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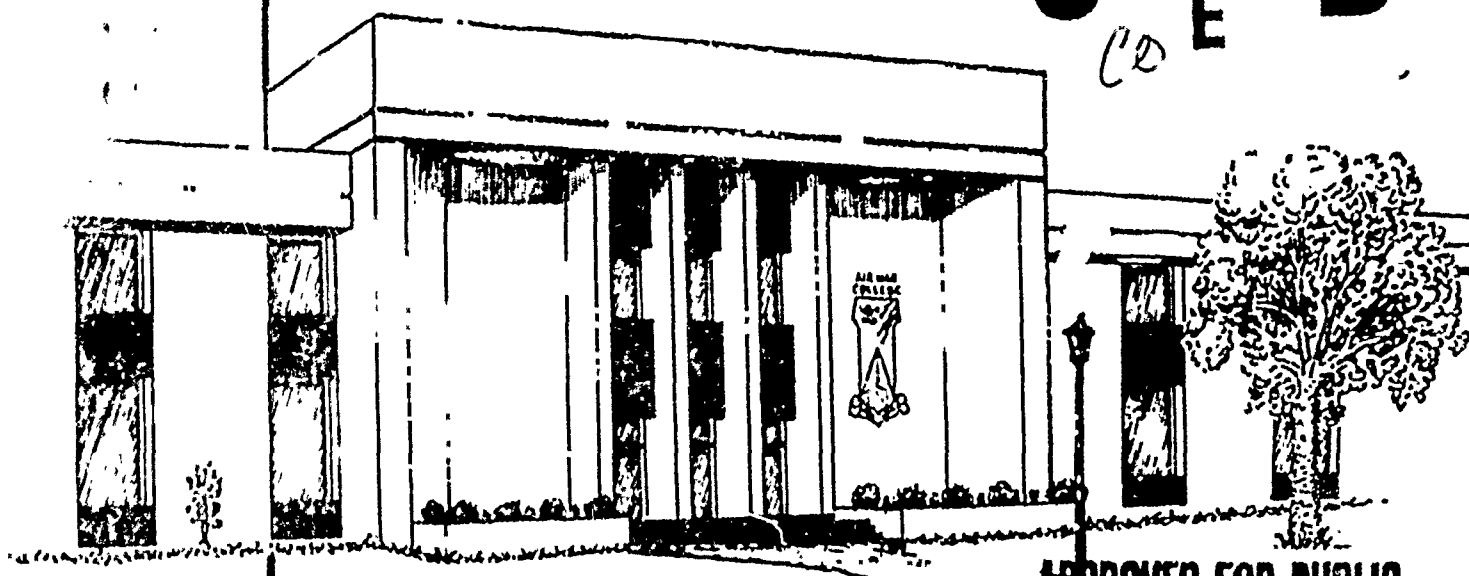
RESEARCH REPORT

NATO BURDENSARING: AN ANALYSIS OF THE FACTORS
USED IN MEASURING THE BURDEN

LIEUTENANT COLONEL HENRY M. RENDON

1989

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MAXWELL AIR FORCE BASE, ALABAMA

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NATO BURDENSARING: AN ANALYSIS OF THE FACTORS
USED IN MEASURING THE BURDEN

By

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Lieutenant Colonel, USAF

A RESEARCH REPORT SUBMITTED TO THE FACULTY
IN
FULFILLMENT OF THE RESEARCH
REQUIREMENT

Resource Advisor: Colonel Bruce S. Goodhue

MAXWELL AIR FORCE BASE, ALABAMA

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EXECUTIVE SUMMARY

TITLE: NATO Burden Sharing--An Analysis of the Factors Used
in Measuring the Burden

AUTHOR: Henry M. Rendon, Lieutenant Colonel, USAF

▷ This paper analyzes the NATO burden sharing factors which are commonly used to measure the burden, defense expenditures, as well as those factors that are not normally visible but which should receive more weight in assessing allied contributions to defense. Properly considered, these factors may help to reflect a better picture of the relative defense contribution of the NATO allies. These factors pertain to perceptions of the threat, sacrifices due to the high foreign military presence on European soil, implications of conscription versus volunteer forces and the costs to European allies of land, facilities and support manpower.

Current U.S. Congressional actions concerning the proposed reduction of U.S. forces in Europe due to perceived unfairness in allied defense contributions threaten the U.S. ability to meet its NATO commitments and jeopardize the cohesiveness of the Alliance. It is my belief that U.S. force reductions in Europe should be based on assessments of U.S. military strategy and not on Congressionally mandated force structure measures.

Keywords: Defense planning,
iii
Military assistance, Political alliances. (SPW)

BIOGRAPHICAL SKETCH

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CHAPTER I

INTRODUCTION

Ever since the North Atlantic Treaty Organization was formed 40 years ago, the issue of burdensharing among Alliance partners has been a persistent concern and has been continuously debated. The words of Senator Connally, Chairman of the Senate Foreign Relations Committee 40 years ago, can be heard in almost the exact context from the Senate floor today:

What I have been fearing is that most of those countries in Europe are just going to sit down and fold their hands and say 'Well, the United States is going to arm us. The United States is going to protect us. The United States isn't going to let anybody invade us.' On the other hand, they have to be told and made to realize that they have to do all within their power themselves to arm themselves. The American people are not favorable to our just saying 'All right now, you just go ahead, we will take care of you.' (35:28)

These same concerns have not subsided during the intervening years to the present. Conversely, they have increasingly been reiterated in calls for a greater European share of the defense burden. These are very serious concerns among Americans today. The concerns are understandable. The possible solutions are not as clear and require considerable thought and analysis.

