

ISSUEBRIEF

Barry Pavel Jeff Lightfoot **INTERNATIONAL SECURITY PROGRAM**

The Transatlantic Bargain After "the Pivot"

The "tough love" farewell speech of former US Secretary of Defense Robert Gates last June was more than a major policy speech on the state of NATO. His remarks were also highly symbolic, coming from a legendary Cold Warrior whose forty-year career had been oriented around the transatlantic relationship. Secretary Gates used his final appearance at the bully pulpit not only to warn Europeans that declining defense budgets risked undermining the credibility of the Alliance among US policymakers, but also that a new wave of American decision-makers would not necessarily share his generation's knowledge of, concern for, or sentimental attachment to the transatlantic alliance.

Since Gates' departure, the United States has announced major revisions to its defense strategy and military posture as a result of its own spending constraints and a reassessment of the international landscape. After years of growth, current projections show the US defense budget shrinking by \$487 billion in the decade to come, with another half trillion in cuts possible depending on the outcome of highly partisan negotiations over future reductions to the federal deficit. On the international front, the United States has begun to adjust its international priorities in the aftermath of a decade of draining combat in the Middle East and Southwest Asia and the rise of new powers outside the Euro-Atlantic area. The fast emergence of China, India, and other powers in Asia, as well as Iran's continued pursuit of a nuclear program in defiance of the international community, have caused the United States to emphasize Asia-Pacific security and focus secondarily on the Persian Gulf as its top security concerns.

This fundamental reassessment of US defense strategy requires a similar rethinking of the transatlantic bargain if it is to remain relevant to the security of Europe, Canada, and the United States. As the United States adjusts to its own challenge of austerity and the need to place priority on Indo-Pacific security, Europe will need to take on a larger responsibility for security within its own region and remain a close partner with the United States in providing security for the Middle East. For this bargain to hold and for NATO to remain relevant to both sides of the Atlantic, its member

About the International Security Program

For decades, the Atlantic Council's International Security Program has shaped and influenced the strategic debate by facilitating dialogue through critical analysis and policy-relevant programming concerning the greatest security challenges facing the United States and the transatlantic community. On the occasion of the Council's 50th anniversary, the International Security Program will officially be renamed the Brent Scowcroft Center on International Security and will expand the breadth and depth of its programming and expertise to address the new array of security challenges and opportunities facing the transatlantic community around the globe. The Brent Scowcroft Center will build on the Atlantic Council's rich transatlantic heritage by developing strategies for the United States and its Atlantic allies to strengthen and broaden their security relationships with key allies and partners from outside the Atlantic area to best address both traditional and non-traditional security challenges.

For more information about the International Security Program or the Brent Scowcroft Center, contact the Center's Director-designate Barry Pavel (**bpavel@ acus.org**), or Deputy Director Jeff Lightfoot (**jlightfoot@acus.org**).

nations will need to modernize and update their capabilities and form more dynamic and innovative regional and global partnerships to best address the array of modern threats likely to face the transatlantic community in the future.

Barry Pavel is director of the International Security Program at the Atlantic Council. **Jeff Lightfoot** is deputy director of the International Security Program at the Atlantic Council.

A Greater Burden for Europe as America Rebalances Toward Asia

If Gates' tough words in Brussels failed to win the attention of US allies in Europe, President Obama certainly gained their full attention when he announced his administration's new defense strategy in January 2012. The document emphasized that the United States "*will of necessity rebalance toward the Asia-Pacific region,*" while also remaining heavily engaged in supporting the security of Israel, the Persian Gulf, and other partners in the greater Middle East. The document recognizes that Europe remains Washington's "principal partner in seeking global security and prosperity" but that it will occupy a different place in US defense policy and strategy in the future.

Over the last decade, Europe has remained central to US strategy as a means of supporting US forces engaged in combat in Iraq and Afghanistan. With these wars concluded or winding down and the United States focusing the bulk of its defense resources on Asia, the United States no longer needs nor can it afford to maintain its current military presence on a continent that is at peace. With the United States forced to take on additional security responsibilities in Asia and the Middle East in pursuit of shared transatlantic objectives, Washington will look to its European allies to take a leading role in managing certain crises and contingency operations on their own periphery.

