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Charting a New Path Forward for the US-NATO Relationship

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EXECUTIVE SUMMARY

The United States no longer needs to act as the North Atlantic Treaty Organization's (NATO) primary security guarantor. After World War II, the United States recognized a unique opportunity to rebuild the economies of Western Europe, establish itself as a hegemonic power on the continent, and build a post-war order that would advance its economic and ideological interests throughout Europe. This was the beginning of the Bretton Woods System, the United Nations, and NATO. NATO specifically resolved three important security concerns for the United States; (U.S.) it resolved concerns about multipolarity and militant nationalism that had plagued Europe, it paved the way for U.S. investments into Western European economies via the Marshall Plan, and it provided a defensive balancing alliance against the Union of Soviet Socialist Republics (USSR). NATO acted as a stabilizing force throughout Europe that allowed NATO states to focus on economic development instead of defense spending. However, this relationship needs to be examined to understand if the U.S. relationship with NATO still satisfies present U.S. security needs.

This paper argues that the United States no longer needs to act as Europe's primary security guarantor vis-a-vis NATO. In fact, doing so is no longer aligned with US security interests. The present relationship is a drain on U.S. resources and has demonstrated the inherent flaws within the NATO military alliance. Additionally, there are credible concerns about talks of another round of NATO expansion. Understating the dangers of expansion and the broad support for European security autonomy within Europe is an important consideration. The United States should pivot to a grand strategy of restraint that moves towards scaling back military hegemony on the continent and supporting European military independence to eliminate costs and reinvest domestically. This paper will analyze current NATO policy and its effects on U.S. security interests. I will then recommend that the U.S.:

1. Increase defense expenditures for European NATO members to 3%
2. Oppose a policy of NATO expansion in the short-term
3. Reassure allies of Article 5 commitments with rotational troop deployments
4. Transition Allied Command Transformation out of the U.S. and into Europe
5. Over time, relinquish NATO Supreme Allied Commander (SACEUR) to a European member state

The criteria to evaluate the recommendations are below. Specifically, I will seek to answer the following questions:

1. Cost: How does the recommendation affect U.S. costs?
2. Effectiveness: How does the recommendation redistribute responsibility within the alliance?
3. Political feasibility: How likely is the recommendation to happen? What obstacles would be in the way?

Finally, I will examine and rebuke alternative policy options available to policymakers. Specifically, a policy of deep engagement.

Flaws of Current NATO Policy

NATO is Overwhelmingly Reliant on U.S. Funding

Current NATO policy does not serve U.S. security interests. NATO is far too reliant on U.S. financial support creating a burdensome relationship for the U.S. In 2014 all NATO member states agreed to increase their defense spending to 2 percent of gross domestic product (GDP) by 2024.¹ While the U.S. exceeds the required guideline, at 3.52 percent in 2021, an estimated \$741 billion, over 65 percent of the alliance is not compliant with the agreed upon 2 percent guideline for defense expenditures (See Figure 1).

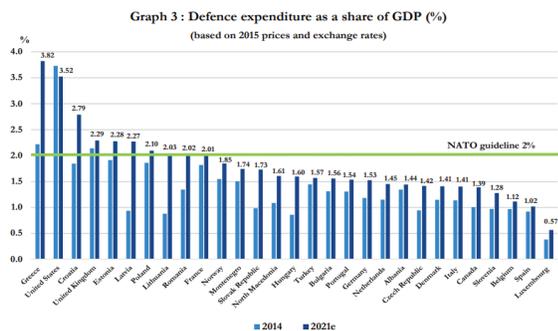
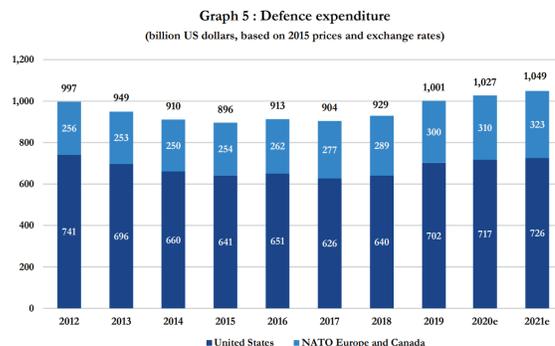


Figure 1: NATO Defense Expenditures of NATO Countries (2014-2021)²

Looking at overall defense expenditures is even more daunting. From 2012-2019 the U.S. spent over \$5.3 trillion on defense spending with the rest of NATO spending \$2.1 trillion (See Figure 2). Additionally, the U.S. has consistently contributed well over

3 percent for defense spending since at least 2014, when NATO originally agreed to increase the defense to GDP threshold to 2 percent. Comparing the U.S. individually to NATO Europe and Canada is even more daunting. Since 2014 NATO Europe and Canada has struggled to maintain a defense to GDP ratio of 1.5% in comparison to the U.S. average of 3.51% over that same time period (See Figure 3). The result is a system where U.S. taxpayers subsidize European defense spending.



