



Security Policy Working Paper, No. 12/2016

# Commitments for NATO

## More Money for the Bundeswehr

*by Karl-Heinz Kamp*

**On 26 January 2016, the German Minister of Defence, Ursula von der Leyen, announced her intention to invest a total of EUR 130 billion in the equipment of the Bundeswehr over the coming 15 years. This announcement did not attract as much criticism as expected, but the question as to what exactly this money would be needed for was asked. The general reference to the Bundeswehr being underfunded was considered not enough by many commentators. Yet, the amount of money required in the future can be derived quite clearly from the obligations that Germany – as part of NATO – assumes to reassure the Eastern European Allies.**

What surprised most about the minister's demand for money was not only the size of the sum, but also the fact that – apart from protests by the Left Party – she met with little opposition from the political circles in Berlin. Imagine a member of the government having considered putting in a defence investment request to the tune of EUR 130 billion four or five years ago – there would undoubtedly have been calls for his immediate resignation. Instead, the Armed Forces Commissioner, Hans-Peter Bartels, presented his annual report the same day and also referred to “existential equipment gaps” in the armed forces.

The total sum requested, however, was not broken down in detail and is thus more of a benchmark. According to the minister, the current plans are to establish “a moderate, but steady increase” and to spend, for example, an additional three to four billion euros per year just on military equipment. In the future, neither the limits set for the numbers of weapon systems in the past nor the former principle of equipping units with only 70 percent of the equipment they needed are intended to apply.

The press derived two main points of criticism from the absence of detail in the demand: One was that the equipment initiative would be launched even before the new German White Paper on Security and Defence Policy, scheduled for mid-2016, had been published. The government would make decisions on the subject matter without awaiting the assessment of the security situation – the White Paper would thus be devalued. The other was that the mere demand for military equipment did not indicate the purposes and scenarios for which these armament funds were being demanded. According to the critical voices, the general reference to the armed forces having been underfunded for years was not enough.

The argument that the White Paper must be awaited cannot be maintained when the developments in recent years are taken into consideration. When the idea of a new White Paper took shape in the second half of 2014, the events in Eastern Europe in particular had not yet been foreseeable. Since then, Russia has withdrawn from the existing European security structure and now poses a real threat to the Eastern NATO members and indeed a vital one for some of them. The Russian leaders' turn towards a policy that accepts the use of force to change borders in Europe in order to give effect to Russia's supposed role as a

superpower is obviously sustainable and unlikely to alter in the decade to come. In the face of the build-up in the Russian armed forces on the country's western borders and Moscow's threatening gestures, it has become necessary to make decisions on structures to enhance deterrence and the collective defence capability even before the White Paper process was finished. Instead, this fundamental change in the situation has been integrated into the White Paper process and thereby in the public debate on the reorientation of the Bundeswehr, too.

The question regarding the justification of the budget demand likewise largely arises from the changes in the security environment since 2014. Assuming that the partnership with Russia would be lasting, NATO and the majority of its members had considerably reduced their national and collective defence capabilities. Instead, armed forces were optimised for military crisis management operations – first in the Balkans, later “out of area”, above all in Afghanistan.

Due to Russia's unlawful annexation of Crimea, deterrence and defence have again moved to the top of the security agenda and caught many NATO members largely unprepared militarily. At its 2014 summit in Wales, NATO made extremely far-reaching decisions on the military reinforcement of the Alliance. Some of these decisions have meanwhile been implemented and further developed to take account of events in Russia. The expectations placed on the next NATO summit in Warsaw in July and thus on the “Big Four” – the US, the UK, France and Germany – are appropriately great. The US has made what many Europeans see as an unexpectedly strong commitment and is bearing the brunt of the job of restoring NATO's defence capability in Eastern Europe. For example, the sum provided in 2014 under the “European Reassurance Initiative” – from which not only NATO members benefit – has increased to USD 3.4 billion. Washington, however, is expecting the European allies to take on a fair share of the burden. France's military focus is on Africa, where the country has entered into considerable military commitments. Besides the US, it will therefore be Germany and the UK that have to take on a significant share owing to their military capabilities. For Germany, this commitment results not only from its political, economic and finally also military weight and the central importance of NATO for its security, but also from the fact that the Federal Republic was invariably able to rely on the solidarity of its NATO partners during the Cold War.

## **Improvement of NATO's Defence Capability**

With a view to the Warsaw summit, NATO has agreed on four principles concerning its military decisions: Firstly, a balance must be maintained between the measures taken to counter the threats from the East *and* from the South, since the NATO members have different threat perceptions as a result of their geographic locations. Secondly, a balance is to be achieved between a credible forward presence and effective reinforcement measures. Thirdly, in accordance with the rationale of the Harmel Report of 1967, a balance must be preserved between the provision of protection against Russia and dialogue with Russia. Fourthly, a balance must be achieved in defence spending both between the NATO members and between the level of defence spending and the share of investment. Taking these considerations as a basis, NATO has prioritised five work strands for implementing the defence capability improvement programme, to which Germany will have to make major military contributions.

### **1. The Readiness Action Plan**

This plan primarily concerns the new Very High Readiness Joint Task Force (VJTF), the six small NATO Force Integration Units (NFIU) in Eastern Europe, the Multinational Corps Northeast and the Multinational Division Southeast.

### **2. Hybrid Warfare**

Improvements are above all sought to be made in the fields of resilience, cyber defence and NATO-EU cooperation.

### **3. The Enhancement of Deterrence and Defence**

Core tasks will be the creation of a credible and appropriate military presence in Eastern Europe (Enhanced Persistent Presence) and the establishment of efficient supply routes (Reinforcement).

