



THE GLOBAL PANDEMIC, TRANSATLANTIC SECURITY AND NATIONAL DEFENCE

Views from the United States, the United Kingdom, Germany and Norway

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TAKEAWAYS

- The pandemic and the colossal societal ramifications it has caused so far, illustrate that a broadening of our definition of security beyond military threats, is overdue.
- Resilience should be included as an important element of national security.
- Immediate defence budget reductions are insignificant, but the long-term prospect suggests a downward trend.
- There is a danger that governments undertaking strategic reviews focus too narrowly on pandemics and under-appreciate the more traditional risks.

- The crisis is likely to amplify great power rivalry and pressure on the multilateral system. The erosion of transatlantic relations is part of this problem.
- In the face of new stressors, NATO needs financial and political investment.
- NATO should accelerate its work on communication and critical infrastructure standards.
- The United States and EU should improve coordination and align standards and acquisition rules.
- NATO-EU cooperation on assessing and remedying vulnerabilities is essential in preparing for the next strategic surprise.



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INTRODUCTION

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In the trajectory of recent history, certain events have had decade defining impact on international relations. This *IFS Insight* is published at a time when the surprising magnitude of the Covid-19 pandemic transpires as a defining event for the decade to come. How the crisis will affect transatlantic security and national defence priorities will remain uncertain for a while. Yet, the reflection process has to begin now.

In many countries and international organizations such as NATO, Covid-19 has interrupted ongoing processes of strategic reflection and defence planning. These discussions are now accompanied by a new set of pandemic related challenges. On the one hand, the challenges for politicians and defence planners now loom even larger. On the other hand, the unsettling state we now find ourselves in may also present a chance to seize the moment and find better solutions.

This publication wants to contribute to this debate with an early rendition of thoughts. It combines perspectives on the impact of the crisis from four NATO countries: the United States, the United Kingdom, Germany and Norway. All contributors grapple with questions pertaining to defence spending in times of economic uncertainty, to the renewed attention given to resilience, and to the robustness of the transatlantic partnership. While the discussion on all issue areas predates the pandemic, the current crisis and the management of it give reason to view them in a new light.

Although Covid-19 at its core is a health crisis, it instantly affected the economy. The immediate implications for defence spending might be less salient, as some budget and investment decisions are irreversible or protected. Also, the growing trend in many NATO countries to spend more money on defence may compensate somewhat for likely austerity measures. Yet, given the scope of

the global recession, the prognosis from all the countries under consideration here suggest that the defence sector will not be protected from the likely long-term outcome of the crisis. The crisis may in some cases even be used as an expedient excuse for moderate defence spending in the coming years.

Shrinking national economies may make it easier for individual NATO members, such Germany and Norway, to move closer towards the 2% target. However, the climb is unlikely to close the gap between what military experts deem necessary and what politicians are ready to put on the table. In Germany, the share of investments directed towards R&D would shrink further making the 2% target unattainable. The Norwegian government did not opt to increase spending levels in accordance with the ambitious advice provided by the Chief of Defence before Covid-19 hit. They are unlikely to change stance now.

For the United States, immediate defence budget reductions are unlikely due to institutional inertia, but Fiscal Year 2023 will probably mark the beginning of a downward trend. Early retirement of old platforms, fewer purchases of high cost items and delayed modernization are likely repercussions. In the UK, the conservative government is pre-committed to protect the defence budget, but more funding is required for a force structure that is "international by design" and the current equipment plan relies on additional, not less funding.

As all authors indicate, the accuracy of any prognosis depends on political developments. The results of upcoming elections, in particular the fate of the Trump presidency, appears to be followed closely in all capitals. In light of the close link between economy and defence, even the execution of Brexit and the German EU-presidency is relevant.

For decades, pandemics have been



catalogued as part of the possible challenges that come with globalization. The risk of global pandemics has even figured prominently in recent national risk analyses both in the United Kingdom and Germany. However, despite accurate forecasts, our societies were caught by surprise when Covid-19 set in.

The crisis has increased our awareness of the risks associated with the systems we rely upon, because global interdependence is also a vulnerability. The battle for facemasks and ventilators between close allies awoke national proclivities, underscored dependencies and spurred calls for self-sufficiency. For a period, the basic tenet of the "America first" doctrine proliferated.

The Covid-19 crisis has also displayed the importance of a well-functioning civilmilitary relationship. Both resilience and civil preparedness were increasingly paid heed to in NATO defence planning after 2014, even though the prospect of a pandemic was not part of the strategic justification. Now a whole of government approach is an important part of the national conversation in all four countries considered here. It will probably become an even higher priority in the coming years, which makes it even more important to make sure that resilience is developed to tackle the whole gamut of threats we may encounter, not just forthcoming health crises. Although a broadening of the definition of national security risk to include non-military crisis scenarios is overdue, it must not overshadow the more traditional challenges.

Covid-19 has yet again revealed the difficulties of international cooperation. It is one thing to observe, as NATO Secretary General Jens Stoltenberg did, that the Covid-19 crisis is "too great for any one

nation or organization to face alone", but quite another thing to translate that dictum into actions. The crisis has accentuated problems that have already been lingering within the transatlantic community. Open European discontent with US decisions to withdraw from the Open Skies Treaty and to withdraw troops from Germany, suggest something more than customary diplomatic friction. Although the transatlantic relationship might not be at risk, it is still being undermined by the absence of US leadership and lack of trust.

On the other hand, the Alliance also demonstrated signs of robustness. NATO was able to assume a role during the crisis, coordinating relief efforts and providing logistical support. Crucially, NATO-EU cooperation seems to gain in importance. The most optimistic interpretations even see a chance that Chinese and Russian efforts to profit from western disunity might result in closer U.S.-European cooperation on China. Yet this requires that mutual trust return at the political level.

The Covid-19 crisis has accentuated some of the characteristic features of today's strategic environment. The purpose of this compilation is to highlight how four allied countries are meeting the challenges individually, and to cast a light on the benefits and challenges of international cooperation. Because, as the Covid-19 pandemic will dwindle, its strategic repercussions will endure.

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COVID-19 AND IMPLICATIONS FOR DEFENCE – A VIEW FROM THE UNITED STATES

Rachel Ellehuus

- A broadening of the definition of national security to include greater focus on nonmilitary crisis prevention and mitigation is overdue. Transnational threats such as climate change and disease must be considered through a national security lens.
- NATO should accelerate its work on communications and critical infrastructure standards, while the United States and EU should launch a transatlantic approach to aligning standards, coordinating foreign investment and acquisition rules and establishing a secure, yet diverse, supply chain network.
- The pandemic has underscored the importance of resilience as an element of national security. NATO-EU cooperation on assessing and remedying vulnerabilities is essential to preparing for the next strategic surprise.

INTRODUCTION

With the summer tourism season fast approaching, many European countries are cautiously easing lockdowns and reopening their economies as the number of new Covid-19 infections continues to fall. Meanwhile, in the United States, progress in quelling the pandemic remains uneven as densely populated areas, minority communities, and eldercare facilities struggle to limit new cases. While the United States now has the highest number of deaths in absolute terms, per capita rates are more in line with the Europe average. Given several unique structural disadvantages in the United States - including high levels of poverty, obesity, and chronic disease and a lack of universal healthcare - it is remarkable the toll is not worse.

