

SHOULD NATO EXPAND?

*Report of an
Independent Task Force*

Sponsored by
the Council on Foreign Relations

Harold Brown, Chairman
Charles Kupchan, Project Director



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List of Task Force Members

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INTRODUCTION

Europe has arrived at a critical historical juncture. The dark certainties of the Cold War landscape have given way to the hazy uncertainties of postcommunist transition. The eastward spread of markets and democracy provides cause for cautious optimism about Europe's future. But the resurgence of aggressive strains of nationalism and the ongoing political and economic turmoil in Europe's east necessitate prudent but proactive engagement on behalf of a hopeful transatlantic community.

The need for determination and purpose on behalf of the transatlantic community no longer stems from an aggressive Russia. Mainly for historical reasons, many Central European states remain fearful that Russia will again come to threaten and intimidate them. But what contributes most to anxiety in Central Europe is a continuing sense of disconnectedness, a concern among states of the region that they are not yet part of a broader Europe and are therefore exposed to the unknown threats, turmoil, and confusion stemming from a continent in transition. What the new democracies seek, and what the transatlantic community should strive to give them, is inclusion in a wider Europe with a common sense of identity, purpose, and destiny.

Profound transformation in Europe and the new security challenges associated with it raise perplexing questions about the future of the Continent's premier security organization: the North Atlantic Treaty Organization (NATO). Some contend that NATO's usefulness is over, arguing that the military alliance cannot survive in the absence of the threat that brought it into being. Others main-

tain that NATO, which has already substantially redefined its missions and reshaped its capabilities, should preserve itself in Europe's west as an anchor of democracy while contributing to stability in Europe's east through the Partnership for Peace, a program of military cooperation between NATO and the new democracies. Still others claim that for NATO to survive, it must formally expand eastward—incorporating as full members Europe's new democracies and extending Article V security guarantees to them.

The Clinton administration views NATO's eastward expansion as the primary vehicle for building a new security order in Europe. NATO's enlargement is to bring stability to Central Europe and take advantage of the opportunity to widen European unity and consolidate the eastward spread of democracy. Led by the United States, the Alliance is now undertaking a study of the rationale and process of expansion. Later this year, it will share this information with interested members of the Partnership for Peace and then begin detailed planning for the accession of new members. If all goes according to plan, the new democracies of Central Europe would be first in line for admission and could well join NATO by the end of the decade. The Partnership for Peace will help prepare prospective members for the rights and responsibilities that accompany a NATO security guarantee. It will also function as a forum in which states not formally entering NATO can continue to engage in cooperation with the Alliance.

The enlargement of the European Union (EU), the development of NATO's ties to Russia and other former Soviet republics, and the strengthening of the Organization for Security and Cooperation in Europe (OSCE)—a forum that includes both NATO members and former members of the Warsaw Pact—are to complement NATO expansion. These parallel tracks are to provide multiple path-

ways for deepening European integration, as well as to meet the concerns of Russia, which opposes NATO expansion on the grounds that it will redive Europe and isolate Russia and its former republics from Europe's new security architecture. In addition to addressing these concerns by making NATO expansion only one prong of its European strategy, the Clinton administration is leaving open the question of whether Russia may one day join NATO.

The Clinton administration already has made plain its goal of NATO expansion, and NATO as a whole is preparing to admit new members. Yet, vociferous debate continues on both sides of the Atlantic over whether NATO should formally expand and, if so, exactly how, when, and why. Because NATO's future is of fundamental geopolitical importance, this debate is crucial. Decisions about NATO's new role in Europe will have profound effects on the Continent's strategic landscape, the welfare of the transatlantic community, and the trajectory of those states struggling to become stable democracies and members of a broader European home. As this debate moves forward, it should be guided by six principal considerations.

First, if a broader Europe knit together by the ties of common values and purposes is to take shape, NATO must play the leading role in building security and stability in Central and Eastern Europe. The European Union should have taken the lead on this task, particularly in Central Europe, but it has been shrinking from the challenge. The EU is best suited to provide what Central Europe now needs most: economic growth and political integration into a wider Europe. However, Western Europe has been in the throes of a recession that has sapped the resources and the political will needed to integrate the economies of the Central Europeans. And the EU is still embroiled in internal debate about how and when to proceed with enlargement, and is not ready to open fully its

markets and councils to the new democracies; the timing of entry into the EU for Central European countries keeps slipping. Even if the United States, as it should, presses the Europeans to quicken the pace of the EU's expansion, enlargement is not likely to take place until well into the next century.

Second, if NATO is to take the lead in extending stability eastward, it must preserve itself as a united, effective military and political organization. To do so, it must forge a new vision of its core purposes and missions, and continue to adapt its strategic focus and military capabilities to a changing landscape. The new threats to NATO countries that emanate from political instability or civil/ethnic conflicts in Eastern Europe or North Africa bear little resemblance to those that were posed by the Red Army. In this respect, NATO should draw sober lessons from its failure to act with more determination and purpose in the former Yugoslavia. The Alliance must develop an agreed strategy that enhances its ability to prevent and stop ethnic conflict. Doing so is an integral part of meeting the security concerns of the emerging democracies, helping to encourage democratic development by integrating them into a broader Europe.

Third, NATO's deepening engagement in Europe's east should not be cast as part of a policy that is anti-Russian. Russia's future is of concern to all. If Russia again comes to pose a military threat to Central Europe, NATO should be prepared to carry out its traditional mission of territorial defense. But for now, the best way to deal with Russia is not to isolate or antagonize Moscow. Rather, it is to bind the emerging democracies of Central Europe to the West even as the West reaches out to forge a cooperative relationship with Russia. Accordingly, NATO should focus not on extending a military bloc into Central Europe, but preeminently on promoting an environment of confidence in which the new democracies can

thrive, and on helping them deal with as yet unforeseen regional crises that could threaten stability. Political confidence and identification with the West are important ingredients of successful democratization. In much the same way as NATO helped the democracies of Western Europe recover from the devastation of World War II, it should provide the sense of reassurance and community needed to help the democracies of Central Europe recover from the Cold War.

