

THE COMING STORM

BALTIC SEA SECURITY REPORT



EDWARD LUCAS

JUNE 2015



Center for
European Policy
Analysis

About CEPA

The Center for European Policy Analysis (CEPA) is the only U.S. think-tank dedicated to the study of Central and Eastern Europe. With offices in Washington and Warsaw, it has grown rapidly over the last decade to become the leading voice for strengthening security and democracy in the countries of post-Communist Europe. CEPA is at the forefront of the transatlantic policy debate on issues of defense, energy and democratic reform in Central and Eastern Europe. Its mission is to promote an economically vibrant, geopolitically stable and politically free Central and Eastern European region with close and enduring ties to the United States.

About the Author

Edward Lucas is Senior Vice-President at CEPA, where he also leads the Center's Baltic Sea Security Program. An expert in energy, intelligence and cyber-security issues, he has covered the CEE region for more than 20 years, witnessing the final years of the last Cold War, the fall of the Iron Curtain and the collapse of the Soviet empire, Boris Yeltsin's downfall and Vladimir Putin's rise to power. He writes frequently on issues related to Central and Eastern Europe, Russian foreign and security policy, transatlantic issues, energy security. He is also Senior Editor at the *Economist* and writes for the *Wall Street Journal*, the *American Interest*, the *National Interest*, *Politico*, *Foreign Policy*, British daily and weekly papers and a weekly syndicated column which appears in more than 10 languages. He is a frequent commentator on CNN, BBC, and Fox News. He is also the author of four books: *The New Cold War* (2008), *Deception* (2011), *The Snowden Operation* (2014) and *Cyberphobia* (forthcoming, 2015). Educated at the London School of Economics (BSc Econ), he has lectured at Harvard, Oxford, Cambridge and other leading universities. He is fluent in German, and possesses a good working knowledge of Polish, Czech, Russian, and Lithuanian.

Center for European Policy Analysis
1225 19th Street, NW
Suite 450
Washington, DC 20036
Tel: (202) 551-9200
E-mail: info@cepa.org
www.cepa.org

© 2015 by the Center for European Policy Analysis, Washington, DC. All rights reserved. No part of this publication may be used or reproduced in any manner whatsoever without permission in writing from the Center for European Policy Analysis, except in the case of brief quotations embodied in news articles, critical articles or reviews.

Cover Photo Credit: Rocco DeFilippis/Released kirych/iStock/Thinkstock

EXECUTIVE SUMMARY

Europe's new front-line states are the Nordic five (Denmark, Finland, Iceland, Norway and Sweden), the Baltic three (Estonia, Latvia and Lithuania), plus Poland. These countries (the NBP9) share a common concern about a revisionist and rapidly rearming Russia. On paper they are rich enough to defend themselves: their combined gross domestic product (GDP) is \$2.3 trillion, roughly a third more than Russia's \$1.7 trillion. But the NBP9 are divided—into NATO and non-NATO, EU and non-EU, big and small, rich and poor, heavy spenders on defense and free riders. These countries' strategic incoherence, their resulting inability to defend themselves without outside help, and the threat this creates to NATO's credibility in the region make the NBP9's security an issue of global importance. Only the United States can spur the NBP9 to start the close security and defense cooperation needed to counter the Russian threat.

This report was presented by the author as a draft in May 2015, during the CEPA Strategic Assessment Group meeting at Helenow Palace, Poland. The Strategic Assessment Group is an ongoing effort at CEPA, which brings together prominent U.S. and Central European strategists and defense planners. The goal of the group is to assess the changing strategic environment for frontline NATO member states as a result of the war in Ukraine. The recommendations reflect the inputs from members of the Group.

INTRODUCTION

Six of the NBP9—Estonia, Finland, Latvia, Lithuania, Norway and Poland – border Russia. But all are exposed to the Kremlin’s provocations and intimidation, which breach the conventions governing civilized behavior among neighbors and, in some cases, international law. These include aggressive espionage; targeted corruption of political elites and public life; propaganda onslaughts; cyberattacks; exploitation of ethnic and regional tensions; economic sanctions; coercive use of Soviet-era energy links; aggressive surprise military exercises where the scenario involves attack, isolation or occupation (including the use of nuclear weapons); violations of air space, maritime borders and even (in Estonia’s case) the land border, when Russians crossed the frontier to kidnap a senior security official.

These episodes have gone largely unnoticed in the outside world. Northeastern Europe still enjoys an image of a region with zero geopolitical risk: the epitome of good government, stability and harmony. Even within the region, this outdated and idealistic view persists. Rick’s remark in *Casablanca* that “the problems of the world are not in my department” reflects the thinking of many, especially in Denmark, Finland and Sweden, who find geopolitics and hard security anachronistic and regard those issues with a mixture of detachment and distaste.

Yet events of the past years cast a harsh and unsettling light on the contours of regional security. The era of peaceful cooperation with Russia as a partner is over —not at the West’s instigation, but at Russia’s. The reasons for this are outside the scope of this paper, but it is clear that the Kremlin is seeking a *cordon sanitaire* on its borders in which the security choices of small countries must bow to the interests of a larger one. This is a direct and deliberate challenge to the rules-based European security order: Russia regards the post-1991 settlement as unfair and unfavorable to its interests.

The front-line states of the NBP9 face an assertive and revisionist power that has the means and willpower to pursue its goals and against which they cannot, as things stand, defend themselves. Their topography is unfavorable. Their defense spending is too low. They do not have the brains or the muscle needed to maintain regional security. But for most of Europe the problems of the NBP9 are not a priority. Leaders in the main West European countries look south, not east. Germany is unwilling to accept the possibility of military confrontation with Russia.

This turns a regional security problem into a global one. The NBP9 cannot defend themselves. They are dependent on the deterrent effect of the promises of others. The credibility of NATO, and thus of the

United States as a European power, depends on whether it can guarantee the security of the NBP9 and in particular the three states most vulnerable to Russian subversion or surprise attack: Estonia, Latvia and Lithuania.