The response at the federal level has been uncoordinated and slow. Nearly a month behind Asia and two weeks behind Europe on the Covid-19 curve, President Trump had the opportunity to mount an early

and decisive public health response. Steps such as initiation of a coordinated federal response to establish testing infrastructure or leveraging of the <u>Defence Procurement Act</u> to increase production and procurement of masks and ventilators would have positioned the United States to better manage the pandemic. Instead, the President repeatedly <u>ignored intelligence briefings</u> warning of the severity of the virus, <u>downplayed</u> the pandemic's severity, and provided the American public <u>misinformation</u> and conflicting advice.

Since then, the President has made two critical mistakes that will have long-lasting implications for the United States both domestically and internationally.

First, he has failed to unite the country. In contrast to the Nordic countries, where high levels of trust among citizens and between the public and their leaders (so-called samfundsind) have enabled a coordinated, effective response, Trump has alternately blamed local leaders and taken credit for their success. Fortunately, in the absence of effective action at the federal level, local governors and mayors have stepped up, taking advantage of the United States' federated, decentralized system to implement their own tailored responses to the pandemic. In many ways, this has proved a more effective approach given how the pandemic has manifested differently in various places. One outcome of this in the post-Covid-19 in the United States may be an acceleration in the transfer of power from the federal to the state and local levels.

Second, Trump has chosen not to assume the global leadership role traditionally played by the United States in responding to pandemics. Both President George W. Bush during the AIDS and SARS crises and President Barack Obama during the H1N1, Zika, and Ebola epidemics rallied countries to mount an international collaborative response under the auspices of U.S.



leadership. In contrast, President Trump failed to convene either the G7 or G20 to discuss the pandemic. Rather than work with Allies and partners to hold the World Health Organization (WHO) accountable and demand a more effective response, Trump halted funding to the WHO and then announced the United States' intent to withdraw from the organization. He also refused to participate in or pledge funding towards a global vaccine summit hosted by the European Union (EU). This absence of U.S. leadership has consequences beyond the immediate situation, for example creating a vacuum for adversaries to exploit and undermining Allies' and partners willingness to work with the United States on other challenges.

IMPACT ON U.S. DEFENCE AND DEFENCE SPENDING

The full economic impact of the pandemic is not yet known, but the prospects are for a multi-year recovery on a global scale. In the United States, which entered the crisis from a relatively strong economic position, unemployment has jumped from 3.5 percent in February to 14.7 percent in April. Economists estimate that for every month of partial economic shutdown, the real GDP growth rate will decline five percent. For the time being, these losses have been cushioned by Congress' passage of a record government fiscal stimulus package on April 24, 2020. The package includes \$2.8 trillion in unemployment benefits and grant-and-loan assistance for small and large businesses and amounts to some 14% of Gross Domestic Product (GDP). With the United States accounting for a quarter of global GDP, the extent and speed of the U.S. recovery will affect the pace of the global recovery, not least for the EU whose largest trading partner is the United States.

In terms of defence, the U.S. military has ably stepped in to assist in the crisis. Doctors, nurses, and medics from both active and reserve units have been mobilized to help with testing; medical transport; distribution of Personal Protective Equipment and

medical supplies; and construction of temporary medical facilities. Additionally, the Department of Defence has invested \$75 million to research vaccine candidates, working closely with other interagency partners, such as the National Institutes of Health and Centers for Disease Control and Prevention.

As the military continues to fill these important roles related to combatting the virus, it is important to maintain focus on its other missions as well. If past behaviour is any indicator, lawmakers and planners will attempt to overcorrect for perceived shortfalls in addressing the pandemic, much like 9/11 ushered in more than a focus on counterterrorism. On the one hand, a broadening of the definition of national security to include greater focus on nonmilitary crisis prevention and mitigation is overdue. Transnational threats such as climate change and disease should be considered through a national security lens. On the other, expanding the breadth of tasks of defence or their relative prioritization requires trade-offs in other areas.

In Congress, discussions are already underway concerning the scale of rebalancing between defence and other priorities. This month, 29 progressive House Democrats called for a cut in military spending in the Fiscal Year 2021 (FY21) National Defence Authorization Act (NDAA) – projected at \$705 billion – in order to free more resources for domestic spending. Should the economic outlook worsen, more voices may join the call. Former Pentagon Comptroller Robert Hale projects a "modest decline" in defence spending of about 2-3 percent in real terms.

Yet despite these budgetary and political pressures, any downward movement in the defence budget is unlikely before FY22 at the earliest. Insofar as the FY21 defence budget includes spending estimates out to FY25, effecting cuts requires wholesale reconsideration of priorities and trade-offs. Cuts to big-ticket strategic programs, such as the nuclear recapitalisation program, next generation bombers, and or tanker aircraft are unlikely, due to pre-programmed life-



cycle costs and to the political difficulty in an election year of cutting programs that create jobs in domestic constituencies. The more likely scenario is that the downward trend in defence budgets will begin in FY23 or FY24. To compare, following the 2007-2008 financial crisis, global GDP declined in 2009, but defence cuts manifested only in the 2012-2013 budget cycles. In the first instance, this would likely force early retirement of older platforms, decrease buys of high-cost items like the F-35, and delay planned modernization programs.

IMPACT ON THE TRANSATLANTIC RELATIONSHIP

Through at least the end of this year, the operative U.S. grand strategy document remains the 2018 National Defence Strategy (NDS). The NDS prioritizes defending the homeland, modernizing the joint force, and managing long-term strategic competition with China and Russia. Even prior to the Covid-19 crisis, Secretary of Defence Esper indicated the Pentagon would struggle to meet its objectives under a flat budget environment. Under a more constrained budget scenario, the U.S. would likely continue to prioritize strategic competition with China and Russia but decrease operations in the Middle East, North Africa, and Latin America. While this entails risk, it also presents a number of opportunities for the transatlantic relationship.

First is the potential for greater U.S.-European cooperation on China. To some extent, the pandemic has moved Europe closer to the United States' view on China. On the one hand, Europeans still do not share the U.S. view that China is primarily a military threat. Rather, as stated in the March 2019 EU-China Strategic Outlook, the EU sees China alternately as a "strategic partner", "economic competitor", and "systemic rival". Nevertheless, EU countries are slowly waking up to the dangers of China's unfair economic practices and anti-democratic policies. More overt disinformation efforts by China to cover-up and then deflect blame for the pandemic have exposed its authoritarian tactics and raised questions

about its motives and trustworthiness. An early example of this concern may have been a consideration in the <u>UK decision</u> on May 22 to reduce Huawei's access to the UK market to zero by 2023 at the latest. At the EU level, Competition Chief and Executive Vice President of the European Commission Margrethe Vestager warned EU countries of the threat of Chinese takeovers of European companies amidst a sharp economic downturn. No longer on the charm offensive, China has shown its willingness to threaten and punish countries who reject its overtures.

To this end, nascent NATO discussions on standards for communications and critical infrastructure should be accelerated. In parallel, the United States and EU should launch a regional, transatlantic approach to align standards and rules. This could include expansion of ongoing efforts, such as coordination in Foreign Direct Investment screening, or launching cooperation in new areas such as common data regulation or alignment of mergers and acquisitions policies in sensitive sectors. As countries seek to lower their dependence on Chinese supply chains, a transatlantic supply chain network could help achieve that delicate balance between security and diversification.

