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Multinational Solutions versus Intra-Alliance Specialization

Rachel Lutz Ellehuus, spring 2002¹

Abstract

This analysis focuses on possible multinational solutions aimed at enhancing the effectiveness and cost efficiency of multinational operations.

All things being equal, multinational forces are less effective than purely national forces of a similar size. However, multinational *operations* have the advantage of potential greater strength in numbers and additional capabilities when several states cooperate.

For that reason, nations with relatively large defense industries have less incentive to specialize, since the whole idea of specialization is rationalizing. Small nations with small defense industries gain international influence by specializing if this means that larger nations become dependent on them.

Within NATO, macro level role specialization would be the most effective way of securing rationalization. But macro level role specialization requires that nations stop producing certain kinds of capabilities to be able to produce more of other capabilities.

Role specialization at a macro level is irreversible. In reality, even NATO members are not ready to accept the interdependence which is a precondition for role specialization.

So even though the end of the Cold War and the change toward unipolarity represent a unique opportunity for increased multinational cooperation within NATO, macro level role specialization is not likely to occur within alliances, though minor partners may choose to specialize.

In the future, it is more likely that nations will engage in multinational solutions, for instance within NATO and the EU, without opting for macro level role specialization as such.

¹ Special thanks to Anna Riis Hedegaard for her valuable research assistance and her contribution to the theoretical considerations in this working paper.

Resumé

Denne fremstilling omhandler mulighederne for at fremme effektiviteten af multinationale militære operationer.

Argumentet er, at alt andet lige er multinationale styrker mindre effektive end nationale styrker af samme størrelse. Men multinationale styrker er forbundet med den fordel, at en styrkes potentielle omfang og antal af kapabiliteter stiger, når flere stater samarbejder.

Stater med en relativt stor forsvarsindustri vil derfor have et mere begrænset incitament til at specialisere sig, idet målet med specialisering er rationalisering. På den anden side kan små stater gennem specialisering opnå indflydelse, hvis de store lande bliver afhængige af deres specielle kunnen.

Inden for alliancer ville rollespecialisering på makroniveau være den letteste vej til at sikre rationalisering. Men forudsætningen for rollespecialisering på makroniveau er, at stater ophører med at producere visse kapabiliteter for at kunne producere mere af andre. Rollespecialisering på makroniveau er irreversibel. I realiteten er stater ikke parate til at acceptere den interdependens, som er en forudsætning for rollespecialisering.

Selv om den kolde krigs ophør og ændringen til unipolaritet repræsenterer en unik mulighed for forøget multinationalt samarbejde, f.eks. i NATO, er det derfor ikke sandsynligt, at rollespecialisering på makroniveau vil forekomme i alliancer, selv om alliancens mindre partnere måske vælger at specialisere sig.

I fremtiden er det mere sandsynligt, at stater vil indgå i multinationalt samarbejde i f.eks. NATO og EU uden dog at udvikle rollespecialisering på makroniveau.

Multinational Solutions versus Intra-Alliance Specialization

Rachel Lutz Ellehuus, spring 2002²

With each NATO and EU summit, the wish list for European defense seems to grow. From NATO's Defense Capabilities Initiative to the EU's Capability and Headline Goals, Europe's security needs and deficiencies have been itemized and asserted seemingly *ad nauseam*, reminding NATO and EU member states of what they already know: namely, that the 'wish lists' are in fact 'to do lists' pointing out necessary changes European countries must make if their defense capabilities are to remain effective, relevant and credible. Nevertheless, most European countries' defense budgets remain disappointingly low and, more importantly, inefficiently spent. What is more, many of the lacking capabilities are so costly and technologically complex that it is nearly impossible for one country to develop, purchase or maintain them alone. Such considerations, coupled with an ever-expanding list of needs, are leading NATO to consider, and in fact encourage, countries to seek *multinational solutions*³ in meeting requirements on the to-do lists. From specialist and lead/framework nation concepts to joint procurement, task sharing and force pooling, a variety of possibilities are now being tested by nations looking to do more with less. Still in the beginning stages, the question is whether these initiatives will remain ad hoc or will be organized into a more formalized process within an intra-Alliance framework.

It is the task of this analysis to look at the different multinational solutions now being explored by NATO members and partners⁴ with a view to maximizing the efficiency and cost-effectiveness of multinational cooperation. These solutions are then weighed against the advantages and disadvantages of the more far-reaching option of role specialization, namely a macro level division of labor among countries.⁵ Finally, drawing on both practical examples of cooperation and theoretical considerations, this analysis offers some

² Special thanks to Anna Riis Hedegaard for her valuable research assistance and her contribution to the theoretical considerations in this working paper.

³ Multinational solutions can be defined as methods of cooperation among one or more nation designed to increase effectiveness of allied or coalition forces through more efficient use of available defense resources. A number of multinational solutions are defined and described in detail in pages 12-16.

⁴ In this analysis, the term 'partners' refers to those countries that cooperate with NATO through the Partnership for Peace (PfP) program. Among others, PfP participants include all NATO applicant countries as well as those three EU member states that are not members of NATO, namely Austria, Ireland and Sweden.

⁵ Role specialization is described in detail in pages 17-20.

observations as to what are the most realistic options for increasing the effectiveness of multinational cooperation in the near future.

Although multinational cooperation in conducting out-of-area peace support operations takes place in a number of fora other than NATO, this analysis will limit its scope to multinational solutions among NATO members and partners. While cooperation among European countries in security and defense affairs in an EU context is likely to increase with the development of the European Security and Defense Policy (ESDP), NATO's integrated military structure has provided the framework for cooperation for more than fifty years. In this respect, a sufficient degree of force integration has been completed for the Alliance to begin to look for ways to make the best use of each nation's relative strengths. This analysis also limits its focus to the European members and partners of NATO. For while there is scope for multinational solutions between North American and European partners, much of the current focus, from NATO's Defense Capabilities Initiative (DCI) to the EU Headline Goal to NATO's Membership Action Plan (MAP) process, is on improving European capabilities.

