Rethinking Deterrence and Assurance

by Paul Bernstein

Convening in the shadow of Russia’s continuing efforts to destabilize Ukraine, this conference examined NATO’s assessment of the changed security environment and the threat posed by Russia’s evolving approach to contemporary conflict. Discussions focused on Moscow’s worldview and the sources of its conduct, its doctrine and capabilities, and the specific challenge of understanding the nature and implications of “hybrid warfare” as practiced by Russia. Participants also debated how best to bolster NATO deterrence and defence in the near-term, the appropriate strategies to counter hybrid warfare over the longer-term, whether and how to adapt NATO’s nuclear posture going forward, and the utility of sanctions and other policies of economic coercion in seeking changes in Russian behavior.

Key Points

• Russia’s actions in Ukraine violate basic principles of European security long believed to be firmly settled. As Russia demonstrates its intent and capability to challenge the political-military status quo, NATO must recognize that its vision of partnership with Russia is beyond reach for the foreseeable future and cannot drive security policy at this time.

• Russia seeks to secure a “post-Soviet space” or sphere of influence in which its geopolitical, security and economic interests enjoy primacy. Its actions in Georgia, Ukraine and other former Soviet lands reflect this core strategic imperative. When force is required to advance this goal, Russia has developed and refined a concept of “hybrid warfare” that relies on a dynamic mix of political, military and information operations to exploit the vulnerabilities of weaker neighboring states. Russian nuclear doctrine and its persistent nuclear saber-rattling are an important element of Russia’s coercive strategy.

• Moscow may or may not see this model of warfare as a viable means to invade or threaten the sovereignty of one or more NATO member states, but the possibility cannot be dismissed. The Alliance therefore needs to develop a near-term strategy to bolster deterrence and collective defence, especially in its eastern region where Russian power is most salient and NATO governments most anxious. NATO’s Wales Summit Declaration of 2014 outlines steps to put this strategy in place.

• Over the longer-term, the Alliance faces the task of crafting a comprehensive counter to Russia’s concept of hybrid warfare. This must be a truly integrated strategy that closes existing capability gaps while developing the means to exploit Russian weaknesses or vulnerabilities. NATO will need to take a fresh look at some of its longstanding principles and practices, such as the distinction between crisis management and collective defence, limited institutional attention to information and cyber operations, and the recessed role of nuclear deterrence.

• Views on whether and how to adapt NATO’s nuclear posture going forward vary widely, ranging from arguments for early withdrawal of land-based weapons in Europe, maintaining the status quo, and taking significant steps to
enhance these weapons’ political salience and operational utility.

- Economic and financial sanctions may have played a role in restraining Russia from taking more overt military action in Ukraine, but seem unlikely to compel Moscow to alter its basic objectives. If so, NATO will have to consider other strategies to force a change in Russian behavior. In crises or conflicts where Russia’s stake is very high, economic pressure is unlikely to sway the Putin regime. However, the specific threat to impose crippling sanctions conceivably could deter Moscow from threatening or attacking a NATO member.

**Partnership Lost**

While even very experienced observers have disparate views on Russia’s underlying motives in annexing Crimea and taking military action in eastern Ukraine, there is now a widely held view on both sides of the Atlantic that long-held hopes of creating a genuine political-strategic partnership with Russia have been shattered by recent events. Russia’s use of force to change borders violates the most fundamental rule of post-Cold War European security since the Helsinki Final Act was issued 40 years ago. Even if one accepts that domestic political factors shaped Moscow’s actions to some degree, the result remains a major strategic challenge to the Alliance. If Russia, as certainly now appears, sees itself as challenging the European security status quo in order to strengthen its own position, then NATO must reassess its own policies, capabilities and long-term outlook.

**Sources of Russian Conduct**

In the second Putin administration, Russia works hard to project an image of internal and external strength, portraying itself as a great power with an historical mission to resist the hegemonic political and cultural designs of the decadent West. Thus, publicly Moscow frames its competition with the West as much in philosophical and civilizational terms as in the language of security. But security and geopolitics remain its preoccupation: resisting perceived Western efforts to weaken and encircle Russia and create conditions for regime change, and pressing for “new rules” for European security more respectful of Russian interests. Moscow sees the post-Cold War settlement and subsequent NATO actions over the last quarter century as a deliberate effort to constrain Russia and deny it the influence which it is entitled in shaping security in eastern and central Europe. It is now challenging the terms of that settlement in an effort to establish a “post-Soviet space” or sphere of vital interest in which deference to Russian concerns will dominate. Russian actions in Georgia and Ukraine reflect this imperative.