Second, budgetary pressures on both sides could provide the needed impetus for greater transatlantic defence cooperation. As noted above, a lower U.S. defence budget will likely leave less scope for involvement in Africa and the Eastern Mediterranean. Drawing on its comparative interest and advantage in these regions, the EU can continue to focus its defence and security efforts here, relying on the United States to be the "supporting" rather than "supported" partner. U.S. airlift and refueling support to French forces in Mali is one example of such an arrangement. For such a supporting/supported model to become a sustainable and reliable option for countries, arrangements should be formalized, making clear the shared interests, responsibility, and costs involved in the specific operation. With the EU's European Defence Fund now restored in the Multiannual Financial



Framework (€8 billion for 2021-2027), there may be scope for cooperation on small-scale Research and Development (R&D) projects, particularly on emerging technologies. As budgets decrease, coordinated deployments and procurements among Allies and partners are an effective way to offset risk.

Finally, the pandemic has underscored the importance of resilience as an element of national security. Simply put, <u>resilience</u> is the ability of a society to quickly and easily weather as well as recover from a crisis, drawing on both civil and military elements. While some countries, such as the Baltic and Nordic nations, implemented a whole-of-government approach to national security and defence long ago, others, including the United States, are still learning to work in this way. Enhancing resilience and preparedness across government was a NATO (and EU) priority before the pandemic. As Europe and the United State emerge from the pandemic, capturing and applying lessons learned and best practices will help prepare them for the next strategic surprise.

CONCLUSION

For some time, the transatlantic relationship has been shaken by several subtle yet seismic shifts. These include a return to

multipolarity, technological disruptions that challenge its military edge, the rise of China, and the reemergence of nationalism and isolationism. Covid-19 is now accentuating and accelerating many of these trends and highlighting our interconnectedness. As NATO secretary general Jens Stoltenberg observed, the Covid-19 crisis is "too great for any one nation or organization to face alone". Future challenges - such as climate, migration, and food security - are equally transnational character. As such, they must be tackled with a collaborative response. As we endure these shifts, Allies and partners offer a collective strength against those who seek to upset international stability and norms. Let's seize the moment.

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SECURITY AND COVID-19 - PERSPECTIVES FROM THE UNITED KINGDOM

Paul O'Neill

- It is too soon to draw definitive judgements, but armed forces/defence organisations need to maintain the ability to respond to a wide range of threats and provide governments with credible options.
- There is a danger that governments undertaking reviews in the immediate future focus narrowly on pandemics and miss/ under-appreciate other risks.
- That some of the foundations of national defence, that of collectivism, are under challenge. NATO remains hugely important but is facing new tests and need investment, not just in financial and capability terms but also of political capital by leaders and defence ministries.

INTRODUCTION

This paper considers some lessons from Covid-19, the potential impact on UK defence and implications for transatlantic relations. The immediate global impact of Covid-19 has been profound, and its longer-term implications may be greater. Hundreds of thousands have lost their lives or livelihoods. Communities and businesses have been affected and much of what previously occupied people's attention has disappeared behind the fear of Covid-19. Dreadful as it is, Covid-19 is neither as damaging to life as the influenza virus that swept the world after the First World War nor was a pandemic unexpected. In 2010, the UK's National Security Strategy described pandemics as a "Tier One" risk, i.e. highest likelihood and impact.

This paper comes with caveats. First, it is too soon to be definitive about the impact – the outcome is not inevitable and political choices must still be made. In the UK, the *Integrated Review of Defence, Security and Foreign Policy* (Integrated Review), initially planned for 2020 but sensibly delayed until 2021 will do this.

Second, while it is tempting to see the world through the prism of Covid-19, it should not be the only lens for examining the security landscape. Hostile actors are exploiting the crisis to further their own ends, and will continue to challenge the West directly and under cover of other events. The Integrated Review will also have to take account of the UK's relationship with the EU assuming, as currently seems likely, the transition period is not extended beyond December 2020. Third, future events will shape the world. The outcomes of the US Presidential Election and NATO reflection process are important milestones, but there are other challenges behind Covid-19. The most profound of which is climate change, that could create the conditions for more pandemics and myriad other security risks. Governments cannot afford to ignore the future when dealing with the urgent, even where their capacity is consumed with current crises.

IMPACT ON UK DEFENCE SPENDING

The immediate economic impact of Covid-19 is significant. Global economic activity has declined at a rate that matches or exceeds that of the 2008 financial crisis. The UK Office for National Statistics highlighted a record 20.4% fall in GDP in April 2020, with the OECD currently predicting the UK economy will be the worst hit developed economy. Government borrowing has increased as nations step in to protect their citizens, and UK borrowing could reach £298bn in 2020, almost twice the level of the financial crisis, which led to nine years of austerity.

While it is impossible to forecast the medium to long-term impact on the economy, or the duration of any recovery, most estimates suggest a <u>substantial contraction in UK GDP</u> in 2020 – the median average being 7.7%. However, GDP is currently expected to grow again in 2021 in a kind of "lopsided"



V" as the Bank of England's Chief Economist described it. As this paper is written, the pandemic is not over and the economic forecasts will change, especially as the nature of the enduring relationship with the European Union will impact (positively or negatively) on UK GDP. Whatever happens in the mid to long-term, the UK's 2020 annual spending review, and 2021 comprehensive spending review will take place against the backdrop of a smaller economy. This is likely to put pressure on government spending, including defence.

The UK meets the <u>headline NATO</u> commitments, to spend 2% of GDP on defence and invest 20% of the budget on new equipment. The Conservative Government's manifesto is committed to "continue exceeding the NATO target of spending 2% of GDP on defence" and there is no suggestion that this commitment is currently under threat. This would be incongruous given the government's emphasis on strengthening Britain's role in the world. Of course, basing defence spending on a percentage of GDP does not fix the amount. Where GDP falls, a smaller budget might still meet the NATO target. The target can also be met by counting additional items against the 2%. In 2015, the UK added non-defence budget costs for war pensions and UN peacekeeping, which increased the qualifying amount by an extra £2bn.

It is also significant that the government's manifesto included a commitment to "increase the budget by 0.5% above inflation each year". At face value, this commitment should prevent a reduction in the defence budget even when GDP falls. As a national commitment however, it lacks the normative power of the NATO 2%, and may be vulnerable given an extreme economic impact of Covid-19. If revoked, alongside a much smaller GDP, substantially less could be spent on defence without breaking NATO commitments.

Assuming the government remains bound by its manifesto commitments to defence spending - and the Prime Minister has stated that he does not favour austerity – defence is not completely protected. The equipment

plan is unaffordable, and for the last two years defence has relied on extra money to fill in-year funding gaps, including an extra £1.9bn in 2019. This addressed the immediate problems, but unless the extra money is added to the budget baseline, further pressures of between £2.9 and £13 billion lie ahead.

Covid-19 may further compound defence's financial difficulties with 20,000 people placed on standby to assist the <u>UK national response</u>. This includes covering medical, logistics, mobile testing units, aviation and up to 1,000 planners sent to other departments. The costs are being met from the core defence budget, but the Secretary of State is seeking to charge the Ministry of Defence's extra costs to the Treasury to avoid exacerbating the department's fiscal challenge.