If the Baltic states are successfully attacked or undermined (for example, through coercive but non-military regime change), the damage already done to the European security order by Russia's successful seizure of Ukrainian territory will become irretrievable. ***The central message of this report is that if the region's security is not improved, NATO, the world's most successful military alliance, could be revealed as powerless, perhaps without even a shot being fired.*** America's role as the ultimate guarantor of European security would be over in a matter of hours. That would end the rules-based European order that began with the Helsinki Final

Act of 1975, endorsed in the Paris Charter of 1990 and in the NATO-Russia agreements of 1997 and 2002 as well as in many other documents. It would herald a Hobbesian age—all too familiar in other parts of the world—in which big countries do the deals that they can, and small countries accept the outcomes that they must.

Such a humbling of America in Europe would have a huge and potentially catastrophic effect on security elsewhere. Allies such as Japan, Taiwan (Republic of China) and South Korea would find it hard to believe American security guarantees. They would be strongly tempted to either make their own arrangements with the authorities in Beijing or engage in a destabilizing nuclear arms race to guarantee their own security.



THE COMING STORM: BALTIC SEA SECURITY

A matter of numbers

At first sight, it is hard to see why outside powers need to be involved. Combined, the NBP9 are strong. They have a GDP of \$2.3 trillion—a third more than Russia's. Their population is 70 million—larger than France's. Their combined defense spending is \$33 billion. They have world-class military aviation, naval (especially submarine), artillery, special forces, cyber and intelligence capabilities. As one country they would have a good claim to be the most militarily effective non-nuclear power in Europe.¹

But the NBP9 are not combined. They are not in the same defense alliance. They do not coordinate fully (or in some cases at all) their threat assessments, military plans, purchasing or exercises. Sweden and Finland are not members of NATO, and they are not going to join in the immediate future. To be sure, opinion is moving rapidly. Finland once ruled out NATO membership explicitly. Now the new Finnish government has included the option of applying for membership "at any time" in its government program, and a majority of Finns support a referendum on the issue. In Sweden, for the first time, an opinion poll showed a majority of the population supporting membership in the alliance.

But even if the two non-NATO countries wished to join, accession would likely take at least 18 months. NATO officials have made it clear that these two countries, while outside the alliance, cannot expect to be covered by the alliance's Article 5 security guarantee. (A related problem is that Norway and Iceland are not members of the EU.²)

1 Russian defense spending since 2007 has nearly doubled, whereas European members of NATO have cut their spending by a fifth over the same period.

2 Though not a defense alliance, the EU has a "[mutual defence clause](#)" in its Lisbon treaty that states:

Bringing Finland and Sweden into NATO would eventually transform regional security. But moves toward NATO membership, however encouraging, are neither a necessary nor a sufficient condition for solving the immediate problems. Indeed, the prospect of NATO expansion in the region could in the short term make things worse. It could provoke Russia to launch a pre-emptive provocation in order to demonstrate the alliance's weakness. Rather than looking for elegant theoretical solutions, we need to look at and deal with the dangerous vulnerabilities we face this year and next.

For now, the region's security arrangements are hampered by division and mistrust. Poland and Estonia (the only ones to spend 2 percent of GDP on defense) fear that they have to bear the burden of supporting other countries that spend less. Poland in particular thinks that its size and the depth of its strategic culture mean that it may be the loser in any arrangement that involves smaller, weaker and more muddle-headed countries. For their part, the Nordic and Baltic countries fear Poland's political unpredictability. The government of Donald Tusk was dependable. What would a future Polish government be like? Memories of the chaotic and unpredictable era of the late Lech Kaczynski, and his brother, Jaroslaw, who dominates the main opposition Law and Justice party, are still vivid.

Elites and public opinion in Sweden and Finland fear entanglement in an American-led military alliance. The Baltic states fear any dilution of the Article 5 guarantee; Denmark is also skeptical of anything that might weaken the centrality of NATO. Norway,

"If a Member State is the victim of armed aggression on its territory, the other Member States shall have towards it an obligation of aid and assistance by all the means in their power, in accordance with Article 51 of the United Nations Charter on self-defence."

which has by far the largest interests in the Arctic, fears that the other countries do not understand the threats and opportunities it faces. The Nordic five—prosperous and established democracies—fear that the poorer and worse-governed Baltic states will not fit into their existing cooperation. The Baltic states do not trust each other or cooperate smoothly, and are worried that the rest of the region regards them as too small and too vulnerable to be taken seriously.

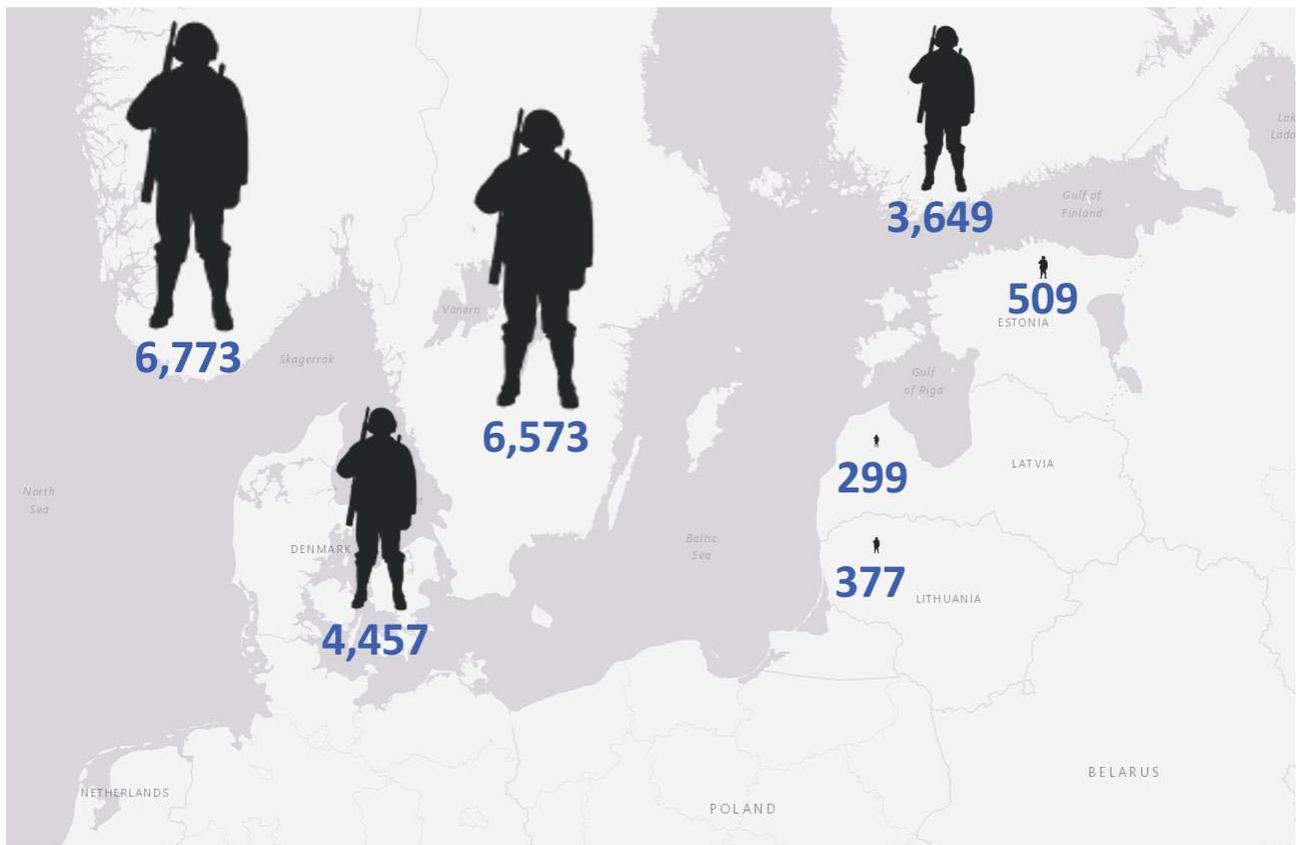
No institutional mechanism for resolving these difficulties exists. The Council of Baltic Sea States includes all the states of the region plus Russia, Germany and the European Commission but is a talking shop, not a security organization. Nordic defense cooperation—NORDEF—[is increasing](#) but excludes the Baltics. Sweden has some bilateral security arrangements with Norway and [others with Finland](#). It is launching a new program of defense

