



## NATO Needs a Comprehensive Strategy for Russia

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Russia's continuing intervention in Ukraine, including its annexation of Crimea, presents an unequivocal challenge to European security. Russia's actions are not just a stark rejection of Euro-Atlantic integration; Russia has shattered the vision of a stable, secure, and economically healthy Europe that has guided North Atlantic Treaty Organization (NATO) and European Union (EU) policy for two decades. The United States and other NATO members and partners are responding with tools readily at their disposal: economic sanctions on Russia and NATO conventional military measures geared toward demonstrating readiness and new capabilities. NATO leaders clearly stated their intent to continue on this path in the 2014 Wales Summit Declaration, when they announced a Readiness Action Plan that will create a more capable and responsive NATO Response Force and provide a more robust rotational presence in Eastern Europe. They also

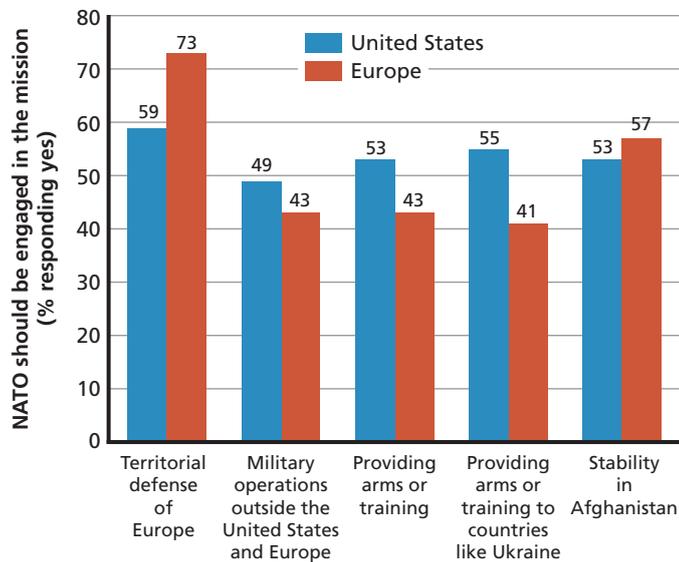
expressed support for the graduating economic sanctions that have been imposed upon Russia.<sup>1</sup>

These measures indicate a common rejection of Russia's actions and a shared commitment to certain concrete steps in response. There is broad agreement that NATO and the EU seek to make Russia pay for its aggression, deter plausible future Russian coercion and threats, reassure NATO member states, and help support the security of non-NATO states, especially Ukraine. However, neither the NATO Alliance nor its individual members currently have a comprehensive strategy for accomplishing these goals. This is not surprising. Not only do Russia's ambitions remain uncertain, but NATO and EU countries themselves face competing political and economic interests and pressures. The recent Munich Security Conference exposed these competing pressures in spades. According to one observer, half the audience applauded U.S. Vice

President Joe Biden’s assertion that “the Ukrainian people have the right to defend themselves,” while many others seemed sympathetic to the view represented by German leaders that providing lethal military aid to Ukraine would only escalate the crisis.<sup>2</sup>

These divisions are also borne out among the citizens of the United States and European member countries. As Figure 1 shows, only 41 percent of Europeans believe NATO should provide arms or training to Ukraine. While the percentage of Americans with this view is higher (55 percent), support is clearly not overwhelming in either direction. In fact, with the possible exception of providing for the territorial defense of Europe, popular support for the various missions of NATO is lackluster at best.<sup>3</sup>

**Figure 1. What Should NATO Be Engaged In?**



SOURCE: German Marshall Fund of the United States, 2014.

RAND PE143-1

The result of this ambivalence has been a tendency for NATO to focus on one Russia-related issue at a time, rather than conducting a more comprehensive discussion that focuses on the long term. While some might argue that this creates a useful ambiguity, we believe that it leads to unclear signaling to both friends and prospective adversaries. Rhetoric against Russia has been forceful, while the response to Russian behavior is centered on a debate about providing lethal military aid to Ukraine and on sanctions that have hurt Russia’s economy but seem to have no impact on its foreign policy. NATO has always pledged to protect its member states; however, military and civilian actions to date seem both insufficient should Russia attack one or more Baltic countries (Estonia, Latvia, and Lithuania) and unresponsive to the more likely risks of subversion and destabilization across Europe. NATO has voiced support for Ukraine, but the Alliance’s actions strongly suggest that its true red lines lie along NATO borders.

NATO, working closely with the EU, needs to regain the initiative to proactively seek peace and stability on the continent and find a coherent, cohesive way forward. To design a long-term strategy for dealing not just with Ukraine but also with Russia, NATO and member-state policymakers must answer the following questions:

- What is the primary threat to NATO’s Allies that it seeks to deter: traditional military aggression or nontraditional military and political coercion?
- What should be the approach to deterring Russia from aggressive actions: raising costs or denying objectives?
- What should be the characteristics of NATO’s interactions with Russia in Europe: engagement or disengagement?<sup>4</sup>

- What degree of Russian influence should NATO accept in non-NATO countries, and what types of promises and assistance should NATO provide to these countries?

In this perspective, we describe two possible strategies that differ in how they answer each of these questions. Given the complexity of policies and the number of countries involved in carrying out any strategy, it is unlikely that any one approach will be implemented in its entirety. Nevertheless, the purpose of designing a strategy is to lay out a set of internally consistent goals and priorities that would guide the many specific NATO political and military policies that lie ahead. While hybrid approaches that draw on elements of each strategy are both possible and likely, mixing and matching will work best if informed by clear-eyed understanding of the assumptions that underlie each action.

The first strategy—*punishment and disengagement*—focuses primarily on the possibility of Russian conventional aggression against NATO members and undertakes to deter such aggression through the threat of significant punishment. It seeks to disengage from Russia, particularly in Europe, and find ways to reduce Russia’s influence and activity in the non-NATO neighboring states, including Ukraine. From a military posture perspective, this strategy emphasizes traditional conventional military tools and increases U.S. military forces. It is broadly aligned with approaches put forward by several U.S. government officials and analysts since March 2014.<sup>5</sup>

The second strategy—*resilience and engagement*—focuses on threats to NATO members of Russian political, economic, and military coercion and seeks to deter such actions by strengthening the resilience of NATO members and limiting their vulnerability.

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It keeps open the prospect of limited engagement with Russia in Europe and accepts some degree of Russian influence over non-NATO neighboring states. From a military posture perspective, this strategy is measured in its conventional military response and gives priority to new infrastructure, command and control, and security cooperation initiatives in Europe.

