The North Atlantic Treaty Organization has existed for decades, originally created to combat the threat of the Soviet Union. Since the fall of the Warsaw Pact, which allied eight Soviet states, the North Atlantic Treaty Organization has had to completely reinvent itself. The growing danger of terrorist attacks and the rise in rebel factions in recent years has caused a need for the organization to restructure its tactics. The treaty, which was originally created to combat conventional warfare, has faced new challenges. The financial crisis took the world economy by surprise and has sparked questions as to how much financial backing the organization is actually receiving. This is evident especially for the United States, who provides most of the funding. Should the organization fail to address the financial problems, NATO could bring about the demise of its own stability, which would have severe implications for both member nations and smaller nations that rely on NATO’s protection against larger threats. Critics and world leaders alike are calling for a reformation of the organization with the goal of reducing its spending while maintaining a viable military force. This study is an examination of the analysis and critique of the current North Atlantic Treaty Organization, its strategy, and its future. To understand the implications of reform, this article will examine NATO’s history and past operations, and assess the current financial issues of the organization, especially in light of Russia’s recent escalation of the crisis in Ukraine.
Introduction

The North Atlantic Treaty Organization (NATO) is a military alliance comprised of twenty-eight nations. It is an intergovernmental alliance that relies on mutual support from its members to conduct sanctioned relief and crisis management operations in humanitarian crisis hotspots around the globe. The organization also has the political goals of promoting democratic values, cooperation, and conflict prevention. The role of NATO has changed dramatically in the decades since the fall of the Soviet Union in 1991, and the need for NATO's restructuring is paramount. However, two major questions remain: How has NATO chosen to respond to the new tasks and what are the possible pitfalls of these strategies? And as Russia begins to increase tensions in Eastern Europe, how will NATO respond?

NATO is not solely used for humanitarian aid and conflict deterrence as it embodies other principles such as “collective defense” (NATO, 2013, 2.1 Political & Military Alliance). Collective defense is the heart of the original NATO, signifying that if one member of the “collective” is harmed in any way, it is as if all of the members have been attacked. This principle is a simple yet highly effective deterrent toward any outside threat to NATO members. This principle, located at the core of the organization's beliefs, ensures that even the most powerful of aggressor nations will take heed before letting any conflict escalate into war against a member. Throughout its existence, this principle, enshrined as Article 5 of the Washington Treaty, signed on April 4, 1949, has only been invoked a single time, after the September 11, 2001 terrorist attacks against the United States. (NATO, 2013, 2.2 Collective Defense). The treaty has remained unchanged throughout the decades because it was written with built-in flexibility. This has allowed the member states to adapt to changing conditions within the international community and has also permitted each member to implement the treaty in accordance with its own capabilities (NATO, 2013, Washington Treaty). The authority behind NATO as an organization is based on Article 51 of the United Nations Charter which states that:

Nothing in the present Charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a Member of the United Nations, until the Security Council has taken measures necessary to maintain international peace and security.

This article allowed the creation of a collective self-defense organization, the very core of NATO itself. Since the signing of the Washington Treaty, an additional sixteen nations have joined the twelve original members, the most recent of which are Albania and Croatia (NATO, 2013, NATO Members). The organization encourages membership from any European nation that actively contributes to securing the North Atlantic area and furthers the principles of the Washington Treaty. However, the treaty is not solely limited to European nations, as both Canada and the United States have been members since 1949. Historically, NATO was created as a shield against the growing Soviet threat in Eastern Europe. It also encouraged European political integration and acted as a deterrent against nationalist militarism in Europe (NATO, 2013, History). After the destruction caused by World War II, it became evident that security was priceless. Furthermore, rapid Soviet expansion throughout Eastern Europe made it imperative for Western European nations to unite against external threats. The subsequent development of Soviet nuclear bombs in 1949 and the Korean War in 1950 made European leaders aware of the need for a defensive pact. More nations joined the NATO banner, causing the Soviet Union (USSR) to create the Warsaw Pact in 1955; as a result, an uneasy stand-off began between the two sides of the Cold War. Tensions were so high during the Cold War war that the United States threatened the Soviet Union with a full nuclear strike should the USSR attack a member state (NATO, 2013, History). Fortunately, it never got to the point of actual warfare between the two sides, and it was not until 1994 that NATO first resorted to military action, after the Army of Republika Srpska posed a threat to UN safe areas during the Bosnian War (1992-1995). Military action taken was also a direct response to the massacres of Srebrenica and Markale by the Serbian forces.