From territorial to out-of-area defense

Traditionally, NATO's task was to provide for the security of its members using the concepts of deterrence and collective defense. In the 1990s, in the face of a more benign security environment, the Alliance was forced to redefine itself and to move beyond its traditional purpose to take on new roles and responsibilities. As described in NATO's 1991 Strategic Concept, these new threats were unlikely to result from any direct attack on the territory of a NATO member. Rather, they were more likely to stem from, "the adverse consequences of instabilities [arising] from the serious economic, social and political difficulties, including ethnic rivalries and territorial disputes, which are faced by many countries in Central and Eastern Europe".⁶ This statement reflects a wider understanding of the concept of security, which recognizes that a conflict in one country or region, although not part of NATO, could produce a spillover effect, endangering the security and stability of Europe as a whole. In other words, national security no longer depends solely on a nation's ability to defend itself on its own territory but also on its ability to secure stability in its immediate neighborhood. Among its new roles, NATO developed a

⁶ NATO 1991 §9

peacekeeping and crisis management capacity to respond to 'new' security threats and to underpin the conflict prevention and crisis management efforts of other international organizations such as the United Nations and OSCE.

Multinational cooperation - the benefits

This shift in NATO strategic doctrine to include out-of-area operations has been accompanied by an increase in the use of multinational, rather than national, operations⁷ in conducting out-of-area crisis management. Generally speaking, nations will opt to act multinationally when they believe a given objective can be better accomplished in cooperation with other nations rather than by acting alone and where they see that a certain commonality or compatibility of interests with other nations exists. Under these conditions, today's out-of-area conflicts offer a number of political, military and economic imperatives for multinational action.

Politically, multinational cooperation allows participating nations to share political risks. In recent years, tolerance for unilateral military action has decreased in favor of multilateral operations, the negative response of the international community to French unilateral action in Rwanda and the subsequent insertion of a multinational intervention force under the UN serving as one example. Support of other nations can help influence national and international opinion by lending legitimacy to an operation. What is more, with five rather than one involved, nations share the political burden and subsequent political fallout likely to result when acting outside one's own territory.

Militarily, multinational operations are advantageous in that they bring strength in numbers and additional capabilities to the pool. The importance of quantity is revealed by the EU Headline Goal, which calls for a force of 50-60.000, which can be sustained for up to one year. In reality, however, the real need is double or even triple that amount as forces have to be rotated every six months, requiring at least one set in the field and another in training. Under these conditions, it should also be noted that the number of forces a nation is able to deploy at a given time is limited, often due to other international commitments or national needs. Considerations such as risk of escalation or a prolonged mandate also support the need to provide for reinforcements. In terms of capabilities, the

⁷ Multinational operations are operations conducted by forces or agencies of more than one nation.

so-called Petersberg Tasks, which outline the types of operations out-of-area peace support operations (PSOs) include, give an indication of the wide range of military and non-military capabilities nations might need to draw on if they plan to tackle everything from humanitarian and rescue operations to peacekeeping. In this respect as well, multinationality, in its best form, can bring needed capabilities to the table.

In economic terms, initial costs, such as those for training and infrastructure, may prove substantial, making multinational operations relatively more expensive than comparable national contingents. Nevertheless, repeated multinational cooperation can, over time, lead to economic gains due to more efficient provision of military capability and the resultant economies of scale. The members of the European Air Group (1995), for example, have, after years of cooperation, developed an agreement on the multilateral Air Transport and Air-to-Air Refueling Exchange of Services (ATARES) aimed at enabling more shared usage of transport and refueling craft.⁸ It is these types of multinational solutions, aimed at enhancing the effectiveness and cost efficiency of multinational operations, that will be the focus of this analysis.

Multinational cooperation - the drawbacks

Yet before arriving the heart of the analysis, namely an assessment of perspectives for multinational solutions and, possibly, role specialization among NATO members and partners, it is important to understand why, despite its advantages, multinational cooperation is in need of reform.

All things being equal, multinational forces are less efficient and, consequently, less effective than purely national formations of a similar size.⁹ At a political-strategic level, multinational forces and the consensus decision-making they imply make it more difficult to achieve unity of purpose, a central element on which the credibility and effectiveness of an operation depend. Second, from a military perspective, the different languages, force capabilities and operating structures of national force units compromise the efficiency and effectiveness of multinational cooperation. To counteract these negative forces, cooperating nations need mechanisms to secure common doctrine, unity of command, and military compatibility. Since NATO's inception, its integrated force structure has done

⁸ UK Ministry of Defense 2001

⁹ Durell-Young 2000 p.5

much to foster these through the implementation of collective force and common operational planning, the standardization of doctrine, equipment and procedures and through joint and combined training exercises. In turn, these have contributed significantly to interoperability, particularly in key areas such as language, communications and doctrine. Perhaps less tangibly, NATO's security culture has contributed to mutual confidence among members and partners by engendering respect and establishing rapport among them.¹⁰

