

# Making NATO's Smart Defence Initiative Work

Written by Giulia Amparo Bruni Roccia

This PDF is auto-generated for reference only. As such, it may contain some conversion errors and/or missing information. For all formal use please refer to the official version on the website, as linked below.

## Making NATO's Smart Defence Initiative Work

<https://www.e-ir.info/2013/03/25/making-natos-smart-defence-initiative-work/>

GIULIA AMPARO BRUNI ROCCIA, MAR 25 2013

“When times are tough, we need each other more than ever. We all have a stake in keeping each other strong” (Rasmussen, 2012).

### Introduction

NATO is often used as a prime example of possible and efficient cooperation between states. In the above quote, Secretary General Rasmussen claims that not only is cooperation possible but it is also essential for the survival of states, especially in times of crisis. NATO members currently find themselves in a financial crisis, characterized by policies of austerity and retrenchment. Within this framework, NATO sees the cooperative system of the Smart Defence initiative as the only way out. This is a problematic perspective given that countries have the tendency to prioritize their self-interest over the interests of the community, especially when the various national self-interests differ from and clash with each other. How can a strategy that inherently relies on cooperation be implemented in such a theatre?

This essay aims at exploring the challenges that NATO faces when promoting the Smart Defence initiative: to this end, it will explain the arguments given by NATO about the importance of this new strategy, and analyse the steps that have been taken towards solving each of these challenges. It will not be possible to compare these efforts with real results, because NATO has not yet been confronted by events that could prove the efficiency of Smart Defence. However, we can still predict the success of this new approach, based on the capabilities and know-how the institution offers, the history of cooperation between the Allies since 1949, and past examples of efficient multinational projects.

### Why Smart Defence?

The Allies agreed to the Smart Defence initiative during NATO's Chicago summit in May 2012. In light of the current financial crisis, geopolitical shifts, and increasing differentiation of security threats, NATO proposed a new fundamental strategy, Smart Defence. Given the relatively peaceful era that had commenced with the end of the Cold War, NATO European members had begun reducing their defence expenditures, (Aronsson and O'Donnell, 2012: 3). The recent financial crisis led to more retrenchment, resulting in what has been called the 'Great European Defense Depression' (MacDonald, 2012: 8). States are prioritizing budget cuts and debt alleviation, which impacts defence spending because countries have reduced their capabilities to what is essential for them to feel autonomous, but not enough to contribute to multinational operations (Major, Mölling and Valasek, 2012: 2).

This economic cutback is parallel to major geopolitical shifts. Currently the financial gap between the Allies is widening, and, as European countries are financially unable to bear much responsibility in NATO operations, the US is progressively distancing itself from European issues and shifting towards the Indian and Pacific Oceans, where Asian powers spend more in defence than European countries (Grand, 2012: 46). Finally there is an important development in how threats are diversifying and becoming increasingly unpredictable. If the Allies continue to go along the path of retrenchment, NATO risks becoming more vulnerable while losing the ability to readily provide defence capabilities. Hence it is still important to invest in defence and to choose “Smart Defence” instead of “Less Defence” (Ion, Ilie and Ilie, 2012: 83).

# Making NATO's Smart Defence Initiative Work

Written by Giulia Amparo Bruni Roccia

Given the background in which Smart Defence emerges, this initiative will essentially entail the following: spending the available budgets more efficiently by working together, sharing experience and knowledge, and coherently coordinating the Allies' resources in multinational projects in order to avoid duplicating efforts. This will ultimately lead to increased operational effectiveness and decreased capability shortfalls. It will allow countries to do together what they would not be able to accomplish on their own (Terlikowski, 2012: 3), and, in the long run, it will lead to a "renewed culture of cooperation" (NATO, 2012).

## Challenges to the Promotion of Cooperation among Realist States

NATO faces several challenges when promoting Smart Defence among states with a realist political approach. These states lay high value on their sovereignty, self-interest, survival and power. This is particularly true in the defence sector, which is still viewed by governments as a purely national issue. On the one hand, the government and the general public want to believe that their country is autonomously able to provide security to the society, without having to rely on external actors (Terlikowski, 2012: 4). On the other hand, the government's priority is to further national self-interest, even (or especially) in the defence sector. Additionally, within the realist perspective, actors' self-interests differ from one another, often not complementing but opposing each other. The result is a power struggle between states in order to preserve their power, prove their international status, and survive. Maintaining autonomy in the domain of defence becomes an essential instrument of projecting power.

