

International Defence Cooperation Efficiency, Solidarity, Sovereignty

*Report from
the Inquiry on Sweden's International
Defence Cooperation
Fö 2013:B*



REGERINGSKANSLIET

**Government Offices
of Sweden**
Ministry of Defence

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To Minister Peter Hultqvist

On 27 December 2013, the Head of the Ministry of Defence decided to appoint a special adviser (an inquiry chair) with a remit to describe the current status of Sweden's international defence cooperation in the Nordic region, in the EU, with NATO and other relevant forums and to propose ways in which it can develop (Fö 2013:B).

On 27 December 2013, Ambassador Tomas Bertelman was appointed Special Adviser. Deputy Director Åsa Anclair, Ministry of Defence, was appointed Secretary from 1 April 2014.

The Inquiry hereby presents its report *International defence cooperation: efficiency, solidarity, sovereignty*. The assignment is hereby concluded.

Stockholm, October 2014

Tomas Bertelman

/ Åsa Anclair

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Summary

A number of factors have driven a rapid transformation of the armed forces in the vast majority of countries. Technological developments, dramatically escalating costs, more restricted defence budgets as well as new threats have led to fewer and leaner armed forces. The response in all countries has been to seek deeper international cooperation to reduce costs, maintain capabilities and achieve greater effect.

Countries can, for example, cooperate on development, purchases and maintenance, or education and training, or to coordinate or share capabilities. The deeper the integration, the more military capabilities it provides access to, but by the same token, the more the national freedom of action is also limited. The trend is towards specialisation in terms of functions or tasks, i.e. cooperative arrangements in which the participants depend on one another when the necessity to use resources arises.

Nordic defence cooperation is multifaceted, creative and pragmatic, reflecting the closeness and likemindedness that are generally characteristic of the Nordic countries. Significant results have been achieved, not least with respect to logistics and joint training and exercises. Limitations do nonetheless hamper this cooperation because differences in alliances determine how deep cooperation can be. Nordic cooperation is regarded by all participants as a complement to the countries' relations outside the Nordic region. For those countries that are members of NATO, cooperation within the Alliance naturally takes precedence. Even within the present framework of restrictions, more meaningful results could be achieved, but this would require firm and sustained pressure from the highest political level in the countries concerned.

The European Union (EU) continues to be of fundamental importance for peace and security in Europe, and it is in Sweden's interests

to work to strengthen the EU's security policy role. However, the 2009 Treaty of Lisbon reflects the fact that with respect to Member States' national defences, the EU has, in practice, taken an indefinite time-out. The EU therefore has no responsibility for Europe's territorial defence at present. Sweden takes part in EU rationalisation and cooperation on equipment, and has contributed to every EU crisis management operation. However, the overall effect of EU cooperation on Sweden's defence economy or defence capabilities will remain marginal for the foreseeable future.

Over a twenty-year period, Sweden has developed close cooperation with the NATO defence alliance within the Partnership for Peace. By taking part in all major NATO operations under a UN mandate and in major exercises with NATO member countries in Europe, Sweden has developed cooperation capabilities with the Alliance and its member countries on a par with that of many NATO members. This cooperation is crucial to the operational capabilities of the Swedish Armed Forces. However, the Alliance's focus on its core task of collective defence following Russia's aggression against Ukraine has made the dividing line between members and non-members clearer than before. The decisions taken at the recent NATO summit gave Sweden the opportunity to deepen its individual relationship with NATO, but what this means in practice remains to be seen.

In view of the complicated issues that are often raised by defence cooperation, there is a tendency to limit participation to a relatively small group of countries linked by geographical or cultural proximity. A range of different forms of cooperation that could be dubbed 'minilateralism' have arisen in this way. Several new important initiatives that concern northern Europe were announced at the recent NATO summit. A common feature is that the majority of the participating countries are members of NATO, and that the activities are planned so as to be able to be coordinated with, or included in, NATO planning.

The United States is the world leader in terms of both military capabilities and research and development. Most countries therefore want to cooperate with the US. For Sweden, cooperation with the US has a special status due to its technological breadth and its importance for Sweden's capability development. The US has strongly emphasized its commitments within NATO, and the member

countries that feel exposed see good relations with the US as the basis of their security. Moreover, something similar seems to apply to many other NATO members, and even to Sweden, which is not covered by the guarantees of the Alliance. It could therefore be claimed that by being outside NATO, Sweden is even more dependent on the US in defence policy terms.

Sweden has long enjoyed well-developed defence cooperation, including cooperation on equipment, with the Nordic countries, certain large European countries and the US. In most cases, bilateral cooperation is regulated in a memorandum of understanding (MoU). Reliance on foreign partners is generally growing, in this area as in others. Research and development in Sweden have been adversely affected by shrinking appropriations in real terms and an acquisition strategy that emphasises the further development of existing systems or purchase of already developed systems; this has necessarily had an impact on our status as a cooperation partner.

A number of new possibilities for deeper defence cooperation in northern Europe are conceivable within the framework of current restrictions. This could include deepening cooperation in the Nordic Defence Cooperation (NORDEF) setting, for example with respect to harmonised specifications for joint acquisition of equipment, and joint maintenance and shared life-cycle costs, but also the development of a joint air situation picture by technically linking existing sensor systems. The ongoing investigation concerning deepened Swedish–Finnish defence cooperation has the potential to go further than previously to include cooperation on air surveillance and maritime surveillance and the use of joint infrastructure. A higher level of ambition with respect to integration of military forces, joint deployment and, in the longer term, perhaps some specialisation would undoubtedly enhance the effectiveness of both countries' defences – to the extent permitted by national restrictions.

The overall conclusion of this Inquiry, however, is that no part of our international defence cooperation can, under the present conditions, offer the kind of increases in effectiveness or capability-raising effects that would have a decisive impact on Sweden's defence economy or defence capability. A great deal of important and constructive work has gone into new forms of cooperation, and many positive results have been achieved. Thanks to international

cooperation, effectiveness has been increased and savings made, and it has been possible to retain certain capabilities that otherwise might have disappeared. But in the broader scheme of things the effects remain marginal, in the sense that they do not alter the overall picture of the fundamental problem of the gap between the tasks of the Swedish Armed Forces and their capabilities.

For Sweden, the restrictions imposed by consideration for sovereignty and the national freedom of action limit the possibilities to deepen defence cooperation. At the same time, they also considerably and fundamentally limit the effectiveness of our international defence cooperation. This extensive cooperation, in combination with our own declaration of solidarity, brings us so close to NATO that we cannot really avoid being identified with the Alliance – yet without enjoying either the effects of cooperation or the joint protection that would be offered by membership.

It is this growing incompatibility between the three fundamental dimensions of Swedish defence cooperation – effectiveness, solidarity and sovereignty – that motivates a review of the policy currently being pursued. An objective and interest-based examination of what NATO membership would mean for Sweden should therefore be undertaken. For a number of reasons, it would be advantageous if such a study were carried out together with Finland.

1 The Inquiry's remit and work

According to its terms of reference, the Inquiry is to:

- analyse Sweden's international defence cooperation in the Nordic region, in the EU, with NATO and other relevant forums;
- propose ways of developing Nordic cooperation, given the possibilities available to and limitations constraining the different countries;
- propose ways of developing cooperation in other forums, in particular the EU and NATO: and
- in light of the proposals for changes in relations with other States and international organizations, estimate consequences for Swedish defence and security policy together with financial and other relevant consequences.¹

The terms of reference also state that the review should build on the 2013 and 2014 Swedish Defence Commission reports.

Given the broad scope of the remit and the limitations in terms of time and resources, this report cannot be a complete inventory of the issues concerned. Instead, the focus is on the fundamental problems that come into play. Despite the scant time and resources available, it has proved possible to produce a reasonable description and analysis of the essential issues, largely thanks to the generous response of the Swedish and foreign experts consulted.

The Inquiry has focused on defence cooperation that is relevant to Sweden's military defence. Proceeding from this approach, the report concentrates on the benefit to Sweden of three main lines of defence cooperation: in our neighbourhood, in the European Union (EU) and with the NATO defence alliance. The dividing line between cooperation in these areas is not always hard and fast. While international crisis management operations are naturally relevant in this

¹ Government Offices decision, Ministry of Defence, 27 December 2013. "Sweden's international defence cooperation" (Fö 2013:B).

connection as well, they do not occupy a central place in this report. The United Nations (UN) has not been included, even though it is essential to our security in many respects. Like other crisis management operations, Sweden's participation in UN peace support operations gives the Swedish Armed Forces vital experience and is important for their capacity. It is also important for Sweden's security in a broad sense. In the future, an increasing proportion of Sweden's contributions to operations may be made under UN leadership. However, this is unlikely to entail any restrictions or new opportunities for cooperation affecting Sweden's military defence. The same can be said of our participation in missions led by the Organization for Security and Cooperation in Europe (OSCE).

The Inquiry has based its work on dialogue and interviews with staff at the Government Offices and in the Swedish Armed Forces and other defence authorities. A series of seminars was arranged under the auspices of the Swedish Defence Research Agency (FOI), with researchers from FOI, the Swedish National Defence College and Swedish Armed Forces staff participating. Use has also been made of reports from embassies. In addition, the Inquiry has had talks with politicians, officials and experts in all Nordic and Baltic capitals, Brussels (the EU and NATO), Washington and certain other European capitals. Further sources consulted include Swedish Armed Forces reports, Swedish Defence Commission reports and current research reports.

Needless to say, such wide-ranging material is far from unanimous. However, the picture that emerges is sufficiently clear to allow a number of conclusions. The overall assessments do not rely on any single source; they have been arrived at by the Inquiry Chair himself. Thanks are due to all who have contributed information and opinions, both in the course of the work and in response to the final text.

Obviously, some of the most important issues that arise are of a manifestly political nature, and as such go beyond the normal purview of a one-man inquiry. The Inquiry Chair's stance on this challenge has been not to shy away from politically sensitive issues but to attempt to anchor the reasoning in openly described facts.

The report discusses international defence cooperation in general and specifically in the Nordic region, the EU and NATO. Special sections are devoted to collaboration in limited constellations of

countries, cooperation with the United States and cooperation on defence equipment.

To facilitate a quicker reading of the report, most chapters start with brief summaries. These provide a sufficient background for a reading of the final two chapters (chapters 12 and 13), which are the report's centre of gravity.

The remit includes presenting a number of proposals and assessing their security policy and economic consequences. Economic estimates can hardly be made with any degree of precision. With regard to new possibilities for cooperation, in its defence policy report, the Swedish Defence Commission has indicated a number of areas that should be studied. Some of them are discussed briefly in conjunction with other ideas and proposals that have emerged in the course of the Inquiry.

The report highlights new opportunities for cooperation – but also emphasises the limitations constraining their further development. The analysis of the existing limitations leads up to what may be the most important question of all, namely the limitations that Sweden has imposed on itself in these cooperation forums. These limitations are analysed and compared with our commitments. The result is a concluding discussion on the consequences of our current policies and the security policy dissonance that exists at present. The discussion also considers how the tension between the various dimensions of defence cooperation – effectiveness, solidarity, sovereignty – could be reduced.

Note to the reader of the English version of the report:

The three annexes contained in the Swedish version have not been included and references in the text to these annexes have therefore also been omitted.

2 Security policy starting points

According to the Inquiry's remit, the report's security policy starting points are to build on the analysis of the international environment presented by the Swedish Defence Commission. The Commission's most relevant conclusions, for the purposes of this report, are the following statements in the defence policy report of May 2014:

Russia's actions significantly weaken the European security order. [---] The course of events in Eastern Europe combined with the economic crisis bring Europe face to face with a range of challenges that generate a dynamic and unpredictable security policy outlook for the region. We are entering a new, frostier era of relations between Russia on the one hand and Europe and the United States on the other hand.

[---] The Defence Commission would like to underline the fact that, in a broad security policy perspective, the Baltic Sea region is a region of geostrategic importance. The Baltic Sea region has been the arena of increased military exercises and intelligence activities since 2007. In Sweden's neighbourhood, military presence from NATO and EU countries has increased to bolster our neighbours' security, while Russia's military behaviour is likely to grow more provocative.

The countries in our region face similar challenges and Sweden shares several security policy assumptions and interests with them. Sweden has an opportunity, and a responsibility, to influence developments in the Baltic Sea region. Sweden should seek to promote closer political, economic and military integration between the Nordic and Baltic countries and Germany and Poland. We are all neighbours in a common security policy environment around the Baltic Sea.

