Russia and the security in the Baltic Sea region
Some recommendations for policy-makers

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Summary

In recent years Russian annexation of Crimea and military intervention in eastern Ukraine together with negative developments in domestic policy have confirmed that Russia with its politico-economic system generates a challenge to the West of a comprehensive and a long-term nature. Under Vladimir Putin, Russia has evolved to a revisionist power aiming to restore its domination in the post-Soviet area and Germany, NATO policy towards eastern flank and regional military cooperation. Piotr Szymański is research fellow at the Centre for Eastern Studies (OSW) in the project “Security and Defence in Northern Europe”. He focuses mainly on security and defence polices of Finland, Denmark and the Baltic states as well as military cooperation in the region.

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Key words

Russia, NATO, Baltic Sea region, eastern flank, security, defence, Sweden, Finland, Poland, Baltic states

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1. Russia as a challenge to Europe’s and Baltic Sea region’s security

In recent years the annexation of Crimea and military intervention in Donbas together with developments in Russian domestic policy have confirmed that Russia with its current politico-economic system generates a challenge to the West of a comprehensive and a long-term nature.

Domestically, Putin’s regime is increasingly authoritarian out of fear of internal and external threats to its own survival. The Kremlin has tightened its grip over the political life, society and economy after demonstrations following Vladimir Putin’s reelection as President in 2012. The global consequences of the 2008 economic and financial crisis, China’s economic slowdown and the shell gas revolution in the US has led to an energy resources oversupply and price drop. This has brought the deterioration of the Russian economy, to which a steady decline of the investment climate and governance system greatly contributed. Russia faces the end of the economic model that in the last decade was based on revenues from the price increase of the energy resources. This model brought the biggest benefits to the ruling elite around Vladimir Putin, it guaranteed however also a growth of the living standards for the Russian society as a whole, which bought public support for the regime after times of economic hardship and political turmoil in the Boris Yeltsin era.

This deal is now crumbling, since the regime is unable to reverse the economic decline by introducing structural reforms like diversification of the economy, decentralization of the decision-making process or strengthening the rule of law.¹ In face of deteriorating economic situation Putin regime fears both internal struggle over power and resources as well as social protests that could lead to dismantling the current system of power and endangering the position, acquired wealth or even the immunity of the political elite. In consequence the group of people involved in the Kremlin’s decision-making has become even more limited and dominated by the current and former secret services’ officers. They share and enforce Putin’s worldview of Russia as a besieged fortress endangered by the hostile policies of the West which allegedly pursues the policy of regime change. Hence the Kremlin has been increasingly disciplining the members of the elite as well as repressing political opposition and independent social activity – by e.g. limiting freedom of speech, penalizing participation in opposition demonstrations or tightening the grip over the business and political elites.

The changes have been made also to the deal between the regime and the society. Since the Kremlin is not able to guarantee any more the stability and prosperity, it tries to legitimize its power and gain the public support by using other instruments. It has been consolidating Russian society against a common enemy - the West², and deploying aggressive media propaganda to revive national sentiments about Russia’s great power status. Growing militarization of the Russian state is also advancing. Recent Russian history shows that the best instrument to consolidate power and gain public support in Russia are military victories. President Putin gained on popularity following the second Chechen war in 2000, military conflict with Georgia in 2008 and, recently, after annexation of Crimea in 2014. Showing strong leadership by President Putin and demonstrating Russian military power abroad may become a convenient instrument distracting public attention from domestic problems.³

In foreign policy, Russia under Vladimir Putin is a revisionist power that wants to restore its domination in the post-Soviet area and change the post-Cold War order. Russia wants to subdue the post-Soviet republics (Baltic states excluded) by incorporating them into Russian-controlled integration projects like the Eurasian Economic Union or the Collective Security Treaty Organization. This excludes participation in Western political, economic or military structures (the European Union, NATO).⁴ For domestic reasons, the Kremlin cannot allow any country in the post-Soviet space to take a pro-Western course and undergo a successful political and economic transformation. This would undermine the legitimacy of the system of power in Russia and would show that democracy and rule of law can be effectively introduced in the post-Soviet area. Moreover, Putin’s

