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TOWARDS A DEEPER VISEGRAD DEFENCE PARTNERSHIP

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WHY DEFENCE CO-OPERATION?

The May NATO Summit in Chicago ended with a call on member-states to spend their money on the right priorities, to start specialising instead of duplicating each other's efforts, and to seek economies of scale in collaboration. The Alliance calls this three-pronged approach 'smart defence', and it makes much sense, especially in the current tight fiscal environment. Even before the crisis, most NATO countries have lost the will to finance the broad-spectrum militaries they inherited from the Cold War.

For decades, the allies had been hollowing out the parts of their forces that they had ceased properly to fund, but were too skittish to abolish. The crisis has now savaged the European defence budgets: in one year alone, in 2009, eight European allies made double-digit percentage cuts in military spending (seven of the eight were new NATO allies from Central Europe and the Balkans).¹ To make things worse, the cost of military equipment has been steadily rising; the UK Ministry of Defence says it pays 4 per cent more each year to replace old equipment with equivalent new models.²

The combination of higher costs and shrinking budgets has devastated military capabilities: manpower in European armed forces has dropped by 18 per cent in Germany and 36 per cent in France since 2007.³ The crisis has also had some salutary effects: it has forced governments to start making overdue changes to their defence posture – the Dutch and the Danes, for example, have largely eliminated tank forces, for which they see little use in the future. Such prioritisation, however, will make limited difference in some countries – after years of downsizing, there is little 'fat' left in most European militaries, and with not much waste left to eliminate, countries will find it difficult to make significant savings in defence budgets.

Specialisation – the second pillar of smart defence – could yield far more promising returns: in principle it allows some countries to forgo certain capabilities, and focus on strengthening their expertise in other areas. In practice, specialisation creates political dependencies on other states, for which most NATO governments are ill-prepared.⁴

Collaboration – or 'pooling and sharing' in EU parlance – therefore emerges as the most promising money-saver among the three prongs of smart defence. Because it creates less critical inter-state dependencies than specialisation, governments are more open to it. And NATO member-states have much on which they could collaborate. There is a great contrast between the integrated way in which NATO countries fight wars (they supply each other's troops, guard each other's bases, and fight together) and the completely insular way in which they prepare for conflict: multinational military colleges are a rarity, as are joint acquisitions of equipment or co-operation on servicing or upgrading equipment. This inward-looking mentality was wasteful in good economic times; in crisis it becomes unaffordable. Since the economies soured, even such proud military powers as the United Kingdom and France have agreed to form a strategic partnership by signing a 50-year treaty on collaboration.

COLLABORATION: SENSIBLE IN PRINCIPLE, DEVILISHLY DIFFICULT IN PRACTICE

But how can more countries be encouraged to form defence partnerships? If collaboration was easy, many more allies would be pooling and sharing. Instead, most of the past attempts have failed to save money or produce useful units. The Germans and the French built a joint brigade but have never deployed it; so great are the differences in their attitudes to the use of force. While some common acquisitions worked well – NATO's fleet of AWACS (Airborne Warning and Control System) aircraft comes to mind – many others were howlers, such as the US-Italian-German MEADS (Medium Extended Air Defence System) program, which is eleven years behind schedule, 50 per cent over budget and close to collapse (the US wants to discontinue funding). Collaboration as such is no panacea; if not approached properly, it can become an expensive failure.

Past research⁵ suggests that for countries to form successful partnerships, several criteria have to be met:

¹'Financial and Economic Data Relating to NATO Defence', NATO, April 13th 2012.

²'Defence Inflation Estimates: Statistical Notice 2010/11', Ministry of defence, October 27th 2011.

³'Financial and Economic Data Relating to NATO Defence', NATO, April 13th 2012.

⁴ See Tomas Valasek, 'Surviving austerity: The case for a new approach to EU military collaboration', CER report, April 2011, pp. 39-40.

⁵ The following points are based on: Valasek, 'Surviving austerity', pp. 21-27.