Is this agenda “defensive” or “aggressive” in nature? Is Russia acting out of strength or weakness? It may be that these terms are not fully adequate to the task of understanding Moscow’s intentions and behavior and developing responsive policies. Either way, one can see Russian strategic imperatives at work in Ukraine. The annexation of Crimea and active support to separatists in eastern Ukraine aim to secure Russian military interests and make it more difficult for Ukraine to more firmly and formally enter the West’s political, security and economic orbit. Russia thus hopes to forestall further encirclement by preventing Ukraine from becoming a platform for projecting NATO military power or a socio-economic model that could threaten the current Russian regime. An approach that achieves strategically significant goals in Ukraine without triggering a military response serves, as well, to advance the objective of creating fissures in the Alliance and thereby undermining its credibility as a bulwark against Russia. This creates time and space for Moscow to pursue its goal of weakening or destabilizing the Kyiv government and establishing political arrangements that preserve Russian influence over Ukraine’s internal and external orientation, including in the economic sphere. Indeed, some argue that the possibility of Ukraine joining NATO was of far less concern to Moscow than the association agreement Kyiv signed with the European Union, which fatally undermined Russia’s goal of bringing Ukraine into the Eurasian Economic Union envisaged by Putin as key to reviving Russia’s economy in the absence of major structural reforms the regime is not prepared to undertake. By promoting chronic instability in Ukraine, Putin hopes to keep it weak economically, undermine its relationship with the EU, and create a privileged position for Russia in Kyiv’s future economic relations.

As challenging as this reading of Russian thinking is to the West’s preferred vision of European security, there are less benign interpretations of Moscow’s intentions and behavior. Russia may be insecure and fear encirclement, but it has also adopted a revanchist agenda that seeks to “regather lost lands” and reestablish some version of the Soviet empire, preferably with the West’s acquiescence through a “new Yalta” arrangement. In this view, Putin is
pursuing pure power politics in a zero-sum game whose goal is not simply to forestall further erosion of Russia’s position but rather to “break NATO” and create conditions for a new European security architecture. Accordingly, Putin’s rejection in 2014 of a political settlement of the Ukraine crisis that would have established a degree of autonomy in the east and shelved the idea of NATO membership signaled a broader and more malign strategic intent, one likely to next manifest in a coercive campaign against one of the Baltic states designed to expose the vulnerability of a NATO member and the weakness of Alliance security guarantees, and begin a process of “Fin-landizing” the sub-region.

There are more benign assessments, as well. Some analysts see little strategic design at all behind Russian actions, assessing Putin to be a “tactician” who has seized upon opportunities created by events to achieve quick victories and construct a myth of power and strength around himself. The Kremlin’s ability to act quickly and without significant constraints against perceived enemies underpins this tactical approach and reinforces the perception of decisiveness, putting western institutions and governments on the defensive and deflecting public attention from the regime’s failure to reform Russia’s economic and political systems and its growing reliance on repression. In this world, “strength” is the only currency and displays of weakness at home and abroad can be politically fatal. For the West, this Putin should be viewed as strong only to the degree that he perceives and exploits weakness in others.

**Russian Doctrine and Capabilities**

There is certain to be continuing debate on the question of the basic sources of Russian conduct and Moscow’s specific motivations vis-à-vis Ukraine, and this debate will shape broader threat perceptions among NATO members. Even relatively benign views of Russian thinking must consider that Moscow foresees a period of confrontation with the West and that the potential for armed conflict cannot be dismissed. Russia’s political and military leadership clearly has been thinking for many years about how to deter and if necessary declaw or defeat NATO. Central to any Russian “theory of victory” is the idea that Russia can create a fait accompli in its region that NATO could overturn only at very high cost. Russia can raise these costs by creating disincentives to Western responses and escalation options that reinforce Russia’s stake in the conflict, its local military superiority, and the advantages it enjoys in decisionmaking, geography, and nonstrategic nuclear weapons. These asymmetries lend credibility to political actions and military threats that would seek to weaken NATO unity and separate the United States from its allies, slow down the mobilization and deployment of conventional forces, and leverage information, cyber, special forces, space/counter-space, long-range strike and nuclear capabilities for coercive, deterrence, and operational purposes. The requirements to apply this “theory of victory” have driven Russian operational and programmatic innovation for 20 years.