The Alliance has been most successful for the last 40 years in preserving the peace, maintaining the security and independence of the NATO allies and in strengthening the

cohesiveness of the Alliance. Upon the founding of the Alliance just four years after the end of World War II, the United States was willingly providing a disproportionately large share of NATO defense expenditures. The primary objective was to get war-torn Europe back on its feet, and the United States was in a much better position to help the Alliance during this period. The United States not only provided high financial and military assistance, but nuclear guarantees as well. Cooperation in planning, funding and employing combined defense systems has produced close military integration that has enabled Europe to enjoy its longest period of peace in several centuries. But today, no issue divides the NATO Alliance more than the controversial issue of burden sharing.

Convinced that the European allies are not contributing their fair share to defense, the U.S. Congress has been using tougher and tougher language in efforts to get European allies to do more for the common defense. Congressional proposals to correct this apparent imbalance have even included troop withdrawals from Europe. According to Major General Philip H. Mallory, United States Army:

Such talk cannot be ignored because it reflects the U.S. public's perception that the allies can and need to do more. However, the burden sharing issue must not become any more divisive than it has already. Stringent calls by members of the U.S. Congress for punitive measures against NATO Allies not only ignores the lessons of the past 75 years and the very real contributions of the Allies, but also supports the Soviet primary foreign policy goal: the breakup of NATO. (16:52)

My concern is that the premise on which the American people and the U.S. Congress are basing "fair share" considerations may not be sufficiently broad. Overwhelming reliance seems to be placed on the comparison of defense expenditures among NATO allies. But an assessment of burden sharing is much more complicated than that. Other factors, that also significantly impact on burden sharing and that need considerably more weight pertain to (1) differing perceptions of the threat, (2) sacrifices due to the high foreign military presence on European soil, (3) implications of conscription versus volunteer forces and (4) the costs to European allies of land, facilities and support manpower. In this paper, I will address defense expenditures as well as these other factors mentioned above.

Burden sharing significantly affects warfighting issues, although this may not be obvious to some at first thought. As a warfighter, in my opinion, the danger is that lack of full consideration to all factors that impel a nation to achieve a particular level of defense contribution may ultimately result in the U.S. Congress mandating a unilateral reduction of U.S. forces in Europe to the detriment both of the Alliance and to the U.S. ability to meet its commitments to the Alliance.

Congressionally mandated unilateral troop reductions would convey the wrong signal to the Soviets. Such actions would encourage the Soviets to act with less restraint in

dealing with Western Europe. It matters little whether the U.S. unilateral troop cuts are in the neighborhood of 30,000 or 200,000; it will be a strong signal of American withdrawal or isolationism and would give Western Europe a reason to doubt American commitment to the Alliance.

Further, a Congressionally mandated troop withdrawal from Western Europe fails to follow good logic. Americans are concerned about the expanding Soviet threat. Americans desire stronger conventional forces in Western Europe to counter that threat and concurrently to raise the nuclear threshold. Yet, under Congressional pressure, U.S. conventional forces may be reduced in Western Europe, thus further weakening the conventional force balance between NATO and the Warsaw Pact. Logic would dictate that, if anything, U.S. conventional forces in Western Europe should be strengthened.

Gorbachev's peace initiatives at the United Nations in December 1988, where he announced an intended 500,000 troop strength reduction and his announcement in January 1989 of a planned military budget cut of 19.5%, were critically timed to impact upon NATO at a time when NATO allies are discussing and struggling with their own common security problems. Amid these Soviet pressures, what else are U.S. NATO allies to think about any U.S. force withdrawal except that the U.S. must not be as concerned about the Soviet threat as all the rhetoric would seem to imply--that just perhaps the real

intent of such talk has been to get European allies to increase their share of the defense burden.

In a report entitled "Sharing the Roles, Risks and Responsibilities for the Common Defense," submitted to the U.S. Congress in December 1988 by then Secretary of Defense Carlucci, the Secretary made the following statement:

U.S. defense policies and spending should not be held hostage to allied performance, and punitive legislation as a means to encourage our allies to increase their defense spending is usually counterproductive and not in our best interests. (2:1)

In addressing Congressionally mandated unilateral troop withdrawals from Western Europe, former SACEUR General Bernard W. Rogers stated:

If the U.S. withdraws 100,000 troops from Europe, this won't make the West Europeans do more in terms of their contributions to NATO; rather, such an action is going to send the kind of message that will lead the European NATO members to start to accommodate to the East. (29:55)

Defining Burden Sharing

Burden sharing among 16 sovereign NATO countries is a legitimate issue whose solution is not by any means an easy task. The NATO allies have not reached agreement on the standards by which to measure the burden borne by each nation in defending the Alliance. Consequently, there is no clear definition of burden sharing nor is there agreement on how best to measure "equity" of the "burden" among the nations. Even the term "burden" can be misleading, since it may imply

that spending for the national defense is an unwanted burden, where in fact a nation is willing to provide for its own defense. In essence, depending on which factors are selected for analyses, the U.S. is either contributing more than twice as much, about the same or perhaps somewhat less than its European allies. The fact that burden sharing is a value-related term and assessments have traditionally focused on capital further complicates the issue.

Therefore, lacking a definition of burden sharing, in my opinion, the best that the Alliance can hope for is that each nation should have the faith and confidence that each other nation will contribute, and will be perceived as having contributed, a share of the defense burden commensurate both with its ability to contribute and with the benefits that that nation believes it receives from the Alliance. Only with this faith and confidence can Alliance solidarity and cohesion be maintained.

In order to better understand the basis of the burden sharing controversy, it is important to review the major events that have contributed to the controversy as well as the major efforts that have been made by the U.S. Congress in attempting to resolve the issue. This brief historical perspective is offered in the following chapter.

