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Reducing the Risks of Conventional Deterrence in Europe

Arms Control in the NATO-Russia Contact Zones

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Executive Summary

In recent years, NATO and Russia have returned to a mutual deterrence relationship following the progressive erosion of the cooperative security policies they had pursued for one and a half decades after the end of the Cold War, which had resulted in an unprecedented reduction of nuclear weapons and conventional armed forces in Europe.

The risks inherent in the current situation no longer present any danger of large-scale offensive action on a continental scale. Instead, current threat perceptions on both sides concentrate on the eventuality of cross-border offensive operations in sensitive areas where Russian and NATO armed forces may directly engage with each other. This is particularly acute in the Baltic and the Black Sea areas.

The political leaders in Russia and the NATO States so far seem to consider the risk of an unintended escalation of dangerous military incidents in Europe acceptable and believe that this can be managed by traditional risk reduction measures. However, current developments are increasingly driving the two sides into a security dilemma with inherent worst-case scenarios. Each military enhancement by one side, perceived by that side as a justifiable response to the threat from the other, is in turn perceived by the other as a threatening escalation of the arms race. These mutual perceptions of threat then produce a spiral of escalation that could lead to instability and the potential breakdown of deterrence in a crisis.

We believe that the current developments are dangerous and need to be stopped and, if possible, reversed, as they are prone to risks of escalation that may be triggered not only by dangerous military incidents engaging Russian and NATO forces, but also by developments in their neighbourhood. For instance, any significant re-escalation of military hostilities in Ukraine, pushing NATO, Russia or both to intervene directly or indirectly, may quickly grow into a direct military engagement in the most sensitive areas along their shared border.

The principal objective of this study is to identify measures to reduce the risks of further escalation by stabilizing the deterrence relationship in the sensitive NATO-Russia contact zones through arms control and other political means of crisis management.

For the purpose of this report, we focus on the Baltic Sea region. We propose the establishment of a Baltic contact zone. Such an area could include Estonia, Latvia, Lithuania, Poland, the part of Germany ("Neue Bundesländer") where according to the Two-Plus-Four Treaty foreign armed forces and nuclear weapons or their carriers will not be stationed, (equivalent parts of) the Western Military District of Russia, and Belarus. In this zone the permanent and temporary deployment of armed forces as well as the size and character of military exercises would be limited. All measures would be subject to a strict transparency regime.

Rapid deployment and long-range strike potentials beyond this zone would be subject to a notification and observation regime.

Such an arrangement would include NATO member States, Russia and Belarus, building on the NATO-Russia Founding Act and its further development supported, as far as necessary, by certain provisions

of existing agreements such as the (A)CFE Treaty, the 1999 CFE Final Act, the Vienna Document 2011, and the Open Skies Treaty.

Our approach combines two advantages:

First, it concentrates on the perceived dangers of "surprise attack" and crisis escalation in the NATO-Russia contact zones as a result of the increased build-up of conventional deterrence structures.

Second, it does not call for new arms control instruments, but for the adaptation of existing ones based on the assessment that the second option is easier to achieve than the first.

Introduction

In recent years, NATO and Russia have returned to a mutual deterrence relationship following the progressive erosion of the cooperative security policies they had pursued for one and a half decades after the end of the Cold War. This cooperative trend had resulted in an unprecedented reduction of nuclear weapons and conventional armed forces in Europe; however, it may reverse or may have already reversed and lead to a new arms race in Europe.

Unlike the situation during the Cold War, the risks inherent in the current situation no longer present a danger of large-scale offensive action on a continental scale. Instead, current threat perceptions on both sides concentrate on the eventuality of cross-border offensive operations in sensitive areas where Russian and NATO armed forces may directly engage with each other. This is particularly acute in the Baltic and the Black Sea areas, where the military activities of Russia and NATO have increased and the postures are changing. Although the military risks are linked to sub-regional scenarios, they are embedded in the wider European security context and involve major military powers and NATO as an alliance.

As the political stakes are high and the military risks only appear to be of a sub-regional nature, the political leaderships in Russia and the NATO States so far seem to consider the risk of an unintended escalation of dangerous military incidents in Europe acceptable and believe that this can be managed by traditional risk reduction means.[1] However, current developments are increasingly driving the two sides into a security dilemma with inherent worst-case scenarios leading to an arms build-up. Each military enhancement by one side, perceived by that side as a justifiable response to the threat from the other, is in turn perceived by the other as a threatening escalation of the arms race. These mutual perceptions of threat then produce a spiral of escalation that could lead to instability and the potential breakdown of deterrence in a crisis. This, in the end, reduces the security of all rather than increasing the security of any of the parties. Therefore, we see a need for a more comprehensive risk reduction approach using the instruments of conventional arms control (CAC), including confidence- and security-building measures (CSBM).