A third characteristic of multinational operations that makes them more problematic than purely national ones is the fact that participation happens on a voluntary, case-by-case basis. Unlike territorial defense, which is seen as directly linked to a nation's survival and its perceptions of sovereignty, the security benefits of out-of-area peace support operations are somewhat less tangible. In any given situation, different nations will have different degrees of national interest at stake that will determine the strength and nature of their participation.¹¹ Before signing on to any so-called coalition of the willing, each nation will strive to see how its involvement is nationally advantageous. For this reason, it is in the best interest of any multinational force or alliance to provide for maximum flexibility of options to make sure one nation's decision to opt out of a given operation does not paralyze its acting at all. One good example of flexibility is found in SHIRBRIG, a high readiness multinational brigade available solely for UN operations. In SHIRBRIG, a brigade pool exceeding the force requirement is maintained so that deployment of the brigade is ensured even if one nation decides not to participate in a specific mission. In the area of HQ, where only two countries, Denmark and the Netherlands, are presently able to provide the brigade headquarters (HQ), SHIRBRIG's Steering Committee and Planning Element is presently encouraging other members to develop HQ capabilities to be allocated to the brigade.¹²

This issue leads into a fourth and final problem particular to multinational operations, namely that of burden-sharing. If cooperation occurs on this voluntary, ad hoc basis among coalitions of the willing, how is it determined which nation provides which capabilities? In other words, how to ensure that each country is carrying its share of the

¹⁰ Joint Chiefs of Staff 2000

¹¹ NATO Military Agency for Standardization 1998 Section 2-9

¹² Interviews. For more information, see <http://www.shirbrig.dk>

burden and that 20 percent of the nations are not doing 90 percent of the work? While the burden-sharing issue has been most publicized as a transatlantic problem between the United States and its European allies, it is also a problem among European members themselves. Under the UN Mission in Haiti (UNMIH), the US served as the lead nation in C4¹³ and logistics providing both for itself and its partners. Nevertheless, there are no guarantees that the US will do the same the next time such a mission is deployed.

Unfortunately, gaps in burden-sharing and 'free riding' by certain countries are often involuntary – in many cases, a country simply lacks those capabilities that are most relevant in a given operation and cannot afford to develop them on its own. Strategic transport, a capability pointed out in both the DCI and the EU Audit of Assets and Capabilities as lacking, is but one example. While some countries possess the capabilities to bring their troops to the area of operations, others remain reliant on partners and allies to assist them in deploying their forces to remote theatres of operation.¹⁴ Notably, strategic transport is one of those key capabilities that is relevant for out-of-area operations along the entire range of the Petersberg tasks, i.e. troop deployment is equally central to humanitarian aid and peacekeeping operations. The ability to contribute relevant capabilities to multinational operations can be particularly challenging for small countries and for those with limited defense resources. In this respect, both current NATO members and applicant countries may find that working together to acquire and provide these key capabilities is the best way maximize their individual worth.

Theoretical Framework

The limitations to seeking multinational solutions in general and role specialization in particular are reinforced by an understanding of the theoretical arguments on why states chose or fail to cooperate. Broadly speaking, the perspectives for multinational solutions versus intra-Alliance role specialization can be studied from two angles. First, in order to get a more general idea of the possibilities for seeking multinational solutions and role specialization within alliances, one can analyze how the structure of the national and international systems constrains the political options of the states. Second, the short-term

¹³ Command, Control, Communications and Computers

¹⁴ See Lutz 2001 pp.72-76.

perspectives for role specialization and multinational solutions within a concrete alliance are best assessed by looking at the states involved from within.

The international perspective

Turning first to the international perspective, the international system is often described as anarchic¹⁵, implying that it is a system of self-help. As there is no such thing as a 'world government', all states must provide for their own security. This affects the possibilities for cooperation in two ways. First, economic gains stemming from an international division of labor can seldom compensate for the disadvantages resulting from increasing international interdependence. In an anarchic system, interdependence makes it difficult to defend oneself and maintain sovereignty. Thus, if a state has chosen not to be self-sufficient but to rely on others in a particular area, e.g. electricity or food, the exporter can relatively easily influence the state's domestic and foreign policy. Faced with such a choice, many states will choose self-sufficiency over economic gains, especially in areas closely connected to the direct survival of the state. While defense has traditionally been seen as one such area, making an international division of labor especially hard to achieve, the European move from territorial defense towards out-of-area operations may now make it easier for states to cooperate in defense affairs as such operations are only indirectly related to the survival of the state.¹⁶ Second, the anarchy of the international system leads states to worry more about relative than absolute gains. Even large absolute gains will be useless to state A if state B gains even more as it may in turn choose to use this relative gain to threaten state A. According to Joseph Grieco, the breakdown of EMU in the 1970's is a result of such logic.¹⁷

Yet as illustrated above, international cooperation in the form of multinational cooperation and de facto specialization in defense affairs *does* take place despite states' worries about increasing interdependence and relative versus absolute gains. In part, this phenomenon can be explained by structural changes in the international system, namely by the change

¹⁵ See for example Waltz 1986.

¹⁶ If the concept of security is redefined to include other areas than physical survival, it is possible to argue that the structural logic of anarchy makes it just as difficult to cooperate in out- of-area defense. See, for example, Wæver et. al. 1998.

¹⁷ Despite the fact that the arrangement promised all participating countries absolute gains by protecting them from monetary instability stemming from the US, Italy, Britain, Ireland and France decided to opt out because of large gaps in gains between themselves and Germany. The EMU's successor agreement, the EMS, was therefore specifically designed to reduce the gaps in gains by, for example, offering side-payments to some countries. See Grieco 1990.

in polarity after the Cold War. Since that time, unipolarity has replaced bipolarity, leaving states with a single alliance option to boost their security, namely alliance with the unipole. This fact weakens the bargaining power of these states, since it is difficult for them to join or form alternative alliances. Put differently, it has become hard work to be a smaller state since the unipole can now place heavier demands on the shoulders of its allies. Combined with the fact that a unipole faces the danger of exhaustion because of greater management tasks and the risk of other states free riding, it is likely that a unipole will demand more from its allies.¹⁸ In a transatlantic context, this logic is revealed in the ongoing burden-sharing debate between the US and its European allies and in European efforts to do more about its own defense via the EU's ESDP. To some extent, the EU fears that, *"If it [ESDP] results in no additional military capabilities, it could lead the United States to question why it continues to pledge American lives and dollars for the defense of a continent that should be willing to do more for it self"*.¹⁹ With few European countries' parliaments likely to approve increases in defense spending, multinational cooperation or a division of labor among them is one way for Europe countries to enhance their defense capabilities and respond to US calls for more burden-sharing without too drastic if any increases in their defense budgets. In this respect, there has indeed been an increase in the imperatives for cooperation in defense affairs despite the disincentives of an anarchic international system.