Note: Figures for 2020 and 2021 are estimates. The NATO Europe and Canada aggregate from 2017 onwards includes Montenegro, which became an Ally on 5 June 2017, and from 2020 onwards includes North Macedonia, which became an Ally on 27 March 2020.

Figure 2: NATO Defense Expenditures of NATO Countries (2014-2021)³

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020e | 2021e |
|------------------------|------|------|------|------|------|------|-------|-------|
| Albania | 1.35 | 1.16 | 1.10 | 1.11 | 1.16 | 1.31 | 1.27 | 1.44 |
| Belgium | 0.97 | 0.91 | 0.89 | 0.88 | 0.89 | 0.89 | 1.05 | 1.12 |
| Belgium | 1.31 | 1.25 | 1.25 | 1.23 | 1.45 | 3.15 | 1.55 | 1.56 |
| Canada | 1.01 | 1.20 | 1.16 | 1.44 | 1.30 | 1.30 | 1.44 | 1.39 |
| Croatia* | 1.85 | 1.78 | 1.62 | 1.67 | 1.57 | 1.65 | 1.80 | 2.79 |
| Czech Republic | 0.94 | 1.02 | 0.95 | 1.03 | 1.10 | 1.16 | 1.31 | 3.42 |
| Denmark | 1.15 | 1.11 | 1.15 | 1.14 | 1.28 | 1.30 | 1.40 | 1.41 |
| Estonia | 1.92 | 2.01 | 2.05 | 2.01 | 2.01 | 2.05 | 2.32 | 2.28 |
| France | 1.82 | 1.78 | 1.79 | 1.78 | 1.81 | 1.83 | 2.03 | 2.01 |
| Germany | 1.19 | 1.19 | 1.20 | 1.23 | 1.25 | 1.36 | 1.55 | 1.53 |
| Greece | 2.22 | 2.31 | 2.40 | 2.38 | 2.54 | 2.36 | 2.65 | 3.82 |
| Hungary | 0.86 | 0.91 | 1.00 | 1.19 | 1.01 | 1.25 | 1.79 | 1.60 |
| Italy | 1.14 | 1.07 | 1.18 | 1.20 | 1.23 | 1.18 | 1.38 | 1.41 |
| Latvia** | 0.94 | 1.03 | 1.44 | 1.59 | 2.06 | 2.03 | 2.22 | 2.27 |
| Lithuania** | 0.88 | 1.14 | 1.48 | 1.71 | 1.97 | 2.00 | 2.11 | 2.03 |
| Luxembourg | 0.38 | 0.43 | 0.39 | 0.51 | 0.50 | 0.54 | 0.56 | 0.57 |
| Montenegro | 1.50 | 1.40 | 1.42 | 1.34 | 1.37 | 1.33 | 1.73 | 1.74 |
| Netherlands | 1.15 | 1.13 | 1.16 | 1.15 | 1.22 | 1.35 | 1.47 | 1.45 |
| North Macedonia | 1.09 | 1.05 | 0.97 | 0.89 | 0.94 | 1.16 | 1.25 | 1.61 |
| Norway | 1.55 | 1.59 | 1.74 | 1.72 | 1.73 | 1.86 | 2.01 | 1.85 |
| Poland** | 1.86 | 2.22 | 1.99 | 1.89 | 2.02 | 1.98 | 2.28 | 2.10 |
| Portugal | 1.31 | 1.33 | 1.27 | 1.24 | 1.34 | 1.38 | 1.43 | 1.54 |
| Romania** | 1.35 | 1.45 | 1.41 | 1.72 | 1.81 | 1.85 | 2.03 | 2.02 |
| Slovak Republic | 0.99 | 1.12 | 1.12 | 1.11 | 1.23 | 1.11 | 1.96 | 1.73 |
| Slovenia | 0.97 | 0.93 | 1.00 | 0.98 | 1.01 | 1.06 | 1.08 | 1.28 |
| Spain | 0.92 | 0.95 | 0.81 | 0.91 | 0.93 | 0.91 | 1.00 | 1.02 |
| Turkey | 1.45 | 1.38 | 1.45 | 1.51 | 1.82 | 1.85 | 1.86 | 1.57 |
| United Kingdom | 2.14 | 2.03 | 2.08 | 2.09 | 2.11 | 2.10 | 2.29 | 2.29 |
| United States | 3.73 | 3.52 | 3.51 | 3.30 | 3.27 | 3.51 | 3.72 | 3.52 |
| NATO Europe and Canada | 1.43 | 1.42 | 1.44 | 1.48 | 1.51 | 1.55 | 1.71 | 1.70 |
| NATO Total | 2.58 | 2.48 | 2.48 | 2.40 | 2.40 | 2.54 | 2.75 | 2.65 |