The worsening military situation is accompanied by deep political alienation. The stock of confidence between the NATO States and Russia is almost exhausted. The sides are telling contradictory and almost mutually exclusive narratives.[2] It is difficult to find shared starting points for discussion.

Russia complains about its exclusion from political decision-making in Europe, breaches of international law by NATO States, and a NATO military infrastructure approaching the territory of Russia.

NATO States complain that Russia has severely breached international law with its annexation of Crimea and its activities in Eastern Ukraine.

1 On efforts to reduce the risk of military accidents and incidents, cf. Thomas Frear, Lessons Learned? Success and Failure in Managing Russia-West Incidents 2014–2018, London 2018 (ELN Euro-Atlantic Security Policy Brief); Denitsa Raynova/Lukasz Kulesa, Russia-West Incidents in the Air and at the Sea 2016–2017, Out of the Danger Zone?, London 2018 (ELN Euro-Atlantic Security Report).

2 Cf. Christian Nünlist (principal author)/Juhana Aunesluoma/Benno Zogg, The Road to the Charter of Paris. Historical Narratives and Lessons for the OSCE Today, Vienna 2017 (OSCE Network of Think Tanks and Academic Institutions).

Some NATO States have adopted the policy that this must be rectified first before NATO can again engage with Russia in arms control and other cooperative political action, as an engagement in arms control under the current conditions would contribute to legitimising Russian behaviour. They have, however, expressed interest in applying traditional risk reduction mechanisms.

Other NATO States assess the current situation as so tense that there should be no political preconditions for engaging in serious arms control measures that go beyond traditional risk reduction.

In this paper we have adopted the latter view. This is an exploration of what can be done if a political consensus emerges that the current developments are dangerous and need to be stopped and, if possible, reversed, as they are prone to risks of escalation that may be triggered not only by dangerous military incidents engaging Russian and NATO forces, but also by developments in their neighbourhood. For instance, any significant re-escalation of military hostilities in Ukraine, pushing NATO, Russia or both to intervene directly or indirectly, may quickly grow into a direct military engagement in the most sensitive areas along their shared border.

Therefore, we explore in this study which specific and targeted conventional arms control measures are urgently needed, not only to mitigate the risk of an escalation of dangerous military incidents, but primarily to prevent rapid and covert concentrations of forces capable of conducting offensive cross-border operations in sensitive areas along the NATO-Russia border.

Such areas are located, in the first instance, in the Baltics. Here, threat perceptions on the Western side no longer exclude worst-case scenarios of offensive action by Russia that could violate the territorial integrity of the Baltic States. Reciprocally, Russian worst-case scenarios assume the possibility of a NATO attack on the Kaliningrad region – a Russian enclave surrounded by alliance members. Both sides deny having such intentions. However, whether or not these worst-case perceptions are well founded, they seem to be at the core of the current changes in the Russian and NATO postures, particularly because both the Baltic States and Kaliningrad seem to be the most vulnerable areas on both sides. The recognition of these vulnerabilities has informed recent measures taken by both Russia and NATO.

These developments are unfolding against the background of a progressive erosion of the arms control regimes that were vital for keeping military postures in Europe transparent and predictable, and in avoiding misperceptions or miscalculations. This erosion is continuing despite the fact that arms control and mutual transparency are of particular importance in managing adversarial relations in times of increasing tensions. Accordingly:

> "[Arms control] involves strong elements of mutual interest in the avoidance of a war that neither side wants, in minimizing the costs and risks of the arms competition, and in curtailing the scope and violence of war in the event it occurs."[3]

3 Thomas C. Schelling/Morton H. Halperin, Strategy and Arms Control, New York 1961, p. 1.

Arms control is not business as usual among friends, but presupposes political tensions and divides:

> "It is, furthermore, only the existence of political tension that makes arms control relevant. It is relevant when tension is at a certain point, above which it is impossible and beneath which it is unnecessary."[4]

We believe that the looming arms race in Europe has not yet become irreversible, but may become so in the future. This is why we believe that urgent action is needed to mitigate existing threat perceptions and to make a further increase in the deterrence capabilities of both sides unnecessary.

While the impact of the nuclear dimension on the conventional level is briefly touched upon, nuclear arms control as such is outside the scope of this study. The same is true for cyber threats that should be addressed in a different framework. Furthermore, we will not deal with a number of issues that belong without doubt to the thematic area of CAC in Europe, namely the relationship between arms control and crisis management or arms control in non-recognized *de-facto* regimes. The reason for this is that we intend to concentrate on the key issue of risk reduction in the NATO-Russia relationship by means of conventional arms control.

Chapter I of the report analyses the most relevant trends in the current politico-military situation in Europe. Chapter II formulates the objectives of an arms control concept aimed at risk reduction and outlines its general principles and basic approach. Chapter III addresses the issue of arms control in the contact zones, taking the Baltic region as an example. The report concludes with a brief outlook (IV).