cooperation with Poland. Finland cooperates closely with Estonia on border issues. Nordic-Baltic cooperation has intensified under American leadership—a long-standing initiative known as e-PINE, for Enhanced Partnership In Northern Europe. This is slowly being transformed into a more defense-focused arrangement. But it does not include Poland.

In short, none of the institutional arrangements provide the basis for an adequate response to the threat. The burden for the region's fragmented and inadequate security places a large and perhaps unsustainable burden on outsiders, which in itself creates a tempting target for Russia: Bust the Baltic, and you bust the West.

This study suggests some possible remedies. They cannot come soon enough.

NORDIC-BALTIC DEFENSE SPENDING (\$M, 2014)



Figures are to scale. Source: Stockholm International Peace Research Institute

From Cold War to Hot Peace

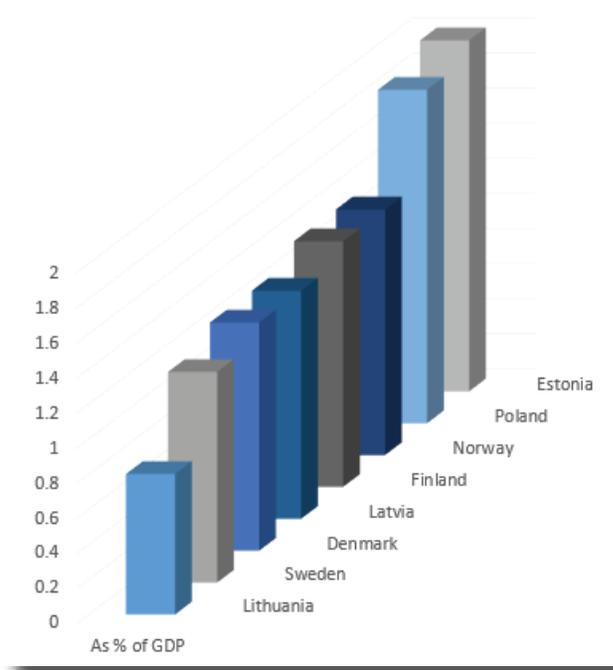
Russian threats to the security of the Baltic region are not new. Nor is Western unwillingness to perceive them. The Russian withdrawal of the occupation forces from Estonia, Latvia and Lithuania after the restoration of independence in 1991 was marked by economic pressure, political intrigue, provocations, the use of organized crime, phony terrorist outrages, propaganda and stay-behind operations. Russia proved adept at manipulating political forces in all its former satellites, not only through financial and other ties to explicitly pro-Russian parties (such as Harmony Centre in Latvia and the Centre Party in Estonia) but also through less obvious links with [supposedly nationalist and conservative forces](#).

The Estonian president Lennart Meri outlined some of the problems in a [prescient speech in Hamburg in 1994](#). So too, on many occasions, did the Lithuanian statesman Vytautas Landsbergis. Baltic security and intelligence officials repeatedly alerted their Western counterparts to Russian mischief-making. These warnings were largely ignored. Now that Baltic security issues are rocketing up the world agenda, it behooves policymakers and opinion-

formers from other countries to express some humility for the embedded and persistent strategic misperception that they have fostered. The security crisis in the Baltic Sea region is a surprise only to those who were not paying attention.

The Baltic states' membership in NATO, agreed on in 2002 and brought to fruition in 2004, marked a high point in the region's perceived security. The overall effect was positive. The willingness of NATO allies to provide air policing filled a major gap: countries that do not control their airspace do not control their borders and cannot claim to be truly sovereign. Finnish help on securing the Estonian land and sea border (including the inland Lake Peipsi), and the generous provision of surplus military equipment by Sweden to all three countries, also played an important role. Less conspicuous but important changes took place during the run-up to NATO membership in internal security procedures, involving the wholesale replacement of Soviet-era officials, new security procedures, the establishment of secure encrypted communication with NATO headquarters, cooperation on counterintelligence work, and the contribution to missions in Iraq, Afghanistan and elsewhere.

NBP9 DEFENSE SPENDING (%GDP)



Source: Stockholm International Peace Research Institute

In sum, these changes gave a superficial impression that the region's security problems were over. It helped that Russia's military capabilities were at a low ebb. Military reform efforts ordered from the top were dogged by bureaucratic resistance, incompetence, corruption and a shortage of cash.

But the reality was different. NATO scrupulously observed the strictest interpretation of the [NATO-Russia founding act](#), which said that the alliance and Russia did not see each other as adversaries, would consult and cooperate closely on the basis of common values, would refrain from threatening force, and would respect the sovereignty and territorial integrity of all countries. NATO said that it had "no intention, no plan and no reason" to deploy or store nuclear weapons on the territory of new members. It also stated that "in the current and foreseeable security environment" it would forswear the "additional permanent stationing of substantial combat forces" there.

