

BUILDING A SECURITY SHELTER AGAINST HYBRID THREATS AND SYSTEMIC CHALLENGES: THE CASE OF THE BALTIC STATES

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The Baltic States have based their security on engagement into multilateral formats since the restoration of their independence. With membership in NATO and the EU, these countries succeeded in gaining political and economic shelter. However, they lack societal shelter, which in the context of hybrid threats, is crucial and needs to be strengthened at a domestic and inter-regional level.

Key Findings

- Limited defence capacities of the small Baltic States are partly sheltered with the membership in NATO, and financial crises have demonstrated that the EU provides economic shelter too.
- Despite the changing role of the US in global politics, the Baltic States still rely on the strategic partnership with it.
- Facing hybrid threats, the Baltic States lack societal shelter that covers the security of societal wealth and helps to assure unity and resilience.

Executive summary

After regaining independence, the Baltic States successfully formed their alliance shelter via membership in NATO and the EU, together with the strategic partnership of the US. Recent systemic challenges and new types of threats question the reliability of security providers and require additional measures to be taken.

In order to strengthen the security shelter, and think about the replacement of the US as a guarantor of security, the Baltic States should seek increased cooperation with other European partners. Also, the Baltic States need to put in additional efforts to ensure unity and resilience of society which is crucial in the context of hybrid threats.

Analysis

Recent turbulence in the international system has seriously affected the situation of the small Baltic States - Lithuania, Latvia and Estonia. After the election of Donald Trump, the vision of the future foreign and security policy of the US, thought to be the main guarantor of liberal international order, is being questioned. Moreover, because of Brexit, and the financial and refugee crisis, there are doubts being raised about the EU's unity. However, the crisis in Ukraine and Russia's increasing



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aggressiveness was a real game changer for the security of the Baltic States. Annexation of Crimea has demonstrated Russia's willingness to use military power in order to implement political goals. This is in addition to the *new type of threats* (so-called hybrid threats/warfare) that Russia employs in conflicts. Basically, Russia has conceptualized the conflict spectrum as encompassing operations using non-military means (political, diplomatic, economic and informational) in conjunction with military means (Johnson, 2015). All of these measures can be applied sequentially or simultaneously, and in any combination without clear delineation between states of peace, conflict and war. Moreover, the majority of these well-coordinated and conducted activities have a hidden or indirect character. This kind of perception is not that new for Russia, but a qualitatively new level of effectiveness is enabled through the application of conceptually sophisticated modalities that increase the weight of political (non-military) elements in comparison with military. (Johnson, 2015). As a result, the nature of hybrid warfare requires security strategies of the Baltic States to cover soft and hard security at the same level.

Baltic States Building Shelter

The security and defence policy of the Baltic States has come a long way since regaining independence. Since then, they have demonstrated clear security orientation towards the Euro-Atlantic relations. Finally, in 2004, Lithuania, Latvia and Estonia obtained the alliance's guarantees once they became NATO and EU Members. Today, the Baltic States fit well with the general logic of the security shelter: these small states currently have well-developed multilateral security structures of external support within the different security spheres. In general, the alliance shelter is a form of an alliance relationship with security providers (a great power, or regional, or international organisation). There are a few levels of the alliance shelter – political, economic and societal - that can be covered by different providers. This comparatively new theory (developed by B.Thorhallsson) is a nuanced approach that captures unique components of small state strategies. It not only gives a broader picture of the strategy itself, but also helps to identify possible vulnerabilities, and to see which parts of the shelter need to be reinforced.

Political Shelter

In alliance shelter terms, the Baltic States have formed their political shelter (covering support in diplomacy, hard/soft security) employing multiple providers. As is shown in the newest political and military documents of all three Baltic States (Lithuania's National Security Strategy, Latvia's National Defence Concept for 2016–2020, and Estonia's Development Plan for 2018–2021), their security is mainly based on integration into NATO and the EU, as well as strong bilateral relations with the US. Baltic States are the countries with small military potential, unable to develop capabilities necessary to defend independently, or to ensure deterrence. This shortage of military resources is compensated or sheltered through cooperation in NATO. It means that military security of Baltic States is based mainly on the NATO principle of collective defence under Article 5 of the North Atlantic Treaty. Moreover, visibility and credibility of NATO and US interests in the region are significant in order to backdrop Russia and work as an element of soft security. With this structure of political shelter, the Baltic States are basically dependent on the ability of NATO to remain an effective organization and US commitments to the defence and security of Europe. Therefore, facing a change in US policy on NATO and general geopolitical shifts, the Baltic States have taken extra measures and responded in several ways. First of all, with some pressure from the US, expenditures on defence were notably increased. In 2014, Lithuania and Latvia committed to gradually increasing their defence budgets to reach 2% of the GDP in 2020. Since 2012, Estonia has maintained its