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- **Similarity of strategic cultures:** when countries build joint units, they should choose partners with comparable views on when and how to use force. When partners disagree over where and with what 'caveats' (limitations on types of operations) their combined force is to be deployed, they risk not being able to use it at all – much as the French and the Germans have found when they tried to use their combined brigade. Naturally, similarity of strategic cultures will be more pertinent in cases where countries pool capabilities that are meant to be deployed or those that directly support deployed forces; it will be less relevant in cases where countries pool training grounds or storage facilities, which can also bring substantial savings;
- **Trust and solidarity:** these factors are especially important when the forces that partners choose to combine are responsible, directly or indirectly, for defending home territories: governments want to be confident that their partners will not leave them without access to shared assets in times of crisis at home. Trust is often the key difference that determines whether joint projects save money or not: the MEADS project, for example, is meant to replace existing Hawk and Patriot missile defences. But because participating countries have had so little confidence in one another and in the programme's success, they have also pursued other national alternatives to MEADS. Instead of saving money by pooling their research and procurement they effectively paid twice;
- **Forces of similar size and quality:** the trouble with collaboration between big and small countries is that the big ones do not always take smaller partners seriously. The United States has frustrated its European allies to no end by constantly changing timelines for the multinational but US-led F-35 fighter jet programme. In most cases, co-operation among countries of comparable size will work better than the alternative; asymmetry in size raises fears of one side 'dominating' the other and ignoring the smaller party's needs, thus undermining the all-important trust. Similarly, countries with advanced militaries will want to work with equally sophisticated partners. UK defence officials can sometimes be dismissive of pooling because they see their forces as the best in Europe. France, with whom they eventually agreed a co-operation treaty, is arguably the only power on the continent that can match the size and technological prowess of the UK military;
- **Level playing field for defence companies:** pooling and sharing saves money mainly by allowing the participating states to reduce the amount of equipment or services they buy. But this invariably means that some company somewhere will not receive an order that it would have received otherwise. For partnerships to work and endure, these losses must be evenly spread. If some countries protect their defence companies more than others, these asymmetries create friction that can cause co-operation to unravel;
- **Clarity of intentions:** some countries enter into co-operative projects because they want to save money (the Nordics, for example), others because they want to encourage deeper European integration (Germany with France), yet others because they want to bind non-EU neighbours closer to the European Union (the Polish-Ukrainian battalion, operational from the late 1990s to 2010), to build trust among neighbours with a history of troubled relations (Albania, Bulgaria, Italy, Greece, Macedonia, Turkey and Romania, which established a common brigade), or bolster their credentials as responsible stewards of their countries' security. These are all valid reasons but they lead to different conclusions. For example, countries that primarily want to save money may focus on integrating relatively mundane (but costly) tasks such as training or logistics, whereas co-operation for the sake of encouraging EU integration is more likely to involve the creation of high-profile joint units (which, however, may not necessarily save money and could be difficult to deploy). If co-operation is to leave both partners satisfied, there has to be clarity and agreement from the beginning of the discussions among partners on what purpose the initiative is to serve, because this will determine the scope, form and depth of their common project.
- **The above criteria should not be interpreted as 'commandments':** some countries will manage to form defence partnerships despite failing to meet some of the criteria. But, as general rule, most countries that did successfully pool and share fulfilled most, if not all, of the above requirements. Perhaps the most important prescription that flows from the points above is this: a lot of factors have to align for pooling and sharing to succeed, so European cross-border defence integration will remain an exception rather than the rule. Because formation of joint units requires enormous trust and similarities, pooling and sharing is best done in discreet, regional 'islands of co-operation', whose members agree to enter into closer cooperation, and possibly to integrate the parts of their militaries in the long term.

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A VISEGRÁD 4 ISLAND OF CO-OPERATION?

The four Visegrád countries (V4) did not need much convincing of the virtues of smart defense — even before Chicago, the Czech, Hungarian, Polish and Slovak governments vowed in a joint declaration to deepen military co-operation.⁶ Their motivation was to demonstrate that they are reliable allies — as frontier states they know that their reputation can be the decisive variable if and when they need help from the alliance. Moreover, three of the four Visegrád states have cut their defence budgets dramatically. Since the economic crisis began in 2008, Hungary has decreased military spending by 29 per cent, and Slovakia and the Czech Republic by 22 and 16 per cent, respectively (NATO figures). They need collaboration to partly offset this steep financial cut. Without it, they risk becoming much diminished forces.

Though their will to co-operate with each other seems beyond reproach, how suited are they to become an island of co-operation? How well do they do at meeting the criteria outlined above? Over the past year, the twelve DAV4 experts — authors of this report — have conducted an extensive survey of their defence establishments' attitudes, and the countries' political will and past experience with collaboration. The experts — a combination of officials, think-tankers and academicians — interviewed dozens of national defence officials and studied the V4 states' strategic documents and records of past procurement decisions and military deployments. They have concluded that while there are some important differences among the member-states, the V4 are in general well positioned to become a hub for military co-operation. Their future collaborative projects, however, will have to take the differences into account while capitalising on the similarities.

The following few pages survey how well the V4 states do in meeting the individual criteria for co-operation.

SIMILARITY OF STRATEGIC CULTURES

The V4 are fully integrated to NATO and the EU, and the common institutional framework is an advantage which, for example, the Nordic countries — the most prominent example of defence co-operation in Europe — do not enjoy. Moreover, the Visegrad countries have strong cultural and societal links,

and share a common history, especially in the past century.

Perhaps most importantly, their threat perceptions are similar, broadly focused on the possibility of threat from the East (though Poland's worries are more acute than those in, for example, Hungary or Slovakia). While their security policies identify non-military threats as more imminent, their defence doctrines and military policies do not exclude political-military threats, including missile attacks, which require the V4 to sustain territorial defence capabilities to deter low-scale conflicts of regional character. Such a structure of the armed forces has roots not only in the present strategic documents, but in the material legacy from the past — the V4 inherited substantial conventional forces from the Warsaw Pact days.

This does not imply that the Visegrad countries focus on purely static defence — all four sent forces to NATO- and EU-led operations, including the ones in Iraq and Afghanistan. Over the past few years, they have acquired considerable amount of new equipment such as transport aircraft to make these far-flung missions possible. Their readiness to use force abroad and re-tool their militaries for overseas deployments has multiple reasons. They all see NATO as the main pillar of their security, and recognise the need for solidarity with other allies engaged in expeditionary operations. Participation in the multilateral operations also encourages transformation, intensifies training, and improves interoperability.