Former & Ongoing Major Operations

NATO has used military operations on numerous occasions since the fall of the Soviet Union. Aside from the recent incursion into Afghanistan to combat the Taliban, these operations would be classified as conventional warfare. Most of these operations have primarily utilized airpower as a means of attack. In the present day, however, the enemy is no longer a conventional army. Terrorist cells, pirates, and rebels,
all of whom operate under completely different authorities (as opposed to more conventional army systems) are what NATO considers current enemies. This has required a serious change in strategy, as NATO has usually encountered conventional threats. The most important NATO operations thus far have occurred during the Bosnian War, the Kosovo Conflict, and the most recent war in Afghanistan.

The Bosnian War can be considered the first true utilization of NATO as a military force. A United Nations Security Council resolution of October, 1992 ordered a NATO enforced “no-fly zone” over central Bosnia & Herzegovina in addition to its maritime arms embargo enforcement begun in June, 1993. In February, 1994, the first military action was taken when four Bosnian Serb aircraft were shot down for violating the no-fly zone. Smaller bombings against Serb outposts were carried out in April and escalated into bombing campaigns in August, 1995 as a result of the massacres of Srebrenica and Markale. The bombings resulted in the end of the war by the winter of 1995 with the signing of the Dayton Agreement. The last NATO commanded forces pulled out of Bosnia in 2004 (NATO, 2013, Bosnia).

Not even five years had passed before NATO forces appeared once more in response to the conflict in the former Yugoslavia. In 1999 Serb forces under Slobodan Milošević attacked the Muslim Albanian civilian population of Kosovo in what was considered an努力 at ethnic cleansing (DSA, 2013, Balkans). In response, NATO conducted a 78-day air and bombing campaign utilizing more than a thousand aircraft from until Slobodan Milošević finally accepted international peace plans, putting an end to the Kosovo War. To this day, roughly six thousand NATO troops remain in Kosovo to aid the populace, disarm militias, and maintain a ceasefire between the opposing factions, (NATO, 2013, Kosovo).

Both of these operations from the 1990’s have come under heavy criticism regarding their use of military power. In both cases, heavy aerial bombardment was used to pummel the enemy into submission. While this method was effective, it also completely destroyed the infrastructure and built environment of Serbia. The heavy bombardment and use of the cluster bombs, a bomb that ejects smaller bomblets, caused major problems for civilians in Kosovo, as these bomblets were meant to cause delayed explosions. Essentially, the bomblets became crude mines that caused many casualties and injuries similar to the occurrences that took place after the Vietnam War. Furthermore, many of the bombs missed their original targets, which led to the death of civilians and the obliteration of civilian infrastructure (Brady, B., 2007, NATO Comes Clean on Cluster Bombs).

Aside from these two conflicts, NATO has focused itself entirely on the September 11th, 2001 attacks on the United States. As a NATO member, the United States invoked Article 5 of the North Atlantic Treaty for the first time in history. The U.S. remains the only NATO member so far to have been attacked by an outside force. NATO currently has over 100,000 personnel deployed in Afghanistan, known as the International Security Assistance Force (ISAF). The major objectives of the ISAF are to ensure a transition to democratic Afghan institutions, conduct security operations, and train the Afghan National Security Forces (ANSF). The operation started in 2001 as an ad-hoc coalition between the UN and several Western nations against insurgent groups, such as Al Qaeda and the Taliban (DSA, 2013, Afghanistan; NATO, 2013, Afghanistan).