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defence spending at the level of 2% of the GDP, in compliance with NATO recommendations. Second, the countries started faster modernisation of their armed forces (Szymanski, 2015). Also, in view of mounting deficits in many military units, Lithuania and Latvia decided to increase the total number of troops. (Szymanski, 2015). The effect of the political shelter of the Baltic States was demonstrated when the alliance increased involvement in the Eastern Flank. On the basis of the decisions made at the 2016 NATO Summit in Warsaw, four multinational battle groups, totalling approx. 4,500 troops, were deployed to the Baltic nations and Poland (Canada leads the battlegroup in Latvia, Germany in Lithuania, the UK in Estonia, the US in Poland). These forces are a defensive and proportionate deterrent force. They send a clear message that an attack on one ally would be met by troops from across the Alliance (NATO, 2017). However, in the long term, the Baltic States should start thinking about possible changes of the political shelter providers. Perhaps a dichotomy between European and US strategic goals might emerge, and it might be impossible to have these entities in one shelter. One of the first signs of this, even though not directly related to the Baltic States, is the withdrawal of the US from Iran's nuclear deal. Even though the Baltic States see the US as the main guarantor of security in the region, they should seek increased cooperation with other European partners such as Germany as potential providers of political shelter.

Economic Shelter

Under economic dimensions of the shelter, the picture is clearer. As shown in strategic documents, the main provider of economic shelter for the Baltic States is the EU. As Member States, Lithuania, Latvia and Estonia are fully integrated into the global economy and global market, enjoy free movement of capital and are in the Eurozone. Furthermore, EU institutions provide the Baltic States with an important framework to pursue some influence on the system. However, due to interdependence and interconnection, countries are extremely vulnerable to any global economic recession. Therefore, the financial crisis in Europe in 2008 hit the Baltic States hard, although the recovery was relatively fast.

What is important to emphasize here, from the shelter point of view, is the fact that as soon as the economic crisis hit Member States of the Union (the Baltic States included), the crisis became an EU crisis. The EU had to respond and try to limit the consequences of the crisis for its members. For instance, Latvia, which was the most severely affected, have received financial assistance provided under a joint programme. European Union (EU), the IMF, the World Bank, and the Nordic countries backed Latvia's with financial package worth €7.5 billion. The IMF's share of this aid package is €1.7 billion, while the EU has offered €3.1 billion in support (IMF, 2009). Furthermore, the enormous annual fiscal transfer of EU Structural Funds to the Baltic States not only made them better equipped to deal with the crisis, it also made them better capable of dealing with its aftermath. Without these transfers, the Baltic States would have faced public deficit figures close to double digits, and far worse, unemployment (Thorhallsson, 2011). Even though EU membership did not prevent the economic crisis from hitting the Baltic States, these countries were sheltered by the union and had better tools to respond with initially, and start on the road to recovery faster.

Societal Shelter

Small-state theory has traditionally viewed the vulnerability of small states primarily in terms of economic and political elements. However, shelter theory considers that small states seek societal shelter to avoid isolation and social stagnation. Relations with the outside world are essential since it is through constant interaction with other cultures, ideas and ideologies that a society evolves, is enriched and moves forward. (Thorhallsson, 2018) The importance of this kind of shelter have been demonstrated when despite occupation, the Baltic States saved their contact with the West. These



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days, it is more about achieving access to networks of innovations, information and international academia, which the Baltic States fully enjoy.

However, the case of the Baltic States requires a slightly different view of societal shelter than the original theory suggests. Even though each of the Baltic States has a proud history of civilian participation in armed and unarmed resistance, present engagement in civic activities is generally low. The passivity of post-liberal societies, and a potential lack of understanding within society that citizens' actions can make a difference, may be contributing to relatively low level of civil engagement. (Kepe, Osburg, 2017). Participation is also hampered by the divided information space between Estonians, Latvians, Lithuanians and local Russian-speaking populations, with differing attitudes towards history, and dissimilar cultural and political identities (Kepe, Osburg, 2017). Moreover, countries face differences in regional development, social and economic inequality, demographic problems and detachment of society from policy-making processes. In this context, it is difficult to engage with society, specifically in times of crisis (Kepe, Osburg, 2017). Therefore, in the case of the Baltic States, we can't talk about a fully formed societal shelter yet. It requires some domestic arrangements to be made in order to strengthen it, or to form a buffer from within. This can take the form of good economic management and administrative competence, as well as more obvious political efforts for unity and resilience (Thorhallsson, 2011). The history of the Baltic States has proved resilience and unity of society to be the vital elements for small states to successfully survive systemic turbulence.

What should the small Baltics do?

- The Baltic States need to maintain multilateralism in their security strategies and it is crucial to ensure strong engagement with the main providers of political and economic shelter - NATO and the EU.
- Even though the Baltic States see the US as the guarantor of security, keeping in mind the changing role of the US, they should seek increased cooperation with other European partners such as Germany.
- Facing hybrid threats and other societal issues, the Baltic States need to form a societal shelter with some domestic arrangements, and search for a new format of inter-regional cooperation in this field of security.
- In order to reduce vulnerabilities and reinforce non-military security, the Baltic States should improve the so-called buffer from within, which includes good economic management, administrative competence and more obvious political efforts for unity and resilience.

Notes

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