Of course, a theory of victory is not a plan of attack. Aspects of this theory may be on display in Ukraine but this is a far different matter from applying it to a NATO member such as one of the Baltic states. It is not clear whether Putin and his circle believe they can create a fait accompli or some sort of “frozen conflict” in Latvia, Lithuania, or Estonia. Certainly this would carry very high risks for Moscow, fearful as it is of U.S. military power. Reinforcing this caution is a priority task for the Alliance. Russia nonetheless has made significant strides in developing the capability to use force effectively in the “near abroad” and deter Western intervention. Comparing Russian operations in Ukraine with those in Grozny two decades ago reveals the gains that have been made. Russia’s application of force is far from efficient, and there are limits to what the military-industrial complex can produce, but with continuing effort a 21st century force suited to Russia’s needs seems achievable.

Some observers use “hybrid warfare” to describe the constellation of tactics and capabilities Moscow has developed, and while this term is not universally accepted, there appears to be a common view that Russia has a well-developed though continually evolving concept for employing a range of coercive tactics and calibrating the application of conventional and unconventional military power. Whether one refers to this as hybrid warfare, asymmetric warfare, effects-based operations, or simply grand strategy using all instruments of national power, Russia is working deliberately to integrate “soft” and “hard” power instruments organizationally and in practice. Soft power most frequently takes the form of information operations that seek to shape elite and mass public opinion by asserting and controlling a strategic narrative, with the goal of undermining political cohesion and constraining responses to Russian actions. These operations at times may be quite sophisticated, but other means of soft power – economic, technological, cultural – remain underdeveloped. As a result, Russia continues to be heavily reliant on traditional forms of military power to protect and advance its interests.
Russia’s military posture may be viewed along three axes

- At the local level (in its own geographic zone), Russian military power is seen as key to maintaining and expanding political influence and protecting Russian interests. Forces are structured to react to crises, including the defense of Russian or Russian-speaking populations, and engage in shows of force to discourage integration with the West and promote closer ties to Moscow.

- Facing the West, Russia seeks to resist encirclement and maintain a sanctuary against NATO and U.S. military potential. Russia sees itself as vulnerable to U.S. high precision weaponry and closing this gap is a high priority. Until that occurs, nuclear weapons are an essential stop-gap, and the increase in nuclear saber-rattling seeks to intimidate and thus shape the political and psychological context for crisis at a time when Russia lacks the means to prevail in a major conventional military conflict in which the West has time to mobilize. Still, Russia envisions a “pre-nuclear” dimension of deterrence that relies on increasingly capable long-range systems (e.g., land-attack cruise missiles) to hold critical NATO targets at risk. Advanced air and missile defenses are important, as well, and are now organized in a separate aerospace command.

- To the “rest of the world” Russia seeks to present itself as an important player that is not isolated despite its conflicts with the West. It sees its nuclear status as key to asserting global power standing and enlisting partners in balancing Western hegemony. Russian doctrine and policy emphasize greater cooperation with like-minded governments on regional security, military-industrial matters, and space.

Cyber capabilities and operations are a key element of Russia’s larger doctrine for information warfare, and fully integrated into strategy and operations. This is not a separate or discrete domain of combat. As demonstrated in Ukraine, cyber operations focus on “controlling the information space” to enable the success of kinetic military operations, and doing so with a degree of plausible deniability.

Nuclear force elements contribute to containing Western power and deterring efforts to limit Russian influence, and ensuring their credibility in Western eyes is essential. The survivability of long-range ballistic missile forces thus remains a preoccupation and is a current source of concern seen as potentially undermining first strike stability. Analysts point to operational measures being taken to enhance the survivability of the sea-based strategic deterrent, such as increasing patrols at sea, expanding launch areas, and providing for surface launch capability in port. Likewise, steps are being taken to strengthen the survivability of the ICBM force, to include improved road-mobile systems and a new rail-mobile system. Despite statements suggesting an intensified modernization program, structural constraints in force building limit what Russia can do to upgrade and expand its strategic nuclear forces. Should Russia decide to leave the New START treaty at some point, it could not simply move to produce many more systems.