Not all V4 countries share the same propensity for risk: while all four have suffered casualties, including killed in action, their numbers greatly diverge. Slovakia, for example, has sent mostly combat support troops and, as a result, has not experienced loss of lives on scale that would test the sensitivity of the public to foreign deployments. Poland, on the other side, has been among the top contributors of combat units to operations in Iraq and Afghanistan, suffering the highest number of casualties from among the Visegrad countries (making these deployments hugely unpopular). All four appear to share the sense that while participation in overseas NATO missions is important, there must be a limit to how many forces allies send abroad, particularly at

⁶ Joint Communiqué of the Ministers of Defence of the Visegrad Group, Litoměřice, May 4 2012.
http://www.ata-sac.org/globsec2012/uploads/Litomerice_V4_MOD_Communique_signed__4_5_2012_.pdf

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the time of economic crisis and the return of a more hard-line regime in Russia. Correspondingly, none contributed forces to the Libya operation (though this is also in part because few had meaningful assets to contribute to what was essentially a high-intensity air-to-ground war).

Paradoxically, while the V4 have taken risks – some great risks – on behalf of NATO, security policy and foreign deployments are not a prominent issue in public discourse in any of the Visegrad countries. Slovakia and Hungary in particular show few signs of public interest in the issue; the Czechs have had a more lively debate and the Poles most intense of all (partly because of a new re-armament programme announced in 2012), but none even remotely resembling the discussions in Germany, the UK or the United States. The public ambivalence about foreign deployments – and the governments' reluctance to make a public case for them – has made it difficult to sustain or increase the defence budgets: the missions are the armed forces' main tasks and drive their equipment needs, but the public knows little about where and why the armed forces are being used. On the other hand, the relative silence about risks and dangers to NATO troops have made it easier for the political elites to send troops abroad. Slovaks accept the need to contribute forces to NATO operations and understand that it is expected from a member, but they do so with little enthusiasm. Similarly, Hungarians generally do not oppose foreign operations, but nor do they support them with much vigour. The armed forces in all V4 countries enjoy high levels of respect and acceptance, but this is in great part because they have continued to be active in the disaster relief and are often seen as a last resort in these situations, or – in case of Poland – because of the military's historic role and because it is seen as a symbol of national identity.

The shared experience of NATO missions, together with a common institutional framework, the importance these countries accredit to the alliance and similarities in threat perception give the Visegrad countries good grounds to co-operate. With comparable views on which military operations to join and which ones to abstain from, the odds are that V4 would also agree when and where to deploy their joint units in the future, should they build them. Because they face similar need to strengthen expeditionary capability, the V4 are likely to have comparable equipment needs (for example in the area of armoured vehicles). The more often they deploy forces in the same theatre,

the more opportunities emerge for shared logistical, intelligence, force protection or engineering support. And the very experience of deploying in common operations strengthens the feeling of solidarity and unity among the V4.

TRUST AND SOLIDARITY

The expert group's research indicates that while there is general trust among the four countries on the highest political levels, the bureaucratic and military establishments are much more suspicious of collaboration.

The most common fear that our respondents voiced is that of 'free-riding': of a country (or countries) not contributing proportionally to joint activities. We have also heard concerns about Poland's far greater size relative to its V4 kin, and whether its lopsided strength will make it difficult for Warsaw to take seriously the needs of its smaller partners. And Slovakia and Hungary continue to suffer from attempts among parts of their political establishments to paint each other as adversary. Similarly, previous failures at collaboration have dented trust among the V4, particularly the doomed attempts to jointly modernise Mi24 helicopters and T-72 tank and to co-ordinate acquisition of modern multi-role aircraft (with each country eventually proceeding to find a national solution). The Czechs and Slovaks cited bitterness about the way their previous joint battlegroup has been put together in 2009, with Czech officials disappointed at the quality of Slovak contributions, and the Slovaks complaining about the Czech management of their shared battlegroup. These past troubles and general anxieties will make it difficult to introduce some of the most promising elements of co-operation, such as integration of units or personnel exchanges of officers at the ministries of defence, though a sub-regional co-operation of two or three Visegrad countries should be possible.

What compensates for the low trust at the working level is the strong desire for co-operation among political elites and foreign ministries. They draw encouragement from successes in V4 collaboration on other subjects in the EU and NATO, where joint approach helped the Visegrad countries, for example, to make sure that the NATO Strategic Concept of 2010 reaffirms the importance of Art. V of the Washington Treaty. Furthermore, they are keen to reap the broader benefits: co-operation of all sorts, if properly thought-out and implemented, increases the level of trust among the four countries,

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making the web of multilateral institutions denser, deeper and thus more stable, and preventing potential regional tensions, especially between Slovakia and Hungary. The foreign ministries are also mindful of the reputational benefits that successful collaborative projects would generate, especially among other NATO allies. In the last two or three years, the proponents of collaboration gained additional argument in the potential efficiencies which pooling and sharing can generate, thus offsetting declining defence budgets. Even the generally more sceptical defence ministries are showing renewed interest.

However, given the less-than-enthusiastic support among parts of the government, collaboration will need to be approached gingerly. As argued later in this paper, co-operation should start with small initiatives with a high chance of success in the short-term. Early success would contribute to building trust at the echelons responsible for project implementation, and thus pave the way for more ambitious projects in the long-term. Some types of collaboration will find very little support at the V4-level; Slovakia and Hungary, for example, may find it difficult to build joint frontline units. But in these cases, countries should be free to proceed with other V4 partners, with whom they share stronger bonds of trust – the Czechs and the Slovaks, for example, will be better placed for such sensitive collaboration. At the same time, even these two countries, should they proceed towards creation of joint units, would benefit from adoption of measures that give them assurance that their joint capabilities would be provided if needed. Measures such as budget lines specifically dedicated to deployment of shared units would give the participating countries confidence that their joint forces will be available in times of need.