4 Hedley Bull, The Control of the Arms Race. Disarmament and Arms Control in the Missile Age, London 1961, p. 75.

The Current Politico-Military Situation I.

This chapter analyses the current threat perceptions and military postures in Europe that have led to a deterrence relationship between NATO and Russia (section 1). Any deterrence relationship implies a number of risks, the levels of which are the result of escalation drivers (section 2) and political attempts to contain and control the level of confrontation (section 3).

1. Changing Threat Perceptions and Military Postures in Europe

A bilateral or multilateral mutual deterrence relationship is a complex set of necessarily subjective threat perceptions, military postures and activities. In order to keep the analysis focused, the following illustrative examples are mainly taken from the Baltic Sea region.

Threat perceptions have profoundly changed since 2013/2014. In early 2014 and with reference to 2013, a publication of the OSCE Network of Think Tanks and Academic Institutions stated:

> "There has been a strong trend of convergence of threat perceptions towards a focus on perceived internal and transnational threats, whereas the perception of classic military threats has faded away, at least in most states."[5]

Today, Russian and Western threat perceptions sound completely different and are almost diametrically opposed. In the "Defence Concept of the Republic of Poland" from May 2017, we can read:

> "Russia openly declares NATO to be the main threat to its security despite numerous actions by the alliance emphasizing its defensive character [...] Taking into account the asymmetry of military capabilities between Russia and NATO's eastern flank members, such a situation creates a direct threat for Poland and the region."[6]

Latvia's perception of the politico-military situation goes in the same direction:

> "The aggression in Ukraine fuelled by the Russian Federation has presented significant challenges to the security in Europe and global international order. [...] The actions of the Russian Federation have significantly worsened the security within the Euro-Atlantic area and have created long-term effects on the national security of the Republic of Latvia."[7]

The German White Book 2016 also speaks of Russia's readiness "to assert its own interests with forceful means". "This has profound consequences for security in Europe and thus also for the security of Germany."[8]

5 Wolfgang Zellner (co-ordinator) et. al., Threat Perceptions in the OSCE Area, Vienna 2014 (OSCE Network of Think Tanks and Academic Institutions), p. 39. The study was based on 18 country studies completed in late 2013.

6 Ministry of National Defence, The Defence Concept of the Republic of Poland, Warsaw, May 2017, p. 23.

7 Republic of Latvia, The National Security Concept (informative section), 2015, p. 3.

8 Die Bundesregierung, Weissbuch 2016. Zur Sicherheitspolitik und zur Zukunft der Bundeswehr [The Federal Government, White Book 2016. On Security Policy and the Future of the Bundeswehr], Berlin 2016, p. 31 (own translation).

Non-aligned State Sweden's threat perceptions are basically in line with those of the three quoted NATO States: "[...] the Defence Commission outlined the deteriorating security situation in Europe, particularly in light of the Russian aggression against Ukraine."[9]

On the opposite side, the 2014 Military Doctrine and the 2015 National Security Strategy of the Russian Federation[10] define NATO activities as a major risk that could evolve into a direct military threat. At the same time, the Military Doctrine implies a shift of military risks and threats into the information and domestic spaces while assessing the probability of a large-scale war against Russia as decreasing.

In the context of Russia-NATO relations, the military threats perceived in the Russian Military Doctrine reflect growing concerns pertaining to the vulnerability of the Kaliningrad region to a hypothetical attack, the recently increased forward presence and military activities of NATO on the eastern flank and the Black Sea, and the possibility that Ukraine may eventually become an arena for Russia-NATO confrontation.

Threat perceptions on both the Russian side and the Western side (including non-aligned states) are directly contrary to one another and mutually exclusive. For the West, Russia's action in and towards Ukraine is the cause of the worsening situation, whereas Russia denies its military involvement there and asserts instead that people in the Donbas legitimately resist Ukrainian governmental action.

Military postures. The change in military postures largely reflects altered threat perceptions. NATO has deployed a "Forward Presence of four multi-national combat-ready battalion-sized battlegroups in Estonia, Latvia, Lithuania, and Poland" of "over 4,500 troops from across the Alliance" and launched a "NATO Readiness Initiative" that "will offer an additional 30 major naval combatants, 30 heavy or medium manoeuvre battalions, and 30 kinetic air squadrons […] at 30 days' readiness or less."[11] While all NATO countries confirmed their pledges to move towards the 2 per cent GDP spending guideline within a decade and invest more in defence capabilities, Eastern "flank" allies in particular have increased their budgets and initiated surges in the size of their forces and acquisition of new weapons. The non-aligned Nordic states are also strengthening their defence capabilities.

