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POLICY BRIEF

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The Central European Policy Institute is a new regional think-tank established in Bratislava in 2012 by the Slovak Atlantic Commission. It links top research institutions and experts from across Central Europe. CEPI is devoted to improving the quality of the region's contributions to the EU and NATO debates on key challenges of today. We believe that Central Europe should take on more responsibility in the EU and NATO for issues ranging from the economic crisis to energy and security.



MISSILES AND MISGIVINGS: THE US AND CENTRAL EUROPE'S SECURITY

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- Central Europeans get nervous when the US tinkers with its military bases in Europe. They regard the installations as a symbol of US commitment to their defence, and study each shift for signs that Washington's resolution is waning. The US has not always handled this sensitivity well: when the Obama administration scrapped the Bush-era blueprint for missile defence bases in Europe, it broke the news on the anniversary of the 1939 Soviet invasion of Poland.

- The US Department of Defence announced another change to missile defence plans in March. Alarmed headlines duly followed in Central Europe. But the 2013 decision should leave the region at ease; Washington is not rethinking its obligation to its defence.

- Instead of worrying about US bases, the Central Europeans should be seeking to capitalise on another, less heralded change: while Washington continues to regard Asia and the Middle East as its top foreign policy priorities, it has launched a quiet effort to improve relations with Europe and deepen trade ties with it.

- Central Europe should respond by reinvigorating security dialogue with the United States. And it should use its collective in-

fluence to press for a new transatlantic trade and investment partnership.

Launch failure

The gist of the recent missile defence decision is that the US will not deploy advanced SM-3 IIB interceptors in Poland, as it originally planned to do in 2022, in the last phase of the programme. The missiles in question have yet to be built, the technology involved is tricky, and a recent Congressional study has concluded that they may never work as intended. The US has decided that its money is better used putting more old-style interceptors in Alaska, to protect against a possible attack from North Korea (which has successfully tested a long-range rocket and a nuclear warhead in the past six months).

The plans to develop SM-3 IIB interceptors were a thorn in Russia's side: in theory, they would have been capable of destroying Russia's intercontinental missiles in flight. Some in Central Europe interpret their cancellation as an opening act in another US push to jointly cut nuclear arsenals with Russia. They also read the move as a sign that the US cares less and less about the security of Europe as Washington's attention shifts to Asia and the Middle East.

Those concerns appear to have little merit. US officials say that while Washington would love to reduce nuclear arms jointly with Russia, Vladimir Putin is not interested. Relations are in deep freeze, one White House official says, and the US has given up trying, for now. The SM-3 IIBs were cut not because Moscow demanded so, but because they were costly and they might never fly.

Importantly for Central Europe, Washington is sticking by plans to base simpler interceptors in Poland and Romania, despite Russian protests. The US has not compromised on the principle that Russia should have no say over new western military bases in the region. The decision to cancel the last phase of missile defences will thus have minimal impact on Central European security. Nor is Europe as such any more vulnerable to rocket strikes than before: the SM-3 IIBs were meant to intercept missiles flying to the US, not to Europe.

Meanwhile in Washington...

While Central Europeans fret about missile defences, they risk missing an important change on another front: Washington seems to be making a push to deepen ties with Europe, particularly on trade. This marks an adjustment of sorts to the Europe policy in the first four years of Barack Obama's administration.

In the president's first term, the US policy to Europe was one of tough love; the goal was to encourage allies on the continent, new and old, to assume more responsibility for security and defence of Europe.

US government officials took to warning allies to spend more on defence or face NATO's demise. In Libya, the US – for the first time in NATO's history – delegated the

command (to Britain and France), while providing help in the background. From now on, Washington signalled, the US will take the lead only in case of the direst of conflicts in and near Europe. To drive the point home – and to better cope with budget cuts – the Pentagon has begun reducing forces in Europe: of its four 'brigade combat teams' one has been withdrawn already; another is being disbanded ahead of schedule. The US Air Force is also closing bases in Germany and Italy; in total US force numbers in Europe will drop from 80,000 to below 70,000 in the next two to three years (see table below). Besides getting the allies to do more for their own defence, 'tough love' policy also served to signal that the US military was serious about focusing on Asia-Pacific and, to lesser extent, the Middle East, rather than Europe (though the Pentagon is putting few new forces in Asia while reducing its presence in Afghanistan – the 'pivot' to the Pacific looks more like a cut than a change in posture).