Transparency and predictability are also important principles, which help build trust among nations: the more countries know about each other's plans, and the more they believe that their co-operation has future, the more reasons they have to trust each other. The establishment of regular meetings of Visegrad parliamentarians to discuss defence co-operation is one way to improve transparency. A good way to improve predictability is through the elaboration of a legal agreement acknowledging the countries' long-term commitment to collaborate. Finally, if the countries are to be successful in their collaboration path, it is clear that a top-down approach must be applied in the present situation – where mistrust is unjustified or obscures other objectives, senior-

level proponents should be ready to overrule lower echelons.

SIZE AND QUALITY

The Visegrad countries are obviously incomparable when it comes to the number of troops, military ambitions, annual budgets and quality of equipment. Poland is militarily superior to the rest of the group and is expected to assume the role of a regional power. This will present some challenges to collaboration, but it need not be a show-stopper.

Poland's population of 38 million outweighs the rest together, and the same applies to the countries' armed forces. The strength of the Polish military currently stands at around 100,000 troops; more than the combined strength of the armed forces of the Czech Republic, Hungary and Slovakia. This manpower is reflected in the country's ability to send forces abroad. The 'Polish Strategy for the Participation in International Operations' adopted in 2011 declares that Poland should be able to deploy around 3,200-3,800 troops overseas on a sustainable basis, which means that the total number of deployable troops equals around 12,000 (because for each deployed soldier another two need to be preparing to deploy or resting after a mission). For comparison, the Czechs are able to send on average 1,500 troops, the Hungarians 1,000 and the Slovaks 550. In addition to diverging numbers of troops, there is a major structural difference: Poland is the only Visegrad country with a navy. The other three countries are land-locked, which rules out the possibilities of co-operation in this area.

Poland is also the only Visegrad country whose defence budget is holding steady. Due to strong economic growth and statutory requirement keeping the defence budget at no less than 1.95% of GDP, the Polish armed forces have enjoyed a gradual increase in annual defence spending. In 2011, the defence budget reached almost 6.7 billion euros, and has risen further in 2012. On the other hand, the militaries of the Czech Republic, Hungary and Slovakia are heavily underfunded, struggling to keep their capabilities and credibility. Slovak and Czech defence budgets, for instance, presently stand at 1.11% of GDP, while the Hungarian one is estimated to fall under 1%. In addition to the overall defence budget of Poland, the share dedicated to capital investments has steadily risen as well. In 2011, it accounted for 16%, while in the Czech Republic and Hungary it was 13% and in Slovakia only 7% (NATO figures from 2011).

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These budgetary differences as well as variances in defence policies in the past twenty years have led to divergences in quality, value and usefulness of weapons systems and other equipment used by individual Visegrad militaries today. Where a decade or two ago, the V4 possessed arsenals of comparable age and quality (which rendered them uniquely suited for collaboration on procurement or maintenance), by 2012 some V4 have already modernised while others have not. Poland and, to lesser extent, the Czech Republic belong to the first group, while Slovakia is the laggard among the V4. These inequalities explain why Poland also seeks defence co-operation partners beyond the Visegrad region; the most prominent being Germany, using some identical equipment, such as the Leopard tanks. Polish-German co-operation is particularly intense when it comes to exercises and military training (though they have stopped short of pooling and sharing). And Poland is also seeking to boost defence co-operation within the Weimar Triangle format or bilaterally with the United States, in order to further cement the country's position as one of Europe's top powers – a status which the Visegrad collaboration alone cannot bestow on Poland.

Still, notwithstanding the differences in size, budgets, quality of equipment or ambitions, Poland seems to recognise strategic advantage that the co-operation with its smaller regional neighbours offers. If it came to be seen by other V4 states as the region's leader, this would enhance Warsaw's importance vis-à-vis major European players, such as Germany, France and Great Britain. Moreover, Poland has been handling its rising power well, involving neighbours in its diplomatic initiatives (on matters so diverse as China and the future EU governance), thus giving other Visegrad partners fewer reasons to fear its domination – indeed, they seem to be warming up to Warsaw's new role. The risk is that other V4 abuse Poland's much larger size and willingness to lead as pretext for free-riding. Poland should not compromise on burden-sharing and demand a fair contribution from its partners; the others must contribute proportionally if they want V4 pooling and sharing to succeed.

DEFENCE INDUSTRIES

Truly deep defence collaboration, such as the creation of joint units, may well spur opposition from some of the region's defence companies. Joint procurement means that some companies will not win an order that they would have secured had

all four countries procured individually. Ideally, the orders – as well as the lost opportunities – would be shared evenly among all V4 countries. But this presupposes that the V4 all have defence industries at similarly advanced technical level (so that they all have equally good shots at securing orders), their governments have comparable attitudes to their national defence industries (so that not one government protects its industry more than others), and the countries all focus on producing somewhat different goods (so that their companies complement each other, instead of competing). Alas, that is not the case. The V4 will need to think creatively to prevent differences in industrial policies from wrecking future collaboration.

