the term as being part of the problem. He felt that nations should be putting their focus on integrating civilisations in order to bring peace to the regions concerned.

Lindley-French agreed that Samuel P. Huntington's term over-simplified the issue while Merritt argued that it was wrong to blame Huntington for the rise of Al-Qaida. He argued that efforts should now be focussed on taking effective actions. As an example, Merritt said that Iraq had underlined the failure of post World War II military structures, in that the US had removed the Ba'ath Party but had not been able to ensure an ongoing peace.

NATO's Nations **Frederick Bonnart** intervened to say there was a lack of clarity about the threat facing Europe. It was not a "clash of civilisations" - there was a group of people who felt they had no hope or outlook for the future. Bonnart insisted that there was no Muslim "battle plan" and that it was it was "fundamentally dangerous" to talk of a "clash".

Lindley-French agreed there was a lack of clarity – "that's the way it is". Although the discussion was focussed on military interventions, he also stressed the need for "aid and development".



How can transformed troops be effective?

Flight International's **Justin Wastnage** was interested to hear more about Lindley-French's theory that there should be less attention paid to network-centric warfare.

Lindley-French stepped back slightly from his initial position, explaining that there would be problems because not all EU nations would be able to plug-in to the US's "transformed" forces. He therefore asked if Europe was not able to

completely go along with the US's doctrine, how could its forces operate effectively in total.

Expanding on his ideas, he argued that no one would ever again fight the major powers (primarily the US, but also the EU) head-on. So troops must be equipped for asymmetric warfare. This meant that soldiers had to be helped in difficult situations, e.g. at road-blocks, in street-fighting situations,

etc. Transformation could not simply be a matter of equipping all nations' forces to conduct major network-centric campaigns.

The Istanbul Summit

Wastnage was also keen to hear the panel's thoughts on the outcome of the Istanbul Summit. For his part, Lindley-French wanted:

- a clear statement on the handover of control from NATO's Stabilisation Force in Bosnia (SFOR) to EU troops
- a realistic assessment of the situation in Afghanistan, as any failure there would reverberate around the world
- harmonisation between the Prague Commitments and the European Capabilities Action Plan (ECAP)

But given the current political situation, he could not see NATO getting involved in Iraq.

Rizzo looked for the Summit to reconfirm a healthy and stable transatlantic relationship and to demonstrate the importance of the Partnership for Peace (PfP). On Afghanistan, he argued that NATO had never said that it would take control, so it could not fail to meet that objective. Finally, on Iraq, Rizzo said it was essential to see what the new Iraqi government wanted and to see what added-value, if any, NATO could bring. Overall, Rizzo wanted NATO to build a more robust dialogue with the Arab countries of the southern part of the Mediterranean.



Future plans and decision-making

Magda Baraka, Egypt's Mission to the EU, wanted to hear more about NATO's future plans, given that it planned to increase its usability rate to 40% of EU forces. Baraka also commented that NATO might be over-stretching itself by going out-of-area.

Lindley-French said it was impossible to accurately define possible scenarios, but argued that a 40% usability rate (equal to 600,000 troops) was not a huge amount, given the need to sustain troops in the field. He could not forecast where NATO might go next but reminded Baraka that NATO had recently been involved in Sierra Leone, East Timor, the Democratic Republic of Congo, etc. Lindley-French strongly defended the need to go out-of-area, "events outside of Europe will impact Europe, we need to be prepared".

However, he did stress the need for effective decision-making. If problems in that sector were not resolved, major powers would continue to act alone.

NATO and the European defence industry

Dassault Aviation's **Guy Servolle**, on behalf on NIAG, wanted to know how NATO could help reform the European defence industry in the context of transatlantic co-operation.

Lindley-French foresaw "partnerships of opportunity" but could not see the creation of a true transatlantic defence market. Rizzo did not see NATO getting involved with industrial policy.

Partnerships out-of-area

Victor Kochoukov, Mission of the Russian Federation to NATO, asked if NATO would be willing to work with organisations that were already active in the strategic Black Sea and Caspian Sea regions. Could formal links be considered?

Lindley-French said NATO had many links already but he wanted to emphasise that the Alliance stood for security and sought regional partners. It was one of the best vehicles for building strategic partnerships “with real credibility on the ground”. It should not be dominant, it should be an enabler. Rizzo agreed with this view and referred to the existing PfP.