Fourth, NATO's focus on building an environment of confidence and a community of shared purpose raises the question of whether its deepening involvement in Central Europe need and should include formal expansion—the entry of new members into NATO and the extension of Article V security guarantees to those members. NATO should keep open the option of formal expansion, and prospective entrants should take the steps necessary to prepare themselves for full membership. But informed opinions do differ as to if and when formal expansion should take place. Some argue that NATO should make a firm commitment to expand into Central Europe and take in new members as soon as states in the region meet specified criteria, such as genuine democratic governance and respect for citizen rights regardless of religion and ethnicity. Others maintain that NATO should extend formal treaty guarantees only if Russia begins again to pose a threat to Central Europe, and that in the absence of that threat, measures short of Article V security guarantees will suffice to build democracy and security in the region.

Fifth, whether NATO only puts itself in a position to expand or moves with deliberate speed to incorporate new members, it should significantly increase its activities and programs in Central Europe. And in either case, the Central Europeans should continue to work toward the fulfillment of the political and military criteria that would qualify them for NATO membership. Efforts to deepen a

democratic and peaceful Europe must move forward; the issues at stake are too important.

Sixth, as the Western Alliance feels its way forward in post-Cold War Europe, U.S. leadership is critical. The United States is, and should remain, a European power. Especially because the European Union is unwilling to react with immediacy to the opportunities and dangers that are emerging to its east, the United States should step out in front of its NATO allies to forge a strategic vision for the future. If the Clinton administration intends to proceed with formal NATO expansion, as it has repeatedly stated, it will have to articulate a much fuller vision of its plans, specifying how far eastward NATO is likely to extend; what NATO's relationship will be with other security institutions; and what the American people should expect in terms of the costs, responsibilities, and benefits of NATO expansion. Without this fuller vision and the leadership needed to bring it to fruition, the administration's calls for an expanded NATO will sound hollow to Europeans and Americans alike. If, on the other hand, the administration decides to pursue pathways other than NATO expansion to build a broader Europe, it should so state, thus avoiding further strains with Russia and scaling back the expectations of Central Europeans about the likelihood of NATO security guarantees.

Whatever its decisions about NATO's immediate future, the Clinton administration must work to ensure that NATO evolves in ways consistent with a security system that eventually could include all European states with common values and purposes. Such a system should provide mechanisms for dampening the imagined threats of the past, managing the all too real threats of the present, and deterring the not yet imagined threats of the future. It is this vision that sustains hope for a Europe undivided, democratic, and secure.

NATO'S PURPOSES, OLD AND NEW

NATO remains essential to preserving peace in Europe despite the Cold War's end. Maintaining NATO as a military organization and as a political forum is vital to both North America and Europe. Whether new threats to European stability come from within Europe or from without, whether those threats come from major military powers or from the disorder associated with disintegrating states, the community of established democracies must maintain the ability to act in unison when common interests are at stake. Keeping NATO's remaining infrastructure in good working order is an inexpensive investment in the future, not an extravagance that has outgrown its purpose.

NATO serves as the main pillar of the strategic bridge that links North America to Europe, a bridge that not only facilitates collective action in pursuit of common interests, but also helps keep national rivalries from reemerging in Western Europe. America's disengagement from the Continent would foist upon the European Union the task of coordinating West European foreign and defense policies—a task for which it is not ready. Although Russia poses no near-term threat to the welfare of the transatlantic community, NATO's continuing existence provides reassurance against a possible resurgence of Russian ambition. And as it did during the Gulf War, NATO continues to serve as a reservoir of military capability for projecting power against non-European threats to the common interests of the transatlantic community.

NATO cannot, however, afford to focus only on its traditional missions. With ethnic violence and aggressive nationalism spreading and with difficult obstacles still ahead on the path of economic and political reform, the new democracies need to be more firmly attached to the anchor of stability in Europe's west. Building a new secu-

rity order in postcommunist Europe and expanding the Continent's community of established democracies must now be NATO's top priority.

As NATO adapts to a new strategic landscape, tensions among its members will inevitably arise. In the absence of a unifying external threat, NATO members will differ over how best to deal with security challenges. Furthermore, as the United States focuses more attention on its domestic agenda and as the European Union seeks to broaden its role in foreign policy, debates will continue over a new division of responsibility and leadership within NATO.

These disputes are growing pains, and should be treated as such. They need not and should not jeopardize the common interests and values that are the bedrock of the transatlantic Alliance. This period of transition does, however, make continued American leadership particularly important. Especially because there is no dominant external threat to provide cohesion and direction, Washington must redouble efforts to ensure that NATO continues to adapt to a new strategic landscape and is prepared to respond to Europe's new security challenges.

In this regard, recent developments in the former Yugoslavia constitute a serious setback for NATO, but not its death knell. NATO members deemed that the interests at stake in Bosnia did not warrant deeper military intervention. The Alliance was also constrained by the fact that NATO and the UN had different perspectives on when and how to use force, particularly important because the two organizations shared command authority. Therefore, although NATO's failure to protect designated safe havens has tarnished the Alliance's credibility, it has not called into question its willingness or ability to defend against more direct threats to NATO interests or to act more effectively when not constrained by a cumbersome command structure. Debate will continue over whether

NATO members were justified in so limiting how they defined the Alliance's interests and in undertaking operations in which NATO shared command authority with the UN. But it is clear that both the United States and NATO erred in allowing their rhetoric to run far ahead of their resolve. In the future, if NATO members are not prepared to engage militarily, they should not fuel expectations to the contrary. To do so is to mislead the parties to the conflict and dilute NATO's credibility and cohesion.

NATO's fitful involvement in Bosnia has underscored the need for a reevaluation of the Alliance's missions and purposes in post-Cold War Europe. It has also called into question whether the Alliance will live up to its commitment to take on new missions and work to project stability eastward. This task entails not just a formalistic reorganization of NATO or bold statements about its new relationship with its former adversaries; NATO members must be prepared to expend resources and make sacrifices. In light of the need to capitalize on historic opportunities while hedging against increasing disorder and the potential failure of democratic reform in at least some areas of Eastern Europe, NATO must now address with increased urgency how to build a broader Europe and integrate the new democracies into a community of shared purpose.