3 Menkiszak, M (ed) 2015, Late Putin. The end of growth, the end of stability, Centre for Eastern Studies (OSW), Warsaw.
regime perceives demonstrations against and ousting of corrupt and violent governments backed by Moscow (like 2004 and 2013 in Ukraine, 2003 in Georgia) as US/Western sponsored coup d’état directed against Russian interests and as a possible prelude to a foreign-backed change of regime in Russia.

As Ukraine’s example shows, Russia is willing and able to punish and to impede any West-oriented developments in its perceived sphere of dominance. For foreign policy reasons, by creating an Eurasian block Russia wants to enhance its own position on the international stage, expecting shifts of power in the global order. It wants to become a hegemon over a bloc of countries in a multi-polar world. President Putin has alluded to such a vision in his speech during the 70th session of the UN General Assembly in New York in September 2015, referring to the postwar Yalta system as to the best order that guarantees stability and peace in turbulent times. This vision contradicts the principles of the current post-Cold War order since it questions the sovereignty of smaller and middle-sized states and treats them not as subjects of politics but as objects in the geopolitical struggle of regional or global powers.

In order to achieve its goals the Kremlin wants to weaken the West which is perceived as the main opponent of its plans to build a new security order in Europe (Eurasia) and globally. Moscow aims therefore to limit the presence and influence of the US in Europe, to undermine NATO and to disintegrate the European Union. Nowadays Russia perceives the West (i.e. USA, EU, NATO) as relatively weak and divided and Kreml believes that this weakness and divisions should be exploited. In the US, Russia sees decreasing military capabilities and a trend to concentrate on domestic issues along with declining political will towards engagement abroad. In Europe, Moscow notes the political, social and economic crisis, the growing divisions between the EU member states, the decline in defence budgets, and the unwillingness of postmodern societies to face up to a conflict. The Kremlin's main non-military instruments against the West are corruption, espionage, subversion, propaganda and disinformation campaigns aimed at deepening political divisions in the EU/NATO countries and at driving a wedge in the EU and in the transatlantic relations.

However, military means (military build-up, military exercises, threats of using military power) are for Moscow equally important instruments of international politics, which the Kremlin is able and ready to use in order to seek a new balance of power. Russia’s military build-up continues and expenditure for the armed forces and other power structures ranks first in the state budget and constitutes 4% of Russia's GDP in 2016. The militarisation of the Russian state has been introduced not only in the military domain, but also economically (Russian arms industry as the engine for economic development), socially (imperial resentments and a narrative of Western encirclement propagated in the society) and politically (the management of the state).

The Baltic Sea region has been perceived by Russia as a convenient test bed in attempting to achieve Kremlin's geopolitical objectives – to divide the West, to undermine trust in NATO's collective defence principle and credibility. The politico-military geography of the Baltic Sea region allows for that. The three Baltic states with a significant share of Russian-speaking population (in case of Latvia and Estonia) and small military potential constitute NATO's exposed peninsula. To the west Lithuania is surrounded by the militarized Kaliningrad Oblast. To the south Lithuania and Latvia border Belarus with its military system integrated with Russia. To the east Latvia and Estonia border Russia. Their neighbours across the Baltic Sea to the north are non-NATO countries Sweden and Finland. But also Poland, the biggest country on NATO’s eastern flank neighboring the Kaliningrad Oblast in the north and Belarus in the east may be exposed to potential aggressive Russian actions.