SESSION II: DOES THE U.S. LOOK TO NATO FOR EFFICIENCY, OR FOR LOYALTY?

Commenting on multilateralism, the session moderator **Jamie Shea** said it depended on US’s interests in that America wanted to work with its allies but not to be tied-down by them. In direct contrast, Shea argued that Europe wanted to use multilateralism to “tie the others down”.

With an appreciative nod to the panel, Shea asked a number of searching questions on which they could ponder:

- Is the US committed to NATO?
- Is NATO just one option for the US amongst many (coalition of the willing, with the EU, alone, etc.)?
- Post-Iraq, is the Alliance moving from under-use to over-use?
- Is NATO becoming overstretched by moving out-of-area?
- Will there be a twin-track approach across the Atlantic: US–NATO and US-EU?

First speaker: **Stephan De Spiegeleire, Deputy Program Director for Defence and Security, RAND Europe**



Stephan De Spiegeleire looked at the “efficiency gap” between US and European forces. He concluded that the threshold to improve efficiency was “very high and growing”. But De Spiegeleire claimed technological change was not only part of the problem but also of the solution, He felt European forces (and their managers) would be increasingly pushed by technological and financial (and not political) incentives to take advantage of the opportunities information-age technologies are providing all across the entire conflict spectrum.

There was no doubt in De Spiegeleire’s mind that the US retained interest in capable force providers, and that NATO remained the West’s best chance to improve coalition operations but he did not have great expectations for the Istanbul Summit. De Spiegeleire referred to the fundamental differences between the US and Europe, with Europe still being primarily institution-centric and the US increasingly network-centric in all meanings of the work.

De Spiegeleire concluded that the US wanted efficient European forces but they were “not holding their breath”. He had good words for the Multinational Interoperability Council (MIC)¹ but added that the ESDP had proved a disappointment so far, as in some areas it had not yet even reached the level of achievement of the “much maligned” WEU. NATO itself received low marks for its efforts, with the NATO Response Force (“starting to make a difference through the certification process”) being an exception.

Reviewing the transformation process, De Spiegeleire said it was going much deeper than Europe appreciated. The increased focus on transformation – “which is surprisingly slow” - would radically change the way that coalition forces operated. He saw the main challenges not even in the differences in numbers of deployable forces or equipment, but in the new operational concepts that were emerging. He sketched an environment by 2020 where small modules (troops) would be able to operate in a non-linear, distributed fashion over huge distances. He said it was hard to envisage not fully-networked forces in such an environment (“plug ‘n play or stay away”). Unfortunately, he added, Europe was not on board, even though network-centric concepts could be a “dream come true” for even smaller European nations – as contributions of all sizes could bring high added-value.

De Spiegeleire also highlighted increasing problems with the different speeds of decision-making tempi between the political and the military sides., For example, even in the US Navy combat systems were increasingly real-time, but ‘command and control’ (the political interface) was not. These political-military interface problems were multiplied exponentially in regard to the coalition forces. He therefore called for more creative solutions on the political side, and he gave the example of the foreign policy apparatuses, which he described as the “dinosaurs” of our public service systems.

Second speaker: Charles Grant, Director, Centre for European Reform

Charles Grant argued that both the US and Europe were taking NATO less seriously. One of his solutions was for the French to be much more constructive in their relationships with the Alliance. Likening the French attitude to NATO with the UK’s strategy in Europe (try to cause problems in the hope that this increases one’s influence), Grant said that greater French co-operation would help to reassure the US about the Alliance.

Despite this, Grant argued that NATO was “here to stay” as it was unique. Listing its work on the Partnership for Peace (PfP), NATO-Russia Council, Afghanistan, Middle East Dialogue, Armaments Co-operation, NATO Response Force and the Transformation Command, he considered that NATO was perhaps involved in *too many* areas. Indeed, Grant argued that NATO might have an “identity problem”.

Turning to European defence, Grant said that NATO had an essential role to play – the logistics support in the forthcoming Bosnia operation for example. This led him to define the differences between NATO and the EU’s ESDP on defence matters:

- *NATO*: an organisation that promoted co-operation across the Atlantic on security and foreign affairs
- *The EU*: the ESDP aimed to strengthen Europe’s embryonic foreign policy (politics backed by necessary force)



¹ The goal of the MIC is to provide for the exchange of relevant information across national boundaries in support of troops in coalition operations. MIC nations: Australia , Canada , France , Germany , UK and the US.