We do not intend to suggest that these are the only two strategies possible. Both strategies include aspects of current policy, and they share some components with one another. How they differ from current approaches is that each presents a cohesive internal logic, in which policy actions align with core assumptions and priorities. We also considered, but rejected, including a third strategy of accepting a Russian “sphere of influence” in its neighboring countries, such that the United States and NATO would defer to Russia in all dealings with those states. In the case of Ukraine, proponents of this approach call for a guarantee from other states of Ukraine’s “neutrality,” meaning that Ukraine cannot ally itself with any other state and, indeed, should eschew economic partnerships as well.<sup>6</sup> We feel, however, that NATO at this time will not seriously consider a strategy that makes decisions for third parties without consulting them. Surely, NATO, the EU, their member states, and Russia can all make choices about what they themselves will and will not do. This includes expanding membership in organizations, or not. However, the notion of an explicit “great power

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settlement” of the fates of smaller states runs too far counter to the values that the Alliance espouses today to be a viable alternative. Moreover, these approaches seem to suggest that the only issue in question is that of Russian and Western relations with other post-Soviet states. In doing this, they ignore the challenge to European security that Russian actions have posed.

We also do not mean to imply that NATO is the only important actor—indeed, many of the policies described under each strategy will require action by the EU and by individual states. However, as the Alliance structure that brings the United States and Canada together with their European Allies and partners for what is at its core a security mission, NATO must be at the forefront of a transatlantic strategy for Europe. While no NATO strategy can be conceived or implemented without agreement from and close coordination with the EU, the security aspects of the strategy and need for U.S. involvement mean that NATO must play the lead role.

This perspective goes on to outline the U.S. military posture in Europe that would accompany each of these strategies and then briefly assesses their risks. We conclude by arguing that the strategy of resilience and engagement is the better of the two, because

it responds to what we see as more-plausible threats and allows for more flexibility in policies toward Russia and the non-NATO states. We close with specific steps for implementing such a strategy.

### **A Strategy of Punishment and Disengagement**

A strategy of punishment and disengagement seeks first and foremost to deter further aggression through both strengthened direct defense and the threat of punishment, including by expanding NATO military capabilities. It is based in part on the assumption that the strategy of denial and punishment that worked during the Cold War is what is needed today. It also calls on NATO and EU members to disengage from cooperation with Russia in a broad range of spheres, both as an additional form of punishment and because efforts at cooperation have proven futile. In this strategy, NATO’s role becomes not simply to assure the security of NATO members but to promise greater support and a response if the security of any of Russia’s neighbors is threatened, whether they are NATO Allies or not. This is a substantial shift from current policy, but it is a rational choice if we believe that conventional military threats from Russia against NATO members are plausible and need to be stopped, preferably beyond NATO territory, and sooner rather than later. It also puts muscle behind the idea of zero tolerance for Russian adventurism beyond its own borders. Implementing this strategy would fall heavily on U.S. forces, but much would also be required from other NATO members, including facilities and troops for forward presence, exercises, and, if necessary, warfighting.

This strategy assumes that NATO (and the EU) will pursue some policy actions without regard for Russian interests and goals and pursue other actions expressly to undermine those interests and goals, both political and economic. One example would be further

sectoral sanctions intended to damage Russia's economy. Another might be outreach to states on Russia's periphery that have thus far maintained very strong relations with Moscow, including Armenia and Belarus, even if these states continue to reject political and economic reforms. The purpose would be to demonstrate to Moscow that it does not have a sphere of influence and to bolster these states' ability to deter Russia—including through the promise of NATO help if Russia threatens them. In line with this approach, strong political, military, and economic support would be undertaken to bolster Ukraine and especially to minimize its dependence on Russia. For as long as Ukraine faces an insurgency, the United States and other NATO members would support it, including with lethal military assistance. The possibility of the use of force by one or more NATO members, as well as the Alliance itself, will also remain on the table, lest Russia and its neighbors perceive weakness in the NATO response. Existing security mechanisms in Europe involving Russia would be abandoned, because Russia cannot be trusted to be a reliable partner. If this damages cooperation with Russia in other parts of the world, that will be deemed an acceptable cost.

From a military perspective, this strategy, while acknowledging that Russia's military capabilities are not what they were during the Cold War, emphasizes NATO conventional military responses to potential Russian aggression and involves increases in tanks, aircraft, ships, and troops in the region. This is in part because the strategy assumes that both deterrence and reassurance are strengthened by more-robust and forward-positioned military forces, which send the clearest, most assertive message. Conversely, it holds that acquiescence to Russian positions on a range of military and non-military issues is tantamount to appeasement and will embolden further Russian aggression.

## **U.S. Military Posture in a Strategy of Punishment and Disengagement**

The military component of this strategy could be constructed in several ways, but all involve an increase in U.S. forces in Europe, with the following characteristics. (See the callout box for a brief overview of current U.S. posture in Europe.)

First, the NATO Alliance and other willing partners would dramatically increase their level of military activities in the region, with a focus on posing high potential costs to Russian aggression and reassuring both Allies and partners. Whether additional U.S. forces were stationed permanently on the continent or rotated through for months at a time, the frequency and size of military exercises with NATO members and partners would reassure European states while sending a message of strength and unity to Russia. U.S. forces would also lead an expansion of other military activities, such as joint planning, information exchanges, discussions among senior leaders, and ship visits.