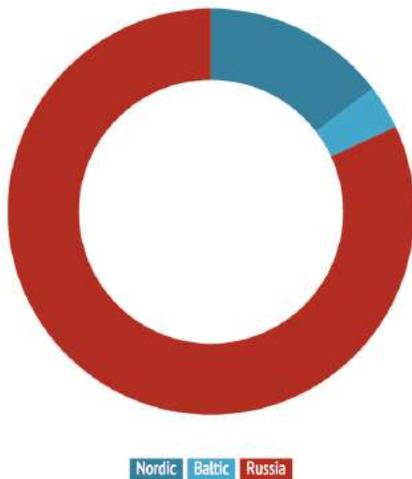
In fact, NATO went far beyond that commitment. It made no contingency plans for the defense of the Baltic states or Poland (or indeed any of its new members) during their first years as members. Doing so would have been to admit that Russia was

a potential threat—and such an admission would prompt all sorts of uncomfortable questions, as well as furious objections from the Kremlin. The only contingency plans for the defense of the region were sketchy ones made in the Pentagon at the time when NATO membership became a reality. They were never exercised and no forces were assigned to make them credible.

The United States, with the support of Germany and other countries, explicitly barred MC-161, the secret NATO committee that draws up the threat assessment, from considering any potential military dangers from the East. When Poland protested about this in 2007, NATO chiefs reluctantly agreed that a threat assessment could be drawn up—but only for an invasion from Belarus, a country roughly a third of Poland's size. NATO military commanders also quietly engaged in what they called "prudent planning"—sketchy desktop exercises about how in an emergency the alliance might respond to a Russian threat. This was a long way short of the full-scale contingency planning that the front-line states were demanding with increasing urgency.

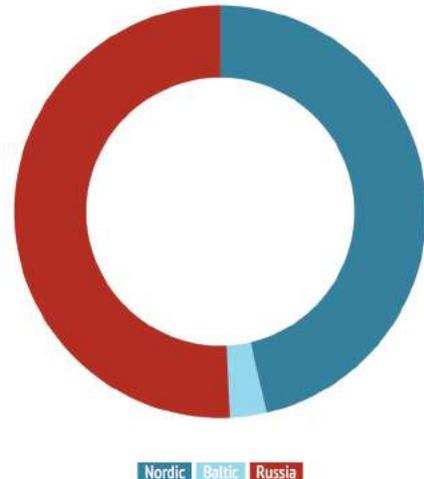
Only at the Strasbourg-Kehl summit in 2009, following the Russian cyberattack on Estonia in 2007

POPULATION



Nordic: 26,138,000
 Baltic: 6,332,000
 Russia: 142,467,000
 Source: Worldometers

GDP CURRENT PRICES (\$BN, 2014)



Nordic: 1,699,045
 Baltic: 106,155
 Russia: 2,351,844
 Source: International Monetary Fund



and the war against Georgia in 2008, did President Barack Obama overturn the previous taboo and demand from NATO that it make serious plans to defend the Baltic states and Poland. These plans—code-named Eagle Guardian—were eventually drawn up, but only after strong resistance from Germany and some other NATO countries that saw them as a needless provocation of Russia.

That decision marked a watershed in NATO’s approach to its front-line states. But the gradient was painfully slow. Eagle Guardian did not lay out how the alliance would actually defend the Baltic states—the plans were merely for reinforcement in the event of a crisis. The thinking (wishful in the extreme) was that if the alliance showed that it could deploy to the Baltic states speedily, there would be no need actually to fight a war there. Moreover, the plans largely involved the deployment of Polish troops—up to one-third of the Polish army. This exposed Poland to the danger that in the event of a conflict its most useful armed forces would be isolated in the Baltic states, severely impairing its own defense.

The Russian exercises of Zapad-09 and Ladoga, held jointly in the autumn of 2009, highlighted the changing security environment in the region. On the ostensible scenario of repelling an attack by “nationalists” from the Baltic states, Russia rehearsed the invasion and occupation of the Baltic

region, with a corridor some 100 kilometers west of the Russian border. The exercises were notable for several reasons. They breached in spirit the Conventional Forces in Europe (CFE) treaty, which sets a maximum limit on the size of exercises. (By claiming that the two exercises were independent of each other, Russia stayed within the letter of the treaty.) Foreign military observers were largely excluded from the exercise. A handful of military attachés from Moscow were allowed to observe under highly constrained conditions at headquarters, with no access to the maneuvers themselves. Perhaps most troublingly, the exercises envisaged the deployment and use of nuclear weapons. One of the targets was Warsaw.

It took some time for Western policymakers to appreciate the scale and nature of these exercises. It took them even longer to draw conclusions and act on them. It was not until the fall of 2013 that NATO conducted a serious military exercise (Steadfast Jazz)—the first big exercise to be held in the new member states—in which it rehearsed, in a lightly disguised scenario, the defense of the Baltic states and Poland. Even that was dogged by controversy and shortcomings. Germany argued strongly against the exercise having any features that might annoy Russia. It insisted on maximum transparency toward Russian observers, to the point that other countries began to worry about preserving secrecy and security. The variation in contributions to the

6,000-strong exercise was striking. Ukraine, not a NATO member and at the time under a leadership that was at best lukewarm toward the West, contributed more soldiers to the exercise than most of the big Western countries. France sent 1,200 troops, by far the largest contingent. Poland provided 1,040 soldiers. The United States sent just 40 personnel from the Brigade Combat Team earmarked to reinforce Europe in a crisis, plus some scores of other troops; Germany sent a total of 55 soldiers.

Russia's exercises shortly afterward, Zapad-13, were far larger than Zapad-09. They were not based on such an obviously intimidatory scenario. There appeared to be no nuclear weapons component to the exercise. But they demonstrated an impressive ability to move large numbers of troops and equipment over long distances—something that had been a particular weak point in Zapad-09.

HAD THE ATTACK ACTUALLY TAKEN PLACE, DENMARK WOULD HAVE BEEN DECAPITATED.