The Nordic and Baltic Sea region is characterised overall by stability, dialogue and cooperation. The policies pursued by Russia, on the other hand, are unpredictable and destabilising. It is inconceivable that a military conflict in our region would only affect one country. A separate military attack directly targeting Sweden remains unlikely. However, crises and incidents – including those involving military force – may occur and in the longer term the threat of military attack can

never be ruled out. Russia's aggression towards Ukraine demonstrates that the risk of this has increased, in our neighbourhood as well.¹

In all essential respects, developments since the Defence Commission submitted its report in May 2014 reinforce the picture that has already been painted. Russia's action and Russian statements indicate an increasingly open questioning of the security order that began to be built after the end of the Cold War.

¹ Ministry Publication Series Ds 2014:20. *Försvaret av Sverige. Starkare försvar för en osäker tid (The Defence of Sweden. Stronger defence for uncertain times)*, pp. 18–19. Stockholm: Ministry of Defence, Defence Commission.

3 Defence cooperation – various forms

Various forms of cooperation are possible in order to rationalise the development of a certain military capability so as to achieve savings or greater effect, i.e. to make the most effective possible use of available funds. It is also possible to cooperate on the use of the final product, through joint exercises and training, joint operations, or planning for joint defence. However, since joint operational planning leads to a high degree of mutual dependence, a legal basis in the form of an intergovernmental agreement is generally considered a prerequisite. Nordic cooperation, which only refers to peacetime conditions, is organized around six areas: policy, capabilities, equipment, personnel/education, training/exercises and operations.

A key question for every country is how integrated the cooperation is to be, i.e. what dependencies and restrictions the cooperation creates for the national freedom of action. Particularly with regard to the acquisition of equipment and use of capabilities, the advantages must be weighed against the disadvantages. It is possible, for example, to cooperate on development, purchases and maintenance, or education and training, or to coordinate or share capabilities. The deeper the integration, the more military capabilities it provides access to, but by the same token, the more the national freedom of action is also limited. If a country belongs to an alliance, specialisation can naturally be taken further. Denmark, for instance, has decided to manage without submarine systems of its own and Belgium and the Netherlands have decided not to have main battle tanks. Belgium and the Netherlands have combined their naval forces, and the Baltic countries rely on the combat aircraft of other NATO member states. Iceland has no national military defence at all.

However, this kind of specialisation regarding roles and tasks is problematic for a country that does not belong to an alliance. At the same time, all countries feel the effects of economic constraints.

There is also a middle way for cooperation, where countries exchange some information about defence planning so as to be sure that they do not obstruct one another and can carry out operations in parallel or in integrated form. Both in its security policy report and in its defence policy report, the Swedish Defence Commission advocates development of cooperation on this level between Sweden and the other Nordic countries.

4 The growing necessity to cooperate

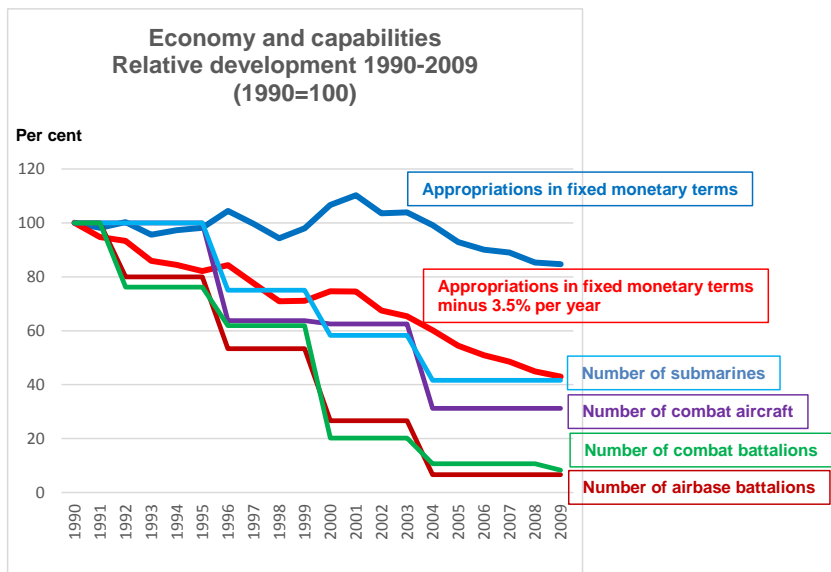
Since the end of the Cold War, the Swedish Armed Forces have undergone a radical transformation, probably more far-reaching than any other Swedish institution during the same time. The developments reflect major processes driven by technological development, changes in modern warfare, cost increases and the financial pressure of shrinking budgets. These are processes that affect all comparable countries. The response has been the same as for most countries: large structural changes and increased international cooperation. No European country, on its own, can now develop the military capabilities required to meet a powerful

adversary. Even all European countries combined no longer have the capabilities required for major crisis management operations. Cost trends make it increasingly difficult to maintain the traditional range of capabilities that a country's armed forces are required to have. The trend is towards specialisation in terms of functions or tasks, i.e. cooperative arrangements in which the participants depend on one another when the necessity to use resources arises. For countries that are members of defence alliances, this is natural. However, the impact of economic limitations is similar for all countries.

During the quarter of a century that has passed since the fall of the Berlin Wall, the world has changed radically, sometimes in sudden lurches, and often too rapidly for us to grasp. Alongside dramatic changes, the mechanisms of globalisation have gradually influenced everything that is happening. These days, the world's economies are more closely interwoven than ever. Global flows of people, goods, money and energy are making all countries so dependent on one another that for most countries, national freedom of action and self-sufficiency are things of the past. The defence sector tends to be one of the last bastions of national control and self-determination, but not even this area can escape the logic of globalisation.

Since the end of the Cold War, Swedish defence has experienced radical change, probably more far-reaching than any other Swedish institution during the same period. In fixed money terms, the defence appropriation has remained virtually unchanged over the past 25 years, but expressed in units and important systems, the volume has been substantially reduced, by between 60 and 80 per cent. The changes in the tasks and organization of the Swedish Armed Forces have been equally revolutionary. The structure in which the transformation has resulted is a lean but highly effective defence whose use for major tasks presupposes cooperation with other states. Just how radical the impact of these changes has been has only slowly penetrated public awareness. The following figure from a current FOI study may serve to illustrate the development.

Figure 4.1



Organizational changes in selected units 1990–2009 compared with defence appropriations in fixed monetary terms and adjusted for annual depreciation of 3.5 per cent.¹

¹ Andrén, Krister. *Krigsavhållande tröskelförmåga. Det svenska försvarets glömda huvuduppgift? (War-deterrent threshold capacity. The forgotten main task of Swedish defence?)*, p. 33. FOI February 2014.

Expressed in numbers of units, the reduction over the period 1990 to 2009 is shown in the table below.

Table 4.1 Indicative level in defence programmes for combat forces and home guard²

Year	1990	2009
Army battalions	84	7
Territorial defence units	230	0
Home Guard units (thousands of persons)	125	22
Surface combat vessels	30	7
Submarines	12	5
Combat aircraft	320	100

Naturally, there is no direct correlation between absolute figures and the development of overall capability, since the remaining units are considerably superior in terms of quality and performance and have vastly better equipment. However, the figures do illustrate that ‘meaner and leaner’ does actually mean leaner – and the leaner the defence, the more dependent it is on cooperation with others.

What has happened in the defence area is partly a reflection of broader processes affecting all countries through the impact of globalisation. Other factors include new technology, increased costs, economic restrictions and political changes in our international environment. Particular emphasis must be given to the revolutionary pressure for change proceeding from technological developments, above all the new possibilities for global networks for intelligence and command and control systems, and their real time link with combat forces that are ready for deployment and capable of precision strikes at great distance.³

From an economic perspective, the ‘peace dividend’ in Europe after the end of the Cold War and then the consequences of the international financial and economic crisis in recent years have also combined to increase pressures to save and thus the pressure for

² Figures taken from Expert Group for Public Economics ESO 2011:2. Hedin, Ola. *Försvarets förutsättningar – en ESO-rapport om erfarenheter från 20 år av försvarsreformer*. [Conditions for the Swedish Armed Forces: a report from the Expert Group for Public Economics on the experience of 20 years of defence reforms.] Stockholm: Fritzes.

³ Andréén, Krister. *Krigsavhållande tröskelförmåga. Det svenska försvarets glömda huvuduppgift? (War-deterrent threshold capacity. The forgotten main task of Swedish defence?)*, pp. 45–46. FOI February 2014.

change felt by defence structures. Similar processes have also been at work in all countries that are comparable to Sweden.

Modern warfare is characterised by considerably higher destructive capacity than just a few decades ago. The ability to eliminate many targets with great precision and little risk has increased dramatically, while the associated costs are within the scope of moderate defence budgets. However, achieving an overall operational capability requires interaction between many systems in close to real time. The United States is the only Western country that can manage this. In order to cope with the task of retaining and developing a defence that is relevant in a new, technically advanced environment, most countries have come to the same conclusion: only through radical structural changes and more intensive cooperation with other countries can a country obtain access to the military capabilities deemed necessary.

Only through cooperation with others is it possible to educate, train and exercise high quality military capabilities. The Swedish defence needs to be able to interact with others in order to participate in international crisis management operations. But Sweden also needs to be able to exercise these capabilities together with other countries for them to be usable in the defence of our own country. This is partly because this is the only way to guarantee that they maintain the highest standards, and partly because interoperability is essential for defence also in our own neighbourhood. In both cases, interoperability – i.e. the ability to operate together with others, practised and confirmed by exercises – is crucial.

Cost trends make it increasingly difficult to maintain the traditional spectrum of tasks that the defence is required to manage. The latest perspective study from the Swedish Armed Forces, from October 2013, particularly emphasises this point. It argues that an unchanged appropriation framework will lead to a choice between an unchanged organization with gradually declining quality and a smaller organization of relevant standard. The Swedish Armed Forces recommend doing without certain capabilities in the longer term and instead maintaining a number of high-quality, high-tech

capabilities. Whichever path is chosen, all the alternatives presuppose deeper defence cooperation.⁴

Even relatively large European countries that have had the ambition to manage all their traditional tasks are finding it difficult to maintain a convincing quantity and quality regarding modern weapons systems in all areas. The British–French arrangement concerning joint use of aircraft carriers is one example. No European country can afford any longer to maintain all military capabilities on its own. As the latest operation in Libya showed, not even all European countries combined can guarantee all the key capabilities required for major crisis management operations.

The developments described above therefore entail similar consequences for all small and medium-sized states: it is not possible to develop an independent capacity to defend their own territory themselves against a potential armed attack from a powerful adversary. For countries that are NATO members, this has always been obvious. As far as Sweden was concerned, even during the Cold War – with a defence that was relatively strong at the time – the plans always assumed that we would need help from outside if we were affected by a military conflict. Our need to receive help has therefore always been there in the background and has led to preparations being made to enable us to receive such help.

The Government’s current instructions to the Swedish Armed Forces state that the Swedish Armed Forces are to be able to defend Sweden independently but also in cooperation with other govern-

⁴ The situation is formulated as follows by the Swedish National Audit Office in RIR 2014:8, *Försvaret – en utmaning för staten. Granskningar inom försvarsområdet 2010–2014 (Defence: a challenge for the state. Audits in the area of defence 2010–2014)*, p. 142. Riksdag in-house printing services, Stockholm 2014:

“In this connection it is worth recalling the previous statement by the Supreme Commander of the Armed Forces that a fully prepared operational organization can defend Sweden from an attack against a limited number of targets for about a week on its own, after which its power to resist will be limited. In the opinion of the Swedish National Audit Office, it is unclear whether this represents a deficiency relative to the requirements made of the Swedish Armed Forces. However, the Swedish National Audit Office notes that the operational organization of the Swedish Armed Forces is not planned on a scale to manage the most difficult national tasks. It is therefore reasonable to assume that sufficient resilience should exist to allow the necessary measures to be taken to obtain support from another party.”

The comments of the Ministry of Defence on the report may be found in Government Communication 2013/14:185. *Riksrevisionens rapport om Försvarsmaktens förmåga till utbälliga insatser* (Report of the Swedish National Audit Office on the capability of the Swedish Armed Forces to undertake sustained operations). Stockholm, 10 April 2014.

ment agencies, countries and organizations.⁵ This dependency, which reflects a general tendency, has intensified markedly in recent decades and is unlikely to decrease in the future. The river only flows in one direction.

⁵ Ordinance (2007:1266) with instructions for the Swedish Armed Forces, Section 2.