In addition to these structural imperatives, experiences from close cooperation in other issue areas can have a spillover effect, making cooperation in defense easier. What is more, a pre-established mutual confidence makes it easier to start cooperating in new areas. As expressed by Alexander Wendt, *"anarchy is what states make of it"*²⁰, and doesn't necessarily lead to constant balancing of power. Wendt demonstrates that anarchy is a self-fulfilling prophecy and that it is only states' expectations of the structural logic of anarchy that makes it work. If expectations can be changed, then it is easy to understand how trust can be built in the international society. The change in focus from territorial defense to out-of-area defense in most European countries is one sign that European states don't perceive each other as potential threats and that this trust exists to some extent. Such a changed inter-subjective understanding in Europe also makes division of labor easier because it

¹⁸ Hansen 2000

¹⁹ NATO Parliamentary Assembly 2001.

²⁰ Wendt 1992

allows states to focus more on absolute than on relative gains and less on the potential threats of interdependency.²¹

The national perspective

As suggested previously, domestic structures are useful in assessing the short-term possibilities for multinational solutions and role specialization. In this connection, two elements are particularly noteworthy: the size and character of the domestic defense industry and the size of the defense itself.

Generally speaking, countries with relatively large defense industries will have less of an incentive to specialize since the whole idea of specialization is rationalization. As a result of specialization, defense markets will inevitably decrease, and a large source of their welfare will dry out. Conversely, countries with large defense industries may in fact be more inclined to support multinational solutions. Through joint procurement, for example, states which could not afford to purchase or develop a certain capability alone are able to come together to make a purchase or share research and development costs, thus increasing orders for defense industries. Pan-European development of the A400M transport plane, to which some eight countries are currently signed on, is one such example.

Second, the size of a country's defense capabilities will also influence its incentive to specialize or seek multinational solutions with others. On specialization, smaller countries may be less inclined to commit themselves to a specialization process for fear of being pressured to specialize in less attractive areas. Nevertheless, this consideration should be balanced by their increasing international influence resulting from the fact that even large states will become dependent on them. For large countries, specialization is even less attractive as it implies a shift from even greater relative independence to interdependence. Likewise, the incentive to pursue multinational solutions is greatest for countries with a small defense. Due to economic constraints, small countries may discover that acquiring the capabilities needed to remain relevant is often a choice between acquiring these capabilities in cooperation with others or not at all. The Baltic countries' decision to combine their efforts on developing an air defense system is one positive example here. As

²¹ Some scholars maintain that the European fear of returning to the multipolarity of the past makes lack of co-operation the real security threat and provides a strong incentive for integration. See, for example, Wæver in Tunander et. al. 1997

budgetary pressures increase and technological complexity and cost of capabilities continue to increase, these same incentives are likely apply to large states as well.

Multinational solutions versus specialization

Streamlining multinational cooperation

Assuming that multinational formations will continue to be the preferred model for conducting out-of-area peace support operations in the future, how can NATO members and partners maximize their efficiency and effectiveness and avoid an intensification of the burden-sharing debate?

To a great extent, the effectiveness of multinational operations will depend on countries' success in tackling the items on the to do lists. In the case of NATO, this list is the Defense Capabilities Initiative (DCI). Initially covering some 58 areas, a more focused follow-up to the DCI concentrating on some five high priority areas will be released later this year, providing countries with an even more precise blueprint as to which capabilities are most relevant to the success of out-of-area multinational operations.²² In this respect, the more important question is perhaps *how* they will go about meeting these goals in a way that is both cost effective and which ensures a balance among the representation and input of countries. Rather than seeking to acquire or develop each and every capability on the to do list, countries should coordinate and cooperate with one another when contributing forces and capabilities to multinational operations.

After some 50 years of cooperation in the multinational NATO framework, it can be argued that a sufficient degree of force integration has been completed for the Alliance to begin making the best use of each nation's relative strengths. Whether for historical, geographic, strategic or defense industrial reasons, each country is likely to boast certain areas in which it is more focused or 'specialized' than others. In the case of Denmark, shallow water ships are a specialty due to its own long, shallow water coastlines. In Finland, Sweden and Norway, sub-Arctic climates in some regions have lead to an expertise in cold weather capabilities. In Iceland, a NATO member with no armed forces

²² Interviews, NATO

to commit to the Alliance, the specialization is not a capability but infrastructure in the form of the country itself, which has long served as a strategic airbase for NATO.²³ And to take the example of a NATO applicant country, Romania's 21 Mountain Hunters Battalion is unique in its ability to maneuver in and conduct rescue operations in terrain as daunting as the cliffs of the Carpathian mountain range.²⁴ In other cases, an equally conscious decision has been made *not* to acquire a certain capability. Many European countries, for example, chose not to develop an independent nuclear capability, relying instead on the US nuclear capability via guarantees provided in NATO.