Russia has recently deployed or strengthened combat forces in the Western and Southern military districts.[12] However, it has not stationed substantial additional combat forces in the Pskov or Kaliningrad regions, to which its military restraint commitments extend. The current posture indicates that the Russian defence establishment seeks to hedge against the eventuality of a direct or indirect confrontation with the U.S. and NATO in Ukraine.

It is premature to speak about a full-fledged conventional arms race in Europe. However, almost all States are investing more in their armed forces, modernizing and, in part, enlarging them. In addition, with forward deployments and measures for

9 Regeringskansliet, Sweden's Defence Policy 2016 to 2020, June 2015, p. 2.

10 Военная доктрина Российской Федерации [Military Doctrine of the Russian Federation], approved by the President of the Russian Federation on 25 December 2014; Стратегия национальной безопасности Российской Федерации [National Security Strategy of the Russian Federation], approved by the President of the Russian Federation on 31 December 2015.

11 NATO, Brussels Summit Declaration, issued by the Heads of State and Government participating in the meeting of the North Atlantic Council in Brussels, 11-12 July 2018, pts 25 and 14.

12 Cf. Andrei Zagorsky, Blueprint for transcending the European security crisis, in: Alexei Arbatov/Sergei Oznobishchev (eds), Russia: arms control, disarmament and international security, Moscow 2018 (IMEMO supplement to the Russian edition of the SIPRI Yearbook 2017), p. 109.

enhancing readiness, their postures and doctrines are moving closer together. Consequently, the danger of escalation is growing, although still at a gradual pace. This creates the starting positions for a real arms race, should political conditions worsen further.

Military activities. These developments are mirrored in the military exercises of the two sides. The Russian ZAPAD 2017 exercise comprised troops numbering 12,700 according to Russian information, whereas NATO indicated higher figures – 60-70,000.[13] NATO States also have stepped up their exercise activities; in October and November 2018, more than 30 States including Finland and Sweden staged the "Trident Juncture 18" exercise in Norway with about 50,000 troops, 250 aircraft, 65 vessels and 10,000 vehicles.[14] With Vostok in September 2018, the Russian Federation staged the largest manoeuvre outside of Europe since the end of the East-West conflict, with "about 300,000 servicemen, over 1,000 aircraft and unmanned aerial vehicles, 80 ships, and 36,000 tanks and other vehicles".[15]

Summary. Over the last four years, the politico-military set-up in Europe has changed profoundly. The situation until 2013 was characterised by a certain ambiguity, with elements of tension, but also with considerable confidence that the situation would remain more or less stable. In the few years since then, a clear-cut and remarkably dynamic deterrence relationship between NATO and Russia has evolved at a substantially escalated level. Whether the inherent dangers of escalation can be contained or will rise further will depend on the balance of drivers and containing elements.

13 NATO, ZAPAD 2017 and Euro-Atlantic Security, 14 December 2017.

14 NATO, Trident Juncture 2018, It is happening in the air, on land, at sea and in cyberspace, last updated 29 October 2018.

15 Ministry of Defence of the Russian Federation, Maneuvers Vostok-2018, 17 September 2018.

2. Potential Drivers of Escalation

Deterrence relationships unavoidably produce certain levels of risk. A number of factors – drivers of escalation – increase the dangers of competition. This study focuses on uncertainty, show of force, sub-regional conflicts and the nuclear dimension.

Uncertainty. Unlike the situation under the CFE regime until 2007, when Russia suspended its participation in the Treaty, there are no longer any arms control instruments providing comprehensive and detailed information on the strength of Russia's conventional armed forces in Europe. The few inspections and evaluations under the OSCE Vienna Document on Confidence- and Security-Building Measures 2011 (VD11) and observation flights under the Open Skies Treaty primarily serve the purpose of confidence-building and therefore cannot close this gap. In addition, uncertainties regarding the purpose of certain military exercises not covered by the VD11 are also increasing. As a result of a lack of information, prior warning and reaction time is reduced.

Show of force. The show of force the sides are demonstrating through their exercises is also increasing uncertainty, and causes the limits of what is seen as an adequate defence posture to shift ever further. This increases threat perceptions and the risk of escalation by fuelling worst-case assumptions.

Sub-regional conflicts can develop into important drivers of escalation. Currently, this particularly applies to the conflict in Ukraine. The ceasefire contained in the Minsk Agreements has seen numerous violations. The situation can be characterised as stationary low-intensity warfare without major offensive operations. Such a situation is unstable and prone to escalation, all the more so as

the efforts of the Normandy Four are stagnating and have not yet offered long-term solutions. A full war between Ukraine and Russia would change the entire politico-military situation in Europe dramatically and push it to an escalation level not experienced since the worst periods of the Cold War.