Figure 3: Defense expenditures as a share of GDP and annual real change⁴

Critics will argue that the U.S. is by far the largest economy in the alliance, and therefore contributes a significantly larger amount than other members. This is true, however, the U.S. should be encouraging European allies to do *more* in terms of spending so that the U.S. can do *less*. The U.S. is a declining

hegemon, stretched thin by a global military presence and troubled with domestic political challenges. The U.S. should look to its allies to play more of a role in their own defense so that the U.S. can focus on more pressing domestic and foreign policy challenges.

The Challenges of the NATO Military Alliance, Burden Sharing and its Limits

The results of past NATO military interventions have displayed the challenges the alliance faces when implementing its strategic ambitions. The intervention in Afghanistan with the NATO led International Security Assistance Force (ISAF) displayed the challenges the alliance faces with member states placing caveats on troop operations, and the role domestic politics plays in determining overall participation in military interventions. The intervention in Libya in 2011 may provide a roadmap for future NATO interventions that saw the U.S. implement a “lead from behind” or supportive role. But this situation displayed the challenges the alliance faces with basic logistics, intelligence operations, and political will without direct U.S. leadership and support.

Caveats

One of the main barriers preventing NATO from implementing its strategic objectives in Afghanistan was the use of caveats. Caveats are the limitations member states place on their military personnel that are under the command of NATO. Caveats can vary from official written orders, be completely unofficial and updated when circumstances change, or be up to the discretion of the member state’s senior officer. In 2009 there were “somewhere between 50 and 80 known restrictions that constrained NATO commanders in Afghanistan.”⁵ This forced the largest military and highest financial contributor to the alliance, the U.S., to “nearly double the number of troops deployed to Afghanistan in 2009.”⁶ Without question, member states have the right to set the parameters on how their forces can and cannot be used. But this issue highlights the inherent challenges NATO faces when implementing any military objective. Each member state has its own constituency to adhere to and its own foreign policy objectives. This impacts the level of support they offer or even if they will support or oppose a NATO military operation. The U.S. is the

largest military in the alliance, and its main funder. Yet NATO allies have still demonstrated reluctance to step up to the plate.

On the contrary, some would argue that the war in Afghanistan was not crucial to the security of Europe, and that the use of caveats would differ if say Poland or the Baltic states were attacked. However, this precisely demonstrates the flaws within the alliance. The war in Afghanistan marked the first and only time Article 5 was invoked after 9/11.⁷ During a time of war, when the U.S. needed its allies for assistance, NATO member states placed restrictive caveats on their military personnel forcing the U.S. to commit additional forces. Had a conflict come about in Poland or the Baltics, the U.S. would likely place its full military might on the table, honoring its Article 5 commitments.

Lessons from Libya

The conflict in Libya represented a move in the right direction for U.S. policy towards NATO. However, it also highlighted the fundamental flaws within the alliance when the U.S. takes a back seat, and the need for NATO Europe to begin remilitarization. In Libya, the U.S. attempted to alter course in its military relationship with NATO. Prior to the Libya intervention, the U.S. had taken the lead on the majority of the alliance’s military operations. It flew over 65 percent of the strike operations in Kosovo and contributed 60 percent of the deployed units in Afghanistan.⁸ However, in Libya the U.S. took a different approach. During the first ten days of the conflict the U.S. did lead the way, initiating a brutal bombing campaign. However, by March 28th, 2011, President Obama stated that the U.S. would “transfer responsibility to our allies and partners.”⁹ Prior to this the U.S. had led multiple coalitions, placing its dollars and military might on the table. Yet, this change in policy will still come to show the deep fractures that are within the alliance itself.

Despite member states being bound by Article 5 of the Washington Treaty, member states still have the ability to determine the level of support they will give, if at all. The Libyan intervention positioned member states into four main groups:

1. Those who have the right troops and weapons and view the given mission

- as central to their security
2. Those with the right means but which take part out of solidarity
 3. Those which have real military forces but choose not to take part because they disagree with the mission
 4. Those which simply do not have many meaningful forces to contribute.¹⁰

With France and the U.K. leading the way, they clearly fell within camp number one. This allowed the U.S. to be in camp two. Germany and Poland staunchly opposed the operation and were thus in camp three. Ironically, the U.S. “pulling back” in Libya seemed to signal to allies that their U.S. security guarantee was not dependent on participation in the operation. “Moreover, the Libya operation ran parallel with NATO’s ISAF operation in Afghanistan,” causing most allies’ resources to be thin and their alliance obligations already met.¹¹ This may have been a reason why NATO struggled with rearmament only a month into the conflict. By the beginning of April NATO was running short of munitions and had limited aircrafts available.¹² By the end of the seven-month conflict only half of the then 28 member states contributed military aid, with only 6 European states contributing to the air-strike campaign.¹³ The Libya intervention demonstrates the need for NATO Europe to commit to remilitarization if it is not to thrive without U.S. military hegemony in the region.