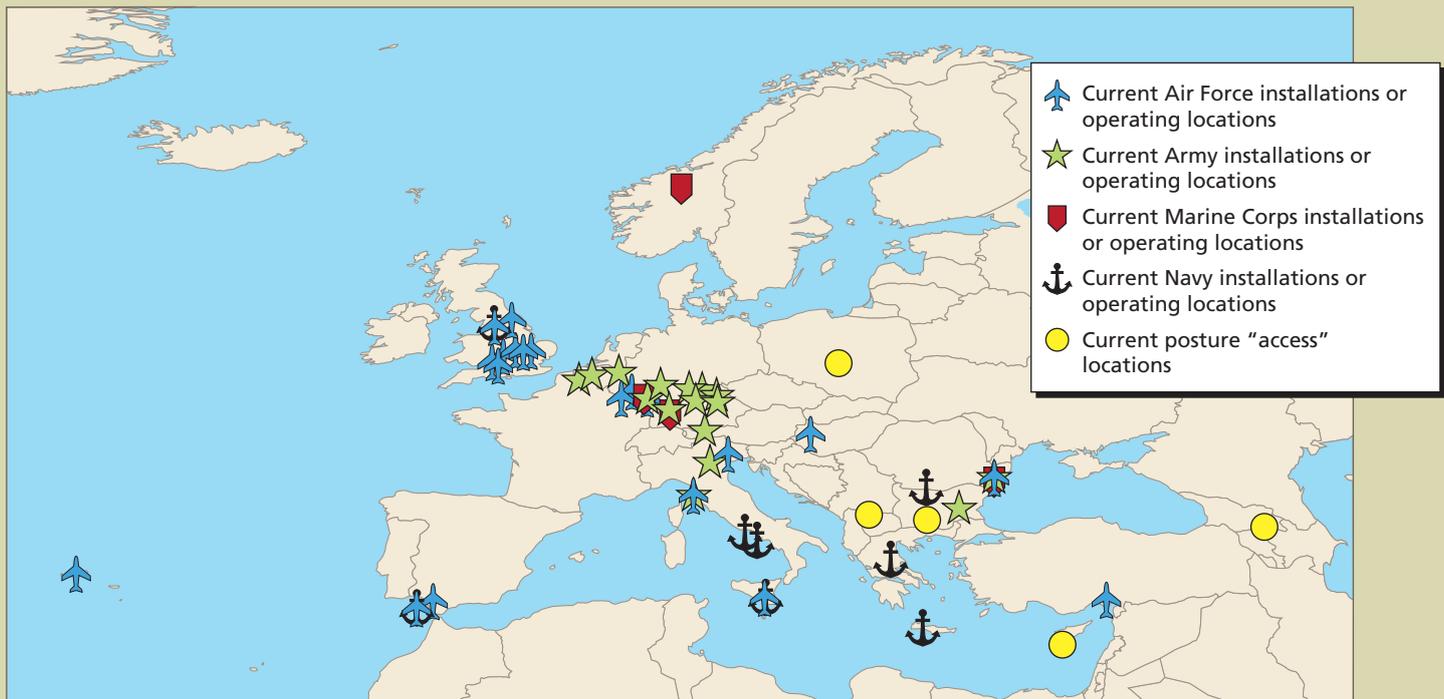
Second, additional U.S. forces would be postured to respond most effectively to potential Russian aggression in the Baltic countries or Poland. Although the bulk of U.S. forces that would engage in a large-scale conflict on the European continent would eventually be transported from the United States, initial fighting would be conducted with forces in theater. This would be especially true for ground forces: Heavy weapons and other equipment for ground forces take time to transport over long distances. If warn-

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When looked at through a historical lens, U.S. presence in Europe shows a dramatic decline since the end of the Cold War. For example, the Army stationed about 213,000 soldiers on 41 garrisons in Europe in 1989 but plans to have only about 30,000 soldiers on seven garrisons by 2017. Both U.S. allies and Russia may perceive that the steady decline in U.S. forces over the past 25 years indicates a weakening commitment to European security. But, as Figure 2 shows, while force levels in Europe have decreased, they remain imposing. As of 2014, the U.S. military has nearly 80,000 active-duty personnel—mostly from the Army and Air Force—stationed at 39 bases in 15 European countries. It also maintains more-austere “access” locations in Poland, Bulgaria, Georgia, and elsewhere to provide options for moving forces around the region to respond to future contingencies.

**Figure 2. Location of U.S. Military Installations in and Around Europe, 2014**



SOURCE: Based on previous RAND research on overseas basing of U.S. military forces.

RAND PE143-2

ing times were limited, this problem would be exacerbated further. To mitigate these challenges, this strategy could involve positioning additional U.S. forces in locations such as Poland, to quickly counterattack against a Russian invasion of the Baltics. NATO could also position additional air and naval forces around the Black Sea to be prepared to strike the Russian military should it conduct operations not only against NATO Allies Bulgaria and Romania but also against such partners as Georgia, Moldova, or Ukraine, ensuring that any promises of support to these countries are not empty.

Third, U.S. forces would be positioned in the Baltics to deter Russian aggression by serving as a tripwire. U.S. forces in place (even if on a rotational basis) in countries bordering Russia would make it clear that attacking a neighbor could easily draw the United States into direct conflict and would make it possible for NATO to inflict greater punishment through both ground and air capabilities than is possible with the current posture. This would differ from U.S. troops in Poland or Germany, whose deterrence role is to demonstrate capability with forces well positioned to respond. These additional U.S. forces could also strengthen the U.S. hand in urging European governments to reverse some planned force structure cuts, ramp up their exercises, and even rotate their own forces into frontline states. However, if European states are not willing to bear a greater burden, the imperatives of this strategy provide little alternative to the United States carrying that burden.

Table 1 shows an illustrative military posture in support of the punishment and disengagement strategy and its estimated costs. The methodology accounting for most costs involved in basing and rotating forces overseas can be found in a 2013 RAND report.<sup>7</sup> The

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estimates roughly account for the additional costs of positioning these forces in Europe rather than in the United States, with the lower estimate assuming that host nations would pay any required construction costs and the higher estimate assuming that construction costs would be amortized over five years.

These costs capture only a portion of what may be required to support this strategy. For one thing, the military steps in the table would be in addition to those proposed in President Barack Obama's \$1 billion-plus European Reassurance Initiative, which consists mostly of additional exercises and infrastructure improvements that are less potentially provocative (or perhaps deterrent) than the components of a punishment and disengagement strategy.<sup>8</sup> Second, the increased presence and military activities in Europe from this strategy would create further strains on U.S. military personnel and equipment. As a result, some ongoing Department of Defense force structure reductions could be reversed, adding hundreds of millions or billions of dollars in personnel and equipment costs to future defense budgets.<sup>9</sup> The additional costs of sanctions and other economic and political tools could also be substantial over time, although far more so for the United States' European Allies than for the United States or Canada.