Since that time Russian military exercises, called at short notice—the so-called “snap drills,” have taken place with increasing frequency. A snap drill in Kaliningrad in December caught NATO completely by surprise. Much larger exercises in March, involving probably 33,000 troops, took place in response to a notional Western attempt to create a “Maidan” uprising in Moscow. The scenario included the speedy seizure of northern Norway, the Åland islands (demilitarized Finnish territory, populated by Swedish-speakers), the Swedish island of Gotland and the Danish island of Bornholm. If carried out successfully, control of those territories would make it all but impossible for NATO allies to reinforce the Baltic states.

Russia has also stepped up its use of provocative maneuvers in international airspace and at sea. [On Good Friday 2013](#), two Russian Backfire Tu-22M3

nuclear bombers, escorted by four Su-27 fighter jets, carried out maneuvers that some interpreted as dummy attacks on two strategically important military targets in Sweden. The aircraft concerned are capable of carrying nuclear weapons. That was shocking enough. Even worse, from a Swedish point of view, was that the country's air force was not available to intercept the potential intruders. It had been given the Easter weekend off. Sweden had to rely on Danish warplanes, part of the NATO air policing mission in the Baltic states, which scrambled from their Lithuanian base to make the necessary interception.

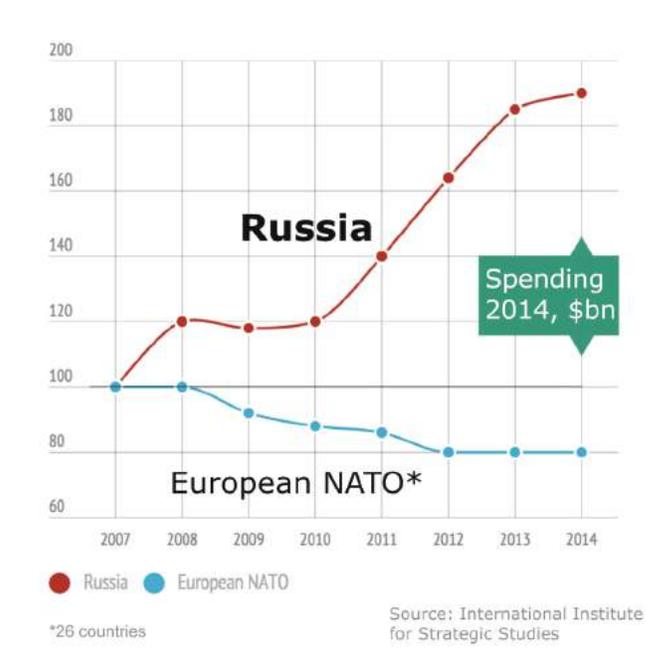
Russian warplanes regularly intrude into or come close to the airspace of the Baltic states. On different days in October 2014, [Denmark](#), [Sweden](#) and [Germany](#) all scrambled military jets to intercept Russian planes heading toward their airspace. In September, two Russian SU-24 fighter-bombers [intruded into](#) Swedish

airspace to the south of the island of Öland. Then-Foreign Minister Carl Bildt described the episode as “the most serious aerial incursion by the Russians during my years as foreign minister.”

Earlier, in June 2014, Russia mounted a [dummy attack](#), using planes armed with live missiles, on the Danish island of Bornholm just as 90,000 guests—in effect the country's entire political elite—were visiting the island for the Folkemødet public policy festival. Had the attack actually taken place, Denmark would have been decapitated.

The Russian military aircraft fly without filing flight plans and on occasion with their transponders switched off. This is not illegal, but it breaches the norms for military aviation in peacetime. It greatly increases the risk of an accident. In March 2014, a Russian warplane was within 90 meters of colliding with an SAS passenger plane taking off from Copenhagen. [Another episode occurred](#) in December 2014. In April 2015, a Russian plane intercepted an American RC-135U electronic reconnaissance plane in international airspace in what the U.S. termed an “unsafe and unprofessional manner.” When America complained, a [Russian](#)

SPENDING GAP



[spokesman said](#), “Russia is a Baltic country, whereas the U.S. is not.”

Russia has also created alarm in both Sweden and Finland through the behavior of its submarines. In response to a recent intrusion, the Finnish navy dropped small depth charges to signal their displeasure—the first “kinetic” response to Russian aggression in the Baltics since the height of the Cold War. Finland has [written to 900,000 of its citizens](#) who have completed military service, alerting them to their potential role (both military and non-military) in the event of a crisis.

Russia has [four times in two months](#) interfered with NordBalt, the high-voltage electrical interconnector being built between Lithuania and Sweden. The weather conditions in the Baltic mean that the season for seabed work is short. Citing military exercises in its economic zone off Kaliningrad, Russia has forced [the removal of the ship that guards newly laid cable](#). This risks creating extra costs; it also would, at least in theory, allow Russian special forces to interfere with the unguarded cable. Lithuania and Sweden mounted an unprecedented joint diplomatic protest about Russia’s actions on this issue.

Dangling economic benefits and threatening economic damage can deter countries from a robust security stance. In Finland, for example, the national airline, Finnair, has a business model based on being able to use Russian airspace for long-haul flights to Asia. That creates a serious vulnerability: Russia can raise the costs of overflights at the stroke of a pen. Latvia and Estonia still depend on imports of natural gas from Russia; Lithuania has built a liquefied natural gas (LNG) terminal. But the prospect of lucrative transit, energy and export deals with Russia has proved an irresistible temptation for policymakers in all three Baltic states over the past 25 years.

A further source of tension involves Russian transit across Lithuania to the exclave of Kaliningrad. The Russian region—a military bastion that is home to the Baltic fleet, a large military garrison, advanced air defenses and, potentially, Iskander ballistic missiles that could strike Warsaw and even Berlin—is a prized Soviet trophy from World War II (it consists of half the territory of the former East Prussia; the other half is now Polish). Kaliningrad is dependent on gas, electricity and rail links across Lithuania. This creates potential vulnerabilities. If this transit is disrupted (for whatever reason), Russia can blame Lithuania and claim that for

humanitarian or self-defense reasons it must intervene to restore normal service. A related danger concerns the passengers on the railway trains that cross Lithuania on a daily basis. Although these people are registered with the Lithuanian authorities via the consulate in Moscow, they do not receive the same scrutiny as applicants for entry visas. This could therefore be a way of introducing irregular military forces—the “little green men” who played a notorious role during Russia’s seizure of Crimea. An incident in August 2014, when a train came to a mysterious halt next to Lithuania’s sole hydroelectric power station, near the country’s second-largest city of Kaunas, sparked a brief but unpleasant few hours of panic as the Lithuanian authorities scrambled to put a perimeter around the train and find out the cause of the stoppage.