Polish defence industry is relatively large and concentrated, but at the same time inexperienced in multinational investment programmes or joint procurement. Its defence companies hesitate to operate in a competitive environment, pushing the government to protect it and postpone opening of the market (Poland initially opposed the EU defence procurement directive, which the Commission drafted in order to inject more competition into military procurement). Polish defence companies focus mainly on securing contracts with the country's defence ministry or less technologically demanding Asian customers, though there are some projects, which might be attractive for European partners as well, such as the new generation of air defence systems.

The Czechs see defence industrial collaboration with Poland as potentially valuable way to assimilate new technologies and win a foothold in the (much larger) Polish market. But the Czechs have been frustrated by the Polish government's protectionist attitude. At the end of the day, they often choose to co-operate with the easy-to-deal Slovaks, even if the technological benefits of such joint projects may be much more limited. Both Slovak and Hungarian defence industries are small. Few of their companies produce purely military goods anymore; most have civilian business on the side. Although Bratislava and Budapest do care about domestic companies, their interests seem to present lesser challenge for regional co-operation, especially because financial austerity is forcing government to abandon costly subsidies for inefficient industries.

It is clear that opening of national procurement programmes to competitors among the V4 may hurt some uncompetitive companies, though the case might be made that those would suffer

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from shrinking budgets anyway. For those who are more apt at competition, co-operation may present a way to improve their chances to expand abroad and survive. But because those competitive companies tend to be concentrated in Poland and, to lesser extent, the Czech Republic, friction is very likely. The Slovaks and the Hungarians may be tempted to insist on distributing the work among all four states as a way of propping up their companies. But such 'juste retour' approach has led to costly cost overruns in the past; it also virtually guarantees delays in delivery. The V4 will need to find a different approach; one that we spell out below (see 'Navigating obstacles to co-operation').

CLARITY OF INTENTIONS

The militaries of the Czech Republic, Hungary and Slovakia have been severely hit by the current economic crisis. Their defence budgets are shrinking and capabilities are difficult to expand or even sustain. Though the countries understand that co-operation will not miraculously generate significant savings, they nevertheless expect it to help them mitigate the consequences of financial downturn. The emerging regional defence collaboration is essentially a (budgetary) 'crisis management' operation to them, conducted by heavily underfunded defence ministries (except for Poland), which seek to save money on logistics, maintenance or training while giving themselves the opportunity to acquire items which would be unaffordable on national basis.

Poland, too, is interested in all the capability-related benefits that collaboration offers. But it also has a geopolitical goal in mind: it seeks to play a prominent role in the region, enjoying the respect of its neighbours and prestige among Europe's large countries. Poland also seeks to strengthen the two institutional cornerstones of Polish national security: the EU and NATO. V4 military co-operation with Warsaw at its core allows Poland to establish leadership in Central Europe. And by steering this co-operation towards building up an EU Battlegroup (more on which below), Poland also strengthens the EU.

The rest of the group also consider NATO and the EU as the ultimate guarantors of security. But while Poland, as a big country, focuses on substantial capability contributions in order to reinforce these institutions, its regional partners place greater emphasis on improving their reputation as reliable allies, demonstrating their strategic maturity and

proving themselves to be security producers rather than consumers. They are looking for symbolism, and sometimes place less emphasis on contributing real capabilities to NATO and EU operations – as long as they are seen as fulfilling their duties. Were they to apply the same philosophy to V4 collaboration, Poland would come to see others as free-riders.

Within each V4 country, there are differences among priorities of actors on the national level as well. The foreign ministries tend to regard V4 defence collaboration as a tool for improving political standing in the region, NATO and the EU; they pay less attention to capabilities delivered. The defence ministries worry about capabilities first and foremost, though from different angles – the Poles want to add to their military strength by securing contribution to joint units from other V4 countries; they in turn look to collaboration mostly as a way of spreading existing expenses among more participants, thus lowering costs.

Last but not least, the Visegrad countries are also aware that defence co-operation could increase the level of trust among countries in the region, make the V4 more deeply and densely institutionalised and thus prevent tensions. This rationale is particularly attractive for the Hungarians and Slovaks, who have experienced problems in mutual relations.



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NAVIGATING OBSTACLES TO CO-OPERATION

With important qualifications and nuances as presented above, the Visegrad countries mostly harbour similar expectations of their co-operation and – importantly – understand the differences between them. Their desire to co-operate has strengthened with time, as has their willingness to overcome obstacles to closer military partnership. What is needed now is a ‘roadmap’ of sorts; a guide on how to navigate future difficulties, along with ideas for specific projects. We offer both on the following pages. The experts’ research into regional similarities and differences suggests that the V4 states have the greatest chance to successfully forge defence collaboration if they observe the following principles:

- **Caution yet ambition:** To build trust, and to eliminate residual suspicions stemming from previous unsuccessful joint projects, the V4 should start collaborating on capabilities such as training and education that will raise fewer sensitivities than co-operation in other military activities. But they should not stop here; their goal should be to convert the trust that smaller projects generate into a determination to pursue more ambitious projects. Real economies of scale lie not in small steps such as academic exchanges but in deeper co-operation, such as partial or complete integration of units or facilities. This report therefore groups its recommendations into two categories: it starts with relatively modest proposals for the near-term time frame (0-3 years), on the understanding that success in those areas will allow the V4 to proceed into the second category: that of ‘game-changing’ projects.
- **Pragmatism:** V4 defence collaboration must bring real military benefits, not be undertaken for co-operation’s sake. Countries should focus on those initiatives that allow them to preserve existing capabilities, or to gain access to capabilities which they typically would not be able to procure independently. Governments should feel free to discard project ideas that, on closer examination, turn out unworkable: the measure of success should not be how many joint projects there are but how effective they are at allowing the V4 to maintain or cultivate needed capabilities.
- **NATO and EU focus:** These two institutions remain the key drivers of defence planning, and the most likely vehicles for deployment of V4 armed forces. The purpose of Visegrad collaboration is