This does not mean that the United States will not come to the defense of its European allies when the chips are really down. If Article 5 beckons, the United States should and will be there. But if the types of discretionary operations that have characterized NATO's post-Cold War history—Bosnia,

"As the United States adjusts to its own challenge of austerity and the need to place priority on Indo-Pacific security, Europe will need to take on a larger responsibility for security within its own region and remain a close partner with the United States in providing security for the Middle East." Kosovo, counter-piracy, etc.—continue to arise, then Europe should expect a relatively reduced US role, and a relatively greater role for its own forces. With Europe at peace and likely to remain so, it must tend to its neighborhood with greater care and call in the reinforcements of the United States only when absolutely needed. In this way, NATO's Libya operation indeed may be the model for humanitarian interventions along Europe's periphery. The United States will do what it must—playing roles and providing surge capabilities that only it can provide—and Europe will bear the rest of the burden for operations that are more in its own interests than those of the United States.

A slimmer, and smarter, US military presence in Europe and its periphery will enable Washington to increase its presence in the Pacific in pursuit of shared transatlantic objectives of peace and security in Asia. China's rapid accumulation of economic, political, and military influence has left US allies and partners in the region uneasy and eager for a reinforced American diplomatic and military presence to balance Beijing. As China and other Asian economies continue their torrid economic growth, trade and investment flows into the region will become an increasingly important shared economic interest for both the United States and Europe. But even as the region grows more prosperous, spoilers such as North Korea and lingering conflicts such the China-Taiwan rivalry and the South China Sea dispute will require a sustained US presence and attention to preserve the fragile peace in the region.

Few of America's NATO allies possess the capability or even the interest in taking on a large role in security in the Asia-Pacific region. But all of the allies have an interest in preserving a fragile peace and stability in a region crucial to Europe's economic prospects. Moreover, US engagement in Asia through its network of alliances also helps to advance shared transatlantic ideals in a region of contested values.

While the United States may not expect Europe to follow in its rebalancing to Asia, it will seek to maintain strong transatlantic support in striving for security in the Middle East and the Persian Gulf. The region's rich energy reserves, geostrategic position, and continuing political instability will ensure that it remains at the top of the security agenda for the United States and its transatlantic allies and partners, even in the aftermath of the withdrawal of US and coalition troops from Irag and the drawdown from Afghanistan. The Libya conflict demonstrated the positive impact that a closer partnership between the transatlantic community and key Gulf States can have on the region's security. Fortunately for Washington, strong ties between Paris and London and key Gulf allies such as the UAE and Oman can ensure that the United States preserves critical European support in pursuing shared security objectives in the Middle East.

¹ One threat that lingers still from the Cold War is the ongoing campaign by Russian covert operatives, which according to published reports is in full throttle again. NATO dealt with this threat in the Cold War, and can deal with it again in this century.

NATO's Role in a New Transatlantic Bargain

This new transatlantic bargain has direct implications for NATO's vast but critical agenda.

First, with the continuing drawdown from Afghanistan, NATO must prepare anew for serious Article 5 threats and challenges. This does not mean a return to Reforger exercises or Cold War mindsets, as the current and future threats to NATO member states are for the most part very different from those of the past. This century's Article 5 threats will be manifested by ballistic missiles originating from the greater Middle East, coercive Russian energy threats and Arctic resource claims, challenges in cyberspace from a variety of sources, and, in the near future, by challenges posed to the Alliance's space capabilities (which are increasingly vulnerable and upon which the Alliance's militaries and societies are ever more reliant.)¹

"If Article 5 beckons, the United States should and will be there."

Thus, the focus of NATO exercises and training to strengthen interoperability for contingencies in Europe should emphasize needed defenses against these new types of threats. This means, for example, increasing NATO's capability for cyber defenses, and planning for contingencies that feature coercive Russian oil and gas supply measures and militarized Arctic resource grabs.

For Article 5 threats to members' security originating from outside of Europe, i.e., from the greater Middle East, NATO will need to continue to exercise its naval, air, and ground forces for expeditionary operations. No-fly zones, naval blockades, precision air campaigns, and selected ground operations will continue to be required for contingencies that unfold in the context of the Arab Awakening and by the range of threats posed by Iran.

Of course, just as in previous decades, the United States should retain a core role in the Alliance for the full range of such Article 5 operations. This fundamental element of the bargain will not change, for when Europe's vital interests are threatened from within Europe or beyond, so too are those of the United States.

Second, as stated above, the relative role of Europe in non-Article 5 operations will of necessity increase. However, with austerity afflicting defense budgets on both sides of the Atlantic, there is no thought that Europe will all of a sudden increase its inventories of the types of critical and expensive military assets that the United States maintains in disproportionate numbers—C4ISR assets, targeteers, logistics, and other enabling capabilities. The United States will need to continue to provide those capabilities when such assets can be made available. But the days when the United States provided the preponderance of the assets of all types for operations that do not involve Article 5 are over. The United States will support such European-led NATO operations when it deems it in its interests to do so and when such assets are available, but this support will no longer be automatic nor comprehensive.