Apart from assisting with security in Afghanistan, NATO is involved in two major maritime operations. The first, Operation Active Endeavour (OAE), was launched in 2001 under Article 5 to “protect civilian maritime traffic and act as a deterrent presence in the western Mediterranean.” The operation was extended to all of the Mediterranean in 2004 and includes escorting commercial traffic through the Strait of Gibraltar. Along with patrolling cruisers and military vessels, an extensive air and coastal surveillance takes place throughout the area to ensure the safety of civilians and commercial traffic. The second operation, Ocean Shield, is an anti-piracy operation aimed at countering the rise in piracy attacks on ships in the Gulf of Aden and in the Somali Basin, and consists of four individual tasks. Apart from escorting vessels and acting as a deterrent, intervention operations such as hostage-release and vessel recovery, direct military action against pirate vessels, and developing assistance to the region are all aspects of the operation to enhance the safety of the civilian and commercial sea traffic in the area (DSA, 2013, Maritime Operations).

The most recent NATO operation was the creation and enforcement of a no-fly zone and arms embargo against the Gadhafi regime in Libya. Operation Unified Protector commenced in February 2011 with the goal of securing civilians from bombing attacks, preventing the transfer of arms to Libya, and combining air and naval strikes against military forces that threatened populated areas. The operation was considered a
Funding & Efficiency – The Need for Improved Expenditure in NATO

As the Cold War concluded and the Soviet Union collapsed, so has the very reason for NATO’s existence. Although a unified Western defense force benefits Western nations, the role of NATO will need to drastically change in order to meet new standards and requirements. Many steps have already been taken to restructure and reassess the role of NATO in the world, such as countering terrorism and piracy. If NATO were to continue its current trend without a change in strategy, it would be fair to assume that the United States would cease to contribute as much as it does, as criticism against the reduced allocation of funds and material towards NATO from its European member countries has plagued the organization, and downsizing might leave the Alliance unable to deal with international crises, should they arise.

Operating NATO and conducting large scale operations are by no means cheap. NATO has a standing army of 350,000 dedicated personnel, and a yearly direct expenditure of $1,038,145 billion (NATO, 2012, Financial and Economic Data Relating to NATO Defence). However, during the Cold War, the expenditure was about 30% greater. (This does not take into account the massive American and British nuclear arsenals, or associated military expenditures, primarily in the United States, which cost nearly $600 billion annually.) The US has been the main force behind NATO, paying for the vast majority of its expenditure and supplying much of its personnel and equipment. Many experts, including former Secretary of Defense Robert Gates, have criticized European nations for not paying their fair share of the bill, and leaving it to Washington to pay for their defense. (Fishman, T. C., 2011, Why the U.S. is stuck with NATO's bill).

The latest Libya operation showed a remarkable lack of preparedness by the European member countries. Just eleven weeks into the fighting against a poorly armed enemy, most of the allies had run dangerously low on munitions, making it necessary for the U.S. to supply the needed weapons and arms (Dowdy, 2011, How To Measure NATO Efficiency). Recently, the combined cuts to NATO expenditures have topped $45 billion annually, which nearly equals that of the entire German annual military budget (Fishman, T. C., 2011, Why the U.S. is stuck with NATO's bill). The US is paying more than 75% of NATO’s expenditures along with an allocation of almost 5% of the Gross Domestic Product (GDP) on military spending, while most other members retain only a 2% GDP spending. Despite having more than 2 million troops in uniform, NATO struggled to deploy 40,000 troops in Afghanistan, which begs the question of why the U.S. fielded 100,000 troops alone. The United States maintains a ratio of 5:1 compared to other member countries in terms of equipment for the soldiers, spending three times as much as others. NATO Secretary General Anders Fogh Rasmussen has deemed it necessary to change the way in which the Allies spend their money. He stressed that the defense budget was a key issue to address in order to ensure NATO can field a proper defense that does not rely solely on the United States (Dowdy, 2011, How To Measure NATO Efficiency).

Smart Defense & Connected Forces Initiatives

Two initiatives, the Smart Defense Initiative and the Connected Forces Initiative, have been set in motion to reform NATO and regularize its financial contributions from member countries, namely the Smart Defense and the Connected Forces.

The purpose of the Smart Defense Initiative (SDI) is to bring the capabilities of the Alliance’s military forces up to date, emphasizing multinational cooperation through the pooling of equipment, prioritization, and specialization (NATO, 2012, Why we Need to Invest in Defence). The aim of SDI is to lower the overall cost of maintaining an army while still maintaining its effectiveness in the field. The economic crises have taken their toll on many of the member nations and thus its objective is to streamline the current forces and enable them to rely less on individual states. The pooling of resources would allow for a more coherent use of equipment and for a standard, multinational use of different resources. This could occur through joint purchasing of military hardware and increased specialization training (Grand, C., 2012, Smart Defense).