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5 President of Russia, 28 September 2015, 70th session of the UN General Assembly, Official Internet Resources of the President of Russia. Available from: http://en.kremlin.ru/events/president/news/50385. [29 November 2016].
Russia has been increasing its military expenditure and developing conventional and nuclear capabilities along with abilities for rapid deployment of troops in its Western military district for some years now. The imbalance of forces along NATO’s eastern flank, and especially in the Baltic Sea region, has been growing steadily. Since 2008 Russian military activity in the Baltic Sea region has been on the rise, with significant surge after the annexation of Crimea.\(^\text{10}\) The recent deployment of new types of air and missile defence, coastal defence and ballistic missile systems in the Kaliningrad Oblast has significantly expanded on the one hand the spectrum of the Russian troops’ attack capabilities and on the other hand created a so-called anti-access/area denial (A2/AD) bubble in the Baltic Sea region. Thus, Russia has a significant potential to paralyse NATO’s military activity such as collective defence operation in the Baltic Sea region and in Central Europe. In the years 2012–2013 S-400 air and missile defence systems with a range of 230–400 km were deployed in Kaliningrad Oblast. November 2016 saw the deployment of Bastion coastal defence missile systems there. Onyx missiles used in the Bastion system have a range of 350 km against sea targets and 450 km against ground targets. In October 2016 the deployment of Iskander-M ballistic missile systems with a range of at least 500 km against ground targets has been commenced.\(^\text{11}\)

Beside enhancing and modernizing the military capabilities in Kaliningrad Oblast, in recent years new patterns of Russia’s provocative behaviour have been observed both by NATO as well as by Sweden and Finland. Russia’s more confrontational actions have included violations of national airspace and territorial waters, intimidation of planes and vessels in international airspace and waters, an increasing number of military exercises based on aggressive scenarios, including a nuclear attack on Warsaw (Zapad 2009) as well as mock bombing raids against Sweden (2013) and Denmark (2014). By these military shows of force Russia demonstrates political will and military capabilities in the region. In the Baltic states, Russia has been trying to undermine local trust in NATO’s collective defence, to destabilize internal politics, and ultimately to cause the countries to give in to Russian interests. In Sweden and Finland, Russia has been attempting to “neutralize” the two non-aligned countries – that is, to stop them from joining or deepen their cooperation with NATO. Russia’s overarching goal with regard to the West is intimidating both elites and societies in order to convince them that it is better to compromise with Russia than to risk a state of permanent instability or even an open military conflict. Moscow wants to make the West feel threatened, as illustrated by the title of the Valdai Club meeting in October 2014: “The World Order: New Rules or a Game without Rules?”.

2. Regional players, the US and NATO

Russian aggressive policy led to a rethink in defence policies of Poland and the Baltic states. The countries scaled back their engagement in crisis-management abroad and concentrate their efforts and forces on national and collective defence. Russia’s actions resulted also in an ongoing change in the non-aligned Sweden, which – after focusing solely on expeditionary military activity – currently rebuilds its national defence capabilities and strives for as much military cooperation with NATO and the US as possible. In non-aligned Finland, Russian actions legitimate Finnish traditional defence system focused on defence of national territory and at the same time encourage Finland (similarly to Sweden) to deepen military cooperation with the West. The Baltic Sea region has experienced also a significant change in NATO’s policy that came in spring/summer 2016.

**Poland** was not entirely surprised by the Russian-Ukrainian conflict, as it has noticed changes in Russian policy since Russian-Georgian war in 2008. The worsening regional security environment have motivated Poland to develop multidimensional security and defence policy concentrated on strengthening national defence, on increasing politico-military ties with relevant allies and partners and on advocating more focus on collective defence within NATO. Thus, Poland has maintained a relatively high level of defence spending (1,8%–2% of GDP) in the recent years and aims to spend above 2% of GDP level in the future in order to conduct the

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necessary modernization and reforms of its armed forces. Warsaw implements or is in the last planning stages of purchasing of several weaponry systems. In the Air Force there is an ongoing procurement for very short, short and medium range air and missile defence systems with some important purchase already been made (like JASSM air-to-surface long range cruise missiles for F-16 fighters). The Navy is to get several new naval platforms, submarines with long-range sea-to-surface cruise missiles included. The Land Forces are improving their long-range artillery capabilities among others. Polish government has established also a new branch of the armed forces – the Territorial Defence Forces similar to the Scandinavian home guard model.