Grant saw the ESDP and NATO as being mutually reinforcing – the transformation process was helping both. Going further, Grant argued that the ESDP was thriving and listed its achievements: the Defence Agency, the Bosnia mission, the battle groups initiative, civilian capabilities – for example, legal reform in Georgia. But his final remarks were addressed to the French, they should be much more constructive on the small issues (e.g. NATO aid to Turkey in January 2003) even if they were in opposition on the big ones (e.g. “crazy ventures like Iraq”).

Grant later expanded on these thoughts. He said that France was reluctant to back NATO’s move out-of-area, as it (rightly) considered it was a way of the US reducing its costs of military missions (to be paid by Europe). But he wanted to stress the extent of francophobia in the US - France had replaced Russia in the US public’s thinking. Grant suggested that France could combat this by taking on a more positive role in NATO.

Final speaker: John Koenig, Deputy Head of Mission, Delegation of the United States of America to NATO



John Koenig centred his remarks around the term *effective multilateralism*. On the first word – *effective* – Koenig argued that NATO’s effectiveness was important to the US as transformation was seen as a way of putting NATO closer to the centre of the US’s global security calculations. Admitting that this had not been borne out by actions in Afghanistan, Koenig added that the US wanted a more effective alliance and to this end, the NATO Response Force had been a tremendous achievement.

Noting that France was fully supportive of the NRF, Koenig said he would endorse any proposal of that country to join NATO’s integrated military structure. This structure was facing new threats, and Koenig used Afghanistan as an example of how NATO had to have easier (and more reliable) access to forces in order to carry out its political decisions. Koenig announced that a package of measures to improve the generation of forces would be announced at the Istanbul Summit. This would mean that the forthcoming summit could be compared to Prague – it would be a transformation summit that would result in a more effective alliance.

Moving on to *multilateralism*, Koenig said this was the major outstanding question. Disagreeing with Grant, Koenig argued that the US government was committed to working with NATO in a multilateral setting. NATO was not the only choice of partners, but it was the “preferred choice”. Backing up this statement, Koenig said that both President Bush and Secretary of State Colin Powell wanted NATO to be more active in Iraq. In conclusion, Koenig called for collective work, including military action, to help put Iraq on the road to democracy. His message - the US was committed 100% to NATO.



AN EFFICIENT OR LOYAL NATO – THE DEBATE

After hearing all three speakers, session moderator, **Jamie Shea** asked a series of questions:

- how could US loyalty to NATO, if it was no longer automatic, be re-generated?
- how could political interest in Alliance activities be improved?
- how could the EU’s activities be made to serve NATO rather than detract from it?

Who's in charge?

Frederick Bonnart was the first to pose a question. Bonnart picked up Koenig's comments that a) NATO was the US's "preferred partner" and b) the US wanted more NATO involvement in Iraq, and said these were incompatible statements. Bonnart concluded that this would imply NATO being under the control of the Pentagon, which was impossible, i.e. "NATO was useful but only if the US was in charge".

Koenig agreed with Bonnart that the NATO Atlantic Council (NAC) was in charge of political decision-making and he had no intention of trying to change that. However, he foresaw a range of ways in which NATO could act, consistent with the NAC. This would need the agreement of all nations, but a coalition – involving NATO – already existed within Afghanistan.

The Proliferation Security Initiative

In regard to the problems of WMD smuggling, DePaul University College of Law's **Barry Kellman** wanted to hear about possible NATO involvement in the Proliferation Security Initiative (PSI).

On the subject of PSI, Koenig described a loose relationship between NATO and the PSI – a "mutual information arrangement". Most activities were through bilateral agreements, but Koenig did not rule out the two bodies interacting further in the future – the debate was ongoing.

Charles Grant intervened on the subject of PSI, saying it was good news that Russia had joined. He looked forward to a UN resolution that backed the PSI, as a small group of the most powerful nations was more suitable than NATO when it came to tackling WMD proliferation.

NATO and civil emergency procedures

The European Commission's **Bernhard Jarzynka** asked if NATO was prepared to act in the case of a major disaster. What was the state of play in that regard?