The Dangers of Expansion

The financial relationship between the U.S. and NATO becomes more worrisome when considering NATO’s policy of expansion. Known as the “Open Door” policy, The 2010 NATO Strategic Concept outlines NATO’s “firm commitment to keep the door to NATO open to all European democracies that meet the standards of membership, because enlargement contributes to our goal of a Europe whole, free and at peace.”¹⁴ Adding members to the alliance would only further the financial burden the U.S. holds. It would also damage relations with Russia. Per the U.S. State Department, the U.S. supports the 2008 Bucharest Summit Declaration that developed stronger relationships with NATO, Georgia, and Ukraine in support of eventual membership.¹⁵ Georgia and Ukraine, along with Sweden and Finland are also members of NATO’s Enhanced Opportunity Partnership. “Which

constitutes the closest form of partnership with the Alliance,” outside of actual membership.¹⁶ Supporting NATO membership to states that share a border with Russia is an extremely aggressive policy stance. The U.S. needs to understand the legitimacy of Russian concerns regarding NATO expansion. Following the end of the Cold War, U.S. diplomats made assurances to the USSR that NATO would not expand past Germany. Over the course of thirty years this promise has continually been broken.¹⁷ To Russia, NATO expansion is an inherent threat to their security. President Putin has clearly demonstrated that he will go to war to prevent Ukraine from joining NATO. A policy of expansion only increases the financial burden of the U.S., angers our rivals, and threatens to pull the U.S. into future conflict via Article 5.

The EU and NATO as a Balancing Force

The current war in Ukraine demonstrates Europe’s ability to balance against Russia, and act as a balancing force that is aligned with U.S. interests. As mentioned before, one of the core security concerns of the U.S. after WWII was the USSR. The U.S. wanted to shore up its economic and security interests throughout Europe. It did this economically through the Marshall Plan which marked a significant investment into the economies of Western Europe and militarily through the creation of NATO. NATO’s “primary *raison d’être* was to keep America in – *and on top* – so that Germany could be kept *down*, the Europeans could be kept from being at one another’s throats militarily, and also so that they could be kept from uniting politically and balancing against the United States.”¹⁸ With the exception of Germany, these aspects of the alliance are functioning as it was intended. With the rise of China American hegemony is no longer unquestioned, and the U.S. should look for policy solutions that acknowledge this new reality. The global response to Russian aggression in Ukraine should relieve American policymakers. In coordination with the European Union (EU) and other allies, the West has levied significant sanctions against the Russian Federation in key industries such as the economy, energy, logistics, and technology.¹⁹ And the EU has also provided “some €500 million in arms and other aid to the Ukrainian military.”²⁰ This marks the first time in history that the EU will finance and deliver military aid to another state directly under attack. In addition, NATO has placed over 40,000

troops on its eastern front. The effects of these actions have devastated the Russian economy and disgraced Russia on the international stage. NATO in coordination with the EU and support from allies including the U.S., is more than capable of balancing against Russia economically.

Additionally, past Russian military interventions in Chechnya, Georgia, and now Ukraine have shown that Russian military capabilities are severely overestimated. Two major invasions of Chechnya occurred from 1994 to 2000. After the fall of the USSR in 1991, the small Muslim republic sought independence. After years of rising tension, Russia conducted a devastating bombing campaign that leveled the Chechen capital of Grozny and killed thousands of soldiers and innocent civilians. The campaign lasted for two years with Russia continually failing to squash the Chechen rebels. In 1996, President Boris Yeltsin signed a peace treaty that removed Russian troops and granted autonomy to Chechnya. President Putin would succeed President Yeltsin and restart Yeltsin’s failed war in August of 1999. Russian forces took control of Chechnya soon after. However, it appears the same tactics have been implemented in Russia’s war in Ukraine. An indiscriminate bombing campaign that intentionally targeted civilians, the using of heavy artillery, and the attacking of urban centers were all tactics being implemented by Russia with varying levels of success.²¹ In both the Chechen and Georgia conflicts “hard lessons were learned. Despite eventual Russian victories, the conflicts exposed crucial deficiencies in tactics and training.”²² These deficiencies in tactics have been evident on the battlefield in Ukraine. An indiscriminate bombing campaign has targeted innocents and public spaces has proven to be horrific, yes, but not a decisive determination in Russia’s favor. This conflict has displayed Russia’s tactical ineptitude regarding logistics and communications. This should not go unnoticed by NATO and the EU.