CHAPTER II

BURDEN SHARING: A HISTORICAL PERSPECTIVE

As was stated in the introduction to this analysis, NATO was created amid controversy and concern over the burden sharing issue. Pressures to attempt to convince U.S. allies to increase their defense burdens picked up considerable vigor in the latter half of the 1960s and the first half of the 1970s, especially as Europe continued to recover from World War II and began to achieve new levels of economic prosperity. The U.S. concerns over the cost of U.S. forces deployed in Europe were heightened by U.S. balance of payment problems. Senator Mike Mansfield, Democratic Majority Leader, convinced that the allies were not pulling their share, attempted, although unsuccessfully, to reduce the size of the U.S. troop strength in Western Europe as a "shock" measure, or perhaps a "punitive" measure, to get the allies to increase their share of the burden. This action was followed in 1973 by legislation, known as the Jackson-Nunn Amendment, which made the U.S. troop strength in Western Europe dependent on allies footing part of the balance of payments deficit incurred as a result of the cost of U.S. troops deployed in Europe. This legislation contained penalty clauses for non-compliance by the allies, the penalty being in the form of automatic reduction of the U.S. troop strength. The Europeans complied and no reductions were

necessary.

At the 1977 NATO London Summit, in response to efforts by both sides of the Atlantic to improve efficiency based on greater standardization of equipment and tactics and improved interoperability of weapons systems, the NATO allies pledged a three percent annual increase to defense spending to achieve these objectives. This three percent solution was doomed to failure, however, in that it focused on spending inputs as opposed to outputs, and productivity and efficiency suffered severely in the following years. No NATO nation has since met the three percent annual increase every year.

(1:211)

In 1981, Senator Carl Levin of Michigan introduced an amendment to the Fiscal Year 1981 Defense Authorization Bill requiring the Secretary of Defense to provide to the U.S. Congress an annual report on burden sharing progress by the NATO allies. (36:4) This amendment set the stage for a continuing annual assessment and reporting to the U.S. Congress on the burden sharing performance by the NATO allies. It can certainly be understood why the allies are disturbed by this unilateral assessment by a partner nation of the fulfillment of their obligations as a sovereign nation. These types of actions serve to fuel the controversy.

In 1982, Senator Ted Stevens of Alaska, Chairman of the Defense Appropriations Subcommittee, argued strongly to cut

approximately 20,000 American troops in Western Europe as a "punitive" measure against the European allies for their less than full support of the U.S. position on Poland and for the Europeans supplying industrial equipment to the Soviets for the construction of the Siberian gas pipeline. This Stevens Amendment was approved and became the first instance since World War II in which Congress specified troop levels in Europe.

Within the last 5 years, U.S. Congressional calls for troop reductions has gathered considerable momentum. In 1984, Senators Sam Nunn and William Roth, perhaps the two strongest supporters in the U.S. Congress for the Alliance, also proposed an amendment to reduce the U.S. troop strength in Western Europe. This amendment, commonly referred to as the Nunn-Roth Amendment, was proposed to the Fiscal Year 1985 Department of Defense Authorization Act, and called for the U.S. to cut its troop strength in Europe by 30,000 troops per year for three years, beginning in 1987, unless the European allies met their previously agreed upon target commitment of increasing their defense spending by a least three percent annually.

The Nunn-Roth Amendment was not intended to weaken NATO. Conversely, it represented "not simply a political protest against inequitably shared defense burdens, but instead a proposal in response to deficiencies in the defense capabilities of NATO-European allies." (30:10) Senator Nunn

expressed his opinion that "gentle prodding of the allies had failed; more drastic tactics were now both necessary and legitimate." (37:5)

The Nunn-Roth Amendment was subsequently tabled but a substitute amendment offered by Senator William Cohen of Maine, although it deleted the troop withdrawal request, nevertheless put a limit on U.S. troop strength in Europe. These serious actions reflected U.S. Congressional concern with trying to secure a more equitable defense burden sharing within the Alliance. (11:79) In an April 1987 speech in Brussels, Senator Nunn warned, "I am in a sense still watching and waiting to see if my amendment should remain on the shelf." He went on to state that his continued support of troop reduction legislation would be contingent on allied defense efforts. "That was the measuring stick when I introduced my amendment in 1984, and it remains the measuring stick today," he stated. (21:1395)

Congressional interest in force reductions is still very much alive. In House deliberations of the 1988 Defense Authorization Bill, four troop reduction bills were drafted. Only two of the four reached the floor. One bill, sponsored by Representative Judd Gregg of New Hampshire, would have mandated a 50% reduction by 1996 in U.S. troops in Europe. Another, sponsored by Representative John Bryant of Texas, called the Allied Fair Share Defense Act, would have dropped U.S. troop levels by 30,000 per year for 3 years. (22:1396)

And finally, the Fiscal Year 1989 Defense Appropriations Bill contained critical language on NATO burden sharing that called for, among other measures, "that Germany provide all the funding for its Host-Nation Support program, a requirement that the U.S. set a cap on overseas costs, and a cap on dependents allowed overseas." (19:86) In assessing the implications of this legislation, Senator John McCain of Arizona, commented:

The kind of burden sharing proposed in the Fiscal Year 1989 Defense Appropriations Bill threatens to divide us from our West German allies, create a new requirement for much higher levels of U.S. expenditures, and undermines all the efforts we are making to strengthen our land forces for NATO. (20:86)

In each of these Congressional actions mentioned above, the underlying premise was that the allies needed to do more to contribute to the common NATO defense. While Congressional responsibility to oversee U.S. commitments to the NATO Alliance stems from the founding of the Alliance, it is my belief that Congressional involvement to the extent of mandating troop reductions from NATO, irrespective of U.S. force structure levels decisions which have been based on the strategic assessment of the threat, can pose serious threats to the Alliance and to the U.S. ability to meet its commitments to the Alliance. In a report entitled "Sharing the Roles, Risks and Responsibilities for the Common Defense," submitted to the U.S. Congress in December 1988 by then Secretary of Defense Carlisle, the Secretary stated:

In its efforts to increase pressure on our allies to move more quickly, which can be helpful, the Congress should avoid precipitous actions which are inconsistent with the efforts of the Executive Branch and which might undermine progress that has already been made. (3:1)

The following chapter addresses those measures which have traditionally be used to measure burden sharing by U.S. NATO allies.

