**Crises in the Baltic Region and the Middle East**

**Scenario**

**Background**

The timeframe is mid-2018. There are two crises – one in Europe and the other in the Middle East. Each has important implications for the other. In Europe, the Baltic crisis coincides with an escalating conflict in the Middle East that has preoccupied U.S. and other NATO member policymakers since 2014. As NATO members, the Baltic states fall under the protection of the Alliance’s Article 5\(^1\) security guarantee. In the Middle East, the United States, together with a coalition that includes NATO-European countries and others, has been executing a strategy designed to degrade and defeat the Islamic State (IS). This strategy builds on the strategy of the last U.S. Administration. It includes a greater commitment of U.S. ground forces now numbering 10,000; increased air strikes; and greater efforts to create an international coalition consisting principally of NATO-European allies and Middle East states. By June 2018 IS still occupies more than 60,000 square miles of Syrian and Iraqi territory as well as northern Lebanon and several hundred square miles of Turkish territory, extending along the border with Syria from Kobani to Cizre. As a NATO member, Turkey has called for protection under Article 5 in May 2017. Just as the Baltic states are geographically exposed to Russia, Turkey shares borders with Syria and Iraq and therefore lies at the center of operations against IS. Furthermore, between

---

\(^1\) Article 5 of the North Atlantic Treaty states that:  

The Parties agree that an *armed attack* [Italics added] against one or more of them in Europe or North America shall be considered an attack against them all, and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defence recognized by Article 51 of the Charter of the United Nations, will assist the Party or Parties so attacked by taking forthwith, individually, and in concert with the other Parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic areas.  

Any such armed attack and all measures taken as a result thereof shall immediately be reported to the Security Council. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.
2014 and 2016 there were major terrorist attacks in France, Belgium, and Turkey, as well as the United States in San Bernardino and Orlando. In subsequent years leading up to mid-2018, there have been increased numbers of terrorist operations, also attributed to IS, in several European cities, including London, Berlin, Amsterdam, Rome, and Madrid. What has dramatically changed, however, is the growing consensus within NATO countries that IS either already possesses, or is likely soon to have, one or more nuclear weapons, as well as biological and chemical capabilities. The result is to induce simultaneously the fear that IS will use such weapons, together with a growing sense of urgency about this IS threat.

Among the destabilizing results of the chaotic Middle East is a continuing influx of refugees, especially from Syria, not only into Turkey but also Greece and other EU members, that has helped to destabilize the EU, contributing greatly to the victory of the Brexit campaign in the United Kingdom in June 2016. The UK referendum has triggered anti-EU movements in other member countries as well. By mid-2018 there have been referendums in France and The Netherlands with majorities voting to leave the EU, which is on the brink of disintegration. Moscow has long favored the weakening and dissolution of the EU as an obstacle to Russia’s goal of reasserting its power in the Baltic states and elsewhere. Russia sees its pressure in the Baltic region and its support for Assad and its other destabilizing actions in the Middle East as part of a broad strategy to weaken Europe and in particular to destroy the EU. Russia has exploited chaos in the Middle East to increase the refugee flow into Europe as part of its strategy to undermine the EU and destabilize NATO-European countries. The cascading refugee crisis has galvanized and focused opposition in Europe on the many perceived deficiencies of the EU, including the unaccountability of its unelected bureaucracy and the erosion of national
sovereignty. Among the results of this situation is the imposition of border controls and increasing restrictions on movement within the EU, as political leaders bow to popular pressures, contributing further to its weakening as a cohesive unit. There are fears that IS will use refugees to smuggle weapons of mass destruction into Europe for terrorist operations. Such fears have also produced more stringent border controls in the United States as well. Although the flow of refugees into some countries, notably Germany, has lessened since 2016, the brunt of the continuing refugee crisis from the Middle East is being borne by Greece, Italy, and Turkey.

A NATO decision to grant Article 5 protection to Turkey came in January 2018 only after several months of debate and discussion focused on differences over several issues: Turkey wanted a greater NATO effort to defeat Bashar Assad and engaged in protracted bargaining to allow the United States and other NATO allies to use the Incirlik air base for operations against IS. According to Ankara, attacking IS without also decimating Assad’s regime is a flawed strategy that will not end the conflict in Syria and Iraq. Turkey’s relations with the United States and NATO had also been strained not only because Turkey had not allowed its territory to be used by coalition forces in the 2003 campaign against Saddam Hussein or subsequently until 2015, but also as a result of Turkish allegations of U.S. involvement in the aborted July 2016 coup against the Erdogan government. What finally got Turkey to join the NATO coalition was the U.S. decision to step up the campaign against Assad. By the spring of 2018, a coalition force of 15,000 led by the United States is operating on the ground, primarily in Syria and Iraq, together with the air campaign against IS with operations mounted from Turkey. In addition to the United States, the coalition now includes British, French, Polish, Australian, Canadian, UAE, Turkish, Greek, Latvian, and Estonian personnel in addition to substantial numbers of Kurdish
ground forces. On several occasions, this coalition force has come dangerously close to a confrontation with Russia, which continues to support Assad. In another example of difference over strategy and policy, Turkey has mounted attacks repeatedly against the Kurds who are a vitally important part of the U.S.-led coalition.