Even recouping its Covid-19 costs, defence will have to find savings or receive extra funding to balance the books. This may be improbable in the short-term given the likely state of the economy. The Secretary of State recently acknowledged before the House of Commons Defence Select Committee that savings would need to be found for defence to live within its means. Any new demands for cuts are likely to lead to further (unrealistic?) promises of ambitious efficiencies, actual reductions in activity and procurement, and possibly the size of the armed forces. Cuts to procurement, however, could prevent the UK from meeting its NATO commitment to spending 20% on new equipment.

IMPACT ON THE UK'S INTEGRATED REVIEW

The Integrated Review must reconcile the levels of ambition with available resources, for which it will be linked to a comprehensive spending review that sets the defence budget for three years. Beyond the funding challenge, the Integrated Review occurs against a Covid-19 backdrop that could prioritise resilience over other risks. This would skew understanding of security to the detriment of preparing for other threats.



Resilience will, rightly, be an important part of the Integrated Review. The pandemic has highlighted numerous challenges, many of which are linked to the state's capacity to cope with crises. Civilian departments typically lack experience of managing surge capacity, and struggle to provide effective command and control for a substantially increased workforce. However, proper resilience runs deeper and ties together different strands of society in ways that fall beyond the usual group of "security" departments.

Strengthening homeland resilience is important, but need not be (purely) military. Whether part of defence or nor, those providing resilience should access the armed forces' expertise in surge planning, regional infrastructure and command and control systems. This resilience capability would suit reserves, and could include teenagers who had received <u>national resilience training</u>. This reduces dependence on regular military personnel who might be deployed overseas or otherwise engaged in military tasks when the homeland needs them. Engaging society in this way also makes it more difficult for adversaries to undermine the bonds between government, society and the armed forces, which in nations with all volunteer forces can be remote. This would require proper resourcing.

Another lesson is the need for proper contingency planning. Responses to Covid-19 showed ingenuity and flexibility in re-purposing industrial capacity e.g., the creation of "nightingale hospitals" and the "ventilator challenge", but these took time to set up. Similarly, additive manufacturing responded to shortfalls in protective equipment and hospital equipment, but the same absence of preexisting plans led to delays. Understanding where national capacity exists is important. The same goes for designs that can be given to manufacturers for licenced production for which the government owns or can secure the intellectual property rights. For foreseeable events, contingency plans should be in place in advance, ideally exercised, but at least on paper. These plans should include

pre-identified companies or sectors to whom the government can turn in the event of crisis for re-purposed output. That is, clothing companies that can produce clinical clothing, asbestos removal firms who could provide collective protection against CBRN etc.

Pandemics though are not the UK's only Tier One risks. Terrorism, international military conflict, natural disasters and instability overseas are also identified as risks. The 2018 Modernising Defence <u>Programme</u> even stated that these threats had become more dangerous and complex since the 2015 Strategic Defence and Security Review. The pandemic is an added stressor to a deteriorating security situation and increased military and information activity by hostile actors aimed at testing governments. They are combining incentives and threats in sophisticated ways to undermine the cohesion of western alliances and nations and further their ambitions. The Integrated Review must not be myopic, but take a broader look.

IMPACT ON TRANSATLANTIC RELATIONSHIPS

Beyond resilience, the Integrated Review must consider all the major risks and opportunities facing the UK. It needs to question old assumptions behind defence policy to determine what the UK's place in the world should be post-Brexit, and what a genuinely "international by design" force might look like in terms of co-operation with NATO, EU, Five-Eyes and bilateral relationships. Arguably, for the first time in almost 50 years, the UK needs to consider transatlantic *relationships*; looking west to the US, but also east towards its partners in continental Europe from whom it is now more distinct.

The Covid-19 crisis is unlikely to change the nature of the transatlantic relationships directly, but it may have numerous indirect effects. A rapid economic recovery in Asia and China in particular, coupled with a slower return to pre-pandemic levels of activity in Europe and the US, could accelerate the creation of a bi-polar world



with competing centres of economic power. Whether the Chinese are able to capitalise on this and build a bloc of alliances and partnerships similar to the US after World War Two is uncertain. There is also a risk that having been badly affected by Covid-19, economically and in terms of public health, Russia's ruling elite acts internationally to divert attention from questions of its domestic competence. A miscalculation, in Europe, Libya or elsewhere, perhaps emboldened by its sense of success in other areas, could prove disastrous for all.

The resurgence of the state and rise of national interest as a driver of behaviour have been evident during the Covid-19 crisis. Where many in the west believed the market's invisible hand would cradle people and felt able to limit the role of the state accordingly, Covid-19 showed that there are still things governments can uniquely deliver. Protecting employees and societies from the effects of Covid-19's impact on economies largely fell to governments rather than corporations.

At the same time, national interest overcame international collaboration in many places, which was then exploited by others. Italian calls for aid through the European Commission initially went unheeded, resulting in Russia deploying military forces to a NATO member, and the US was criticised for trying to buy foreign pharmaceutical companies to secure access to vaccines for its own citizens. Whether this represents a last gasp for the nation state or a return to its importance is not clear in the long-term. In the short-term, however, it is likely to widen the gap between those wishing to return to nationalism and those who see a diminishing value of the state, either through supra-nationalism, or the rise of corporations. All sides can find evidence supporting their position, but the fissure is a weakness that some will undoubtedly seek to exploit.

While national interest was evident, the crisis also highlighted how intertwined states are in a global system that extends beyond nations. Donne's "no man is an island entire of itself" might be rephrased

such that "no nation is an island entire of itself". The networks connecting states in the global system are as essential as the national nodes. These network(s) enable cooperation over approaches, standards (e.g. protective equipment the <u>UK bought from Turkey</u> could not be used as it did not comply with British standards) and support. International institutions are crucial and also played their part in theCovid-19 crisis, some more successfully than others, with NATO demonstrating its value in supporting members even <u>beyond its traditional defence responsibilities</u>.

NATO will remain the UK's pre-eminent military relationship, but the UK's ability to secure or advance NATO's position in EU debate has gone. While the relationship between NATO and EU at an institutional level is close, EU members now meet before NATO meetings to align behind a European position on issues. There is also renewed energy behind EU attempts to improve its ability to act independently of NATO. The proposed European Security Council for ensuring close coordination on European foreign policy and security might enable UK participation, and the Integrated Review will need to consider whether to support the idea or remain aloof, working solely through NATO.

It is possible that there will be additional pressures on the UK to work with countries acting under an EU banner to reinforce its European credentials. Early tests will be the extent to which the UK can influence the reflection process announced by Secretary General Stoltenberg and how well it resources and operationalises the NATO Military Strategy through the Integrated Review. The response must include releasing high-calibre individuals to fill NATO positions as well as equipment capabilities.

The loss of influence in the EU also impacts on the UK's value to the US, which may change whom Washington choses to work with to protect its interests in European security, for which it remains the largest single contributor. The UK will continue to self-identify as the US' "special" partner and shape its armed



forces accordingly. A significant factor for the transatlantic relationship looking west, however, will be the outcome of the November presidential election and the attitude of the President to shaping the global system as the world emerges from the crisis.