Poland has also invested in developing relations with its crucial allies (the US, Germany and the UK) as well as with regional allies and partners. Polish governments have been trying to deepen military contacts and cooperation, increase interoperability, exercises and training as well as the presence of US and German military units on Polish territory. Main elements of Polish-US cooperation include: US/NATO SM-3 interceptor site being built in north-west Poland (to be fully operational in 2018), rotational presence of US Aviation Detachment (combat and transport aircraft) and – newly – the armoured brigade combat team (ABCT) with its main elements being hosted in Poland. Cooperation with Germany has been developed, especially between the heavy armoured units of both countries land forces. The main reason was the purchase of the Bundeswehr Leopard battle tanks by the Polish Army. Collaboration has been also initiated between the air forces and navies on top of the increased cooperation related to NATO’s enhanced training and exercises on the eastern flank. Also the UK has been increasing its presence in military exercises in Poland. Poland has also been trying to reinvigorate military relations with its regional allies and partners – not only with the Visegrad countries, but also with the Baltic and Nordic states. Warsaw will contribute an armoured company to the battalion-size battlegroup in Latvia and deepens military ties with Sweden.

In the Baltic states the annexation of Crimea in 2014 became a turning point for security policy of Lithuania and Latvia. The Russian-Ukrainian war brought a serious rethink of their defence policies that resulted both in steep rise of military expenditure as well as speeding-up of the modernization plans. Prior to that they were investing in expeditionary capabilities as a heritage of NATO’s out-of-area engagement paradigm. Moreover, since the financial crisis their armed forces were suffering from serious underfunding. However, at the beginning of 2017 both Lithuania and Latvia had the fastest-growing defence budgets in the Alliance. Lithuania doubled its military expenditures from 0,9% of GDP in 2014 to 1,8% of GDP in 2017, whereas Latvia from 0,9% of GDP in 2014 to 1,7% of GDP in 2017. Both countries expect to reach 2% threshold in 2018 and signal to go even beyond that.

With regard to the modernization of the armed forces Lithuania raised the level of combat readiness, reinstated conscription and significantly accelerated the procurement projects (self-propelled howitzers, infantry fighting vehicles and short range air defence). Latvia put more emphasis on voluntary Territorial Defence reinforcement by raising the number of troops and the level of readiness as well as by additional procurement of military equipment (anti-tank missiles/MANPADs). Simultaneously Latvia is mechanizing its regular Army and updating exercises scenarios which include deployment of regular forces to regions bordering Russia where only voluntary troops are permanently based. In comparison to its Baltic neighbours, Estonia with its Finland-like defence system – is a different case. Already before 2014 Estonia matched the 2% of GDP military expenditure target and maintained a conscript-based army model focused on defence of national territory. Nowadays Estonia continues its armed forces modernization (focused on mechanization of land forces and anti-tank capabilities), increases the number of voluntary Territorial Defence formations and raises the defence budget - from 2% of GDP in 2014 to 2,2% of GDP in 2017. It has also plans to reach 2,5% of GDP in the future. Besides, in response to changes in security environment Estonia introduced also snap-drills for reservists.

All three Baltic countries rise gradually the number of troops and test partial mobilization of reservists as well as invest in military infrastructure for host nation support. In their security policies the Baltic states deepen their bilateral military relations with NATO allies, especially with the US (US rotational presence of troops, prepositioning of military equipment, bilateral and multinational exercises, US investments in local military infrastructures, military procurements of arms and military equipment from the US, cooperation with US National Guard). Lithuania, Latvia and Estonia continue also to strengthen their cooperation with Western

European allies, mainly with Germany (procurement, exercises), United Kingdom (exercises and training), Denmark (exercises and training).

