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Māris Andžāns, Viljar Veebel*

Deterrence Dilemma in Latvia and Estonia: Finding the Balance between External Military Solidarity and Territorial Defence

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Abstract: While potential threats from Russia and NATO collective defence commitments are similar for Latvia and Estonia, both countries have adopted different approaches in the balancing exercise between territorial defence and military solidarity. Notwithstanding their differences, both are by their nature fully non-aggressive – without room for pre-emptive initiatives, extra territoriality or asymmetrical tools. Given that in a case of a hypothetical large-scale conventional attack both countries would almost entirely have to rest on the allies, external military solidarity is essential. Until the Ukraine crisis, both offered more military solidarity towards their NATO allies than the latter offered to them. As the result of the Ukrainian crisis, allies became more military-solidary with the Baltic nations, especially having established the Enhanced Forward Presence, while Estonian and especially Latvian contributions to international missions and operations dropped. Therefore, it is suggested that both countries increase their efforts to the allied international endeavours.

Keywords: deterrence dilemma, military solidarity, Latvia, Estonia, NATO.

1 Introduction

Russia's aggression against Georgia in 2008 and Ukraine since 2014 have clearly demonstrated that Russia is ready to use military force against its neighbours. Due to these and other reasons arising from historical experience and Russia's present behaviour, both Latvia and Estonia rank its neighbour, namely Russia, as the main source of potential threats across different sectors of national security.

In light of this, it is of vital importance for both Estonia and Latvia to build up defence models that provide credible deterrence against potential threats from the Russian side. At the same time, it is clear that both countries would not be able to defend themselves for a significant period if Russia employed the full extent of its military capabilities. Therefore, NATO membership is one of the cornerstones of the security of both countries. However, as Article 5 of the North Atlantic Treaty is a solidarity-based duty, there cannot be allies "defence providers" and allies "defence spenders". Therefore, Latvia and Estonia have to obey solidarity duties vis-à-vis its allies if they wish to maintain Article 5 as a credible defence guarantee and thus an effective deterrent, in other words, keeping allies committed to Article 5 by reciprocating in the ways they can.

While potential threats from the Russian side and NATO collective defence commitments are similar for both countries, Estonia and Latvia have adopted different approaches concerning the balancing exercise

*Corresponding authors: Māris Andžāns, Viljar Veebel, Rīga Stradiņš University and Latvian Institute of International Affairs, E-mails: maris.andzans@rsu.lv; Viljar.veebel@baltdefcol.org.

between territorial defence and solidarity. While Estonia has followed a total defence approach with a strong focus on territorial defence, a compulsory military service and a reservist army, Latvia has opted for a solely professional army with a considerably smaller amount of supporting manpower. A stronger focus on territorial defence has not prevented Estonia from becoming an even more active contributor to international operations than its southern neighbour. In this way, Estonian and Latvian defence models constitute an intriguing pair as far as discussing the security choices of a small country bordering an aggressive and resurgent neighbour are concerned.

This article focuses on two fundamental questions. First, have Estonia and Latvia indeed chosen a different approach in response to the same potential threats and the same solidarity obligations, and could it be argued that one of the countries is currently in a better position compared to the other in terms of safeguarding security through territorial defence and external solidarity? Second, despite their different approaches to national defence models, have the two Baltic countries done enough to discourage Russia's potential aggression? In other words, is the current deterrence vis-à-vis Russia credible?

The article is structured as follows. Section 1 discusses theoretical dilemmas of building a viable deterrence model from a perspective of a small state. Section 2 introduces the main features of the Latvian and Estonian defence models. Section 3 compares the Estonian and Latvian defence models in light of potential military conflicts. Section 4 assesses the military solidarity of Latvia and Estonia towards their allies. Military solidarity here is understood as solidarity in the framework of military cooperation and participation in international missions and operations in particular.

2 Theoretical dilemmas of building up a viable deterrence model from the perspective of a small state towards an aggressive neighbour

The essence of deterrence has been extensively discussed in contemporary studies of international security and strategic behaviour mainly from the 1950s and 1960s onwards. The topic has been analysed, for example by Thomas Schelling, Bernard Brodie, Robert Jervis, Anthony Kenny, Lawrence Friedman, Patrick Morgan amongst many other authors.

The concept of security studies is mostly known for its connections with the Cold War era and nuclear deterrence. However, over the last 50 years it has evolved through different visions. Four waves can be differentiated in contemporary academic thinking on deterrence. The invention of the nuclear bomb at the end of the Second World War geared research towards the altered nature of war and military superiority, for example, the works of Bernard Brodie. The second research wave in the 1950s concentrated on expectations, uncertainties, bargaining power and other related factors. Game-theory models were therefore used in studies on deterrence (Schelling 1962). The theory of deterrence was challenged during the third wave in the 1960s and 1970s. In response to criticism, more political and geopolitical aspects together with empirical analysis were included in studies on deterrence (see for example Jervis 1979). The fourth wave of research started after the Cold War. As a result of the changing security environment, non-traditional threats such as terrorism were included in the analysis in contrast to traditional threats and interstate conflicts which were covered during the first three waves (Knopf 2010).

The nature of deterrence is straightforward: the fear of undesired consequences and the threat of the use of force would discourage, prevent or inhibit opponent(s) from implementing some actions which have not yet commenced but that opponent(s) long for (see for example Keane 2005, Zagare 2013, Morgan 2017). An aggressor is persuaded by other actor(s) that an aggression causes high costs and unacceptable damage, which outweigh potential gains arising from the conflict or act of aggression (Paulauskas 2016).