NATO'S EASTWARD EXPANSION

Many of Europe's new and emerging democracies have already made dramatic progress along the path of reform. Nevertheless, economic turmoil, political instability, ethnic rivalry, and aggressive nationalism continue to pose threats to the eastward spread of democracy and markets. NATO's Partnership for Peace and the prospect of eventual NATO expansion play an important role in counteracting these threats. NATO's deepening engagement in the

east provides reassurance against unforeseen threats, helps build new militaries that are well integrated into democratic society and capable of operating with NATO forces, and symbolizes the enlargement of the community of established democracies. In light of their progress on the path of reform, the new democracies of Central Europe, in particular, expect and deserve to be fully integrated into the West.

The key challenge is how to proceed with the integration of Central Europe's new democracies in a manner that is politically feasible and strategically sound, and does not precipitate the redivision of Europe into competing military blocs. Some argue that NATO should respond to this challenge by expanding eastward with deliberate speed while seeking to forge a cooperative relationship between an enlarged NATO and Russia. Others argue that NATO should put itself in a position to expand, but actually take in new members and extend security guarantees only if necessary—that is, if Russia again poses a military threat to Central Europe. They assert that in the absence of that threat, NATO members should work through the Partnership for Peace, the European Union, and the Organization for Security and Cooperation in Europe to extend stability eastward.

Arguments for Near-Term Expansion

Proponents of expanding NATO with due speed make four principal arguments. First, for historical, cultural, and geopolitical reasons, Western and Central Europe should belong to a security community that is distinct from the community formed by Russia and its former republics. Formalizing Central Europe's entry into the West is preferable to allowing ambiguity to trigger rivalries over and within the region. NATO should take advantage of this historic opportunity to assist the new democracies of

Central Europe consolidate reform and democracy, and not risk again losing the region to internal instability or outside aggression. To make NATO's formal enlargement contingent on the reemergence of a Russian threat is to risk that NATO will fail to act when confronted with a more menacing international environment. In addition, the fact of full membership for the new democracies will itself bolster reform in the region and channel westward the expectations of Central Europeans. The ultimate goal should be the emergence of a stable, cooperative balance between a European and a Euro-Asian security community.

Second, the expansion of NATO, if executed appropriately, need not alienate Moscow and lead to a cold peace. Because Central Europe now faces no external threat, the extension of NATO security guarantees to the region would not require the forward deployment of troops and the fortification of borders. Furthermore, Russian policies of domestic reform and cooperation with the West are in Russia's own best interests; if Russian leaders take reform seriously, they will not jeopardize the progress they have made because of NATO expansion. Strengthening the OSCE and efforts to include Moscow in other decision-making forums would also ease Russia's sense of exclusion or isolation.

Third, if NATO does not expand eastward, it will become irrelevant to Europe's emerging security challenges, lose the support of publics in member states and soon wither on the vine. On the other hand, expanding NATO would revitalize the Alliance and enhance its relevance to Europe's new strategic landscape. Only through expansion can NATO complete its transformation from a Cold War military alliance to more of a political forum and integrated military structure for crisis management and joint action in a broader Europe.

Fourth, NATO expansion is important to ensuring that Germany remains embedded in a cohesive West. Ger-

many's economic and political interests are shifting eastward. This shift should be accompanied by the eastward expansion of Europe's main institutions, ensuring that Germany does not become unhinged from those institutions. Expanding NATO and the EU is thus essential to sustaining multilateralism among the established democracies and the health of the transatlantic security relationship, which in turn protect against the possible renationalization of defense policies within the European Union.

Arguments for Making Expansion Contingent on Russian Behavior

Proponents of making NATO expansion contingent on strategic circumstance make four principal arguments. First, proceeding now with NATO's eastward expansion would divide and destabilize Europe. However NATO justified and presented its move eastward, Moscow would see the enlargement of the Alliance as anti-Russian. And regardless of the steps taken to reassure Moscow about NATO's intentions, formal expansion would trigger a sharp backlash in Russia. A larger and stronger NATO could encourage Russia to form a balancing coalition by reasserting control over its former republics. Moscow may well decide to abrogate arms control agreements to offset what it would perceive as an adverse shift in the balance of power. Yeltsin's nationalist critics would have new, quite potent ammunition, threatening the position of democratic reformers. And reformers in Ukraine and other former republics likely to be excluded from NATO would have little choice but to acquiesce to pressure from Moscow, having been formally declared outside the West's new defense perimeter.

Second, the decision to expand NATO eastward should be based on Russia's present behavior, not on assumptions about Russia's past. To be sure, Russia's future

is unclear, and its behavior in Chechnya has not been reassuring; at some point, it may prove prudent to make explicit what is already implicit—that Central Europe is permanently outside Moscow's sphere of influence. But there is no need to draw such lines in the near future when Russia poses no threat to Central Europe and when doing so would risk isolating Moscow and setting in motion a self-fulfilling prophecy. Because it would take Russia years to rebuild an army capable of reoccupying Central Europe, NATO would have time to extend its formal umbrella eastward if and when necessary. In the meantime, the Central Europeans can move closer to NATO by making full use of the Partnership for Peace. Moreover, Article V guarantees will do little to meet the main threats to stability in Central Europe, which stem from political and economic turmoil and ethnic tension, not outside aggression.

Third, NATO governments should not promise expansion unless they are certain of public support. Because it entails a treaty commitment, bringing new members into NATO requires the approval of legislatures in all NATO countries. Convincing electorates in the United States and other NATO countries to assume the costs and responsibilities of extending defense guarantees to Central Europe could prove quite difficult. NATO governments have yet to make clear to their publics these costs and responsibilities. And there is at present no direct threat to concentrate the minds of U.S. and West European voters and their representatives; the willingness of Western publics to support foreign commitments is shrinking, not expanding. The new democracies of Central Europe would be dealt a serious blow if their bids for NATO membership were rejected by legislatures in NATO countries.

Fourth, pressing ahead with formal NATO expansion in the near term promises to threaten the political cohe-

sion and military efficacy of the Alliance. NATO requires a consensus to act, and new members with diverse national interests will complicate the task of reaching consensus. In the absence of a unifying external threat, debate over expansion is also likely to create deep political divides among current NATO members, further jeopardizing the coherence of the Alliance.