5 Nordic defence cooperation

Nordic defence cooperation is multifaceted, creative and reflects the closeness and likemindedness that characterise the Nordic countries. However, joint development of equipment and procurement have not been among the most successful areas of cooperation. NORDEFECO is often cited in NATO and EU circles as a good example of the type of regional cooperation that needs to be developed elsewhere in Europe. NORDEFECO has the potential to be even more fruitful in the future. However, this does not alter the fundamental fact that the

savings or increases in effectiveness that may result from this cooperation cannot have any decisive impact on Sweden's defence economy or defence capability, given the restrictions that currently apply. Such effects would require more far-reaching interaction and integration, which would presuppose considerably stronger political pressure from the participating governments, together with a joint security policy framework for the Nordic countries. The latter could only be achieved if all the countries were members of NATO.

Nordic attempts at defence cooperation have a long history – from the Scandinavism of the nineteenth century to the failed negotiations on a Scandinavian defence union in 1948.¹ During the Cold War, a form of cooperation developed that was largely informal and partly secret, with a view to collaborating in the event of war. This

¹ The mixed results have been described by Krister Wahlbäck in Hugemark, Bo (ed.). *Till bröders hjälp: med sikte på svensk solidarisk strategi*. Stockholm: Royal Swedish Academy of War Sciences, 2011. (Translated as *Friends in Need. Towards a Swedish Strategy of Solidarity with her Neighbours*, 2012).

cooperation would be activated if Sweden's policy of neutrality, designed to keep the country out of armed conflict, failed and Sweden and its Nordic neighbours were drawn into a war against a common enemy. As can be seen from the inquiries and books that have examined this subject in the past 20 years, the contacts with Norway and Denmark were also Sweden's most important channel for maintaining cooperation with NATO.²

No binding commitments were involved. Instead, it was a matter of an agreement on the coordination of measures and cooperation based on shared expectations and common interests in areas that were expected to be crucial in the event of a military attack by the Soviet Union. This involved, for example, communications and coordination of defence measures in northern Sweden with Norway and Finland, and with Denmark of defence in the Öresund area and of the air defence in southern Sweden and maritime defence in the Baltic Sea. Sweden realised that the only way to achieve the greatest possible freedom of action was through military information exchange and coordination with the Western allies. Consequently, this became an important complement to national defence preparations. Naturally, it is impossible to verify that assistance would have been provided in the event of an attack, but there are substantial indications that for much of the Cold War, a preparedness existed in the West to contribute to Sweden's defence.

After 1991, this well-established neighbourly cooperation gradually tailed off as the perceived threats weakened and disappeared. All the same, cooperation continued in a number of fields, particularly in connection with international crisis management operations and some cooperation on equipment. However, it was not until the 21st century that Nordic cooperation regained momentum, against

² See for example Swedish Government Official Reports, SOU 1994:11. Commission on Neutrality Policy. *Om kriget kommer... Förberedelser för mottagande av militärt bistånd 1949–69. (If war had come... Preparations for receiving military assistance 1949–1969)*. Stockholm: Fritzes; Swedish Government Official Reports, SOU 2002:108. Inquiry on Security Policy. *Fred och säkerhet – Svensk säkerhetspolitik 1969–89 (Peace and security: Swedish security policy 1969–1989)*. Stockholm: Fritzes; Agrell, Wilhelm. *Den stora lögnen: ett säkerhetspolitiskt dubbelspel i alltför många akter (The great lie: a security policy double-dealing drama in far too many acts)*. Stockholm: Ordfront, 1991; Agrell, Wilhelm. *Fred och fruktan: Sveriges säkerhetspolitiska historia 1918–2000 (Peace and fear: Sweden's security policy history 1918–2000)*. Lund: Historiska media, 2000; Dalsjö, Robert. *Lifeline Lost: the rise and fall of neutral Sweden's secret reserve option*. Stockholm: Santérus Förlag, 2006; Holmström, Mikael. *Den dolda alliansen. Sveriges hemliga NATO-förbindelser (The hidden alliance: Sweden's secret ties with NATO)*, Stockholm: Bokförlaget Atlantis, 2011.

the backdrop of increasing pressure on defence budgets. The motto “*pool it or lose it*” emerged as an expression of how tight the resource situation was felt to be, at a time when the supreme commanders of the armed forces in Sweden and Norway, and later in Finland, launched attempts in 2007-2008 to make more systematic use of rationalisation in order to retain military capabilities.

The 2009 Stoltenberg Report³ gave added impetus to a renewed political commitment to Nordic cooperation. At the end of 2009, NORDEFECO (Nordic Defence Cooperation) was set up as a structure for defence cooperation to provide an overall framework for the cooperation that had developed between many Nordic defence agencies. NORDEFECO is based on flexible participation and on the integration of Nordic cooperation into line operations with coordinated political and military leadership. The armed forces try out new opportunities for cooperation in their ongoing work, which gives the process a bottom-up dynamic. This has led to cost savings in a range of areas associated with logistics and support functions (training, maintenance, services, joint purchases of bulk goods, etc.). In 2013, the Swedish Armed Forces were involved in a total of more than 130 different NORDEFECO-related cooperation projects across all areas.

An important part of NORDEFECO cooperation concerns exercises. Almost every week, the Norwegian, Swedish and Finnish air forces engage in joint exercises in the north, operating out of the airbases in Bodø, Luleå and Rovaniemi. Similar cooperation exists between Sweden and Denmark in the south, though it has not yet progressed as far. A deepening of bilateral defence cooperation with Denmark is currently being discussed.

Until now, cooperation on defence equipment has not been one of the most successful parts of Nordic cooperation. There are many reasons for this, some of them to do with security and defence policy and others with industrial policy. There is a common perception that the most productive course for Nordic defence cooperation is instead to focus on education, logistics, maintenance, and training and exercises. With regard to equipment acquisition, it is easier for

³ Stoltenberg, Thorvald. ”Nordisk samarbeid om utenriks- og sikkerhetspolitikk” [Nordic cooperation on foreign and security policy]. Report ordered by the Nordic foreign ministers. Presented in connection with an extraordinary meeting of Nordic foreign ministers in Oslo, 9 February 2009.

the Nordic countries to cooperate on purchasing ready-made products and systems than on developing new systems.

An important demonstration of Nordic cooperation was *Iceland Air Meet* at the Keflavik base in February 2014, when units from Norway, Finland, Sweden and Iceland took part in three weeks of exercises around Iceland, supported by NATO AWACS⁴ and US and Dutch air-to-air refuelling assets. *Iceland Air Meet* was seen to be a success politically and as an exercise.

However, it is impossible to ignore the fact that the exercise simultaneously, and unintentionally, served to illustrate the limitations of the cooperation. There is resistance among certain NATO countries to letting non-allies perform common NATO functions, and Icelandic (and Baltic) Air Policing is one such function. Consequently, the Finnish and Swedish components participated precisely as an exercise, while Norway, as a NATO member, was responsible for the air policing function. Joint air policing over Iceland was one of the 13 proposals in the Stoltenberg Report, mentioned above. This report ignored the resistance in NATO circles to letting outside countries take part in air policing. The resistance came from some European NATO members, concerned about the integrity of the alliance with regard to the performance of tasks coming under Article 5 of the North Atlantic Treaty (i.e. the joint defence obligations). This discussion reflects a dilemma. On the one hand, the participation of outside countries is welcomed if they make a genuine contribution to the capability of the alliance. On the other hand, however, insofar as such contributions can create dependencies and in the long run risk replacing contributions by allies, there is concern that this could lead to a weakening of the alliance's cohesion. Needless to say, any such development would not be in Sweden's interest either. How this balance is interpreted, and where the border lies, is hardly set in stone, and the issue is likely to come up again.

To sum up, Nordic cooperation is extensive and has produced good and promising results. However, there are also obvious limitations to how far the cooperation and integration can go. Some of them can perhaps be overcome, but this assumes a strong and consistent political will from the political level in each individual country.

⁴ Airborne Warning and Control System.

Another major limitation is, to put it somewhat simply, that other things are more important. Mutual cooperation among the Nordic countries is felt by all participants to be a complement to relations outside the Nordic region. No matter what the political rhetoric may be, such non-Nordic relations come first. This may appear obvious for Denmark, Iceland and Norway, which are all members of NATO. They have belonged to this organization since it was established. That choice reflected powerful historical experience, and NATO cooperation has since served to deepen their security policy identity.

It may be less obvious that Sweden, in principle, also finds itself in the same situation. The Swedish Defence Commission's security policy report states that Sweden's cooperation with NATO is vital to the development of relevant, modern, flexible and usable armed forces, both for national defence and for Sweden's capability to carry out operations in and beyond its neighbourhood. Nordic cooperation is described by both the Government and the Swedish Defence Commission as a complement and not a replacement for existing cooperation within the EU and NATO. Having said that, it remains true to say that where Sweden is concerned, Nordic cooperation, in certain respects, also represents an opening for cooperation with NATO.

It is natural for politicians in Sweden and Finland to ascribe an intrinsic value to Nordic defence cooperation and to give it higher priority than other NORDEF members do. But it probably requires a special effort, not least for Swedes, to understand that the historic closeness and cultural likeness that unite the Nordic countries in so many ways do not apply in the area of security policy, because of the issue of alliance membership.

With reference to non-Nordic connections that have higher priority than Nordic cooperation, it is relevant to bear in mind, where Sweden is concerned, the consequences of our own defence industry cooperation. Sweden has a considerably larger defence industry than its neighbours, with long-standing non-Nordic and even non-European cooperation projects on large-scale systems such as combat aircraft, missiles, radar systems and submarines. Such cooperation is an important part of our overall international defence cooperation and a necessary component for reducing the costs to a level at which Sweden itself can afford to acquire large-scale modern

systems. The possibility of sharing the costs of developing and maintaining key but expensive systems such as combat aircraft and submarines with other countries yields savings far bigger than those that can be achieved through more down-to-earth integration in the form of many small-scale Nordic cooperation projects. Consequently, from the perspective of defence economics, the countries, including non-European countries, which Sweden cooperates with on combat aircraft or submarines are at least as important as our Nordic neighbours. And the demands for resources associated with such cooperation may also impinge on ambitions to develop Nordic cooperation.

All the Nordic governments emphasise their lofty ambitions when speaking about Nordic cooperation. However, there has been a gap between the rhetoric and concrete action. To achieve any real economic impact, Nordic cooperation would require difficult political choices and sometimes a willingness to sacrifice the country's own national interests. This can only be carried through by means of sustained, coordinated pressure from the highest political level. All the Nordic armed forces appear to agree that such pressure is not brought to bear to the necessary extent. It may even be the case that the very closeness of the countries fosters a competitive relationship that complicates certain types of compromises, which are necessary in major matters for cooperation, including equipment issues. As a result, NORDEFECO projects devoted to everyday integration are limited in scope, and although valuable cannot change the big picture for each country's defence capability or defence economy.

A series of discussions with representatives of the four Nordic armed forces and officials at the associated ministries of defence also make it clear that the most significant limitation on Nordic defence cooperation lies in the differences concerning alliance membership. No other single factor would stimulate more far-reaching and more effective Nordic cooperation in the way that common membership of a defence alliance, i.e. of NATO, would do. Larger-scale cost-saving and effect-enhancing integration projects presuppose sharing capabilities, roles and tasks, which must build on joint planning and on the types of commitments that are only possible in the framework of an alliance.

In many parts of Europe, there is a tendency towards enhanced regional defence cooperation, and this is simplified everywhere by belonging to a common framework that can regulate the dependencies that inevitably result from effective cooperation. Ultimately, the question of joint planning arises, which in turn means unambiguous lines for decision-making in the event of crisis or conflict. In other words, there is a contradiction between effectiveness and sovereignty that becomes clearer the deeper the cooperation becomes and the higher the conflict levels the cooperation is intended to cover.

In May 2014, the Swedish and Finnish defence ministers signed a joint action plan on more intensive bilateral Swedish–Finnish cooperation. Particularly in Finland, the possibility of a Swedish–Finnish defence alliance has been raised in the security policy debate, though not at the highest political level. A deepening of the mutual bilateral cooperation can also serve as a means of avoiding or postponing difficult decisions that have to do with NATO membership. However, in the Finnish debate there are sometimes suggestions that a bilateral defence alliance with Sweden could be a step on the road towards a broader collective security solution, i.e. within the NATO framework.