Furthermore, if a government decided to cooperate with other governments on a multinational project where it would have to pool military resources, it risks having to make compromises about how to use those resources. It might get involved in conflicts where its national interest is not necessarily at stake, which may be difficult to justify to the public at home. Concurrently, it might see a conflict that is very important to its national interest be completely disregarded by the other participants of the joint project.

Essentially then, countries do not want to be told how to invest their resources and where to invest them. This behaviour is emphasized in the current financial crisis. In times of austerity, governments are preoccupied with cutting expenses to reduce their debts. They need to think with a short-term perspective, and are not interested in preparing policies and strategies that entail long-term results. This approach is incompatible with the long-term standpoint required in order for governments to be convinced about the benefits of cooperation in a theatre of actors with differing interests. This also means that if politicians maintain their short-term stance, they will never completely and genuinely change their mind-set towards a "renewed culture of cooperation" (NATO, 2012). Even if states agree to the Smart Defence initiative, there is a risk that it will just be a label with no real content. Even worse, it could become a label that governments accept, only in order to cover more future budget cuts (Grand, 2012: 48). Some governments may use it as a justification for further retrenchment and further "de-responsibilisation" (MacDonald, 2012: 17).

To avoid this, governments need to be thoroughly convinced about the long-term advantages of coordinating their efforts in multinational projects. To this aim, NATO needs to build and keep up the momentum of Smart Defence, and it needs to preserve the sense of urgency about the importance of Smart Defence being the only way of assuring joint access to capabilities that a single state cannot access on its own. Political momentum and a sense of urgency may not arise in a condition where states zealously protect their sovereignty and maintain a purely national stance on defence, are characterised by different and clashing interests, are reluctant to "rely" on each other, and where government officials approach the decision-making process with a short-term perspective.

## Initiatives Promoting Cooperation among Realist States

Within Smart Defence there are some initiatives, which if developed properly, could target these specific problems. Practical examples of efforts towards these initiatives are already available, but should be further enhanced. In order to encourage cooperation among countries that tend to fortify their sovereignty by holding a national stance on defence, NATO needs to prove to its members that they are valued as *autonomous* states. There are two ways of 'boosting' the countries' ego: by working with the national defence industry, and by letting states propose joint projects.

## **Making NATO's Smart Defence Initiative Work**

Written by Giulia Amparo Bruni Roccia

Working with the national defence industry benefits not only the industry, but the members of NATO, too. Firstly, it provides incentives for the individual government to keep investing in the defence sector, conscious that the resources it provides could ultimately become fundamental for important NATO-projects. It could be a very effective tool for the individual government to project its power and status internationally. Secondly, it benefits the organization, being the cheapest, fastest and most efficient way to provide capabilities: NATO would be able to furnish capabilities from 'home', from one of the members' own defence industry (Grand, 2012: 48). Additionally, in times of austerity, when there is a real risk of cuts on defence expenditure and loss of contracts, the defence industry has an interest in participating in NATO's Smart Defence projects, in order to secure contracts. These contracts for multinational projects for expensive weapons are evidently significant and will enhance the industry's international status and reputation. Two practical examples of initiatives taken to improve coordination with national defence industries are the annual NATO Industry Day and the activities of the NATO Support Agency (NSPA). NATO officials, delegates of national governments, and industry representatives participated in the 2012 Industry Day, providing an example of how representatives from the three sides jointly found ways to pragmatically implement Smart Defence. They came together to discuss the current relationships between NATO and national defence industries, and how to improve them and adapt them to current needs (ACT, 2012). The NSPA is probably the most operational of the four NATO Agencies. It provides logistical support for a weapon system by linking individual clients (a country's army, navy or air force), or a cluster of them, with a company. The company that will provide support for the weapon system required by the client is chosen through a competitive system.

Hence countries are encouraged to invest in their national defence sector, if they want their industries to have a higher possibility of winning the competitions. This exemplifies not only greater industry engagement, but also NATO's recognition of countries' sovereignty. Indeed, the countries themselves approach NSPA for logistical support for a specific weapon system. If this bottom-up approach is applied to Smart Defence as a whole, NATO will respect countries' sovereignty, individual interests and needs, while still stimulating them to work jointly with other governments on a specific project. Tied to the idea of allowing states to come up with the projects is the suggestion of letting smaller numbers of states work together. If countries propose joint projects, they will also easily identify which other countries are more likely to be interested and willing to cooperate and coordinate efforts. This way, countries maintain full control of the projects they get involved in and the actors they work with. Cooperation becomes more realistic and has a higher probability to lead to successful and efficient results.

