

**THE NORTH ATLANTIC TREATY ORGANIZATION  
AT 75: REFLECTING ON PAST SUCCESSES AND  
PLANNING FOR THE FUTURE**

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**HEARING**

BEFORE THE

**SUBCOMMITTEE ON EUROPE AND  
REGIONAL SECURITY COOPERATION**

OF THE

**COMMITTEE ON FOREIGN RELATIONS  
UNITED STATES SENATE**

**ONE HUNDRED EIGHTEENTH CONGRESS**

**SECOND SESSION**

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# **THE NORTH ATLANTIC TREATY ORGANIZATION AT 75: REFLECTING ON PAST SUCCESSES AND PLANNING FOR THE FUTURE**

**WEDNESDAY, JANUARY 31, 2024**

U.S. SENATE,  
SUBCOMMITTEE ON EUROPE AND REGIONAL  
SECURITY COOPERATION,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, DC.*

The subcommittee met, pursuant to notice, at 2:42 p.m., in room SD-419, Dirksen Senate Office Building, Hon. Jeanne Shaheen presiding.

Present: Senators Shaheen [presiding], Cardin, Menendez, Van Hollen, Duckworth, and Ricketts.

## **OPENING STATEMENT OF HON. JEANNE SHAHEEN, U.S. SENATOR FROM NEW HAMPSHIRE**

Senator SHAHEEN. This meeting of the Senate Foreign Relations Subcommittee on Europe and Regional Security Cooperation will come to order.

I want to thank everyone for their patience. Of course, since we are having a hearing today, we are also having votes this afternoon.

We are in the middle of two votes, which is why Senator Ricketts was a little delayed, and at some point we are likely going to have to take turns going to do the second vote once it is called.

We appreciate everyone's being here and I want to thank Ranking Member Ricketts for agreeing to hold a hearing on this topic. He and I got a chance to go to Vilnius last year for the NATO summit, so I know he feels strongly about NATO as do I.

In July, leaders from North America and Europe will come to Washington to celebrate the accomplishments of 75 years of NATO.

It is the greatest collective security alliance in history, and what started as 12 countries in 1949 has more than doubled in the years following its creation.

NATO is now 31 member countries strong, soon to be 32 with Sweden's accession. Most recently the alliance welcomed two nations from the Western Balkans: Montenegro and North Macedonia, and more recently than that Finland. Soon, we hope to formally welcome Sweden into the fold.

Its success as a defensive alliance can be marked by the collective peace and economic prosperity at home over the past 75 years, and contrary to some uninformed voices who will try to say other-

wise, NATO's Article 5, which provides for collective self-defense, has only been invoked once in the history of the alliance.

That was by the United States when we asked our allies to come to our defense after the horrific terror attacks on September 11, 2001. Those attacks killed nearly 3,000 Americans.

Now the alliance faces an increasingly dangerous world. Being part of NATO means that our U.S. service personnel are not isolated as we confront emerging challenges from Russia, Iran, North Korea, and China, all of whom have an interest in destabilizing the economy and security of the United States.

Unfortunately, there are some in this country and around the world who question our role in NATO or even our need for a transatlantic military alliance.

I want to be clear. I believe our investment in this alliance is an insurance policy for our collective security and it is at the very heart of America's security and economic interests.

Now, we have talked a lot in Washington about burden sharing. All allies should already be meeting or have a plan to meet the commitment reaffirmed in Vilnius last year to spend at least 2 percent of gross domestic product on defense spending and we can see on the chart behind me where those members stand and they show that progress is happening.

Member countries are continuing to increase their defense spending. Many have realistic plans to meet the 2 percent commitment in the coming years.

While these increases are impressive, the United States must continue to encourage European and our Canadian allies to continue their work to meet their commitment to spend 2 percent of their gross domestic product on defense spending.

Reaching agreement on how to position the transatlantic alliance to better support Ukraine, counter China's economic role in Europe, and shore up other aspirant and partner countries like Georgia and Bosnia-Herzegovina is also critical.

That the NATO alliance is only growing is proof that Putin made many miscalculations when he decided to invade Ukraine. He thought his attack would divide the alliance. Instead, NATO is more united than ever before.

Together, the United States, Canada, and our European allies have collectively provided over \$76 billion in security assistance to Ukraine with European allies stepping up further to welcome refugees and maintain Ukraine's economic lifelines.

Meanwhile, Ukraine is fighting Russian aggression without asking the United States and other NATO countries for boots on the ground.

The inclusion of Finland and soon Sweden will bolster NATO's capabilities in responding to Putin's malign actions in Ukraine and across Europe, and I would hope that Hungary will swiftly ratify Sweden's accession to the alliance. They are the only NATO country yet to do that.

I am looking forward to hearing the testimony of our witnesses and with that I will turn to Ranking Member Ricketts for his comments.

**STATEMENT OF HON. PETE RICKETTS,  
U.S. SENATOR FROM NEBRASKA**

Senator RICKETTS. Thank you, Madam Chair, and I agree with you on swift approval from Hungary.

I want to start by reading an excerpt from a 1964 *New York Times* article entitled “The NATO Success Story.”

“Fifteen years ago today, in a historic departure from isolation, United States signed the North Atlantic Treaty and entered into peacetime, precisely the kind of entangling alliance against which George Washington had warned.

“It had taken two world wars, the emergence of the Soviet threat, the descent of the Iron Curtain, the communist seizure of Czechoslovakia, and the Berlin blockade to make America realize that their future was inextricably linked to that of Europe.

“This is a lesson we can forget only at our peril, despite the many changes and new challenges the world has seen since 1949.”

Here, 60 years later since this article has been written as we approach NATO’s 75th anniversary in the upcoming Washington summit, many of these lessons are as apparent today as they were on the 15th anniversary and are just as relevant.

The Soviet aggression, the threat that helped spawn the formation of NATO, has emerged once again only this time as Russian imperialism. Putin’s calculus for his war in Ukraine was predicated in part on the assumption that transatlantic ties were fractured, the willpower of the West was lacking, and that NATO was a relic of the past.

Clearly, he made a grave miscalculation. His aggression has rejuvenated the alliance, leading to the admission of Finland and hopefully Sweden. NATO’s unified response with the help of other like-minded countries has blunted Putin’s ambitions for now.

Still, if not clearly defeated in Ukraine, Moscow will continue with its conquest which directly threatens NATO allies. That is why it is so critical we continue to provide Ukraine with weapons it needs to win.

On that front, our European allies should be lauded for the vast support they have provided. However, the war has also highlighted NATO’s long-standing Achilles’ heel, that Europe remains disproportionately dependent on U.S. security.

If NATO is to remain the most successful military alliance in world history, it will largely depend on how it addresses this shortcoming starting with defense spending.

Fair burden sharing has been NATO’s DNA since the Strategic Concept stated that each nation’s contribution should be in proportion to its means.

At the 2014 Wales summit, allies pledged to spend at least 2 percent of their GDP on defense by 2024. So far the results as of last year, only 11 members including the United States met that target.

Even if additional NATO allies get there by the Washington summit, the effort will still likely receive a failing grade.