Russian fears of a possible disarming first strike extend beyond pre-launch survivability concerns to the potential vulnerability of their long-range missiles to U.S. and NATO ballistic missile defenses. Regardless of whether these systems can objectively be argued to pose a realistic threat to Russia’s deterrent, the belief that they do – or clearly will at some point in the future – is entrenched in Russian thinking. Once the Ukraine crises eases and permits the sides to re-engage on the BMD question, Moscow certainly will portray the situation as having deteriorated given the continued advance of NATO capabilities and deployments. In turn, some NATO governments are likely to begin seeing BMD capabilities as a useful means to deter Russian threats, even though the program is neither configured for nor capable of neutralizing a large scale Russian missile attack. Finally, the continued growth in Russia’s own advanced air and missile defense programs will not go unnoticed by NATO governments and increasingly will be viewed in the context of the requirements to prevent or roll back Russian military gains in a local conflict where Russian integrated air defenses are vital to success.

By contrast, nonstrategic weapons are a clear area of advantage for Russia, and some observers see the systematic improvement and buildup of these capabilities as part of a deliberate strategy to create coercive options that in a crisis could decouple U.S. and NATO security. These options may include tactical nuclear weapons with very low yields for discrete use on the battlefield. Exercises in the past have featured the simulated employment of nonstrategic nuclear weapons to bring operations to a culmination in support of Russian objectives, though the most recent exercises (e.g., ZAPAD 2013) appear to place little or no emphasis on the nuclear dimension. Whether this indicates a trend toward reduced reliance on nuclear weapons is not clear. Regardless, many view the imbalance in nonstrategic weapons as strategically significant and in need of redress, even if one accepts that these forces play a role in Russia’s strategy for deterring conflict with China.
Strengthening Deterrence and Defense in the Near-Term

The Alliance cannot and will not acquiesce to Russia’s demand for “new rules.” These rules are not acceptable and certainly cannot be promoted by aggression. That Moscow believes it can use force to compel a change in the terms of European security points to the urgent task facing NATO: to restore credibility in the eyes of Russian leaders in order to protect the sovereignty and independence of its members, and to deter further efforts to revise the status quo through acts of ambiguous or outright aggression. This requires an integrated strategy that recognizes the importance of conveying strength, readiness, and the ability to act quickly. As the very unity of the North Atlantic community is a key Russian target, it is essential for NATO to demonstrate firmness and consistency on policies ranging from economic sanctions to enhanced military preparedness. Strengthening deterrence and assurance requires raising the costs for Russia’s bad behavior, establishing a more robust military posture in NATO’s center and east, developing strategies to counter Russia’s approach to conflict, and helping non-NATO states on Russia’s periphery reduce their vulnerability to Russian pressure.

There is an immediate need to bolster assurance and deterrence in the Baltics, where Russia enjoys military advantage and where the core proposition underlying NATO security guarantees – that an attack on one is an attack on all to be responded to by all – is most in question. NATO can assemble superior conventional forces, but only through a lengthy mobilization process that may not be timely enough to prevent or roll back local or regional faits accomplis. Moscow may have no intention of moving against one or more of the Baltic states, but the local military imbalance gives it leverage in shaping the security environment, keeps friendly governments on edge, and could create an incentive to act under certain circumstances. The choice to accept this imbalance can no longer be justified in light of Russia’s actions; steps to redress it are necessary to ease NATO’s most acute security concerns post-Ukraine and remind Moscow of the risks that would attend any effort to violate the territorial integrity of an Alliance member.

Bolstering collective defense and Article 5 assurances in the east requires greater and more persistent U.S. and multinational military presence and larger pre-positioned stocks, supported by increased defense spending, enhanced rapid response capability, and more serious contingency planning that anticipates Russia’s use of hybrid warfare tactics. NATO’s Wales Summit Declaration in September 2014 recognizes the importance of moving in this direction and takes a number of supportive decisions as part of the approved NATO Readiness Action Plan. Steps to enhance assurance emphasize increased ground, air and naval presence in the Baltic region, surveillance flights, and expanded exercises and training. Steps to increase readiness and accelerate adaptation of NATO’s military posture include strengthening the NATO Response Force and Standing Naval Forces, establishing a multinational command and control presence in the east, improved pre-positioning and reinforcement capacity, and updating defense planning for eastern contingencies. Full implementation of this plan should yield significant near-term assurance and deterrent benefits.