CHAPTER III

THE TRADITIONAL MEASURE--DEFENSE EXPENDITURES

On the surface, it would seem that the easiest and perhaps most logical way to measure national contributions to the Alliance would be to measure defense expenditures. Americans have traditionally focused on this financial indicator when attempting to measure burden sharing. This indicator measures the share of a nation's economic resources that it is devoting to defense.

As the data from Table 1, Defense Expenditures as a Percent of Gross Domestic Product, reveals, although Greece ranked first with 6.6 percent in 1988, U.S. defense spending was second with 6.1 percent, considerably higher than the United Kingdom's 4.5 percent, Turkey's 4.2 percent and France's 3.8 percent. All other allies achieved a percentage of 3.3 or lower. A rough assessment of the data of Table 1 would seem to confirm that the United States is contributing considerably more than its fair share of the defense burden.

While European NATO allies do not argue against these figures, they do often point out that, as a whole, defense spending by European allies has been more consistent over a longer period of time than has that of the United States. Indeed, although the United States has registered greater annual defense increases in the last 8 years, U.S. defense budgets generally were quite low in the 1970s, following the

Vietnam War, while Europe's steadily increased. Secretary of Defense Weinberger, described the 1970s as "a decade of neglect." In 1971, the U.S. provided 71% of NATO's total defense expense; Europeans, 29%. Yet by 1982, the U.S. contribution was 66%; the Europeans, 34%. (38:7) According to a SHAPE study, between 1971-1985, U.S. defense spending increased 20.2 percent, while spending in the rest of NATO increased by 31.8 percent. (12:39)

European allies also maintain that although they may spend less of their resources for defense, all that is spent goes directly for defense in Europe. European allies also argue that they provide most of the military establishment in Central Europe, where more than a few have maintained that any East-West conflict may begin. European allies also point out that they provide:

"90 percent of the manpower, 70 percent of the tanks, 80 percent of the artillery, 80 percent of the combat aircraft, more than half of the major warships, 70 percent of the submarines and most of the mine countermeasure vessels." (5:11)

Additionally, although Table 1 reveals that West Germany's contribution is less than half that of the United States, 3.0 to 6.1 respectively for 1988, as the footnote of Table 1 indicates, these figures do not include West Germany's support for the Allied Garrisons in West Berlin. If both her economic assistance to Berlin and her support to the garrisons are considered, then West Germany's defense expenditures will be approximately 25% higher than those

shown on Table 1. (39:8) Also, although West Germany's percentage per Table 1 is only 3.0 for 1988, its lack of nuclear forces or global commitments allows it to focus its defense spending on a vital alliance need: forward deployed conventional forces along NATO's longest border with the Warsaw Pact. (8:187) West Germany also provides considerable economic and military assistance to less economically developed NATO allies, such as Portugal, Greece and Turkey; 3.3 billion marks in military aid alone from 1964-1982. (25:250)

As can be seen from Table 2, Defense Expenditures Per Capita, a widely accepted measure which considers both standard of living and economic development, the data reveals conclusions similar to those of Table 1, that the U.S. contribution is considerably higher than that of its allies. In 1986, the U.S. spent \$1155 per person on defense. The next closest nation was Norway with \$519 per person. Aside from the U.S., the other three major NATO nations, France, \$511; United Kingdom, \$488; and Germany, \$453, were each spending less than half per person as the U.S. But, as with the data of Table 1, this data should not be considered in isolation in determining relative contributions by allies.

On both of these measures, the European allies do not come out of the assessment particularly well. Although these comparisons offer a convenient ranking of nations, it is important to recognize that these are just two measures.

Unfortunately, measurement of allies' contributions to defense is at times reduced to the analysis of just one or two easily measured and understood factors, usually national defense expenditures, as calculated in Tables 1 and 2. But to consider chiefly only these two measurements is demonstratively incomplete and could be misleading. No one or two factors can be used in isolation to draw conclusions of equity in burden sharing.

The U.S. Deputy Secretary of State, William H. Taft, IV, in his article, "Coping with the Challenges of Collective Security," makes this point most succinctly:

Critics of our Alliance system contend that the U.S. bears far more than its fair share of the cost of the Alliance. The key evidence they cite in support of their claim in most cases is statistical; namely, the fact that, measured in terms of the percent of gross domestic product, the U.S. spends almost twice as much on defense as its average NATO allyFor the critics, this fact clinches the argument, and all that remains is to decide whether we will insist on our allies spending more on defense or we'll simply do less ourselves. (32:70)

In the following chapter, important non-quantifiable factors will be addressed.

TABLE 1
DEFENSE EXPENDITURES
(AS PERCENT OF GDP), 1987 1988

Country	Percent of GDP	
	1987 (a)	1988 (b)
United States	6.7	6.1
Greece	6.1	6.6
United Kingdom	5.0	4.5
Turkey	4.8	4.2
France	3.9	3.8
Portugal	3.2	3.1
Norway	3.1	3.3
Germany (c)	3.1	3.0
Netherlands	3.0	3.0
Belgium	3.0	2.9
Italy	2.2	2.4
Canada	2.2	2.1
Denmark	2.0	2.2
Spain	2.0	2.2
Luxembourg	0.9	1.3
Iceland (d)	0.0	0.0

Source: CBO computations based on:

(a) NATO Press Service, Financial and Economic Data
Related to NATO Defense (Dec 1987)

(b) NATO Releases Statistics, Flight Intl., 14 Jan 89.

(c) These percentages calculated without taking into
account expenditures on Berlin.

(d) Iceland maintains no military force.