In game-theory models, the equilibrium (and in this way, credible deterrence) is determined by strategic decisions, expectations, symmetry or asymmetry of information as well as many other factors. Game-theory models analysing the credibility of asymmetric deterrence pose that the higher the perceived probability of

a player actually executing its deterrent threat, the higher the credibility of deterrence (see for example the game-theory models developed by Zagare 1993). However, two general game-theory models, the chicken model and the dollar-auction game, are particularly interesting when analysing the cost-benefit analysis of deterrence (Veebel and Markus 2016). The first of them, the so-called chicken dilemma, reflects the cost-benefit analysis of the early stages of the conflict, no significant costs can be related to making the next move. The second model, the dollar-auction game, discusses potential solutions in the later stages of the conflict when significant and even irrational costs have already been made by the actors. Based on the dynamics of these game-theory models, a possible balance between costs and benefits of the aggression could be derived. The credibility of deterrence is therefore mostly determined by previous “moves”, the dominant role of one of the players and the motivation of the actors.

Deterrence undoubtedly plays an important role in guaranteeing peace and stability in the contemporary international political arena. However, in real terms, it is difficult to assess under which circumstances and at which time deterrence becomes credible. This is mainly because of the controversial nature of deterrence. In principle, when assessing credible deterrence, behaviour that is expected to never occur is studied. Thus, there are several methodological challenges, for example, if deterrence is successful there is no behaviour to see; and if deterrence fails behaviour does occur and can be observed; in such scenarios deterrence theory fails because while all the conditions for deterrence are present, there is “no deterrence” (Starr 2005). Thus, when constructing a viable deterrence model, countries are simultaneously building something they are never expecting to use. Moreover, there is no guarantee that either the increase in military forces or higher defence expenditures would make a country’s military forces more powerful and its deterrence posture more credible.

Recent studies have suggested that the efficiency of deterrence is dependent on the specific area of threat as well as specific actors, meaning that a credible deterrence policy should be case-specific. As argued by van der Putten, Meijnders and Rood (2015), “*The costs assessment of potential perpetrators can be directly influenced by means of the threat of retaliation (p.23). The more difficult it is to identify the perpetrators, the less effective the threat of retaliation. International cooperation is also important in terms of acquiring the intelligence required to identify an actual or potential perpetrator (p.28). To achieve effective deterrence, in addition to international cooperation, there are a few more conditions. The measures taken must be credible, the deterrence message must be clearly communicated to the potential perpetrator (communication), the threat and the actors from which it emanates must be known (intelligence), and the deterrence must be based on actual capabilities and an integrated approach (p.29).*”

This view also overlaps with the understanding of the credibility of deterrence within the NATO framework. The organization has developed a combined approach to deterrence including capability, cohesion and communication (see Paulauskas 2016). Firstly it comprises the development of the Alliance’s military capabilities, secondly it refers to the Alliance’s unity and solidarity, and thirdly to clear and unambiguous communication. Therefore, in the current security situation deterrence is definitely not only about the number of guns and men but also about unity, cooperation and communication.

3 A comparison of Latvian and Estonian defence models

After the restoration of independence in 1991, NATO membership and the principle of collective defence based on Article 5 of the North Atlantic Treaty became the main foreign policy objectives for Estonia and Latvia. In both countries, local political elites were convinced that the Organisation would have a pivotal and strategic role in strengthening their independence and sovereignty as well as in confronting potential existential threats from the Russian side. NATO membership, combined with EU accession was also highly supported by the public. After successful reforms and relatively smooth accession negotiations, both countries joined NATO in 2004. Paradoxically, this main strategic achievement left Latvia and Estonia without a clear long-term vision of what should be the future goal of the countries’ security and defence policies. This is mainly due to the fact that over the decade when Estonia and Latvia were preparing to join

NATO, the alliance transformed. The same applies to the visions and perceptions of the organisation (and of the so-called Western world as a whole) towards Russia. During this time, NATO repositioned itself from an organisation committed to the principle of collective defence into a multitasking body dealing with issues beyond original collective defence, for example, anti-terrorism activities, peace-keeping missions and crisis management. Similarly, in the early 2000s Russia was rather considered as a partner, not as an adversary. Thus, in 2004 both countries, in fact, did not join the same organization that they were expecting to join in the early 1990s, i.e. an organisation with a primary focus on the principle of collective defence as well as a capability and willingness to defend its member states in response to a military attack by an external party.

This fundamental shift has left visible traces particularly in the evolution of the Latvian national defence model. The country has linked its security to NATO membership and Article 5. This has also been reflected in the subordination of national defence activities to the global role of NATO, supplemented by cooperation efforts between Russia and NATO (as a part of the normalization policy vis-à-vis Russia, Latvia renounced its rights to the Russian-controlled Abrene District in 2007 as the border agreement was concluded). In practice, this resulted in greater attention being paid to expeditionary capabilities. Moreover, participation in international missions and operations (particularly in Afghanistan and Iraq) became the central axis of Latvian defence activities. Symbolically enough, the former camouflage of Latvian uniforms was changed to a desert pattern (a new pattern, closer to the domestic terrain, was presented in December 2015). Therefore, due to a greater focus on out-of-area international missions and operations, the principle of territorial defence was fundamentally neglected in the Latvian defence model. Compulsory military service on top of that was abolished in favour of entirely professional armed forces from 2007 onwards.