Finally on civil emergency planning, Koenig said NATO was looking at new ways to cooperate with the EU. France, Germany and the UK had recently put forward a new proposal in this area, but it was another area where the (lively) debate was ongoing. Koenig did emphasise though, that NATO had a lot to offer in this regard.

Stephan de Spiegeleire managed to bring the PSI and the emergency planning themes together, suggesting that they were both examples of NATO being a "sub-optimal organisation". The PSI issue showed that NATO was not always the perfect body to tackle many issues ("coalitional suboptimality") and, on emergency planning, the Alliance did not always have all the tools to meet all situations ("functional suboptimality"). De Spiegeleire called for more effective EU-NATO links, that brought together the relevant decision-makers on both sides of the Atlantic.

First amongst equals?

The GCSP's **Julian Lindley-French** asked the panel to comment on the nature of military alliances within democracies. Could they function if one member was disproportionately powerful? Could alliances be organised in a different way and how could such imbalances be harnessed? And could plans be made if there were only risks and no scenarios?

Luc Carbonez, Belgian Ministry of Foreign Affairs, followed up on Lindley-French's question. He saw a massive gap between "what was said and what was done". Carbonez recounted the problems of trying to get nations to support a bigger role for NATO in Iraq – and added that nations who were there, were not happy. In agreement with Lindley-French, he argued that the problem was due to the presence of one overwhelming partner with its own "global obligations". Had they been discussed within the coalition? Perhaps some countries were afraid to speak-out? He painted a picture that was far from healthy.

De Spiegeleire was the first to tackle Grant's series of questions. Invoking political science theory, he said that having one overwhelming power was typically seen as an advantage and not a disadvantage. He also added that there was no intrinsic problem with planning based on risks rather than scenarios – "this happens in the business world every day" – and there are many useful new analytical tools for dealing with 'deep uncertainty'. De Spiegeleire argued that politicians often hid behind alleged "institutional problems" as a way of avoiding taking decisions.

Grant agreed, having one dominant partner could help decision-making. However, given the well-known discrepancies in capabilities and usability, and given Europe's unwillingness to spend money on defence, then US leadership had to be accepted.

Looking to the long-term, Grant saw NATO becoming a three-pillar organisation (EU, Russia and the US). He looked to the EU being stronger and more united within such a coalition, so that its voice could be heard.

Koenig agreed with Grant that capabilities were the key, but he insisted that the US wanted to increase the level of Europe in that regard. He argued that it was difficult if one ally had "more robust capabilities" and that had to be addressed. Koenig did not see the picture improving though. If European budgets were reduced, in line with a decrease in public support for defence spending, the problem would get worse.

Defence industry priorities

Martin Hill turned the spotlight on to the defence industry. He saw a focus on WMD / counter terrorism to the exclusion of all other matters. Is this what NATO wanted?

On defence industry policy, Grant backed NATO playing a role as no other transatlantic organisation could set the ground rules on mergers, standards, technology transfer, etc. But later, he added that the UK was unhappy about the US's decision to withhold the source code relating to the Joint Strike Fighter (the UK has invested \$ 2 billion) so that all repairs would take place in the US. And if the EU lifted its trade embargo with China, the US would have further reason to mistrust its transatlantic allies.

On industrial co-operation, Koenig agreed that allies' concerns over technology transfer had to be addressed. He said that US proposals on "more streamlined licensing" were in the pipeline but added that Europe's concerns about the priorities (WMD / counter terrorism vs. other sectors) would only be heard once the "gap" in capabilities became smaller.

Francophobia

Pierre Sabatié-Garat could not agree with Grant on a couple of points. The Turkish question had not been a "a small thing" and many US newspapers were now saying that the French position in Iraq was the right one, i.e. "francophobia" was not as rampant as Grant was saying.

Kellman was insistent – "widespread francophobia" did not exist in Middle America. No political candidate was standing "against France".

Grant accepted that perhaps "francophobia" existed in Washington rather than throughout the US. On France, while Grant accepted President Chirac's views on the Iraq war, he felt that his diplomacy had been disastrous. This had led to a lot of anti-French feeling in the US.