As these events in the Middle East have unfolded, in Europe there have been escalating tensions in the Baltic region as Russia has acted to take strategic advantage of the ongoing Middle East crisis and the disarray in the EU. The consensus in Moscow, so it seems to outside observers, is that the EU is on the verge of collapse, while NATO enjoys declining support on both sides of the Atlantic. The result is a situation that can be exploited to Russia’s advantage. Added to this assessment is the fact that the new U.S. Administration has yet to devote greater resources to NATO in the absence of a stronger commitment by most NATO-European allies to their defense.\textsuperscript{2} Nevertheless, NATO has taken some steps to support its Baltic members, including military exercises and stationing and rotating forces to the region. At the NATO summit in Wales in 2014, NATO agreed to a “Readiness Action Plan” to establish a military presence in Eastern Europe, while creating a rapid-action force to protect member-states from Russian incursions. At the Warsaw NATO Summit in July 2016, the Alliance agreed to establish a multinational rotational presence in the Baltic states. According to the communiqué: “They will be based on four battalion-sized battle groups that can operate in concert with national forces, 

\textsuperscript{2} Only five of NATO’s twenty-eight members—the United States, Britain, Estonia, Greece, and Poland—have agreed to allocate 2% to defense spending in their budgets, a figure that technically is required of all NATO members. This, plus the discrepancy in the size of the American contribution, compared to all other NATO nations, is a bone of contention for a growing percentage of Americans who see this as disproportionate to the benefits derived from Alliance membership.

Article 4 of the North Atlantic Treaty states: 
"The Parties will consult together whenever, in the opinion of any of them, the territorial integrity, political independence or security of any of the Parties is threatened."
present at all times in these countries, underpinned by a mobile reinforcement strategy.” The framework nations are to consist of Canada, Germany, the United Kingdom, and the United States. By mid-2018, this force is available as part of a NATO crisis response capability. Consisting of 5,000 personnel, it is designed to constitute NATO’s first-response to Russian aggression triggering an Article 5 contingency. It could also be used to deter Article 4 situations such as civil unrest arising from Russian efforts to incite minority populations in the Baltic states. As part of its $3.4 billion European Reassurance Initiative, that began in 2017, the United States is rotating into Europe a brigade’s equivalent of troops and prepositioning a division’s worth of new equipment in Estonia, Latvia, Lithuania, Poland, Bulgaria, and Romania. It is also refurbishing older stockpiled equipment in Germany, the Netherlands, and Belgium. However, such efforts seem to many to lag well behind the emerging threat level.

Taken together, these trends and events have led Russia to conclude that its latitude for maneuver both in Europe and the Middle East is growing and that NATO’s actions in recent years fall far short of what would be required to deter Moscow. The initial hesitation on the part of NATO to invoke Article 5 in support of Turkey has emboldened Russia in its Baltic ambitions and in the Middle East. For example, in 2014 Russia abducted an Estonian security official near their shared border, but on Estonian territory. Russia also demanded the extradition of some 1500 Lithuanian citizens who allegedly failed to complete their military service in the final years of the Soviet Union. Also in 2014 Russia seized a Lithuanian fishing vessel that, according to Lithuania, was operating in international waters. Both the crew and the ship were detained in Murmansk. Incidents of this type have increased in the months leading to mid-2018. Furthermore, Russia has repeatedly accused the Baltic states of fostering neo-Nazism,
discriminating against Russians and the Russian language, and gross violations of the human rights of Russian-speaking minorities. All of these charges have been refuted as without factual basis. Estonia and Latvia assert that they offer citizenship to all residents regardless of ethnicity, provided they learn the national language and pass a history examination. Lithuania reiterates that it has given full rights to its small Russian minority since 1991.