In the 2000s, Latvian defence expenditure amounted to a maximum of 1.6% of the gross domestic product (GDP) (see Figures 1 and 2). The defence budget was considerably reduced from 2009 onwards due to the economic and financial crisis. The lowest point was reached in 2012 when defence expenditures amounted to 0.88% of GDP (i.e. 232 million USD - NATO 2017 p.7). Considering that some projects only remotely, if at all, linked to national defence were financed from the defence budget, for example, civilian sports infrastructure, the actual Latvian defence budget was even smaller than official data indicated. The further decrease in defence expenditures from 2009 onwards is even more remarkable keeping in mind that the Russo-Georgian War in 2008 to a large extent exacerbated threat perceptions in Latvia. However, no action was taken to increase the defence budget given the economic and financial crisis and the U.S.'s attempt to "reset" its relationship with Russia. A significant change occurred only after Russia's intervention in Ukraine, namely the occupation of Crimea and Russia's direct and indirect involvement in the armed conflict in Eastern Ukraine since 2014. These events indubitably changed threat perceptions of both Latvian political elites and society. In light of this, the defence budget was increased from 1.04% of GDP (295 million USD) in 2015 to 1.44% of GDP (415 million USD) in 2016. Defence expenditures are projected to reach 1.7% of GDP (507 million USD) in 2017 (NATO 2017 pp.7-8) and 2% of GDP in 2018.

The increased defence budget only recently allowed Latvia to strengthen its national armed forces. For example, only in 2014 was it agreed to procure armoured vehicles (123 used reconnaissance combat vehicles, namely Combat Vehicle Reconnaissance (Tracked) (CVR(T)) for the first time since independence was regained. Until then, the Latvian National Armed Forces were the only NATO armed forces without armoured vehicles. Since then, there have also been procurements in small arms, trucks, Carl Gustav's (man-portable reusable anti-tank recoilless rifles) and Spike guided missile systems, etc. Recently, in 2017, an agreement was reached to buy 47 second-hand self-propelled M109 howitzers and Stinger man-portable air-defence systems (MANPADS). Military personnel were also expanded from 4.6 thousand in 2014 to 5.7 thousand in 2017 (see Figure 3 (NATO 2017 p.10)) and the training of reserve soldiers resumed in 2015. Additionally, the number of volunteers willing to serve in the Latvian National Guard (Zemessardze) reached 7.9 thousand in 2017, about 9 hundred more than in 2016 (LETA 2017). However, the proportion of active combat-ready members of the Latvian National Guard is unclear as the National Guard has been harshly criticized by the State Audit Office of Latvia for significant flaws in training, a lack of common standards, an incomplete registration system, etc. (State Audit Office of Latvia 2015). A public initiative was even launched to collect donations for equipment of the members of the National Guard (the campaign

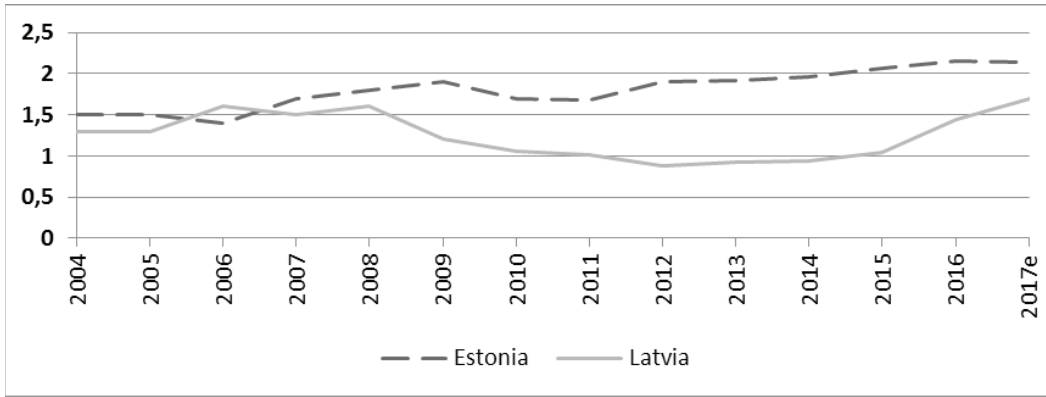


Figure 1: Defence expenditure in Estonia and Latvia between 2004 and 2017 (% of GDP)

Note: Figures for 2017 are estimates.

Sources: NATO 2009 p.6, NATO 2010 p.6, NATO 2017 p.8 (in case of discrepancies, the latest available data was used).

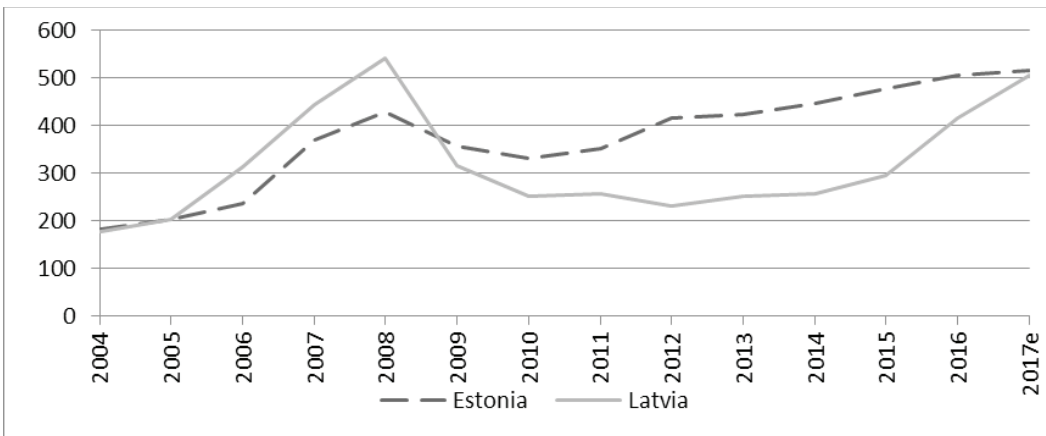


Figure 2: Defence expenditure in Estonia and Latvia between 2004 and 2017 (overall, in millions of USD)

Note: Figures for 2017 are estimates.