Yet it is important to note that, in addition to these examples of *positive specialization*, there are examples of *negative specialization* as well. By negative specialization, we refer to areas in which countries have been forced to prioritize and to make strategic choices as to the capabilities and forces they will acquire and maintain. Particularly since the beginning of 1990s, when the end of Cold War led many countries to reduce defense budgets in response to the more benign security environment, countries have had to make strategic choices on how best to spend limited defense resources. While countries may be able to cover their short-term needs nationally, most rely on others to provide them with other capabilities and services and, in some cases, reinforcements to their national defense. Taking the example of Denmark, the country maintained several types of aircraft – from interception to ground attack aircraft – before the convergence of requirements within NATO. Now, Denmark operates the F-16 multi-role combat plane and would draw on the capabilities of others for provision of more specialized reconnaissance or electronic warfare planes.²⁵ Denmark's reliance on its allies applies in the cases of tanker aircraft, long range strategic transport and long range bombers as well. As suggested earlier, these examples illustrate strategic choices countries have made: unlike the United States, Denmark and most other European countries have not seen the need to procure force projection capabilities such as long range bombers. In other cases, such as with refueling, the capability is needed but is simply too costly for one country to purchase or maintain alone. In more serious cases, levels of defense spending or of a certain capability have fallen so low that nations are forced to restructure or even discontinue an entire force

²³ Germany can also be said to have specialized in infrastructure for some time. During the Cold War, Germany allowed NATO and US forward basing on its territory in exchange for which it provided less aircraft to the Alliance. This specialization was due as much to Germany's geopolitical positioning between the two poles as to political and constitutional reservations during that period restricting its international deployments.

²⁴ Lindberg 2002

branch or capability as its effectiveness has become negligible. The recent decisions in Belgium to end the independence of its air force, instead making it a wing of the army, and to cut all armor and artillery from the army, instead making it a force “specialized in direct fire”, provide but two example of such *negative specialization*.²⁶

In this respect, harnessing *positive specialization* and filling any significant gaps left by *negative specialization* will be important in maximizing the effectiveness and efficiency of multinational operations and in addressing the burden-sharing issues. In the NATO framework, the Defense Planning Process (DPP) provides an important tool for such rationalization. Rather than instructing countries on what to provide, the DPP encourages countries to focus on what they are good at while still maintaining a flexible set of resources across the board. In this way, the DPP force goals help direct NATO requirements toward the natural specialization(s) of nations, while leaving it up to each individual member country to determine what it is capable of. In this respect, national points of departure are the natural ones. Concerning the second half of the equation, namely filling the gaps left by *negative specialization*, NATO is now encouraging countries to seek multinational solutions rather than national ones.²⁷ Concurrently, procurement regimes and force and command structures are also gradually changing to better support multinational solutions.

Nevertheless, there is an important brake on the extent to which nations are willing to specialize or pursue multinational solutions: common requirements and multinational operations are not the only task of a nation’s security and defense. In addition to participating in multinational operations in order to create or maintain regional stability, a countries’ armed forces and military capabilities are first and foremost responsible for ensuring the state’s existence and defending it from armed attack. Imagining a situation in which country A has disbanded its fighter capability in order to specialize in providing air transport for itself and its allies, that country would have no standing interception capability with which to accomplish its primary goal of self-defense. In this respect, one qualifier may be that these two goals become mutually reinforcing rather than mutually

²⁵ Interview, Lennie Fredskov Hansen

²⁶ Tusa 2002.

²⁷ Interviews, Danish Ministry of Defense and NATO

exclusive as countries pursue multinational solutions and, possible, move towards more role specialization.

Perspectives for multinational solutions versus specialization

Drawing on the above theoretical considerations, we can conclude that the structure of the international system indeed limits states' incentives to take part in multinational cooperation or any division of labor. Nevertheless, the post-Cold War shift in focus from territorial to out-of-area defense and the change to unipolarity present a unique opportunity for increased cooperation. What is more, structural changes in Europe reinforce this tendency, causing the structural systemic possibilities for multinational cooperation to increase markedly.

Nevertheless, pure specialization is not yet a realistic option. Defense is still extremely sensitive compared to other issue areas and many countries still perceive national sovereignty and multinational cooperation as zero-sum goals. More realistically, some degree of specialization might, in time, come about as a result of countries' pursuance of multinational solutions in a tight, integrated framework such as that provided by NATO or, possibly, the EU.

Multinational solutions

Given this observation, what are the different multinational solutions available to European countries as they look to accomplish common defense goals more cost-effectively? Are there certain capabilities they should develop which will increase their relevance and ease the burden-sharing debate? How does each option succeed or fail in the goal of making the best use of each nation's relative strengths and capabilities without going beyond the degree of trust and interdependence nations are willing to accept?

To recap, classic multinational operations are comprised of purely national force units from different nations, each with its own capabilities and support, coming together under the umbrella of an international organization such as the UN or NATO. After a mission assessment has been conducted and a mission statement drawn up, the multinational force commander assigns specific tasks to the national contingents most capable of completing those tasks. Nevertheless, a country's participation and the extent thereof remain at their own discretion and will depend on its capabilities, national interests and political will.

Thus, while this classic model of multinational cooperation allows nations to reap the political and military benefits of multinational cooperation without becoming too interdependent, its ad hoc, voluntary approach is not entirely cost effective and opens the way for problems of efficiency and reliability and burden-sharing disagreements.

Yet as they learn from experience, countries are beginning to explore different ways of streamlining classic multinational cooperation by pursuing a number of so-called, multinational solutions. An assessment of four such multinational solutions follows:

(1) Common and joint procurement

Multinational solutions by way of procurement can take one of two forms, common or joint procurement. Looking first at the former, common procurement implies that countries coordinate their national purchases of a certain capability but that ownership of these capabilities remains national. This approach was used in the Nordic Standard Helicopter Project (NSHP). By placing a large, single order together, Norway, Sweden, Finland and Denmark were able to negotiate a lower price from producers.²⁸ The second option, joint procurement, goes a step further in that two or more countries both purchase and own a certain capability together. A good example here is the NATO Airborne Early Warning and Control Force (AWACS) which is jointly procured, owned, maintain and operated by NATO members. Joint procurement is ideal for those capabilities that cannot be designated as the responsibility of a single nation but which are part of nations' collective requirements (e.g. air defense, command and control and strategic communications systems). Presently, NATO members are planning to jointly procure an Alliance Ground Surveillance (AGS) system to complement its AWACS capability.