Countering Hybrid Warfare

Developing an effective counter to Russia’s hybrid warfare threats is a longer-term challenge for which NATO today has no clear approach. How to deter and defeat a locally superior power prepared to act quickly across multiple domains and escalate if necessary, including to the nuclear level? The answer is not obvious, given limitations in NATO’s capabilities, its collective will to invest appropriately in defense, and its conceptual thinking on new threats posed by Russia. NATO’s capability gaps today are significant. Hybrid warfare campaigns deliberately seek to blur the distinction between peace, crisis, and war in the way they combine overt and covert military, paramilitary and non-military actions. This may place significant stresses on the distinction NATO historically has drawn between crisis management and collective defense – a formulation and set of practices that may now need to be reassessed. Because hybrid campaigns are difficult to detect in their earliest “shaping” stage, they also pose a challenge to traditional indications and warning methodologies, which need to adapt to better discern ambiguous Russian actions and the strategic intent behind them.

The role of information operations and the “battle of narratives” is central to Russia’s approach, as well, particularly where Moscow seeks to exploit social and political grievances (real or manufactured) to advance its security agenda. This is of particular concern in member or partner countries with sizable ethnic Russian or Russian-speaking populations or that exist in a strategic “grey zone” between NATO and Russia (e.g., Moldova, Georgia, Ukraine) and whose weaknesses in governance and social cohesion make them vulnerable to Russian pressure and create pretexts for
Russian coercive campaigns. NATO must find a way to help these states reduce these vulnerabilities. The majority of NATO governments and societies may be sufficiently resistant to Russian information strategies, and the Alliance has recently recognized the importance of strategic communications, but the fact is that NATO lacks the capabilities to compete effectively in the information sphere or a strategy to develop these tools.

Cyber operations or various forms of cyberwar can create even greater vulnerabilities and instabilities in a potential standoff with Russia, in part because they challenge classical conceptions of the escalation process. This can produce great strains on crisis management and decisionmaking as traditionally linear and material notions of conflict give way to the reality of a more fluid and virtual battlespace. NATO has recognized the importance of cyberdefence, but here too there is much conceptual and practical work to do to integrate cyber into the framework of collective defence. Clearly, the more resilient governments, economies and societies are to cyberattacks, the easier it will be to deny their effects and manage the escalation risks they pose. Likewise, the ability to attribute and respond to cyberattacks clearly can contribute to deterrence. But are strengthening denial, resilience, attribution, and response a collective or national responsibility – or both? Can NATO define in practical and legal terms what constitutes cyberwar? Can it define under what circumstances a cyberattack constitutes an Article 5 contingency? Is it possible to establish either an effective framework for cyberdeterrence or agreed “rules of the road” with Russia in the hope of avoiding the worst possible cyber outcomes in terms of damage and escalation risk? Complex questions such as these will become unavoidable as cyber threats grow.

The space domain raises deterrence challenges, as well. The United States and NATO are heavily reliant on space capabilities as the backbone of global and regional networked warfare and to enable “reconnaissance strike complexes” that link systems and forces with real-time information. This makes space assets – which are largely undefended – a highly attractive target for Russia during crisis and conflict, and the West should not expect space to be a sanctuary. Traditional approaches to deterrence are problematic because Russia is not likely to fear in-kind retaliatory attacks and escalatory responses to actions such as anti-satellite strikes may lack credibility. This may invite Russian risk-taking. More plausible than a cost imposition strategy is a “deterrence by denial” approach that seeks to reduce the likely success of counter-space operations and thereby give the attacker pause in launching such attacks. This requires an emphasis in policy and doctrine on defending one’s space assets and demonstrating restraint in developing offensive capabilities in the hope of establishing a presumptive norm against fighting a war in space. The requirements to reduce the vulnerability of space systems are well understood, but capabilities lag and it likely will be 10-20 years before space architectures are significantly more resilient. As with cyber, there may be merit in establishing a code of conduct for spacefaring nations, especially in light of the West’s reliance on and current advantage in the space domain.

**The Nuclear Dimension**

There are diverse views on both sides of the Atlantic with respect to NATO’s nuclear posture in the aftermath of Ukraine. These views coalesce around three distinct approaches to the nuclear question going forward. The argument for withdrawing U.S. nuclear weapons forward deployed in Europe rests on the judgment that their limited utility has been reinforced by recent events. Their presence has done nothing to restrain Russia from engaging in aggression and issuing nuclear threats, and they represent no part of the practical set of measures being taken to respond to Russian actions. As Russian aggression and hybrid warfare tactics are a predominantly non-nuclear threat, a renewed commitment to conventional deterrence and defence is NATO’s most urgent task, and one that can best be signaled and motivated by removing the B61s. The Alliance should focus on those areas where it has a reasonable prospect of achieving advantage and shed missions, such as tactical nuclear weapons, that don’t offer a realistic prospect of strengthening collective defence.