TABLE 2
DEFENSE EXPENDITURES PER CAPITA
(IN US \$) 1986

Country	Defense Expenditures Per Capita
United States	\$ 1155
Norway	519
France	511
United Kingdom	488
Germany	453
Netherlands	365
Belgium	346
Denmark	322
Canada	308
Italy	235
Greece	232
Luxembourg	145
Spain	113
Portugal	90
Turkey	53
Iceland (a)	0

Sources: NATO Press Service, "Financial and Economic Data Related to NATO Defense" (Dec 1987), and International Institute for Strategic Studies, The Military Balance 1987-1988 (London: IISS, 1987) Defense Expenditures: International Monetary Fund, International Financial Statistics Yearbook (1987) for exchange rates and population.

(a) Iceland maintains no military force.

CHAPTER IV

NON-QUANTIFIABLE BURDENSARING FACTORS

Perception of the Threat

How a nation perceives a threat necessarily dictates how that nation will attempt to defend against that threat. The current U.S. attitude toward the necessary level of defense spending is dictated by the perception of the Soviet threat. However, there is considerable variance among NATO allies as to the degree of defense that is necessary to overcome the threat posed by the Warsaw Pact. In referring to U.S. European allies, the 1988 DOD Report on Allied Contributions to the Common Defense, stated:

While they continue to share our perception of the challenge by the Soviet Union and its military buildup to the security of the Atlantic Alliance, increasingly large portions of European populations see a diminishing threat as a result of recent arms control agreements and what are perceived to be fundamental internal changes in the Soviet Union. Moreover, there are understandable differences among the allies as to the most appropriate way to meet the Soviet threat based in part on the proximity of the various nations to that threat. (27:34)

Members of the Atlantic Alliance do not always agree on how allied forces balance against the Warsaw Pact. This attitude is revealed by the seemingly different levels of effort exerted by the non-U.S. NATO allies in upgrading conventional forces. According to Christopher Layne, a noted NATO analyst who has written on foreign policy issues for various publications:

The reluctance to take on a greater share of Alliance costs obscures the more sobering reason Western Europe balks at doing more for conventional defense: Its governments and foreign policy elites prefer a deterrent strategy with a low nuclear threshold to a credible conventional defense posture. The fear, as West German Chancellor Helmut Kohl said after the October 1986 Reagan-Gorbachev summit in Reykjavik, Iceland, that removing the American nuclear umbrella would make conventional war more likely in Europe. (14:27)

Conventional forces are expensive and European allies are reluctant to support a major defense buildup, primarily because they do not share the U.S. priorities to adopt a "war fighting" doctrine. (9:35) Although NATO's conventional force strategy is based on the possible first use of nuclear weapons, it is understandable that the allies may differ on the role of nuclear weapons. Whereas the U.S. tends to believe that NATO's security can be best protected by repulsing an attack, U.S. NATO allies seem to prefer to rely more on deterrence rather than warfighting capabilities. However, weakness in defense posture undercuts the credibility of deterrence. From the European point of view, as long as deterrence is effective, it becomes less important to match the Warsaw Pact weapon for weapon. (31:6) Therein lies a major obstacle to agreement on the equity of current burden sharing--it is a matter of a differing perception of the threat.

There is little doubt that Gorbachev's aim is to convince the world, especially the free world, that the Soviet threat is diminishing. He would like to have the

Soviet Union be seen as much friendlier, and favoring world peace, more so now than in recent years. Soviet glasnost and perestroika policies have not only been aimed at alleviating severe economic problems at home but also to convey to the world that the Soviet Union has entered into a new era which promises greater hope of long lasting peace around the world. But many still remember the words of the prominent Soviet political analyst, Georgii Arbatov, who summed up the new Soviet strategy recently: "We are going to do something terrible to you--we are going to deprive you of an enemy."

(7:140) Gorbachev's peace initiatives announced at the United Nations in December 1988, that of unilaterally withdrawing 50,000 troops, 10,000 tanks, 8,500 artillery pieces and 800 combat aircraft from the European military theater, these actions a part of an overall intended reduction of 500,000 troops from the total Soviet military force, might lull U.S. allies into a trend to spend less on defense.

European allies are already feeling domestic pressures to ease off on defense spending in response to Gorbachev's peace offensive. In January 1989, Gorbachev announced Soviet plans to cut its military budget by 14.2% and its output of weapons and military hardware by 13.5% (10:A18) These actions are critically timed by the Soviet Union to impact upon NATO at a time when the allies are discussing and struggling with their own security policies.

An opinion poll taken in West Germany in December 1988, following Gorbachev's address to the United Nations, clearly showed that West Germans felt that "the threat has departed."

(34:19) The Netherlands Minister of Defense, Fred Bolkenstein, addressing the significant impact that unilateral force structure reductions can have in eroding public support for defense stated:

Every time that Mr. Reagan and Mr. Gorbachev shake hands in public, as if they were the best of pals, makes it more difficult for the public to accept that the international situation still requires growing defense budgets. (15:44)

What each nation contributes to the common defense is dependent to a great extent on how that nation perceives the threat to its security and how it evaluates the obligations that it believes it owes to the Alliance. Decisions are made based on how it balances these obligations with its national capabilities and priorities. Yet progress toward resolution of burdensharing concerns are dependent on nations having a common perception of the degree of the threat and on how to best defend against that threat.

Likewise, if allies disagree on strategy or force structure to cope with the perceived threat, each nation will only do as much as it feels necessary. It cannot do more, for to attempt to do so runs contra to perceptions and, consequently, to the will of the people.

Today, the United States relies heavily on conventional forces in Western Europe in order to move further away from

the nuclear threshold. The Europeans are not as convinced that the nature of the Soviet threat to their security calls for as strong a conventional force as the U.S. envisions. But it is important to recognize that reluctance on the part of the allies to further strengthen conventional forces does not necessarily mean that the allies are not willing to contribute a fair share of the burden. Perception of the threat and the strategy that is developed to counter that threat will necessarily be as that individual nation assesses the situation.