**Table 1. Illustrative U.S. Posture Actions and Estimated Annual Costs for the Punishment and Disengagement Strategy**

| U.S. Service | U.S. Posture Action   | Estimated Annual Cost (\$ millions) |
|--------------|---|-------------------------------------|
| Army         | Add armored brigade combat team in Poland (~5,000 soldiers, 60 tanks, 60 Bradley infantry fighting vehicles, 100+ armored personnel carriers and other vehicles, artillery, combat engineers, medical, intelligence, support) | 114–268                             |
|              | Add armored brigade combat team in Germany  | 49–153                              |
|              | Rotate Patriot missile defense battery into Baltics   | 84–105                              |
|              | Rotate Terminal High Altitude Area Defense (THAAD) missile defense system battery into Poland   | 4–7                                 |
|              | Pre-position armored brigade combat team equipment in the Baltics and rotate one battalion from the United States (two rotations, six months each)  | 48–78                               |
|              | Make infrastructure improvements to rail lines and bridges to accept heavy equipment and support deployment operations  | 100                                 |
| Air Force    | Rotate F-16 squadron (24 aircraft) to Lithuania from the United States (two rotations, three months each)   | 18–51                               |
|              | Station 15 KC-135 tanker aircraft in Germany  | 18–42                               |
|              | Provide continuous unmanned aerial system (RQ-4, MQ-9) rotations through Poland   | 26–36                               |
|              | Harden operational airfields (shelters, fuel supplies) for one F-16 squadron in the Baltics   | 198                                 |
| Navy         | Provide 90 days of carrier strike group presence  | 315                                 |
|              | Provide 90 days of amphibious readiness group-marine expeditionary unit presence  | 135                                 |
| Marine Corps | Rotate Special Purpose Marine Air-Ground Task Force training units into Ukraine, Moldova, and Georgia for two one-month training missions per country   | 2                                   |
| Total        |   | 1,111–1,490                         |

### Adopting a Strategy of Punishment and Disengagement Has Risks

This response has the advantage of being familiar to NATO, drawing on tools and capabilities that the Alliance has and knows how to use well. As a political-military alliance, NATO has been most comfortable thinking about conventional military threats, with a counterinsurgency component added through the experiences of Iraq and Afghanistan. But by viewing the most important Russian

threats as those related to conventional military force, this strategy lays the groundwork for asymmetric responses from Russia, as well as responses in kind. While more U.S. forces and more traditional conventional military exercises may reassure Allies, it is not clear that they provide much in the way of additional deterrence, even against conventional threats. NATO conventional forces are substantial and will remain so even after planned drawdowns are complete. Their capability exceeds Russian conventional capabili-

ties by any available measure. That said, although NATO has greater capabilities overall, it is easier for Russia to mass forces on its border and threaten a neighbor than for NATO to mass forces in response. When considering force-to-space ratios in this manner, NATO could face significant challenges in trying to prevent a Russian invasion of the Baltics. The posture outlined in the previous section is modest with respect to the overall inventories of Russia, and it would be unlikely to deny Russia the ability to invade the Baltics.

Deterrence failure in a strategy that relies on punishment, however, would mean that NATO would have to follow through on the punishment. Military response against Russia may seem easy enough to threaten, given Russia's comparative weakness, but it raises the danger that Russia will feel obligated to respond. While Russia's military doctrine precludes nuclear escalation except in the case of an existential threat to the state, attacks or perceived attacks on Russian soil may be viewed as just such a threat. Moreover, miscalculation and mixed signals are particularly likely under circumstances of great tension—inadvertent escalation to nuclear use, although highly unlikely in all imaginable scenarios, cannot be entirely ruled out.

This strategy also seeks to move NATO's deterrence red line beyond the Alliance itself. Doing so clearly puts action behind rhetoric regarding Russia's actions, and it could send a powerful deterrent signal. Indeed, absent such policies, Russia could well think that it can act freely in its neighborhood, risking only the sanctions and approbation it is already enduring in response to its behavior vis-à-vis Ukraine. However, the political feasibility of extending a security umbrella over non-NATO states is limited. Opposition throughout NATO will be substantial. And even if member states

reach agreement, the deterrence signals in these cases would be less clear and more likely to be doubted by Russia, because these states are not NATO members. Conversely, promises of protection could embolden some of these states to escalate tensions with Russia. Russia certainly thinks this is possible: Foreign Minister Sergei Lavrov said in Munich that support for Ukraine “is going to their heads in the way it did for [Georgian President Mikheil] Saakashvili in 2008, and we know how that ended.”<sup>10</sup>

Some might propose to resolve the credibility challenge by inviting these states to join NATO, an invitation some would accept. But this is, of course, even harder from a political standpoint. Opposition to such enlargement is high both because the countries in question do not meet the criteria generally set for NATO membership and because NATO members are indeed divided on how much support they want to offer these states in the face of a possible confrontation with Russia. Even if Europe and the United States had a clearer consensus in regards to supporting these states, few welcome new military commitments after more than a decade of war in Iraq and Afghanistan.

Another key concern lies in the tools deployed. A punishment and disengagement strategy assumes that what it takes to assure the most nervous of NATO's Allies will also be effective in deterring the broad range of possible undesired Russian behavior. However, this military-focused solution, while appropriate for some military

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threats, ignores the far more likely danger to NATO members, which are covered by an Article V security guarantee. This lies not in overt military strikes, but in targeted destabilization focused on economic, social, and political vulnerabilities. This approach is difficult to counter with tanks and aircraft, and it is therefore not clear why tanks and aircraft would deter it. Moreover, Moscow's strategy in Crimea and East Ukraine was likely developed with an eye to Ukraine's specific vulnerabilities. If Russia, or any other state in the region, sought to foment unrest in another country, it would most effectively seek other points of leverage before taking military action. It seems wrong to assume that Russia's focus on destabilization in any European state would start with military force, or in the case of a NATO member, end with it.

The costliness of this strategy is also worth raising. If there is broad consensus that this is the way forward, it is plausible that there would be sufficient U.S. congressional support to enable the increased funding entailed. However, if the strategy or its components fail to draw broad support, costs will surely be one focus of opposition in the current fiscal and political environment. Not even counting potential force structure costs or the burdens of enforcing extensive sanctions, dedicating billions of additional dollars to increased military presence in Europe might be a tough sell in the halls of Congress today. Future Russian actions, however, could make what had seemed an unaffordable strategy suddenly an unavoidable necessity.

Even if these other problems are resolved, a strategy of punishment and disengagement would also be difficult to maintain over time. Although anger at Russia has run high at times throughout the crisis, the fact remains that while some members of NATO are willing to write off cooperation with Moscow for the foreseeable future, most reject any strategy that does not keep open paths to re-engage, however resistant to such engagement the Vladimir Putin government might currently be.

The bottom line is that a punishment and disengagement strategy could easily backfire, sooner as well as later. This strategy assumes that Russia will be chastened, but in the near term, states often respond to sanctions and aggressive words with increased commitment and resolve. This has certainly been Russia's response to sanctions to date. While it is possible that punishment approaches can work over time, the risk in the meantime is that they will draw further Russian recalcitrance and, perhaps, aggressive actions. The latter is particularly dangerous, given this strategy's inability to counter some of the most plausible new Russian threats.