**In Sweden** Russian-Ukrainian war has increased concerns about the security of the state and the Baltic Sea Region. The discussion about Russia presenting a security threat to the entire region has intensified. However, it didn’t bring a breakthrough in Swedish security and defence policy – like a steep increase in defence budget or serious considerations about a NATO membership, but an amplification of the existing trends. A decision was made on a small rise of the defence budget up to 2020 along with an adaptation of Swedish armed forces to the new security environment. Sweden has also started to intensify military cooperation with Finland and tighten relations with NATO and the US as a way to circumvent its non-aligned status.

Though security and defence policy seems to be high on the political agenda, this priority is not reflected in the state’s expenditure. Sweden will increase only slightly its defence spending in the 2017–2020 timeframe – the relation of Sweden’s military expenditure to the GDP will continue to amount to ca. 1% of GDP. The change is however reflected in Swedish military posture. Swedish armed forces are undergoing a recalibration from a military focused on crisis-management operations abroad to an army concentrated on defence of national territory. However, due to the lack of resources that will be achieved only to a certain degree. Therefore, Swedish goal is first of all to enhance the military preparedness and increase the operational capabilities. Additionally, in 2016 the military reinforcement of strategically important Gotland island began and the coastal defence units were reactivated. A reformed version of the draft, that was abandoned in 2011, will also have its comeback in the coming years. Sweden plans also to reintroduce the total defence concept.

Due to worsening security environment Sweden has speeded up its political and military cooperation with NATO. Together with Finland, it is part of the 28+2 format of political high-level consultations with NATO. Militarily, it aims to increase the interoperability with NATO forces to the highest extent possible. Swedish armed forces have been participating in NATO Response Force since 2014; Sweden signed and ratified the Host Nation Support Agreement with the Alliance and increased its participation in the exercises with NATO forces in the region. Sweden has intensified ties with the US in the recent two years, signing a defence agreement in 2016 that stipulates enhancing interoperability, training and exercises, technical cooperation and collaboration abroad. In the Baltic Sea region the non-aligned Finland has become Sweden’s main military cooperation partner, as since 2014 Norway’s and Denmark’s priority has been to deepen collaboration within NATO.

**In Finland** the aggression on Ukraine and intensified Russian military activity in the Baltic Sea region resulted in moderate changes in Finnish security and defence policy. Although its cornerstones encompassing non-alignment, capability to defend entire territory (total defence, conscription), military cooperation with Western partners and maintaining good relations with Russia were kept, Finland decided to introduce several measures to adapt the traditional Finnish defence model to a more demanding regional security environment. Being especially worried about the gap between Russian military readiness and lack of rapid reaction capabilities in Finnish mobilization-based defence system Finland increased the number of rehearsal exercises for reservists, established simpler call-up procedure for certain number of reservists as well as prepositioned fighter jets to other air bases in order to be able to react more quickly to Russian airspace intrusions.

Moreover, Finnish government excluded military expenditures from austerity measures, but attempts to rise defence budget have failed so far. Stagnation of defence expenditures continues at the level of 1,3% of GDP. It seems to be the biggest problem of Finland’s armed forces, particularly ahead of costly future procurements in the Navy (new corvettes) and the Air Force (fighter jets replacement) as well as a decision on increasing the war-time size of the army (reduced in 2013–2014 from 350 000 soldiers to 230 000). Due to insufficient resources Finland is becoming more and more open to military cooperation with Sweden (joint naval and air force exercises, mutual use of military infrastructure, common operational planning), the US (joint exercises and Finnish procurement of US arms and military equipment) and NATO (closer political dialogue in the 28+2 format, signing the Host Nation Support Agreement, participation in NATO Response Force).

