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The Security and Defense Agenda (Future of NATO)
As Delivered by Secretary of Defense Robert M. Gates, Brussels, Belgium, Friday, June 10, 2011

Thank you, Mr. Secretary General, Jaap, for that kind introduction.

And my thanks to Giles Merritt and the Security and Defense Agenda for the opportunity to speak here today. This is Day 11 of an 11-day international trip so you can understand why I am very much looking forward to getting home. But I am glad – at this time, in this venue – to share some thoughts with you this morning about the transatlantic security relationship in what will be my last policy speech as U.S. defense secretary.

The security of this continent – with NATO as the main instrument for protecting that security – has been the consuming interest of much of my professional life.

In many ways, today's event brings me full circle. The first major speech I delivered after taking this post nearly four-and-a-half years ago was also on the Continent, at the Munich Security Conference. The subject was the state of the Atlantic Alliance, which was then being tested with the resurgence of the Taliban in Afghanistan. Today, I would like to share some parting thoughts about the state of the now 60-plus year old transatlantic security project, to include:

- Where the alliance mission stands in Afghanistan as we enter a critical transition phase;
- NATO's serious capability gaps and other institutional shortcomings laid bare by the Libya operation;
- The military – and political – necessity of fixing these shortcomings if the transatlantic security alliance is going to be viable going forward;
- And more broadly, the growing difficulty for the U.S. to sustain current support for NATO if the American taxpayer continues to carry most of the burden in the Alliance.

I share these views in the spirit of solidarity and friendship, with the understanding that true friends occasionally must speak bluntly with one another for the sake of those greater interests and values that bind us together.

First, a few words on Afghanistan. I have just returned from three days of visits and meetings with our troops and commanders there, and come away impressed and inspired by the changes that have taken place on the ground in recent months. It is no secret that for too long, the international military effort in Afghanistan suffered from a lack of focus, resources, and attention, a situation exacerbated by America's primary focus on Iraq for most of the past decade.

When NATO agreed at Riga in 2006 to take the lead for security across the country, I suspect many allies assumed that the mission would be primarily peacekeeping, reconstruction, and development assistance – more akin to the Balkans. Instead, NATO found itself in a tough fight against a determined and resurgent Taliban returning in force from its sanctuaries in Pakistan.

Soon, the challenges inherent to any coalition operation came to the surface – national caveats that tied the hands of allied commanders in sometimes infuriating ways, the inability of many allies to meet agreed upon commitments and, in some cases, wildly disparate contributions from different member states. Frustrations with these obstacles sometimes boiled into public view. I had some choice words to say on this topic during my first year in office, unfavorably characterized at the time by one of my NATO ministerial colleagues as "megaphone diplomacy."

Yet, through it all, NATO – as an alliance collectively – has for the most part come through for the mission in Afghanistan. Consider that when I became Secretary of Defense in 2006 there were about 20,000 non-U.S. troops from NATO nations in Afghanistan. Today, that figure is approximately 40,000. More than 850 troops from non-U.S. NATO members have made the ultimate sacrifice in Afghanistan. For many allied nations these were the first military casualties they have taken since the end of the Second World War.

Frankly, four years ago I never would have expected the alliance to sustain this operation at this level for so long, much less add significantly more forces in 2010. It is a credit to the brave ISAF troops on the ground, as well as to the allied governments who have made the case for the Afghanistan mission under difficult political circumstances at home.

Over the past two years, the U.S. has completed the dramatic shift in military priorities away from Iraq and towards Afghanistan, providing reinforcements to allies who courageously had been holding the line in the south. These new resources – combined with a new strategy – have decisively changed the military momentum on the ground, with the Taliban ejected from their former strongholds.

While President Obama is still considering the size and pacing of the troop drawdown beginning in July, I can tell you there will be no rush to the exits. The vast majority of the surge forces that arrived over the past two years will remain through the summer fighting season. We will also reassign many troops from areas transferred to Afghan control into less-secure provinces and districts.

As the Taliban attempt their inevitable counterattack designed to increase ISAF casualties and sap international will, now is the time to capitalize on the gains of the past 15 to 18 months – by keeping the pressure on the Taliban and reinforcing military success with improved governance, reintegration, and ultimately political reconciliation.