NATO’s European members and Canada have a combined GDP roughly equal to the U.S. and a larger total population. Yet, they

still only account for about 30 percent of the bloc's defense spending.

I am especially concerned that Canada continues to cut defense spending and still does not have a plan to reach 2 percent. This is unfair to U.S. taxpayers. It is also unsustainable for NATO to be effective in achieving its ambitious goals laid out in Madrid and Vilnius.

At no point during or after the Cold War did the U.S. and NATO have to deal with large—a large-scale war in Europe, let alone a People's Republic of China that is powerful and motivated enough to threaten international security and the international system that has created peace and prosperity since World War II.

Frankly, the reality is that our ability to defend Europe will increasingly be constrained as we move to address the threats from the PRC. We will likely have to increase our military focus on the Indo-Pacific and Europe needs to help step-up with its defense.

Strategic autonomy is not the answer, but neither is the status quo. This effort will likely require greater involvement, cooperation, and understanding from the EU, increased bilateral and multilateral coordination, and ultimately the political will from our NATO allies to radically transform their approach and execution on defense.

In addition, though Russia must remain NATO's priority, the alliance should also do more to address the threat the PRC poses to transatlantic security including strengthening our cooperation with the Asia-Pacific Four.

To conclude, the challenges to the transatlantic and global security posed by authoritarian regimes like Russia and the People's Republic of China are immense.

However, there is one area that they will never be able to compete with us on and that is our alliances. We have allies that are worth having. For 75 years NATO has successfully anchored our alliance system.

Article 5 has only been triggered once, as the chair already noted, by our allies on behalf of the United States on September 11. To ensure that remains the case, NATO must evolve and adapt as it has throughout history to rise to the challenge of today's increasingly dangerous world.

I look forward to hearing from our witnesses on how NATO can do so at the upcoming Washington summit and beyond.

Thank you, Madam Chair.

Senator SHAHEEN. Thank you very much, Senator Ricketts.

Before I turn it over to the witnesses, let me give the chair of the full Foreign Relations Committee, Senator Cardin, who is here the opportunity to give an opening statement.

Senator CARDIN. First, I want to thank Senator Shaheen and Senator Ricketts for their leadership on this subcommittee. It has been a very active subcommittee and we appreciate the fact that they put together this hearing. I want to thank all the witnesses that are here.

There is no more important subject today than NATO and the strength of NATO. The alliance is critically important for our security and for the transatlantic partnership. For six of our NATO partners, it is more than just a security pact.



The only thing standing between those six countries that border Russia and Russia is a border checkpoint, so they recognize the threat.

I met with leaders from four of those countries this week, the Baltic States and from Finland, and I can tell you and I told them we have their back. NATO has their back.

We also want Russia and PRC to know that these countries have our back. We are fully supporting their efforts.

Madam Chair, I appreciate what you mentioned about Hungary. I met with Ambassador Pressman this morning, thanked him for his strong leadership on behalf of the United States in Budapest and his strong commitment to do everything he can to make sure Hungary acts quickly on the accession.

There are other issues we need to deal with on Hungary and we had a chance to talk about that, but I am very pleased that we have our witnesses here today and I am very pleased to see this hearing is taking place.

Senator SHAHEEN. Thank you very much, Senator Cardin.

I will briefly introduce our—all of our speakers who are testifying today. Obviously, we have dramatically reduced their list of accomplishments since we do not have all day to introduce everyone, so recognize that these are just brief introductions.

Retired Ambassador Doug Lute is also a retired three-star general in the United States Army. He was the permanent U.S. representative to NATO from 2013–2017.

He previously served in the White House over two administrations, including as coordinator for South Asia and as deputy national security adviser for Iraq and Afghanistan.

As an Army officer, Ambassador Lute was director of operations on the Joint Staff, director of operations at U.S. Central Command, had several tours as a NATO commander and served in combat during Operation Desert Storm. Thank you.

Luke Coffey is a senior fellow at the Hudson Institute who is focused on Europe, Eurasia, NATO, and transatlantic relations.

Mr. Coffey was previously director of the Allison Center for Foreign Policy Studies and the Margaret Thatcher Fellow at the Heritage Foundation, a senior special advisor at the U.K. Ministry of Defense—I think the first non-Brit there—and a U.S. Army officer and I understand your son is here behind you today. Is that correct? We are so glad you could be here for your dad.

Tara Varma is a visiting fellow at the Center of the United States and Europe at Brookings. She was previously the head of the Paris office of the European Council on Foreign Relations and part of the working group on the French European Council presidency.

In November 2023, Varma was awarded the honor of Knight of the National Order of Merit of France. That has a really nice ring to it.

Again, thank you all for being here in person and, Ambassador Lute, I am going to turn it over to you to make the first statement.

**STATEMENT OF HON. DOUGLAS LUTE, FORMER UNITED STATES PERMANENT REPRESENTATIVE TO NATO, LIEUTENANT GENERAL, UNITED STATES ARMY (RET.), WASHINGTON, DC**

Mr. LUTE. Thank you, Madam Chair and Ranking Member. It is my pleasure to discuss with you and the committee today NATO as its 75th anniversary approaches.

I will address three main points: NATO's contributions, the most significant challenge it now faces, and its importance to America and the future.

Madam Chair, as you mentioned, NATO is the most successful, most durable, collective defense alliance in world history. The NATO Summit in Washington in July will be a fitting opportunity to remember and acknowledge NATO's contributions over the past 75 years.

One might divide those years into three phases or, perhaps, NATO 1.0, 2.0, and 3.0. In NATO 1.0, the first 40 years from 1949 to 1989 in the wake of World War II, NATO stood as the defensive bulwark against the Soviet Union in Europe.

This defense provided the time and space America's European allies needed to recover from the war, solidify their democracies, and become prosperous again and eventually to integrate into the European Union, America's largest trading partner.

The world experienced an historic pivot point with the fall of the Berlin Wall in 1989, the reunification of Germany a year later, and the dissolution of the Soviet Union in 1991.

Over the next 25 years, this post-Cold War period, or NATO 2.0, saw NATO adapt to new challenges not foreseen in 1949. NATO welcomed as members newly-freed countries of the Warsaw Pact and even former republics of the USSR which when given the opportunity chose to become democracies and NATO allies.

Beyond new members, NATO established partnerships with dozens of other states under the principle that NATO is more secure when its neighborhood is more stable.

NATO intervened in the Balkans, first in Bosnia, later in Kosovo, to stop conflicts and provide stability. Most significant for the United States, as has already been mentioned, NATO immediately stood by our side when we were attacked on 9/11, invoking the only time in history Article 5 of the treaty, fulfilling the pledge that an attack on one is an attack on all.

For the next 20 years, NATO stood with the United States and Afghanistan. NATO 3.0 began with the Russian aggression against Ukraine in 2014, the illegal annexation of Crimea, and the destabilization of the Donbas.

Certainly by Russia's full-scale invasion of Ukraine in 2022, the world again experienced a strategic inflection point. For the first time since the Second World War, large-scale conventional war in Europe threatened the existence of a nation state.