Sources: NATO 2009 p.4 (current prices and exchange rates), NATO 2010 p.4 (current prices and exchange rates), NATO 2017 p.7 (current 2010 prices and exchange rates, chosen in order to ensure better comparability to the previous data) (in case of discrepancies, the latest available data was used).

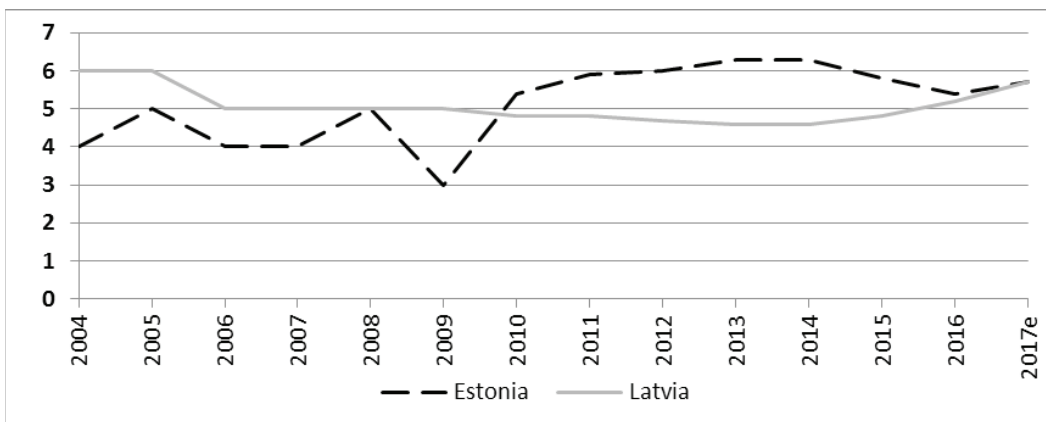


Figure 3: Military personnel of Estonia and Latvia in NATO between 2004 and 2017 (in thousands)

Note: Figures for 2017 are estimates.

Sources: NATO 2009 p.9, NATO, 2010 p.9, NATO 2017 p.10 (in case of discrepancies, the latest available data was used).

“Zemessargam.lv” is still active). To be fair, the National Guard has recently been strengthened with new equipment.

Similarly to Latvia, the dynamically changing global security environment and the shift in the main goals of NATO put significant pressure on Estonia’s national defence model. However, Estonia’s response was substantially different from Latvia’s. Although NATO and Article 5 constitute a core element of the Estonian national defence model, and the country actively contributes to the Alliance’s international operations (see the next section), Estonia did not neglect the territorial defence principle at any stage during the observed period. From the 2000s onwards, along with NATO membership, particular attention has been devoted to the development of its initial independent defence capabilities¹. Estonian territorial defence is based on the following principles: a) the defence forces are divided into two parts, general units and territorial defence units; b) the country’s territory and units are divided into military-territorial formations; c) on the basis of the military-territorial formations, management is organised in a way that allows it to function even after the collapse of the national defence system in crisis situations, e.g. when the political or centrally-coordinated military leadership is interrupted or NATO assistance is delayed (Estonian Ministry of Defence 2017a).

In more detail, Estonia uses a mixed model of professional military contingent, conscript army and reservists. The average number of personnel in the regular armed forces in Estonia during peacetime is about 6.5 thousand, half of them conscripts. At the end of 2016, there were 3.2 thousand active servicemen (professional soldiers) (The Defence Resources Agency of Estonia 2017, Figure 4). The conscript army is compiled on the basis of compulsory military service for men between 18 and 27 years of age. After completing conscription, draftees join the reserve forces. In recent years, the number of individuals annually entering the conscript service amounted to roughly 3.3 thousand men (The Defence Resources Agency of Estonia 2017, see Figure 2 of the respective report). The planned size of the operational (wartime) armed forces personnel is 21 thousand. After mobilizing the reserves, the wartime structure of the armed forces is estimated to reach 60 thousand personnel of which the high readiness reserve is about 25 thousand strong (The Estonian Defence Forces 2016). Altogether, 269,586 people were listed as reservists in the register by the end of 2016 (The Defence Resources Agency of Estonia 2017 p.7).

From the 2000s onwards, Estonia has undertaken to develop its initial independent defence capabilities which is reflected in its defence expenditure. All incumbent governments have sought to gradually increase (and, later on, maintain) defence expenditure close to or at least equal to 2% of GDP. The overall increasing trend in defence expenditure has also been reflected both in nominal (Figure 1) and relative (Figure 2) terms in Estonia. However, due to the economic crisis, a setback in the defence budget was also manifest in Estonia when defence expenditures were cut three times in 2009 by an overall amount of 37.63 million euros. The magnitude of the decrease in defence expenditure was significantly lower in Estonia than in Latvia though. Even during the crisis years, defence expenditures were maintained at least at the level of 1.68% of GDP in Estonia. The Estonian defence budget in real terms has been higher than in Latvia since 2009 notwithstanding its smaller economy and the number of inhabitants compared to Latvia (NATO 2010 p.4, NATO 2017 p.7). Moreover, the country managed to recover fast and to once again refocus on the target of 2% of GDP. Since 2015, Estonia has spent more than 2% of the country’s GDP on national defence (NATO 2017 p.8).