CONCLUSION

The exact impact of Covid-19 is impossible to assess accurately at this stage. While it is likely to be significant, it will probably not represent a complete discontinuity. The world has suffered pandemics before, and will do so again. Much will change, but many things will remain the same, even if how we now look at them is different

The global security situation in Europe and around the world is likely to continue deteriorating, and Covid-19 will have added to the stressors. It may also act as a wake up call to the dangers of climate change, global and national inequality, and failing to prepare for foreseeable events. Resilience will become a higher priority for many, but it must be resilience against

the range of threats, not just health crises. A long-term danger of Covid-19 is that the enormity of the challenges it poses today masks the need to address the wide-ranging and long-term challenges nations will face tomorrow. Defence forces will need to retain the capacity to act against the threats, whether they occur naturally or through human agency, and to regrow the latent capacity to respond to emergencies. Medium powers are not going to be able to do this alone, which makes commitments to east/ west transatlantic relationships, NATO, the UN, and other international bodies more important than ever. The UK's Integrated Review needs to acknowledge these dependencies and resource them properly.

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RESILIENCE LESSONS FROM COVID-19 AND ITS IMPLICATIONS FOR GERMANY

Sophia Becker, Christian Mölling and Torben Schütz

- Germany is comparatively in a good financial position to cover additional expenses to fend of the worst economic effects of Covid-19. It will likely experience a renewed debate about its defence spending next year as political parties are preparing to sharpen their profiles ahead of the 2021 federal elections.
- Germany's EU Council Presidency in the second half of 2020 will be a difficult balancing act. In security and defence, finalizing an ambitious MFF, performing a critical review of ongoing PESCO projects and starting the process of formulating the strategic compass in a time of both a volatile security environment and limited funds provide ample topics for intense negotiations amongst the EU member states.
- Covid-19 is accelerating already present developments. This is true for the rift in the transatlantic alliance as well. Germany and Europe / EU, need to find a countervailing strategy under exacerbating economic and political circumstances.

INTRODUCTION

The Covid-19 pandemic hit Germany as unexpected as most other countries. Despite the fact that the latest German security strategy from 2016, the so-called White Paper, identifies pandemics as one of the top nine challenges to national security, Germany was not prepared to react quickly to the delayed, but somewhat still "early", warning from China. The situation was and still is a test for societal, economic and defence resilience. Only with time will we be able to tell if and how well this test was passed.

Despite the urgency of the pandemic, the topic of defence remains front and centre in the German national debate. During the pandemic, Germany has witnessed several fundamental debates on defence related issues, such as the Tornado replacement and the future of nuclear deterrence from

German soil. This serves as an indication that other topics than Covid-19 can attract public attention this year or that the vulnerability exposed by the pandemic reminds everyone of the importance to prepare for threats with allies you can count on.

While it is too early to draw definitive conclusions about the impact of the Covid-19 pandemic on German defence policy, this paper analyses the impact the public health crisis has had thus far. First it looks at the impact of Covid-19 on German defence spending. It concludes that even though the repercussions remain limited so far, things will likely change in the future. The economic fallout of the crisis will be reflected in national budgets and the public's appetite for defence spending will wane as the Federal elections come closer in 2021. Second, a look at the transatlantic relationship reveals that Germany has seen its relationship with the United States come under significant stress in the last couple of months, exemplified by President Trump's decision to withdraw 9500 troops from German soil. Third, the Covid-19 pandemic will also shape the German EU Presidency. Despite the immediate need for European crisis management, Germany can seize the moment in order to assure that other important issues, such as the strengthening of European defence and thus the European pillar in NATO, do not fall victim to short term crisis considerations.

COVID-19 IMPACT ON GERMAN DEFENCE SPENDING

While the defence budget has seen an unparalleled growth in absolute numbers in recent years, German defence spending remained more or less flat between 2014 and 2018 – measured as percentage of GDP – hovering between 1.18% and 1.24%. This is primarily due to a comparatively stable growth period for the German economy



as a whole during that timeframe. Only in 2019 did a comparatively large increase in the defence expenditure move the needle to 1.38% of Germany's GDP. More importantly, 2019 also marked the date at which Germany presented its NATO allies with a plan to reach the 2% goal – in 2030 and not 2024, as originally envisioned in Wales. Reaching 1.5% in 2024 was seen as a first milestone. It is against this background of a conflicted relation between Germany and NATO's 2% spending pledge that Covid-19 hit the German economy.

So far, the effect of Covid-19 and the ensuing economic crisis on future German defence spending is unknown. The next parliamentary budgetary consultations for the federal budget of 2021 as well as the mid-term budgetary planning to 2025 are only due in October and November 2020. However, Germany will certainly get closer to NATO's 2% pledge in 2020 itself. Its defence budget (the so-called Einzelplan 14) for 2020 is about 45 billion EUR. With the additional spending that is included in NATO's accounting methodology, German defence expenditure is estimated to reach 50.4 billion EUR in 2020, which puts its defence spending as a percentage of its GDP at 1.58% for 2020. However, this will likely remain a "peak", which is caused by the delay between changing GDP estimates for the shrinking economy and the slower budgetary planning for defence spending. Depending on economic recovery and assuming that defence spending will not increase further, the percentage of defence spending on GDP can be expected to shrink again in the following years.

Moreover, Germany is unlikely to meet the second NATO goal of directing 20% of its defence spending to investment purposes – research & development and procurement. Even before the Covid-19 crisis, the investive share of the defence budget was considered underfunded by observers. Given that other spending areas such as personnel are more difficult to cut if austerity measures were to be forced upon the budget, it is reasonable to assume that the share of investments would further shrink in the coming years.

Current estimates assume that the overall federal tax revenues will be about 300 billion EUR lower than calculated before the crisis out to 2024. Even for Germany, which lowered its federal debt to about 60% of its GDP in recent years, ongoing efforts to fend off a deeper recession will significantly raise its debt level. Recent estimates see an increase in the debt level of about 15% if there is no second Covid-19 wave, and an increase of nearly 25% if there is a second wave. These estimates do not include the latest economy stimulus package introduced by the government in early June. Consequently, a new debate about state spending and austerity measures might ensue, complicating retention of current defence spending levels.

Lastly, federal elections in Germany in 2021 might invigorate societal and political debate about defence spending. Even within the recent German debate about its role in NATO's nuclear sharing arrangement, commentators argued that money for defence purposes was better spent buying ventilators. If this debate is a symptom rather than an outlier, then the beginning of the election campaigns in the fall of 2020 will likely see a renewed debate about defence spending as well. Some politicians, even amongst those belonging to the governing coalition, are already laying the axe to large procurement projects. This even in vital capability areas like air defence and heavy transport helicopters. Moreover, as the shock of the Ukraine-crisis slowly wears off, public support for higher defence spending shrinks in the German public.

IMPACT ON THE TRANSATLANTIC RELATIONSHIP

The looming cuts to the defence budget come at the time when the European security environment is getting more complicated. The last couple of weeks have shown that the transatlantic partnership in particular is under intense pressure, making potential losses in the European defence posture even more detrimental.

Like in many other areas, the Covid-19



pandemic is laying bare issues and exacerbating problems that have been brewing under the surface for a while. The transatlantic relationship is no exception. The US handling of the crisis has been distinctly inward focused. Staying true to his "America First" policy, President Trump has turned away from a global leadership role and is not shy to snub European allies in the process. The pandemic has the potential of adding financial pressure to the already strained relationship, with tightening defence budgets pushing the US to retreat further from Europe. The result is that the US is becoming somewhat of a wildcard in international affairs and Germany, along with the rest of NATO Europe, will have to be prepared.