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NATO and the US maintained no significant military infrastructure or military presence in the Baltic states or in Poland until 2014, apart from four rotational fighter jets from NATO countries conducting the air policing mission over the Baltic states. First steps to change this policy were taken in 2014 both by the US and by NATO meant as a reassurance to the Baltic states and Poland that were increasingly concerned with Russian actions against Ukraine and with Russian provocative behaviour in the Baltic Sea region. The United States played a leading role in those efforts. As a part of the European Reassurance Initiative (ERI) initiated by the US President Barack Obama in spring 2014, the US strengthened its military presence in the Baltic Sea region.15 Through bilateral measures the US shaped the NATO’s reinforcement measures for the region decided upon at the Wales summit in autumn 2014.16 NATO’s engagement was not of great military significance and merely analyses/2016-07-13/natos-eastern-flank-a-new-paradigm [14 December 2016].


15 The US increased the number of US jet fighters participating in the Baltic Air Policing mission, established a rotating presence of a company-sized contingent in the Baltic states and Poland (ca. 150 soldiers per country) and stepped up US involvement in pre-scheduled military exercises in the Baltic Sea region.


17 NATO established a rotational presence of West European company-sized units (approximately 150 troops) taking part in exercises and training and by an increased participation in land, air and maritime exercises.

18 The ABCT numbers ca. 4,000 soldiers and will permanently rotate in the region for a 9-month period.


A more significant change in NATO’s policy and actions in the Baltic Sea region came in spring/summer 2016 when both the US and NATO recognized that Russia represents a serious and long-term challenge to the Alliance and needs a tougher response. The decision was made to transform the nature of the US and NATO’s military involvement in the region from reassurance to deterrence. That meant deploying forces suited for combat and not only for training and exercise. The US decided to triple the financing of the 2017 budget for the ERI. That allowed to deploy a US armoured brigade combat team (ABCT)18 to the region in early 2017. Its main components are located in Poland and its units will exercise regularly in the Baltic Sea states. On part of NATO, during the Warsaw summit in 2016 allies agreed to deploy four battalion-sized battlegroups in the Baltic states and in Poland on a persistent rotational basis from the first quarter of 2017 (one for a country; each totaling approximately 1,000 troops). USA, Germany, Canada and the UK serve as framework nations for these battlegroups. Clearly, these NATO forces along with the US brigade will not ensure the defence of Poland or the Baltic states in the face of Russia’s potential aggression. Their presence is to deter the Kremlin from undertaking aggressive actions against NATO. They are meant to serve as a trigger in NATO’s military response chain that will engage the whole Alliance in a potential conflict with Russia. The message was: Moscow can no longer count on NATO avoiding a reaction and it must also calculate the implications of the engagement of US, German or British troops in a potential conflict.19

3. Risks and challenges A.D. 2017

The election of Donald J. Trump for the next US President, Brexit, and an unknown outcome of presidential and parliamentary elections in France and Germany in 2017 creates new risks and challenges to the security of the Baltic Sea region. Russia anticipates a new US-Russian reset since President Trump claimed in his campaign to improve relations with Moscow and to include Russia in a wider alliance against ISIS. The Islamic State is perceived by the new US administration to be the most important security threat. Russia expects US concessions: giving up on sanctions, curbing the US military presence in the Baltic Sea region and putting into question decisions and measures taken by NATO in 2016. If Europe’s security provider and guarantor pulls back, European post-Cold War security architecture will be crumbling. West Europeans do not have enough military capabilities and political will to take over the leadership role in European security and defence. The uncertainty will grow as Russia will strive to enforce the idea of spheres of influence in Europe, with the Baltic Sea region (both NATO and non-NATO countries) foreseen to function as a grey zone between Russia and
Western Europe, deprived of Western military presence and military infrastructure, and more prone to Russian interests.