The supreme commanders of the armed forces in the two countries have received instructions to study new possibilities in the air force, the navy and the army, and preliminary studies on equipment acquisition. Although the cooperation only refers to peacetime activities, it could potentially extend further than previously and involve not merely exercises, education and training, but also deepened cooperation in air and sea surveillance as well as joint use of infrastructure. The ability to transfer operational command of units between the countries will be studied. A final report is to be delivered to the ministers no later than January 2015. A substantially enhanced level of ambition regarding integration of military forces, joint use and in the longer term perhaps a certain degree of specialisation could undoubtedly strengthen the effect of the Swedish and Finnish defences. Above all, such cooperation would contribute to a higher threshold capability. However, even with such cooperation, the combined Swedish–Finnish defence capability would not be able to offer an independent alternative for defence against a powerful attacker.

6 The European Union

The EU continues to be of fundamental importance for peace and security in Europe, and it is in Sweden's interests to work to strengthen the EU's security role. The middle of the last decade saw rising hopes of enhanced defence cooperation among EU countries, to begin with to support the Common Foreign and Security Policy. However, there have been no breakthroughs regarding a common military capability and the 2009 Lisbon Treaty reflects the fact that the EU, in practice, has taken an indefinite time-out regarding the national defence of its Member States. The EU therefore has no responsibility for Europe's territorial defence at present. For the 22 Member States that are also members of NATO, which account for 95 per cent of the EU's population, it is NATO that provides the foundation for

collective defence and its implementation. Sweden has contributed to all EU crisis management operations and has twice been framework nation for a temporary battle group as a part of the EU's rapid reaction force. We participate in defence equipment cooperation within the framework of the European Defence Agency (EDA), including the attempted rationalisations of resources known as pooling and sharing. This cooperation has been valuable, and the work on the Nordic Battle Group, not least, has facilitated implementation of the Swedish defence reform. It is in Sweden's interests to drive this EU cooperation further. However, the overall effect of EU cooperation on Sweden's defence economy or defence capabilities will remain marginal for the foreseeable future. That said,

in a broader sense the EU, the Common Foreign and Security Policy and the solidarity among EU Member States are naturally vitally important.

The EU is fundamental to peace, security and prosperity in Europe. The integration that has developed over a period of decades has aimed to make war between the Member States unthinkable. The enlargement of the EU has succeeded in encouraging reforms and creating stability in important areas. Strengthening a united Europe with a capacity to act globally remains a fundamental Swedish security interest. However, when the European Communities were established during the Cold War in the mid-1950s, cooperation in the area of defence had already found another solution. The attempts from 1950 onwards to establish a European army had foundered in 1954, and instead West Germany joined NATO the following year. NATO already existed for the national defence of the Member States and the European defence organization that was set up in the form of the Western European Union (WEU) was kept up in almost virtual form so as not to disturb or duplicate NATO cooperation. In 2000, a decision was taken to dismantle the WEU and transfer certain of its functions to the EU.

It was only with the deepening of European integration and the arrival of a Common Foreign and Security Policy in the 1992 Maastricht Treaty that a discussion arose on the need for military resources to support a common European foreign policy. In the 1999 Amsterdam Treaty, the Petersberg tasks (crisis management tasks) were incorporated in the EU's mandate, and a few years later the Berlin Plus agreement was concluded, enabling the EU to draw on NATO's command and control resources for tasks that NATO itself did not want to assume.

A decade ago, the common defence and security policy enjoyed significant successes for a few years. Trust in US leadership had waned as a result of the Iraq war and some of the forms taken by the war on terrorism. The EU had recently adopted its first security strategy and engaged successfully in its first crisis management operations, such as Concordia in Macedonia and Artemis in the Democratic Republic of the Congo. The cooperation also benefited from the good personal relations between several key EU leaders, who were united by a more ambitious approach to the

EU's development in this area. But several of these factors proved temporary, and even before the financial crisis broke out in 2008 the level of commitment and expectations had begun to decline.

The latest EU Treaty (the Lisbon Treaty, which entered into force in 2009) envisions a common defence policy which, in the longer run, will lead to a common defence when the EU's Member States take a unanimous decision to this effect. This formulation reflects a traditional difference between certain Member States in their approach to the development of a European defence and the need to continue to prioritise NATO's role in this area. The latter priority is clearly expressed in Article 42(7) of the Lisbon Treaty¹, which, after speaking of the obligation of the Member States to provide one another with aid and assistance by all the means in their power, goes on to say that for those Member States that are members of NATO, NATO will remain the foundation of their collective defence and the forum for its implementation. Ninety-five per cent of the EU's population lives in the 22 EU Member States that are members of NATO. For them, the NATO treaty will therefore apply in matters concerning the Member States' joint defence. For the other six EU countries which are not in NATO (the non-aligned countries), the Article makes a corresponding reservation by declaring that it is without prejudice to the specific character of the security and defence policy of certain Member States.

The old opposition between adherents of a more independent European defence and those that primarily stand by the transatlantic link plays a lesser role these days than it did a decade ago, when discussions about an independent European defence capability were at their height. Several factors have played a part in limiting the EU's crisis management operations and preventing any breakthrough in the defence area. The enlargement that brought in more than ten central and eastern European countries reinforced the Member States' orientation towards NATO as the fundamental organization for their own defence. Costs and the technological

¹ "If a Member State is the victim of armed aggression on its territory, the other Member States shall have towards it an obligation of aid and assistance by all the means in their power, in accordance with Article 51 of the United Nations Charter. This shall not prejudice the specific character of the security and defence policy of certain Member States.

Commitments and cooperation in this area shall be consistent with commitments under the North Atlantic Treaty Organization, which, for those States which are members of it, remains the foundation of their collective defence and the forum for its implementation."

dependence on the United States have turned an autonomous European defence capability into a distant prospect. The re-entry of France into NATO's military structures in 2009 (after more than four decades' absence) further confirmed NATO's position as the central defence organization.

With regard to the national defence of the Member States, the EU might be said to have taken an indefinite time-out. The Lisbon Treaty reflects this, while still retaining the principle of solidarity, which is politically important as the basis of an alternative possible course if conditions were to change.² However, this concerns a more distant perspective, without relevance for the foreseeable future. Having said that, there is of course the loyalty and political solidarity that comes from increasingly deep EU cooperation, and the significance of this cannot be ignored when taking decisions on matters relating to the Member States' national defence.

The weak development of the EU's defence dimension in recent years must also be seen against the backdrop of increased European dependence on the United States in various respects. European armed forces have largely been converted into expeditionary capabilities, budgets have declined markedly and national defence capabilities have been sharply reduced. While the combined defence budgets of the EU States are several times larger than that of Russia, the military capability exhibits major limitations as a result of a lack of coordination, waste of resources due to needless duplication, outdated systems and inefficient acquisitions directed by narrow national concerns.

Nonetheless, the EU is important for Sweden's defence cooperation in several important areas. The two Nordic battle groups organized with Sweden as the framework nation have played a highly significant role in Sweden in driving the transformation of Swedish defence. Sweden is now preparing to be the framework nation for a new Nordic battle group to be placed on standby for the EU in 2015.

The European Defence Agency (EDA) is contributing to attempts to develop strategic capabilities that are needed for crisis management operations but that Europe lacks, and that are too expensive for individual countries to develop, such as air-to-air refuelling

² Solidarity among the Member States is taken up in Article 42(7) and Article 222 of the Lisbon Treaty.

systems, remote-controlled air systems, satellite systems and cyber defence. Sweden is participating in this work on a selective basis, mainly because of other priorities in Swedish acquisition plans. Over time, the EDA has broadened its approach to include other capabilities on which the Member States need to collaborate. The EDA also has an important role in promoting rationalisation of the European defence industry, for example by encouraging competition and arranging opportunities for cooperation.

The European Commission's ambition to strengthen competition in the European defence industry – by attempting to make the European defence sector a normal area of trade and a part of the internal market – could also yield considerable efficiency gains. Sweden has supported this endeavour, even if, like all other Member States, we want to retain the right to exceptions for essential security interests (Article 346 of the Lisbon Treaty).

For the first time since the Lisbon Treaty entered into force, the European Council in 2013 discussed endeavours to deepen the EU's common security and defence policy, to develop common military capabilities and to strengthen the technological base and international competitiveness of the European defence industry. No specific decisions were taken, but the results of the guidelines issued at the time will be discussed again in 2015.

7 NATO

NATO is the organization that provides the most important international framework and sets world standards for military cooperation. As the link for US engagement in Europe, the Alliance plays a crucial role in the security of our continent, not least the security of Northern Europe and Sweden. Over a twenty-year period, Sweden has developed close cooperation with NATO within the Partnership for Peace. By taking part in all major NATO operations under a UN mandate and in major exercises with NATO member countries in Europe, Sweden has developed cooperation capabilities with the Alliance and its member countries on a par with that of many allies. This cooperation is crucial to the operational capabilities of the Swedish Armed Forces. However, the capacity to cooperate is a perishable good

and need maintaining. Several factors combine to make this, potentially, a more complicated task in the future. No large new international NATO-led operations are foreseen. They will be replaced by advanced exercises, increasingly based on Article 5 scenarios, but it is not obvious that these will be open to participation by partners. The Russian aggression against Ukraine has contributed dramatically to a renewed focus on the Alliance's original tasks, i.e. collective defence, reassurance and deterrence. In important respects, the dividing line between allies and non-allies has become clearer. Various member countries that are concerned about the integrity of the Alliance and the credibility of its guarantees see deeper collaboration with partners as a risk to internal cohesion. NATO's cooperation with 41 partner

countries involves many geographical areas and therefore affects the interests of allies in varying ways. The decision in Wales on a special Enhanced Opportunities

Programme for five countries satisfies Sweden's desire for individual, differentiated, deeper cooperation, even if the programme still has to take definite shape.

The Swedish Defence Commission describes NATO as follows:

NATO is a key actor for European security and integration as well as for international crisis management. It is of great importance that NATO preserves the confidence in the collective security guarantees. The expansion of NATO has reinforced security in Europe, including Sweden and our neighbourhood.[...] Cooperation [with NATO] therefore remains vital to the development of relevant, modern, flexible and usable Swedish armed forces, both for national defence and for Sweden's capability to carry out operations in and beyond its neighbourhood.¹

Since 1994, Sweden has been a member of the Partnership for Peace, the NATO programme for cooperation with countries in Europe, Southern Caucasus and Central Asia that are not members of the organization. Over this period of 20 years, very close cooperation has developed in most areas. Sweden has participated in all major international crisis management operations led by NATO under a UN mandate: Bosnia, Kosovo, Afghanistan and Libya. Particularly through the operations in Afghanistan and Libya, the cooperation has also developed towards very far-reaching integration in information and decision-making processes relating to operations. By participating in the crisis management operations and in NATO-led exercises, the Swedish Armed Forces have developed their own operational capabilities as well as a high degree of interoperability, i.e. a capability to interact, with units from NATO countries.

Alongside Finland, Sweden is considered one of the most interoperable partner countries. Participation in the major NATO operations under UN mandate has played an essential role in securing a high capability to interact and confirmed Sweden's position as an

¹ Ministry Publication Series Ds 2013:33. *Vägval i en globaliserad värld (Choices in a globalised world)*, pp. 218–219. Stockholm: Ministry of Defence, Defence Commission.

important and close partner for NATO. Sweden currently has around a dozen officers serving in NATO structures, primarily in Brussels, Mons, Brunssum and Norfolk.

With the major operations in Afghanistan now coming to an end, 2015 will be the first time in 20 years when Sweden is not participating in any major NATO-led international operation. The interoperability that has been achieved, both between the allies and with partners, will have to be maintained by other means, principally through exercise activities in Europe. However, NATO's partner countries have a less obvious place in these advanced exercises than in international operations, where they contribute tangible added value.

Future exercises in NATO will largely be associated with the NATO Response Force (NRF) established in 2004. The NRF consists of the Immediate Response Force (IRF), a rapid reaction force with the highest degree of preparedness, and a Reserve Forces Pool (RFP) that has a lower level of readiness. The NRF has been open to participation by partners since 2007. Sweden, Finland and Ukraine have registered contributions to the Reserve Forces Pool.² Countries wanting to contribute to the RFP choose themselves which resources to register, what degree of preparedness they prefer and how long the resources will be available. This applies to both NATO countries and partner countries. The readiness requirements are flexible and do not entail any demands for rapid reaction readiness. Participation in the RFP does not oblige a country to participate in the event of a decision to use the NRF in operations.