If 2014 was the overture, 2022 was the main event. We are still in the early years after this eruption, this volcano, in the international system and we should expect aftershocks, political, economic, and security, to reverberate for years to come.

It is already clear that Russia's blatant aggression and disregard for every international rule of the road since the United Nations

charter is the most significant challenge NATO and the free world face today.

In 6 months, NATO leaders will convene here in Washington to celebrate 75 years since the treaty was signed in Washington in 1949.

More important than celebrating, however, these leaders will confront the most severe threat to the world NATO has kept guard over for almost eight decades, the war in Ukraine.

Every NATO summit strives to demonstrate the cohesion and unity of the alliance. I expect we will discuss today a range of issues that challenge that cohesion, adding Sweden as NATO's 32nd member, fulfilling requirements for the new regional defense plans, allies' progress towards meeting resource goals, and even selecting the next Secretary General.

I am confident that allies will find their way through these issues, perhaps even before the summit in July. Most important, however, will be what the Washington summit decides to do about Ukraine.

There are two ways to think about NATO's relationship to Ukraine: What is the minimum necessary and what is the best possible?

In my view, NATO members must provide Ukraine with the military, economic, and political support to win the war. This commitment requires discarding the incremental support over the past 2 years and shifting to a concept of as long as it takes with as much as it takes when it is needed. A new approach is needed.

So far, the United States-led coalition has provided Ukraine enough military support not to lose, but not enough for Ukraine to win. A stalemate on the ground in Ukraine plays to Russia's long war attrition strategy.

Moving towards best possible, I believe that along with increased military support to Ukraine, NATO should provide at the Washington summit a concrete step that demonstrates that Ukraine will be a member of the alliance.

I submit for the record a recent publication by the Atlantic Council that offers an innovative approach on how NATO might do this.

Such an approach would be a signal not only to the Ukrainian people, a signal of reassurance, but a very important signal to the Kremlin that the long war strategy will fail.

These measures of support for Ukraine represent the most significant deliverables of the Washington summit. As the summit approaches this committee has asked for suggestions on how to support Ukraine's fight for survival. I offer three suggestions.

Most urgently, as already I am sure fully appreciated, Congress must pass additional U.S. funding for military support. This is Ukraine's lifeline. It is not a charity.

It is a direct contribution, a direct investment in NATO and American security. As we all know, most of this money is spent in the United States in congressional districts in states, but the effects are felt in Ukraine.

Complementing this funding would be expanding authorities for the Administration to approve third-party transfer of U.S.-provided military capabilities from allies and partners to Ukraine, so allowing those transfers or even expediting such transfers.

The SFRC approved last week the *REPO Act*, which I widely applaud, to transfer seized Russian assets to support Ukraine. Passing this measure into law would be a clear message to our allies and partners and to the Kremlin that Russian aggression will not stand.

Third, prioritizing the expansion and enforcement of economic sanctions against Russia is vitally important to demonstrate to the Kremlin that its long war attrition strategy cannot succeed.

In particular, we should crack down on the reflagging of Russian oil exports that evade sanctions.

In closing, as NATO approaches its 75th anniversary, polling shows strong bipartisan and enduring public support for the alliance. Americans intuitively understand the value of NATO.

When confronting challenges beyond our borders, America's greatest advantage is our network of alliances beginning with NATO.

Today as we confront Russian aggression and in the decades to come as we compete with China, America has a geostrategic advantage that neither can match—our allies, friends, and partners.

The United States must preserve and even cherish this strategic asset and the Washington summit in July is an opportunity to do so.

Thank you. I look forward to your questions.

[The prepared statement of Mr. Lute follows:]

#### **Prepared Statement of Mr. Douglas Lute**

Madam Chair, Ranking Member: It is my pleasure to discuss with you and the committee NATO as its 75th anniversary approaches. I will address three main points: NATO's contributions, the most significant challenge it now faces, and its importance to America in the future.

NATO is the most successful, most durable collective defense alliance in world history. The NATO Summit in Washington in July will be a fitting opportunity to remember and acknowledge NATO's contributions over the past 75 years. One might divide those years into three phases, perhaps labeled NATO 1.0, 2.0 and 3.0. In NATO 1.0 for 40 years from its origin in 1949 in the wake of World War II through 1989, NATO stood as the defensive bulwark in Europe against the Soviet Union. This defense provided the time and space America's European allies needed to recover from the war, solidify their democracies, become prosperous again, and eventually integrate to form the European Union, America's largest trading partner.

The world experienced an historic pivot point with the fall of the Berlin Wall in 1989, the reunification of Germany a year later and the dissolution of the Soviet Union in 1991. Over the next 25 years, this post-Cold War period, or NATO 2.0, saw NATO adapt to new challenges not foreseen in 1949. NATO welcomed as members newly free countries of the former Warsaw Pact and even former republics of the USSR which, when given the opportunity, chose to become democracies and NATO allies. Beyond new members, NATO established partnerships with dozens of states under the principle that NATO is more secure when its neighbors are more stable. NATO intervened in the Balkans, first in Bosnia then later in Kosovo, to stop conflicts and promote stability. Most significant for the United States, NATO immediately stood by our side when we were attacked on 9/11, invoking for the only time in history Article 5 of the treaty, fulfilling the pledge that an attack on one is an attack on all. For the next 20 years, NATO stood with the United States in Afghanistan.

NATO 3.0 began with the Russian aggression against Ukraine in 2014, the illegal annexation of Crimea and destabilization of the Donbas. Certainly by Russia's full-scale invasion of Ukraine in 2022, the world again experienced a strategic inflection point. For the first time since the Second World War, large scale conventional war in Europe threatened the existence of a nation state. If 2014 was the overture, 2022 was the main event. We are still in the early years after this eruption in the international system and we should expect aftershocks—political, economic and security—to reverberate for years to come. It is already clear that Russia's blatant ag-

gression and disregard for every international rule of the road since the United Nations charter is the most significant challenge NATO and the free world face today.

In 6 months, NATO leaders will convene in Washington to celebrate 75 years since the treaty was signed in Washington in 1949. More important than celebrating, however, these leaders will confront the most severe threat to the world NATO has kept guard over for almost eight decades—the war in Ukraine. Every NATO summit strives to demonstrate the cohesion and unity of the Alliance. I expect we will discuss today a range of issues that challenge that cohesion: adding Sweden as NATO's 32nd member, fulfilling requirements for NATO's new regional defense plans, allies' progress toward meeting resource commitments, even selecting the next secretary general. I am confident allies will find their way through these issues, perhaps even before the Summit in July. Most important, however, will be what the Washington Summit decides to do about Ukraine.