The nuclear dimension. The 1987 Intermediate Nuclear Forces (INF) Treaty between the USA and the Soviet Union / Russian Federation is an essential element of stability in Europe, banning all ground-based cruise and ballistic missiles with ranges between 500 and 5,500 kilometres. For some years, the Russian Federation and the USA have raised mutual accusations of treaty violations that have not yet been clarified to the satisfaction of either party. In October 2018, U.S. President Trump announced the intention to withdraw from the Treaty. The New START Treaty between Russia and the USA, signed in 2010 and ratified in 2011, was satisfactorily implemented, but expires in 2021 unless it is extended. A failure of the INF Treaty puts an extension of N-START in grave doubt. The failure of these two interlinked treaties would mean the collapse of two irreplaceable elements of global nuclear arms control with unpredictable consequences. For Europe, this could mean the start of a new nuclear and/or conventional arms race.

Summary. Although the current deterrence relationship in Europe is still predominantly perceived as more or less stable and not overly worrying, this situation could change. Nobody can foresee whether this will happen. However, the diversity and dynamic quality of the escalation drivers we have identified, particularly sub-regional conflicts and the nuclear dimension, mean that any responsible policy should look for further elements to stabilize the deterrence set-up in Europe.

3. Elements Containing Possible Escalation

Unregulated deterrence relationships produce potentially incalculable risks. Thus, starting in the nuclear domain and soon progressing to conventional armed forces, there have been a number of attempts at controlling and containing these inherent risks of escalation by arms control and other political means since the 1970s.

The contribution of arms control. In general terms, the European arms control regime is in a state of increasing decay, although a number of useful elements have persisted, which can provide a basis for future arms control agreements.

While many of the provisions of the *CFE Treaty* have become obsolete, especially bloc-related limitations, the legacy of this Treaty and a number of its stipulations, such as information and verification, are still relevant and could form part of the foundation for a future conventional arms control regime. In particular, some elements of the 1999 Adapted CFE (ACFE) Treaty appear relevant for informing new measures under consideration, despite never having entered into force.

The *Vienna Document* needs a thorough modernisation in many respects, not only to lower the thresholds for notification and observation, but above all to enlarge its scope to ensure that it remains militarily relevant and to account for the significant capabilities of modern armed forces, including mobility, Anti-Access/Area Denial (A2/AD) and long-range strike potentials. This would also narrow down the gap between notification requirements and the actual number of participants in large-scale exercises. Therefore, the inclusion of naval, coastal, air, air defence, and internal security forces into the scope of

the VD11 should be considered. Exceptions for the prior notification of snap exercises exceeding relevant thresholds could be reduced to 48 hours before they commence; exceptions for observation could be limited to a duration of 48 hours and restrictions regarding the spatial and temporal proximity of exercises could be agreed upon.

The *Open Skies Treaty* has always been an additional element of verification and has been used to this end. Its implementation is plagued by disputes that blocked any observation flights in 2018. However, they will be resumed in 2019.

In addition, two other key elements of European arms control that might be relevant for stabilizing the conventional deterrence posture have remained valid. The NATO-Russia Founding Act reads:

> "NATO reiterates that in the current and foreseeable security environment, the Alliance will carry out its collective defence and other missions by ensuring the necessary interoperability, integration, and capability for reinforcement rather than by additional permanent stationing of substantial combat forces."[16]

Regarding Russian armed forces, Annex 5 of the 1999 CFE Final Act reads as follows:

> "[...] the Russian Federation will show due restraint with regard to ground TLE levels and deployments in the region which includes the Kaliningrad oblast and the Pskov oblast. In the present politico-military situation, it has no reasons, plans or intentions to station substantial additional combat forces, whether air or ground forces, in that region on a permanent basis."[17]

Although the substance of the term "substantial combat forces" has never been agreed, there is a general perception that these two politically binding obligations have remained valid and have never been abrogated. Thus, the NATO-Russia Founding Act and Russia's 1999 pledges can serve as an important point of departure for agreeing on new measures in order to prevent an arms race in Europe. However, the ongoing trend of strengthening the deterrence structure is putting the further validity of these obligations at risk. Revoking them would destroy a highly important starting point for future conventional arms control in Europe.

The contribution of political discussion to stabilising the current situation is as yet inconclusive. In general, relations between Russia and the West are worse than at any time in the last 30 years. NATO maintains the position that there should be "no business as usual" with Russia. However, the NATO-Russia Council has convened several times at the ambassadorial level, although regular military-to-military contacts are still suspended. In addition, a number of NATO States including the U.S. and Germany maintain high-level bilateral relations with Russia. There are also functional frameworks for specific questions, i.e. on Syria or the Normandy Four (Ukraine, Russia, France, Germany) on Ukraine.

The Putin-Trump summit on 16 July 2018 has not yet led to concrete results. After the meeting, the two presidents held a joint press conference where both were rather positive. President Putin said,

16 Founding Act on Mutual Relations, Cooperation and Security between NATO and the Russian Federation, signed in Paris, France, 27 May 1997.