not to create a regional alternative to NATO or the EU but to reinforce the two organisations by improving the V4 countries’ ability to contribute to collective missions and ambitions. To this end, the Visegrad collaborative projects should aim to directly address NATO’s and EU’s capability gaps, or to free up resources, which will permit the V4 countries to plug those gaps individually. As much as possible, the V4 should seek to embed future collaboration within the NATO and EU frameworks such as ‘smart defence’ or the European Defence Agency’s multinational projects. They also ought to consider pledging those capabilities that they plan to develop jointly towards NATO’s ‘capability targets’, and to make recourse of NATO’s new ability to establish regional, rather than national, capability targets. Such integration may make it easier to implement future collaborative proposals as the V4 could make use of existing funds and know-how in NATO and the EU.



- **Variable geometry:** Because the V4 countries are of different size and have different equipment, they will not all co-operate to the same depth, and on the same projects. One key organising principle should be that of ‘variable geometry’: while all projects should be open to all interested V4 parties, countries should be free not to join, and allow a smaller cluster to proceed without them. Equally, the V4 format must not be exclusive – each of the countries involved has other bilateral relationships that it will want to preserve. Countries from outside V4 should be allowed to join on a project-by-project basis. Indeed, countries such as Austria, Croatia, or Ukraine have expressed

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interest in collaboration with one or more V4 countries – where practicable, those requests should be entertained.

- **Align defence mindsets and strategic cultures:**

Defence collaboration is as much about mindsets as about specific projects. It requires that countries start to think of defence capabilities as something that they build on a regional basis, rather than a purely national one. This approach is quite different from how the V4 defence and political establishments operate today. Despite past examples of collaboration, their first instinct is to acquire each new capability at home (if possible), and alone. The governments can and should start taking measures that will overtime establish collaboration as the default position, not an exception. These 'strategic alignment' measures (listed below) should include expanded co-ordination of defence policies, leading to the closest possible harmonisation of defence planning.

- **Undercapacity and overcapacity both need to be addressed:**

The V4 countries have facilities and capabilities, which are not being used to their fullest potential, and the sharing of which can create significant economies of scale. For example, they inherited from Warsaw Pact days training ranges and military colleges built for needs of much bigger armies than they have today. Conversely, the V4 also have significant shortfalls in certain skills and equipment, such as in helicopters. Where those needs overlap, they should explore the possibility of joint acquisition, maintenance and personnel training aimed at closing those shortfalls. Measures addressing overcapacity tend to raise fewer sensitivities, and could be undertaken first. Measures addressing shortfalls, such as joint acquisition and operation of defence equipment, will be more politically delicate but could make the difference between V4 countries possessing certain capabilities in future or losing them to the economic crisis. They should be undertaken in mid-term perspective, with emphasis on pragmatism, NATO and EU needs, and observation of the 'variable geometry' principle.

- **Smart industrial approach:** Each of the V4 countries has somewhat different defence industry and different attitudes to defence industry, as argued above. This is a challenge, but not an obstacle to co-operation: other clusters of countries have managed to work together quite closely despite

industrial differences – Britain and France come to mind. In distributing industrial participation, the V4 should eschew the 'juste retour' approach, under which each country seeks a share of each project (which has led to cost overruns in the past). Instead, they should adopt the principle of 'global balance': countries should accept that joint orders will go entirely to the country that is best suited to produce the given good, but over the lifetime of co-operation, each country should receive a proportionally fair share of such orders. This approach assumes that all V4 preserve healthy defence industrial sectors. They have more reasons than ever to do so: the EU directive on defence procurement (2009/81) is starting to inject more cross-border competition into defence procurement. The V4, along with the rest of the EU, will need to work hard to improve competitiveness of defence companies, including through greater collaboration.

- **Lay the political and legal ground for co-operation:**

Truly deep forms of military collaboration such as integration of military assets or joint procurement require that the participating governments believe that their defence relationship has a future. One way to make sure that it does is for the governments to sign a declaration, memorandum of understanding or – ideally – a long-term treaty on co-operation (as Britain and France did). Equally, the V4 would have more confidence in their collaboration if each government, individually, agreed a binding, national multi-year defence budget and procurement perspective. Such arrangement, whose different versions are already in place in Poland or France, for example, would send a signal that collaborative projects will be properly resourced.

- **Learning from others, exporting lessons:** Defence collaboration is new to most countries in Europe. Many others are grappling with dilemmas similar to those of the V4: looking for new approaches, ideas, and solutions to problems. In exploring future collaboration, the V4 should make full recourse to lessons learned in other countries. Moreover, they should take the lead in the EU and NATO in designing a structured way to identify, distribute and harvest experiences from defence collaboration in all parts of the EU and NATO, using the respective organisations' capacities. To the V4, defence collaboration is also an opportunity to become the thought leaders on this important security issue, which in itself can bring reputational benefits to the Visegrad countries.