The stable and steady increase in defence expenditure has allowed Estonia to retain formidable territorial defence capabilities. Its Defence Forces were already better equipped in the early 2000s, e.g. in 2004 and 2005 second-hand Patria Pasi XA-180 and in 2010 Patria Pasi XA-188 armoured personnel carriers (APCs) were procured, both currently numbering at 136 (The Military Balance 2016 p.91). As the crisis in Ukraine unfolded, further steps were taken to strengthen land forces. In 2014 Estonia agreed to buy 44 second-hand Combat Vehicle CV 90 infantry fighting vehicles and a further 37 hulls of the same type of vehicles, along with Javelin man-portable anti-tank guided missile (ATGM) systems. In 2017, a decision to buy 12 new K9 Thunder self-propelled 155 mm howitzers was announced among other measures. A

¹ The independent defence and territorial defence capabilities comprise all Estonian citizens, who are committed constitutionally to participate in national defence. All male citizens of legal age have to participate in military service.

significant part of the wartime structure of the Estonian military forces is also formed by the Estonian home guard known as The Estonian Defence League (*Eesti Kaitseliit*), functionally a close equivalent to Latvia's Zemessardze. There are about 16 thousand members belonging to The Estonian Defence League; together with youth and women organizations, it numbers approximately 25 thousand (The Estonian Defence League 2017 and Postimees 2017), which means that the organisation is approximately twice as big as the Latvian home guard. Thus, the number of combat-ready citizens is significantly higher in Estonia than in Latvia.

4 The Estonian and Latvian national defence models: different approaches to the same potential conflict?

Considering the fact that Estonia and Latvia are attempting to protect themselves against the same potential threat – a possible aggression from the Russian side – it is definitely intriguing that they seem to have chosen different approaches in developing their respective national defence models. While Latvia is relying on a limited number of professional forces without any compulsory military service, Estonia is using conscription as a bulwark on top of the same type of resources. To highlight the differences, the Latvian National Armed Forces during peacetime should consist of 6.5 thousand professional soldiers, 8 thousand home guards and 3 thousand reserve soldiers (State Defence Concept of the Republic of Latvia 2016). However, the number of combat-ready home guards and reserve soldiers is estimated to be at least twice as small given the still relevant conclusions of the State Audit Office (2015) and the high rate of no-shows of the reserve soldiers for training². At the same time, the Estonian armed forces include 5.7 thousand active servicemen (including the active conscripts), 37.8 thousand conscripts registered for compulsory military service and 16 thousand members of the voluntary Estonian Defence League. In total, 269,59 thousand people are listed in the register of the Estonian reservists (The Defence Resources Agency of Estonia 2017, see Figures 1 and 4 of the respective report). If Latvia's wartime structure of the armed forces is considered to consist of approximately 17.5 thousand men and women (as assumed to be during peacetime (State Defence Concept of the Republic of Latvia 2016)), whereas in reality it is approximately between half and two-thirds of that number, Estonia's wartime structure of the armed forces is estimated to reach 60 thousand (The Estonian Defence Forces 2016).

It should be noted that these two countries do not constitute pure examples of fundamentally different approaches when choosing between a professional army and conscription service. The key strategy documents in the field of national defence in Estonia, such as the currently valid version of the National Security Concept from 2010 and National Defence Strategy from 2011 (Estonian Ministry of Defence 2017a), clearly state that the country's security is grounded in a broad concept of security, involving the whole of society as well as the combination of military and non-military capabilities and resources. The same applies to the most recent version of the National Security Concept of Latvia from 2015, which also clearly refers to a wide concept of security (National Security Concept of the Republic of Latvia 2015). Thus, next to NATO's collective defence principle, both countries recognise the role of a broad conception of security, progressing in this direction in their own way.

Estonians are strongly convinced that conscription is essential for training large-scale reserve units and mobilizing them in the event of a potential conflict (for example Laar 2011). Military service has significant public support (93% according to the latest poll (Estonian Ministry of Defence 2017b)). It is considered to be

² Since the training of reserve soldiers has been reinstated in 2015, there have been numerous reports in the Latvian mass media on the high number of reserve soldiers not arriving for the training (in 2015, only 59 of 300 called-in arrived for the training and 168 out of 966 the year after) and fines imposed by Latvian courts on them, as well as furore of many not able to arrive due seemingly objective but formally unjustified reasons (Public broadcasting of Latvia 2017a).

A reserve soldier is considered to be a former professional soldier or a former home-guard, however notwithstanding their length of service and military experience. Officers can be called-in for a maximum of 60 days per year, others for a maximum of 30 days annually (National Armed Forces of Latvia 2017a).

of vital importance in Estonia for maintaining the country's initial independent defence capabilities should a military conflict occur. Latvia, on the other hand, abolished conscription in 2007, however, discussions on reinstating it have resumed after Russian aggression in Ukraine and as neighbouring Lithuania and Sweden have decided to return to conscription (Latvia is the only country belonging to the Baltic Sea region's Nordic and Baltic countries to solely rely on professional armed forces). Top-ranking officials of the Ministry of Defence and the National Armed Forces have harshly rejected the possibility of reinstating conscription, even arguing that due to the necessary supporting investment and maintenance costs, it would pose a risk of "full dissolution of the professional army", "the Latvian National Armed Forces would lose any combat capacity for at least 3-5 years" which would, in the end, "greatly serve Russia's interests" (Public broadcasting of Latvia 2017b).