The impact on the Central European allies has been two-fold: like their 'older' NATO counterparts, they face the need to spend more money and contribute more forces in the future to manage crises on or near Europe's borders, to make up for decreasing US interest in such missions. They may receive less US help in training troops as the Pentagon cuts assistance budgets and force numbers (including trainers) in Europe. Unlike their West European counterparts, most of who worry little about also conventional threats to their borders, the Central Europeans will now also wonder: can NATO, with fewer US forces in Europe, repel an invader? Can such diminished NATO deter enemies in the first place? The United States has taken 'reassurance' measures in Central Europe – such as deploying an air wing in Poland – to al-

Planned US military force cuts in Europe			
Unit	Location	Expected date of closure	Number of troops / equipment
81st Fighter Squadron	Spangdahlem Air Base, DE	2013	20 aircraft (A-10) + personnel
603rd Air Control Squadron	Aviano Air Base, IT	2013	Not known
V Corps Headquarters	Heidelberg, DE	2012	Not known
170th Brigade Combat Team	Baumholder, DE	2012 (deactivated October 9th 2012)	4,500 troops
172nd Brigade Combat Team	Grafenwöhr, DE	2014	4,000 troops
Misc. enabling units (Army)	Various places	2017	2,500 troops



lay fears that it no longer cares about new allies' safety. The US has also pushed NATO to produce contingency plans for the defence of the Baltic countries, and in the autumn of 2013 the alliance will hold its largest military exercise in years in Central Europe.

These steps have reduced but not eliminated new allies' concerns: US force numbers continue to drop, so help from the largest ally, if ever needed, will be smaller and arrive later than before.

While the broad contours of US policy remain in place, the administration's tone towards Europe appears to have changed in the second term. The US seems to have concluded that it had little to gain from giving Europe a cold shoulder; that it can have an Asia-centric outlook and still be nice to old friends. US officials also speak of newfound appreciation for their allies, because they have taken the initiative in Libya and Mali. Vice-president Joe Biden chose to stress long-standing ties to Europe, rather than low defence budgets or new threats in the Pacific, in his first post-election speech (at the Munich security conference in February 2013). Hillary Clinton's departure, along with her chief for Asian affairs, Kurt Campbell, may be partly behind the change of tone: they were the driving forces behind the US foreign policy's pivot to Asia. The new secretaries of state and defence, John Kerry and Chuck Hagel, are both from the generation of politicians for whom NATO was America's key alliance and the security of Europe the top priority. They may well be the last leaders from this generation.

The key plank of this newer, nicer Europe policy is the 'transatlantic trade and investment partnership' (TTIP), which Joe Biden said the US would like to sign with the EU as soon as possible. This would remove the remaining tariffs and other non-tariff barriers to trade; both sides expect it to lift their economies: the White House estimates that TTIP will add tens of billions of dollars to the two sides' GDPs. Should they succeed to mesh their economies, the US and the EU will create such large trading block that it will de facto dictate global standards in areas such as food or car safety, leaving Asian and other manufacturers with little choice but to comply. TTIP could become one of the West's best tools to retain economic dominance as China and other non-Western powers rise.

What now?

The challenge for Central Europe during the first, 'tough love' term of president Obama was to keep the US en-

gaged in Europe without appearing to be complaining, and to show that the new allies take seriously the need to do more for European defence. Poland did this reasonably well: it has invested heavily in defence and negotiated new US bases on its territory (though the country's abstention from – and its prime minister's criticism of – the war in Libya irked the US, not to mention Britain and France, who led the operation). Warsaw also complemented the policy by rebuilding defence ties with EU countries, to give itself more options in time of a crisis. Other Central Europeans have done less well: one cannot credibly complain about US inattention while slashing defence budgets. In general, Central Europe's policy during Obama's first term was one of damage control: US-European relationship was weakening, and the goal was to limit the pace and breadth of this disengagement.

The challenge in the second term will be to try to nourish the fledgling attempts to re-engage: to make the new US policy a success, thus reassuring the Americans that Europe cares about the relationship and appreciates their efforts to patch it up. This will be trickier than it sounds. By making TTIP the centrepiece of its Europe policy, and by pressing for quick progress, the US risks appearing snubbed if talks get bogged down. And they probably will: the US and many European countries, including some newer member-states, disagree on sensitive issues such as genetically-modified foods. Other elements of Europe policy such as military-to-military co-operation could suffer if TTIP fails to materialise, as those in Washington who press for re-engagement lose credibility.