The United States, for example, because it is a global power, cannot avoid the implications of the continuing Soviet military buildup. Consequently, and necessarily, the United States must contend with this immense threat that can develop almost anywhere around the world. The West Europeans, on the other hand, more closely define their threat and strategic interests more on a regional basis, rather than world-wide. West Europeans do not discount the thought that the U.S. confrontational attitude in countering the U.S.-perceived Soviet threat could, in fact, possibly provide dangerous counter-actions by the Soviet Union rather than hinder such actions. Because Western Europe is the likely battlefield of a future large-scale war if one ever does occur and involves NATO forces, there is a great natural tendency for West Europeans to seek more conciliatory or accommodative policies toward the Soviet Union than the United States is prone to

do. Once again, this is clearly a matter of different perceptions of the threat.

In August 1988, Congresswoman Patricia Schroeder of Colorado, Chairwoman of a panel to study defense burdensharing, stated in her report:

U.S. and allied officials must engage in a serious threat debate at the earliest possible time in order to agree on the level of the threat and on how to divide up responsibilities to meet that threat. If, after discussions, we ultimately agree that the U.S. perception of the threat appears to be 'closer to reality,' the allies should increase their defense spending levels accordingly. If, on the other hand, we agree that allied perceptions appear to be 'closer to reality,' this would suggest that the United States, if it can still adequately meet the threat, should reduce its spending--including its troops overseas. (28:4)

It seems increasingly clear that U.S. NATO allies just do not perceive the Soviet Union to be as aggressive as the U.S. perceives that country to be. This complicates burden sharing efforts, for it is not possible to know who has a more accurate perception of the threat that directly affects the degree of defense efforts that European NATO allies are willing to expend.

The high numbers of U.S. troops in Europe, and the problems that this presence poses for U.S. allies, is addressed in the following section.

Foreign Troops on European Soil

There is a growing irritation among European allies, particularly the West Germans, over the extremely high

presence of foreign troops on European soil. These social and political costs cannot be measured by a percentage of gross domestic product.

West Germany, for example, hosts more allied foreign troops than any other NATO country--approximately 900,000 active duty military personnel of which approximately 245,000 are American, and approximately 155,000 from Great Britain, France, Belgium the Netherlands and Canada. The West Germans are tiring fast of the heavy presence of foreign troops. Besieged by tanks, helicopters, low flying aircraft and a heavy influx of foreigners in their society is taking a heavy toll on them. It has been estimated that West Germany today has nine soldiers per square mile, compared to 0.4 soldiers per square mile in the United States.

In assessing the political costs of hosting such high numbers of foreign troops, again West Germany offers a good example. In addressing this subject in his report to the U.S. Congress, Secretary of State Carlucci stated:

There are 400,000 foreign troops from six nations stationed there in addition to the almost one-half million German troops on active duty there. These foreign troops have 325,000 dependents with them....West Germany hosts some 5,000 military exercises with up to 2,000 people on its private and public lands, in addition to 85 larger field exercises, each year. German airspace is filled with allied aircraft as well, with 500,000 sorties each year, of which 110,000 are flown at low altitudes. (4:4)

General John W. Vessey, Jr., former Chairman of the Joint Chiefs of Staff, made the following analogy concerning

West Germany's predicament in this regard:

If you multiply the population of Oregon by 20, give each person a car, arm 1 million of them, bring in another half-million armed foreigners, put 50,000 armored vehicles and 100,000 wheeled vehicles on the roads and put a couple thousand jets in the air, then at least the Oregonians would know what the Germans put up with.
(23:1397)

West Germany is a heavily populated country of approximately 63 million people in an area about the size of Oregon. The extremely high number of foreign troops in Germany is indeed a most emotional issue for the German people.

In assessing the value of the real estate provided by West Germany for allied troops in Europe, the West Germans are quick to point out that one major contribution, which often is not mentioned in burden sharing formulas, is that they provide 444 square miles (115,000 hectares) of land, with a market value in excess of \$30 billion for which they receive no compensation. (17:52) Other allies have made a convincing argument of similar claims that further complicate the burden sharing question. These bases in question are located on real estate that could well be used to support the industrial sector, which in turn supports the national economy.

This growing irritation among West Germans over the situation described above greatly diminishes the will of the people to continue to sacrifice funding for social and other domestic programs for the unrelenting call for increased

support to military programs. These irritations are also fueled further by the fact that although U.S. and non-U.S. troops train side by side, the U.S. soldier is much more highly paid compared to his European counterpart. The disparities caused by European conscription and the U.S. volunteer force are addressed in the following section.

Conscription Versus Volunteer Forces

Conscription is another factor that skews the picture of relative defense contributions. While the expenditure figures noted in Chapter III give a good indication of resources allocated to defense by NATO countries, one must keep in mind that the manpower costs of European forces is reduced significantly and leads to smaller defense budgets by the fact of heavy proportion of conscripts in all NATO European forces, except Great Britain and Luxembourg.

According to Belgian Defense Minister Francois-Xavier de Donnea, speaking of Belgian conscripts, "Forty thousand serve in our military each year for practically nothing. They get paid 125 Belgian francs, the equivalent of \$4 a day."

(24:A19) If the West German conscript were paid the same as the U.S. counterpart, West Germany would have to spend another 2 billion marks per year, without obtaining any additional defense for this added expense. (26:251)

Clearly, these nations pay a high political cost to maintain a military draft.