PROJECTS

FROM THEORY TO PRACTICE: FUTURE V4 PROJECTS

Over the past several months, the group of experts has studied a number of possible joint projects. They have drawn on many useful ideas developed by the V4 governments, including those contained in the 'Responsibility for a strong NATO' declaration or the (draft) Czech-Slovak agreement on defence collaboration. The list below develops this work by offering a sense of timelines and suggesting the order of priorities. The list is not meant to be comprehensive – other collaborative projects are possible and will no doubt materialise. The reason for selecting some ideas over others was to highlight the most important areas for co-operation: those, which most directly address NATO and EU capabilities or hold the promise of creating substantial economies of scale.

CAPABILITY DEVELOPMENT

Short-term (0-3 years):

- **The V4 chemical, biological, radiological and nuclear (CBRN) defence battalion:** a permanent capability, drawing on expertise contained in the Joint CBRN Defence Centre of Excellence in Vyškov, Czech Republic and Polish leadership of the counter-CBRN NATO Response Force module in 2009, as well as existing CBRN knowledge in Hungary and Slovakia. While the inauguration of such battalion, and certainly its lifetime, will fall outside the 0-3 years' time horizon, the V4 countries should in the near term agree the modalities of its work, identify the division of labour, and start investing into those national CBRN elements that will form a part of the joint battalion. Regional co-operation on CBRN will provide the V4 with the opportunity to further develop their relevant capabilities even at the time of constrained finances, and to implement their stated ambition to become the leading CBRN specialists in NATO. CBRN is a sought-after capability for both out-of-area and territorial defence missions; moreover, a quickly deployable CBRN battalion will also be highly useful in cases of industrial disasters in the V4 and beyond.
- **The V4 cyber defence initiative:** the V4 should consider developing a long-term mechanism for regional cyber security co-operation: regular exchange of information, joint training and the establishment of procedures for mutual assistance in the event of a large-scale cyber-attack. At its core should be close co-operation among the V4

Computer Emergency Response Teams (CERTs), responsible for governmental communication networks and large-area systems running the critical infrastructure, as well as their military counterparts, responsible for protecting military communication and information networks. The initiative should make full use of the experience and capabilities of the NATO cyber defence Centre of Excellence in Tallinn as well as other allied institutions dealing with cyber security; it should also be open to co-operation with the EU's ENISA agency (European Network and Security Information Agency). The V4 collaboration on cyber security makes all the more sense because elements of the participating countries' vital networks are already interconnected, and the protection of those bits requires co-operation. Further, increased cyber security co-operation would also add to the V4 countries' political weight in NATO.

Long-term (3+ years):

- **The V4 (+ Ukraine) EU Battlegroup (BG):** already agreed at the V4 level, the Battlegroup is the most significant regional project; it also holds a real long-term transformative value. In order to preserve the relationships and the habit of co-operation that will have been fostered in the process of building the BG, the participating states should turn it into a semi-permanent asset, which will be on rotation on a predictable basis (for example every four years), in the V4+ format. They should also launch, at earliest possible time, a continuous lessons-learned process to accompany the preparatory work and the Battlegroup's 2016 stand-up period: this would enable early identification of emerging problems, which might hamper the timely establishment of the BG. A proper lesson-learned process would also allow the V4 to identify strengths, weaknesses, opportunities and challenges of mutual military co-operation in general. In the long run, the V4 should aim at permanently integrating some nucleus capabilities required to build a BG, which could then also be used independently of the Battlegroup – the most promising seem to be medical support, logistics, engineering or even command and control capability for the BG. The Battlegroup could also be established as a more flexible force than the original BG concept foresees, with additional civilian components, and assigned a broader scope of tasks (which would allow the V4 states to make use of BG components for non-military

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duties, too). The emphasis on the Battlegroup is not to suggest that the V4 countries prioritise EU over NATO: when it comes to capabilities, what is good for the EU is also good for NATO. Both institutions will benefit if the V4 use collaboration to preserve high intensity, short readiness capabilities, which would otherwise fall victim to budget cuts.

- **Joint V4 air policing:** to be initiated by filling in the emerging Slovak capability gap with fighters from Poland, Czech Republic and Hungary. While, self-evidently, it would come into existence only if Slovakia made a decision to retire its Mig-29 fighters without replacement, the launch of joint V4 air policing over Slovakia would need to be preceded by considerable preparatory work including legal, operational and financial modalities. The V4 could start a feasibility study now, without predetermining whether the common air policing would eventually materialise. This study could be based on experiences from other NATO air policing operations such as the one in the Baltic states, in which Poland and Czech Republic took part. If implemented, a joint V4 air policing arrangement would allow Slovakia to use the money that would otherwise go to new fighter aircraft to take the lead in developing other niche capabilities for the benefit of the V4, such as counter-improvised explosive devices (IED) technology. Over time, V4 air policing over Slovakia could become a common effort to guard the whole V4 airspace on a collaborative basis, under a system of rotational combat duties, followed by joint pilot training and exercises.

TRAINING AND EDUCATION

Short-term (0-3 years):

- **Multinational aviation training centre for helicopter pilots:** it would build on existing assets, primarily in the Czech Republic and Hungary, and specialise in training Mil helicopter pilots, not only from the V4 but also from NATO partner countries. The project is already listed among NATO 'Tier 1' smart defence projects, with the Czech Republic as lead nation and Hungary a participant, alongside others.
- **Joint counter-IED centre:** it would build on the V4 countries' experience in operations, and the knowledge contained in the explosive ordnance disposal Centre of Excellence in Slovakia. The V4 would pool their research and training in the centre, use it to conduct lessons learned exercises,

and to develop new counter IED technologies.