European Leaders Want Military Autonomy

Economic and security independence is something which European leaders have called for themselves. After meeting with NATO and the G7 in 2017, former Chancellor Angela Merkel stated “The times in which we could completely depend on others are, to a cer-

tain extent, over. We Europeans truly have to take our fate into our own hands.”²³ French President Emmanuel Macron stated that “it is up to us today to take our responsibilities and guarantee our own security, and thus have European sovereignty.”²⁴ Clearly the EU and NATO are capable of balancing against Russian aggression. Allowing them to do so will be an important policy decision that the U.S. will have to make.

Recommendations

The above demonstrates the need for change within the U.S. and NATO relationship. Policymakers should take into consideration the following recommendations to inform their decision making. The criteria used to evaluate the following recommendations will be Cost, Effectiveness, and Political Feasibility.

| | Cost | Effectiveness | Political Feasibility |
|--|--|--|---|
| Increasing Defense-GDP 3% | <ul style="list-style-type: none"> Would allow the U.S. to decrease expenditures as low as 2% | <ul style="list-style-type: none"> Would transfer primary defense costs to European members | <ul style="list-style-type: none"> May be difficult to implement. European members would vote to increase costs on themselves. |
| Opposing NATO Expansion in the Short-term | <ul style="list-style-type: none"> Would prevent costly extension of U.S. security guarantee to others. | <ul style="list-style-type: none"> Would limit growth of U.S. obligations. | <ul style="list-style-type: none"> The U.S. may be able to block membership. |
| Rotational Troop Deployments | <ul style="list-style-type: none"> Cost-effective in the short-term | <ul style="list-style-type: none"> Reassuring allies of Article 5 commitments. | <ul style="list-style-type: none"> Has already been implemented throughout the alliance, and prior to the conflict in Ukraine. |
| Transitioning ACT out of Europe | <ul style="list-style-type: none"> Would likely be a cost savings to the alliance. | <ul style="list-style-type: none"> Would increase interoperability throughout the alliance. | <ul style="list-style-type: none"> The U.S. is the host country and can request a transition of ACT out of Norfolk, VA. May be negative impacts on local economies. |
| Relinquishing SACEUR | <ul style="list-style-type: none"> Would eliminate double spending between USEUCOM and NATO SACEUR. | <ul style="list-style-type: none"> Effective in ending U.S. military hegemony throughout Europe and handing primary security responsibilities to NATO allies. | <ul style="list-style-type: none"> Once the alliance is ready, the U.S. can opt out of SACEUR. |

1. The U.S. should push to increase the GDP-Defense spending threshold to 3 percent for European member states.
2. The U.S. should oppose a policy of NATO expansion.
3. To reassure allies of its Article 5 commitment, the U.S. should support U.S. military rotational troop deployments to NATO member states. And strongly support the NATO Force Integration Units (NFIUs) composed of European military personnel.

4. The U.S. should work to transition Allied Command Transformation (ACT) to Europe. ACT is mainly an administrative institution. This would signify to NATO allies that the U.S. is serious about changing its relationship with NATO.
5. Over time, the U.S. should place itself on a pathway to relinquishing NATO Supreme Allied Commander Europe (SACEUR) to a European member state.

1. Increasing Defense Expenditures Threshold for European Members

Increasing the defense expenditures threshold for European members only would allow the U.S. to come down from 3.52 percent to as low as 2 percent of GDP and transfer the cost savings to European members. The defense expenditures threshold recently increased in 2014. Raising it again would likely require a stipulation that it would not be increased again for a specific amount of time. Nevertheless, this would allow the U.S. to save money and would be an example of European member states choosing to take up their own security. At a rate of 2 percent, the U.S. would roughly spend \$440 billion on defense spending, roughly \$300 billion less than current defense expenditures. Increasing defense spending requirements for European members could allow the U.S. to reduce its defense budget or reallocate dollars to other programs and regions.

Cost

NATO would also generate additional funding by increasing defense spending to 3 percent. In 2019 NATO GDP totaled \$39 trillion. At a rate of 3 percent, NATO member states would have generated almost \$1.2 trillion in defense spending. This would have been an increase of roughly \$150 billion in 2019. Over ten years this would generate \$1.5 trillion, allowing the U.S. to steadily decrease its rate from 3.5 percent.

Effectiveness

Requiring European members to increase their defense expenditures would lessen NATO's financial reliance on the U.S. It would be an effective way to

transfer costs from the U.S. to NATO allies. Over time the U.S. could decrease its defense expenditures to as low as 2 percent or redirect funds for domestic spending initiatives.