Last but not least, next to financial considerations, the way both countries understand the nature of a potential threat from Russia's point of view could be of great importance when explaining the differences between national defence systems in Estonia and Latvia. In principle, they recognise various facets of asymmetric warfare implemented by Russia such as attacks in cyberspace, psychological warfare, propaganda, the use of intelligence services as well as economic instruments, etc. It can also be assumed that their opinions converge regarding what a direct potential conflict would look like. Considering Russia's previous military experiences in conducting regional military operations in Georgia and Ukraine, it could take different forms. First, a full-scale or a geographically limited direct conventional attack could ensue involving all military domains, namely air and sea amongst others (e.g. the Russo-Georgian War in 2008). Second, asymmetrical and formally unannounced warfare may result in limiting involvement to the land and cyber domains (e.g. the war in the East of Ukraine since 2014).

In a hypothetical first-case scenario, given the significant Russian efforts in modernizing its armed forces, air and land forces in particular, since the Russo-Georgian War, and the almost non-existent air and naval forces of both Latvia and Estonia, it would be difficult to expect a formidable resistance from national capabilities alone (both have no attack aircraft or long-range air defence systems, their naval capabilities are limited to minesweepers and patrol boats). Therefore, in the case of the first-case scenario, defence of both countries would almost entirely depend on allied capabilities, the U.S. in particular; in all likelihood the indigenous armed forces could assist the allies in ground and support operations.

If Russia, however, was to employ a kind of second-case scenario, then national capabilities would play a much more significant role as the capabilities of antagonists would be levelled by the absence of formidable military capabilities in the air and sea domains. Under this scenario, both defensive weapons and more manpower would be necessary. Latvia would have more professional soldiers compared to Estonia. However, Estonia would have approximately five or six times more manpower to support frontline operations as well as host nation support and order in the areas not subject to the active operations of the adversary.

Both Estonian and Latvian models have significant limitations with regard to fundamental dilemmas in deterrence. Bearing in mind that both models are oriented towards guaranteeing territorial defence, the practical question remains whether in real terms they are aimed at: a) defending the geographical territory of countries to avoid all possible losses of territory, b) defending the countries' territories to the fullest extent possible, but also accepting some losses, or c) providing sufficient deterrence to avoid any attack. From the perspectives of both armed forces the preferred option would surely be the third one; however, the credibility of the current model to provide reliable deterrence is questionable. Under aim, it should be expected that this approach makes a potential opponent more afraid. However, although the Estonian defence model enables the mobilisation of a large number of people whereas the Latvian model does not, both are by their nature still fully non-aggressive, without any room for pre-emptive initiatives, extra territoriality or asymmetrical tools, not to mention the difference in scales and numbers compared to the Russian military forces. In light of this, conventional rebalancing is unachievable. Neither Estonia's defence model nor Latvia's integrate independent retaliation capabilities, which would make Russia opt for painless testing-risking. Thus, it does not matter however advanced or extensive static defence is, it can be expected that sooner or later the lack of retaliation motivates the opponent to test the actual survivability of the system.

5 Estonian and Latvian military solidarity towards their allies

Since 2004, the only significant allied presence in the Baltic states was the Baltic Air Policing Mission (operating several fighter jets from its base in Lithuania), as the allies considered any significant levels of military presence as potentially counterproductive in the relationship with Russia (which objects to both NATO enlargement and any allied foreign troops in the “Eastern flank”) and inconsistent with their threat perception at the time; Russia was treated as a partner, not an adversary, in particular, compared to the threats of terrorism.

However, Russia’s intervention in Ukraine altered NATO and its posture in the Baltic states. Already in 2014, as a reaction to the events in Ukraine, the U.S. sent additional fighter jets and support aircraft to the Baltic states (which led also to the Estonian Ämari Air Base becoming a co-host of the Baltic Air Policing Mission along with the Lithuanian Zokniai Air Base having served for this purpose since 2004). From April 2014, in each of the Baltic states, approximately 150 U.S. soldiers were deployed on a rotational basis as a reassurance measure, as part of the still ongoing Operation Atlantic Resolve. Since then, there have been more and bigger military exercises involving various kinds of allied military equipment. Furthermore, in July 2016, the NATO Warsaw Summit took the historical decision to deploy battalion-sized multinational battle groups (approximately one thousand soldiers) to Poland and each of the Baltic states. Since the summer of 2017, Latvia has been hosting a Canadian-led battle group in which soldiers and equipment also come from Spain, Italy, Poland, Albania and Slovenia, whereas the battlegroup for Estonia is led by the United Kingdom, currently supported by France. Apart from that, the U.S. maintains a rotational presence of at least a company-sized unit in each country with their supporting equipment, which includes tanks, infantry fighting vehicles, fighter jets and helicopters.