Third, the "plug and play" command and control structure that has brought NATO through the Cold War and a range of post-Cold War contingencies continues to be highly valuable and very relevant to today's security challenges. NATO should sustain this core framework at all costs, as its value endures and enables new partnerships, as discussed immediately below.

Fourth, NATO's approach to partnerships in recent years has proven prescient, but much more needs to be done, and with some urgency. The greater Middle East is in turmoil and likely will remain so for a generation as the Arab Awakening plays out across the entire region. Surely the Alliance should be prepared for demanding contingencies that affect very important or even vital interests of NATO member states. Moreover, the possibility of a crisis or conflict with Iran-either before it acquires nuclear weapons, or after -must be taken seriously. Such a conflict would from its very outset directly affect NATO members, including Turkey but also the United States and other NATO members whose national forces are hosted in significant concentrations in the countries of the Gulf Cooperation Council (particularly Qatar, UAE, Bahrain, and Kuwait). For example, an Iranian ballistic missile in flight will be picked up by US and Gulf Cooperation Council (GCC) radars, and depending on its arc and range, by NATO's missile defense radars in Turkey and NATO members' shipborne radars in the Eastern Mediterranean. Thus, a single Iranian ballistic missile in a Gulf crisis will lead almost automatically to Article 5 consultations, and in some cases operations, by the Alliance.

All of this means that the time for NATO's political timidity in the face of such realities is over. With some alacrity, NATO should work out a robust partnership arrangement with the newly prominent GCC as a group and with the countries of the Middle East and North Africa individually. There is much to do. The focus should be security cooperation with MENA partners and strengthened interoperability with the GCC in areas such as air defense; naval operations; missile defense; coalition air operations; and command, control, and communications. Where possible, Turkey should play a "While the United States may not expect Europe to follow in its rebalancing to Asia, it will seek to maintain strong transatlantic support in striving for security in the Middle East and the Persian Gulf."

leading role in the Alliance's efforts. The key partners at this point, if current events and the Libya operation are any indication, are likely to be Qatar and the UAE, but there will be others as well.

Finally, the North Atlantic Treaty Organization cannot ignore the Indian and Pacific Ocean regions. Our

globalized world means that significant economic disruptions in Asia almost instantly affect Europe and North America. The melting Arctic ice cap means that an increasing amount of maritime traffic from Asia will transit northern European waters on its way to distant ports. New, critical sea lines of communication will need to be patrolled; new patterns of international maritime activity will begin to form. NATO needs to be ready—to be thinking, talking, and at some point, planning—for these geostrategic changes occurring due to the most rapid shift of economic and political power in history. NATO should begin by initiating a consultative forum for Asian partners that are interested in a dialogue, as well as develop means to enhance their interoperability with the Alliance through joint exercises. The most likely initial partners should include Australia, New Zealand, Japan, South Korea, and Singapore. NATO itself should begin to devote a portion of its own deliberations to Asian security matters. This is not to suggest that NATO begin Article 5 planning for China-Taiwan scenarios or for the Korean peninsula. But NATO should begin talking about Asian security, amongst its own members and with key Asian partners who share the values that animated the formation of the Alliance in 1949. For if the next century features the rise of the Asian nations to the apex of global power, it will be incumbent upon the United States, Canada, and Europe to strive to the greatest extent possible to ensure that the new global order reflects transatlantic values.

The transatlantic partnership can have a bright and robust future, even in the face of a new array of threats and challenges to the security of Alliance members. Just as it has done before, the adaptable Atlantic partnership will need to evolve once more to address a new international landscape. The broad strategic interests of the Atlantic community are in greater convergence than ever before, but divergences in capabilities and regional priorities require an adjustment to the transatlantic bargain to ensure that the partnership remains as relevant in the future as it has been in the past.