The argument for retaining U.S. nuclear weapons in Europe rests on the judgment that removing them now in the shadow of the current crisis – or in the foreseeable future, for that matter – would signal weakness, encourage U.S. disengagement, and do nothing to moderate Russian behavior. In fact, it could have the opposite effect by helping Moscow realize one of its longstanding strategic goals in Europe. Further, it is not clear that NATO will be able to establish effective deterrence based principally on non-nuclear capabilities; in any case, the Alliance must be able to deter and defend across the strategic-operational spectrum. But post-Ukraine this argument does not extend to changing NATO’s current nuclear posture or sharing arrangements by, for instance, re-locating B61s and dual-capable aircraft to the territory of eastern members such as Poland. Here, the argument is to maintain the status quo and not
provide Moscow with an opportunity to further ratchet-up nuclear threats.

A third approach is premised on the belief that Russian nuclear doctrine and threats cannot be dismissed and in fact compel NATO to reexamine its nuclear strategy or at least the salience of nuclear deterrence in collective defence. Moscow’s stated willingness to leverage its nuclear forces to deter NATO action in the event of a limited conflict in the east – and the persistent saber-rattling seeming to reinforce such threats – has created a new situation. Whereas over the past two decades NATO has downplayed the role of nuclear weapons while pursuing partnership with Russia, today the Alliance faces the possibility that Russia will attempt a fait accompli using hybrid warfare tactics and then threaten escalation to the nuclear level should NATO move to respond militarily. Russia also seems prepared, as evinced in doctrine and exercises, to use nuclear weapons in a limited way to “de-escalate” a conflict if its position is threatened. Either way, the prominence of the nuclear dimension in Russian thinking stands in sharp contrast to NATO’s institutional outlook and creates openings for Moscow to pursue coercive strategies, create “nuclear anxiety” among NATO publics, and attempt to paralyze Alliance decisionmaking in a crisis. In existing nuclear policy forums NATO is assessing the implications of developments in Russian doctrine and behavior. Options to adapt to these developments may encompass declaratory policy, readiness levels, capability requirements, operational planning, sharing arrangements, et. al. As an example, advocates for a more responsive nuclear posture argue for better integrating “new” members into the nuclear mission, or for planning more seriously and deliberately for NATO’s limited use of nuclear weapons to create de-escalation options of its own. To fully assess the nuclear implications of today’s threat environment NATO may need to consider conducting a follow-on to the 2012 Deterrence and Defence Posture Review (DDPR).

The Economic Dimension

Economic and financial sanctions have emerged in recent years as a preferred tool to address challenges posed by problem states. Apart from expressing the international community’s will to defend global norms of behavior, economic penalties are widely viewed as a form of punishment, cost imposition and compellence, rather than deterrence. Sanctions were imposed on Iran to compel it to negotiate on its nuclear program. Sanctions against Russia after its actions in Ukraine likewise were intended to impose costs in order to force a change in behavior; Moscow, it was hoped, would have to reconsider its course of action in Ukraine and either withdraw or negotiate an acceptable resolution. The scope of these sanctions may have surprised the regime, but opinions vary on their impact to date. By most accounts, the sanctions have been moderate, not severe, designed as much to rally NATO allies and demonstrate unity in confronting Moscow as to inflict the deepest possible pain on Russia. Sanctions on individuals are widely seen as having had limited impact, and may even have served to strengthen regime and elite solidarity. Sanctions on entities are more painful, but Russia has largely adapted to these and developed workarounds.