Given what I have heard and seen – not just in my recent visit to Afghanistan, but over the past two years – I believe these gains can take root and be sustained over time with proper Allied support. Far too much has been accomplished, at far too great a cost, to let the momentum slip away just as the enemy is on its back foot. To that end, we cannot afford to have some troop contributing nations to pull out their forces on their own timeline in a way that undermines the mission and increases risks to other allies. The way ahead in Afghanistan is "in together, out together." Then our troops can come home to the honor and appreciation they so richly deserve, and the transatlantic alliance will have passed its first major test of the 21st Century:

- Inflicting a strategic and ideological defeat on terrorist groups that threaten our homelands;
- Giving a long-suffering people hope for a future;
- Providing a path to stability for a critically important part of the world.

Though we can take pride in what has been accomplished and sustained in Afghanistan, the ISAF mission has exposed significant shortcomings in NATO – in military capabilities, and in political will. Despite more than 2 million troops in uniform – NOT counting the U.S. military – NATO has struggled, at times desperately, to sustain a deployment of 25- to 40,000 troops, not just in boots on the ground, but in crucial support assets such as helicopters, transport aircraft, maintenance, intelligence, surveillance and reconnaissance, and much more.

Turning to the NATO operation over Libya, it has become painfully clear that similar shortcomings – in capability and will – have the potential to jeopardize the alliance's ability to conduct an integrated, effective and sustained air-sea campaign. Consider that Operation Unified Protector is:

- A mission with widespread political support;
- A mission that does not involve ground troops under fire;
- And indeed, is a mission in Europe's neighborhood deemed to be in Europe's vital interest.

To be sure, at the outset, the NATO Libya mission did meet its initial military objectives – grounding Qaddafi's air force and degrading his ability to wage offensive war against his own citizens. And while the operation has exposed some shortcomings caused by underfunding, it has also shown the potential of NATO, with an operation where Europeans are taking the lead with American support. However, while every alliance member voted for Libya mission, less than half have participated at all, and fewer than a third have been willing to participate in the strike mission. Frankly, many of those allies sitting on the sidelines do so not because they do not want to participate, but simply because they can't. The military capabilities simply aren't there.

In particular, intelligence, surveillance, and reconnaissance assets are lacking that would allow more allies to be involved and make an impact. The most advanced fighter aircraft are little use if allies do not have the means to identify, process, and strike targets as part of an integrated campaign. To run the air campaign, the NATO air operations center in Italy required a major augmentation of targeting specialists, mainly from the U.S., to do the job – a "just in time" infusion of personnel that may not always be available in future contingencies. We have the spectacle of an air operations center designed to handle more than 300 sorties a day struggling to launch about 150. Furthermore, the mightiest military alliance in history is only 11 weeks into an operation against a poorly armed regime in a sparsely populated country – yet many allies are beginning to run short of munitions, requiring the U.S., once more, to make up the difference.

In the past, I've worried openly about NATO turning into a two-tiered alliance: Between members who specialize in "soft' humanitarian, development, peacekeeping, and talking tasks, and those conducting the "hard" combat missions.

Between those willing and able to pay the price and bear the burdens of alliance commitments, and those who enjoy the benefits of NATO membership – be they security guarantees or headquarters billets – but don't want to share the risks and the costs. This is no longer a hypothetical worry. We are there today. And it is unacceptable.

Part of this predicament stems from a lack of will, much of it from a lack of resources in an era of austerity. For all but a handful of allies, defense budgets – in absolute terms, as a share of economic output – have been chronically starved for adequate funding for a long time, with the shortfalls compounding on themselves each year. Despite the demands of mission in Afghanistan – the first 'hot' ground war fought in NATO history – total European defense spending declined, by one estimate, by nearly 15 percent in the decade following 9/11. Furthermore, rising personnel costs combined with the demands of training and equipping for Afghan deployments has consumed an ever growing share of already meager defense budgets. The result is that investment accounts for future modernization and other capabilities not directly related to Afghanistan are being squeezed out – as we are seeing today over Libya.

I am the latest in a string of U.S. defense secretaries who have urged allies privately and publicly, often with exasperation, to meet agreed-upon NATO benchmarks for defense spending. However, fiscal, political and demographic realities make this unlikely to happen anytime soon, as even military stalwarts like the U.K have been forced to ratchet back with major cuts to force structure. Today, just five of 28 allies – the U.S., U.K., France, Greece, along with Albania – exceed the agreed 2% of GDP spending on defense.

