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## NATO Transformation

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# NATO'S BRUSSELS SUMMIT AND UKRAINE'S ASPIRATIONS FOR MEMBERSHIP: THE ALLIANCE'S NEW AGENDA

*Dr Mykola Kapitonenko*

*UA: Ukraine Analytica*

*The article reviews results of the 2018 NATO summit in Brussels with a specific focus on the burden sharing debate. It also examines new priorities in the Alliance's strategic planning. Further, perspectives of Ukraine's closer cooperation with NATO are examined, given the dynamics of the conflict in the east of Ukraine and the intended process of making amendments into the Constitution of Ukraine over NATO membership intentions.*

## **Introduction**

At times of turbulence, NATO faces new challenges way too often. Regular summits address the most urgent of them, sending signals to member states and partners. In 2018, the summit in Brussels was reflecting the Alliance's most important needs, aspirations, and controversies. With transatlantic relations in crisis and the world order in destruction, NATO needs some checking and setting the agenda.



*While many have been expecting further uncertainty or even deterioration of transatlantic relations, the meeting brought about the Alliance's enhanced credibility*

Once again, NATO finds itself in a new geopolitical setting. Just as it survived after the Cold War, the Alliance has gradually been examining new ways of adapting

to the world order, which arrived with the annexation of Crimea by Russia and subsequent geopolitical developments. It is turning out that even today's multilevel crisis of international security, multiplied by pragmatism of the US president is not enough to make NATO a thing of the past.

## **The Brussels Summit and the Burden Sharing Issue**

In July 2018, a NATO summit took place in Brussels. While many have been expecting further uncertainty or even deterioration of transatlantic relations, the meeting brought about the Alliance's enhanced credibility. Strategic interests of the US and Europe still require unity, and the parties were able to demonstrate it. Although some differences in views on how the Alliance should operate were displayed, common interest prevails. NATO's ability to generate advantages for all members persists. American military guarantees in exchange for geopolitical influence – such a formula has been valid in 1949, and it is still valid today. The US

still wants influence in Europe and non-proliferation of nuclear weapons; and NATO suits best these two goals. Europeans enjoy security for relatively small money, and that also suits them well.

Discussions at the summit have been focused on burden sharing and defence capabilities. The former issue has been on the agenda for quite a long time, almost since the end of the Cold War. It has been reinforced recently after the Wales summit of NATO in 2014, at which all member states agreed to have defence spending increased to 2% of the GDP. Today eight member states are up to this level, which is a significant progress compared to the levels of spending in 2014. Nevertheless, Washington keeps pressing the issue.

The logic of Trump's administration seems simple: The US protects Europe mostly at own expense, and Europeans should keep up in order to keep the deal fair. The US spends about 685 billion USD for defence, which is about 3.6% of the country's GDP, the highest share among all NATO members<sup>1</sup>. The United Kingdom ranks second in both absolute and relative terms with 55 billion USD – about 2.1% of GDP – of military expenses. France and Germany spend much – about 45 billion USD each – but not enough in Trump's view, well under 2% of their GDP. The US defence budget is more than 70% of overall NATO allies' military spending. And that is what the US administration mostly means when it raises the issue of burden sharing.

However, comparing military budgets may be misleading. National armies of NATO member states operate not so much to protect each other, but for other purposes. The US, for instance, has a considerable amount of military spending to finance

ongoing operations around the globe or military presence in various regions, among which Europe is not the most resource consuming. Likewise, European member states have security agendas of their own and plan military budgets accordingly. NATO is a collective defence structure, which hardly means the members spend money only for the purpose of defending each other. Thus, comparing military expenditures is not exactly the way to argue about free riding in the Alliance.

At the same time, free riding is certainly there. The Alliance generates common good, with partners unequally participating in the process. Afterwards this common good, namely security, is open for every member, no matter how much or little it has contributed. The free-rider effect is very attractive for both members and countries willing to join the Alliance, e.g. Ukraine and Georgia.

The issue of NATO military spending can also be looked at from a different perspective. Instead of comparing overall military expenditures, one may look at cost share arrangements for member states in NATO common budget and programs. This is money specifically provided for the functioning of the Alliance and is a better indicator of how much each country spends for common defence. The budget consists of civil and military component, with the former equalling 246 million Euro, and the latter about 1.3 billion Euro for 2018<sup>2</sup>. This money, considerably smaller than the national defence budget of large member states, is provided by members according to an agreed cost-sharing formula. The US share for 2018-2019 is about 22%, which leaves much less space for the free-rider rhetoric.

<sup>1</sup> *Defence Expenditure of NATO Countries (2011-2018)*, NATO Press Release, 11 July 2018 [https://www.nato.int/nato\_static\_fl2014/assets/pdf/pdf\_2018\_07/20180709\_180710-pr2018-91-en.pdf].

<sup>2</sup> *Funding NATO*, NATO [https://www.nato.int/cps/en/natohq/topics\_67655.htm].

According to the decisions of the 2014 Wales summit, member states will be aiming at reaching a 2% of GDP line of military spending by 2024, but they do not have to. Under these conditions the US administration continues to pressure European allies, and the burden sharing issue once again was addressed at the Brussels summit.