MARCH 2012

The Atlantic Council's Board of Directors

CHAIRMAN

*Chuck Hagel

CHAIRMAN, INTERNATIONAL ADVISORY BOARD

Brent Scowcroft

PRESIDENT AND CEO

*Frederick Kempe

VICE CHAIRS

*Robert J. Abernethy *Richard Edelman *C. Boyden Gray *Brian C. McK. Henderson *Richard L. Lawson *Virginia A. Mulberger *W. DeVier Pierson

TREASURERS

*Ronald M. Freeman *John D. Macomber

SECRETARY

*Walter B. Slocombe

DIRECTORS

Odeh Aburdene Timothy D. Adams Carol C. Adelman Herbert M. Allison, Jr. Michael A. Almond *Michael Ansari **Richard L. Armitage** Adrienne Arsht *David D. Aufhauser Ziad Baba Ralph Bahna Lisa B. Barry *Thomas L. Blair Julia Chang Bloch Dan W. Burns **R. Nicholas Burns** *Richard R. Burt Michael Calvey James E. Cartwright Daniel W. Christman Wesley K. Clark John Craddock David W. Craig Tom Craren *Ralph D. Crosby, Jr. Thomas M. Culligan

Gregory R. Dahlberg Brian D. Dailey *Paula Dobriansky Markus Dohle Lacey Neuhaus Dorn **Conrado Dornier** Patrick J. Durkin Eric S. Edelman Thomas J. Edelman Thomas J. Egan, Jr. Stuart E. Eizenstat Dan-Åke Enstedt Julie Finley Lawrence P. Fisher, II Barbara Hackman Franklin *Chas W. Freeman Jacques S. Gansler *Robert Gelbard Richard L. Gelfond *Edmund P. Giambastiani, Jr. *Sherri W. Goodman John A. Gordon *Stephen J. Hadley Mikael Hagström Ian Haque Rita E. Hauser Annette Heuser Marten H.A. van Heuven *Mary L. Howell Benjamin Huberman *Robert E. Hunter Robert L. Hutchings Wolfgang Ischinger Robert Jeffrey *James L. Jones, Jr. George A. Joulwan Stephen R. Kappes Francis J. Kelly L. Kevin Kelly Zalmay Khalilzad Robert M. Kimmitt Roger Kirk Henry A. Kissinger Franklin D. Kramer Philip Lader David Levy Henrik Liljegren *Jan M. Lodal George Lund Izzat Majeed

Wendy W. Makins William E. Mayer Barry R. McCaffrey Eric D.K. Melby **Rich Merski** Franklin C. Miller *Judith A. Miller *Alexander V. Mirtchev **Obie Moore** *George E. Moose Georgette Mosbacher Bruce Mosler Sean O'Keefe Hilda Ochoa-Brillembourg Philip A. Odeen Ahmet Oren Ana Palacio Torkel L. Patterson *Thomas R. Pickering *Andrew Prozes Arnold L. Punaro Kirk A. Radke Joseph W. Ralston Teresa M. Ressel Jeffrev A. Rosen Charles O. Rossotti Stanley Roth Michael L. Ryan Harry Sachinis Marjorie M. Scardino William O. Schmieder John P. Schmitz Jill A. Schuker Kiron K. Skinner Anne-Marie Slaughter Alan Spence John M. Spratt, Jr. **Richard J.A. Steele** James B. Steinberg **Philip Stephenson** *Paula Stern John Studzinski William H. Taft, IV John S. Tanner Peter J. Tanous *Ellen O. Tauscher Paul Twomey Henry G. Ulrich, III Enzo Viscusi

Charles F. Wald

Jay Walker Michael Walsh Mark R. Warner J. Robinson West John C. Whitehead David A. Wilson Maciej Witucki R. James Woolsey Dov S. Zakheim Anthony C. Zinni

HONORARY DIRECTORS

David C. Acheson Madeleine K. Albright James A. Baker, III Harold Brown Frank C. Carlucci, III William J. Perry Colin L. Powell Condoleezza Rice Edward L. Rowny James R. Schlesinger George P. Shultz John Warner William H. Webster

LIFETIME DIRECTORS

Lucy Wilson Benson Daniel J. Callahan, III Kenneth W. Dam Stanley Ebner Carlton W. Fulford, Jr. Geraldine S. Kunstadter James P. McCarthy Jack N. Merritt Steven Muller Stanley R. Resor William Y. Smith Helmut Sonnenfeldt Ronald P. Verdicchio Carl E. Vuono Togo D. West, Jr.

*Members of the Executive Committee List as of March 7, 2012

The Atlantic Council is a nonpartisan organization that promotes constructive US leadership and engagement in international affairs based on the central role of the Atlantic community in meeting today's global challenges.

 \bigcirc 2012 The Atlantic Council of the United States. All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means without permission in writing from the Atlantic Council, except in the case of brief quotations in news articles, critical articles, or reviews. Please direct inquiries to:

1101 15th Street, NW, Washington, DC 20005 (202) 463-7226 www.acus.org