On another front, Russia has intensified its propaganda warfare against its Nordic-Baltic neighbors. The range of topics is eclectic. Russian media accuse the Finnish authorities of child abduction (arising from disputes over child custody when Finnish-Russian marriages break up) and Sweden of state-sponsored pedophilia and sexual decadence.

But the main thrust of the propaganda is against the Baltic states, which are portrayed as failures—blighted by emigration and poverty—and run by a sinister elite of Western puppets with ill-disguised fascist sympathies. Russia makes great play of the fate of its “compatriots”—a loosely defined term that includes those who speak Russian as a first language or identify themselves as Russian by ethnicity. It claims that these segments of the population have been denied citizenship in Latvia and Estonia, and face discrimination or outright persecution because of their ethnic, civic and linguistic affiliations. These claims are largely baseless³, but the issue remains a running sore:

3 Russians in the Baltic states enjoy more political freedoms than Russians in Russia do. Those who moved to Estonia or Latvia during the occupation era were not made to leave; they are free to learn the national language and apply for citizenship if they wish. If not, they have permanent residency and are able to do almost anything that a citizen can do except serve in the armed

Russia showed in Crimea how it could incite and exploit ethnic and linguistic feelings to create a prelude for a land-grab. The heavily Russian-speaking cities of Narva and Daugavpils are often cited as potential targets for similar tactics, though there are also significant Russian-oriented segments of the population in Estonia’s capital, Tallinn, and the Latvian capital, Riga. Russia sponsors organizations that claim to protect human rights but in fact act as channels for subversion, intimidation and espionage. The reports of the three Baltic counterintelligence services in past years provide a lively selection of material illustrating such activities.

RUSSIA HAS INTENSIFIED ITS PROPAGANDA WARFARE AGAINST ITS NORDIC-BALTIC NEIGHBORS.

More subtle influences on public opinion can work in Russia’s favor too. Russian propaganda has stoked anti-Lithuanian feeling among the Polish-speaking minority in Lithuania. This has in past years threatened serious damage to Polish-Lithuanian security cooperation.

Russia’s main propaganda vehicle in the Baltic states is television—the First Baltic Channel (PBK in its Russian acronym). Russian programming is slick and entertaining, and consequently widely watched even by people who do not feel politically drawn to the Kremlin. Russian-language programming run by the local television broadcasters is dry and unattractive. Online, the Regnum.ru site has been active in spreading Russian disinformation for more than a decade. Lately Russia has branched out into other languages, launching Sputnik, a *soi-disant* news agency, and the semiclandestine Baltnews site, which publishes anonymously produced “news” in Estonian, Latvian and Lithuanian. Russian “trolls” (cybermercenaries) also infest the comments sections of the main Baltic media.

forces or in senior government roles and vote in national elections.

Russian cyberattacks regularly disable or slow down access to genuine Baltic news sites, such as Delfi.

Perhaps the sharpest provocation of all was the seizure of an Estonian security officer, Eston Kohver, on September 5, 2014, only two days after President Obama, visiting the capital city of Tallinn, had given a ringing endorsement of the American security guarantee to the Baltic states. Details of the abduction remain unclear, but Kohver was, Estonian officials say, seized by Russian forces on the Estonian side of the border while investigating the involvement of the Russian internal security service, the FSB, in cross-border smuggling. He has been detained in Moscow pending trial for illegal border crossing and other charges.

It is clear from this litany of provocations, stunts and saber rattling that Russia is reasserting its role in the Baltic region. But to what end?

Russia's game plan

Russia does not want to restore the Warsaw Pact. It has no interest in gaining swathes of territory populated by resentful foreigners. It has clear economic interests in the Arctic and it is eager to secure the position of its Kaliningrad exclave, but it is not particularly interested in the Baltic states or even the Nordic region for their own sake. It does not want a fundamental breach of relations with the West. It knows that in a full-scale non-nuclear confrontation with the EU and NATO it will lose.

What it does want is to regain influence and insight in its neighborhood. The aim is that “nothing happens that we don’t know about, and nothing happens that we don’t like—apart from that, it is up to them,” as an official put it in a private conversation with me more than 15 years ago.

It is possible, though unlikely, that Russia is indeed planning a surprise full-scale military attack on the Baltic states, their Nordic neighbors and Poland. This would be possible only if Russia withdrew the estimated 15,000-20,000 forces that are currently involved in operations in and around Ukraine. Russia does not have the military means to fight two wars simultaneously. Even keeping one small army in battle-ready state is taxing its logistic and other

capabilities. But the Zapad-13 and other exercises have shown that Russia’s armed forces are now highly maneuverable. An operation in the Baltic sea region (for example, seizing the Swedish island of Gotland) could be mounted rapidly and effectively. It would also be possible to invade one of the Baltic states and reach the coast within a matter of a few hours; even the chairman of NATO’s military committee, General Petr Pavel, [has said publicly](#) that Russia would be able to conquer the Baltic states “in a couple of days” before NATO’s decision-making processes could react. Such a successful move would pose a dilemma: Would the West use military force to regain these territories, perhaps in the face of a nuclear threat from Russia? Or would it try to negotiate?

Some of these scenarios were outlined in a [paper](#) (link, in Finnish) by the military specialists [Michael Moberg](#), [James Mashiri](#) and [Charly Saloniust-Pasternak](#) in the February 27, 2015, issue of the magazine *Suomen Kuvalehti* (Finnish Picture Magazine). The paper was titled “[Venäjä vaatii Suomelta laivastotukikohtaa, Gotlanti miehitetään—voisiko näin tapahtua?](#)” (Russia demands a naval base from Finland, Gotland occupied—could this happen?). The scenarios include a “terrorist” attack on a Russian oil tanker, prompting Russia to complain that the West is trying to strangle its international trade and to demand a jointly run naval base in the region. The second scenario involves mysterious Islamist groups mounting terror attacks in Sweden while Russia occupies Gotland, supposedly at the request of a local group of activists seeking protection. The third posits rapid Russian intervention in Estonia in support of Russian-speaking separatists there.