In response to the aggression against Ukraine, the NATO Summit in Wales in 2014 decided to establish a Very High Readiness Joint Task Force (VJTF) as part of the IRF. This force will be equivalent in size to a brigade and have a capability for use across the entire conflict scale. It will be under orders from NATO's highest military commander of allied forces in Europe, the Supreme Allied

² The Swedish contribution comprises a JAS 39 Gripen unit and a minehunter in 2014, and a JAS 39 Gripen unit and an amphibious company in 2015. The Government decided this year that Sweden's contributions in 2016 and 2017 would be as follows: 2016: A motorised light role infantry battalion with national support unit and an air combat unit (eight JAS 39 aircraft and part of an airbase battalion). 2017: A corvette unit (two Visby-type corvettes with support vessels), an air combat unit (eight JAS 39 aircraft and part of an airbase battalion), a special forces combat group, and staff officers to the tactical staff.

Commander Europe (SACEUR), but NATO's highest inter-governmental decision-making body, the North Atlantic Council (NAC), will exercise political control. The units rotated for regular and sustained (but not permanent) stationing in the Baltic countries and Poland, for example, will probably be drawn from this force.

However, as shown, in the strategic shift that began for the Alliance after the Russian aggression against the NATO partner Ukraine, NATO has focused on collective defence and the credibility of defence commitments. The discussion has come to focus on reassurance of allies and deterrence of potential attackers. Providing military assistance to the partner country Ukraine has never been an option for the Alliance. The issue of developing relations with partner countries remains on NATO's agenda for two of its core tasks, cooperative security and crisis management. But since partner relations are not part of the first core task, collective defence, they cannot receive the same degree of attention in the changed situation. The difference between allies and non-allies tends to be accentuated when the Alliance concentrates primarily on its integrity and its fundamental tasks.

Among certain NATO allies there is doubt and concern that the participation of non-allies in tasks belonging to the Alliance's core activities may have the effect of blurring distinctions in the Alliance and hence undermining its cohesion. The offering of Swedish support, which we would see as an expression of solidarity, could actually be perceived on the other side of the Baltic Sea as a selfish attempt to buy our way into collective protection without needing to assume any defence commitments – an attempt, moreover, that would risk eroding the collective protection of those who consider they need it most. Perhaps this perception gap is merely the result of a lack of clarity in Swedish policy, but the risk that a genuine incompatibility exists cannot be ruled out. “Your solidarity is a threat to our security,” as a centrally placed Baltic politician has said, is deliberately overstating the case, to be sure, but the statement alludes to a state of affairs that most Baltic politicians and experts seem to recognise, and that many Swedish counterparts seem to be unaware of.

Moreover, since NATO has many different partner countries (a total of 41) in many geographical directions, there is a risk of relations even with a very close partner becoming part of a game of

political negotiations and bargaining between different interests in the Alliance. Formalisation of a privileged position for a few very close partners, which Sweden and Finland had worked hard for, could by no means be taken for granted during the preparations for the NATO summit in Wales in September. The five countries identified at this meeting for an Enhanced Opportunities Programme partly reflect the various geographical preferences of the allies (Australia, Finland, Georgia, Jordan, Sweden). The programme opens the way for individual, differentiated, deepened cooperation depending on the capabilities and interests of the partner country. Sweden particularly values more opportunities for regular and predictable cooperation formats in terms of political dialogue, information exchange, interoperability, capability development, and crisis and operational preparedness. This also provides an opportunity for increased participation in military cooperation and structures. Overall, in this respect the Summit was a success for Swedish–Finnish efforts.

The conclusion is that the changed security policy situation may require a great deal of effort on Sweden's part if we are to maintain the status we have achieved as one of the Alliance's closest and most privileged partner countries. The scope for practical solutions in a spirit of good will may also shrink and give way to different member countries guarding positions of principle based on differing national interests. As NATO is an intergovernmental organization based on the principle of consensus, every individual member country ultimately has a decisive influence. As a partner, Sweden will never have its relationship with NATO under its own control.

On the other hand, the Alliance's new focus on the reassurance of the Baltic countries and Poland through increased activities in the Baltic Sea region has made Sweden and Finland even more relevant countries from the perspective of military geography, regardless of how the partnership issue develops in general. This is partly a consequence of the long reach of modern weapons and the large areas involved in modern warfare. The defence of the Baltic States against an attacker with powerful resources could be expected to involve the entire Baltic Sea and most of the Scandinavian peninsula as a potential theatre of operations.

The ability to give and receive military support in accordance with the Swedish declaration of solidarity requires a number of preparations where relations with NATO are concerned. Various formal

and practical arrangements need to be made in advance for a foreign unit to be able to operate in or from Swedish territory. This includes agreements regulating logistical support, as well as agreements regulating legal and administrative conditions. These preparations are known in NATO as Host Nation Support. In practice, Host Nation Support arrangements are decisive for a country's ability to receive military assistance in a manner that is prepared, efficient and administratively correct. In 2010, Sweden made entering into an agreement on Host Nation Support a partnership goal for cooperation in the Partnership for Peace framework. The necessary agreements were signed this year. Once certain legislative amendments have been made, they will probably be able to take effect in 2016.

A memorandum of understanding presupposes voluntary participation by the parties. This means that the agreement is only applicable if Sweden takes a national decision to receive military support from NATO and its allies in connection with exercises, a crisis or war. A memorandum of understanding with NATO would therefore facilitate cooperation with NATO members and partners, i.e. it would also facilitate joint exercises in a Nordic format in NORDEFECO, including Nordic Cross Border Training (CBT).

8 Minilateralism

In view of the complicated issues that are often raised by defence cooperation, there is a tendency to limit participation to a relatively small group of countries linked by geographical or cultural proximity. Many different forms of cooperation have come into being in this way, such as NORDEFECO, the Visegrad Group, between the UK and France, Belgium and the Netherlands, the Netherlands and the UK, the Netherlands and Germany, the Northern

Group and the Multinational Corps North East. At the recent NATO summit, a British-led expeditionary force (JEF) was launched, with Nordic, Baltic and Dutch participation, as was a new multilateral force with Germany as framework nation. The common thread is that the majority of the participating countries are members of NATO, and that the activities are planned so as to be able to be coordinated with, or included in, NATO planning.

Cooperation in the defence area is often complicated, and the more countries involved, the more complicated it tends to be. This applies within the EU and also in an alliance like NATO, where planning involving 28 countries leads to unwieldy processes. There is therefore a tendency for cooperation to be limited in practice to a smaller group of countries, often neighbours, that are culturally close and have similar interests in a given issue. NORDEFECO has already been mentioned as a frequently cited example of good 'mini-lateral' cooperation. Similar cooperation has begun in the Visegrad circle, i.e. the Czech Republic, Hungary, Poland and Slovakia. Large European countries may be satisfied with deeper bilateral cooperation. In the Lancaster House agreement, the UK and France agreed

on far-reaching defence cooperation, including on missile systems and aircraft carriers. As these two countries account for more than half the defence spending of European NATO members and nearly two thirds of their spending on military research and development, this cooperation has far-reaching consequences for cooperation at European level.

Other forms of cooperation between a small number of countries also exist, aimed at developing military capabilities. The EU battle groups are one example. A form of cooperation has been initiated by the UK in northern Europe, designated the Northern Group. Apart from the UK, the Nordic and Baltic countries participate, as well as Germany, Poland and the Netherlands. This cooperation involves regular meetings for discussions on security policy at ministerial and senior official level, the purpose being to deepen current activities and identify new projects. This can serve as a useful complement to other regional cooperation in Nordic and Baltic circles, but of course it cannot replace either the existing regional cooperation or partnership with NATO.

The impulse towards cooperation in smaller groups is partly a response to the difficulty found by multinational institutions (i.e. the EU and NATO) to contribute effectively to the creation of military capabilities. Even among allies, national interests sometimes stand against collective interests in ways that obstruct effective cooperation. In NATO, Germany has initiated capabilities cooperation based on the Framework Nation Concept as a means of building cooperation in smaller groups proceeding from the few countries that have a great breadth of military capabilities. The idea is for a number of smaller countries to gather around a larger country so as to develop new capacities together or to contribute special capabilities so as to ensure that the 'cluster' has full breadth. In the preliminary discussions on the Framework Nation Concept, some NATO partners, including Sweden, have also been invited to participate, and if the concept develops successfully it can be foreseen that it will be open to partner countries. The Framework Nation Concept was given concrete form at the NATO summit in Wales, where a number of countries (Belgium, the Netherlands, Luxembourg, Norway, Denmark, Poland, Hungary, the Czech Republic and Croatia) signed a declaration of intent to join a group led by Germany.

A number of other multilateral cooperation projects involving a limited circle of member countries were also announced at the summit. They included the Joint Expeditionary Force initiated by the UK, in which Denmark, Latvia, Lithuania, the Netherlands, Norway and probably also Canada will participate. Italy launched a project with Hungary, Bulgaria and Slovenia under Italian leadership. Turkey announced its plans to lead a South East European Brigade (SEEBRIG). How these projects, which are multilateral but can be used in NATO, will relate to the IRF/NRF and so to the VJTF is an issue that has not yet been explored.

Another expression of minilateral cooperation is the Multinational Corps North East, the headquarters of which is in Szczecin in northern Poland. The multinational corps is attached to NATO and consists of the three host countries Poland, Germany and Denmark. Additional participants are the other Visegrad countries, the Baltic countries, Croatia and Romania. The three host countries have announced that they intend to raise the corps' level of preparedness, which means it will be expanded considerably and take on a more important role in terms of regional security and the planning of exercises.

The Multinational Corps North East appears set to take on increased importance for NATO's reassurance measures in northern Europe, as the alliance adapts to the new situation following the Russian attack on Ukraine. The headquarters will continue to be multilateral and hence to be part of the NATO forces structure, but will not be included in the NATO command structure. Consequently, it will only be possible to use Szczecin as a headquarters for the VJTF or other operations in the Baltic Sea region after delegation from NATO's operational headquarters in Brunssum. As in other NATO connections, the units involved are drawn from the participating countries' national armed forces. These are prepared to operate together and can, if necessary, be placed at NATO's disposal through national decisions. Sweden has a staff officer stationed in Szczecin.

A general feature of most forms of minilateral cooperation is that they involve countries that are members of the same alliance, which facilitates planning. However, since the parties in the alliance can also, where necessary, rapidly change their joint plans, participating countries that are outside the alliance and hence outside the

joint decision-making process can find themselves in a vulnerable situation.

A quite different type of cooperation in a smaller circle of countries is the LOI group¹, which brings together Europe's six foremost defence industry countries, including Sweden along with the UK, France, Germany, Italy and Spain. The group was formed in 2000 to contribute to a rationalisation and restructuring of Europe's defence industry. During the 15 years it has been operating, it has increasingly come to focus on export control issues, information security, research and development, and industry and market issues. Since the establishment of the European Defence Agency (EDA), the LOI group has largely come to serve as a preparatory instance for the countries' cooperation in the EDA and with the European Commission. Over the years, the LOI group has become more a source of ideas than a forum for negotiations.

¹ The Letter of Intent (LoI) Framework Agreement Treaty.

9 United States

The United States is the world's leading power in terms of both military capabilities and research and development. Most countries therefore want to cooperate with the US. For Sweden, cooperation with the US has a special status due to its technological breadth and its importance for capability development. The Swedish defence authorities are involved in a large number of collaborative groups, and the US interest in cooperation with Sweden remains. At the same time, a review is under way of US commitments throughout the world. A certain rebalancing of focus and resources is taking place as a result of wars over

the past fifteen years now ending and due to cuts in the federal budget. The indications at political level of a US rebalancing to Asia have not yet led to any obvious resource reduction in Europe. The US has strongly emphasized its commitments within NATO, and allies that feel exposed view good relations with the US as the basis of their security. Similar perceptions seem to apply to many allies, and even to Sweden, which is not covered by the guarantees of the Alliance. It could therefore be claimed that being outside NATO makes Sweden even more dependent on the US in defence policy terms.

The United States has a special position in terms of the bilateral relations that Sweden maintains in the area of defence. The Swedish Defence Commission has said the following:

Sweden's bilateral cooperation with the United States is very important, particularly in light of the United States' military capability and technical know-how, and the country's important role in international operations and NATO.