POLICY RECOMMENDATIONS

Whether NATO only puts itself in a position to expand or proceeds now with formal expansion, it has a central role to play in promoting peace and security in Europe and expanding the community of democratic states. NATO can and should remain the key organization for building a new security order in Europe. To do so, it should take a number of steps in the near term to prepare itself for possible expansion and to deepen stability in postcommunist Europe. All of these measures should be part of an overarching policy aimed at building a broader Europe knit together by common values and purposes.

Continue NATO's internal transformation. NATO has already made substantial progress in adapting its political and military structures to the post-Cold War environment. It must continue to transform itself from a traditional military alliance into an organization for addressing Europe's new security challenges, maintaining the capacity for territorial defense, but deemphasizing this mission and emphasizing instead force projection capability for a variety of contingencies. The new democracies that have joined the Partnership for Peace should participate in NATO's decision-making councils and military structures as regularly as appropriate. The security concerns of NATO's former adversaries and their sense of being in strategic limbo will be considerably moderated

when they feel that they are part of, not the objects of, NATO deliberations.

Clarify the rationale for, criteria for, and scope of NATO expansion. Whether or not NATO proceeds with formal expansion in the near term, it should make explicit that its deepening engagement in Central Europe is aimed principally at consolidating democracy and stability in Central Europe rather than countering a Russian threat that has not materialized and may never again evolve. If, as planned, NATO makes public later this year the criteria for admitting new members, it should stipulate that prospective entrants work toward fulfilling the following three standards: that they are stable, market-oriented democracies; that they have established legal and institutional mechanisms to protect the rights of minorities and agreed to settle all outstanding border disputes through peaceful means; and that they have developed military establishments under civilian control and of sufficient quality to contribute to the defense of collective interests. These criteria, as well as the process through which new members enter NATO, should be transparent to all.

If and when NATO ultimately proceeds with formal expansion, membership should be open sequentially to all European states that meet these criteria. NATO should make clear two points as it proceeds. First, when and as new members are added, NATO is not "abandoning" those countries not included or indicating that it is not concerned about their security. Second, NATO's expansion is not meant to foreclose the possibility of a pan-European security organization based upon principles of collective security. NATO must continue to pursue the end point of an undivided, democratic Europe.

Upgrade the Partnership for Peace. The Partnership for Peace offers the countries of the former Soviet bloc many of the benefits of full NATO membership—short of formal security guarantees. They can modernize their mili-

tary forces and make them interoperable with NATO forces. They can participate in formal decision-making bodies at NATO and in NATO's military exercises and operations, working toward common doctrine and training standards. They can upgrade their military infrastructures to enable NATO forces to operate effectively on their territory. And they can build military establishments well integrated into democratic society. All of these measures would prepare prospective entrants for full membership—should NATO expansion take place. In the meantime, they will help these countries address their security concerns and promote an environment of confidence and reassurance. NATO countries need to focus more attention and resources on Partnership programs. Concrete military cooperation with the new democracies should be one of NATO's top budget priorities. The Clinton administration has already pledged \$100 million to support Partnership activities. The United States should press its NATO partners to devote more resources to the program.

Address ethnic conflict. NATO's efforts to build a broader and more peaceful Europe will mean little unless its members address head-on how to cope more effectively with ethnic and civil violence. NATO's ineffectual response to events in Bosnia already has led the new democracies to question NATO's sincerity in stating its intention to focus its efforts on extending stability eastward. NATO members will be able to assess the degree to which ethnic conflicts threaten common interests only on a case-by-case basis. The nature and scope of NATO involvement will vary accordingly. Nevertheless, several lessons can be drawn from the tragedy in Bosnia.

NATO members need to ensure that they agree on broad strategic purposes before they seek to orchestrate a collective response to specific crises. Only after forging a strategic consensus can they more effectively coordinate concrete efforts to prevent and contain ethnic conflict.

Agreement on strategic purposes and more policy coordination will help prevent these conflicts from tearing at the fabric of the Alliance and eroding its cohesion.

NATO must also better prepare itself to act preventively—before it faces a stark choice between major military intervention and tolerating aggression and genocide. More foresight would enable NATO to say less and do more. In this respect, it is particularly important to reconsider the circumstances under which new states should be recognized and the mechanisms that can be implemented to protect minorities as old states fail and new ones form. Developments in Bosnia also suggest that NATO, when it becomes militarily involved in ethnic and civil conflicts, should operate under its own command, not in coordination with the UN. In most cases, the UN or OSCE is likely to provide a political umbrella, but NATO must be free to take whatever military actions it deems appropriate.

Build a new relationship between NATO and Russia. As NATO deepens its engagement in Central Europe, it also needs to affirm and deepen a cooperative relationship with Russia. Doing so entails avoiding anti-Russian rhetoric, strengthening the OSCE, engaging Russia in consultation on European security matters as frequently and fully as possible, and stepping up concrete military cooperation between Russian and NATO forces. A formal treaty between Russia and NATO is neither needed nor desirable. With Europe's landscape in considerable flux and NATO's ultimate disposition in Europe uncertain, NATO's relationship with Russia should be free to evolve unconstrained by a formal treaty.

The absence of a consensus on how to build a new relationship with Russia in part stems from differing assessments of the motivations behind Russia's current behavior and differing opinions of the likelihood that Russia will emerge as a benign, democratic power. Accordingly, formulating America's Russia policy and keeping it on track

depends, at a minimum, on publicly identifying standards by which to judge Russian behavior. Without such standards, the debate within the United States and within NATO more generally will lead nowhere; what some see as Russia's stabilizing role in the east, others will characterize as imperialistic behavior. If only to silence its critics, the administration needs to identify standards against which Russian policy can be evaluated. Moreover, Russians themselves need guidelines as to what NATO members expect of them.

The United States, in consultation with its NATO allies, should make explicit what Russian actions it would consider provocative and sufficiently serious to warrant a sharp response from NATO. These actions might include the following: unilateral Russian withdrawal from either conventional or nuclear arms control agreements; the use of military threats or military force to wrest sovereignty from neighboring states; the involuntary reabsorption of former republics into the Russian Federation; and the collapse of democratic institutions.