The Connected Forces Initiative (CFI) is an extension of the increase in effectiveness that NATO hopes to achieve with the SDI program. The emphasis is based upon changing its readiness level from operational engagement to operational preparedness, which means that NATO forces must always be capable of
achieving their core tasks. The CFI is set to be in place by 2020, at which point, NATO plans to constantly deploy a modern and properly equipped military force with appropriate training, leadership and skills. To achieve this, more emphasis will be placed upon cooperation between nations, ensuring that all shared forces are up to date and prepared. NATO hopes to decrease unnecessary spending and increase its military potential (NATO, 2013, Connected Forces Initiative). With this in mind, it is vital for NATO to achieve their six core tasks from the Strategic Concepts:

1. Safeguarding the freedom and security of its member states through political and military means.

2. Commitment to the values of liberty, democracy, human rights, and rule of law, in compliance with the Charter of the United Nations, to maintain international peace and security.

3. Preserving the strong link between North America and European nations, ensuring future cooperation and a shared burden.

4. Continue to effectively fulfill three essential tasks: collective defense of its member nations, crisis management of international conflicts, and enhancement of international cooperative security.

5. Remaining a transatlantic forum for consultation of all matters that affect territorial integrity, political independence, and security of its members.

6. Continuing to modernize and reform in order to remain effective and efficient in the full range of NATO operations (NATO, 2013, Active Engagement, Modern Defense – Core Tasks and Principles).

The CFI program will work by improving international communication and enabling joint maneuvers. This involves better support of interoperated equipment and a modernization of the technology used, enabling the forces to maintain effectiveness in peace and war. Furthermore, a high-readiness NATO Response Force (NRF) will be created, ensuring that 13,000 troops covering land, air, maritime, and special operations, are always ready for any threat. This would require a six-month rotation between nations, ensuring that all who receive the benefits also contribute to the cost of the Alliance (NATO, 2013, Connected Forces Initiative – NATO Response Force).

Cooperation is the Problem

Despite encouraging reform and greater cooperation with its partners, NATO is still struggling to adapt to a changing world. The financial crisis deeply affected member nations and severely limited military spending. The United States, the largest contributor to the Alliance (covering three-fourths of the total operations budget), is in a deep financial crisis fueled by engagement in a number of conflicts in the Middle East. With a U.N. Security Council seat and as the overwhelming military power in the world, the U.S. is able to assert its values and control the direction of NATO. Despite the benefits of this power, the United States is financially stressed to the point that it has demanded the NATO members to help shoulder the budget. The loss of substantial U.S. funding would be a devastating blow to NATO, as other members commit less than 2% of the GDP towards defense (Braml J., 2011, NATO’s Inward Outlook). There is growing political division in the United States regarding NATO, fueled by the lack of coordination between the European members. The SDI project, for instance, has seen many pitfalls that could end up dooming the project. These drawbacks, such as the lack of accountability for members who support flagship projects while still maintaining a minimum defense capability, potentially cause a rift between the member nations, potentially ending the project altogether. Furthermore, past operations and projects have shown that large multinational projects involving NATO are less successful than those mounted by smaller coalitions of members. In other words, an increase in nations involved in a project directly correlates with a decrease in the initiative’s effectiveness. In the past, operations have been limited by absence of nations or member’s refusals to participate in particular areas (Braml J., 2011, NATO’s Inward Outlook).