De Spiegeleire did not want to exaggerate the extent of anti-French feeling, but he remarked to be shocked by the extent to which *Fox News* – "the most popular news channel" - kept airing



radical anti-French sentiments.

Koenig had heard the various views on francophobia and felt they just about summed up the range of views in the US. However, he could not agree with Grant's initial comment that France had replaced Russia as the US public's *bête noire*.

The single market – with defence?

United Technologies' **Clemens Betzel** focussed on technology transfer – industry had to put pressure on all governments. But he wanted to know if the single market could ever be extended to include defence procurement.

On the subject of the single market, Grant saw some small steps being possible. The new European Defence Agency would help co-ordinate R&D expenditure but OCCAR might be more useful as it has less of a role for *juste retour*.

Regarding the lack of support for defence expenditure in Europe, De Spiegeleire put this down to a "mind-boggling degree of ignorance" on defence in Europe. He added that no sane politician would get involved with defence issues and that the military in Europe, unlike in the US, did not bring much creative thinking to the table. But he did see EU enlargement helping in this regard. On the need for more expenditure, De Spiegeleire repeated his view that moving to network-centric forces was a fantastic opportunity for Europe, and that this should be easily accommodated within the current \$200 billion ceiling.

Koenig agreed with De Spiegeleire – firm leadership was needed in Europe to explain to the public why defence was important. The US did not want Europe to continue its combination of high ambitions and low capabilities. Concluding, Koenig looked forward to the Istanbul Summit bringing positive news that would move the Alliance further in a positive direction. Shea thanked the speakers and reminded everyone that any organisation needed problems – as long as they could be managed effectively.

LUNCH SPEAKER - R. NICHOLAS BURNS, PERMANENT REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO NATO



Welcoming the chance to address the NDA, **Ambassador Burns** said he would focus on NATO's evolution and the Alliance's relationships with European nations following the divisions of 2003.

The importance of NATO

Not holding back, the Ambassador declared that the Alliance would continue to be vital to the US, Canada and their European allies, *for as far in the future as could be seen*. He felt that he had to stress that commitment, which came from "every level and every branch of the US government", as there had been widespread discussion as to whether the US considered the Alliance to be relevant in the 21st century. Underlining his remarks, Ambassador Burns stated that a "strong NATO alliance was the basis of American policy".

Although Ambassador Burns did not minimise the real differences that has occurred in relation to Iraq, he dismissed those siren voices that prophesied doom for the Alliance.

Providing the audience with an historical perspective, Burns highlighted the differences of opinion that had occurred

between allies during the Suez crisis, the Vietnam War, the Pershing missile crisis and during the Bosnia campaign. Ambassador Burns referred to Europe and North America as "natural allies", with similar philosophies on the practice of governance, who – above all – needed each other (in the spheres of trade, politics, defence and security). According to Ambassador Burns, this mutual need was the "greatest glue" that would bind the allies.

An alliance in good health

Looking ahead to the Istanbul Summit, the Ambassador declared that NATO was in a healthy condition. He focussed on NATO's "new strategic mission" - defined at Prague and emphasised with the events of 9/11 and Madrid – to look outward and keep the peace in Central and South Asia, the Middle East and North Africa. The Ambassador described this outward-looking form of self-defence as a "fundamental strategic shift".

Ambassador Burns took the opportunity to emphasise that all the countries of the alliance agreed with the strategy, with all 26 NATO nations countries involved in Afghanistan and Kosovo, and 17 nations in Iraq.

Expanding on this theme, the Ambassador argued that the new members of NATO were bringing new strengths to the alliance. Looking at previous expansions in 1984, 1995 and 1999, he said that they had, in reality, meant more countries to defend. However, the latest enlargement had brought in seven new countries that could help NATO to meet its new outward-looking objectives. Looking at the new alliance, the Ambassador saw its centre of gravity moving eastwards, with 40% of its

membership now being ex-communist countries. This led Ambassador Burns to describe the twin enlargements, of EU and NATO, as a “tremendous accomplishment by Europe” largely ignored by the media.

Building on that accomplishment, the Ambassador stated that NATO needed new partnerships with the countries of the Caucasus region, Russia, the Ukraine and the Greater Middle East. He expressed enthusiasm for the future and added that this feeling was shared throughout the Alliance. However, this was in sharp contrast to increasing scepticism by external observers, especially in Europe.