There are two ways to think about NATO's relationship to Ukraine—what is the minimum necessary and what is the best possible. In my view, NATO members must provide Ukraine with the military, economic and political support to the war. This commitment requires discarding the incremental support over the past 2 years, shifting to a concept of “as long as it takes, with as much as it takes, when it is needed.” So far, the United States-led coalition has provided Ukraine enough military support not to lose, but not enough for Ukraine to win. A stalemate on the ground in Ukraine plays to Russia's long-war attrition strategy. Moving toward best possible, I believe that along with increased support to Ukraine, NATO should provide at the Washington Summit a concrete step that demonstrates that Ukraine will be a member of the Alliance. I submit for the record a recent publication (<https://www.atlanticcouncil.org/content-series/memo-to-the-president/a-bold-agenda-for-the-washington-summit/>) by the Atlantic Council that offers a creative move toward membership that would not only reassure the Ukrainian people that they will eventually be secure within NATO, but also signal to President Putin that his strategy to subjugate Ukraine will fail. These measures in support of Ukraine represent the most significant deliverables for the Washington Summit.

As the Summit approaches, this committee has asked for suggestions on how to support Ukraine's fight for survival. I offer three:

- Most urgent, Congress must pass additional funding for military support. This is not charity but a direct investment in NATO and American security. As we know, most of this money is spent in the United States, but the effects are in Ukraine. Complementing this funding would be expanding authorities for the Administration to approve the transfer of American-provided military capabilities from allies and partners to Ukraine.
- The SFRC approved last week the *REPO Act* to transfer seized Russian assets to support Ukraine. Passing this measure into law would be a clear message to our allies and partners and to the Kremlin that Russian aggression will not stand.
- Prioritizing the expansion and enforcement of economic sanctions against Russian is vitally important to demonstrate to the Kremlin that its long-war attrition strategy cannot succeed. In particular, we should crack down on re-flagging of Russian oil exports that evade sanctions.

In closing, as NATO approaches its 75th anniversary, polling shows strong, bipartisan and enduring American public support for the Alliance. Americans understand the value of NATO—when confronting challenges beyond our borders America's greatest advantage is our network of alliances, beginning with NATO. Today as we confront Russian aggression and in the decades to come as we compete with China, America has a geo-strategic advantage that neither can match—our allies, friends and partners. The United States must preserve and cherish this strategic asset and the Washington Summit in July is an opportunity to do so.

Thank you. I look forward to your questions.

Senator SHAHEEN. Thank you very much, Ambassador.  
Mr. Coffey.

**STATEMENT OF LUKE COFFEY, SENIOR FELLOW, NATIONAL SECURITY AND DEFENSE, HUDSON INSTITUTE, WASHINGTON, DC**

Mr. COFFEY. Thank you.

Madam Chair, Ranking Member, and distinguished members of this committee, I am honored to speak before this committee on the subject of NATO.

Madam Chair, I will summarize my prepared statement that has been already submitted for the record. Before any discussion of NATO can take place, it is important to remember why Europe and by extension the alliance is important to the United States.

North America and Europe together account for about 48 percent of the global economy. Europe is America's single largest export market. In 2022, 45 out of 50 states exported more to Europe than they did to China.

Even Pacific states like California and Hawaii exported twice as many goods to Europe as to China. New York exported eight times more, Florida six, Texas three, and Europe also matters to the American heartland.

For example, if you are a worker from Missouri, Illinois, or Kentucky, the fruits of your labor are about four times more likely to be exported to Europe than they are to China.

Madam Speaker, when Americans build something to be exported, that preserves and creates American jobs, and right now Russia is trying to undermine the stability in Europe that has allowed for economic prosperity across the continent, which not only benefits the U.S. economy, but ultimately the American worker.

In simple terms, NATO matters because it is the primary security guarantor of America's largest export market.

Now, as NATO leaders gather in Washington, DC, to mark the 75th anniversary of the alliance, burden sharing in Ukraine will feature high up on the agenda.

Madam Chair, I will take these two issues in turn. Over the years low defense spending across Europe has led to a significant loss of defense capabilities and embarrassing shortcomings in military readiness.

In 2006, NATO agreed to spend 2 percent of GDP on defense. This goal was reaffirmed in 2014 with a deadline of 2024. As this year's summit approaches, NATO has had mixed results on this front.

When Russia first annexed Crimea in 2014, only three members met the 2 percent of GDP mark. Since 2014, however, there has been a year-on-year increase in defense spending across Europe. This is good news, but more needs to be done.

While there is no easy answer to address the defense spending issue, one new approach the alliance should take is getting the finance ministers or their equivalent more involved.

Unlike in the U.S. where the legislative branch holds the powers of both authorization and appropriations for government spending, in most parliamentary democracies in Europe, finance ministers hold these purse strings.

Introducing finance ministers into the NATO world would help them understand why defense is so expensive and why the geopolitical stakes are so high.

This is why at the upcoming Washington summit there should be a special session for finance ministers. Yes, the lack of defense spending among our European partners is frustrating, but stability in Europe, which NATO provides, is too important for the American economy to simply dismiss the alliance as a lost cause.

Ukraine is another issue that will feature prominently at the summit. NATO has underpinned the transatlantic security for 75 years, so it is no surprise that many countries in the region who are not already members of NATO want to join the alliance.

Expectations were high leading up to last year's Vilnius summit for Ukraine, only to result in disappointment when the alliance failed to deliver a clear path for eventual membership.

For better or for worse, the success or the failure of the Washington summit will be determined by what the alliance does or does not do about Ukraine.

Most members do not want Ukraine to formally join the alliance while Kyiv is in an active war with Russia. This is understandable. Even President Zelensky acknowledged that Ukraine will not "join while the war is waging."

Even so, there are still things that NATO can do. At the Washington summit, Ukraine must be given a formal invitation to join the alliance with the final date of membership to be determined once allies agree that the security environment inside the country is satisfactory.

I refer members of the committee to my prepared statement submitted for the record for more details on how an invitation can be extended to Ukraine at the summit.

An invitation does not mean immediate membership, but it does show commitment. Ukraine has proven through the ballot box and on the battlefield that it sees itself in the transatlantic community.

Enlarging the security umbrella in America's largest export market is good for the United States and now is the time to extend an invitation for Ukraine to join NATO in a realistic and responsible way.

With the right creativity, boldness, and leadership, the Washington summit could be one of those moments in world affairs where history is made.

In conclusion, NATO needed U.S. leadership for the first 75 years and the alliance will need American leadership for the next 75 years.

Madam Speaker, I look forward to answering your questions and the questions of the distinguished members of this committee anything you might have.

Thank you very much.

[The prepared statement of Mr. Coffey follows:]

#### **Prepared Statement of Mr. Luke Coffey**

Madam Chair Shaheen, Ranking Member Ricketts, and distinguished members of the Committee, I am honored to speak before this esteemed Committee on the topic: "The North Atlantic Treaty Organization at 75: Reflecting on Past Successes and Planning for the Future."

My name is Luke Coffey. I am a senior fellow at Hudson Institute. The views I express in this testimony are my own and should not be construed as representing any official position of Hudson Institute.

Before any analysis or discussion of NATO can happen, it is useful to remember why Europe is important to the U.S. While there are many normative and values-

based reasons Europe is significant (e.g., a shared belief in basic freedoms and the fact that some of America's oldest and closest allies are in Europe), the main reason the continent—and by extension, NATO—matters to the U.S. is economic.