Another major problem to tackle is the short-term approach used by governments in times of austerity. To this end, NATO suggests prioritisation. If the countries' focus is targeted towards a specific priority, government officials will be more likely to accept Smart Defence. It could be argued that a strategy where the institution, and not the member state, imposes the priority would be at odds with the bottom-up approach suggested above. It does not have to be so: NATO could, after an extensive dialogue with the Allies' ministers, set a priority aim. This is already happening; as part of Smart Defence implementation, Secretary General Rasmussen has appointed two NATO Special Envoys who are in charge of promoting Smart Defence in the different countries, communicating with the various government officials, and identifying, jointly with the national officials, the Allies' needs and demands (MacDonald, 2012: 7). Strategy planners could then individually, or in small clusters, design projects, aligned with the Alliance's priority. NATO has also already set the following priorities: develop a network of information exchange in the ISAF operation; improve the capability to counter improvised explosive devices; enhance airlift and sealift capabilities; encourage early development of logistics contracts (NATO, 2012). The first target is realistic: it involves a short-term issue (the ISAF operation will end in 2014), the efforts it requires are relatively small, and it is somewhat aligned with the national self-interest of "getting out" of Afghanistan. Countries' cooperation towards this end is thus possible and likely to be efficient and successful. The other three targets are long-term and more complicated. However, among the existing 24 Smart Defence joint projects that have been designed so far, there already is a significant number of projects that concern these three long-term priorities (NATO, 2012).

With the government officials' inability to think in the long-term, comes the inability to reform the government's mind-set, which is fundamental for a "renewed culture of cooperation", the essence of the Smart Defence initiative. However, is this reform truly needed? Is a country's reliance on its sovereignty and power really detrimental to NATO? Even if member countries will always prioritise their self-interest, power and status, they are also the ones who founded the Alliance in the first place. It means that the member countries value their status as "Allies", as much

# Making NATO's Smart Defence Initiative Work

Written by Giulia Amparo Bruni Roccia

as they value their individual sovereignty; that they are concerned with promoting their own self-interest, as much as they are with upholding collective security. Essentially, to the degree where it is possible, member countries will try to fit the Alliance's requirements within their national priorities and agendas. If the above initiatives are carried out and enhanced, the following problem of "de-responsibilisation" should not arise. On the contrary we would see some smaller countries increase participation in Smart Defence as an opportunity for them to partake *more* on the international stage. The joint projects could become for them the tool to build international status and project power.

The final problem is that Smart Defence could become "just a label" and that in order to avoid this, political momentum needs to be maintained. Here, it is useful to sustain the operation of the Alliance. Needless to say, it will be difficult to find states willing to be operative in the defence domain, in times of austerity. However, if NATO puts enough emphasis on the involvement of national industries, on states as originators of the joint projects, and on prioritization, countries will be more inclined to maintain or even step up participation in existing projects, and proactively engage in the formation of new ones. It is evident from the practical examples mentioned in this essay that NATO was able to encourage cooperation. Whether the type of cooperation it has triggered will lead to *successful* and *efficient* results is a different question. Because the strategy was only announced in May 2012, there are no available cases yet that can prove the success of Smart Defence and its joint projects.

## Why Would Smart Defence Work?

What we can do is ask *why* Smart Defence could be successful. There are three main reasons: NATO's competence, the history and culture of cooperation, and four successful past projects (the Alliance Ground Surveillance Programme – AGS; the Strategic Airlift Capability; the Strategic Airlift Interim Solutions – SALIS; and the Airborne Warning and Control System – AWACS).

It could be argued that to do what Smart Defence entails and follow through the initiatives that were described above, countries do not need NATO. However the Alliance offers a specific structure and set of competencies, including the four operational Agencies (NATO Communications and Information Agency, NATO Support Agency, NATO Procurement Organisation, and NATO Science and Technology Organisation), and the know-how and experience built over a 63-year-long period. Over this period, member countries have also developed a habit and history of cooperation, evidenced by joint activities and solutions to respond to various common threats, in different theatres.