Regrettably, but realistically, this situation is highly unlikely to change. The relevant challenge for us today, therefore, is no longer the total level of defense spending by allies, but how these limited (and dwindling) resources are allocated and for what priorities. For example, though some smaller NATO members have modestly sized and funded militaries that do not meet the 2 percent threshold, several of these allies have managed to punch well above their weight because of the way they use the resources they have.

In the Libya operation, Norway and Denmark, have provided 12 percent of allied strike aircraft yet have struck about one third of the targets. Belgium and Canada are also making major contributions to the strike mission. These countries have, with their constrained resources, found ways to do the training, buy the equipment, and field the platforms necessary to make a credible military contribution.

These examples are the exceptions. Despite the pressing need to spend more on vital equipment and the right personnel to support ongoing missions – needs that have been evident for the past two decades – too many allies been unwilling to fundamentally change how they set priorities and allocate resources. The non-U.S. NATO members collectively spend more than $300 billion U.S. dollars on defense annually which, if allocated wisely and strategically, could buy a significant amount of usable military capability. Instead, the results are significantly less than the sum of the parts. This has both shortchanged current operations but also bodes ill for ensuring NATO has the key common alliance capabilities of the future.

Looking ahead, to avoid the very real possibility of collective military irrelevance, member nations must examine new approaches to boosting combat capabilities – in procurement, in training, in logistics, in sustainment. While it is clear NATO members should do more to pool military assets, such "Smart Defense" initiatives are not a panacea. In the final analysis, there is no substitute for nations providing the resources necessary to have the military capability the Alliance needs when faced with a security challenge. Ultimately, nations must be responsible for their fair share of the common defense.

Let me conclude with some thoughts about the political context in which all of us must operate. As you all know, America's serious fiscal situation is now putting pressure on our defense budget, and we are in a process of assessing where the U.S. can or cannot accept more risk as a result of reducing the size of our military. Tough choices lie ahead affecting every part of our government, and during such times, scrutiny inevitably falls on the cost of overseas commitments – from foreign assistance to military basing, support, and guarantees.

President Obama and I believe that despite the budget pressures, it would be a grave mistake for the U.S. to withdraw from its global responsibilities. And in Singapore last week, I outlined the many areas where U.S. defense engagement and investment in Asia was slated to grow further in coming years, even as America's traditional allies in that region rightfully take on the role of full partners in their own defense.

With respect to Europe, for the better part of six decades there has been relatively little doubt or debate in the United States about the value and necessity of the transatlantic alliance. The benefits of a Europe whole, prosperous and free after being twice devastated by wars requiring American intervention was self evident. Thus, for most of the Cold War U.S. governments could justify defense investments and costly forward bases that made up roughly 50 percent of all NATO military spending. But some two decades after the collapse of the Berlin Wall, the U.S. share of NATO defense spending has now risen to more than 75 percent – at a time when politically painful budget and benefit cuts are being considered at home.

The blunt reality is that there will be dwindling appetite and patience in the U.S. Congress – and in the American body politic writ large – to expend increasingly precious funds on behalf of nations that are apparently unwilling to devote the necessary resources or make the necessary changes to be serious and capable partners in their own defense. Nations apparently willing and eager for American taxpayers to assume the growing security burden left by reductions in European defense budgets.

Indeed, if current trends in the decline of European defense capabilities are not halted and reversed, Future U.S. political leaders– those for whom the Cold War was *not* the formative experience that it was for me – may not consider the return on America's investment in NATO worth the cost.

What I've sketched out is the real possibility for a dim, if not dismal future for the transatlantic alliance. Such a future is possible, but not inevitable. The good news is that the members of NATO – individually, and collectively – have it well within their means to halt and reverse these trends, and instead produce a very different future:

- By making a serious effort to protect defense budgets from being further gutted in the next round of austerity measures;
- By better allocating (and coordinating) the resources we do have; and
- By following through on commitments to the alliance and to each other.

It is not too late for Europe to get its defense institutions and security relationships on track. But it will take leadership from political leaders and policy makers on this continent. It cannot be coaxed, demanded or imposed from across the Atlantic.

Over the life of the transatlantic alliance there has been no shortage of squabbles and setbacks. But through it all, we managed to get the big things right over time. We came together to make the tough decisions in the face of dissension at home and threats abroad. And I take heart in the knowledge that we can do so again.