This time the issue of burden sharing has been somehow connected to Germany. Spending just 1.2% of its GDP for defence, the Europe's economic giant becomes a natural target for Trump's criticism over who has to pay more for protection. Moreover, in Trump's view, Germany not only pays little for its own protection, but "is paying Russia billions of dollars for gas and energy."<sup>3</sup> Germany is supporting the Nord Stream-2 project – construction of a pipeline 1,200 km long, which would supply natural gas from Russia to Germany under the Baltic Sea at a capacity of 55 billion cubic metres annually. Members of the EU are split over the project. Countries such as Germany, Austria, France, or the Netherlands would benefit and are supporting the project. Poland, Romania, Estonia, Latvia, and Lithuania are against. Some countries would win by increasing their roles as energy hubs, while transit countries may lose because of diminished gas transit. The project has raised security considerations as well, especially among Eastern Europeans, given Russia's aggressive foreign policy.

The US has been heavily criticizing the project. Russia's share of natural gas market in Europe is already big, and Washington does not want it to go bigger. Given the stance of bilateral Russian-American relations, the US does not want improvement of Russia's positions in Europe and would like to preserve the

unity of the anti-Russian front of sanctions. In Trump's view, trading with Russia while enjoying protection at America's expense is not good. Critical remarks about Germany's policy have been made at the Brussels summit by the US president, and they have been accompanied by requests of a fairer burden sharing. In his rhetoric, Trump went as far as suggesting a possibility of unilateral US steps, a phrase, which opened wide space for speculations.

The Alliance's main value is not a sum of military potentials of member states, but the credibility of security guarantees for all. From this point of view, mutual trust is more important than several additional GDP points spent for defence. This is partly the answer to the question why small Republic of Macedonia has been invited to join NATO, while big Ukraine with experience of military fighting has been not. President Trump's rhetoric about the possibility of unilateral actions undermines NATO's credibility and diminishes the Alliance's main political asset. Even if none of NATO's potential rivals doubts Article 5, a decrease of mutual trust, which is inevitable after such declarations, creates space for risky decisions and temptations to test the Alliance's cohesion. Would receiving additional billions for Europeans' defence budget be enough to compensate for the loss of credibility?

The summit reinforced NATO's deterrence of international terrorism and raised readiness of NATO forces, including modernization of command structure. New emphasis has been put on cyberspace and fight against hybrid threats. Dealing with Russia remained the same: defending allies and being open for a dialogue with Kremlin. In MENA, NATO launched a new training mission in Iraq and provided more assistance to Tunisia and Jordan. The mission in Afghanistan received

<sup>3</sup> Donald J. Trump, Twitter, 11 July 2018 [<https://twitter.com/realDonaldTrump/status/1017093020783710209>].

financing for another seven years. Republic of Macedonia has been invited for accession talks.

#### Ukraine-NATO: Getting Back to Membership Aspirations at Times of Conflict

Once again, Ukraine is willing to join NATO. Under the president's initiative, the parliament started the process of amending the Constitution, which would fix the country's desire to join the EU and NATO. However, membership is a distant perspective so far. A fog of war in the east of the country makes chances for membership even slighter. A decade ago, Ukraine was denied the Membership Action Plan (MAP) at the NATO Summit in Bucharest despite strong support from Washington. Since then the situation has hardly changed for the better.

The world is no longer the same as it was in 2008. The world order has been undermined. International institutions are weakened. Hard power trumps soft one. State borders are no longer fully respected. One may endlessly argue about what was the starting point of these dramatic changes, but those were Kremlin's decisions in 2014, which made some of the key post-Cold War arrangements obsolete. Four years after, countries do not trust each other and are engaged in much stronger negative thinking than before.

It is even more so when it comes to Eastern Europe. Once a relatively stable region, it is now a home to a war in Ukraine. Tensions between NATO and Russia increased to the levels unseen since the end of the Cold War. That is affecting the states of the region. Nationalism is on the rise, while democracy is in retreat. A backdrop for improving security institutions is quite unfavourable.

These changes in the international security environment are not good news for Ukraine. As the threat of Russian revisionism is so

strong, NATO members will be unwilling to take additional risks resulting from any further rapprochement with Ukraine. They will be even more unwilling to extend any security guarantees over Ukraine.

The conflict in Eastern Ukraine is far from settlement. With the death toll exceeding ten thousand, the struggle between the Ukrainian government and the Russia-backed separatists is not only about Ukraine's integrity. It is about the future of European security.

Some call it "frozen", expanding the title of a series of protracted post-Soviet conflicts in Moldova, Georgia, and Nagorno-Karabakh, unified by Kremlin's strong involvement. At the same time some argue, there is no frozen conflict in Ukraine, but a Russian invasion.