### **4. Missile Defence**

The capabilities built on the basis of American intercept systems must be completed and adapted to the new requirements.

### **5. Financial Support**

In order to fund the ambitious decisions made at the Wales summit, the NATO members again endorsed the “Defence Investment Pledge”, according to which the member states undertake to allocate at least two percent of their gross domestic product (GDP) to defence spending and to invest at least 20 percent of this amount.

Especially in the third work strand – deterrence and defence –, the NATO defence ministers assumed considerable obligations at their last ministerial meeting in February 2016. These obligations now have to be specified by the time the Warsaw summit begins.

The crucial thing is that – in particular under the aspect of deterrence against Russia – a military presence of as many NATO states as possible (first and foremost that of the US) is required in Eastern Europe. The same applied during the Cold War to the stationing of NATO forces along the inner-German border, which additionally assumed the function of a tripwire. Any aggression against NATO forces would have directly affected several member states, triggered a further-reaching military response by NATO and thus considerably increased the risk for an attacker. If the attacker was rational in his assessment of the costs and benefits, he must have seen that an attack had no or little prospect of success – the goal of deterrence would have been reached. The question of whether the required stationing of armed forces should be implemented on a permanent basis or, in consideration of the assurance once given to Russia that no significant military capacities would be stationed permanently in Eastern Europe, on a persistent basis has long been an issue of debate. The agreement the defence ministers have reached on an “Enhanced Persistent Presence” seems to be a compromise. Rotational (persistent) stationing will remain the rule, but the troops will be enhanced in such a way that an appropriate set of forces will be in the region at all times to attach a considerable risk of escalation to aggression of any kind.

Subject to agreement by the heads of state and government in Warsaw, three mechanised battalions, each with a strength of around 1,200 troops, will be stationed in the Baltic region, one of them in Lithuania with German forces and probably under German command. A fourth battalion, planned to be stationed in Poland, is also likely. The “tripwire” principle also applies for the NATO units stationed there and the Rapid Response Force. They will not be able to stop massings of Russian forces, especially as Moscow has shown that it is capable of massing 60,000 to 100,000 troops on a short-term basis during exercises. The deterrent effect instead feeds on the fact that a violation of the tripwire would trigger a further-reaching military response by NATO.

This strategy will only work, however, if a potential attacker must reckon that NATO is able to rapidly reinforce its troops in the region concerned in the event of a conflict. Here too, Germany plays a vital role, not only because of its political and military significance, but also because of its geographic location. During the East-West conflict, there was an enormous “supply industry” and West Germany was its hub. Annual REFORGER (Return of Forces to Germany) exercises ensured that military reinforcements could be brought in efficiently. Elements of these capabilities must be restored.

The most recent NATO exercises have shown the urgent need for this cost-intensive process of establishing a forward presence and reinforcement capabilities. In mid-March, NATO conducted its annual CMX (Crisis Management Exercise). This exercise, in which procedures are practiced, but no specific troop movements are conducted, was based on an Article 5 collective defence scenario for the first time since the end of the Cold War. The results of this exercise, whose scenario was fictitious, but based on potential real-life

developments, were sobering. Whilst the political decision-making processes were set up on time, NATO was unable to keep up with the simulated build-up of the opposing forces. This result was an eye-opener for many NATO members and shows the enormous efforts that still have to be made.

### **Consequences for the German Defence Budget**

One of the consequences for Germany resulting from the recent commitments it has entered with NATO is a need for considerable funds above and beyond those required for the ongoing commitments in Afghanistan, Africa and the Balkans, in addition to the equipment gaps that have been the target of criticism for years and the outcome of the policy of providing units with only 70 percent of the equipment they need.

- Having endorsed the “Defence Investment Pledge”, the Federal Republic is criticised because the German defence budget currently amounts to only 1.19 percent of the GDP. The rise in the GDP to which Germany referred does not really work, as President Obama again emphasized during his visit to the Federal Republic. Germany does not reach the 20 percent required with regard to investment either. Nevertheless, NATO’s two percent target will remain a figure of high political significance because, as things stand, it would require the German defence budget to be nearly doubled. Such an obvious growth in German military power might raise concerns in Europe and NATO.
- Under the “Enhanced Persistent Presence” programme, Germany will have to spend considerable sums on the persistent stationing of armed forces in Eastern Europe; sums that will be supplemented by the necessary investment in the field of logistical “Reinforcement”.
- In order to avoid a division of NATO into East and South, account must also be taken of how the southern members perceive the threats. In this regard, the Germany Navy is making a continuously increasing contribution, for example by participating in the monitoring mission in the Aegean Sea in addition to the operations already ongoing in the Mediterranean Sea. It is also demonstrating presence in the Baltic Sea and remains part of the NATO Naval Force in the North Atlantic. It is doing all this despite the fact that it has had to endure the most severe austerity measures during the past years. The German Air Force is investing large sums in the establishment of a permanent presence in Incirlik, Turkey, because it considers the fight against IS a long-term challenge.
- To enable the Bundeswehr to accomplish these tasks, the Minister has announced that she intends to set no upper limit for its future strength and to first create posts for an additional 7,000 military personnel. Here too, she sees herself in line with the Armed Forces Commissioner, who already drew attention to the considerable need for more personnel several months ago.

In view of these requirements, the demand for a sum of EUR 130 billion over 15 years is rated as being rather conventional. What is beyond dispute, however, is the fact that in view of the fundamental change in the security situation, a significant increase in spending for the Bundeswehr is critical a must.

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