## **A Strategy of Resilience and Engagement**

A strategy of resilience and engagement prioritizes the goals and interests that defined NATO prior to Russia's aggression in Ukraine and seeks ways to continue to pursue them in the changed environment that Russia's actions have created. Those interests are captured in the strategy of *Europe Whole and Free* that emerged after the Cold War. What it has meant in practice is that in concert with the EU, NATO has sought to encourage political and economic integration, provide incentives for democratic reforms, reassure new Allies and partners, and find ways to cooperate with

Russia. But Russia's behavior indicates that even if the goals may remain the same, the approaches of the past need to be rethought. An accounting of what is and is not possible is therefore in order.

The assumption underlying this strategy is that, for the time being at least, Russia believes that NATO's Article V commitment holds. If anything, its virulent opposition to NATO membership for Ukraine and other neighbors indicates that it believes that NATO will defend its members. Russia views NATO's current capabilities as sufficient to make the use of military force against them counterproductive. Aspects of Russia's current approach may seek to erode NATO's cohesion, and thus its credibility, to change that equation. But its behavior to date indicates that for now, Russian policies are far more likely to manifest themselves in efforts to derail further European integration rather than in conventional military attacks against current NATO members, including the Baltic countries. This may change in time, but first steps are likely to be nonmilitary, aiming to assess the degree of commitment and weaken it over time rather than test it outright.

The challenge lies in convincing Moscow that efforts to undermine European integration are futile and counterproductive, and that the potential use of military forces—ideally including against non-NATO members—would fail. This goal would be achieved in this strategy less through threatening punishment and more by ensuring that Russian efforts to subvert any European state cannot succeed. In the language of deterrence, it is a strategy of denying Russia its aims rather than promising punishment. Instead of relying on warnings of adverse consequences if Russia takes undesired action, NATO, the EU, and their member states would take steps to ensure that such actions would not lead to Russia's desired outcomes—that is, European states are not vulnerable to

subversion and destabilization should such actions be attempted. In the meantime, the door to improved relations with Moscow would stay open, and cooperation would be pursued where cooperation is feasible (within and outside Europe).

As for non-NATO countries in Europe (as well as those in the Caucasus and Central Asia), this strategy has different implications for different countries. For Sweden and Finland, for example, closer partnership with NATO with the possibility of membership always on the table makes sense, for they would bring much to the Alliance. For post-Soviet non-NATO states, the Alliance would aim to encourage reform without making promises regarding security. Specifically, NATO would signal to them and to Russia that Alliance membership is not likely in the foreseeable future.

This approach is based on the recognition that it is difficult to imagine a secure and safe future for these states that does not include a sustainable and mutually acceptable relationship with Russia. NATO's member states do not want to acquiesce to giving Moscow the ability to dictate its neighbors' foreign and domestic policies. However, they also do not want to be in the position of seeking to protect these countries from Russian pressure that they are unable to withstand on their own. The compromise dictated by this strategy is one of closer NATO coordination with Russia on

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policies in this part of the world, combined with continued independent relationships with each individual state. It would also have NATO encourage these countries to find a way to coexist peacefully with Moscow, despite the obvious challenges of doing so.

In the near and long term, the security and ability of post-Soviet non-NATO countries to withstand Russian pressure would be improved by building up their own resilience and independence. In their case, this would require substantial political and economic reforms. NATO would stand ready to assist with such reforms insofar as they are in NATO's remit, but most of these activities will rely far more on the EU, as well as the United States and other individual states. They will also require the policy coordination with Russia noted above, in addition to these states showing real commitment to reforms, absent which assistance should be sharply reduced or curtailed.

This strategy would not jettison existing European security institutions. It would maintain painful, targeted economic sanctions, but only for as long as Russian behavior remains unacceptable (which would mean some level of sanctions in response to Russia's likely continued occupation of Crimea, even if and when Russo-Ukrainian relations otherwise stabilize). The goal of these

sanctions is to signal continued dissatisfaction in a concrete way; it is not to permanently undermine Russia or its economy.

### **Engagement with Russia**

A critical aspect of this strategy of resilience and engagement that differentiates it from a strategy of punishment and disengagement is that it would seek to establish new ways to cooperate with Russia in Europe if, when, and where Russia is prepared to rebuild relations. This aims not to appease Moscow but to keep the door open to mutually beneficial ties. Initially, such cooperation might focus on pragmatic steps to reduce tensions and establish confidence-building measures in and around Ukraine, where Russian cooperation is critical to establishing and sustaining stability. Eventually, there may be opportunities for regional cooperation focusing on specialized military and nonmilitary capabilities that can improve European security as a whole. In some cases, such cooperation could be practical information-sharing about activities, while in other, more-sensitive areas, the cooperation might focus on discussing basic principles and expectations of behavior. In many of these cases, the underlying goals of cooperation would be twofold: first, to send the message that NATO is not intimidated by Russia, but it is also not trying to provoke Russia; and second, to better understand how Russia perceives the actions and statements of NATO (as well as of the EU and individual states).

There are some measures that NATO and other Alliance members could take to ensure appropriate signaling to Russia. First, NATO and Russia, working with the Ukrainian government, could establish a process to systematically share information on events in eastern Ukraine and discuss options to address the grievances of all parties. Such a process could be extended to

Georgia, Moldova, and other regions where political or military tensions exist. While any decisions would necessarily include all countries involved, NATO states and Russia would continue to engage diplomatically both bilaterally and multilaterally. Second, NATO and Russia could hold discussions on the use of cyber capabilities, special operations, security assistance, law enforcement training, intelligence, economic sanctions, and other evolving tools of national power. Some of the discussions could be directed toward areas of common interest, such as counterterrorism, while others could explicitly address scenarios involving potential escalation of tensions or even state-on-state aggression in the region. Some of the discussions could identify common ground and reduce tensions, while others might simply improve understanding of NATO (and perhaps Russian) capabilities, intentions for improving them, and potential ways in which they might be used in a crisis.

While the ongoing conflict makes this unrealistic for the time being, this strategy could eventually allow Europe (including Russia) to build on the eventual resolution of the Ukraine crisis to create a more lasting and inclusive peace. This could be an opportunity for all of Europe (including Russia and Ukraine), to work out a new security arrangement for the continent, with new rules of the game across political, economic, and military policies. To be successful, this new arrangement would have to maintain NATO's core values as a foundation. However, it might involve certain compromises to address Russia's interests, especially in its neighboring countries, and to ensure the security of both Russia and its neighbors.