It is in Sweden's interests to maintain and further deepen bilateral relations with the US. As the US is a world leader in terms of military capability development, this area must be a priority for Sweden's defence cooperation in relations with the US. The overall purpose should be to strengthen the Swedish Armed Forces' capability linked to interoperability, capability development, exercises and training, defence equipment cooperation, research and development, and international operations.¹

The United States is without comparison the world's largest investor in military capability and military research and development. The US accounts for more than three quarters of defence investments in NATO. Sweden has a number of agreements with the US on cooperation in many different areas, and there is regular contact between Swedish and US authorities. Numerous cooperation projects are under way within all combat branches. There are four Swedish defence attachés in Washington, and the Swedish Armed Forces currently has a total of three officers in Norfolk, Virginia and Tampa, Florida. The Swedish Armed Forces have applied to the Government for the placement of two liaison officers at the United States European Command and the United States Africa Command in Stuttgart. Several advanced development projects have been completed. To illustrate the importance of the United States, it is often mentioned that approximately 50 per cent of the technical content of a JAS 39C/D is American.

In view of the country's leading military position in the world, it is natural that most countries want to cooperate with the United States. The US network of defence agreements is without parallel in the rest of the world. However, US budget restrictions following the financial and economic crisis have led to a reduction in defence

¹ Ministry Publication Series Ds 2014:20. *Försvaret av Sverige. Starkare försvar för en osäker tid (The Defence of Sweden. Stronger defence for uncertain times)*, p. 97. Stockholm: Ministry of Defence, Defence Commission.

expenditure. US commitments throughout the world are under constant review. However, the clear political signals of a US rebalancing to Asia have not yet led to any obvious reductions in the US resources in Europe. The reductions that have been made are rather a result of the general budget reductions and the end of over a decade of war in Afghanistan and Iraq. After a quarter of a century with three land wars in the Middle East and Asia, there is also a growing hesitancy on the part of the general public in the US about major new commitments in far-off countries, reflecting what is sometimes called 'commitment fatigue'.

Against this background it is not surprising that the US administration, while attempting to reassure its NATO allies, is reviewing its host of commitments throughout the world. The administration is trying to establish some clarity as to which commitments are crucial for its own credibility and for that of its allies. A process of reflection is under way to determine what is a binding commitment and what is not. This kind of endeavour to establish greater clarity is natural in a situation characterised by increased demands for savings, growing shortages in operational resources and competing claims on their possible use. Similarly, the United States' growing impatience over the European allies' own inadequate defence efforts seems understandable.

US dominance in terms of operational military capability – and the sharp decline in equivalent European capability – has resulted in a tendency among those allies that feel exposed to threats to rely primarily on good relations with the United States as the basis of their security. NATO is a political, intergovernmental organization based on unanimous decision-making. There are fears, therefore, that it will take a long time to find answers to aggression that can be diffuse, asymmetrical and hard to define as well.

Bilateral relations with the United States will therefore remain a key issue for many allies, in parallel with their membership of the Alliance. Sweden probably finds itself in a similar situation, though outside NATO and without commitments. This, in turn, means that we are more dependent on the goodwill of the United States outside NATO than we would be if we were a member of the Alliance.

10 Cooperation on equipment

Sweden has long enjoyed well-developed defence cooperation, including cooperation on equipment, with the Nordic countries, certain large European countries and the US. But Sweden cooperates in specific areas with far more countries. To support this kind of cooperation there are memorandums of understanding (MoUs) with some thirty countries. Some of them currently lack specific content, but others are of crucial importance for Sweden's development work. As a small country outside NATO, Sweden has an interest in being present in as many contexts as possible with respect to development

of equipment, which sometimes raises issues of management and priorities. Shrinking appropriations in real terms and a new acquisitions strategy, emphasising the further development of existing systems or purchase of already developed systems, have necessarily had an impact on the level of research and development in Sweden, and thereby our position as a cooperation partner. The trend is towards a weaker position, while still retaining cutting-edge expertise for advanced cooperation in a number of key areas. Reliance on foreign partners is generally growing, in this area as in others.

Sweden has entered into broad memoranda of understanding (MoUs) on cooperation in the area of defence with more than thirty countries. These are agreements that have emerged over a long period and that vary in content and purpose. Several of them are currently dormant, that is, they currently lack specific content. As previously mentioned, the agreement with the US holds a special status. Otherwise this cooperation is focused on the Nordic countries (albeit

regulated in a different way), certain large European countries and countries that have acquired Swedish-developed systems such as combat aircraft and submarines.

All defence cooperation raises difficult issues, and it is almost always characterised by different kinds of national interests, and often by protectionist elements and state aid. However, the defence industry has become internationalised at least as much as any other sector, and the companies operating in Sweden at present are strongly dependent on exports. They have been competitive, and Sweden is currently the world's tenth largest arms exporter. Dependence on exports to countries outside Europe is increasing. Sweden is working for freer competition on the defence equipment markets, and we support the work of the European Commission and the EDA to that end. At the same time, like all other countries, in some cases we have essential security interests that must be prioritised ahead of free competition.

Given the many diverging requirements and interests involved, cooperation on equipment is not only complex but also labour-intensive. It requires planning and management that places great demands for coordination and prioritisation at central level. For example, prioritising defence industry cooperation projects with countries outside Europe can necessitate difficult considerations. It cannot be assumed that we have common defence and security policy interests, or that Swedish defence will benefit.

Traditional Swedish governance has meant that many cooperation projects have been driven by government agencies and industry, and that the role of the Government Offices has not always been active and clear, perhaps for both political and resource reasons. There may be many justifications for decentralised governance, but it can also result in a lack of focus and clarity and unnecessary use of resources. Sweden is keen to engage in new initiatives, following decisions taken by government agencies and at lower levels, with the laudable aim of gathering information. There are many reasons for this, but a small country outside NATO has good reason to try to be present in as many contexts as possible in order to monitor initial stages of development and gather knowledge at a low cost. This is probably in line with our national interests, but it entails a risk that, due to a lack of resources to carry through our involve-

ment, Sweden may be perceived as lacking strategy and consistency in cooperation on equipment.

A more serious development in terms of our cooperation capability is the effect of persistently eroding defence appropriations on the level of domestic research and development. A deliberate change has been made to previous policies, which required participation in the development of all major systems needed by the Swedish Armed Forces. A new strategy was established in the 2009 Defence Resolution. According to the strategy, existing equipment should, where possible, be maintained and upgraded in preference to acquiring new equipment. Where new acquisitions are necessary, procurement should focus on equipment existing on the market, already developed and tested. New equipment should only be developed as a last resort, when needs cannot be met in any other way.

Naturally, such a strategy cannot avoid having an impact on Sweden's status as a prominent partner in international development projects. Decreasing development budgets have made Sweden less interesting as a cooperation partner than previously. The level of research and development is still strong for a country of our size. But it is commonly thought that we are "living on borrowed time" and cannot hope to maintain the role we have previously held in this area. The solution that presents itself is greater specialisation of cutting-edge expertise in research and development in a few key sectors. Continued own expertise in research and development is also needed to be able to assess and procure ready-made systems, i.e. to be a competent customer. The purchase of ready-made systems has advantages but also entails problems, at least for a small country, in terms of being able to influence specifications, ensure maintenance and also safeguard one's own status as a priority customer when competitors are jostling for supply.

But cooperation on equipment can also be pursued without any joint development. It is easier to collaborate on the purchase of ready-made systems, and this can offer substantial advantages. Cooperation with other countries on maintenance and service can also significantly reduce costs.

The conclusion for the development of equipment is the same as for Swedish defence capabilities as a whole: our resources and our capabilities are decreasing in relative terms, and our dependence on

Cooperation on equipment

cooperation is increasing correspondingly. In terms of the development of equipment, we are in a weaker position than previously.

11 Prospects for further developed defence cooperation

The Inquiry's remit includes making proposals on the opportunities for development in international defence cooperation in light of the existing possibilities and limitations, i.e. within the framework of the existing security policy conditions.

All defence cooperation has a cost in terms of resources, and it is therefore impossible to prioritise all cooperation, even where it is possible and would be of benefit. According to the Swedish Defence Commission, the most important criteria for cooperation are that it “contribute to Sweden’s security or provide added value in that it is deemed appropriate and cost-effective and contributes to developing the operational capabilities of the Swedish Armed Forces, including interoperability with key partners”.¹ Given that defence cooperation is also often complicated and governed by many divergent interests, both within countries and between countries, meticulous studies and complex considerations are required. Thorough work by experts is necessary in this area. Outlining the opportunities is, then, not the same as making concrete proposals.

In Chapter 11 of its defence policy report, the Swedish Defence Commission has pointed out a number of opportunities and also made concrete proposals, some of which are among those commented on below.

If there is a political will, it would be possible, by way of illustration – and even within the current limitations – to imagine several projects within NORDEFECO that could generate significant gains in efficiency and effectiveness. This applies, for example to harmo-

¹ Ministry Publication Series Ds 2014:20. *Försvaret av Sverige. Starkare försvar för en osäker tid (The Defence of Sweden. Stronger defence for uncertain times)*, p. 86. Stockholm: Ministry of Defence, Defence Commission.

nised standards for joint acquisition of equipment, joint maintenance and shared life-cycle costs. Another area with major potential, both economically and strategically, is the development of a joint air situation picture by technically linking existing sensor systems.

A particular area that is well suited for future Nordic cooperation is measures aiming to raise threshold capacity, i.e. the war-deterrent capacity given less priority by the Swedish Armed Forces in accordance with the 2000 Defence Resolution, in favour of capabilities for participation in international operations. In the defence policy report, the Swedish Defence Commission once again emphasises the importance of being able to stand up to attack using means that create a threshold for those who might want to attack Sweden.² As a current FOI study points out, the times are over when Sweden could build a defensive capability of denial in case of an armed attack by a major power. Moreover, in practice it is impossible to protect vital public services in a situation of war. According to the cited study, what is therefore needed is capabilities to inflict strategically heavy losses on an attacker, thereby raising a conflict to such a level that external support can be expected.³ Both Finland and Norway are currently building up preventive threshold capabilities. Finland is pursuing this through the acquisition of US missiles with significant range. In the Swedish Defence Commission's opinion, "JAS 39E should be equipped with a precision-guided missile system that can strike against priority ground targets at long range. This would raise the threshold for an adversary to launch military operations against Sweden or Swedish interests."⁴ Some kind of coordination between Finland, Norway and Sweden of these national systems with threshold capabilities would, as emphasized in the cited study, make the concerted threshold capacity more effective. This could be achieved, for example, through mutual cross-border storage and interchangeability to reduce vulnerability, and mutually reinforcing air defence

² Ministry Publication Series Ds 2014:20. *Försvaret av Sverige. Starkare försvar för en osäker tid (The Defence of Sweden. Stronger defence for uncertain times)*, pp. 44 and 56. Stockholm: Ministry of Defence, Defence Commission.

³ Andréén, Krister. *Krigsavhållande tröskelförmåga. Det svenska försvarets glömda huvuduppgift? (War-deterrent threshold capacity. The forgotten main task of Swedish defence?)*, p. 33. FOI, 2014.

⁴ Ministry Publication Series Ds 2014:20. *Försvaret av Sverige. Starkare försvar för en osäker tid (The Defence of Sweden. Stronger defence for uncertain times)*, p. 56. Stockholm: Ministry of Defence, Defence Commission.

measures in certain areas. This could be achieved without running foul of national security policy restrictions, offering the possibility of effective operational cooperation in a conflict situation.⁵

To some extent, the Swedish Defence Commission perspective goes beyond current restrictions on defence cooperation. For example, the ambition for Nordic cooperation is stated to be “successively creating increasingly integrated agencies and planning processes, in which roles are specialised”.⁶ The Commission also observes that the aim of creating joint units would place new requirements on cooperation, including “... joint planning and formal agreements on the conditions for the units’ deployment”.⁷ It also recommends that cross-border air defence training activities (CBT) include Iceland and the entire Baltic region, including the Baltic countries, as well as air policing, where deemed appropriate, and increased possibilities to use each other’s bases when necessary.⁸

The Swedish Defence Commission’s proposals on advanced air exercises in the Baltic Sea region – equivalent to the US Red Flag exercises – could usefully be based in northern Sweden. This area offers prospects of developing more ambitious international cooperation, including with the United States, by arranging advanced exercises. Northern Sweden already has the fundamental structure for CBT between Finland, Norway and Sweden. It also has conditions that are unique in Europe in the form of large exercise areas, limited civilian air traffic, manageable noise issues and the opportunities offered by the Vidsel artillery range. A Nordic/European complement to the US Red Flag exercise would offer NATO countries an attractive training opportunity, while the Swedish Armed Forces could benefit from high-quality exercises at very little additional cost.