The new U.S. administration has increasingly voiced the issue of allied defence expenditure, linking it to the possibility of U.S. assistance to allies if any of them becomes endangered. As Figure 1 shows, in this perspective, Latvia has been a “slacker”, especially between 2010 and 2015, as its defence expenditures were slightly above or even below 1% of the country’s GDP. However, since then, the increase in the Latvian defence budget has been one of the fastest-growing in the world (more than double if 2014 is compared to 2018 – from 0.94% up to 2%). In 2017, it is estimated that Latvia has become 9th among NATO allies in defence expenditure as a proportion of GDP (NATO 2017 p.8). The situation is more modest when defence expenditure is measured per capita where Latvia is only 18th among allies with 261 USD per capita (NATO 2017 p.10). In contrast, Estonia has been exemplary as its defence budget has never fallen under 1.4% since 2004. Its defence budget has been at least 1.7% since 2007 and it surpassed the 2% NATO guideline in 2015 (NATO 2009 p.6, 2017 p.8), though other reliable sources suggest that the 2% milestone was reached and also retained in the period from 2007 until 2009 (World Bank 2017). In 2017, Estonia ranks third behind the United States and Greece when considering the defence budget as a percentage of GDP (NATO 2017 p.8). As a member of the “2% club”, Estonia has been regularly praised abroad for its defence spending. As with Latvia, the situation is more modest, if its defence expenditure is measured per capita. Estonia ranks 12th with 392 USD, which is, however, still one-and-a-half times as much as Latvia’s contribution per capita (NATO 2017 p.10).

When reciprocity of solidarity is measured in terms of contribution to international (military) operations, then, paradoxically, in terms of the national budget allocated for this propose, Latvia was more reciprocal at the time when it had the smallest total defence budget – especially from 2009 until 2012. The budget allocated to international operations has gradually fallen since then – in 2017, it is approximately 5.17 million euros (compared to 18.29 million euros in 2008 (Latvian National Armed Forces 2017b; 2017c)). The situation is similar if the Latvian contribution is measured in terms of numbers of soldiers deployed to international missions: the highest number since 2004 was reached then (529), it exceeded 400 in 2005 and 2012, it exceeded 300 from 2006 until 2011 and it was around 200 in 2013 and 2014, however, it has been less than 100 ever since (Latvian National Armed Forces 2017b). In 2017, Latvia has deployed 44 personnel in operations abroad; 82 are planned throughout the year: 48 to the NATO-led “Resolute Support” mission in Afghanistan (participating since 2015), 12 to “Operation Inherent Resolve” in Iraq (participating since 2016), altogether 10 to the EU Operation Atalanta (participating since 2011),

the mission EUTM Mali (participating since 2013) and EUNAVFOR MED operation “Sophia” (participating since 2016), as well as 12 to the United Nations’-led operation MINUSMA in Mali (participating since 2016) (Latvian National Armed Forces 2017c).

Since its accession to NATO, Latvia’s biggest international operation has been the International Security Assistance Force (ISAF) mission in Afghanistan; Latvia contributed troops from 2003 until 2014 (the highest number of troops, 398, was deployed in 2012 (Latvian National Armed Forces 2017b)); here it is important to mention that Latvia was a leading ally in supporting the supply and redeployment of the ISAF forces as part of the so-called Northern Distribution Network (NDN) or the Northern Line of Communication into Afghanistan (see for example Andžāns 2013). Other significant contributions since then have been to Operation Iraqi Freedom (2003-2008; the highest number of Latvian troops per year, 373, was deployed in 2004) and the Kosovo Force (KFOR) in Kosovo (2000-2009; the highest number of Latvian troops per year, 120, was deployed in 2004) (Latvian National Armed Forces 2017b)). Other operations that involved the participation of Latvian troops, apart from the aforementioned, were the Implementation Force/Stabilisation Force (IFOR/SFOR) (until 2004) and European Union Force (EUFOR) Althea (2004-2009) in Bosnia and Herzegovina, Organization for Security and Co-operation in Europe (OSCE) missions (2005, 2008-2009), and European Union Force (EUFOR) RCA in the Republic of Central Africa (2014). During international operations, Latvia has lost seven soldiers – 3 in Iraq and 4 in Afghanistan (Latvian National Armed Forces 2017d).

Since Estonia was admitted to NATO, it has participated in the United Nations (UN) led United Nations Interim Force in Lebanon (UNIFIL) (since 2015, though it was present there also from 1996 until 1997) and UN-led United Nations Truce Supervision Organization (UNTSO) in Israel, Lebanon and Syria (since 1997); in the NATO-led IFOR/SFOR in Bosnia and Herzegovina (1996-2004), at the NATO headquarters (2004-2005) and in the EU-led mission in the same country (2005-2011); in the NATO-led KFOR in Kosovo (since 1999); in the U.S. led Operation Iraqi Freedom (2003-2009), in the NATO-led NATO Training Mission-Iraq (NTM-I) (2005-2011) and the U.S.-led Operation Inherent Resolve (since 2016) in Iraq; in the NATO-led ISAF mission in Afghanistan (2003-2014) and the following Resolute Support Mission (since 2015); in the EU-led EUNAVFOR and Operation Atalanta along the shores of Africa (2010-2013); in the EU-led EUTM Mali and MINUSMA in Mali (since 2013); in the NATO-led Operation Active Endeavour and Operation Ocean Shield in the Mediterranean (2013); in the EU-led EUFOR RCA in the Central African Republic (2014); and in the EU-led operation EU Navfor Med in the Mediterranean (since 2015). ISAF was the biggest international operation that Estonia has participated in. Most of its soldiers were serving in the uneasy southern Helmand Province in Afghanistan. Furthermore, in 2009, Estonia became the biggest contributor to the ISAF when the number of the serving Estonian soldiers was the highest in relation to the number of inhabitants of Estonia (Supreme Headquarters Allied Powers Europe 2009). Estonia has lost 11 soldiers during international operations, most of them in Afghanistan (The Estonian Defence Forces 2017).