NATO should be equally explicit in identifying what constitutes constructive and desirable Russian behavior, and make clear that adherence to such standards will be met with increased economic aid and further integration of Russia into international markets and institutions. Such standards might include the following: adherence to recognized human rights accords; willingness to subject Russian military operations in the former republics to international standards and, possibly, to include foreign troops in such operations; appropriate compromise on resolving the dispute over Nagorno-Karabakh; settlement of the conflict in Chechnya; and withdrawal of the Fourteenth Army from Moldova.

Bolster Ukraine's stability. A viable, independent Ukraine is a key element of a stable European order. Ukraine is, however, in an unenviable strategic position.

Whether Central Europe's entry into the West is formalized through NATO membership, EU membership, or both, the region has already exited Russia's sphere of influence and is heading west. Not so for Ukraine. Because of its location, sizable Russian population, and economic ties to Russia, Ukraine will retain close ties to Moscow. To date, Russian policy toward Ukraine has been responsible and constructive. East-West tensions and security problems reminiscent of the Cold War would be revived, however, were Ukraine to be reabsorbed into a greater Russia.

Accordingly, the United States and West European countries must continue efforts to ensure that Ukraine's economy stabilizes, that its political system matures, and that its independence is solidified. In addition, although Ukraine is unlikely in the near term to enjoy security guarantees from either NATO or the EU, it must be given a strategic foothold in Central Europe to enable it to balance between Europe's center and east. The Partnership For Peace offers a valuable step in this direction, but expanded bilateral cooperation between Ukraine and the United States and between Ukraine and European countries is also needed. Military cooperation between Ukraine and its Central European neighbors is especially important. Ukraine should also be encouraged to become more deeply involved in OSCE and international peacekeeping efforts. In addition, the United States should continue to play a pivotal role in advancing Russian-Ukrainian security relations, as it did in bringing about the trilateral agreement of January 1994.

Strengthen the Organization for Security and Cooperation in Europe. Whether or not NATO expands, the OSCE should be considerably strengthened. As the only pan-European forum, it offers a unique venue for forging widely shared approaches to common security problems and promoting trust and cooperation among former adversaries. The OSCE's ability to contribute to stability in Europe

will increase as Europe itself becomes more inclusive and composed of states that share similar values and purposes. But as this process moves forward, the United States should strengthen the OSCE in two specific ways in the near term. First, it should propose the creation of a directorate, consisting of Europe's main powers plus rotating regional representatives. Without this directorate, the OSCE will continue to fulfill only lowest-common-denominator functions. Second, the United States should press members to increase the body's funding and the personnel and material resources at its disposal. Only then will the OSCE have the capability to expand its role.

Expand the European Union. Whatever decision NATO ultimately reaches about its own expansion, the European Union should expand eastward as quickly as possible. Moving rapidly toward full membership in the EU would help satisfy the yearning within postcommunist societies for closer identification with the West. If the EU remains unwilling to offer the Central Europeans membership in the near term, it should, at a minimum, offer them full market access. Access to Western Europe's markets is vital to stimulating the still-struggling economies of the new democracies. Using the EU as the primary vehicle for the westward integration of Central Europe is especially attractive because it would minimize the risk of a backlash in Russia; the EU is, and is seen as, primarily an economic and political union, not a security bloc. The United States should incorporate into its European policy efforts to quicken the EU's opening to the east.

EU expansion does, however, raise the question of whether its defense arm—the Western European Union (WEU)—will extend security guarantees eastward in step with the EU. Because it is important for the transatlantic relationship and European stability for NATO and WEU guarantees to remain congruent, the timing and scope of WEU expansion must be given careful consideration. If

NATO does not expand first, it may make sense for NATO and the Western European Union to expand in unison. If NATO decides against formal expansion, the EU will have to decide whether to extend its own security guarantees to Central Europe. Doing so would necessitate a serious upgrading of Europe's defense capability and identity, bearing implications for the future of America's military engagement in Europe. A European and transatlantic dialogue on these issues is urgently needed.

Address extra-European security challenges. While building stability in Europe's east should remain NATO's top priority, NATO must also devote attention to other potential threats to its common interests. Especially when immediate military threats in Europe require less attention and fewer resources than in the past, NATO should focus on problems that are over the horizon.

In this regard, NATO members should undertake explicit efforts to deal with three particular problems: the proliferation of weapons of mass destruction; terrorism; and the spread of political instability in the Middle East and North Africa. None of these problems poses an imminent threat to the security of the North Atlantic community. But they are sufficiently serious now for NATO to address them before they come to pose a broad and constant threat. Alliance cohesion and efforts to forge a common strategic vision will suffer if individual NATO members are left to address these issues on their own. In this respect, NATO's decision earlier this year to begin formal consultations with several Middle Eastern and North African states is welcome.

Reinforce American leadership. As the debate over NATO's future moves forward, American leaders must take the lead in guiding NATO's evolution. Equally important, they must also lay the groundwork at home. The Clinton administration must raise NATO's political profile and educate the public about why the Alliance re-

mains vital to United States interests and why the United States should remain fully engaged in Europe. Despite NATO's obvious importance to policy makers and experts, public support for the Alliance should not be taken for granted. Without U.S. leadership—both at home and abroad—support for NATO may well wane, and the Alliance itself wither. With that leadership, NATO will last well into the next century as both Europe's premier security organization and the bedrock of the transatlantic partnership.

APPENDIX

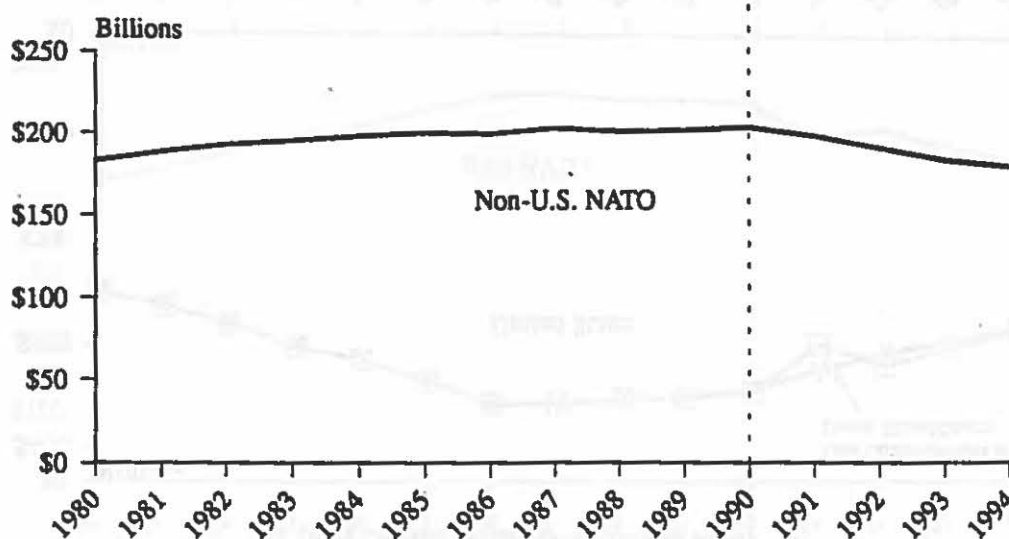
NATO DEFENSE EXPENDITURES AND FORCE SIZE