Political Feasibility

Increasing the defense expenditures threshold to 3 percent amongst European members may prove difficult. The threshold was recently increased in 2014 to 2 percent. Since then, allies have struggled to reach the minimum threshold. Allies would have to vote to increase costs on themselves. This action could be difficult to implement. However, if the U.S. clearly indicates that the status quo is no longer acceptable this may spur support for the initiative. The war in Ukraine has demonstrated that NATO allies are willing to spend to promote stability. Germany, a critical ally within the alliance, and one that has struggled to reach the 2 percent threshold recently announced a new "\$110 billion special fund to increase defense spending and committed to take the country to the 2 percent of GDP" threshold.²⁵ The crisis in Ukraine has demonstrated that NATO allies are able and willing to spend for their own defense.

2. Opposing NATO Expansion in the Short-Term

As of now, adding members to the alliance would only increase the financial burden the U.S. holds. Right now, expansion is not aligned with U.S. security needs. Extending the U.S. security umbrella and committing ourselves to the defense of others via Article 5 does not make the U.S. more secure. It only increases expenses, stretches those expenses thin, and angers Russia. Until NATO can become less reliant on U.S. funding and remilitarize, the U.S. should oppose a policy of expansion. Some critics will argue that the war in Ukraine represents an opportunity to allow Finland and Georgia, states that border Russia, to join NATO. They see it as a cost for Russian President Vladimir Putin's war of aggression. But these views do not take into account the severity of an extension of a security guarantee and the costs that guarantee generates.

Cost

Opposing NATO expansion saves the U.S. billions of dollars on remilitarization expenses for prospective members. A report by the Center for Strategic & International Studies (CSIS) found that NATO would have to make significant military investments in Sweden, Finland, and Ukraine to bring their militaries up to speed. CSIS estimates that NATO would need one-time investments of \$32.6 billion into Ukraine, \$6.4 billion into Sweden, and \$5.2 billion into Finland to address present security challenges and military shortcomings. A grand total of \$44.2 billion, with the U.S. contributing \$30.2 billion of those funds. Annually, the alliance would be committing to spending over \$13.5 billion in new expenses for the defense of these three states, with the U.S. contributing \$11 billion of that annually.²⁶ Additionally there may be political ramifications for the U.S. if NATO Europe were to support expansion and the U.S. was opposed.

Effectiveness

Opposing expansion would be an effective way to limit the growth of U.S. financial and military obligations within the alliance. It would also demonstrate the seriousness of U.S. commitments to European rearmament. NATO expansion would be conditional or significant European military investments to redistribute primary defense responsibilities to NATO Europe.

Political Feasibility

Policymakers would be able to communicate with NATO allies a policy of opposition to expansion. Article 10 of the Treaty outlines the U.S. role in the expansion process. It states that any state seeking membership must “deposit its instrument of accession with the Government of the United States of America. The Government of the United States of America will inform each of the Parties of the deposit of each such instrument of accession.”²⁷ Clearly the U.S. plays a pivotal role in NATO expansion. With this key role, the U.S. may even be able to block membership if need be. This recommendation wouldn’t happen until the status quo changes and U.S. policymakers support European security independence.

3. Rotational Troop Deployments

To reassure allies of its Article 5 commitments the U.S. should deploy rotational troop deployments in permanent bases throughout the alliance until Russian aggression in Ukraine ends. However, these troops should not be stationed in Europe long-term. According to Army General Mark A. Milley, rotational deployments would ensure that “the military does not incur the costs of family moves, post exchanges, schools, housing and so forth.”²⁸ U.S. military personnel would be housed in allies’ permanent bases. This would also create an incentive amongst allies to establish permanent bases throughout Eastern Europe. This step would be in concert with NATO Force Integration Units (NFIUs) that are composed of European military personnel and the four multinational battle-groups stationed throughout Eastern Europe. Currently, NFIUs are located in Bulgaria, Estonia, Latvia, Lithuania, Poland, Romania, Slovakia, and Hungary.²⁹

Cost

Rotational troop deployments are currently being used throughout the alliance. They allow U.S. military personnel to move throughout the alliance without incurring housing, family relocation, and other costs that come with establishing a permanent U.S. military base. This allows the U.S. to maintain its military commitments to the alliance without incurring permanent basing costs such as housing and family relocation costs.

Effectiveness

Rotational troop deployments are effective because they cost less than basing military personnel in U.S. facilities. Rotational U.S. forces demonstrate to NATO allies its commitment to Article 5 and encourages NATO allies to establish permanent bases for U.S. military personnel. If the U.S. is trying to transition European security to NATO Europe, then policy that encourages permanent basing with rotational forces is effective.

Political Feasibility

As mentioned before, rotational forces are currently in use throughout NATO.