(2) Capability and force pooling

Whereas joint and common procurement are multinational solutions at the purchase stage, capability and force pooling offer multinational solutions in the provision of capabilities. In capability and force pooling, nations declare nationally or jointly owned capabilities or national force units as available for use as part of a pool of capabilities and forces with other nations. In simplistic terms, this means that country A has two of a certain capability and country B has two of that same capability. The two countries then pool these to make

²⁸ This was true although Denmark ultimately diverted from the other three by purchasing the EH101. See Lutz Ellehuus 2002 pp. 20-21

four. Looking again at the NSHP example, Finland, Norway and Sweden, who ultimately chose the same helicopter (NH90), now have the option of realizing further cost savings and efficiency gains by combining maintenance and training should they choose to pool this capability. Similarly, Luxembourg has decided to purchase a single A400M that will then be pooled with the Belgian A400M fleet of seven aircraft. As an example of force pooling, Luxembourg participated as part of the Belgian contingent in the Balkans. Arguably, the benefits of capability and force pooling are even greater within multinational forces. As one example, the European Air Group (EAG) nations have agreed to combine their airlift and tanker operations via a European Airlift Coordination Cell. By optimizing the use of their airlift and tanker capabilities, the seven countries of the EAG hope to minimize the number of flights which fly empty or only partially loaded.²⁹

Among the benefits, capability and force pooling allow nations to take a board view of national requirements. In case of Luxembourg's A400M, because the national requirement was for only one aircraft, the country would not have been able to justify building the maintenance and training structures to support one transport plane. Thus, without the multinational solution of capability pooling with Belgium, it is most likely that Luxembourg would have no transport aircraft of its own. As suggested previously, the need to choose between cooperation or nothing is likely to extend to large countries as defense equipment becomes increasingly high tech and costly while defense budgets remain stagnant or decrease. In reducing training, inspection and maintenance costs, capability and force pooling enable countries to get 'more bang for the buck'.

(3) Framework/lead nation concept

In contrast to capability and force pooling, where responsibilities are shared, the framework/lead nation concept presumes that one nation assumes responsibility for procuring and providing the bulk of supplies and services for mission support for all or part of a multinational force. This model was employed by NATO in 1995 when the ARRC, the land component of NATO's rapid reaction forces, deployed to Bosnia & Herzegovina to assume command of the land component of the NATO-led Peace Implementation Force (IFOR) for Operation Joint Endeavor. Here, the UK served as the framework nation, providing some 60 percent of headquarters services (staff,

²⁹ UK Ministry of Defense 2001 p.5

infrastructure, administrative support, communications) while the other 13 NATO participant countries contributed 40 percent. Likewise, the aforementioned US role in UNMIH in providing C4 and logistics to itself and its coalition partners is an example of the lead nation concept employed in a UN context.

Among the benefits of the framework/lead nation model, it minimizes the need for compatibility, thus allowing a coalition to maintain flexibility while also facilitating distribution mechanisms and burden-sharing arrangements.³⁰ In terms of risk, it does require some level of comfort with being dependent on another nation for vital, Common Use Items (CUI) such as water and fuel. In most cases, reimbursement arrangements can easily be worked out on the basis of Memoranda of Understanding (MoUs) between the framework nation and the participating countries being supported. Nevertheless, this concept has so far been limited to provision of headquarters services. Also on the downside, the framework nation itself takes on a great deal of responsibility and has an obligation to remain involved to a mission's end. To prevent overstretch or renewal of a burden-sharing arguments, multinational forces utilizing this multinational solution would be well advised to provide for maximum flexibility by having more than one nation capable of taking on the framework/lead nation task.³¹ Ideally, there will be more nations capable of supporting than need to be supported.

(4) Specialist nation concept

The idea of specialist nations comes closest to that of role specialization (discussed below) in that it is also based on the idea that countries focus on what they do best. As explained earlier, for historical, geographic or defense industrial reasons, a country may have developed an expertise in a certain area, such as mine clearing. In many cases, this *de facto positive specialization* can be harnessed to enhance the effectiveness of multinational operations. Adopting a specialist nation approach, a coalition of the willing might decide that country A, an expert in mine clearing, handle mine clearing duties for an entire operation. Nevertheless, this is not to say that country A will do only mine clearance. Rather, the specialist nation concept is applied on a case-by-case basis. In the next

³⁰ Lutz 1999 p.27

³¹ As explained earlier, SHIRBRIG is one of the multinational forces working to increase this flexibility. While it currently has two nations, Denmark and the Netherlands, which are capable of acting as the framework/lead nation, it is encouraging other nations to develop their capabilities here.

operation, it is likely that another nation will be called on to provide a different specialized capability, leaving country A to join in as a normal participant.

Alternately, a country may chose to *develop* a specialization in order to make itself more relevant in peacekeeping operations. This is likely to be the case with many of the current NATO applicant countries that might not otherwise have something new or relevant to offer the Alliance. In response to NATO's need for medical specialists, listed in the DCI, Lithuanian Minister of Defense Linas Linkevicius recently suggested that Lithuania could contribute to NATO by forming a special unit of medical doctors. These Lithuanian military medical specialists would then serve as part of a Czech military hospital unit, creating a specialized mobilized medical unit.³² Interestingly, the freedom to become a specialist nation on a certain capability is probably greater among countries in the process of rebuilding their security and defense capabilities from the ground up (e.g. NATO applicant countries such as the Baltic States) than among those with a more established defense infrastructure. As countries become tied down to concrete obligations and defense contracts, this freedom diminishes considerably. In this respect, the current pressure on new NATO members to sign fighter contracts, a capability of which NATO has more than enough, could be seen as a step in the wrong direction.