Clearly, there is scope for much development in this area. Since the Baltic countries do not have their own combat aircraft, any cooperation on air exercises would also entail collaboration between

⁵ Andrén, Krister. *Krigsavhållande tröskelförmåga. Det svenska försvarets glömda huvuduppgift? (War-deterrent threshold capacity. The forgotten main task of Swedish defence?)*, pp. 66–67. FOI, 2014.

⁶ Ministry Publication Series Ds 2014:20. *Försvaret av Sverige. Starkare försvar för en osäker tid (The Defence of Sweden. Stronger defence for uncertain times)*, p. 91. Stockholm: Ministry of Defence, Defence Commission.

⁷ Ibid, p. 93.

⁸ Ibid.

Sweden and the NATO countries that maintain air policing over the Baltic countries. Exercises involving the Swedish Air Force with landings at Swedish bases, including Visby, could be incorporated as a standard component of activities. As well as involving Denmark, cross-border-training in the south could be developed to regularly involve the German and Polish air forces, rather than only cooperating in connection with their participation in Baltic air policing.

The deeper cooperation between Sweden and Finland, which is currently being assessed based on the action plan, could lead to a new level of deeper integration between the two armed forces. There is no real precedent for this type of collaboration between two non-aligned countries, and there is therefore every reason to take advantage of the opportunity to investigate how far cooperation can be taken, even on such key issues as exchange of information on defence plans and a fundamental harmonisation or coordination of such plans with the aim of increasing national freedom of action.

At a more general level, there are great opportunities to contribute to the military integration between the Nordic and Baltic countries, Poland and Germany deemed desirable by the Swedish Defence Commission.⁹ A range of new initiatives are ongoing between various NATO countries to strengthen planning capabilities and utilise available national military resources more effectively in northern Europe. Sweden already has a staff officer at the Multi-national Corps in Szczecin, but as the corps is drastically expanded due to the new security policy situation, more opportunities for collaboration may open up, including between the Nordic countries, and these should be utilised.

The initiative launched by Germany whereby a 'framework nation' is used as a foundation for creating larger, more all-round units within NATO may, in the longer term, be opened up for participation from partner countries. Swedish interests with respect to both regional security and strengthening interoperability indicate that such possibilities should be considered.

⁹ Ministry Publication Series Ds 2014:20. *Försvaret av Sverige. Starkare försvar för en osäker tid (The Defence of Sweden. Stronger defence for uncertain times)*, p. 19. Stockholm: Ministry of Defence, Defence Commission.

If anything comes of the ongoing discussions on establishing a multinational headquarters for the NATO Response Force (NRF), to which Sweden and Finland contribute, we should work to have a good presence there. Exercises in the Baltic Sea region have already been stepped up and will offer more and more opportunities for Swedish participation in the future.

As previously mentioned, at the NATO summit in September 2014 a decision was taken to expand the possibilities for some partner countries to participate in NATO's activities (see page 45). In light of the Swedish declaration of solidarity, it seems logical that Sweden should take full advantage of the opportunities opened up by the programme. But at the same time, increasingly close cooperation with NATO within the framework of partnership – sometimes simply dubbed “everything but defence obligations” – shines a light on certain dilemmas for Swedish policy, outlined in the next chapter.

12 Sweden's own possibilities and restrictions

The review has so far pointed to a number of possibilities, but also limitations for cooperation with Sweden's main partners: in the Nordic region, in the EU and with NATO.

However, the most significant limitations on further development of cooperation in the defence area are imposed by Sweden itself. Any discussion of new opportunities for cooperation cannot escape examining the limitations which Sweden places on its own international cooperation. The Swedish Defence Commission expresses these boundaries in its 2014 defence policy report:

the importance of guaranteeing the national right to decide on operational capabilities for the defence of Sweden limits the defence and security policy cooperation in which we participate. We [Sweden] are ultimately limited by the fact that we do not assume any defence commitments.¹

The limitations relating to national sovereignty are one component of the foundations of Swedish security policy. Our aim of increased defence effectiveness via enhanced cooperation within the Nordic region, in the EU and with NATO is another one. A third is the possibilities to give and receive military support that follow from the 2009 declaration of solidarity.

These three components – effectiveness, solidarity, sovereignty – comprise the defence policy aspect of the concept of 'security together with others'. However, the problem is that the contradiction among the three components continues to grow. The tension between the requirements of effectiveness, solidarity and sovereignty

¹ Ministry Publication Series Ds 2014:20. *Försvaret av Sverige. Starkare försvar för en osäker tid (The Defence of Sweden. Stronger defence for uncertain times)*, p. 86. Stockholm: Ministry of Defence, Defence Commission.

is increasing, and the result is a growing uncertainty about Swedish policy.

The declaration of solidarity as obligation and opportunity

The Swedish declaration of solidarity is, in the view of the Government and the Swedish Defence Commission, of crucial importance to Sweden's security policy. When unanimously adopted by the Riksdag in 2009, it was expressed as follows:

Sweden is not a member of any military alliance. Threats to peace and our security can best be averted collectively and in cooperation with other countries. It is impossible to imagine military conflicts in our region that would affect only one country. Sweden will not remain passive if another EU Member State or Nordic country suffers a disaster or an attack. We expect these countries to take similar action if Sweden is affected. Sweden should therefore be in a position to both give and receive military support.²

The Swedish declaration of solidarity was inspired by a corresponding formulation in the EU Treaty of Lisbon (see page 37). However, Sweden is the only EU Member State to have made a unilateral commitment covering all other EU Member States and the Nordic countries that are not members of the EU. No other country has made a commitment of solidarity similar to Sweden's. The Finnish declaration does not mention military support this explicitly. The 2011 Nordic declaration of solidarity is not directly comparable either, as it does not mention military threats. The Swedish commitment of solidarity therefore stands out as remarkable, not only in light of our previous – entirely opposite – security policy but also because it is unique among EU Member States. Despite its central place in our own security policy doctrine, the declaration of solidarity is little known or understood in our neighbourhood.

The most common perception among Swedish politicians and experts appears to be that the Swedish declaration of solidarity is not legally binding, but that it constitutes a moral and political commitment that we ourselves define. Because our own defence is not designed – and can no longer be designed – to withstand a

² Report of the Parliamentary Committee on Defence 2008/09:FöU10. *Försvarets inriktning (Orientation of the defence)*. Report adopted by acclamation on 16 June 2009.

powerful opponent alone, we would, in such a case, be dependent on others. From this follows that we have a moral duty, at least, to assist others. The central formula in our security policy doctrine, as cited above, expresses both elementary logic and a universal moral principle rooted in the Sermon on the Mount. But it has scant support in the history of relations between States, and considering how little this commitment has been discussed at political level, it is natural that its actual meaning is open to different interpretations.³

The Swedish declaration of solidarity implies full and total acceptance of the solidarity clause in the Treaty of Lisbon. It is therefore a commitment that does not necessarily bind us to provide military support – but certainly some form of assistance to any country that has been attacked. The difference in international law terms between Article 42(7) of the consolidated Treaty on European Union and Article 5 of the North Atlantic Treaty is actually negligible. Both provisions are legally binding, but give member countries freedom to show solidarity as they choose. The difference between these two binding commitments primarily concerns credibility in the implementation of the commitments. The difference between NATO's renowned Article 5 and the Swedish declaration of solidarity is therefore not as big either as is sometimes supposed in the Swedish debate. Our declaration of solidarity also constitutes a binding commitment under international law.

There is, therefore, no legal obligation to provide military support in either NATO's Article 5 or the Swedish declaration of solidarity – but certainly a political/moral expectation that such assistance will be given. Obviously, the political pressure will be much greater in NATO, because solidarity and credibility within the Alliance are much greater. But it is nonetheless a question of a difference of degrees, not a difference of type with respect to the Swedish commitment. And, as outlined below, the integration into the EU and with NATO achieved by Sweden over the last quarter of a century will also lead to expectations – and to political pressure – on our own solidarity.

³ For a detailed discussion of the possible interpretations and consequences, see Hugemark, Bo (ed.). *Till bröders hjälp: med sikte på svensk solidarisk strategi*. Stockholm: Royal Swedish Academy of War Sciences, 2011. (Translated as *Friends in Need. Towards a Swedish Strategy of Solidarity with her Neighbours*, 2012).

Solidarity is a mutual concept – it requires a kind of symmetry, in a way reflected in the declaration of solidarity itself. One cannot reasonably expect *one type of support*, i.e. military, but retain the right to only provide *a different kind of support*, i.e. non-military. The political pressure and political price for a member of an alliance that does not play its part would certainly be higher than for a partner that does not, but it would be naive to think that behaviour that disappoints expectations does not carry a political price simply because it can be explained with reference to a formal, legal freedom of action.

The increased relevance of the declaration of solidarity

The Swedish declaration of solidarity was issued in 2009. Subsequent years were characterised by continued progress in building a security order in Europe based on common values. War in Europe appeared, if not inconceivable, at least extremely unlikely, even if there was no lack of warning signs. The uncertainty surrounding the meaning of the Swedish declaration of solidarity and the low level of awareness of its content abroad can be at least partly explained by relatively optimistic assumptions about the future.

This year, 2014, has changed all that. Following the Russian attack on Ukraine, our Baltic neighbours and Poland have become a focal point for NATO's reassurance policy. The Baltic Sea region has become an arena for revived antagonisms between Europe and Russia. It is a common perception – with reference to the geographical fundamentals and operational realities – that in order for NATO to be able to give substance to the defence guarantee to the Baltic countries, it will probably have an interest in Swedish territory. There are strong indications that military geography, technology and available military forces mean that parts of Sweden will be affected in a conflict, whether we want it or not. It is in the nature of things that, as a non-allied, we have no knowledge of the Alliance's view on these matters. While Sweden has enjoyed good insight and participation in the planning of, for example, the operation in Afghanistan, corresponding insight cannot, for formal – and fundamental – reasons, apply for our own neighbourhood as it raises issues of the Alliance's collective security.

How and whether we will be affected by a conflict in our own neighbourhood cannot, therefore, be planned with others in peacetime. Nor can we know how a limited and perhaps unclear attack on Sweden would be perceived by the Alliance. The concept of 'security together with others' raises the question of joint defence planning with other countries, but this is a question with no unequivocal answer in existing Swedish guidelines. On the one hand, joint defence planning with another country implies a kind of binding commitment, since it involves two parties making themselves dependent on each other in military terms. Such an obligation is not possible within the framework of existing Swedish restrictions. On the other hand, the Government Ordinance (2007:1266) with instructions for the Swedish Armed Forces states that the Swedish Armed Forces are to be able to carry out their tasks independently but also in cooperation with other government agencies, countries and organizations (section 2). Subsequent sections of the Ordinance state that the Swedish Armed Forces are to have operational planning for their tasks, and that planning is to include all resources that are necessary to implement the activities of the Swedish Armed Forces. They also state that the Swedish Armed Forces are to be in a position to provide and receive military support. However, such support cannot be planned with others – at least under the current interpretation – without a special government decision.

Despite these restrictions with respect to joint planning, as stated above, it is the Swedish Defence Commission's perception that "Sweden should seek to promote closer political, economic and military integration between the Nordic and Baltic countries and Germany and Poland. We are all neighbours in a common security policy environment around the Baltic Sea."⁴

⁴ Ministry Publication Series Ds 2014:20. *Försvaret av Sverige. Starkare försvar för en osäker tid (The Defence of Sweden. Stronger defence for uncertain times)*, p. 19. Stockholm: Ministry of Defence, Defence Commission.

Need to clarify the contents of solidarity

With the declaration of solidarity as part of the foundation of Swedish security policy, Sweden must reckon with expectations that we will take part in the reassurance measures that NATO is carrying out in the new situation and planning to carry out in our neighbourhood in response to a new potential threat from Russia. This has already happened in the form of allowing NATO's airborne warning and control system (AWACS) to transit Swedish airspace, and Swedish participation in sea, land and air exercises. The reassurance measures are a response to the Russian attack on Ukraine. Russian conduct in the Baltic Sea region has also become more offensive.

If we choose to develop solidarity through increased participation in NATO exercises in the Baltic Sea region – and thereby take part in NATO's reassurance and deterrence actions in our neighbourhood – our conduct will naturally come to be increasingly identified with that of the Alliance. In other words, for reasons of solidarity we are prepared to contribute to NATO's preventive activities in our neighbourhood, but for reasons of sovereignty we do not want to accept the aspect of this commitment that other participating countries see as the main motive for such collaboration, i.e. the joint, collective protection. It is a fact that in the world around us this attitude is perceived as puzzling and surprising.