## U.S. Military Posture in a Strategy of Resilience and Engagement

Several components of President Obama's proposed European Reassurance Initiative create a solid foundation for implementing this strategy, specifically by emphasizing infrastructure improvements and cooperative activities among security forces (sometimes called security cooperation). See Table 2 for a description of the initiative's activities and estimated costs.

To achieve this strategy's goal of reducing the vulnerabilities of NATO states to Russian aggression, NATO would undertake a sophisticated vulnerability analysis among its members, a process that has already begun. Each state faces different types of vulner-

**Table 2. European Reassurance Initiative Activities and Estimated Costs**

| Category  | Fiscal Year 2015 Enacted (\$ millions) | Fiscal Year 2016 Requested (\$ millions) |
|---|--|--|
| Increased presence (including exercises)        | 423                                    | 471                                      |
| Additional bilateral and multilateral exercises | 41                                     | 108                                      |
| Improved infrastructure                         | 197                                    | 89                                       |
| Enhanced prepositioning of military equipment   | 136                                    | 58                                       |
| Building partner capacity                       | 14                                     | 63                                       |
| European Reassurance Initiative transfer fund   | 175                                    | —  |
| <b>Total</b>                                    | <b>985</b>                             | <b>789</b>                               |

SOURCE: Office of the Under Secretary of Defense (Comptroller), "European Reassurance Initiative," Department of Defense Budget Fiscal Year 2016, February 2015.

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*A strategy focused on mitigating vulnerabilities will also demand complex command and control systems that can manage multinational, multi-agency operations, integrating general purpose forces, special operations forces, and law enforcement personnel.*

abilities to Russian (or other) military and nonmilitary coercion. For example, the Baltics are vulnerable to a conventional attack from Russian military forces, so a NATO response would face threats from Russian air and missile strikes, as well as naval forces. Threats like these, generally termed *anti-access/area denial*, are measures to prevent adversaries from staging attacks (or counterattacks) at relatively safe distances. While these vulnerabilities are not ignored, this strategy also recognizes and prepares for other forms of Russian aggression, which seem more likely than traditional military incursion. Not only have we seen this in Ukraine, Russia has already used covert, cyber, information, economic, and political tools to try to destabilize the Baltics.

Looking beyond the Baltics to such countries as Poland and Romania—as well as some states not traditionally viewed as vulnerable to Russian pressure, such as Greece—risks are lower, but the situation is similar: Unconventional and nonmilitary scenarios, such as covert, cyber, economic, and political pressure, are far more likely than large-scale conventional military threats. What of the prospect of Russian steps to weaken the Alliance through political and economic ties with a range of states, including France,

Germany, and the United Kingdom? At present, these countries are united in their frustration with Russian behavior. Over time, however, Russian pressure on their economies, their politics, and their publics could weaken this cohesion if not addressed head-on.

The European Reassurance Initiative provides ways to address these vulnerabilities in its investments in infrastructure and security cooperation.

First, notwithstanding recent drawdowns in U.S. forces, additional infrastructure improvements (e.g., the third row in Table 2) could be useful. Whereas many of the facilities being shuttered are in Germany, much of the need for new infrastructure is in countries farther to the east, such as the Baltics, Bulgaria, Poland, and Romania.<sup>11</sup> In addition to investments in training ranges and airfields, particularly those that counter Russian anti-access/area denial capabilities, NATO would focus on strengthening the performance and resilience of infrastructure important for responding to unconventional and nonmilitary coercion, such as command and control, intelligence, cyber, and civilian energy transport infrastructure.

A strategy focused on mitigating vulnerabilities will also demand complex command and control systems that can manage multinational, multi-agency operations, integrating general purpose forces, special operations forces, and law enforcement personnel. The fusion of intelligence will be more vital than ever to track everything from major Russian force movements posing as training exercises to paramilitary activities of “little green men” without military insignia. Cyber infrastructure would need to be viewed as both a tool and a vulnerability. Transnational civilian energy transport and other infrastructure should also be considered in this category. While most are aware of the potential for political

pressure based on energy dependencies, this sector can also pose vulnerabilities in the context of military operations and efforts to destabilize countries by other means. While energy is not the type of infrastructure that may first come to mind for policymakers, it is increasingly relevant in the European security environment, and it affects both NATO members viewed as comparatively strong and those seen as less capable. Furthermore, while energy dependency has historically been difficult to translate into real political leverage, the possibility that it could be used in this way is perceived as very real—and could lead to preemptive concessions for fear that the tool will be used, even if it never is.

Second, many of the other proposed European Reassurance Initiative investments (much of rows one, two, and five in Table 2) are focused on security cooperation activities, such as exercises and building partner capacity (e.g., training, equipping, and educating security forces). Whereas many exercises and capacity-building activities have aimed to help European militaries deploy overseas (e.g., to Afghanistan and Iraq), in this strategy, NATO would refocus many of its objectives toward addressing prospective vulnerabilities of the states themselves. While the European Reassurance Initiative includes large military exercises to signal NATO's strength and unity, in this strategy, U.S. officials would adapt these exercises and other security cooperation activities to address the changing threat environment in more creative ways. Many military exercises already operate at strategic, operational, and tactical levels and involve several countries (including non-Allies) and multiple military services. Some test cyber, intelligence, civil-military planning, and strategic command and control capabilities. But this shift from a traditional force-on-force emphasis to a multifaceted, strategically oriented approach would go much further. It would also plan and

execute exercises that incorporate cyber capabilities, new intelligence approaches, civilian officials, special operations and nonmilitary (e.g., law enforcement) security forces, and various political and economic tools (e.g., public diplomacy actions, sanctions).

A resilience and engagement strategy, however, would go beyond these efforts, focusing on other areas that strengthen specialized military and nonmilitary capabilities—for example, by investing further in joint planning, education and training programs, and assessments to strengthen collaboration in such areas as cyber capabilities, intelligence reform, strategic communication, counterthreat finance, special operations, security-sector reform and integration, and whole-of-government strategy development (i.e., planning that engages the broad range of government agencies). Specific focus would be on NATO state vulnerabilities in economic security, energy security, political and ethnic cleavages, and irregular military threats, as well as on the need for improved political and military cooperation.

Some of this cooperation could take place through multinational combat exercises in the fields of Germany (where NATO's main armored training center is) or Poland. Much of it, however, would also be in government command centers, simulation centers, intelligence fusion centers, and training centers, military and civilian, and NATO will need to coordinate with the EU and other civilian institutions for these efforts to be effective. None of these

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*In this strategy, NATO would refocus many of its objectives toward addressing prospective vulnerabilities of the states themselves.*

capability areas are new. The goal in this strategy would be to treat them as core, rather than niche, capabilities and begin investing in them, even if that comes at the expense of investments in conventional capabilities.