Russia may start to exert military pressure on the new US administration in order to achieve these goals. That may mean that the risk of Russian provocations may rise. Instrumental in this context may be the large-scale Russian Zapad 2017 military exercises that will take place in Russian Western military district and in Belarus in autumn this year. The provocative behavior of Russian air force and navy units in the Baltic Sea region may be on the rise again, and so the risk of unintended clashes between Russia and NATO, the US or countries from the region. This will be used to make the US and the newly elected leaders in Western Europe understand that if Russian ‘legitimate’ security concerns about the increased US and NATO military presence in the Baltic Sea region will not be reconsidered and scaled back, the ‘third world war’ may be looming.

In the worst case scenario, Russia may be willing to military test or even confront the West – by questioning and infringing sovereignty or territorial integrity of the states in the Baltic Sea region. Such a move will be based on the Kremlin’s assumption that the US and Western European countries will be extremely hesitant on how to respond and would prefer to shy away from the conflict and struck a new geopolitical deal with Russia. If Russia perceives that by use of military force there is a good chance to achieve its strategic goals, it will attempt to do that. If NATO reacts in order to fulfill obligations stemming from Article 5 of the North Atlantic Treaty, that could lead to full scale military confrontation.

4. Recommendations for policy-makers

NATO

- NATO’s priority is to avoid a scenario in which Russia attempts to test the West. NATO has therefore to convince the Kremlin that there are no political or military doubts about the reaction to Russia’s hostile actions. NATO’s deterrence posture in the Baltic Sea region should be therefore maintained in order not to allow for misperceptions and miscalculations in Moscow. Only a substantial NATO and US military presence in the Baltic states and Poland will convince Russia that all allies are politically and militarily committed to collective defence principle. The Kremlin is a rational actor that calculates the chances and risks of its actions; it is aware of its own military dominance in the region but also of Western/US military superiority in general.

- European allies, and especially Baltic Sea region states along with non-aligned Sweden and Finland will have to face the old-new US demands on burden-sharing. That will mean maintaining or increasing the defence allies and partners are not only preoccupied with ensuring own security but are also responding to security concerns of their allies. That will be one of the arguments for maintaining US presence in the Baltic Sea region.

- The decisions taken at the NATO Warsaw summit in 2016 were important but at the same time a first step in which will enable effective co-operation between all the elements in the NATO chain of military response.

- The NATO command structure needs to be adjusted in order to effectively run collective defence operations after years of concentrating on crisis management missions out-of-area. The Polish-German-Danish Headquarters Multinational Corps Northeast in Stettin needs to continue its preparations to adapt to the new role and tasks related to commanding the NRF forces in the event of their deployment in the Baltic Sea region. It is important to further increase international (US and regional) participation and make the headquarters a regional hub for military cooperation. All NATO forces in the region (battalion-sized battlegroups, the VJTF/NRF) should be subordinated to one chain of command and should be able to effectively co-operate with US troops and national armed forces. The speed of dispatching NATO forces to the eastern flank by road transport and by railway needs to be increased. The concept of follow-on forces which would support the VJTF/NRF in larger-scale conflicts should be fully developed and exercised. NATO needs to invest in early warning capabilities in order to have at its disposal better intelligence to make quicker political and military decisions. Contingency plans prepared for the Baltic Sea region needs constant updating underpinned by command post and field exercises based on collective defence scenario. There is also a need to adjust the rhetoric and strategy in the area of NATO nuclear policy to Russia’s doctrine of using tactical nuclear weapons.
Poland and the Baltic states

- Poland and Estonia should stick to the 2% of GDP spending level and speed-up implementing the modernization program of their armed forces. Policy-makers in Lithuania and Latvia need to strive for keeping defence spending and modernization of armed forces out of political games (the second relates to Estonia and Poland as well) in order to preserve the recently established consensus on defence budget at least at 2% of GDP level. Policy-makers in the Baltic states should consider synchronizing their armed forces modernization plans, which would create scope for joint money-saving procurements. They need also to intensify efforts to build mutual trust between them in order to enhance trilateral cooperation.