The confidence in one's own indispensability

Anyone seeking explanations for Sweden's attitude will quickly find two perceptions among both experts and politicians. The first is that Sweden, as an EU Member State and active and close cooperation partner of NATO, is so integrated through the bonds of loyalty, common values and interests and identification that, as a bonus, we can count on military support in the event of a conflict. The second perception is that, geographically, Sweden occupies such a central and valuable position in military terms that our territory is indispensable to the defence of both the Nordic and Baltic regions. This means that NATO would have a strong self-interest in defending Sweden to prevent the opposing side from using our territory in connection with a conflict.

This 'confidence in one's own indispensability' played an important part in Sweden's deliberations during the Cold War, when Sweden still had its own considerable defence capability, and any conceivable attack on Sweden would have been directly linked to a rapidly escalating major conflict in Europe. This assurance persists, even though our defence capabilities have decreased substantially, Poland and the Baltic countries have become members of NATO and the link between any possible attack on Sweden and a major conflict has become weaker and more diffuse. Even though new military strategic conditions mean that Sweden's territory does not have the same importance that it did previously, it can be assumed that parts of the country (air bases, airspace, protected coastlines, etc.) remain important cogs for anyone planning an attack or defence in northern Europe – at least in so far as no side would lightly accept these areas falling under the control of the opposing side. A credible capability to prevent or delay this happening was previously – but is no longer – a key part of Sweden's defence.

Swedish assumptions of continued indispensability may seem plausible, but they are difficult to verify, and they are far from offering any guarantee that the support we claim to expect can actually be provided in the event of an attack, or that intervention in such a case would come on the terms and in forms that we ourselves can accept. The latter aspect, in particular, requires consideration. Naturally, the link between any possible attack on Sweden and NATO's strategic interests remains, but it cannot be assumed today that it is as strong and automatic as it was during the Cold War. In recent times, there have been a number of signals from NATO, both publicly and bilaterally, that Sweden cannot count on assistance from NATO in the event of an attack. Such signals cannot be dismissed, as they reflect essential changes not only in our own country, but also in the world around us.

An end to the blessing of ambiguity

As previously mentioned, the heightened security situation in Europe has contributed to clearer lines being drawn between allies and non-allies of NATO. In addition, the resources of NATO member countries that might be available in a conflict have decreased

dramatically. The perception of threats also increasingly tends to differ among allies, and the intergovernmental decision-making process for operations, which is based on the principle of consensus, may take longer and be more difficult than previously assumed.⁵

If these limitations apply to NATO allies themselves, who are covered by the NATO guarantee, then of course far greater uncertainties apply to a partner country outside the Alliance. An inclination to be convinced of one's own importance is probably shared by many other countries. In Sweden's case it is also based on a long security policy tradition that is rightly perceived as successful. The price of success, however, is that the policy is not subjected to any unbiased scrutiny when conditions change. What could be called the 'blessing of ambiguity' lay in the confidence that Sweden would be protected by NATO, without any need for us to contribute to tension in our neighbourhood by becoming a formal member of the Alliance. This was, in many ways, a wise policy in the conditions of the time. But several of these conditions have changed, and the combination of commitments and assumptions on which this blessing of ambiguity was founded do not apply to the same extent as before. Without a thorough analysis of the consequences of these changes, there is a risk that the currently prevailing form of 'security together with others' will be weighed down by more and more contradictions.

As stated, the two most important changes that led to this contradictory situation are as follows. The relatively credible Swedish defence capabilities that existed during the Cold War are now gone. This is a result of general processes that have had a similar effect on most countries. In addition, we have bound ourselves to commitment in a spirit of solidarity with our neighbours and other EU Member States, which, in a more tense security situation, exposes

⁵ Krister Andrén formulates the situation as follows:

"Article 5 remains the core of the Alliance, but an immediate, concerted military reaction from the whole Alliance is currently not the likely response to every limited military act of aggression. The political decision-making process is built on consensus and can, in unclear, difficult-to-interpret situations, take a considerable amount of time. The political decision alternatives depend not least on the actual possibilities for military action that are available." Andrén, Krister. *Krigsavhållande tröskelförmåga. Det svenska försvarets glömda huvuduppgift? (War-deterrent threshold capacity. The forgotten main task of Swedish defence?)*, p. 42. FOI February 2014.

us to risks without offering us the security in solidarity sought by our NATO neighbours.

This is the fundamental discrepancy that has arisen as a result of the tendencies outlined above. The tension between the requirements of effectiveness, sovereignty and solidarity cannot be eliminated within the framework of the current restrictions.

13 Conclusions

Three main conclusions can be drawn from this inquiry.

The overall conclusion is that no part of our international defence cooperation can, under present conditions, offer the kind of increases in efficiency or capability-raising effects that would make a decisive difference to Sweden's defence economy or defence capability. A great deal of important and constructive work has gone into new forms of cooperation, and many positive results have been achieved. Thanks to international cooperation, effectiveness has been increased and savings have been made, and it has been possible to retain certain capabilities that otherwise might have disappeared. But in the broader scheme of things, the effects remain marginal, in the sense that they do not alter the overall picture of the fundamental problem – the gap between the tasks of the Swedish Armed Forces and their overall capabilities.

Furthermore, Sweden's economic situation does not allow us independently to raise budget appropriations in order to recreate anything resembling a "strong defence relative to our circumstances", such as we had before the end of the Cold War. Consequently, in the event of a conflict we are dependent on support from outside. This is obvious both from the configuration of our defence forces and from official policy statements. It is a well-known fact and generally accepted by all experts. For its national defence, Sweden therefore has to rely on cooperation with other countries, which mainly means NATO and countries that are members of NATO.

The second conclusion therefore concerns Sweden's increasingly deep cooperation with NATO. Sweden's policy of non-alignment during the Cold War had to be pursued with the restrictions that followed from the bloc divisions and the bipolar confrontation that dominated Europe. The policy of neutrality was an expression of a

rational assessment of Sweden's national interests in the prevailing situation. It was successful and served the country well. It also contributed to stability in our neighbourhood. Since the end of the Cold War, Swedish security policy has gradually moved towards increased solidarity and assumption of responsibility for Europe's security. The new opportunities for joint contributions to Europe's security, both in the EU and in NATO, have been well used.

As indicated, over a period of 20 years Sweden has developed increasingly close relations with NATO. Valuable contributions to the international operations as well as diplomatic efforts have helped raise our partnership to a unique level of closeness to the Alliance. But even so, we cannot bridge the gap that exists between membership and non-membership, which may now widen rather than narrow under the pressure of new tensions in Europe.

For more than a decade, Russia has gradually but increasingly clearly moved away from the climate of cooperation based on common values that was expected to form the basis of the new European security order after the fall of the Berlin Wall. This means that one of the premises of Sweden's solidarity-based security policy has gradually changed. The new situation following Russia's attack on Ukraine and NATO's response in the form of increased reassurance measures in northern and southern Europe has brought the inherent contradictions in Swedish security policy more clearly into the open than before. Solidarity-based involvement in NATO activities is leading Sweden to identify more explicitly with the Alliance's measures and interests in the Baltic Sea region. Our involvement continues to develop in a way that is logical based on our own declarations and our interests and values – and it appears to enjoy the support of the Swedish people.

At the same time, as a result of this integration our perceived behaviour, viewed from the outside, becomes even more difficult to distinguish from the behaviour of the NATO countries. Our expectation that in the event of a conflict we will be perceived differently than NATO allies – i.e. the possibility of reducing the risk of being drawn into a conflict – rests on what appears to be increasingly weak foundations. Instead, it seems reasonable to assume that the risk Sweden faces is increasing, since we do not share in the collective, joint protection. In some people's opinion, the very lack of such protection could contribute to lowering the threshold

for an attack, and could therefore in itself be a source of instability in the region. This discussion should lead to a sober and objective risk analysis and to a study of how the risk can be reduced. That can be done either by reducing the risk behaviour by returning to a more traditional, restrictive form of non-alignment (with all the consequences that would have for our ongoing cooperation), or by increasing our protection by participating in joint, collective defence.

Swedish membership of NATO would have far-reaching consequences for our prospects of cooperating with others so as to achieve a greater defence capability of our own, not least, as emphasized by the Swedish Defence Commission, in Nordic and Nordic-Baltic formats. It would also increase our opportunities to cooperate on the use of these capabilities in peace, crisis and conflict. Moreover, membership would solve the persistent problem of a lack of information and influence in matters of the greatest importance for the security of Sweden and our neighbourhood. Membership would unquestionably make Sweden a weightier and more influential security policy actor, not just in terms of participation in NATO decision-making processes but also in the context of broader cooperation in the UN, the EU and the OSCE. Any long-term development towards establishing a European defence will proceed by strengthening the European pillar of NATO, which means that our role within the EU would also be strengthened by NATO membership.

At the same time, a decision on Swedish membership of NATO could of course influence regional security in other ways that also require thorough analysis. What is at issue, primarily, is Russia's potential reaction, how this is to be interpreted and what significance we wish to ascribe to it and its effects on regional security.

However, membership – paradoxically enough – would not violate what may be our most important limitation to the extent often assumed when the issue is discussed, namely, the reservation against entering into binding commitments in the defence area. Article 5 of the NATO treaty is not more legally binding in this respect than Article 42(7) of the Lisbon Treaty or our own declaration of solidarity. The political pressure, on the other hand, would be greater if we were a member of NATO, since there are stronger political expectations on allies to act in solidarity. NATO is the strongest expression of solidarity in defence policy in our part of the world.

The question of how Sweden's freedom of action or foreign policy scope otherwise would be affected should also be included in such a study. A NATO inquiry could usefully apply a sovereignty estimate similar to the one implemented ahead of the decision on Swedish EU membership 20 years ago, even though NATO, unlike the EU, is not a supranational organization.¹

This report can therefore not ignore NATO membership as a key issue for Swedish security policy. Pointing to its significance clearly lies within the framework of the inquiry's mandate. The inquiry does not see it as its task to take a position on Swedish NATO membership in the form of a proposal. As stated, the issue involves more than the efficiency and effectiveness of international defence cooperation, and it should therefore be studied from every angle, as has been done in Finland, on the basis of objective security policy benefits and interests and shedding light on both advantages and disadvantages. Such a study should make membership itself the focus of examination, which has not been the task of this inquiry. It should also include an analysis of the consequences of Sweden continuing to remain outside the Alliance, including the consequences for our current cooperation projects – and therefore for our military defence – of returning to a more restrictive line of non-participation in alliances. The inquiry should be conducted under reasonably calm circumstances, i.e. it should not wait until an acute crisis has arisen in our immediate neighbourhood.

The third conclusion is that it would be an advantage to undertake such a study jointly with Finland. Most countries covered by the Swedish declaration of solidarity have stated that regional security would be strengthened if Sweden joined NATO. One exception is Finland, which has not taken a position on the issue. A similar observation can be made regarding Finnish membership of NATO – with Sweden as an exception, i.e. a country that does not take a position.

In both Sweden and Finland there is a perception that NATO membership is not currently at issue. Another shared perception, even if not expressed so clearly, is that membership could not be an issue for just one of the countries; if it were to arise, the issue should

¹ Swedish Government Official Report SOU 1994:12. EC impact analyses: Subsidiarity. *Suveränitet och demokrati (Sovereignty and democracy)*. Stockholm: Fritzes.

be considered by both countries at the same time. As mentioned, Finland has already conducted a number of studies on the consequences of Finnish NATO membership, most recently in 2007. The latest study does not take a position for or against but offers a factual review of the effects in various areas of NATO membership, from the perspective of Finland's best interests. Seven years have passed since the latest Finnish study was made, and much has changed in Europe during this time.

Sweden and Finland essentially share the same opportunities and limitations in international defence cooperation. This year, the defence ministers of Sweden and Finland have signed an ambitious action plan in which one of the areas for future cooperation is to "conduct common studies concerning issues such as common challenges and defence cooperation"². It ought to be an advantage for the bilateral cooperation to find expression in a joint study of the effects of Sweden and Finland joining NATO at the same time, from the perspective of both countries' security policy interests, not least the possibility of mutual cooperation and deeper cooperation among the Nordic countries, in a changed situation in Europe.

² Annex to government decision of 16 April 2014 (Fö no 2). "Action Plan for Deepened Cooperation between Finland and Sweden".