This will also be the case for non-NATO states. The assumption in this strategy is that these NATO partners will be better bolstered against the threat of subversion, which will in turn make overt military aggression less likely. While there is no realistic strategy that can secure these states against a Russian military invasion, reducing vulnerabilities to subversion and creating more-robust, stable governments should help reduce prospects of conventional attack and at least marginally strengthen resistance thereto. This strategy would have NATO and the United States condition support and assistance on the political and economic reforms that will be needed in and of themselves to limit vulnerabilities, without sending the wrong signals regarding the importance of democracy and reform. And, as noted, this may in time be an area in which to engage Russia as well.

### **Adopting a Strategy of Resilience and Engagement Has Risks**

Of the risks associated with adopting a resilience and engagement strategy, the most serious is that both of its overarching goals face substantial obstacles. Finding ways to reduce the vulnerabilities

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*Reducing vulnerabilities to subversion and creating more-robust, stable governments should help reduce prospects of conventional attack and at least marginally strengthen resistance thereto.*

of NATO members and partners is a complex and long-term task. Difficult political changes (such as improving the status of Russian minorities in Estonia and Latvia) will be required. Military and nonmilitary tools (such as law enforcement) will need to be integrated, involving a range of institutions within and among countries that have not historically collaborated well. New resources will be needed from already-constrained defense budgets.

As a result, Russia may view NATO's steps, especially initially, as inconsequential, giving it a free hand in states on its periphery. In other words, Russia may not be deterred in its efforts to destabilize NATO members and partners, and may even be so emboldened as to ponder the use of its conventional military forces, including against NATO states. This will require NATO, again in concert with the EU, to fall back to a punishment approach, which the Alliance will retain the capabilities to do. Doing so would also, of course, undermine prospects for engagement and reconciliation for a long time to come.

Another concern for this strategy is that the military steps on the part of NATO, especially those by the United States within NATO, may be insufficient to reassure other NATO members and could be viewed by non-NATO states as selling them out to Russian interests. The failure to reassure, especially, could undermine NATO cohesion and thus its capacity to act effectively in implementing this strategy or any other. Individual countries may also fail to take steps that would decrease their vulnerability, thereby undermining deterrence by denial.

The greatest risk in this strategy is that it is dependent largely on the Russians reciprocating. For one thing, the Russians could view NATO efforts aimed at reducing vulnerabilities in combination with economic sanctions as aggressive in their own right, and

thus reject cooperation. Putin's popularity and the strong current of anti-American and anti-European feelings in Russia reinforce its self-isolation. Moreover, there is little reason to believe that Russia is going to be open to accepting NATO's core political and economic values, certainly for at least some time to come. Foreign Minister Lavrov made it clear at the Munich Security Conference that his government was in no mood for real engagement with NATO. In what one observer termed a "dialogue of the deaf," Lavrov reflected President Putin's current refusal to negotiate constructively.<sup>12</sup> However, in private conversations at the conference, reportedly, "young and old Russians bemoaned the dangerous standoff between the West and Russia" and questioned Putin's approach.<sup>13</sup>

## **Conclusion and Next Steps**

NATO's choice of a strategy for Russia comes down to whether to promote or give up on an integrated Europe and whether and how to influence Russia's behavior both politically and militarily. We believe that conscious choices must be made and clear priorities set. Operating on the basis of a hope that ambiguous approaches will send clear signals and yield desirable results strikes us as dangerous, even though in the implementation of any strategy there will necessarily be compromises and refinements. While both of the strategies outlined here are fraught with challenges and risks, and neither is guaranteed to succeed, in our view, the way ahead is to design a strategy that deters Russia by reducing NATO's vulnerabilities to political and military coercion without jeopardizing the long-term goal of a Russia integrated into Europe.

Even if it takes many years, a strategy of resilience and engagement is a way of building on NATO's post-Cold War core values, designing a military posture for the most likely future threats, and

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## *NATO's choice of a strategy for Russia comes down to whether to promote or give up on an integrated Europe and whether and how to influence Russia's behavior both politically and militarily.*

keeping Russia engaged to whatever extent is possible. If it proves unsuccessful, a punishment approach remains a possibility. By contrast, a strategy of punishment and disengagement risks driving a vicious cycle of military escalation as Moscow insists it is merely responding to NATO provocations. And, by its nature, that strategy would be far more difficult to walk back from.

Specifically, our proposed strategy would be built upon these three near-term steps, each undertaken by NATO working closely with the EU and all member governments:

1. Improve understanding of NATO, NATO member, and partner state vulnerabilities through a clear-headed assessment of which countries are most susceptible to which forms of Russian economic, political, and military coercion. Only by knowing its vulnerabilities can NATO mitigate them and be able to achieve deterrence by denial.
2. Develop an unconventional doctrine that establishes a common understanding of what constitutes an effective deterrent to the real Russian threats facing NATO members and partners and what capabilities would be most effective in addressing these threats.
3. While modestly increasing some types of U.S. forces and equipment in Europe, integrate plans for these forces into

comprehensive strategies for all of NATO forces that address unconventional threats and that integrate nonmilitary capabilities (in some cases, with those in the lead).

As it fills in the details of its European Reassurance Initiative, the U.S. government should shape its proposed infrastructure improvements and security cooperation activities to focus on building NATO's capabilities in areas that cross civil-military stovepipes. Cyber capabilities, intelligence reform, strategic communication, counterthreat finance, special operations, security-sector reform, and whole-of-government planning are all areas that need priority. They are far more relevant to potential Russian threats yet are receiving insufficient attention both inside and outside U.S. and other NATO member governments. NATO's leadership should start by assessing current efforts to build these capabilities and identifying the most significant shortfalls. Based on this initial analysis, NATO staff would integrate these capability requirements into plans, exercises, and other activities.

Russia's actions in Ukraine have been aggressive and provocative. To a large extent, it seems plausible that Moscow, at least in

part, seeks to draw the United States and other NATO members into a confrontation that proves Russia's great power status by placing it in direct opposition to NATO. While Russia's actions have challenged what many thought was a shared vision for European security, they should not be allowed to undermine the stability that NATO has built over the past six decades. A strategy in which all else falls by the wayside in an effort to punish Russia actually plays into the hands of those in Moscow who would portray their country as the bulwark against an aggressive American hegemon.<sup>14</sup> In the meantime, by failing to address the real threats and vulnerabilities that Russian actions have revealed, it also makes Europe more vulnerable to the destabilization and subterfuge witnessed in Ukraine.