Total Defense Expenditures
in Billions of Dollars (1980-1989)



Defense spending is a critical factor in the security of the North Atlantic region. It is a key element of the NATO alliance, which is the cornerstone of the Western Hemisphere's defense. The NATO alliance is a unique and valuable institution, which has been instrumental in maintaining peace and stability in the North Atlantic region. The NATO alliance is a key element of the Western Hemisphere's defense, and it is a critical factor in the security of the North Atlantic region. The NATO alliance is a unique and valuable institution, which has been instrumental in maintaining peace and stability in the North Atlantic region. The NATO alliance is a key element of the Western Hemisphere's defense, and it is a critical factor in the security of the North Atlantic region.

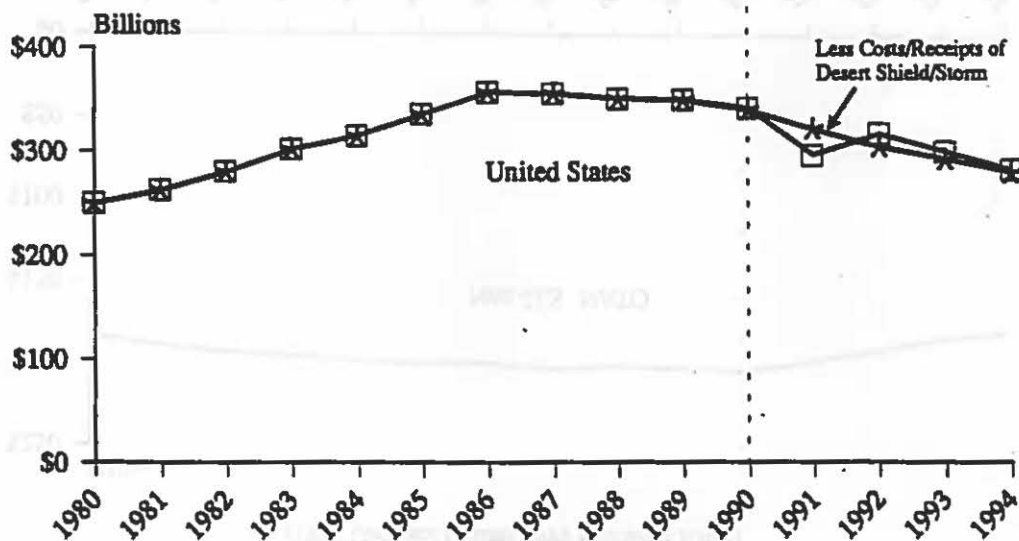
Total Defense Expenditures (1993 Constant Dollars-1993 Exchange Rates)



Note: Defense expenditures are based on a definition agreed to by NATO.

Total Defense Expenditures

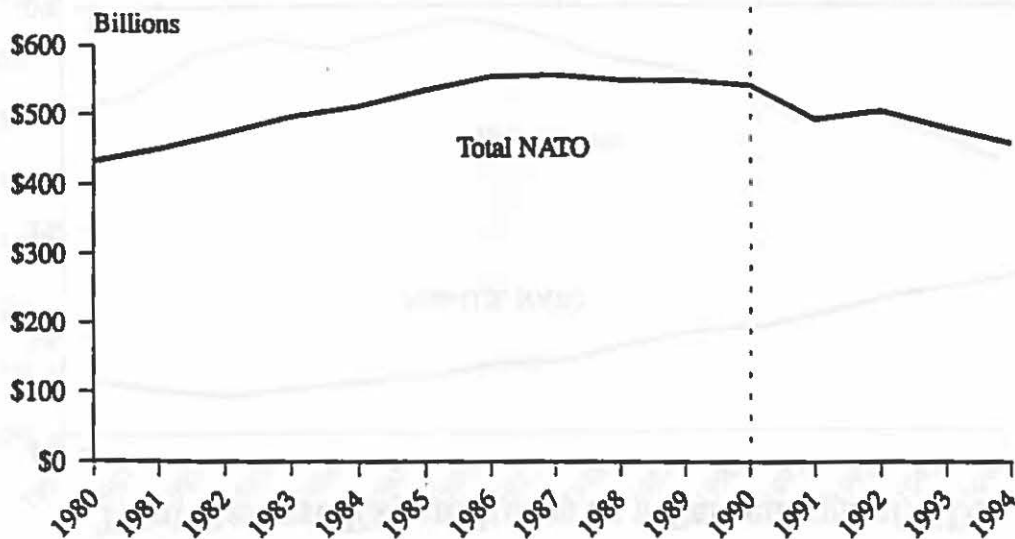
(1993 Constant Dollars-1993 Exchange Rates)



Note: Defense expenditures are based on a definition agreed to by NATO.