- Poland and the Baltic states should continue to invest (with the help of NATO and the US) in host nation support measures, including military infrastructure in their countries (air and naval bases, training grounds) in order to be able to receive and accommodate larger NATO forces in case of crisis or conflict in the region.

- Poland along with its regional partners from Visegrad and Baltic region should start a rethink of how to maintain and deepen the cooperation with the US under the new leadership of President Donald Trump. Poland with the Baltic states may also consider increasing their diplomatic efforts in Washington to convince the new administration that Baltic Sea region security is tightly linked with US security interests. Actions should be undertaken that counter Russian efforts to trivialize the need of US’ and NATO’s deterrence posture in the Baltic Sea region. Supporting research programs dealing with Nordic-Baltic-Central European security issues in conservative US think-tanks in Washington might be a good idea.

- The Baltics states should improve their strategic communication with regard to reporting on Russian actions in the Baltic Sea region. On the one hand, it should aim to adequately inform own public and allies about risks, threats and challenges Baltic states are facing. On the other hand, it should not have a side effect of spreading too much fear among the population and the allies and therefore serve Russian goals of intimidating the region and the West. Adequate communications strategy needs to be developed in order to counter propaganda and provocations with regard to the deployment and activities of NATO’s battalion-sized battlegroups in the Baltic states and Poland. Russia may conduct disinformation campaign along with provoking incidents involving allied soldiers in order to spread distrust against NATO in the local societies.

Sweden and Finland

- Sweden should increase its defence spending more significantly, above the amount that has been agreed upon in 2015. As a non-aligned country that is strategically located in the Baltic Sea region, Sweden should develop capabilities to defend its own territory, especially its military infrastructure in southern and central Sweden as well as to prevent any Russian attempts to take control of the Gotland island in case of a conflict in the Baltic Sea region. Sweden has also problems with not enough of military personnel serving in its armed forces, which impedes its operational readiness and capacity to conduct operations for a longer period of time. Wise and partial reintroduction of conscription, as already planned, should help.

- Finland should put more money in its total defence system in order to make it more credible. On the one hand, rehearsal exercises, conscription and maintaining impressive reserve are sending a clear signal, which demonstrates the will to defend the country. On the other hand, Finland has only 8 000 professional soldiers, which are focused on conscripts training on everyday basis. That limits crucial rapid response capabilities to special forces, air force and elements of navy. Without broad political agreement on increasing defence funding, it won't be possible to conduct major planned procurement programs like acquiring new corvettes or replacing F/A-18 Hornet jets.

- Sweden and Finland both should work on a strategy how to counter Russian disinformation and propaganda campaigns targeting both countries. Swedish government should develop a strategy countering Russian disinformation with regard to security and defence. Up to now there are no signs of coordinated efforts in this respect, though the government plans to develop a psychological defence concept. Sweden should also work on improving the cybersecurity of the government’s, state agencies’ and critical infrastructure networks as well as public broadcasters since they have become the target of attacks. Finland should improve inter-institutional communication regarding security policy and
Russia policy. Insufficient flow of information between the President, government and the parties in the Parliament sometimes leads to confusion and misunderstandings and give the impression of polyphony in crucial issues like security and defence policy. Any Finnish political initiatives involving Russia should be carefully planned and coordinated with partners from NATO and the EU in order to prevent to misuse them by Russian diplomacy as it was the case with the so called Niinistö plan.

• Sweden and Finland should further increase its relations with NATO and the US to the extent possible. However, both countries should take into consideration that they – as partner countries – are reaching the limits of cooperation with NATO. Swedish conservative block should offensively put the question of Swedish NATO membership as one of the main topics for parliamentary elections’ campaign in 2018. With rising public support, this will move forward the political debate and may bring Sweden closer to the accession to NATO.