Our recommended strategy is built around a continued commitment to North Atlantic values, the refusal to view Russia in adversarial zero-sum terms, and a clear path to European security. It focuses on limiting the vulnerabilities revealed by the current crisis while finding ways forward that can help ensure that democracy and liberal values have a chance to spread where they are wanted—including, we hope, to Russia.

## Notes

<sup>1</sup> See NATO, “Wales Summit Declaration,” Press Release (2014) 120, September 5, 2014.

<sup>2</sup> Janine Davidson, “The 2015 Munich Security Conference: Debate Among NATO? Yes. Disunity? No,” Defense in Depth blog, Council on Foreign Relations, February 10, 2015. As of February 11, 2015: <http://blogs.cfr.org/davidson/2015/02/10/the-2015-munich-security-conference-debate-among-nato-yes-disunity-no/>

<sup>3</sup> German Marshall Fund of the United States, *Transatlantic Trends: Key Findings 2014*, 2014. As of February 11, 2015: [http://trends.gmfus.org/files/2012/09/Trends\\_2014\\_complete.pdf](http://trends.gmfus.org/files/2012/09/Trends_2014_complete.pdf)

<sup>4</sup> Cooperation with Russia outside Europe may be plausible in either case, to the extent that common interests could be found, as in Afghanistan, Iraq, and the nuclear negotiations with Iran. However, it should be recognized that different approaches to Russia in Europe may make cooperation more or less likely outside it.

<sup>5</sup> See, for example, Anne Applebaum, “A Need to Contain Russia,” *The Washington Post*, March 20, 2014.

See also: Forrest K. Lewis, “McCain Calls for Decisive Stance on Russia at Forum,” *Harvard Crimson*, April 24, 2014. As of February 6, 2015: <http://www.thecrimson.com/article/2014/4/24/McCain-talk-foreign-policy/>

Peter Baker, “In Cold War Echo, Obama Strategy Writes Off Putin,” *New York Times*, April 19, 2014. As of August 29, 2014: [http://www.nytimes.com/2014/04/20/world/europe/in-cold-war-echo-obama-strategy-writes-off-putin.html?ref=peterbaker&\\_r=1](http://www.nytimes.com/2014/04/20/world/europe/in-cold-war-echo-obama-strategy-writes-off-putin.html?ref=peterbaker&_r=1)

Stephen Cohen and John Mearsheimer, “Containment 2.0?” *Russia Today Cross-Talk*, April 28, 2014. As of August 29, 2014: <https://www.youtube.com/watch?v=S9674pRBm6g>

For critiques of the approach, see also James Carden, “The Containment Revival’s Strategic Shortcomings,” *American Conservative*, April 24, 2014. As of August 29, 2014: <http://www.theamericanconservative.com/articles/the-containment-revivals-strategic-shortcomings/>

<sup>6</sup> See John J. Mearshimer, “Why the Ukraine Crisis Is the West’s Fault,” *Foreign Policy*, September/October 2014. See also Juliane von Mittelstaedt and Erich Follath, “Interview with Henry Kissinger: ‘Do We Achieve World Order Through Chaos or Insight?’” *Der Spiegel* online, November 13, 2014. As of

December 16, 2014: <http://www.spiegel.de/international/world/interview-with-henry-kissinger-on-state-of-global-politics-a-1002073-2.html>

<sup>7</sup> Michael J. Lostumbo, Michael J. McNerney, Eric Peltz, Derek Eaton, David R. Frelinger, Victoria A. Greenfield, John Halliday, Patrick Mills, Bruce R. Nardulli, Stacie L. Pettyjohn, Jerry M. Sollinger, and Stephen M. Worman, *Overseas Basing of U.S. Military Forces: An Assessment of Relative Costs and Strategic Benefits*, Santa Monica, Calif.: RAND Corporation, RR-201-OSD, 2013. As of February 6, 2015: [http://www.rand.org/pubs/research\\_reports/RR201.html](http://www.rand.org/pubs/research_reports/RR201.html)

<sup>8</sup> The President has requested \$789 million for fiscal year (FY) 2016 in addition to the almost \$1 billion authorized by Congress for FY 2015. See The White House, *Fact Sheet: U.S. Support and Reassurance Initiatives for the Baltics and Central Europe*, September 3, 2014. As of February 11, 2015: <http://www.whitehouse.gov/the-press-office/2014/09/03/fact-sheet-us-support-and-reassurance-initiatives-baltics-and-central-eu>

<sup>9</sup> Force structure changes would drive additional operations and sustainment costs and base operating support personnel costs. For example, one fighter wing costs about \$580 million per year, and one armored brigade combat team costs about \$460 million per year.

<sup>10</sup> Josh Rogin, “Europeans Laugh as Lavrov Talks Ukraine,” *Bloomberg View*, February 7, 2015. As of February 11, 2015: <http://www.bloombergview.com/articles/2015-02-08/lavrov-s-comedy-routine-on-ukraine-isn-t-funny-to-europe>

<sup>11</sup> Among other things, Bulgaria and Romania must consider the prospect for Russian misbehavior in the Black Sea, particularly given Russian control of Crimea.

<sup>12</sup> Judy Dempsey, “The Dialogue of the Deaf Between the West and Russia,” *Carnegie Europe*, February 7, 2015. As of February 11, 2015: <http://carnegieeurope.eu/strategieurope/?fa=59003>

<sup>13</sup> Dempsey, 2015.

<sup>14</sup> See Vladimir Putin, “Meeting of the Valdai International Discussion Club,” speech, October 24, 2014. As of November 14, 2014: <http://eng.kremlin.ru/news/23137>

## About This Perspective

This perspective argues that NATO needs a comprehensive strategy for Russia. With a view toward developing such a strategy, the authors describe and assess the prospective costs and benefits of two options—(1) punishment and disengagement and (2) resilience and engagement. While the authors favor the latter approach, they argue first and foremost for the importance of developing a coherent, consistent set of policies in line with NATO's values and its goals for security in Europe. While NATO is unequivocal and united in its opposition to Russian aggression in Ukraine, the February 2015 Munich Security Conference highlighted the continuing debate within the Alliance about what to do next. Rather than focusing solely on individual hot topics—for example, providing lethal military aid to Ukraine—it is time for NATO leaders to step back and take a longer view.

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