Looking towards Istanbul

Ambassador Burns moved on to the Istanbul summit and its objectives.

1. *Afghanistan*. With 7,000 troops already in Kabul and Kunduz, the Ambassador reviewed the plans to certify NATO's operations in the north of the country. This would effectively unite the Alliance's four provincial reconstruction teams (PRTs), prior to a push west. Ambassador Burns reminded his audience that Defense Secretary Donald H. Rumsfeld had said he expected NATO to expand its military contribution greatly in Afghanistan by the summer and eventually take over the entire operation.
2. *Afghanistan elections*. President Hamid Karzai has asked NATO to provide support so that safe and secure elections could be held in Afghanistan. Ambassador Burns argued that NATO should rise to this challenge, adding that a decision would be taken at Istanbul.
3. *Greater Middle East*. NATO will announce greater engagement, from the Maghreb to the Persian Gulf by: a) strengthening the Mediterranean Dialogue, and b) offering a new perspective to other countries of the Arab world (and Israel) via exercises with NATO troops and related initiatives. The Ambassador insisted that this was a major long-term undertaking.
4. *Iraq*. Here, Ambassador Burns said that most nations supported NATO having a wider role and he hoped that this would be confirmed at Istanbul or in the months ahead.
5. *Kosovo*. The peace-keeping role will be reconfirmed with no increase in troops. NATO leaders may announce increased EU involvement.
6. *Active Endeavour*². Russia and the Ukraine will be invited to join operation “Active Endeavour”.
7. *The Partnership for Peace (PfP)* – “One of the great unsung stories of the last decade” will be (hopefully) extended to the Caucasus and Central Asia and refocused. The Ambassador called this “A big step for NATO”.
8. *Other initiatives*. NATO will announce security support for the Olympic Games in Greece and a new policy of “zero tolerance” against sexual slavery (trafficking of women and children) based on an initiative promoted by Norway.

A crisis that exists today

The Ambassador then turned to transformation – which he described as “the most important reform in military terms”. Its initiatives have included:

² Operation Active Endeavour is NATO's maritime contribution to fight international terrorism. The operation's mission is to conduct naval operations in the Eastern Mediterranean to actively demonstrate NATO's resolve and solidarity.



- The creation of the NATO response force
- NATO's Chemical Biological Radiological and Nuclear Defence capability
- A slimming-down of the command structure
- The creation of NATO's Allied Command Transformation at Norfolk, Virginia
- The acquisition of new technology by some member states

The key phrase was “some member states” as the Ambassador differentiated between countries who were leading the way (France, UK, Poland, the Baltic States, Romania, Bulgaria, Norway and the US) and those – 11 in number - who were spending less than 2% of GDP on national defence. Such countries could not send troops to Afghanistan using their own resources.

The Ambassador argued that this could lead to an unhealthy two-speed alliance, given that the US planned to spend \$ 400 billion on defence whereas the 25 allies (combined) would spend much less than half of that amount.

The other problem outlined was usability – with only between 3-5% of troops being deployable outside their national boundaries. The Ambassador made his point strongly – this was a “crisis for Europe, the EU and for NATO”. How could NATO, he continued, meet its objectives if troops could not be deployed, if equipment was too old, if there were insufficient planes, if troops were badly trained and if there were too many conscripts in the armed forces.

The Ambassador gave two solutions: spend more on defence or redirect defence expenditures in order to improve usability and capability. As an example of the problem, he added that 10 member states spend over 60% of defence budgets on personnel costs.

For the Ambassador, this crisis facing both institutions – the EU and NATO – was the “greatest long-term structural problem to be tackled at Istanbul or in the months ahead”.

Q & A

Transformation

RAND Europe's **Stephan De Spiegeleire** wanted more information on NATO's new initiatives with respect to military transformation and wondered why the Ambassador had mentioned that item last.

Ambassador Burns listed many of the items he'd mentioned in his remarks (Operation Active Endeavour, the action against trafficking, the refocused PfP, the Iraq decision, the expansion in Afghanistan, the proposals in the Greater Middle East and the maintenance of the troops on Kosovo) and argued that Istanbul would be “a more consequential summit than Prague”.