In 2018, NATO-European countries still have extensive investments in Russia and other economic links, including energy, with Russia that make them reluctant to impose more drastic trade and financial penalties on Russia. For example, most natural gas supplies to NATO-Europe either come from Russia itself or cross Russian territory. The Baltic states are totally dependent on Russia for their natural gas. Russia’s geoeconomic strategy includes the use of energy as a foreign policy tool. However, the economy of Russia itself is heavily dependent on energy exports for some 50 percent of its tax revenues and for much of its domestic GDP. As a result, Russia is in fact a petrostate whose economy is sustained by rising energy prices and damaged by a decline, as happened in the 1980s during the Reagan Administration, contributing greatly to the collapse of the Soviet Union in 1991. In recent years Western sanctions and the drop in oil prices have forced Moscow to prop up the ruble leading to significantly diminished foreign reserves. Russia’s GDP contracted by 3.7% in 2015 and another 1.8% in 2016 and 2017, respectively. The deteriorating economic situation has led Putin to become more aggressive internationally in order to divert attention from the woeful economic conditions in Russia.

Russia’s strategy has a broader Eurasian setting that includes the Middle East. Russia believes that a unique opportunity exists to move against one or more of the Baltic states while the United
States and its coalition partners are preoccupied with IS. Furthermore, Moscow shares with the Islamic State the goal of weakening the United States and removing its influence from the Middle East. Russia continues to strengthen Iran and to assist Iran’s Syrian ally Bashar Assad. Both Iran and Syria are Moscow’s allies in the region. As a major energy exporter, Russia cooperates with Iran to keep energy prices as high as possible. Russia also maintains close military ties including the supply of advanced weapons systems, together with training and joint exercises with Iran as a key pillar of its geopolitical and geoeconomic strategy.

This is the overall strategic setting in which Russia is expanding its presence along its periphery. By 2018 Ukraine has been partitioned, with its eastern portion dominated by Russia and furnishing a land corridor to Crimea, annexed by Russia in 2014. Western Ukraine has been stymied by Russia in its efforts to draw closer to the EU, which in any event now seems to be a less attractive option given its own problems. The United States is providing some limited intelligence, non-lethal military aid, and surveillance capabilities. As in Ukraine, current Russian activities in the Baltic states are designed to soften up and demoralize the government and population. Because, unlike Ukraine, the Baltic states are NATO members, Russia’s actions could have the added advantage of undermining the alliance, a consideration that is believed heavily to influence Russian strategy and policy. Russia has also moved forces into Kazakhstan, whose population is more than one-quarter ethnic Russian. Kazakhstan hosts the Baikonur space-launch facility leased by Russia but built during the Soviet era. Because it seeks self-sufficiency in space in order to strengthen its position as a spacepower, Russia in early 2018 sent military forces into Kazakhstan and reoccupied the space-launch complex. At the end of the Cold War Ukraine and Kazakhstan gave up the large numbers of Soviet-era nuclear weapons deployed on
their territory. Putin has referred to Kazakhstan as a “state in a territory that has never had a state before.” With Russian forces occupying its territory, Kazakhstan is annexed by Russia in May 2018.

As NATO Partnership for Peace members, Ukraine and Kazakhstan lie outside the Alliance Article 5 collective defense commitment. However, NATO enlargement to include Estonia, Latvia, and Lithuania as full members has expanded dramatically the frontiers that must be protected by the Alliance based on Article 5. During the Cold War NATO maintained massive forces on the Central Front, which was also the border between West and East Germany, together with a commitment to escalate to the nuclear level if necessary as a basis for deterring a Soviet–Warsaw Pact attack. To the north Norway shared a border with the Soviet Union, while to the south Turkey deployed major forces along its extensive frontier with the Soviet Union. Both were and remain NATO members. With the addition of the Baltics to the alliance, NATO is now also committed to defend countries that were once part of the Soviet Union at a time when defense spending in NATO-Europe and the United States has drastically declined.

After the collapse of the Soviet Union, NATO Cold War force structures were demobilized as “peace dividends” were declared. With the end of the Cold War it was assumed that democratization would take hold both in former parts of the Soviet empire and in Russia itself, as seemed to be the case in the pre-Putin period of the 1990s. Instead, in 2018 an increasingly authoritarian Russia is rearming. Russian military doctrine includes the possible early use of battlefield nuclear weapons, of which Russia retains an extensive inventory. Russia is at odds with the United States and NATO on many important issues. To complicate matters further,
NATO members, especially the Baltic states, face a new form of “hybrid warfare” that is multidimensional in the sense that it contains political, military, economic, and psychological components.

The April-May 2007 cyber attack against Estonia was not an “armed attack” within the traditional meaning of the NATO Article 5. Nor are actions such as energy cut-offs, kidnappings, accusations of neo-Nazism, or incitements of ethnic grievances, real or imagined, considered to be issues that cross the Article 5 threshold. Taken together, however, they add up to a new Russian strategy that is backed by growing military power despite Russian economic problems. It includes not only cyber attacks, but also maskirovka, or a broad program of political-military deception designed to destabilize the Baltic states. It is based on deniability. Gas cut-offs can be justified as economic/business decisions. A cyber attack can be attributed to patriotic Russian hackers acting on their own. Russian military personnel operating in Ukraine can be passed off as people who choose to support their beleaguered brethren abroad. Thus there is deniability of Russian official participation, all designed to blunt the Western reaction. As a result despite recent decisions, including NATO Summits, NATO’s legal framework seems outdated and therefore unable to deal with this form of twenty-first-century warfare. Can Article 5 be called on if there has been no armed attack, but instead demands by Russian minorities for the “democratic right of self-determination” that are prodded by Russia to demand greater degrees of autonomy or even reunification with Russia?