Specific projects were also proposed in the past, which required cooperation, just as Smart Defence does now; not only did numerous countries come together, but they also reached significant and successful results. The AGS project aims at developing a system of drones and radars to provide NATO with a good air picture of ground conditions. This is why, to this day, 13 Allies participate in the project. The Strategic Airlift Capability project is composed of 10 Allies and 2 partners for the provision and operation of C-17 aircraft. The SALIS project included 14 Allies and 2 partners who coordinate the pooling of resources to support NATO in the air-transport of heavy equipment. Finally the AWACS project that operates 17 Boeing E-3A Sentry equipped with an AWAC system, reached the participation of 17 Allies. All these projects provide essential but expensive capabilities (NATO, 2012).

## Conclusion – Lessons Learned

We can now read the initial quote in a new light. Indeed, the crisis offers a possibility for countries to come together. Yet, it is not because every state has "a stake in keeping each other strong" (Rasmussen, 2012), but because every state has an interest in keeping *itself* strong. Cooperation is not sought by individual states as an aim in itself, but as a tool. Just as they would use anything else to preserve their power, so they will use cooperation if this furthers their self-interest and protects them from downfall. The Allies designed NATO's founding concept of collective security not because they appreciated it as a value in itself, but because they *needed* it. This applies to all other strategic concepts that have been developed throughout NATO's 69-year long life, Smart Defence included. As this essay has shown, despite the challenges that NATO faces when promoting the new initiative, multinational cooperation is still possible among realist states. This does not mean that it is possible to implement a radical reform of states' mind-sets, because cooperation continues to be seen as an instrument and not an a-priori value. NATO needs to

# Making NATO's Smart Defence Initiative Work

Written by Giulia Amparo Bruni Roccia

acknowledge this, and *build* on it. Consequently, it will be able to draw strategy proposals that are less utopian, and more realistic, possible, and aligned with the members' real interests, abilities and aims. Cooperation will become a more likely outcome and deliver successful and efficient results.

## Bibliography

ACT, 2012. *Industry Day 2012*. [online] Available at: <http://www.act.nato.int/subpages/id2012> [Accessed 5 January 2013].

Aronsson, L., O'Donnell, M., 2012. Conference Report. In: Chicago Council on Global Affairs, *Smart Defence and the Future of NATO: Can the Alliance Meet the Challenges of the Twenty-First Century?* Chicago, Illinois 28-30 March 2012. Chicago: Chicago Council on Global Affairs.

CSS Analysis in Security Policy, 2012. *Smart Pooling: State of Play in European Defence and Armaments Cooperation*. [online] CSS Analysis in Security Policy. Available at: <http://www.css.ethz.ch/publications/pdfs/CSS-Analysis-126-EN.pdf> [Accessed 27 December 2012].

European Security and Defence, 2011. *Smart Defence Can Help Nations to Build Greater Security with Fewer Resources but More Coordination and Coherence*. [online] Available at: [http://www.europeansecurityanddefence.info/Ausgaben/2011/01\\_2011/01\\_Rasmussen/Rasmussen.pdf](http://www.europeansecurityanddefence.info/Ausgaben/2011/01_2011/01_Rasmussen/Rasmussen.pdf) [Accessed 28 December 2012].

Fidler, S., MacDonald, A., 2012. Europeans Retreat on Defense Spending. [online] 24 August. Available at: <http://online.wsj.com/article/SB10001424053111903461304576524503625829970.html> [Accessed 27 December 2012].

Germanovich, G., 2012. Security Force Assistance in a Time of Austerity, *NDU Press*, [online] Available at: <http://www.ndu.edu/press/security-force-assistance.html> [Accessed 24 December 2012].

Grand, C., 2012. Smart Defence. In: Chicago Council on Global Affairs, *Smart Defence and the Future of NATO: Can the Alliance Meet the Challenges of the Twenty-First Century?* Chicago, Illinois 28-30 March 2012. Chicago: Chicago Council on Global Affairs.

Huso, R., 2012. *A Strategic Challenge: Building Capabilities in an Age of Austerity*. [online] Allied Command Transformation. Available at: <http://www.act.nato.int/transformer-2012-02/article-2012-2-5> [Accessed 27 December 2012].

Ion, G., Ilie, M., Ilie, A. M., 2012. Smart Defense – a Concept Aligned to the Current Physiognomy of the Military Phenomenon, *Journal of Defense Resources Management*, [online] Available at: [http://journal.dresmara.ro/issues/volume3\\_issue1/07\\_gheorghe\\_ilie.m\\_ilie.a.pdf](http://journal.dresmara.ro/issues/volume3_issue1/07_gheorghe_ilie.m_ilie.a.pdf) [Accessed 24 December 2012].