A common argument among non-U.S. NATO allies is that conscription is more advantageous because, for the same money, larger forces can be fielded and they provide a larger pool of relatively inexpensive reserves. West Germany, for example, maintains a military conscription to staff the largest army on the Central Front of NATO. It also maintains about 90,000 reserve soldiers and nearly one million reservists available in time of war. (18:52)

The high cost of an all volunteer force such as the United States has will alternatively drive up defense costs. To operate the equipment fielded by U.S. forces requires high skill, which in turn calls for extremely high training costs. According to Army Chief of Staff General Carl Vuono:

The demands of fighting with the modern equipment and using methods in our doctrine requires superb soldiers. Consequently for several years now our policy has been to devote a sustained and focused effort to recruitment and retention of top quality men and women.....The extensive investment in a modernized force demands first rate soldiers for the execution of those highly technical systems. (33:87-88)

Additionally, according to a 1988 Congressional Budget Office study on burden sharing, conscription in fact reduces costs but it also reduces the experience and training level of an army, hence to a certain degree, its warfighting effectiveness and efficiency. (13:41)

Despite much high American defense spending, European members of NATO field armed forces of 3.3 million compared to American forces of 2.2 million. (42:67) Another way of

looking at this is, considering overall military spending, the U.S. spends \$150,000 per active duty member, compared to Great Britain's \$70,000 per member and West Germany's and France's costs of \$40,000 per member.

Further complicating the conscription problem for West Germany is a continuing decline in the birth rate. This trend has already forced West Germany to raise its maximum term of service to 18 months. It is estimated that the manpower pool available for armed forces service will be halved between 1983 and 1993.

According to Dr. Manfred Wörner, Minister of Defense of West Germany, "Beginning in mid 1989, we will have to extend basic military service from the current 15 months to 18, thus having to oblige our country's young citizens to make additional sacrifices for our freedom." (41131) Table 3 contains data on percentage of conscripts in allied forces as well as the age at which young citizens become eligible for the draft.

And finally, conscription has a high social and economic cost. The social cost to European allies is in the sense that conscription necessitates a demand in young conscripts' personal freedoms. The economic impact is in the sense that conscription removes vital productive capacity from the economy. The impact of conscription, with its associated sacrifices as have been described above, is hidden to Alliance analysts and are consequently often not considered

in burden sharing assessments. Likewise, other costs which also do not receive as much consideration as would seem necessary for a better comparison of "fair share" contributions has to do with the land, facilities and support manpower that host nations provide to foreign NATO troops. These factors are addressed in the following section.

TABLE 3
CONSCRIPT DATA OF NATO FORCES

Country	Conscripts as % Total Forces	Age Eligible for Draft
Belgium	32.5	17
Canada	0.0	N/A
Denmark	28.6	18
France	46.5	18
Germany	45.8	18
Greece	65.3	19
Italy	68.6	18
Luxembourg	0.0	N/A
Netherlands	46.5	20
Norway	62.3	19
Portugal	58.4	20
Spain	64.3	20
Turkey	90.0	20
United Kingdom	0.0	N/A
United States	0.0	N/A
Iceland (a)	0.0	N/A

Source: The Military Balance 1987-1988, London:
International Institute for Strategic Studies, 1987.

(a) Iceland maintains no military force.

Land, Facilities and Support Manpower

Another significant contribution provided by some European allies to foreign allied forces falls under the heading of host nation support. Allied foreign forces need land, facilities, support manpower and other support services in peace, transition to war and wartime. The U.S. forces simply are unable to deploy to a European conflict in strength and numbers vital to deterrence if they also need to carry along necessary logistical support. A strong national infrastructure by European allies is necessary to support the high volume of forces and to reduce the logistics burden. U.S. allies can and do provide this immense support. This support includes the mobilization of reservists to support U.S. forces in Europe in wartime. Some nations have much greater support arrangements with the out-of-country allies, but all are at great social and economic costs. A few examples help to make the point of the importance of host nation support to burden sharing:

Belgium has some 500 personnel committed to host nation support, and in wartime some 6,000 personnel will be directly involved. In addition, Belgium provides 29 facilities for Allied use in peacetime and maintains other facilities (including rail lines) for use during a crisis. Denmark, under a Danish/US agreement, provides for the establishment of US defense installations on the island of Greenland. Germany will make available some 90,000 men and expend some DM 80 million per year as operating costs under the German/US wartime host nation agreement and has invested over DM 780 million to date. It also contributes, at no charge, real estate (150,000 hectares) for forces stationed in peacetime at over 3,000 sites (some 92,000 dwellings). Iceland makes 10,000 hectares of land available to NATO at 7 different

locations on the island. Italy hosts some 17,000 troops in 43 bases throughout the country. The Netherlands commit approximately 1,300 personnel in peacetime and about 20,000 in time of crisis to support the Allied reinforcement process. Norway has concluded a number of agreements which provide for substantial prestocking of ammunition, fuel, heavy equipment, and spare parts for Allied naval, air and land forces. Spain, even before accession to the Alliance, contributed indirectly to Alliance collective defence beginning in 1953 through bilateral agreements with the United States on support bases and installations on Spanish territory. Turkey is host to some 5,000 US Army and Air Force personnel. In the United Kingdom 66 bases and facilities are made available to United States forces and there are also two NATO-funded armament depots manned jointly by United Kingdom civilian and United States Navy personnel. Under a 1973 United Kingdom/United States cost sharing agreement land which is surplus to United Kingdom defense requirements is made available to United States forces for their operational use at no cost. (6:28)

The most extensive host nation support agreements for the U.S. are those pertaining to West Germany, since the majority of U.S. NATO forces are stationed in that country. The German agreement to mobilize 90,000 reservists, for example, comprises approximately one-tenth to one-fourth of what it would cost the U.S. to maintain this number of troops in its own active or reserve forces. These reservists could be called up to do such things as protect U.S. bases, transport supplies and equipment, repair damage in key areas such as airfields, perform decontamination functions and assist with evacuation of combat casualties. Additionally, Germany pays approximately \$ 1 billion annually in direct or indirect support payments of official stationing costs of U.S. forward deployed forces. The U.S. has negotiated a variety of host nation support arrangements with all NATO

allies.

This overview has certainly not covered all the areas involved under host nation support. However, my intent is to address the tremendous contributions that European allies make to the NATO defense. This support is vital to the U.S. interests. The U.S. is in NATO for strategic, not philanthropic, reasons. These contributions, like the others that I have addressed, often do not receive due consideration in measuring the defense burdens of European NATO allies.