4. Transitioning ACT to Europe

ACT is an Administrative Institution

ACT is predominantly an administrative institution that seeks to streamline communications throughout the alliance. Its core function would be better implemented in Europe itself. NATO's Command Structure (NCS) is composed of Allied Command Operations (ACO) based in Mons, Belgium, and Allied Command Transformation (ACT) in Norfolk Virginia, USA, with three Joint Centers based in Portugal, Poland, and Norway. ACO is where NATO's hard power resides, including NATO Air, Land, and Maritime Command, as well as two Headquarters based in the Netherlands and Italy. ACT was activated in June of 2003 in response to 9/11 to increase interoperability within the alliance. ACT's main functions include "education, training and exercises, and promoting interoperability throughout the alliance."³⁰ It's composed of directorates that deal mostly with the alliance's administrative and educational needs. For instance, the Capability Development Directorate handles developmental activities for military and civilian staff, event planning for VIPs, and develops requirements that inform the NATO Defense Planning Process.³¹ And the Joint Force Development Directorate and the Military Partnership Directorate involve education, training, and program evaluation, as well as military partnerships policy directives.³²

Cost

Transitioning ACT out of the U.S. would allow the U.S. to redirect funds to other parts of the NATO budget. The U.S. would save dollars on administrative and staffing costs and could redirect those funds towards other core needs of the alliance such as infrastructure and equipment. Currently, NATO spends 31.6 percent of U.S. defense allocations on operations and maintenance. In 2019 ACT's budget was €144 million.

Effectiveness

Transitioning ACT out of the U.S. would play a part in the United States' European allies gaining control over their own security. As mentioned before, ACT is predominantly an administrative and education-

al institution that seeks to promote interoperability throughout the alliance. Transitioning ACT to Europe would actually increase interoperability throughout the alliance as ACT would be in closer proximity to other European alliance members.

Political Feasibility

As the host country for ACT, the U.S. has complete authority to remove ACT. The U.S. would simply need to inform NATO of the change and request the transition of ACT out of the U.S. Removing ACT from Norfolk would likely have impacts on the local economy. Additionally, there may be push-back from local leaders and those that support the continuation of the status quo between the U.S. and NATO. Nevertheless, policymakers should be resolute in transitioning ACT out of the U.S. and work with NATO on finding its new home within Europe.

5. Relinquishing SACEUR

If the U.S. is serious about wanting NATO to do more for its own security, then the U.S. should place itself on a trajectory to relinquish SACEUR to a European member state. SACEUR is responsible for all NATO military operations. Since the U.S. is the overwhelming financial and military power within the alliance, SACEUR has always been an American General. Relinquishing SACEUR would likely be the last step in the U.S. no longer being NATO's primary security guarantor and an important step in dismantling U.S. military hegemony on the continent. This process would require communication with allies and likely take multiple years.

The U.S. would slowly unravel its security umbrella, allowing time for allies to acquire military capabilities that they previously relied on the U.S. for. In the long-run this would forge a NATO that is more Euro-centric and capable of handling European security concerns, as well as creating a more equal relationship between NATO and the U.S.

Cost

Relinquishing SACEUR would end U.S. "double spending" in NATO with SACEUR/ACO and U.S. European Command (USEUCOM). The Department

of Defense (DOD) Budget for fiscal year 2023 seeks \$4.2 billion for the European Deterrence Initiative (EDI). “EDI provides one of the primary funding sources of the U.S. European Command,” which is also overseen by NATO SACEUR General Tod D. Walters.³³ Functionally, SACEUR has the dual responsibility of leading both NATO ACO and USEUCOM. Relieving USEUCOM of its NATO obligations could save costs within the EDI budget allocation.

Effectiveness

Relinquishing SACEUR would be an effective way to decouple U.S. military hegemony from NATO and transfer primary defense responsibilities to European allies. If done in coordination with NATO allies, it would allow European allies to increase defense expenditures to supplement a U.S. scale-back. Relinquishing SACEUR would be an important step in changing the relationship between the U.S. and our European allies.

Political Feasibility

Giving up NATO SACEUR would be a historical shift in the relationship between NATO and the U.S. Since its inception, SACEUR has always been a U.S. military general. As the top financial contributor, the U.S. could opt to pass on SACEUR. However, considering its current level of investment, the military capabilities of the alliance’s European members, and the ongoing war in Ukraine, relinquishing SACEUR without allowing NATO Europe to remilitarize would not be advisable. Politically, policymakers would have to contend with military officials within DOD and possibly those within the alliance that support and benefit from the current U.S. security umbrella.