Lyle, A., 2012. Smart Defense Team Helps NATO Face Lean Times. *US Department of Defense*, [online] 13 December. Available at: <http://www.defense.gov/News/NewsArticle.aspx?ID=118792> [Accessed 24 December 2012].

Lyle, A., 2012. Training, Resource Sharing Boost NATO Transformation Initiatives. *US Department of Defense*, [online] 13 December. Available at: <http://www.defense.gov/News/NewsArticle.aspx?ID=118784> [Accessed 24 December 2012].

MacDonald, J. L., 2012. The Basics of Smart Defence. In: NDC Forum Paper s Series(NATO Defence College Forum Paper), *Smart Defense: A Critical Appraisal*. Rome, Italy. March 2012. Rome: NATO Defence College.

Major, C., Mölling, C., Valasek., T., 2012. Smart but too Cautious: How NATO can Improve its Fight Against

## Making NATO's Smart Defence Initiative Work

Written by Giulia Amparo Bruni Roccia

Austerity, *Centre for European Reform*, [online] Available at: [http://www.cer.org.uk/sites/default/files/publications/attachments/pdf/2012/pb\\_nato\\_21may12\\_2-5150.pdf](http://www.cer.org.uk/sites/default/files/publications/attachments/pdf/2012/pb_nato_21may12_2-5150.pdf) [Accessed 26 December 2012].

NATO, 2012. *AWACS: Les Yeux de l'OTAN dans le Ciel*. [online] Available at: [http://www.nato.int/cps/fr/SID-8043784C-14367703/natolive/topics\\_48904.htm](http://www.nato.int/cps/fr/SID-8043784C-14367703/natolive/topics_48904.htm) [Accessed 5 January 2013].

NATO, 2012. *Improving NATO's Capabilities*. [online] Available at: [http://www.nato.int/cps/en/SID-38A01B2E-67B0A4C0/natolive/topics\\_49137.htm?selectedLocale=en](http://www.nato.int/cps/en/SID-38A01B2E-67B0A4C0/natolive/topics_49137.htm?selectedLocale=en) [Accessed 28 December 2012].

NATO, 2012. *Multinational Projects*. [online] Available at: [http://www.nato.int/nato\\_static/assets/pdf/pdf\\_2012\\_10/20121008\\_media-backgrounder\\_Multinational-Projects\\_en.pdf](http://www.nato.int/nato_static/assets/pdf/pdf_2012_10/20121008_media-backgrounder_Multinational-Projects_en.pdf) [Accessed 28 December 2012].

NATO, 2012. *NATO 2020 – Shared Leadership for a Shared Future*. [online] Available at: [http://www.nato.int/cps/en/natolive/opinions\\_85443.htm?selectedLocale=en](http://www.nato.int/cps/en/natolive/opinions_85443.htm?selectedLocale=en) [Accessed 28 December 2012].

NATO, 2012. *Organizations and Agencies*. [online] Available at: [http://www.nato.int/cps/en/natolive/topics\\_66470.htm](http://www.nato.int/cps/en/natolive/topics_66470.htm) [Accessed 5 January 2013].

NATO, 2012. *Summit Declaration on Defence Capabilities: Toward NATO Forces 2020*. [press release], 20 May 2012. Available at: [http://www.nato.int/cps/en/natolive/official\\_texts\\_87594.htm?mode=pressrelease](http://www.nato.int/cps/en/natolive/official_texts_87594.htm?mode=pressrelease) [Accessed 26 December 2012].

Rasmussen, A. F., 2011. NATO After Libya: The Atlantic Alliance in Austere Times, *Foreign Affairs*, [online] Available at: <http://www.foreignaffairs.com/articles/67915/anders-fogh-rasmussen/nato-after-libya> [Accessed 26 December 2012].

Terlikowski, M., 2012. Not As Smart As It Could Be: the NATO Smart Defence Initiative – Chicago and Beyond. *PISM Strategic Files*, [e-journal] 22. Available through: Central and Eastern European Online Library. [Accessed 27 December 2012].

—

*Written by: Giulia Amparo Bruni Roccia*  
*Written at: University College London*  
*Written for: Dr. Jeffrey Kucik*  
*Date written: 7th January 2013*