In broad terms, Central Europe's policy should consist of encouraging improvement in transatlantic relations, and seeking to capitalise on it. In practice, this translates to a two-pronged approach: one, countries in the region should do their utmost to liberalise trade within Europe and with the US, so as to help TTIP talks to succeed, or to generate at least partial successes should negotiations fail. Central European countries ought to take advantage of their forthcoming role as holders of the EU's rotating presidencies (Lithuania and Latvia in 2013 and 2015 respectively; Slovakia in 2016) to keep TTIP high on the European agenda. The European Commission will lead the talks, but the presidencies can help by generating pressure on hesitant European capitals to make necessary compromises. The three countries soon to preside over the EU should produce joint TTIP advocacy strategy, perhaps with Poland's help. A common Central European statement of endorsement of TTIP could also help.



Second, Central Europe should seek to deepen the strategic discussions with the US about European security, taking advantage of Washington's renewed interest in being nicer to its allies. A serious debate with Washington on the risks to Europe is Central Europe's long-term priority (because it keeps the US government thinking of its obligations here), but such conversations have proven difficult during President Obama's first term.

There are several practical steps that the Central Europeans can take in order to deepen the strategic dialogue with the US:

- New allies should improve the way they spend their defence money. Cuts to defence budgets have harmed their reputation in Washington, and their ability to call US attention to Central Europe's security worries. The overall budgets could take a while to recover because of the economic crisis. But some Central Europeans also spend their defence money poorly, devoting far too much to personnel and not enough to modernisation. Those countries that have room for improvement should start restructuring their armed forces in such way as to free up more money for military research and procurement;
- The Visegrad states need to make good on their vow to deepen defence collaboration. The V4 have made some progress; among other things they have agreed to field a joint EU 'battlegroup'. But they have shied away so far from buying weapons jointly or integrating units or merging defence companies. They should try harder: willingness to seek efficiencies in collaboration has become an important measure of whether allies take NATO (or EU defence, for that matter) seriously.
- Central Europeans should take the lead in providing security in the Balkans. Neither Bosnia-Herzegovina nor Kosovo can do without foreign security presence for now. The US has already dramatically reduced forces in the region, and wishes to delegate even more responsibility there to its allies. The biggest West European countries are rightly focused elsewhere, on North Africa and the Middle East. By agreeing to take leadership in the Balkans – to provide the bulk of the troops and police, to take more prominent role in commanding military and security operations and in diplomacy – the Central Europeans free up the US to focus their resources elsewhere. This is politically important. Few European countries can send meaningful forces to Asia-Pacific, where US security priorities

lie. But unless the allies demonstrate that they can be useful to the US in other ways, Washington will lose interest in NATO. To keep the US engaged, the Europeans need to increase contribution to security of parts of the world other than the Pacific, and Central Europe is uniquely prepared to do so in the Balkans (it already plays a leading diplomatic role vis-à-vis East European countries such as Ukraine and Belarus);

- Central European diplomats should tighten coordination in NATO and in Washington. The White House and State Department teams responsible for Europe are being replaced; the Central Europeans have an opportunity to engage the new officials early, and to explore with them what can be done to improve NATO's and the EU's ability to understand and respond to challenges in Central Europe and on NATO's eastern and northern borders. Think-tanks such as CEPI and its partners in Central Europe and the US can be helpful in generating ideas and convening discussions involving top officials from both sides of the Atlantic. Central Europe's conversation in Washington should increasingly take place via the EU, which has a greater clout than Visegrad or other regional groupings. This also requires that the Central European countries play a more active role in the EU's new external action service than they have so far.

There may well be other good ways to encourage the US and Europe to deepen trade ties and security dialogue. Central Europe's emphasis should be on exploring additional such avenues and using them to the fullest. The recent missile defence decision is a red herring: it changes little in the region, and says little about Washington's Europe policy. The far more important story to follow is that of new opportunities that Washington's kinder, gentler transatlantic policy represents for Central Europe.

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ⁱFor more see: Jan Havránek, Jan Jireš and Milan Šuplata, 'Maintaining defence capabilities: European share', CEPI policybrief, March 7th 2013.

