

NATO'S FUTURE

**TOWARDS A NEW
TRANSATLANTIC BARGAIN**



STANLEY R. SLOAN

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F U T U R E**

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Foreword

Within the North Atlantic Treaty Organization, much of Western Europe's defense rests on the shoulders of the United States. Some suggest the time has come to assess the foundations of the "transatlantic bargain" that has preserved the peace for three decades.

Stanley R. Sloan, Specialist in US-Alliance Relations for the Congressional Research Service, undertakes this fundamental examination. Analyzing how NATO has evolved from its beginnings, Mr. Sloan finds the sources of many current problems embedded in the terms of the 1954 agreement itself. He singles out two basic weaknesses: the failure of the European NATO Allies to form a European defense community, and the parallel US decision to rest NATO's defense, as well as its own, on US nuclear forces.

Setting his arguments within what he describes as an "Age of Evolution" in international relations, Mr. Sloan suggests some directions for NATO strategy, force posture, arms control policies, and East-West relations. His analysis should stimulate thinkers on both sides of the Atlantic who are concerned about the future of the West's primary alliance.



Richard D. Lawrence
Lieutenant General, US Army
President, National Defense University

The Author

Stan Sloan is a Specialist in US Alliance Relations in the Foreign Affairs and National Defense Division in the Congressional Research Service (CRS), the Library of Congress. He wrote this book while a Senior Research Fellow at the National Defense University (1983-1984).

Mr. Sloan was educated at the University of Maine (BA), Columbia University's School of International Affairs (MIA), and the School of International Service at American University. He is a Distinguished Graduate of the Air Force Officers' Training School and served as a commissioned officer in the United States Air Force. He was employed by the Central Intelligence Agency from 1969-1975, serving as NATO desk officer, member of the US Delegation to the Negotiations on Mutual and Balanced Force Reductions, and as Deputy National Intelligence Officer for Western Europe. Before assuming his current position at CRS, Mr. Sloan served as a Specialist in European Affairs and as head of the Europe/Middle East/Africa Section in the Foreign Affairs and National Defense Division.

In addition to CRS studies on a wide range of NATO and arms control issues, Mr. Sloan has contributed to *NATO Review*, *Europa Archiv*, *Survival*, *National Defense*, the *Baltimore Sun*, the *Washington Post*, the *Christian Science Monitor*, and other publications. He is the author of the study entitled "Crisis in the Atlantic Alliance: Origins and Implications," published by the Senate Foreign Relations Committee in March 1982. In May 1983, the House Foreign Affairs Committee released his report entitled "East-West Troop Reductions in Europe: Is Agreement Possible?" He is co-author of *Nuclear Strategy and Arms Control: Challenges for US Policy*, published by the Foreign Policy Association in February 1983.

Acknowledgments

This book has its origins in some 15 years of Europe-watching for the US Government, initially as an analyst for the Central Intelligence Agency and, more recently, as a foreign policy specialist for the US Congress. I am indebted to the many capable colleagues from whose ideas and judgments I have benefited over the years. I would like to acknowledge in particular two individuals who helped build this book's foundation: Joe Zaring, my first supervisor at the Central Intelligence Agency, whose dedication to the production of high-quality unbiased analysis provided essential guidance for a young analyst, and the late Keith Clark, who gave me important opportunities for professional growth while offering friendship and sound advice which I treasure to this day.

Thanks to the Congressional Research Service, I was able to escape temporarily from the day-to-day congressional workload to produce this volume. The National Defense University, for its part, provided a stimulating environment in which to draft the book as well as an efficient process for its publication. The intellectually challenging reviews and comments by Colonel Fred T. Kiley (USAF, ret.) set high standards for the effort. Janis Hietala effectively guided the book through the thickets between drafting and final publication, and Captain Darrell Mastin, USAF, performed some careful editorial surgery on the first draft. Along the way, research assistance by Ulrich Jacoby, Sarah Emerson, Diana Wells, and Laura Dick helped build the factual underpinnings. A number of colleagues read the draft at various stages and made much-appreciated comments and suggestions.

There is at least a little bit of a lot of people in this final draft. I would like to think that it has benefited from whatever I inherited of my mother's creative instincts and my father's common sense. The philosophy behind the analysis is deeply rooted in the heritage of a small town in Vermont, in the love and inspiration provided by Grampa, Ba, Flon, Ed, and others, and in the educational opportunities afforded by Montpelier High School, the University of Maine, Columbia University, and American University.

The book is dedicated to Monika, without whose love, understanding, and sharp editorial eye the volume might still be little more than a dream, and to Scott, Ginny, Natalia, and Tony in hopes that it may in some small way improve the world with which they will have to cope in the future.

Preface

On a fresh spring day in May, East German economics professor Walter Schmidt awoke in his apartment in East Berlin, looking forward to his short drive across the city to the Free University of Berlin where he would lead his seminar on industrial policy. Glancing at his notes for the day, Schmidt planned to discuss how economic forces contributed to the emergence of a more open democratic governmental system in the East, and how industrial modernization and political liberalization were central elements of the new order in Eastern Europe.

Throughout Central Europe, an atmosphere of tranquility and well-being prevailed on this spring morning in the year 2005. Five years before, the sixth review meeting of the Conference on Security and Cooperation in Europe concluded with a grand summit meeting establishing the European Peace Order, capping the process of arms control and East-West cooperation begun early in the 1990s. Already, nuclear weapons had been removed from Central Europe, US and Soviet nuclear arsenals had been reduced to minimum levels, European armed forces were at all-time low manning levels, commerce and individuals moved freely between East and West, and the two German states had agreed on a confederal system effectively reuniting the German people.

Schmidt ate breakfast, watching the international TV news broadcast featuring live reports from capitals around the world, and reflected with great pride on his children's accomplishments. His daughter, pursuing postdoctoral studies in computer technology at MIT; his son, a young internist at the central hospital in Moscow. He reminded himself of how lucky his children were to be able to begin their professional careers in such a good international environment, free of the tensions and anxieties which he remembered all too well from the early days of his work as an East German economist in the 1970s.

As Schmidt left for his seminar across Berlin, he looked forward to the fall semester when he would be a guest lecturer at Harvard University. He and his wife Gretta would be able to return to many of the places in the United States which Schmidt and his family had so thoroughly enjoyed