Although this 'micro version' of specialization does not necessarily require that nations disband other areas of their defense in order to act as specialist nations in other areas, some rationalization is likely to result from specialist nation practices. As different countries, through practice, establish their credibility as specialist nations in certain areas, it is likely that these patterns will become more regularized. Countries once skeptical of a division of labor may begin to recognize that relegating responsibility in certain areas is both practical and functional. As determined at the start of this analysis, there are two important qualifiers here. First, the decision to act as a specialist nation in multinational operations should not undermine a nation's second goal of providing for its national defense. On the contrary, a country's area of specialization should, when possible, reinforce national defense interests. Second, as NATO through its DPP and DCI has wisely foreseen, nations cannot be told what to specialize in but should be responsible for organizing their capabilities and volunteering themselves for specialist roles.

³² Baltic News Service 2002

Remembering our theoretical framework, small nations will have an extra incentive be first in line, claiming specialization in areas able to make them vital partners for large nations as well.

Role specialization (i.e. macro level specialization)

Like the lead/framework nation, capability and force pooling and specialist nation concepts, role specialization is a way of coordinating one's defense with allies in such a way that one alliance member takes on tasks on behalf of all or some of the other countries.³³ In all four concepts, a country not only has a certain capability but also provides all or part of that capability or service to others.

Nevertheless, there is an important distinction to be made. Whereas the specialist nation concept restricts itself to *case-by-case* specialization at a practical, *micro level*, role specialization is *irreversible* specialization at the *macro level*. To explain, role specialization entails that a nation permanently take on a special function among an alliance's operative tasks on behalf of all or some countries in that alliance. In order to do this, the role specialist will need to keep more of a capability on hand than for self-use on the assumption that this extra capability will be lent to others. Yet in order to afford this extra capability, the role specializing nation would stop producing another capability, instead relying other member of the alliance to provide it with the missing capability. In short, role specialization not only requires that you both have and provide a capability but that you discontinue another capability in favor of the one you're specializing in.³⁴ In its most extreme version, role specialization is seen as a possibility at the service level. Under this variant, the UK might return to its traditional role as a maritime and amphibious power while France and Germany would focus on land capabilities.³⁵

The opportunities and disadvantages of role specialization are easily illustrated by a hypothetical example using the Nordic countries. Let's imagine that Sweden, Norway and Denmark decide to pursue role specialization in the areas of strategic transport and fighter aircraft. In this scenario, Sweden might be the role specialist in strategic transport whereas Norway and Denmark would specialize in fighter capabilities. In this case, Sweden would

³³ Forsvarskommissionen 1997 p. 2

³⁴ To compare with capability or force pooling in which both country A and country B have two of a certain capability, role specialization would mean that country A would have five of a certain capability while country B would have none.

disband its fighter capabilities instead relying on Norwegian and Danish F-16s. In turn, Norway and Denmark would gradually phase out their C-130s and would buy no strategic transport in the future, instead relying solely on Sweden's strategic transport capabilities in deploying Danish and Norwegian troops and supplies in out-of-area operations.

Advantages

The prime advantage of such a role specialization is that it would lead to the national rationalization of countries' defense and would provide them economies of scale far beyond what can be achieved by multinational solutions. Although multinational solutions offer marginal savings in those areas in which countries decide to cooperate, large portions of countries' defense resources still remain tied up in inefficient or non-essential areas. Under mutual role specialization, participating countries in effect shed the illusion that each nation has an all-around defense capability and acknowledge that each country has a comparative advantage in something. By focusing on what they do best and relying on others for what they do not, efficiency and cost effectiveness can be maximized. In the long run, role specialization might also help countries circumvent the problem of harmonization. To draw on our hypothetical example: If Norway and Denmark are providing fighter capabilities for Sweden as well as themselves in an operation, the question of whether Sweden's fighter planes³⁶ are fully interoperable with F-16s becomes irrelevant.

Disadvantages

As discussed in the theoretical section of this analysis, defense remains a highly sensitive area directly linked to nations' perceptions of their own sovereignty. In so far as role specialization implies 100 percent reliance on other countries for certain capabilities or services, there is a fear that it will compromise national sovereignty and, hence, national defense. This fear can be broken down into five more specific concerns.

First, nations fear a zero-sum scenario, namely that moving towards specialization for conducting multinational operations will undermine national defense priorities. In this respect, most nations want to keep an effective minimum of all capabilities needed for

³⁵ Lindley-French 1999, p. 13

³⁶ e.g. JAS-39 (Gripen), JA-37 (Viggen)

national defense in order maintain a certain level of autonomy. While it may make sense to specialize in the capabilities, services or infrastructure needed for achieving common goals or pursuing effective multinational cooperation, there will be a number of capabilities which, although not specialized in, are seen as vital to national interests and territorial defense. Among other things, these include the capabilities needed to conduct territorial surveillance or to repel invasion or attack. In our example, Sweden would be left with no standing interception capability of its own with which to repel such invasion or attack.

Second, opponents to role specialization argue that even though the threat assessment and security environment among allies may be benign and favorable at the moment, there is no guarantee that this will be the case fifty or more years down the road. In fact, they maintain, history would suggest the opposite. In this respect, the irreversible aspect of role specialization is a dangerous one, for once a nation has disbanded a certain capability, particularly a significant one such as its air force, it will gradually lose the technology to develop it again.