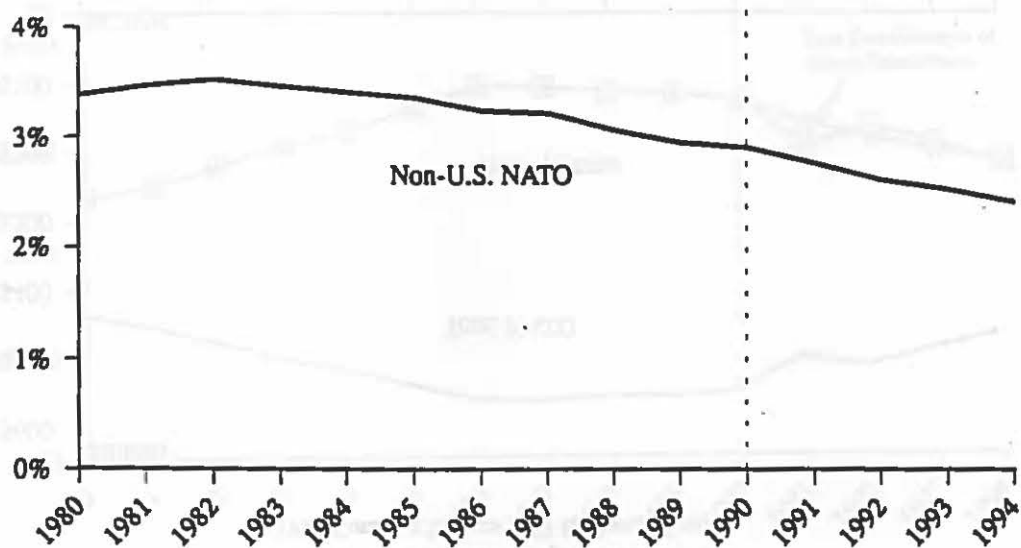
Total Defense Expenditures

(1993 Constant Dollars-1993 Exchange Rates)

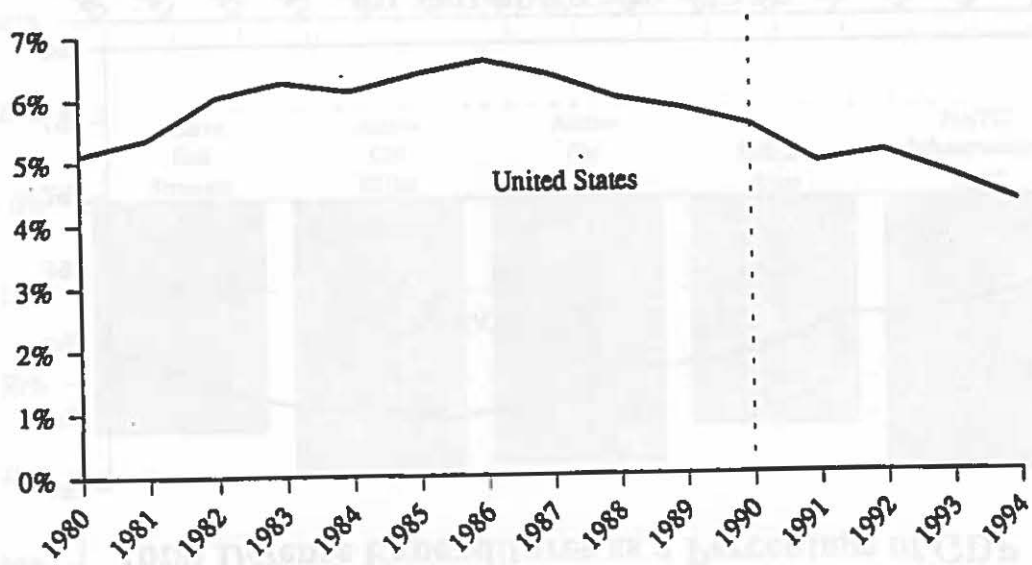


Note: Defense expenditures are based on a definition agreed to by NATO.

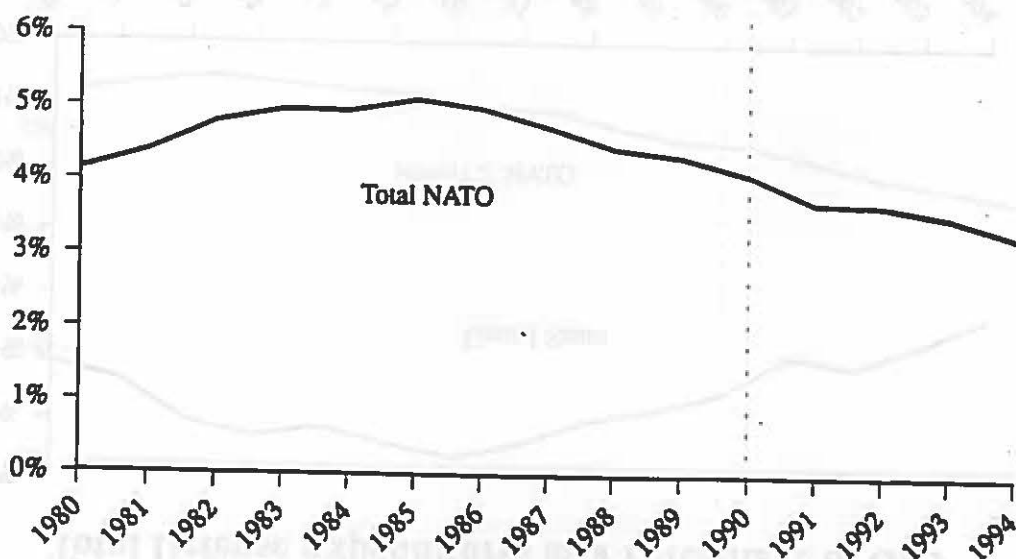
Total Defense Expenditures as a Percentage of GDP