The countries of North America and Europe together account for approximately 48 percent of the global economy.<sup>1</sup> Europe is America's largest source of foreign investment. Crucially, Europe is America's largest export market. In 2022, 45 out of 50 states exported more goods to Europe than to China.<sup>2</sup> Our largest Pacific facing state, California, exported twice as many goods to Europe as to China.<sup>3</sup> New York exported eight times more, Florida six and a half times, and Texas three times more. Europe matters to the American heartland, too. For example, Missouri, Illinois, and Kentucky each export about four times more to Europe than China.<sup>4</sup> Even Belgium, a small European country about the size of Maryland with a population like Ohio, was the top export market for six U.S. states in 2022.<sup>5</sup> NATO is the primary security guarantor of America's largest export market.

When Americans build something to export, that means American jobs are being preserved or created. European stability, which Russia is trying to undermine, not only impacts the U.S. economy but also affects the American worker. In addition to a robust NATO, aiding Ukraine helps preserve stability in Europe.

#### NATO'S FUTURE IS BASED ON ITS PAST

As NATO leaders gather in Washington, DC, in July to mark the 75th anniversary of the alliance's establishment in 1949, there will be a lot of discussion on what the next 75 years should bring for the alliance.

NATO needs to use the Washington summit to prepare for the future. For inspiration, NATO should look to its origins. A good place to start is the 1949 North Atlantic Treaty,<sup>6</sup> the alliance's founding document. In particular, there are four articles in the founding treaty that are just as relevant today as they were in 1949 and throughout the Cold War. They should serve as guideposts for NATO's future.

#### ARTICLE 3: THE ISSUE OF DEFENSE SPENDING

Article 3 of the North Atlantic Treaty covers the issue of defense spending and capability. This article states that NATO members, at a minimum, will "maintain and develop their individual and collective capacity to resist armed attack."<sup>7</sup> Only a handful of NATO members can say that they are living up to their Article 3 commitment. Over the years, low defense spending across Europe has led to a significant loss of capabilities and embarrassing gaps in readiness for NATO. By failing to meet or enforce Article 3 commitments, NATO reduces its ability to deter adversaries militarily.

The debate about defense spending is nothing new. In 2006, NATO defense ministers agreed to spend 2 percent of their GDPs on defense. Only a few members ever achieved this goal in the following years. Within months of Russia's illegal annexation of Crimea in 2014, NATO leaders used the Wales summit to recommit to the 2 percent goal with 2024, NATO's 75th anniversary, as the deadline to achieve this spending target.

As this year's summit approaches, NATO's defense spending commitment has produced mixed results. Yes, progress has been made. Each year since 2014 has seen a real-terms increase in European defense spending. However, in 2023, a majority of NATO's members do not meet the 2 percent mark. In the aftermath of Russia's large-scale invasion of Ukraine in 2022, many countries announced increases in defense spending. Even so, only a handful more NATO members are expected to meet the 2 percent target this year. The inability of so many members to spend just 2 percent of GDP on defense is worsened by the fact that NATO's definition of defense spending is both broad and generous. For example, retirement pensions for civilians working in defense-related government jobs can be included in the tally.<sup>8</sup>

<sup>1</sup> Data compiled from World Bank, <https://data.worldbank.org/>.

<sup>2</sup> Daniel S. Hamilton and Joseph Quinlan, *Transatlantic Economy 2023* (Washington, DC: Foreign Policy Institute, Johns Hopkins University SAIS/Transatlantic Leadership Network, 2023), vii.

<sup>3</sup> Hamilton and Quinlan, *Transatlantic Economy 2023*.

<sup>4</sup> Hamilton and Quinlan, *Transatlantic Economy 2023*.

<sup>5</sup> Hamilton and Quinlan, *Transatlantic Economy 2023*.

<sup>6</sup> The North Atlantic Treaty, North Atlantic Treaty Organization, April 4, 1949, [https://www.nato.int/cps/en/natolive/official\\_texts\\_17120.htm](https://www.nato.int/cps/en/natolive/official_texts_17120.htm).

<sup>7</sup> The North Atlantic Treaty.

<sup>8</sup> The North Atlantic Treaty Organization, "Defence Expenditures and NATO's 2 percent Guideline," September 27, 2023, [https://www.nato.int/cps/en/natohq/topics\\_49198.htm](https://www.nato.int/cps/en/natohq/topics_49198.htm).



While there is no easy answer to the defense-spending crisis, one new approach the alliance should take is getting the finance ministers, or their equivalents, involved. In most parliamentary democracies in Europe, finance ministers hold the purse strings. In this way, most of Europe is unlike the U.S., where the legislative branch holds the powers both of authorization and appropriations for public spending.

Also, in most European parliamentary democracies, the position of defense minister ranks low in terms of seniority and influence. Meanwhile, the finance minister is often the most influential and important member of the government after the prime minister. This contrasts with the U.S. system, where the position of defense secretary is constitutionally mandated to rank high in the cabinet and is therefore an influential and important member of the government.

This is why the upcoming Washington summit should include a special session for the finance ministers, or their equivalent, to meet and discuss defense spending. Between summits throughout the year, NATO's finance ministers or their equivalents should meet regularly as their defense and foreign minister counterparts already do. Introducing the finance ministers into the NATO world would help them understand why defense is so expensive and why the geopolitical stakes are so high.

As an intergovernmental security alliance, NATO is only as strong as its individual member states. This is why Article 3 is so important and why the 2 percent target is a reasonable goal. While getting finance ministers involved in the NATO process is not a silver bullet to increase defense spending, it can only help. Ultimately, giving finance ministers a stake in the NATO process could help lead to better policy and higher defense spending at home.

#### ARTICLE 5 AND ARTICLE 6: NATO MUST REMAIN FOCUSED ON THE TRANSATLANTIC COMMUNITY

NATO was founded in 1949 with the mission of protecting the territorial integrity of its members and—if required—defeating the Soviet Union. While NATO's members are no longer worried about the spread of communism, many current NATO members are legitimately worried about protecting their territory from Russian aggression.

The United States should work to ensure that NATO's collective defense mission and the threat from Russia are the top focus of the alliance. Therefore, as NATO begins its next 75 years, the organization needs to return to the basics of 1949, when territorial defense was its primary goal.

Russia represents a real and potentially existential threat to NATO members in Eastern and Central Europe, and a significant threat and challenge to the rest of the alliance. Therefore, collective defense should become the alliance's number one mission. Article 5 of the 1949 treaty serves as NATO's mutual defense clause based on the principle that an attack on one member is an attack on all members.<sup>9</sup> NATO must ensure it can live up to its Article 5 commitments and be prepared to counter Russia. Everything else that the alliance does should be secondary to this mission.

Many policymakers advocate for NATO to take a greater role around the world, particularly in the Indo-Pacific in response to China's rise. There is no doubt that China poses a significant threat to the U.S. and its allies and partners. It is important that NATO's members remain vigilant to China's aggressive acts on the global stage. NATO should also continue to deepen and advance relations with key countries in the Indo-Pacific region. However, Article 6 of the 1949 treaty states that Article 5's mutual defense clause applies to "the territory of any of the Parties in Europe or North America . . . on the territory of Turkey or on the Islands under the jurisdiction of any of the Parties in the North Atlantic area north of the Tropic of Cancer."<sup>10</sup> NATO, as an institution, doesn't have to be everywhere in the world doing everything. But it does have to be able to defend the territorial integrity of its member states in the North Atlantic.