The pandemic has hit the United States hard. Not just as a health crisis, but also in economic terms. The financial fallout of the pandemic is already enormous. This will almost certainly have an effect on US defence spending and American defence posture. The pandemic has already led critics to ask why the US is able to afford fighter jets for roughly \$90 million a piece, but doesn't have enough Personal Protective Equipment for its frontline workers or to buy ventilators for the country's Intensive Care Units (ICU). As a result, a bipartisan consensus is forming that upholds that the <u>country</u> has the wrong priorities when it comes to "national security". More resources need to be dedicated to global health threats rather than fighting "forever wars." Even if the US defence spending should remain steady at 3.2% of GDP, the economic downturn could lead to budget losses for the Pentagon between \$350-600 million over the next ten years.

Faced with the hard economic realities, the US might see itself forced to speed up the retrenchment of its global posture. The US may focus on China as the single most important threat, leaving the defence of the European continent and deterrence of Russia largely up to European allies. What this could mean for Germany and Europe was illustrated at the beginning of June when the Wall Street Journal broke the news that

Donald Trump had signed a plan to withdraw 9500 troops from German soil by September 2020. Such a withdrawal would shrink the US military presence in Germany by almost a third. While the move does not seem to have been part of a strategic plan, but rather a sullen response to Chancellor Merkel's refusal to attend the G7 meeting, the signal and result remain the same: The United States seems more willing to withdraw from its commitment to Europe's security after minor diplomatic friction.

While the rhetoric may be less confrontational, even a Democratic President will be subject to the economic pressures on US defence policy. Reports say that DoD is already strapped for cash and a reprioritization of defence spending could well become an election topic over the summer. As such, Germany and its European partners find themselves in a situation where economic pressure will make it harder to maintain and increase the progress that has been made in building up the European defence posture. At the same time, as the US is shedding its global responsibilities, a stronger, independent European defence is more necessary than ever.

IMPACT ON GERMANY'S EU PRESIDENCY

On July 1st 2020, Germany will take over the EU Council Presidency for six months. For the first time in 13 years, Germany can use the position's agenda setting powers to further develop specific policy areas according to its aims. However, pre-planning of the Presidency was thrown off the rails by Covid-19.

In reaction to the pandemic and its grave impact on Europe, <u>Germany declared its</u>

<u>Presidency to be a "Corona-Presidency"</u>.

All original focus areas now have sections devoted to Covid-19 and how Europe can and should react to the crisis.

Thus, Germany faces a twofold challenge. First, is has to further support and in some respect lead the European response to the crisis. Second, it also has to make sure that certain topics and decisions that faded into



the background over the past months are addressed properly to ensure procedural continuation. Among the latter, the final agreement on the next Multiannual Financial Framework (2021-2027) is important to determine the funds available for European defence initiatives and the signalling to the US and non-European adversaries linked to this number. Beyond content-related challenges, negotiations are expected to become more difficult if conducted in a digital environment. This will limit the frequency and scale of consensus-building opportunities during the presidency.

Germany aims to further strengthen the Common Security and Defence Policy (CSDP) and the EU's role as an actor in international crisis management. To realize this advancement, five broad areas of security and defence shall be addressed in more detail during the presidency. First, the start of the so-called "strategic compass". This is an operationalization of the **European** <u>Union Global Strategy</u>, and a process that will be finalized under the French presidency in 2022. Second, further improvement of EU-NATO cooperation. Third, the advancement of the ongoing European defence initiatives - <u>CARD</u>, <u>PESCO</u> and the <u>European Defence</u> Fund (EDF). Fourth, the further development of Military Planning and Conduct Capability (MPCC) as a core element of the EU command structures. Lastly, and in line with the overall presidency priority of promoting digitalization, Germany aims to introduce impulses for the creation of a uniform digital and cyber competence.

Of these five foci, the strategic compass will hopefully serve as an unifying instrument for European threat perception and capability benchmark (level of ambition), as well as the further development of the defence initiatives stand out. In the latter one, the Strategic Review of ongoing PESCO projects and a decision regarding third-party participation in PESCO-projects are most important to move the instrument forward. Moreover, reviewing PESCO projects will determine their financial claims to the EDP, thus giving an indication of the appropriateness of the funds allocated to

the EDF.

Based on the joint statement by the ministers of defence of Germany, France, Spain and Italy from May 2020, at least the other large European states largely agree with this agenda. That is not to say that contentious issues do not remain. The smaller member states remain concerned with the lopsided advantages of EDF to the defence industries and thus economies of larger states (especially the six "Letter of <u>Intent" states</u>). These concerns also include the currently "exclusiveness" of France-German armament projects. Moreover, strengthening European command and control structures will inevitably be met with scepticisms as to how this is duplication with NATO's command and control (C2) structures and whether the strain on qualified personnel is advisable. Lastly, if PESCO projects are discontinued due to a lack of visible outcomes, this might further add to political conflicts between the member states.

CONCLUSION

Three months after the start of lockdowns in Germany, the country is easing into a semblance of normalcy. While it is far too early to accurately assess the medium- and long-term impacts of the crisis, we can draw up some hypotheses on how resilient the country's defence posture will be.

When it comes to defence budgets, we have reason to believe that things will remain quite stable in the next two years. The defence budget for 2020 is fixed and it is unlikely that we will see major cuts in the next budget cycle. The country is still trying to jumpstart the economy with stimulus packages, including on defence acquisitions. However, the picture gets blurrier in the mid-term planning if stimuli money runs dry while the economy has not properly recovered. Moreover, it is important to keep in mind that Germany is moving into an election year in 2021 and a number of fundamental defence policy debates are likely to hit the agenda. Among them is the question concerningthe costly replacement



of Germany's Tornado fleet and the German role in NATO's nuclear sharing agreement. If this is a sign of things to come, debates around military spending vs investments in the health sector will likely shape future debates around Germany's defence budget.

Regarding the transatlantic relationship, Covid-19 has not fundamentally changed anything, but it has reinforced damages done to the relationship long before the pandemic hit. The strength of the transatlantic alliance is less dependent on Covid-19 than on the upcoming US-election in November. If President Trump is re-elected, the Alliance will certainly suffer. Some commentators in the US (e.g. <u>here</u> and <u>here</u>) even <u>fear that</u> <u>Trump might leave NATO</u> in a second term. In contrast, Joe Biden would certainly try to mend the relationships with European partners. Though it might take some time for Europeans to regain their trust, the positive example of the Obama Administration proves how much a President can influence relations with European allies.

An EU Presidency is always an opportunity to push a member state's European agenda. Even though the plans for the Presidency were thrown into turmoil due to the pandemic, Germany is holding on to the overall structure for the next six months at the helm of the EU Council. However, the health sector is going to take centre stage in the second half of 2020. Germany wants to increase the resilience of the European pharmaceutical industry and reduce dependencies on international suppliers in the health sector for example. In security and defence, most pre-Covid goals, especially those related to advance European cooperation, will be pursued as they are relevant for long-term capability development. They might become even more important if less national money was to be available for defence in the coming years.

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DEFENCE PLANNING IN TIMES OF COVID-19 - NORWAY'S NEXT LONG TERM DEFENCE PLAN

Robin Allers

- Norway's new Long Term Plan for the defence sector is criticised for unambitious defence spending. The combined fallout of the Covid-19 crisis, a low oil price, and a low exchange rate provide ample excuses to keep it that way.
- The current crisis is likely to amplify one of the biggest challenges for Norwegian security: great power rivalry and pressure on the multilateral system. The erosion of transatlantic relations is part of this problem.
- Championing national and international efforts to enhance resilience should be a priority for Norway, but not at the expense of its other contributions to NATO's defence and deterrence posture.