As for the transformation of capabilities, he had no good news. At Prague, NATO had said it would spend more money but this had not happened except in the area of sea-lift. He again insisted that NATO could not meet its objectives without a transformed alliance with more troops available and with the ability to sustain them. (Increased usability and increased capability). As an example, the Ambassador said that NATO had been too slow to act in Afghanistan as it had insufficient resources. He had mentioned transformation last in order to stress the problem.

New member states

Defense News's **Nicholas Fiorenza** asked for more details of the roles played by some of the smaller countries in the Alliance, compared with its leading nations.

Ambassador Burns replied that Romania and Bulgaria deserved special mention because they had done remarkable things in terms of transformation. For example, Romania had air lifted its troops in to Afghanistan using its own resources. Within the western allies, the Ambassador singled out Norway as having done more than most in terms of improving its troops' usability and capability.

The Ambassador commented that “reform is not even” and repeated his view that the ex-Communist countries were amongst the leaders in the transformation process, as they were either increasing defence budgets or thinking about defence in a different way.

Looking to the future, Ambassador Burns said that the vast majority of allies would never again deploy troops beyond their national boundaries. But this would signal a switch to one of specialisation, as nations would not need to have resources across the board. As an example, the Ambassador highlighted the Czech Republic’s expertise in chemical and biological decontamination, which was in high demand throughout the alliance.

Towards NATO membership

The European Commission’s **Bernhard Jarzynka** asked if membership of NATO’s Partnership for Peace was a step towards full membership.

The Ambassador indicated that some PfP members did not want to join NATO (e.g. Russia) whereas some did (e.g. Ukraine, Georgia, Croatia, etc.). He added that NATO did not invite countries to join the Alliance but that any applicants had to meet strict criteria. Only Croatia, Albania and Macedonia are fully-fledged applicants at this time.

NATO’s importance

United Technologies’ **Clemens Betzel** referred to recent events and asked if NATO was losing some of its significance in the world.

The Ambassador disagreed with that idea and highlighted the growing trend in the US (in Congress and in the Administration) against unilateral actions. Referring back to President Bush’s call for “effective multilateralism”, he said the President had called for the UN, the EU and NATO to be strengthened.



Defending NATO’s record, the Ambassador said the US worked best with friends and allies, and remarked that many US politicians were calling for NATO to have a more ambitious role in Iraq and elsewhere.

Stressing the importance of the Alliance, Ambassador Burns said that Defense Secretary Donald H. Rumsfeld had been a strong advocate of NATO transformation and that President Bush and Secretary of State Colin Powell had both called for NATO to expand its efforts in Afghanistan, have a greater role in Iraq and develop its Greater Middle East initiative.

Summing up, the Ambassador said that if conventional wisdom said that the US was drifting away from NATO, this was flying in the face of reality.

The role of France

European Security and Defence’s **Claus-Peter Muller** referred to the role played by France in the creation of the NATO Response Force and asked if the Ambassador thought this would lead to that country joining the NATO command structure.

Ambassador Burns agreed that France had been a key player (in Kosovo, Afghanistan, Bosnia and in the Response Force) and an overall leader in defence terms. However, any decision to join the

Integrated Military Command structure had to be a decision for France, its government and its people.

The defence industry scene

SAIC's **Robert Bell** reviewed the industrial scene and asked if there was a collective role for NATO to play in the evolution of the defence industry and particularly in helping to stop protectionism.

Ambassador Burns said that topic was not discussed enough at higher levels. He argued that Europe must be able to acquire the technology needed to allow defence transformation to proceed. An Export Control Review is underway and "open defence trade" is needed. However, it had to be a symbiotic relationship.



Ambassador Burns thought that the new European Defence Agency could help to expand EU capabilities but this could not be a reason to create "fortress Europe". The Ambassador insisted that if that happened, it would be a "cause for great concern".

The Ambassador concluded by arguing that a two-way bridge was needed across the Atlantic – both sides had responsibilities and barriers to trade must not be raised.

Merritt thanked Ambassador Burns for his remarks and added that the Ambassador had been "a calming voice" during the last 18 months. Tensions on both sides of the Atlantic had been high and the Ambassador had been a great supporter of NATO and what it stood for at present and in the future.

Next NDA meetings

The next monthly roundtables will be held on September 20 ***Does Europe need a Black Sea security policy?*** and October 18 ***Is maritime security Europe's Achilles' Heel?***