Tighter collaboration among defence academies: as a first step towards the partial integration of higher military education, the V4 should agree to specialise in particular courses (this would also allow the V4 states to exploit their niche capabilities and share their unique experiences from developing and using them). A co-ordinated approach to specialisation would create a virtual 'common curriculum'. English should be the common language – this also means that specialisation, at least initially, should apply only to the most senior staff courses, whose participants are expected to speak advanced English.

Long-term (3+ years):

- **V4 military academy:** a common, multinational institution of higher learning for senior staff courses; with English as common language, based on the territory of one of the V4 states. It could be modelled after the Baltic Defence College in Tartu, which educates general staff officers and senior civil servants from Estonia, Latvia and Lithuania. The creation of such joint college would eliminate the need for the existence of duplicate senior level courses in the four countries, allowing the governments to re-focus some of their resources away from education towards other capabilities. At the same time, a joint college – assuming that the participating states send their best instructors to it – would improve the quality of senior level military education and narrow differences among the V4 countries' strategic cultures.

STRATEGIC ALIGNMENT

Short-term (0-3 years):

- **A joint declaration, memorandum of understanding or a treaty:** this would outline a vision for future co-operation as well as its structure and the general principles to guide it, along the lines of those offered above. A legal agreement, especially if underpinned with parliamentary approval, would also steel collaborative projects against the effects of political changes in the V4 governments, and give participating countries the assurances that they will have access in the future to commonly built capabilities.
- **Closer V4 co-ordination on the political level:** the four countries, via the offices of political directors at the ministries of defence or heads of security departments at the MFAs, should work towards the

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establishment of joint positions on the distribution of staff positions in NATO and EU structures, and on allocation of common funds.

- **Joint V4 proposal for how to strengthen further NATO's ability to encourage defence collaboration beyond Chicago:** the Visegrad countries should collaborate on addressing the key challenges involved: how can NATO identify and evaluate opportunities for cross-border collaboration? How can it better monitor progress in implementing joint projects and facilitate the sharing of lesson-learned on overcoming obstacles to pooling and sharing? Can the alliance address the challenge of start-up costs of collaboration projects, and that of countries losing access to needed equipment when they embrace specialisation?

Long-term (3+ years):

- **Agreement on embedding defence planners at each other's defence ministries:** this would allow countries to better understand each other's equipment needs and replacement timelines, laying the ground for future harmonisation of procurement cycles. This, in turn, is a key prerequisite for common acquisition of future defence equipment. The postings should take place on a reciprocal and flexible basis: some tandems within V4, such as the Czech and Slovaks, may be more open to such cross-posting than other combinations of countries.



ABOUT

DAV4 PROJECT

DAV4, or „Defence Austerity: A New Paradigm for Defence and Security Cooperation in the Visegrad Region“ is a project of the Slovak Atlantic Commission and its Visegrad partners (International Centre for Democratic Transition, Jagello 2000 and Polish Institute of International Affairs), supported by the International Visegrad Fund. It was initiated with two goals in mind: First, to explore the most cost-effective, politically feasible and militarily useful areas of defence co-operation among the Visegrad countries.

Second, to establish regional defence collaboration as one of the top priorities for the Visegrad framework, and to build its top-down support. The final output of the project is a report composed of two parts: The present Report contains a set of principles and projects, which the DAV4 expert group recommends the governments focus on. The extended Study contains a more in-depth analysis of the possible collaboration initiatives based on the specific needs of the Visegrad countries.

THE MAKING OF THE REPORT

The Expert Group first gathered in autumn 2011 at the **Smart Security** conference in Bratislava and soon after at the **Chateau Bela Strategic Forum** held in southern Slovakia, in order to elaborate research methodology and set the agenda of the project. The experts started their research by exploring best practices from other countries. In January 2012, they undertook a trip to **Norway and Sweden** to discuss Nordic Defence Co-operation with senior defence officials including the Norwegian minister of defence. A month later, the group undertook a visit to **Brussels**, for conversations with senior officials and diplomats about NATO's expectations for the Chicago Summit. In the meantime, the experts were conducting **ground research at home**: they were consulting their respective ministries about procurement plans and schedules, military ambitions and appetite for collaboration. During the Visegrad **Ministerial Meet-**

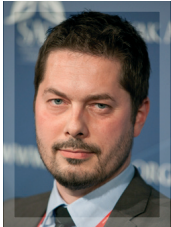
ing held in Prague in March 2012, the expert group members met with top figures in the Visegrad foreign ministries and of the Ministry of Defence of the Czech Republic. This helped them to formulate politically realistic yet ambitious recommendations for mutual collaboration among the V4 countries. The preliminary results were presented at the **GLOBSEC Bratislava Global Security Forum**, held on April 12-14, 2012. The GLOBSEC Forum was the last of the major security-related conferences before the NATO Chicago Summit and was an ideal platform to discuss common Visegrad military projects for the alliance's meeting. The time between GLOBSEC and the **NATO Chicago Summit** was used by the expert group and the representatives of the V4 ministries of foreign affairs and defence for co-operation and discussion on the final version of the document as well as its use in the official positions for the Summit.



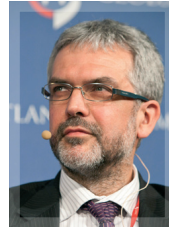
ABOUT

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