Third, in so far as role specialization will mean more interdependence in security and defense affairs, an area once uniquely and traditionally sovereign, many worry that this interdependence and integration will have a spillover effect to other areas. Specifically, the concern is that role specialization will lead to a shift in competencies from a national to a European level and that decisions over national defense industries and force structures will be increasingly shaped by wider European or NATO interests than by purely national ones. In an EU context, the spillover effect has long been part of a functional approach to European integration that has allowed EU member states to move beyond economic integration and on to cooperation in other areas.

Fourth, role specialization limits a country's freedom of action. In contrast to multinational solutions, formalized role specialization would put pressure on countries to participate in multinational operations more often. In effect, a country would be obliged to contribute whenever its 'specialization' were needed by its partners.³⁷ Similarly, its own ability to act would be dependent on other nations. While detailed agreements on availability and

³⁷ Forsvarskommissionen 1997, p.4-5

releasability promise to address this problem, the decision to participate in or release capabilities for a given operation will ultimately remain a national decision, at least until supranational decision making bodies and mechanisms of control are established.

These difficulties of availability and releasability and are further complicated by institutional inconsistencies, namely countries' sometimes overlapping but often different memberships in international security organizations. Drawing again on our hypothetical example, Norway and Denmark are NATO members whereas Sweden, although a participant in NATO's PfP, is not. In this respect, would Sweden be obliged to provide transport for a NATO operation in which it did not wish to be involved? Likewise, since Norway is not an EU member and Denmark has an opt-out on participation in EU defense, would these countries have to contribute, on behalf of Sweden, to an EU-led operation in which NATO was not involved?

Finally, role specialization at the macro level assumes that countries can reach agreement on who will do what. While geography, history or industrial interests may point to some natural divisions of labor, the choice as to who should act as the role specialist may not be so clear cut in other areas. In allowing Denmark and Norway, which both operate F-16s, to act as role specialists in fighter capabilities, Sweden would in effect be forced to give up its own, Swedish produced fighter capabilities³⁸ and would effectively undermine its own national industrial interests. Additionally, countries will naturally be more eager to specialize in 'prestigious' capabilities, namely those that promise better profiling for a country. In this respect, how to ensure that the basics, such as infrastructure, are covered as well? A final consideration here is that of comparability. Namely, is what each country can provide equal and comparable? Without detailed clarification of and agreement on these points, role specialization risks re-igniting rather than alleviating the burden-sharing debate.

³⁸ See footnote 33.

Conclusions: Where we are now?

As demonstrated above, countries are neither ready to sign on to the interdependence that role specialization requires nor willing to invest everything in multinational security contributions at the expense of national security needs. Rather, their goal is to save on defense expenditures while at the same time securing themselves the best security and defense capabilities possible. In this respect, multinational solutions - including common and joint procurement, capability and force pooling, the lead/framework nation concept and the specialist nation concept – offer ways for countries to increase cost-effectiveness and to do more with less when contributing to multinational cooperation but without compromising their national defense. Through the more efficient provision of military capability, multinational solutions provide a means for countries to get more capability for the same level of resources or even the same capability for less.

With invitations for NATO membership set to be extended to as many as seven of the nine NATO applicant countries at the Prague Summit in November 2002, the question of how to preserve NATO's military credibility and the effectiveness of multinational forces is again at the top of the agenda. In this respect, multinational solutions suggest a dual approach. On the one hand, common and joint procurement or capability and force pooling can help coalitions and individual nations meet the demands of force modernization by enabling them pursue common solutions in tackling the items on the NATO and EU to do lists. On the other hand, the specialist nation concept encourages individual countries to consider what value-added they can bring to the Alliance. Rather than attempting to catch up to the capability levels of other NATO members and partners, each country should, “[seek] its military comparative advantage... figure out what it does best and then do it as well as it can.”³⁹ Importantly, this formula allows nations to strike right balance between the demands of multinational cooperation and the need to respect national defense needs. Rather than a top down division of labor, it remains up to individual nations to determine the nature of their contribution and the degree to which they wish to cooperate with others.

³⁹ Lindberg 2002

In this respect, countries are more likely to draw on a mix of multinational solutions rather than to opt for macro level role specialization in attending to national, NATO and EU to do lists. Nevertheless, these multinational solutions might be seen as a means rather than an end, namely as the first step on the road to pure specialization. For inevitably, some rationalization is likely to occur as countries continue to pursue multinational solutions, making the cost and efficiency benefits of cooperation more tangible. More importantly, however, the way may open for more intense cooperation as countries establish their credibility as specialist nations and demonstrate their reliability in a multinational context. As mutual confidence grows and expectations change as a result of the positive experiences of cooperating in practice, nations may come to focus less on the potential threats of interdependence and more on the absolute gains cooperation can bring.

List of Acronyms

A400M	Airbus 400 Military
AGS	Allied Ground Surveillance
ATARES	Air Transport and Air-to-Air Refueling Exchange of Services
AWACS	Airborne Warning and Control System
C4	Command, Control, Communications and Computers
CUI	Common Use Items
DCI	Defense Capabilities Initiative
DPP	Defense Planning Process
EAG	European Air Group
EMS	European Monetary System
EMU	European Monetary Union
ESDP	European Security and Defense Policy
EU	European Union
HQ	Headquarters
IFOR	Implementation Force
MoU	Memorandum of Understanding
NATO	North Atlantic Treaty Organization
NH90	NATO Helicopter 90
OSCE	Organization for Security and Cooperation in Europe
PfP	Partnership for Peace
PSOs	Peace Support Operations
SHIRBRIG	UN Stand-by Forces High Readiness Brigade
UN	United Nations
UNMIH	UN Mission in Haiti
US	United States
UK	United Kingdom

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