Some of the biggest challenges China poses to NATO's member states are Beijing's investments in critical infrastructure, disinformation campaigns, and encroachments in the technology sector—particularly the spread of Huawei's 5G network. Policymakers should acknowledge NATO's institutional limitations when confronting some of China's non-military threats, and push NATO's member states to do more outside the NATO framework. This would complement NATO and make the alliance more secure. Individual NATO member states, and even the supranational European Union with its particular policy competencies, have more tools to deal with an emboldened China than does NATO as an institution. As a defense-focused

<sup>9</sup> The North Atlantic Treaty.

<sup>10</sup> The North Atlantic Treaty.

alliance, NATO should not pretend to lead on an issue for which it lacks the required policy competencies.

Member states should look to NATO for robust conventional and nuclear deterrence. But only the national capitals (and in some cases the EU) have the political and economic tools to combat China's economic and political challenges. NATO should keep a close eye on China, but until Beijing poses a military threat to "the North Atlantic area north of the Tropic of Cancer," Russia must remain the number one focus for the alliance.

#### ARTICLE 10: NATO ENLARGEMENT

NATO should use the upcoming summit to reenergize the debate about adding new members. NATO has underpinned European and North American security for 75 years, so it is no surprise that many countries in the transatlantic region that are not already members want to join the alliance. NATO's open-door policy has been a crucial driver of modernization and reform in candidate countries, has promoted stability and peace in Europe, and has made it easier for the alliance to coalesce around collective defense.

NATO's open-door policy for qualified countries has contributed greatly to transatlantic security since the first round of enlargement in 1952, helping to ensure that the alliance became the prime guarantor of security in Europe. The North Atlantic Treaty's Article 10 states that any "European State" that is "in a position to further the principles of this Treaty and to contribute to the security of the North Atlantic area" can be invited to join the alliance.<sup>11</sup>

While Russia has described any further NATO enlargement as a "provocation," no third party should have a veto over the decision of the sovereign member states of NATO.<sup>12</sup> All decisions made by the alliance require unanimity, including those regarding enlargement. It is for the democratic countries that make up the alliance to decide whether to admit new members, and which ones to admit.

NATO has done more than any other organization, including the European Union, to promote democracy, stability, and security in the Euro-Atlantic region. NATO accomplished this by enticing countries to become a part of the club. Considering the importance of allies in a multipolar world, and the vital role that NATO plays in securing America's largest export market, it is in the U.S. interest that NATO's door remains open to deserving European countries.

In the aftermath of the collapse of the Soviet Union and the dissolution of the Warsaw Pact in the early 1990s, NATO (then with only 16 members) had to develop a new enlargement policy for the newly independent states in central and eastern Europe. This led to the 1995 "Study on NATO Enlargement."<sup>13</sup> This document served as a useful guideline for the subsequent enlargements, especially in 1999 and 2004, when several Eastern European countries joined the alliance. However, that document is now almost 30 years old. With Russia's large-scale invasion of Ukraine in 2022, the geopolitical situation in Europe has changed once again. Unlike many of the newly independent countries in Eastern Europe in the 1990s, the remaining countries that aspire to join the alliance have complicated geopolitical and security circumstances (e.g., Bosnia and Herzegovina, Kosovo, Georgia, and Ukraine). Therefore, it would benefit the alliance to conduct a new study on NATO enlargement to develop a new approach to get the remaining aspirant countries into the alliance in a reasonable, realistic, and timely manner.

For future enlargement, NATO should also take a long-term and pragmatic approach with other European countries. In the early 1990s after the collapse of the Soviet Union, the idea of countries like Poland or Estonia joining NATO seemed unrealistic, if not crazy. Almost 30 years later, former Warsaw Pact or Soviet-occupied countries are some of NATO's most steadfast members. Article 10 states that any European country can join if it meets the criteria. However unrealistic it might seem for a country like Belarus or Azerbaijan to someday join NATO, the world will be much different 50 years from now. The door must always be kept open, and policymakers must keep an open mind.

#### SEVEN GUIDING PRINCIPLES FOR THE NEXT 75 YEARS

As NATO marks its first 75 years and looks to the future, it should follow seven guiding principles.

<sup>11</sup>The North Atlantic Treaty.

<sup>12</sup>"NATO's Planned Balkan Expansion a 'Provocation': Russia's Lavrov," Reuters, September 29, 2014, <http://www.reuters.com/article/us-nato-balkans-russia-idUSKCN0HO11W20140929>.

<sup>13</sup>"Study on NATO Enlargement," The North Atlantic Treaty Organization, September 3, 1995, [https://www.nato.int/cps/en/natohq/official\\_texts\\_24733.htm](https://www.nato.int/cps/en/natohq/official_texts_24733.htm).

1. NATO's primary mission must be collective defense; everything else the alliance does is secondary to the task of defending its members.
2. In this context, for the foreseeable future, Russia represents a real and existential threat to NATO members in Eastern and Central Europe and a significant threat and challenge to the rest of the alliance.
3. As long as nuclear weapons exist, NATO must remain a nuclear alliance.
4. There is much for NATO to do in "the North Atlantic area north of the Tropic of Cancer." The alliance should not create a problem by looking for a solution elsewhere in the world.
5. As an intergovernmental security alliance, NATO is only as strong as its member states. Members must recommit to meeting defense spending requirements—and follow through.
6. NATO's open-door policy is the world's most effective tool for democratic change, economic reform, and improvements in military capability among its members. The alliance must remain open to new members.
7. Policymakers must realize that there are limits to what NATO, as an intergovernmental institution, can do. When policymakers expect NATO to take on challenges it was never designed to face, they set up the alliance for failure.

#### THE WASHINGTON SUMMIT AND UKRAINE

Regardless of the fanfare and celebration leading up to and surrounding the 75th anniversary of NATO, the summit's main focus will be the situation in Ukraine. This is to be expected. For the U.S. and NATO, the stakes are high. Russia's invasion of Ukraine was the first time since 1990, when Iraqi leader Saddam Hussein invaded Kuwait, that one country used military force to annex a section of another country. Allowing Russia to get away with its reckless behavior on the international stage would set a very dangerous precedent for the 21st century.

The outcome of the war in Ukraine will establish the geopolitical conditions across the Eurasian landmass for the foreseeable future. A Russian victory in Ukraine could further destabilize Europe, which is America's largest export market and the source of millions of jobs in the U.S. As the war continues, Russian-Iranian arms trade and technology transfers continue to grow. As Russia grows desperate in Ukraine, there is no doubt Moscow is pushing Tehran to escalate against us elsewhere. Recent events in the Middle East are proof of this.