3 More recently, however, at the September 2014 NATO Wales Summit it was agreed that “a decision as to when a cyber attack would lead to the invocation of Article 5 would be taken by the North Atlantic Council on a case-by-case basis.” Although cyber defense was affirmed at the Western Summit to be part of NATO’s core task of collective defense, the terms “armed attack,” “use of force,” and “cyber attack” remain undefined. At the July 2016 Warsaw Summit NATO recognized “Cyberspace as a domain of operations in which NATO must defend itself as effectively as it does in the air, on land, and at sea.” Furthermore, protecting cyberspace is indispensable to NATO’s ability to operate in these domains.
In the years leading up to 2018, numerous cyber attacks have periodically shut down large parts of the economies of Estonia, Latvia, and Lithuania and sometimes spilled over into other NATO-European countries, especially Poland, but also the Czech Republic, Greece, Italy, and France. Although they have not been traced directly to Russian official action, the circumstantial evidence points directly to Moscow because they have occurred at times when tensions have risen between Russia and NATO.

Such activities underscore Russia’s intention to undo the humiliations of the post-Soviet period. Putin has stated repeatedly that the breakup of the Soviet Union was the greatest geopolitical disaster of the twentieth century. Therefore, Russia does not accept as permanent the existing frontiers or even the independence of the Baltic states. In early 2018, Russia demands that Estonia, Latvia, and Lithuania grant autonomy to their Russian minority populations and offers passports to Russians in the Baltic states to underscore this demand. In March 2018 armed clashes lead to numerous casualties in Estonia. Weapons seized from armed Russian groups in Estonia are traced back to Russia. In April 2018, Russia declares that it will unilaterally intervene with “peacekeeping forces” if local authorities remain unable to restore order, matched by an intensification of Russia’s support for Russian minority populations. By June 2018 the situation is clearly escalating out of local control. On June 24, 2018, Russia delivers an ultimatum to Estonia, demanding that it accept Russian peacekeepers. Otherwise, Russia states that it will send military forces to protect the Russian minority and to restore order. This is the background in which the Baltic crisis breaks out on July 2, 2018, as the conflict between IS and coalition forces in the Middle East countries to escalate. As a result, NATO and its members
simultaneously face two interrelated crises: one in the Baltic Region and another on its border with the Middle East.

Summary

1. Two mutually reinforcing crises face NATO: one in the Baltic region and another emanating from the Middle East.

2. Uncertainties about the future of the EU increase in the months after the Brexit vote, with majorities favoring the withdrawal of France and The Netherlands based on referendums held in both countries, together with the rise of anti-EU sentiment elsewhere;

3. There is a link in which the crises in the Baltics and the Middle East have strategic implications for each other;

4. As a result, Russia sees opportunities to exploit divisions among EU countries and to weaken NATO as well, while supporting its ally, Bashar Assad in Syria;

5. There is a rise in terrorist acts both in Europe and the United States attributed to IS;

6. By 2018 intelligence agencies in NATO countries conclude that IS has (or soon will have) one or more nuclear weapons as well as biological and chemical capabilities;

7. The flow of refugees from a destabilized Middle East contributes to growing anti-EU sentiment in Europe that leads EU members to reimpose border controls. The United States also takes additional steps to secure its own borders;

8. IS forces occupy Turkish territory along its southern border, thus posing a threat to a NATO member leading only after protracted debate to the invocation of Article 5 of the North Atlantic Treaty. After having been pushed out of major Iraqi cities, IS nevertheless remains in control of large parts of Iraq and Syria, as well as northern Lebanon;

9. The global war being waged by IS shows no sign of abating;

10. NATO’s hesitation to extend Article 5 protection to Turkey, as well as the crisis within the EU, strengthens Russia’s calculation that it can escalate conflict with the NATO Baltic states;
11. There are escalating tensions based on Russia’s demands focused on the Russian minority in Estonia as well as the other Baltic states;

12. A Russian sustained effort is mounted to destabilize the Baltic region, weaken and divide NATO-Europe and the United States;

13. There is a Russian challenge to NATO’s Article 5 security guarantee, which seems ill-suited to the “hybrid warfare” practiced by Russia; and

13. An international coalition led by the United States has some 15,000 military personnel operating in Syria and Iraq.