17 Final Act of the Conference of the States Parties to the Treaty on Conventional Armed Forces in Europe, CFE.DOC/2/99, 19 November 1999, ANNEX 5.

"I think we can call it a success and a very fruitful round of negotiations. We carefully analysed the current status, the present and the future of the Russian-United States relations – key issues of the global agenda."[18] Trump added, "I have just concluded a meeting with President Putin on a wide range of critical issues for both of our countries. We had direct, open, deeply productive dialogue. It went very well."[19] However, it is still unclear where the U.S.-Russian dialogue will lead.

At the OSCE level, States have been conducting the Structured Dialogue (SD) since spring 2017. This goes back to a decision of the 2016 Hamburg OSCE Ministerial Council meeting, which reads as follows:

> "Today, in Hamburg we commit ourselves to exploring, *inter alia*, how the negative developments concerning the conventional arms control and CSBM architecture in Europe can be reversed. Together, we will work towards creating an environment conducive to reinvigorating conventional arms control and CSBMs in Europe."
>
> "We welcome launching of a structured dialogue on the current and future challenges and risks to security in the OSCE area to foster a greater understanding on these issues that could serve as a common solid basis for a way forward."[20]

The Informal Working Group on the Structured Dialogue has hitherto discussed threat perceptions, military doctrines and postures, and challenges to a norm-based European security order. It has also undertaken a so-called "mapping exercise" that attempts to evaluate threat perceptions related to force postures, military exercises and incidents by drawing on fact-based documentation of available data (Vienna Document, Global Exchange of Military Information). Some of the OSCE participating States, particularly the 22 members of the "Group of Friends of Conventional Arms Control" led by Germany, view the SD as an interim step to an arms control mandate. Another group of States, including the U.S., want to avoid precisely this outcome. While the direction in which the SD will develop remains open, it is fair to say that the OSCE States are still far from turning towards conventional arms control in Europe.

Summary. While there is a clear need to stabilize the emerging deterrence relationship in Europe, the political solutions are still elusive. Some of the European states want to address the issue of conventional arms control, others prefer to invest in a conventional deterrence posture accompanied by risk reduction measures in a narrower sense, but without arms control agreements.

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18 Vox, read the full transcript of the Helsinki press conference. Standing next to Putin, Trump slammed US intelligence agencies, Democrats, and the Mueller investigation, 17 July 2018, p. 2.

19 Ibid., p. 5.

20 OSCE, Ministerial Council, Hamburg 2016, From Lisbon to Hamburg: Declaration on the Twentieth Anniversary of the OSCE Framework for Arms Control, MC.DOC/4/16, 9 December 2016.

II. Objectives, Principles and General Approach of Conventional Arms Control for Reducing the Risk in Sensitive NATO-Russia Contact Zones

Objectives. While the objective of "comprehensive, co-operative, equal and indivisible security" remains valid, one has to acknowledge that the vision of the 2010 Astana Commemorative Declaration "of a free, democratic, common and indivisible Euro-Atlantic and Eurasian security community"[21] cannot be achieved in the foreseeable future. Instead, we have to deal with the growing risks of the emerging structure of deterrence in Europe. Therefore, from a short- and mid-term perspective, the *principal objective* is to reduce the risks of further escalation by stabilizing the deterrence relationship through arms control and other political means of crisis management.

This principal objective needs to be translated into more detailed objectives, which are by no means new in European arms control, but should be re-oriented towards the goal of containing the increasing risks of a deterrence structure.

1. *Avoiding misperceptions of threats*. This was already the imperative of the confidence-building measures contained in the 1975 Helsinki Final Act aimed at "reducing the dangers of armed conflict and of misunderstanding and miscalculation of military activities which could give rise to apprehension, particularly in a situation where the participating States lack clear and timely information about the nature of such activities"[22]. It is striking that after 20 years of efforts towards a cooperative security order, one has to come back to this objective.

2. *Providing a framework for verifying the lack of hostile intention* and:

3. *Maintaining stability in crises*. Achieving these two objectives is the purpose of the risk reduction mechanisms contained in chapter III, paragraphs 16 – 18 of the VD11, as well as the stipulations on "Prior Notification of Certain Military Activities" and "Observation of Certain Military Activities" contained in chapters V and VI of the VD11. As these provisions are too narrow in scope and leave room for ambiguous interpretations, stronger provisions similar to those of the ACFE Treaty should be applied in NATO-Russia agreements.

4. *Setting as high a barrier as possible for hostile action*. This requires, in the wording of the preamble of the CFE Treaty, "establishing a

21 OSCE, Summit Meeting, Astana 2010, Astana Commemorative Declaration. Towards a Security Community, SUM.DOC/1/10/Corr.1*, 3 December 2010.