CHAPTER V

CONCLUSION

The purpose of this paper has been to analyze the NATO burden sharing factors that are not normally visible but which may reflect a better picture of the relative contributions of the NATO allies. The intent was not to assess the "fairness" of the burden sharing contributions of the NATO allies--that task was well beyond the scope of this paper. Rather the intent of this paper, written from the perspective of the U.S. military, was to provide a beneficial background of the complex inter-relationship of the burden sharing factors to Air Force officers who may find themselves working politico-military issues as NATO alliance managers.

Burden sharing within NATO is a problem as old as the Alliance itself and this issue will remain central to the future cohesion of the Alliance. Although it is most closely and most often identified with relative military defense expenditures, it is a complex mix of economic, financial, social, military and political pressures that cannot be conveniently viewed simply as a United States versus European issue. Realistic and fair comparisons, however, require a much larger frame of reference than one that tends to look only at defense budgets.

It is my opinion that all too often, the fairness of burden sharing among NATO allies is based on the easily

quantifiable and well understood measures pertaining to national military expenditures. When national military expenditures are analyzed in isolation of other factors, as I contend too often happens, the U.S. is seen as providing over twice as much as the average of the non-U.S. NATO countries.

The question of "fair share" becomes clouded because of the tendency, due to strong political pressures, to find, isolate and measure factors that will provide proof of alliance equity and cohesion. This is a near impossible task. Rather, the emphasis should be on each nation using its available resources in the best possible way that it can in keeping with its national interests. One objective is not compatible with the other. Unless one is careful, the more visible proof that is demanded and obtained, the less net collective security that may ultimately result.

I believe that other factors need to be considered more closely before passing judgment on burden sharing. First, due consideration must be given to how a nation perceives the threat to its security. Because each nation will only contribute to defense based on how that nation perceives the threat, the U.S. should not expect a sovereign nation to do otherwise. To do so is an infringement on its sovereignty. Secondly, due consideration should be given to the fact that defense cost figures of any nation will be considerably lower if that nation uses the draft system, as opposed to a volunteer force, to meet its national military force needs.

NATO allies have not yet defined a means to assess national manpower costs considering the disparities caused by conscription versus volunteer force systems. Thirdly, European allies suffer a high social cost as a result of the high density of foreign forces and associated military activity on sovereign soil. This high cost is often not fully appreciated by those who criticize the defense effort by European allies. And finally, the high contribution by European allies concerning land, facilities and support manpower also needs greater consideration. As critical as host nation support is to NATO forces, this contribution must be more heavily weighted in assessing national defense efforts.

The U.S. Congress has invested considerable time and effort in assessing the burden sharing issue. The net result has been that the Congress has determined that European allies are not contributing as much as they should to the common NATO defense. As a consequence, the U.S. Congress has been increasingly calling for U.S. force reductions from Western Europe as a measure to cajole European allies to increase their defense burdens.

I believe that to unilaterally reduce U.S. forces from Western Europe, if done as a result of Congressionally mandated law, would be a grave mistake. Such actions would clearly give the wrong signals both to U.S. NATO allies as well as to NATO adversaries.

No doubt the intentions of the U.S. Congress are well meaning. However, the intentions of Congress and the consequences of Congressionally mandated troop reduction legislation may well provide quite unexpected and unwanted results. Once a momentum is begun, it is most difficult to redirect. The ultimate result could be that a Congressionally mandated cut in U.S. troop levels will be seen in the eyes of the world as a changed American commitment to NATO. European allies are currently addressing serious decisions on continued improvement of their conventional forces. A withdrawal of U.S. forces would give them less incentive to increase their shares of the defense burden since the U.S. will have, in effect, reduced its share to NATO. Former United Kingdom Secretary of Defense John Nott, stated:

Any reduction which was perceived to cast doubt on the strength of the American commitment to Europe would serve only to weaken deterrence. It would be greatly welcomed by the Soviet Union, and the outcome could scarcely be in American interests. (40:2)

United States troop reductions from Europe may be necessary but this decision should be a function of national security; structuring U.S. forces to meet the perceived world-wide threat to our interests. Troop reductions should most certainly not be effected as a punitive measure against European allies for their unwillingness to make greater contributions to the common defense of the Alliance.

In a concluding thought, I emphasize that in comparing

net contributions to defense, the focus should logically remain on what each nation does in terms of joint power to deter aggression and defend the Alliance. The ultimate test of this joint strength is the willingness of each nation to honestly assess its capacity to contribute and to make the honest effort to contribute what it believes it should for the benefits it accrues from Alliance membership.

Recommendations

The burden sharing issue needs immediate attention and resolution. To attempt to fix a perceived problem by threatening to pull out U.S. troops from Western Europe unless the U.S. secures its goal of increased defense contributions by its European NATO allies will signal a form of American withdrawal from the Alliance and could give Western Europe a reason to doubt American commitment to the Alliance.

To the Air Force officer who may find himself working Alliance issues, I recommend that he or she become intimately familiar with the burden sharing question, as it is imperative that the U.S. military have a stronger voice in searching for an acceptable solution to this issue. One cannot keep the U.S. Congress from legislating policy toward NATO, but one can become well-prepared to speak out against

those Congressional actions that may frustrate the ability of U.S. forces to meet its commitments to NATO.

I recommend the following to Alliance managers and analysts:

1. Make a greater effort to increase the awareness of the complexity of the burden sharing issue.

2. Define burden sharing, in terms of the full range of the policy instrumentalities, so that each member nation may know the standard toward which it should strive, but not a standard that it is pressured to meet.

3. Shift emphasis from "fair" distribution of costs toward the "total" contribution that will produce optimum Alliance strength and cohesion.

5. Emphasize the cooperative approach to burden sharing, rather than seeking adherence to a statistical formulae of costs, and maintain faith and confidence that Alliance members will contribute to defense at the level that each sovereign nation determines is appropriate to secure its interests.

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