The Chicago Council, a leading, independent, and non-partisan organization, had a critical view of the new initiatives taken by NATO in its 2011 report. Dr. Hans Binnendijk, of the National Defense University in Washington D.C., argued that while the intentions with the initiatives are good, the pressing problems related to the non-cooperation between the member states would have to be solved before any attempt could be made to mount such vast programs. Earlier attempts by NATO to fund joint projects, such as Horizon Frigates, Allied Ground Surveillance (AGS), and the Eurofighter all ended with members dropping out to either pursue other interests or find a better alternative. In the case of the Horizon Frigates, a project envisioned by France and Italy, Britain dropped out due to the immense time it took to reach a consensus.
Similarly, France dropped out of the Eurofighter project to fund their own Dassault Rafale project. It has taken nineteen years to buy only five aircraft for the AGS project (General Abrial, S., 2011, Implementing Smart Defense). Dr. Binnendijk fears that while the SDI project is a good attempt to lower defense outlays, the problems regarding both multinational cooperation and funding will likely be its Achilles’ heel and doom the project. Similarly, allowing nations to cooperate in small selective groups is likely to cause a split between factions and cause unrest in the political organization of the Alliance.

The Crisis in Ukraine: NATO’s Response

After twenty-five years of improving relations between NATO and Russia following the collapse of the Soviet Union in 1991, the current crisis in Ukraine has significantly altered the relationship between the two erstwhile Cold War antagonists. While the crisis started in Crimea, it has now spread to eastern Ukraine proper, and it is placing a renewed emphasis on the role of NATO in the former Eastern Bloc countries, and is showing the fractures that a decade of controversial war in Afghanistan has created.

The crisis started in late February after the recent Ukrainian Revolution when pro-Russian forces began taking control of the Crimean Peninsula. The international community has identified the invading forces as members of the Russian military, but Russia claims they are local self-defense forces. The situation escalated further when the unidentified forces took hold of the Supreme Council and the Council of Ministers in Simferopol and removed the ministers from their posts. Around mid-March the Supreme Council and the City Council in Sevastopol declared their independence from Ukraine along with possible intentions of joining the Russian Federation. This decision was put to a referendum on March 16th which ended with results of questionable legitimacy. The official results indicated 96% in favor of independence with a turnout of over 86%, despite many boycotts of the referendum. Following this, the United States and Europe declared the vote illegal and the Ukrainian government insisted it was unconstitutional. The U.N. General assembly, later in March, passed a non-binding resolution, declaring the Moscow-backed referendum for Crimea to join the Russian Federation as invalid (Al Jazeera, 2014, Timeline: Ukraine’s Political Crisis).

The Crimean Crisis has led to a number of sanctions against Russia by the international community. The sanctions are aimed at specific members of the Russian leadership, rather than hitting the broad Russian population. President Obama warned that further sanctions towards especially oil and natural gas will be put in place against Russia if they move further into Ukraine (BBC, 2014, Ukraine). Among other actions already taken by other nations has been to indefinitely suspend Russia from the G8, now the G7 (Fisher, 2014, Russia Suspended from G8). In response, Russia has cut off the oil supply to Ukraine. The sanctions caused the head of the state-owned Russian Sberbank to warn that the country is at a risk of recession (BBC, 2014, Ukraine). Following the annexation of the Crimean Peninsula, the Ukrainian military has seen approximately 50% of its soldiers based in the Crimea defect to Russia, along with a substantial material loss, including most of their navy and aircraft.

Aside from instituting travel bans on Russian officials and freezing overseas assets, the international community, especially the U.S. and its NATO allies, are divided over what action to take to repel this new Russian aggression. Russia has already been excluded from a number of international committees and councils. The sanctions currently put in place by the international community have been aimed primarily at Russian officials. Around thirty individuals have been sanctioned in several ways, from the freezing of overseas assets to cancellations of contracts with corporations that the individuals lead, along with sanctions to ban contracts with any companies that cooperate with them. The individuals that the sanctions are aimed at range from aides close to President Putin to high-ranking politicians to leaders in the Russian defense industry, and to politically connected oligarchs. What they all have in common are their close bonds with Putin, the Russian economy and the Russian leadership. The aim of the sanctions is not to hurt the citizens of Russia, but rather target the top leadership and power base of the Russian political and economic sector.