These measures are generally seen as having placed a strain on Russia’s economy but not fundamentally weakened its economic viability; Moscow has a strong balance sheet, large reserves, and little debt, and appears to have weathered the storm. Sanctions do not appear to have compelled Russia to re-think its core objectives in Ukraine, but the fear of more severe sanctions may have shaped its tactics and led it to intervene militarily in a less overt way, thus buying time for the Kyiv government. Some observers go further, suggesting that Moscow was deterred from launching a broader offensive in Ukraine by the fear of additional economic penalties. An alternative view holds that it was never Moscow’s intention to wage a larger military campaign, fearful that this would be deeply unpopular at home. This bears on the continuing discussion of whether tougher sanctions could yet have a decisive effect on Russia’s calculations going forward. Sanctions with sharper teeth would look more like those imposed on Iran, targeting entire sectors of the economy and access to global financial networks. These almost certainly would result in deeper economic pain, and Moscow has warned against denying Russia access to the SWIFT global electronic payments system.

Would the prospect of deeper pain yield meaningful behavior change? Expert opinion diverges on this point. Some believe the threat of tougher sanctions that could damage key economic sectors (particularly finance) and accelerate capital flight could drive Moscow toward a more conciliatory position. Others believe crippling sanctions would humiliate Russia and thereby work against an acceptable outcome to the Ukraine crisis, but that in any case Moscow probably does not consider this a credible threat. Still others question the basic premise of economic coercion as a policy tool when confronting Russia, seeing its security imperatives as too powerful to be derailed by even significant economic disruption. Those running Russia today are not technocrats but “securocrats” or “siloviki,” drawn from the security services and unlikely to be moved by economic pressures to alter foreign and military policy. The political
costs of conceding to such pressures are simply too high. The regime is therefore prepared to accept a lot of pain, and sees the West as unwilling to inflict such pain. Indeed, many Western governments that see sanctions as an effective coercive tool also worry about taking steps that could lead to the collapse of the Russian economy and the instabilities that likely would follow. If tougher sanctions are not forthcoming, NATO will have to consider other strategies to modify Russian policy, for example, providing greater military assistance to Ukraine.

If the asymmetry of Russian and NATO stakes limits the utility of sanctions with respect to Ukraine, could they be more decisive in deterring Russian moves against a NATO member, especially one of the Baltic states? The Alliance should consider adopting declaratory policies that signal its willingness to impose crippling sanctions on Russia should it attempt to invade or otherwise violate the sovereignty of a NATO member.

Closing Observations

Whether its attitudes and actions emanate from strength or weakness, strategic vision or tactical opportunity, Russia is embarked on a course that openly challenges the post-Cold War security order in Europe. Further, Moscow’s model of political and economic governance now diverges sharply from Western and North Atlantic norms. As a result, meaningful partnership with Russia in the foreseeable future is not possible. Working with Russia on common problems (e.g., Iran) is still necessary and it is important, as well, to leave the door open to the restoration of more normal relations when conditions warrant. But Putin’s demand for “new rules or no rules” is rightly rejected by the West for the revisionism it represents.

Russia can be expected to continue to leverage its local military advantage, use of proxies and special forces, and manipulation of the information sphere to destabilize Ukraine, keep Baltic governments on edge, and test Alliance unity and resolve. NATO must reinforce deterrence and enhance preparedness through multiple means: ensuring an outcome in Ukraine that does not reward Russian aggression and secures Kyiv’s independence; fully implementing the Wales Summit commitments, in particular the Readiness Action Plan; and signaling clearly to Moscow that NATO is able and willing to bear the costs and risks of defending itself. Additional measures to strengthen collective defence capabilities will be proposed by NATO governments in 2016, to include improved infrastructure in the East and responses to Russia’s nuclear strategy.

But the “new normal” in Europe also requires the Alliance to take stock of its ability to manage successfully what may be a long period of confrontation or tense relations with Russia. A quarter-century after the end of the Cold War, NATO finds itself struggling to understand a newly hostile Russia and the dynamic toolkit it now brings to contemporary conflict in a region close to its own power and far from where NATO once planned for war. While Russia’s leaders clearly have been thinking about how to deter and defeat NATO, the Alliance has long viewed Russia through the lens of partnership rather than deterrence. Refreshing its own deterrence toolkit requires new thinking about new realities, rather than reverting to solutions that reflect deterrence challenges and agendas of the past. The strategy going forward must be “demand-driven” – shaped by the needs of this particular historical moment. Neither generic deterrence thinking nor armchair assessments of Russia will suffice. The Alliance must recommit to the task of conducting the fine grain analysis of Russian strategic thinking, doctrine and capabilities required to produce tailored deterrence and defence responses that undermine Russia’s advantages and exploit its weaknesses. The effective collaboration of regional and functional experts will be critical to achieving this.