A lack of U.S. and NATO resolve to arm and equip Ukraine could embolden North Korea and China to act in an aggressive manner in East Asia. A Ukraine fully under the Kremlin's control would mean even more Russian troops and equipment along NATO's borders. Closer to home, Venezuela's dubious claims on territory that is considered by the international community to be a part of Guyana are no doubt inspired by Russia's action in Ukraine. A Ukrainian defeat, on the heels of America's disastrous retreat from Afghanistan, will embolden Russia, China, Iran, North Korea, and Venezuela to challenge American influence around the globe. No serious policymaker should find this outcome satisfactory for U.S. national interest.

America's friends and foes alike will be watching the outcome of the Washington summit closely. This is why NATO must ensure a good outcome regarding Ukraine at the summit.

The U.S. and its partners must start arming Ukraine to win the war—and not merely survive. However, the decision to provide the weapons needed for a Ukrainian victory, such as ATACMS missiles and more air-launched cruise missiles, will be taken by the national capitals and not by NATO. Therefore, for the Washington summit to be a success, Ukraine must be given an invitation to join the alliance with the final date of membership to be determined once allies agree that the security environment inside the country is satisfactory.

Most members do not want Ukraine to formally join the alliance while Kyiv is in an active war against another country. Last year, President Zelenskyy acknowledged that Ukraine "will not be a NATO member, while the war is waging."<sup>14</sup> Even the UK-Ukraine Agreement on Security Cooperation published earlier this month offered future British security guarantees to Ukraine if it "is ever attacked by Russia again."<sup>15</sup> Even so, this should not prevent the alliance from extending Ukraine

<sup>14</sup>Christian Edwards, "What Zelensky Wanted from NATO—and What He Got," CNN, July 13, 2023, <https://www.cnn.com/2023/07/13/europe/zelensky-nato-vilnius-explainer-intl/index.html>.

<sup>15</sup>Press Release, "PM in Kyiv: UK support will not falter," The Prime Minister's Office, January 12, 2024, <https://www.gov.uk/government/news/pm-in-kyiv-uk-support-will-not-falter>.

an invitation at the summit. An invitation does not mean immediate and automatic membership. Therefore, I humbly propose the following wording to be used in the Washington summit communique to extend Ukraine an invitation for NATO membership:

“We fully support Ukraine’s right to choose its own security arrangements. We reaffirm the commitment made at the 2008 summit in Bucharest that Ukraine will become a member of NATO. We reaffirm the commitment made at the 2023 summit in Vilnius that Ukraine’s future is in NATO. Today we extend an invitation to Ukraine to join the alliance with the final date of membership to be determined when Allies agree that the security environment inside the country is satisfactory. Ukraine has become increasingly interoperable and politically integrated with the alliance and has made substantial progress on its reform path. We reaffirm the decision made at the 2023 summit in Vilnius that Ukraine’s path to full Euro-Atlantic integration has moved beyond the need for the Membership Action Plan. NATO’s commitment made at the 2008 summit in Bucharest, Ukraine’s reforms in the defense and security sectors since 2014, its candidacy status for EU membership in June 2022, the official commencement of accession talks for EU membership in December 2023, noting that the EU has a mutual defense clause (Article 42.7 TEU) based on the ideas of NATO’s Article 5, the G7’s Joint Declaration of Support for Ukraine in July 2023, and the United Kingdom’s Agreement on Security Co-operation with Ukraine in January 2024, all underpin our decision to extend an invitation to Ukraine today.”

Since the Vilnius summit last year, NATO has not made much progress to find a consensus among its members on extending a formal invitation to Ukraine. Time is running out.

NATO leaders need to start working overtime to find a consensus. Russia would see a failure to resolve this issue before next year’s summit as a sign of weakness.

In addition to extending an invitation for Ukraine to join NATO, the alliance can do the following to help bring NATO-Ukraine relations closer in the short term:

- *Publish a separate summit declaration on fostering NATO-Ukraine relations and Ukraine’s path to membership.* In addition to the main communique, NATO leaders often agree on separate declarations that cover specific issues of importance during a summit. Russia’s large-scale and unprovoked invasion of Ukraine has changed the security environment in Europe in a way not seen since World War II. This warrants a separate declaration that should focus on NATO’s strategy and support for Ukraine, NATO and Ukraine’s deepening relations, and Kyiv’s path to membership. A separate summit declaration of this nature would send a message to the Ukrainian people that the alliance takes the situation seriously.
- *Create a NATO-certified center of excellence on modern warfare jointly with Ukraine.* For the past two decades, NATO has primarily focused on low-intensity conflict and counterinsurgency operations. Now the alliance faces a different environment. NATO’s recent Strategic Concept stated (<https://www.nato.int/strategic-concept/>) that “the Russian Federation is the most significant and direct threat to Allies’ security and to peace and stability in the Euro-Atlantic area.” NATO members need to adapt to the hard-earned lessons from the war in Ukraine. Creating a center of excellence on modern warfare would be a good way to start this process. The center would provide an opportunity for allies to engage in meaningful dialogue and training on how to address the challenges associated with state-on-state warfare in the 21st century. Additionally, it would offer another opportunity for the NATO and Ukrainian flags to fly together.
- *Invite Ukraine to contribute troops to the NATO Response Force.* Of course, Ukraine is fighting a war of national survival and needs every available soldier on the front lines. However, at any given time, thousands of Ukrainian soldiers are outside Ukraine being trained across Europe and the U.S. If Kyiv so desires, NATO should invite Ukraine to designate a small number of forces already outside Ukraine for training to be certified by NATO and earmarked for NATO Response Force duties. Ukraine has contributed a small number of troops to the NATO Response Force in the past, so there is a precedent.
- *Announce that a special North Atlantic Council (NAC) meeting will take place in Ukraine.* The NAC is the principal decision-making body inside NATO, and the secretary general chairs its meetings. A special NAC in Ukraine would bring immediate firsthand awareness of the war to the alliance. Such a meeting

would also be symbolically important. Ideally, it would take place in Kyiv, but if the logistics make this impossible, then Lviv would be a suitable alternative.

Senator SHAHEEN. Thank you, Mr. Coffey.  
Ms. Varma.

**STATEMENT OF TARA VARMA, VISITING FOREIGN POLICY  
FELLOW, CENTER ON THE UNITED STATES AND EUROPE,  
BROOKINGS INSTITUTION, WASHINGTON, DC**

Ms. VARMA. Chairwoman Shaheen, Ranking Member Ricketts, members of the subcommittee, thank you for the opportunity to testify today.

I am Tara Varma, a visiting fellow with the Center on the United States and Europe at the Brookings Institution where my research focus includes current French and European security developments.

I am honored to speak with you today about expectations ahead of the summit. My testimony this afternoon reflects my personal views and should not be attributed to the staff, officers, or trustees of the Brookings Institution.

I would like to focus my statement today on three points. First, the state of play before the Washington summit, then how Europe has been stepping up and finally why we need reinforced EU–NATO cooperation.

In July 2022, NATO adopted its latest strategic concept at the Madrid summit almost 5 months after Russia’s full-scale invasion of Ukraine.

It laid out NATO’s core task as deterrence and defense, crisis prevention and management, and cooperative security. It described the Euro-Atlantic security environment profoundly and durably changed by Russia’s invasion of Ukraine.