INTRODUCTION

On 17 April, Norway became the first NATO country to present a Long-term plan for the defence sector (LTP) since the Covid-19 pandemic became a reality. The LTP assesses the current security situation and proposes a defence concept for the next four years. It has been in the making since 2017 and is based on the military advice of the Chief of Defence and on input from the defence research establishment.

The decision to publish the LTP amidst an evolving crisis has several implications. First, the pandemic has brought with it uncertainty regarding the implications and effects of the crisis. Second, because the LTP was finalised before the crisis, the decision to publish it in April left little room for "last minute" adjustments based on the new situation. In other words, at first glance this might not have been such a good idea. Most pundits agree that the pandemic will negatively affect the security situation and will halt the trend toward increased defence spending. Other European countries, such as the <u>UK</u> and Sweden, have delayed work on their defence reviews, in part to consider the long-term

implications of the crisis.

The Norwegian parliament, after a round of hearings and deliberations, rejected the LTP and asked the government to submit a new LTP no later than 15 October 2020. The main criticism was not directed against the plan's failure to calculate the potential consequences of the ongoing pandemic. Lawmakers and experts alike blame the government for a lack of political will to spend enough money and for a vague and non-committing implementation strategy postponing critical upgrades on material and personnel. At the same time, they subscribe to the government's analysis of the evolving security situation and they admit that the attention given to resilience and civil preparedness is appropriate

This paper takes the debate on Norway's LTP as a point of departure to discuss the fallout from the Covid-19 crisis on defence planning. It argues that the plan will receive a Covid-19 update, but that the analysis, the priorities and the level of spending will essentially remain the same as in the original. It further argues that the current crisis only amplifies a range of existing challenges. Future defence plans will have to deal more thoroughly with the prospect of an eroding transatlantic relationship and with difficulties in keeping up with technological developments. Finally, the paper suggests that Norway should use the experience from its total defence concept to encourage more allied cooperation on resilience. As for the debate on Norwegian security policy, it needs to pay greater attention to a reality highlighted, once again, by the Covid-19 crisis: that no state can handle today's security challenges on its own.



LACKLUSTRE DEFENCE SPENDING – COVID-19 AS AN EXCUSE?

When the seriousness of the crisis emerged, experts warned that the economic fallout could have a negative impact on <u>European</u> <u>defence budgets</u>, reversing the rising trend in defence spending since 2014.

Also in Norway – by all standards one of the wealthiest European countries and armed with the world's biggest sovereign wealth fund – the crisis will have a deep and long-lasting impact on the economy. In addition, the Norwegian economy has struggled for some time with low oil prices and a historically low exchange rate. According to the defence ministry, currency related additional costs will amount to some 750 000 Million NOK (ca. 73 000 000 €) annually from 2021. In the revised state budget for 2020, this has already led to a first round of reallocations. Even if the economy picks up again and a "second wave" of mass infection can be avoided, the defence sector still may face further cuts and efficiency demands.

Presenting the new long-term plan in April, Prime Minister Erna Solberg admitted that her minority government would have to face tough negotiations in parliament, but promised to protect the defence sector and to prioritise the proposed measures. Critics find these measures - a 16 billion NOK (ca. 1,6 Bn €) budget increase until 2028 - insufficient and the plan to implement them too vague. A broad coalition, ranging from representatives for the defence establishment to opposition parties on the far left, blames the government for proposing to spend significantly less than what the chief of defence recommended in order to meet today's and tomorrow's security challenges. Parliamentarians are particularly concerned with the government's strategy to stretch the next round of investments over eight years. This is de facto an abandonment of the traditional four-year framework for longterm plans.

The disagreements could disrupt the budget negotiations in October and drag on into next year's campaigning for the Norwegian general election. The more likely outcome is that an essentially consensusminded political class will adopt a slightly revised plan after the summer break. No politician wants to take the blame for delaying critical investments in national security. The Armed Forces also seem to prefer a quick settlement in order to start implementing the LTP.

As it looks now, neither the government nor the opposition displays the political will to increase spending to a level that corresponds with the more ambitious alternatives presented by the Chief of Defence. Over the coming months, the combined impact from the Covid-19-fallout, the currency crisis and the low oil price will provide everybody with ample excuses for keeping defence spending moderate, at best.

NAVIGATING A MORE COMPLEX AND UNPREDICTABLE SECURITY ENVIRONMENT

Whereas they criticised the LTP's lack of ambition and commitment to concrete steps, both parliamentarians and security experts share the government's analysis of the security situation: Strategic competition in Norway's near abroad remains a major problem. The plan also emphasises the increased pressure on the international order and the multilateral system caused by intensified great power rivalry. Grey zonewarfare and rapid technological development add to the complexity and unpredictability of the security landscape. Nationalism, authoritarianism and populism undermine Western cohesion from within. The Covid-19 crisis seems to amplify these challenges. Even though military confrontation does not look imminent, tensions between great powers over trade, technology, influence and status are undermining efforts to find joint solutions to transnational problems and can escalate into more serious forms of conflict.

Given the complexity, the debate among Norwegian defence experts has been surprisingly self-centred: Several of those who want the government to spend more on defence also think that Norway has become too dependent on allied help. They want to



increase the presence of the national armed forces in the North of the country. This is said to better prepare Norway for a situation in which allies are unwilling or unable to honour their article 5 commitments and rush to Norway's rescue. It is also argued that reducing allied presence in the High North would help to reassure Russia and contribute to low tensions and stability.

The government's defence plan meets these concerns to a certain extent. It proposes a strengthening of the Army's presence in the northernmost county, Finnmark, where Norway shares a 198 km border with Russia. At the same time, the plan leaves no doubt that Norway's defence is dependent on Allied support and insists that the answer to a more challenging security environment is more – not less – cooperation.

The LTP's proposed defence concept consists of three pillars: a strengthened national defence, collective security in NATO and bilateral cooperation with close allies and Nordic neighbours. Close relations with the EU, enhanced cooperation with Nordic neighbours and an active role in the UN complete the picture. In short, planning for Norway's security is never about more or less dependence on partners or allies, but how the different circles of international cooperation can be brought together in the most meaningful way.

In preparing and debating the future defence plans, decision-makers and experts will have to deal with more fundamental challenges to Norwegian and European security. One concern is the state of the transatlantic relationship. Since he took office in 2017, Trump's "America first" approach has been undermining the multilateral system on which small states like Norway depend to make their voices heard. For many allies, Trump's mismanagement of the Covid-19 crisis, his failure to deescalate the country-wide anti-racist protests, and his volatile decisions regarding **US** troop presence in Europe have further eroded trust in American leadership.

Unsurprisingly, the Norwegian government has little interest in discussing

the problem of transatlantic estrangement publicly, let alone in a strategic document. Government representatives insist that the US remains a reliable military partner that has recently increased its presence in Northern Europe. Norway may stand closer to its European partners than to the US on a host of political issues and may seek <u>new</u> alliances with partners across the globe that share an interest in <u>safeguarding multilateral</u> solutions. But such political alignments cannot replace the American security guaranty and the value of belonging to a military alliance like NATO. There is still hope that even Trump cannot do lasting damage to seven decades of transatlantic relations. The current disturbances should nevertheless lead to reflection among European allies about how they can take more responsibility upon themselves to strengthen the alliance.