22 CSCE, Helsinki Final Act, Helsinki 1975, Document on confidence-building measures and certain aspects of security and disarmament, 1 August 1975.

secure and stable balance of conventional armed forces in Europe at lower levels than heretofore, of eliminating disparities prejudicial to stability and security and of eliminating, as a matter of high priority, the capability for launching surprise attack and for initiating large-scale offensive action in Europe"[23]. When the term "Europe" is replaced by "the sensitive NATO-Russia contact zones", the focus for "setting as high a barrier as possible for hostile action" has been defined.

Principles. In the same way as the objectives of current conventional arms control in Europe are not new, but need to be adapted to the current circumstances, the basic OSCE principles regarding arms control have to be applied in a new environment:

1. *Freedom of choice*. "We reaffirm the inherent right of each and every participating State to be free to choose or change its security arrangements, including treaties of alliance, as they evolve. Each State has also the right to neutrality." However, the Astana Commemorative Declaration also says: "They will not strengthen their security at the expense of the security of other States."[24]

2. *Host nation consent*. "[E]nsuring that the presence of foreign troops on the territory of a participating State is in conformity with international law, the freely expressed consent of the host State, or a relevant decision of the United Nations Security Council"[25] is required.

3. "*Sufficiency*. Arms control regimes should contain measures designed to ensure that each participating State will maintain only such military capabilities as are commensurate with legitimate individual and collective security needs, and will not attempt to impose military domination over any other participating State."[26] It is evident that this principle fits more with a cooperative security order and stands in a contradictory relationship to the theory and practice of deterrence.

4. "*Transparency through information exchange*. A key element of an effective arms control regime is provision for complete, accurate and timely exchange of relevant information, including the size, structure, location and military doctrine of military forces as well as their activities."[27] It is evident that the current realities have fallen back behind this principle.

5. "*Verification*. The measures adopted should be combined, as appropriate, with verification that is commensurate with their substance and significance."[28] In today's reality, a lack of verified information leads to uncertainty.

6. "*Limitations on forces*. Limitations, and, where necessary, reductions are an important element in the continuing search for security

23 Treaty on Conventional Armed Forces in Europe, Vienna, 19 November 1990.

24 2010 Astana Commemorative Declaration, see above, note 21.

25 OSCE, Summit Meeting, Lisbon 1996, Lisbon Declaration, III. A Framework for Arms Control, para. II. 7.

26 Ibid., III. 8.

27 Ibid.

28 Ibid.

and stability at lower levels of forces."[29] Limitations will remain an essential element of arms control.

7. *Reciprocity*, both in terms of armed forces included and measures applied, is achieved if and when all parties share the perception of a just and fair outcome.

It is evident that these principles of arms control, although never revoked by States, command their behaviour less and less. However, any serious attempt to reduce the risks inherent in the emerging deterrence structure will require a re-adherence to them.

General approach. Rather than striving for a new, comprehensive conventional arms control treaty for the whole of Europe, a future regime focused on reducing military risks in the NATO-Russia contact zones should build on the NATO-Russia Founding Act and its further development. This should be supported, as far as necessary, by certain provisions of existing agreements such as the (A)CFE Treaty, the 1999 CFE Final Act, the VD11, and the Open Skies Treaty.

29 Ibid.

III.

Arms Control in the NATO-Russia Contact Zones

Arms control in the contact zones between NATO and Russia is sensitive in political as well as operational terms. It is sensitive in political terms because it is frequently seen as singling out some States, sometimes even as undermining collective defence commitments. Sub-regional arms control is also difficult in operational terms because simple zonal concepts of reduced military density and activities do not work owing to the sides' different strategic depth and to long-range strike potentials. Thus, it is important to take into account that the contact zone in question is embedded within the wider politico-military context.

For the purpose of this report, we focus on the Baltic Sea region. This chapter deals with the size and character of the arms control regime for the Baltic contact zone (section 1); the question of rapid deployment / reinforcement and strike potentials beyond this zone (section 2); transparency and verification (section 3); and types of agreements needed (section 4).

1. Size and Regime Characteristics of Arms Control in the Baltic Contact Zone

Size matters. Thus, the size of the Baltic contact zone should be large enough to address the concerns mentioned above, meaning that it should include States and a geographical area that cover a substantial part of the relevant military capabilities including rapid deployment forces and long-range strike potentials. Such an area could include Estonia, Latvia, Lithuania, Poland, the part of Germany ("Neue Bundesländer") where according to the Two-Plus-Four Treaty "[f]oreign armed forces and nuclear weapons or their carriers will not be stationed"[30], (equivalent parts of) the Western Military District of Russia, and Belarus. The negotiation format should be NATO-Russia (plus). Sweden and Finland should ideally be invited to participate in some form too.