No matter how it is called, the conflict is de facto frozen in two ways. First, there is no possible compromise in sight. Russia wants Ukraine under control and keeps Donbas hostage. Ukraine wants its territories, including occupied Crimea, back. Ukraine also wants freedom in setting its foreign policy agenda, something Russia cannot accept. Since the conflict started, there was not any movement towards any zone of possible agreement. Second, as Kremlin makes use of the conflict for protecting its perceived national interests, escalation is always possible. Conflicts of this type are highly instrumental and may escalate at any moment Moscow finds appropriate. Parties are entrapped in what is known as the security dilemma. Worst expectations are shaping policies, while lack of trust feeds uncertainty. Cooperative strategies are dominated by competitive or openly hostile.

Both Ukraine and Russia have got used to live, albeit quite poorly, with a lasting military conflict. Decision-makers in Kyiv and Moscow accepted its high price, and even learned how to extract certain political benefits. Can the same be said about Europe?

Unlike Ukraine and – to a lesser extent – Russia, Europe does not bear direct costs from the conflict, which, by the way, only in 2016 dropped down from a “war” to a “minor armed conflict” according to SIPRI database<sup>4</sup>. However, a conflict of that type and size also means Europe is no longer safe. That hardly implies Russian tanks in European capitals. Russia’s opportunities to wage a major classic interstate war are much exaggerated. Moreover, there are no goals on Russia’s wish list to be attained by applying military force on a large scale. European security will be further undermined in a quite different way.



***they are focusing on making NATO more reliable, and that looks like a good strategy. Nevertheless, it also looks as though a crucial part of NATO’s reliability has little to do with bringing Ukraine closer to the Alliance***

Russia’s decision to occupy Crimea went against the fundamentals of the world order. Major international “rules of the game” did not survive this geopolitical earthquake. As a result, the level of mutual trust has significantly dropped. Europe is no longer a place where the power of interdependence is widely believed to outweigh security calculations. That leads to a growing suspicion among states and a rising importance of relative-gains calculations in foreign policy decision-making. In other words, countries will be less inclined to long-term security commitments and more sceptical about perspectives of a lasting institutionalized cooperation. That affects the perspective of Ukraine’s movement towards NATO membership.

Deficit of democracy is another issue. A long-term trend of decrease in number and quality of democratic regimes in the region started well before 2014, but it is gaining momentum. Frozen conflicts and authoritarian tendencies go together well.

Restoration of a full-scale geopolitical rivalry is another danger Europe may face. A frozen conflict on Ukrainian territory creates uncertainty for Kremlin as to what it can or cannot achieve in a new European turmoil. Bets are raised, while time is hardly on Moscow’s side. That combination may stimulate risk-taking decisions, the very expectation of those doing much harm to European security.

Ukraine’s desire for NATO membership will enjoy less support and face stronger opposition. In 2008, President Bush was advocating for the MAP for Ukraine. In 2018, President Trump is sceptical about NATO’s global role and does not seem to be willing to multiply American international security guarantees. European NATO allies may be more wary of the threat from Russia, but they do not seem to be looking for a solution in bringing Ukraine into NATO. Instead, they are focusing on making NATO more reliable, and that looks like a good strategy. Nevertheless, it also looks as though a crucial part of NATO’s reliability has little to do with bringing Ukraine closer to the Alliance.

In Ukraine, it has been widely believed that experience and determination gained during the confrontation with Russia would be a valuable asset for NATO enough to get the MAP at the very least. But that is hardly the case. The Europeans bet on NATO’s reliability, not on numbers of total weaponry. Ukraine may add to the latter, but it can hardly increase the former.

<sup>4</sup> SIPRI Database, 2016 [<https://www.sipri.org/yearbook/2016>].



While the world has changed too much, Ukraine has not changed enough. Underperforming democracy and corruption still influence the political system significantly. Determination and public opinion in favour of NATO cannot substitute for reforms. In the bottom line, Ukraine gets back to the idea of NATO membership today with the same set of internal weaknesses, but in a much more turbulent international environment than ten years ago, changing significantly only in the military sphere. What are the reasons to expect a more favourable response?

## Conclusion

For many in Kyiv getting the membership perspective is symbolic. However, too much symbolism turns the issue into an election slogan. Ukraine probably needs a more pragmatic approach. For instance, getting the MAP, which is perceived by many in Kyiv as the final step before membership, does not mean becoming NATO member in a year or two: For Montenegro it took eight years between getting the MAP and becoming a NATO member, while the FYROM has been carrying out the MAP since 1999. Likewise, it is not only through the MAP that a partner country can build up its relations with the Alliance: Georgia has already surpassed in many ways the level of the MAP without ever having it. The essence of cooperation is more important than the title.

Ten years ago, Ukraine needed political signals, but today it needs security guarantees. The bad news is that these guarantees are more expensive and harder to get than a decade ago. The good news is that there is still a way to do that:

through determination and effectiveness in reforming the country.

The NATO summit was not about Ukraine, but it is important for Ukraine. Its focus on defence capabilities, structural modernization, and burden sharing signals adaptation of the Alliance to new security arrangements. The world is becoming more pragmatic and more demanding for hard power assets. NATO has to respond, just as every particular member state does.

Can closer cooperation with Ukraine be a part of the Alliance's adaptation to new realities? Partly the answer is in the hands of Ukraine itself. Becoming more democratic and more efficient would be the best response.

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