There have been conflicting reports of a buildup of Russian troops near the Ukrainian border, with both NATO and the US stating that a significant number of troops and material have been observed in the areas (BBC, 2014, NATO Warns of Russian Army Build-up). However, independent observers and the Russian high command say that there is no buildup of troops in the region (RT, 2014, West Ignores Results of Int’l Missions). In response to the possible threat NATO has increased its presence in the whole region. NATO aviation groups have been deployed to Belarus and the area has seen increased
surveillance activity. NATO and U.S. fighter jets have been deployed to Poland and the Baltic States and surveillance patrols have been initiated over both Poland and Romania (RT, 2014, CSTO Security Bloc Monitors NATO Buildup).

But just what can NATO and the international community do besides increasing its military surveillance and presence in the area and continue, if not escalate, its sanctions towards Russia for its illegal activity in Ukraine? The answer is unfortunately, not much.

The increased NATO military presence in the area comes as a response to the Russian advancements. While NATO cannot enter Ukraine at the moment, since it is not a member nation, the increased presence in the surrounding countries is a calculated move. The aim is to make it clear to the Russian High Command that NATO is prepared to defend any of its members with military force. The increased surveillance is a further attempt to gain a better overview of the situation in the Crimea and the adjacent areas, so as to limit misinformation, and is an effort to project power in the region.

Should the situation escalate to further confrontations between the Ukrainians and Russians, or even an adjacent NATO member such as Poland or the Baltics, which, like Ukraine, have sizable Russian minorities, the NATO military force present in the area would be able to provide emergency defense until a stronger force could make it to the contested area. It would however be extremely unfortunate if the situation escalated to a military confrontation. Considering the substantial presence of pro-Russian citizens in the Ukraine, it is possible that the situation could escalate into a civil war. This would divide the country into pro-Europe and a pro-Russian parts, which could create a conflict eerily similar to that of the Bosnian War. The need for NATO military power could be requested to protect minorities, as happened in Kosovo. The situation could escalate even further if Russia supported the pro-Russian forces. With the EU, NATO, and the US supporting the pro-EU forces, it could develop into proxy-warfare as the Vietnam War, 1956-75, or the Greek Civil war, 1946-49. Both of these wars incidentally featured pro-Soviet/Communist forces against Western supported forces. However both civil war and proxy warfare would pale in comparison to the threat of facing Russian military forces.

If the situation became uncontrollable to the point of Russian troops entering and facing Western and NATO forces, the crisis could very well escalate to full scale war. Considering the number of nations likely involved in a war of this sort, and bearing in mind that most of them are nuclear powers, the risks are correspondingly great. However, this is a very unlikely situation that would in all probability not occur. In essence, NATO would very likely not utilize military force in Ukraine or the Crimea unless serious war crimes such as persecution against the civilian population were taking place, as in Kosovo. While NATO benefits by having a military presence in its member countries located close to the Russian and Ukrainian borders, the consequences of outright military actions are so severe that any benefits gained, other than those of force projection, are negligible.

The Crimea holds an important position for Russia, as it is the location of one of the few warm-water ports that Russia controls. Outside of this port, the only other warm-water port that Russia is in possession of is located in Syria. Russia’s remaining cold-water ports are locked in ice for weeks or even months during the winter, which severely limits the Russian fleet's capacity. Access to the warm-water ports in Ukraine and Syria further gives the Russian fleet significant sea superiority by granting it access to the Mediterranean. Another important aspect of gaining the port of Sevastopol is that naval ports are highly complicated and costly to construct, and while Russia is in the middle of constructing one in the area, it is still economically sound for them to take over the existing one. The Russian Black Sea fleet has called Crimea home since the nineteenth century, so it is clear, from a strategic point of view, why Putin decided to move into the Crimea.

As Ukraine is not a NATO member, there is also a limit to what the organization can do in the current crisis. It is nevertheless clear that the relations between the Western nation, NATO, and Russia have cooled significantly due to Russia’s actions. The possible outcome of the situation is most likely that the Crimean Peninsula will be annexed by Russia, but the rest of Ukraine will be left untouched. Sanctions will be kept in place at least for some time against Russia, which will hurt its economy significantly, as has already become apparent. Lastly, a heightened state of military alert will be present in the area combined with a higher international focus on the region. The renewal of Cold War-like tensions might also reinforce the importance of the North Atlantic Alliance, apart from its humanitarian and other current operations. With a hostile Russia flexing its muscles in Ukraine, NATO is once again quite relevant.
References