A possible arms control regime for the Baltic contact zone could contain the following three elements needed for a sustainable solution:

First, no permanent deployment of additional substantial combat forces on the territory of NATO member States and no permanent deployment of substantial additional combat forces in the Russian oblasts Kaliningrad and Pskov. This commitment would include national and stationed forces as well as prepositioned equipment in storage sites. To make these commitments workable, the NATO States and Russia should recommit themselves to these obligations and agree on a definition of the meaning of the term "substantial combat forces". Temporary deployments of ground forces in the contact zone should be limited in size, frequency and duration.

Second, major military powers in the contact zone could unilaterally pledge to limit the levels of their armed forces including stationed forces permanently

30 Treaty on the Final Settlement with respect to Germany, in: Bundesgesetzblatt, 1990, Teil II, Nr. 38, pp. 1317-1329, here Art. 5, p. 1324, 13 October 1990.

located in the zone of application. This could be done in a comparable form to the unilateral statements annexed to the CFE Final Act.

Third, limiting the size of military activities / exercises in the contact zone. A NATO-Russia agreement on the limitation, notification and observation of such exercises could be regarded as a measure under Chapter X of the VD11 and be reported to the OSCE. However, it would be of key importance for a NATO-Russia agreement to enlarge the scope of existing provisions under the Vienna Document, and also to include naval, coastal, air, air defence, and internal security forces. Snap and parallel exercises should be limited in size, frequency, duration and geographical proximity to each other, and become subject to strict notification and observation provisions.

It is evident that such a regime will only become possible if and when all States concerned share the perception that this is in their best security interest.

2. Increased Transparency over Rapid Deployment and Strike Potentials beyond the Contact Zone

Rapid deployment, as well as long-range strike capabilities deployed beyond the contact zone, should be included into a notification and observation regime.

By rapid deployment potentials, we mean mobile ground forces that can be quickly relocated over long distances. In addition to transport capacity, they primarily contain the five TLE (Treaty-Limited Equipment) categories of the CFE Treaty. Long-range strike potentials and A2/AD capabilities are based on a broad variety of land-, air- and sea-based air-/missile defence systems, ballistic and cruise missiles and precision-guided stand-off munitions. Given that Unmanned Aerial Vehicles (UAV), A2/AD capabilities and long-range precise strike potentials have gained significantly in importance, any future arms control regime neglecting them would suffer severe shortcomings. Including rapid deployment as well as long-range strike capabilities into a notification and observation regime poses two types of challenges:

- The inclusion of a number of high-value military items in the transparency regime.

- Regarding the inclusion of naval forces, agreements on their prior notification and verification (e.g. through aerial observation) as well as a clarification of the Vienna Document term “adjoining sea areas” are necessary.

However, these challenges can be overcome, if all sides cooperate in addressing them.

3. Transparency and Verification

Sufficiently verified transparency is key for any arms control regime. Transparency and verification should build on potential NATO-Russia agreements, and address, among others, the following elements:

- All branches of armed forces, including naval, coastal, air, air defence, and internal security forces should fall under the notification and observation obligations of such an agreement.

- New items such as long-range strike and rapid deployment capabilities, including multinational formations, have to be included in the regime of verified transparency.

- To enhance transparency and verification, additional quota for inspections and evaluation visits should be agreed upon.

The result would be a much stricter transparency regime for the contact zones than we now have; the OSCE could be notified under Chapter X of the VD11. Together with the two no-deployment obligations, this regime would represent the core of a new approach for reducing risks in the contact zone of NATO and Russia.

4. Type of Agreements Needed

Any arrangement would include NATO member States, Russia and Belarus. As it is highly unlikely that the U.S. Senate will ratify a legally binding agreement of this sort any time soon, bi- and multilateral, politically binding agreements and the option of coordinated unilateral pledges by all relevant parties should be considered.

Finland and Sweden might wish to participate in the transparency regime based on bilateral agreements or unilateral declarations.

The Way Forward

IV.

Our new approach refocuses conventional arms control from an Atlantic-to-the-Urals perspective on risk reduction in the sensitive contact zones between Russia and the NATO States, where the danger of a sudden rise in the levels of escalation is highest. In addition, we concentrate on *current and near-future threats* and omit, at this stage, threats that might emerge later such as autonomous weapon systems. While a comprehensive, legally binding conventional arms control treaty is still desirable, it is not feasible in the foreseeable future. Therefore, we build our approach on existing agreements and their adaptation. This approach has two advantages:

First, we concentrate on the perceived dangers of "surprise attack" and crisis escalation in the NATO-Russia contact zones as a result of the increased build-up of conventional deterrence structures.

Second, we do not call for new arms control instruments, but for the adaptation of existing ones based on the assessment that the second option is easier to achieve than the first.

We firmly believe that the time is ripe for investment in conventional arms control in Europe to contain and control the emerging risks ensuing from the re-establishment of deterrence structures, particularly in the contact zones between NATO States and Russia.

In the long run, our approach might serve as a basis for more ambitious arrangements on European security, if and when States are ready to proceed.

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