Policy Alternatives

This section will examine and ultimately refute an American grand strategy of Deep Engagement. Deep Engagement has been the American grand strategy towards Europe since the end of World War II (WWII) and the beginning of the Cold War. Towards the beginning of this period deep engagement proved to be a necessary and effective grand strategy that saw through the economic revitalization of Western Europe, the crafting of the Liberal International Order,

and ultimately the coming conflict with the USSR. Yet, after the fall of the USSR in 1991, policymakers did not reconsider this policy approach. Instead, NATO expanded, and along with it, U.S. financial and security commitments.

Deep Engagement

Deep engagement is derived from hegemonic stability theory. A theory that presumes that the international system needs a dominant power. In relation to Europe, scholars have argued that deep engagement is necessary to promote and protect U.S. security and prosperity. They argue that “the United States’ extended system of security commitments creates a set of institutional relationships that foster political communications,” and expands global commerce.³⁴ Scholars in support of deep engagement tend to have a negative view of restraint, a theory of grand strategy that typically supports reducing “U.S. defense commitments, forward deployments of troops, the frequency of using force, and the size of the U.S. military.”³⁵

Deep engagers tend to conflate restraint with isolationism. Scholars such as Stephen Brooks of Dartmouth argue that Europe is reliant on high levels of U.S. support and thus “highly unlikely to develop an autonomous defense capacity anytime soon.”³⁶ In short, Europe *needs* a strong hegemon to provide defense and protect American economic interests. This framework is simply antiquated and no longer serves U.S. interests.

The Flaws of Deep Engagement

Overall, deep engagement has created and maintained a system of European reliance on U.S. military hegemony. After the Cold War “European defense spending plummeted... As a result, Europeans (today) are lacking in even the most basic conventional deterrence and defense capabilities.”³⁷ Deep engagers such as Brooks argue that this is why the U.S. has to remain heavily invested militarily in the region. When in actuality it is a great reason why NATO Europe should spend *more* for their own defense. Deep engagement was a necessary policy after WWII and throughout the Cold War.

But today it has created a costly system that is not sustainable in the long-term. NATO allies can and

should do more for their own defense. And policy-makers on both sides of the aisle agree.

Policymakers on both sides of the aisle understand the flaws of the current deep engagement strategy and support a new strategic relationship with NATO. Under President Obama, former Secretary of Defense Robert Gates “berated the Alliance and castigated the Europeans for their lack of foresight, ineptitude, and reliance on America’s endless help. The war in Afghanistan had exposed NATO’s shortcomings in being able to maintain 25,000 to 40,000 troops there, despite collectively having more than 2 million non-US personnel at its disposal.”³⁸ Throughout the Trump Administration, officials made clear their support for NATO Europe spending more for their own defense.³⁹ Deep engagers also tend to paint restraint as synonymous with isolationism. Brooks writes that “if the U.S.-backed NATO were to disappear, this would undermine the only institutional framework that has fostered some degree of coordination in Europe (at the strategic, doctrinal, and capability levels)”⁴⁰ However, restraint scholars such as Stephan Walt have made it clear that “No serious analyst is saying the United States should leave NATO next week.”⁴¹ The U.S. will always have vital economic and security interests in Europe. These interests should be protected. However, U.S. military hegemony in the region is no longer a cost-effective way to do so.

Conclusion

Policymakers should put the U.S. on a pathway towards restraint in its relationship with NATO. This means clear communication with its NATO European allies that the status quo is no longer acceptable and is changing. This analysis has demonstrated the overwhelming reliance NATO has on U.S. funding. Plainly, it is against U.S. financial interests to continue the status quo and subsidize European defense at the expense of U.S. taxpayers. NATO Europe needs to spend more for its own defense. It has also shown that military alliances have proven to be inherently challenging. In Afghanistan NATO was burdened by caveats that were a factor in the need for additional U.S. troops. And in Libya, the alliance proved ineffective and unwilling without direct U.S. leadership. Because of these realities policymakers should be wary of talks of NATO expansion. The current conflict in Ukraine

has demonstrated Europe’s ability to balance against Russia and should not be perceived as an opportunity for expansion.

To place the U.S. on a pathway towards restraint the U.S. should push to increase the GDP-defense spending threshold for European member states. Over time this policy would lessen the financial responsibility the U.S. holds. To reassure allies and the deep engagers of its Article 5 commitments, the U.S. should commit rotational forces to the region until the conflict in Ukraine ends. The U.S. will always have economic and security interests in the region and should continue to have a limited presence. Additionally, ACT in Norfolk Virginia is predominantly an administrative institution. The U.S. should work with NATO to transition ACT to Europe where it can be more effective in its mission to increase interoperability throughout the alliance. Over time, when NATO Europe has remilitarized, the U.S. should consider relinquishing SACEUR. This would likely be the final step in the U.S. transitioning out of its position as NATO’s primary security guarantor to one that is still an ally across the Atlantic.

Endnotes

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