Currently Estonia participates in UN, NATO, EU as well as U.S-led endeavours: in Lebanon (the parliamentary set ceiling is 50 troops), on the borders of Israel, Lebanon and Syria (the parliamentary ceiling – 6), in Afghanistan (the parliamentary ceiling – 6), Mali (the parliamentary ceiling – 20), Iraq (the parliamentary ceiling – 10), Kosovo (the parliamentary ceiling – 3), and operations in the Mediterranean (the parliamentary ceiling – 6); in addition, the Estonian Parliament has allowed the participation of 50 more people in other NATO, EU and UN-led missions organised by its member states (Parliament of Estonia 2016).

Last but not least, in terms of solidarity in the military sector, one should also mention the NATO centres of excellence established both by Estonia and Latvia. The former was a frontrunner as it had already established and accredited the NATO Cooperative Cyber Defence Centre of Excellence (CCDCOE) in Tallinn in 2008. To date, the centre has 17 sponsoring nations, two supporting non-NATO states and one more non-NATO nation is on the same path (NATO Cooperative Cyber Defence Centre of Excellence 2017). The high number of voluntary contributing nations underlines the appreciation by allies and partners concerning the activities of the institution. Furthermore, the centre has become a central hub for developing knowledge and capabilities in technological, strategic, operational and legal spheres of cyber defence, e.g. it led the development of the well-known Tallinn Manual 2.0 on the International Law Applicable to Cyber Operations and it hosts one of the biggest global practical cyber exercises, Locked

Shields. Apart from the Centre of Excellence, Estonia has been one of the main drivers of the development of cyber-defence thinking and capability within NATO and beyond.

Latvia also established a centre of excellence, the NATO Strategic Communications Centre of Excellence (StratCom COE) in 2014. Apart from the founding nation, Latvia, the Riga-based centre, currently has seven sponsoring NATO nations (another one is in the process of joining) and two non-NATO partner countries (NATO Strategic Communications Centre of Excellence 2017). Gradually the centre is becoming a hub in terms of developing thinking and solutions in strategic communication at times when hostile actors use misinformation and disinformation campaigns against NATO allies.

6 Conclusions

This article sought to assess whether and to what extent Estonia and Latvia have chosen different approaches in response to similar potential threats and solidarity obligations, as well as to assess the credibility of their national defence postures.

Even though both countries have the same external threat environment with Russia as the primary source of national security concern, each has chosen different national defence models to deter Russia. Both understand the concept of security in the widest scope possible. However, after joining NATO Latvia started to considerably neglect its territorial defence and focused on expeditionary capabilities instead. Only the Ukraine crisis served as a catalyst for strengthening its territorial defence and thus military deterrence capabilities. Estonia, on the other hand, retained and consistently strengthened its territorial defence capabilities with a particular focus on a considerable amount of manpower available for potential conflicts. While Latvia depends on professional troops supported by volunteers, Estonia relies on a smaller number of professionals supported by both volunteers and conscripts. As a result, if Estonia's structure of wartime armed forces is estimated to reach 60 thousand, in Latvia's case the number is approximately five or six times smaller given the smaller number of volunteers, the unresolved issues concerning the combat readiness of volunteer and reserve soldiers, and the absence of conscription.

Assuming that there would be a hypothetical large-scale conventional attack involving all military domains, including air and sea, defence of both countries would almost entirely rest on the capabilities of their allies, the U.S. in particular, while the domestic armed forces could support allies in ground operations. In such a case, Latvia would have more professional soldiers compared to Estonia. However, Estonia would have considerably more manpower to support frontline operations, host-nation support and maintain order in the areas not subject to active operations of the potential adversary. However, although the Estonian defence model enables the mobilisation of a large number of people whereas Latvia's does not, both are by their nature fully non-aggressive – without any room for pre-emptive initiatives, extra territoriality or asymmetrical tools. Moreover, neither the Estonian defence model nor the Latvian one involves independent retaliation capabilities, therefore, they lack one important component of making deterrence more convincing.

Interestingly, both countries offered more solidarity towards their NATO allies than the latter were to them in military terms until the Ukraine crisis. Prior to that, the only meaningful yet symbolic NATO allied presence in the Baltic states was the Baltic Air Policing Mission. In the “pre-Ukraine period”, both Estonia and Latvia were active contributors to international missions, e.g. Estonia was the biggest contributor to ISAF when the number of serving soldiers from a nation is measured against the population of inhabitants of the sending nation. Estonia and its established NATO Cooperative Cyber Defence Centre of Excellence became driving forces in developing cyber defence capabilities in NATO and beyond. Estonia also has served as a good example in meeting the NATO 2% defence expenditure guideline as since 2004 its defence budget has not fallen under 1.4% and it surpassed the 2% guideline in 2015, though it was already close to such a milestone years before.

As in the result of the Ukrainian crisis, NATO allies became more military-solidary with both Estonia and Latvia. The U.S. had already established a small yet significant rotational military presence in 2014,

whereas in 2017 a Canadian-led multinational battlegroup was established in Latvia and a United Kingdom-led battlegroup in Estonia, namely Enhanced Forward Presence. At the same time, even though in some respects both Latvia and Estonia have raised their levels of military solidarity, for example, Estonia well exceeds the 2% guideline and Latvia is set to reach it in 2018, the levels of participation in international missions and operations have dropped, especially for Latvia. Therefore, in context of the still growing defence budget in both countries and the inability to deter Russia unilaterally, the authors would suggest that both countries increase their budget and efforts in developing expeditionary forces and deploy more troops abroad.

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