Such moves would indeed have advantages from the Kremlin’s point of view. A rapid and successful move against such a target would be a dramatic and popular move at home, underlining Russia’s great-power status. It might lead to permanent gains. Russia could use the territory as a bargaining chip to gain other goals, such as demilitarization or a new European security agreement.

But such an operation would also be bedeviled with risks. However much Russian propaganda might try to confuse the issue, the diplomatic cost of an avowed, unprovoked military attack on another

country—especially a non-NATO one—would be high. Blatantly attacking one of the Baltic states would risk military retaliation from NATO. The occupying forces and their supply lines would be under risk of attack from special forces and local partisan resistance. Vladimir Putin’s regime has shown a disconcerting appetite for risk, but it is not reckless.

PERHAPS THE MOST DANGEROUS ISSUE IN THE BALTIC REGION CONCERNS TRANSIT TO KALININGRAD.

A more likely approach is a combination of intimidation and subversion. This is cheaper and less risky. It brings the prospect of victory without the risk of full-scale war. It is probably best to see Russia’s military bullying in this light—as part of psychological warfare. It encourages other countries to see the Baltic states as doomed and expendable, and to feel that taking risks on their behalf is dangerous.

Russia has great flexibility over both tactics and timing. It will not present the West with a conveniently clear challenge, and it will not act at a time when decisions can be made smoothly and calmly. As the Danish Defence Intelligence Service [annual risk assessment](#) states:

Russia may attempt to test NATO’s cohesion by engaging in military intimidation of the Baltic countries, for instance with a threatening military build-up close to the borders of these countries and simultaneous attempts of political pressure, destabilization and possibly infiltration. Russia could launch such an intimidation campaign in connection with a serious crisis in the post-Soviet space or another international crisis in which Russia confronts the United States and NATO.

Perhaps the most dangerous issue in the Baltic region concerns transit to Kaliningrad. This Russian

exclave is dependent on Lithuania for rail transit, natural gas and electricity transmissions. In one sense, this interdependence contributes to security. Russia cannot cut off Lithuania’s energy supplies without hurting Kaliningrad. But seen another way, this is a vulnerability. If Russia can stage disruption inside Lithuania (for example, from a supposed “terrorist” attack on the railway track, pipelines

or power lines), it can then claim that Lithuania is strangling Kaliningrad for political reasons (Russian propaganda already suggests that NATO is determined to seize Kaliningrad at the behest of German revanchists). It would be easy to concoct a humanitarian emergency as a result of the disrupted transit and portray the Lithuanian authorities as incompetent or duplicitous in failing

to restore normal service. That could easily then be a pretext for Russia to demand extraterritorial rights—in effect a corridor—in Lithuania. Would NATO really be willing to go to war to resist Russian demands that its military engineers have a role in securing timely repairs to a gas pipeline?

Russia exploits Western perceptions of abnormality and normality. It is able to portray a normal situation as abnormal and requiring rectification—such as when it convinced a large portion of world opinion that Russian-speakers in Ukraine were being persecuted by the new leadership in Kiev, thereby justifying the seizure of Crimea and intervention in the Donbass. It also portrays abnormal behavior as normal—for example, by claiming that NATO also engages in intimidatory military aviation exercises, or that NATO warplanes fly in civilian airspace with their transponders switched off.

The resulting misperception increases the danger that the West does not realize what is happening until it is too late, and that when it tries to respond, Russia is able to raise the stakes to the point that the West’s bluff is called. Any of the scenarios mentioned above would be accompanied by a blizzard of propaganda designed to confuse and distract Western decision-makers. The Western media—always wont to prize fairness over truth—would portray the escalating security crisis as a story with two sides, in which the Nordic countries, Baltic

states and Poland must share some of the blame. Russia could then declare air and sea exclusion zones in the region on the pretext that this prevents military escalation.

Reacting to such a move would be a profound challenge to NATO and the United States. Are we willing to put our planes and ships in harm's way, against the explicit warning of the Russians? If we do, we risk being dubbed the warmongers; Russia would insist that it is trying to solve the problem (ethnic unrest in Latvia or Estonia, piracy in the Baltic sea, transit disruptions in Lithuania, a natural disaster somewhere in the region, or whatever) peacefully, whereas the West is responding with military escalation. If in such a crisis we accede to the Russian demand to back off, then NATO is over. If we challenge it, we risk a revolt of public opinion in the West, and perhaps a deep split in NATO.

This dilemma becomes even more acute when nuclear weapons are involved. The West has since the end of the Cold War adopted an approach of, in effect, nuclear pacifism. The idea that battlefield nuclear weapons could be used in a conflict is so shocking that most Western policymakers simply refuse to contemplate it. Very few Western countries have such weapons, and those that do have severely reduced their arsenals. The nuclear nations in the alliance continue low-profile regular training and exercises with their nuclear and dual-capable forces, as does NATO. But these are limited in participation and scope compared with Cold War standards.

So what would the West do if Russia—which has no such taboos, has an extensive, growing and increasingly modern nuclear arsenal, and regularly rehearses its use—let it be known that it was backing up its air or sea exclusion zone in the Baltics with nuclear weapons? Would America really risk a nuclear standoff with Russia over a gas pipeline? If it would not, NATO is over. The nuclear bluff that sustained the Western alliance through all the decades of the Cold War would have been called at last.

These difficulties cannot be concealed. As a result, the greatest vulnerability in the Baltic sea region right now is public opinion. Russia does not need to wage war if it can stoke defeatism. If Estonians, Latvians and Lithuanians believe that resistance is useless, then they are unlikely to resist. If Swedes and Finns believe that standing up for their Baltic allies will drag them into a disastrous war, then they will stand clear instead. If Poles believe that the Baltic states are a lost cause, and that Russia and Germany are (again) making deals over their heads and that America and Britain will do nothing to save them, they will be tempted to make the best of a bad job and do what deals they can.

RECOMMENDATIONS

The best way of avoiding a nuclear confrontation in the Baltic sea region is to make sure that non-nuclear security works better. Initial provocations must be dealt with speedily, firmly and smoothly, before Russia has a chance to fan them into a real security crisis. That aim is entirely possible: the West is losing in the Baltic region not through weakness, but through bad coordination and weak willpower. As the numbers cited at the start of this study show, the Nordic, Baltic and Polish capabilities combined—if spent and coordinated properly—would be more than a match for Russia. With some help from outside powers such as the United Kingdom and the United States, the job would be done.