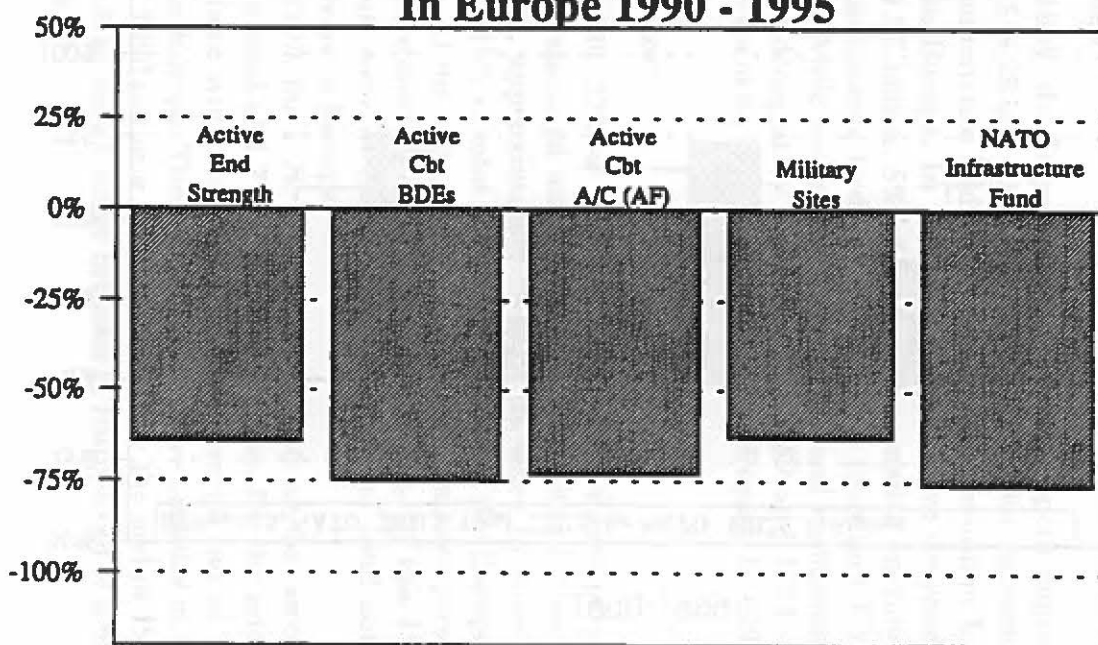
Total Defense Expenditures as a Percentage of GDP



Total Defense Expenditures as a Percentage of GDP

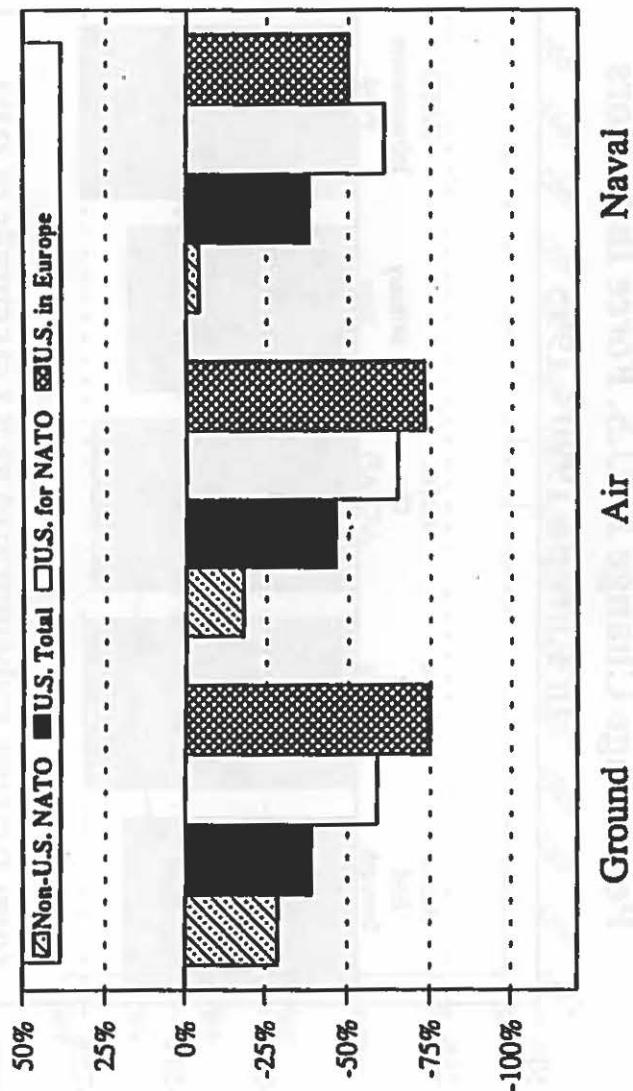


Percentage Change In U.S. Force Indicators In Europe 1990 - 1995



Cbt = combat, Bde = brigade, A/C = aircraft, AF = Air Force

Percentage Change in Major Force Indicators
1990-1999



FACTS AND FIGURES ON U.S. CONTRIBUTIONS TO NATO

Spending:

In 1989, the Department of Defense spent approximately \$14.25 billion, or 13% of its \$108 billion operations and maintenance budget, to operate and maintain U.S. forces in Europe. In 1994, that expenditure dropped to only \$4.87 billion, 5% of an already smaller operations and maintenance budget of \$92 billion (constant FY96 dollars). While overall U.S. operation and maintenance spending dropped by 15% between 1989 and 1994, the amount spent on U.S. forces in Europe dropped by 62%.

Force Size:

In 1989, 22% of all active duty U.S. military personnel were stationed ashore outside the United States. Of this 22%, approximately two-thirds were in Europe, meaning 15% of total active forces were in the European theater. At the end of 1994, 15% of U.S. military personnel were stationed ashore outside the U.S. Of this 15%, only half were in Europe, meaning 8% of total active forces were in Europe.

In 1990, the U.S. Air Force had 666 combat aircraft out of a total of 1,722 (39%) in Europe. By the end of 1995, there will be only 178 combat aircraft out of 936 (19%) in Europe. The army had 17 active brigades in Europe in 1990 out of a total 62 (27%). By the end of 1995, there will be only 4 active brigades in Europe out of a total 42 (10%).

Source for data in Appendix: Department of Defense.

SHOULD NATO EXPAND?

Report of an Independent Task Force

Americans and Europeans can fairly debate whether NATO should expand in the near term or proceed with formal expansion only if Russia again seems to pose a military threat to Central Europe. But whichever course is chosen, NATO should move swiftly and with determination to put itself in a position to admit new members, and prospective entrants should take steps now to prepare themselves for full membership. In much the same way as NATO helped the democracies of Western Europe recover from the devastation of World War II, it now should provide the sense of reassurance and community needed to help the democracies of Central Europe recover from the Cold War. At the same time, the best way to deal with Russia is not to isolate or antagonize Moscow. Rather, it is to bind the emerging democracies of Central Europe to the West even as the West reaches out to forge a new cooperative relationship with Russia.

These are the main conclusions of a bipartisan task force including high ranking military officers, business leaders, and foreign policy experts.

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