Related to the problem of greater European responsibility is another question that deserves more attention: How can Norway's armed forces prepare themselves for future challenges, what kind of equipment is needed, and where can it be bought? As IFS director Kjell Inge Bjerga has pointed out, the current plan still deals with the implementation of decisions made years ago. Fifth generation fighter jets, submarines and antisubmarine planes will still be needed to patrol the High North, and the army needs modern battle tanks and protection against missiles to ensure a credible tripwire on NATO's northern flank. The next round of investments has to consider the increasingly complex threat environment and the rapid advances in technological development. How can a European small state keep up with this development? How can Norway avoid being caught in a conflict between the United States, China and the EU over trade and technology? How can Norway maintain close ties with the US while linking up with the EU's increasingly powerful role in defence related research and development? What role should be given to the national defence industry?



CHAMPIONING RESILIENCE

One area where the government's proposal already appears up to speed is the attention given to resilience and civil preparedness. Even before the pandemic, resilience had a prominent place in Norwegian defence planning. By organising Trident Juncture 2018, Norway not only engaged allies in one of the biggest post-Cold War exercises for Host Nation Support and military mobility, it also showcased the relevance of its total defence concept, defined as "mutual support and cooperation between the Armed Forces and civilian authorities". The new longterm plan states that the "complexity of threats and risks requires stronger and more flexible civil-military cooperation" and proposes "to build resilience and civil preparedness in order to strengthen the ability of the nation to withstand and recover from attacks and incidents." The ambition to coordinate the implementation of the defence plan with a white paper on societal security (Samfunnssikkerhetsmelding) fell victim to the Covid-19 crisis. But in Norway, like in other countries, civil-military cooperation has been crucial to successful crisis management. The Armed Forces have played an important role in supporting civil society with transport, medical equipment, and expertise, as well as assisting law enforcement with border control.

The Covid-19 crisis has demonstrated that health policy remains primarily a domain of national and local decisionmaking. Reactions to the pandemic also exposed considerable differences in the level of preparedness and crisis management strategies. A case in point is the vastly different strategies chosen in Norway and neighbouring Sweden. As countries are headed toward gradual "re-openings", new differences emerge. Throughout the crisis, neither official communication policy nor media attention in Norway have given priority to international cooperation. Reporting has focused on the slowness and the dysfunctionalities of international bodies such as the World Health Organisation (WHO) or the EU. This selective focus has overshadowed the critical role played by

these organisations, but also by NATO – a defence alliance not primarily associated with health issues.

For NATO, a top priority during the Covid-19 crisis has been to maintain readiness and vigilance, and to continue the adaptation process started in Wales 2014. But the alliance was also able to rely on existing concepts to assist the civil sector: Assuring the resilience of member states was an important NATO task during the Cold War and has returned to the Alliance agenda in the aftermath of the Crimean crisis in 2014. Refocusing on collective defence and deterrence also meant to prepare for attacks by state or non-state actors on critical civilian infrastructure. At the Warsaw summit in 2016, allies committed to seven baseline requirements for civil preparedness, promising to ensure resilient civil communication, transport, energy supply, government services and other critical functions.

NATO's response to the Covid-19 crisis has primarily consisted of coordinating allied relief efforts and in providing logistical support such as airlifting supplies, sharing medical expertise, and deploying Allied militaries to support civilian authorities. The Alliance has also intensified its cooperation with other international organisations, notably the EU. Similar to joint work on military mobility, hybrid warfare and the fight against disinformation, resilience is likely to become one of the frontline projects for enhanced cooperation between the EU and NATO.

The EU has been subject to considerable criticism for its hesitant response to the pandemic and initial difficulties in coordinating the crisis management of its 27 member states. Yet, the EU has been an important framework for consultation, coordination and cooperation on civil protection – also for Norway, a closely associated non-member. Through its membership in the European Economic Area (EEA) and bilateral contacts with EU member states, Norwegian ministers, diplomats and health officials have been in close contact with their European



counterparts, working together on issues such as the acquisition and transport of infection control equipment and the organisation of evacuation flights.

Maintaining and intensifying these relations will be necessary as the EU prepares for the next stage of its Covid-19 crisis management: assessing the need to strengthen the role of its institutions and negotiating recovery packages to help its members tackle the pandemic's economic and social fallout. These steps will certainly be lengthy and cumbersome and they may highlight new cracks among EU member states. On the other hand, they may also lead to closer integration in certain areas, a development that traditionally challenges the status and influence of third countries like Norway and post-Brexit UK. Aside from the areas covered by the EEA agreement, Norway will pay particularly close attention the fate of the European Defence Fund and the PESCO-projects.

CONCLUSION

As the international community evaluates the lessons from the Covid-19 pandemic, individual nations and organisations like NATO and the EU will enhance their focus on resilience. For Norway, the Covid-19 crisis could be an opportunity to develop its total defence concept and to promote efforts in civil-military crisis management as a key contribution to allied burden sharing and to European security more generally.

As a first step, this requires making resilience an even more integrated part of national defence planning. This could be realised by exploring possibilities to combine the defence sector's resources more effectively with those of other sectors. Indeed, one of the opposition's demands for a revised defence plan, is to include an analysis on civil-preparedness in light of lessons from the Covid-19 crisis. Given that the work on the defence plan was coordinated with a now delayed White Paper on societal security, this should not present a major problem. Moreover, discussions on how to boost resilience should be

linked to a discussion on crisis prevention, addressing the security consequences of inequality, human rights abuses and climate change. The next opportunity to present a strategic outlook that integrates societal and geopolitical aspects with reflections on global challenges and the multilateral order will be the White paper for the High North. It is the first since 2011, and is scheduled for publication toward the end of the year.

Championing resilience does not mean that Norway can neglect its other contributions to NATO's collective defence and deterrence posture. Defending sovereignty and providing situational awareness on the Alliance's Northern Flank remains the main priority of Norwegian security policy. Other crucial contributions include providing host nation support, as well as training and exercising to allied troops, and to participate in out-of-area, stabilisation missions. Investments in military hardware and personnel remain critical to national defence and to allied burden sharing.

However, taking the lead on resilience will not only enhance Norway's standing in NATO, participating in joint projects and exercises of civil-military cooperation would be an additional opportunity to tie allies and partners closer to the security and defence of Norway. Last but not least, boosting resilience measures – ranging from a new concept for the home guard and the civil protection force to the modernisation of infrastructure – might be a powerful argument to increase defence spending at a time when societal concerns range higher on most people's minds than military threats.

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SECURITY IN NORTHERN EUROPE (SNE)

Security in Northern Europe (SNE) is a perennial research programme (2019-2021) that explores drivers, opportunities and constraints related to the security of Northern Europe.

Through research projects, transatlantic collaboration, conferences and seminars, the purpose is to provide insight into the dynamic development of the security situation and cooperative patterns in the region.

SNE is a joint effort between the Norwegian Institute for Defence Studies (IFS), Center for Strategic and International Studies (CSIS), Royal United Services Institute (RUSI) and the German Council on Foreign Relations (DGAP).

Head of the programme: Johannes Gullestad Rø, Associate Professor, IFS.

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