The essential conceptual framework for this, pending (and probably even after) Swedish and Finnish membership in NATO, is NBP9 cooperation. We need to see the region as a whole, with interdependent security. No country can afford to stand aside, citing its historical, geographical or political specificities. Big countries have to get used to working with small countries, rich ones with poor ones, strong one with weak ones.

This will involve some difficult rethinking of national preferences (and prejudices). Poland will have to take its smaller neighbors seriously. The Baltic states will have to accept non-NATO involvement in their defense. Sweden and Finland will have to intensify their cooperation with their NATO neighbors. NATO will have to accept that the specific requirements of northeast European regional security require a specific sub-NATO solution. The United States, as always in Europe, will have to shoulder risk and spend money.

But the security crisis and the region's geography do not give much choice. Each country should imagine what the region would look like if Russia succeeds elsewhere. Imagine that one or more of the Baltic states is broken and becomes another Moldova: economically weakened, politically penetrated and geopolitically compromised. Imagine that Finland retreats into the Cold War posture of constrained

sovereignty. Imagine that Swedish public opinion revolts against the risks involved in regional security cooperation. The security of Norway and Poland—the strongest and most NATO-focused countries in the NBP9—will still be gravely harmed. The Nordic and Baltic countries may find Poland too large and unpredictable for comfort—but if Poland decides that it cannot worry about anyone's security except its own, then the Baltic states are doomed and the Nordic countries are in greater danger.

The practical tasks within that avowedly untidy framework are to shore up every aspect of Nordic, Baltic and Polish defense and security cooperation, and to do so with the involvement of outside countries that are prepared to contribute but excluding those that will be a brake on decision-making. This means looking at the region not in terms of countries, but in terms of links and nodes. Where are the most important and most vulnerable connections, in terms of infrastructure, logistics, energy, trade, finance and investment flows, and communications? What targets are most at risk and how can they be hardened? What kind of resilience and redundancy can be built in? What is the role of civil society and non-military institutions in maintaining normal life during crisis conditions? The better-run countries in the NBP9 have a lot to offer their weaker neighbors in this respect. The following ten points are not exhaustive, but may serve to stimulate discussion:

- 1) Better coordination in the NBP9 against Russian espionage, corruption and organized crime would blunt the edge of the Kremlin's most potent weapons. Sharing financial intelligence, joint spy-catching and intensified cooperation among criminal justice systems is long overdue. So too is diplomatic pressure on politicians who undermine their officials' efforts.
- 2) Russia has gained a worrying superiority in information warfare. The NBP9 combined have some useful capabilities in collating, analyzing and rebutting Russian propaganda and disinformation. These capabilities would be formidable if they were combined,

rather than fragmented. The NATO Strategic Communications Centre of Excellence in Riga offers an obvious focus for such efforts.

- 3) A particular emphasis in this should go into collating open-source and unclassified information about Russian behavior in the region. There is no central publicly accessible database about Russian activities in airspace and at sea. Creating a real-time record of Russian misbehavior and mischief in the region would make it much harder for the Kremlin to claim that nothing abnormal is going on. Furthermore, Lithuania should keep a clear public record of all transit traffic (rail, road, natural gas and electricity) to Kaliningrad. If Russia wishes to complain that something is suddenly amiss, it will be helpful to have a detailed and credible picture of what normality looks like.
- 4) The NBP9 should intensify their cooperation with the NATO Cooperative Cyber Defence Centre of Excellence in Tallinn, Estonia. This has already demonstrated world-class ability to host war games (such as the “[Locked Shields](#)” exercise). It should host regional versions of these exercises and integrate them into other military and civilian drills.
- 5) Sweden and Finland already have analysts at the NATO Fusion Center in the UK. However, a new Fusion cell dealing specifically with Russia’s threat to Baltic Sea security would develop this relationship further. It should combine open-source information with classified material from NATO and non-NATO countries, i.e., under NATO auspices but with full Finnish and Swedish participation. This would be a powerful antidote to one of Russia’s most potent capabilities, the distraction and confusion of decision-makers.
- 6) The NBP9 need to establish a common approach to military procurement, interoperability, planning, training, exercises, information-sharing, crisis management, disaster-preparedness. Creating a culture of mutual trust will not be quick or easy. But that is all the more reason to start now.
- 7) A common approach to missile defense is long overdue. When Poland has Patriot missiles, will they defend only Poland, or other countries too? If Polish troops are regularly deployed in the Baltic states, and come under attack there, then presumably the Polish state would want to protect them with its best weapons. What role is there for joint procurement—for example, missile defense installations in the Baltic states, perhaps partly paid for and operated by other countries in the region?
- 8) Offensive military capabilities can be better coordinated too. America has allowed Finland and Poland to buy the [AGM-158 JASSM \(Joint Air-to-Surface Standoff Missile\)](#), a stealth air-launched weapon that has the capability to strike hundreds of kilometers inside Russia. This has a powerful deterrent effect. Other countries should consider JASSM acquisition too, and defense planning for the region should take into account the possible use of JASSM as a collective deterrent. Poland is trying [to buy Tomahawk Cruise missiles from the U.S.](#) It would make sense to deploy these on Swedish-made submarines, and to use Sweden’s renowned expertise in subsea warfare to improve other countries’ capabilities.
- 9) NATO, as well as Sweden and Finland, needs to pre-position equipment and ammunition in the Baltic states, and allied forces need to be a robust and permanent (i.e., as long as is needed) presence in the region. These forces need a high degree of political pre-authorization. Just as the NATO warplanes that take part in the air-policing mission do not need a meeting of the North Atlantic Council to allow them to scramble to see off an intruder, the same should be true of the NATO land and sea forces in the Baltics. If Russia tries to intimidate a cable-laying ship in international waters, or exploit an infrastructure breakdown in Lithuania, it should receive an immediate NATO response.
- 10) The indispensable coordinator and instigator of all these efforts is the United States. For each country in the NBP9, the bilateral security relationship with the U.S. is the most important component by far of their defense thinking. If the U.S. asks Polish soldiers to exercise in Sweden, or Swedish and Finnish aircraft to conduct exercises in the Baltics, it will happen. Without American leadership, the region’s security will be bedeviled by squabbles about national particularities.