The swift reactions of the alliance in the immediate aftermath of Russia’s attack also demonstrated its vitality and relevance. If the summit in Vilnius last year succeeded in showcasing strong transatlantic unity and resolve, especially in terms of political cohesion, the question of the future Ukraine-NATO relationship remains open and will certainly be part of the Washington summit discussions, too.

Key discussions should also revolve around sustained defense equipment, procurement and production, as well as going beyond the 2 percent threshold.

Europe is stepping up. The shock of the attack and the new reality it brought about means mitigating the effects of the previous reality in which national defense spending had fallen in Europe by an average of 31 percent between 1995 and 2015 with a disinvestment in those capabilities precisely needed for collective defense.

Even today, the NATO defense planning process identifies 16 critical major shortfall areas in the collective investment of allies including missile defense and air defense capabilities that are sorely needed by Ukraine.

Europeans acknowledge these capability gaps and are looking at new ways to mitigate them, notably by reaching the unprecedented step of jointly acquiring and producing ammunition and missiles destined for Ukraine.

For a political project whose essence was to maintain peace on the continent, these decisions are historical. However, their implementation will take time and time is precisely what Ukraine does not have.

European heads of state are meeting tomorrow at the European Council where I hope they will give Ukraine the long-term predictable funding it needs.

It is a vital interest to Ukraine and, hence, it is now a vital interest to Europe, too. Europeans should go a step further and make sure that Kyiv receives not only the societal and economic aid that it has until now, but military equipment and military aid to protect its critical infrastructures and population.

Ninety-six billion dollars were given by the Europeans in part through the European peace facility mechanism, an off budget instrument aimed at enhancing the EU's ability to prevent conflict, build peace and strengthen international security.

It also enables the financing of operations—of operational actions that have military or defense implications under the common foreign and security policy. Europeans can, of course, do more in terms of burden sharing and they have pledged to do so.

Let me be clear. We still need U.S. leadership. The viability of NATO as an alliance depends on it and so does the credibility of its deterrent whose need is pressing while Vladimir Putin attacks Ukraine daily and is hoping transatlantic unity will falter.

A strong and stable Europe is in the U.S.' interest beyond the sole borders of the continents. The security of the EU and NATO are interconnected. With Sweden about to become a NATO member, 23 European Union member states will also be NATO members.

The addition of Sweden to the alliance will lead to a strengthened Baltic Sea corridor and the EU has now officially opened accession negotiations with Ukraine, effectively tying Kyiv and the union's futures together.

The transatlantic alliance is rendered stronger by the partnership between the EU and NATO and EU defense initiatives contribute to transatlantic burden sharing.

NATO is and will remain the foundation of collective defense and the bolstered European defense is complementary to it. Making both organizations stronger is mutually reinforcing and must be done in tandem.

In that context the idea of a European pillar within NATO, meaning that a politically and economically strong Europe should contribute practically equivalent military capacity as the United States to mutual security, will be both a European and an American strategic interest.

Thank you very much for your time.

[The prepared statement of Ms. Varma follows:]

#### **Prepared Statement of Ms. Tara Varma**

Chairwoman Shaheen, Ranking Member Ricketts, members of the subcommittee, thank you for the opportunity to testify today. I am Tara VARMA, a visiting fellow with the Centre on the United States and Europe at the Brookings Institution. My research focus includes current French security proposals in the European framework, as well as ongoing efforts to materialize European sovereignty in traditional and non-traditional security fields.

I am honored to speak with you today about expectations ahead of this year's NATO Washington Summit. My testimony this afternoon reflects my personal views and should not be attributed to the staff, officers, or trustees of the Brookings Institution.

I would like to focus my statement today on three points: first, the state of play, then how Europe is stepping up, and finally why reinforced EU–NATO cooperation matters.

#### THE STATE OF PLAY

In July 2022, NATO adopted its latest Strategic Concept, almost 5 months after Russia's full-scale invasion of Ukraine. This new Strategic Concept laid out NATO's core tasks as deterrence and defense, crisis prevention and management, and cooperative security. It described a Euro Atlantic security environment profoundly and durably changed by Russia's invasion of Ukraine. The swift reactions of the Alliance in the immediate aftermath of Russia's attack also demonstrated its vitality and relevance.

The Summit in Vilnius last year succeeded in showcasing strong transatlantic unity and resolve. The center of gravity of the alliance are unity, solidarity and cohesion. Russia's attack on Ukraine has emboldened our sense of political cohesion, as well as the credibility of the alliance's deterrent. Russia has pursued relentless attacks and massacres in Ukraine, but has yet to attack a NATO member country. The 2022 Strategic Concept explicated that Russia poses "the most significant and direct threat to Allies' security and to peace and stability in the Euro-Atlantic Area."

If the Summit in Vilnius last year succeeded in showcasing strong transatlantic unity and resolve, especially in terms of political cohesion, the question of the future Ukraine-NATO relationship remains open and will be part of the Washington Summit discussions too. Key discussions should also revolve around sustained defense equipment procurement and production, going beyond the 2 percent threshold.

#### EUROPE IS STEPPING UP

The shock of the attack and the new reality it brought about means mitigating the effects of the previous reality in which national defense spending fell in Europe by an average of 31 percent between 1995 and 2015, with a disinvestment in those capabilities needed for collective defense (including mass). Even today, the NATO Defense Planning Process identifies 16 critical major shortfall areas in the collective investment of Allies, including: ballistic missile defense; integrated missile and air defense; surface-based air and missile defense; joint intelligence, surveillance and reconnaissance; deep precision strike capability; chemical, biological, radiological and nuclear defense; and armaments and battle decisive munitions. In large part these are also the capabilities that are needed by Ukraine.

Europeans acknowledge these capability gaps and they are looking at ways to mitigate them, in particular by reaching the unprecedented step of a common European missile and ammunition acquisition and production deal last year. For a political project whose essence was to maintain peace on the European continent, these decisions are historical. However, their implementation will take time. And, time is precisely what Ukraine doesn't have.

The issue of Ukraine being offered a path to NATO membership overshadowed the Vilnius Summit. Last July (<https://www.theguardian.com/world/2023/apr/21/all-nato-members-have-agreed-ukraine-will-eventually-join-says-stoltenberg>), the NATO secretary general said member countries had agreed Ukraine would eventually join the alliance once the war is over. While the war is ongoing, absent the membership proposal, several European (<https://www.msn.com/en-ca/news/world/security-guarantees-for-ukraine-how-many-countries-are-ready-to-join-partnership/ar-AA1mVSqa>) countries, the UK, Germany and soon France, have committed to providing security guarantees to Kyiv. These should be clarified to ensure Ukraine and Europe's security.

European heads of state are meeting tomorrow (February 1) at the European Council, where I hope they will agree to give Ukraine the long-term, predictable funding it needs. It is of vital interest to Ukraine, and hence it is now of vital interest to Europe too. Europeans should also go a step further and make sure that Kyiv receives not only societal and economic support—which has been the bulwark of European aid—but they now need to provide the much-needed military equipment in order for Ukraine to protect its critical infrastructure and population.

Since the beginning of the war, European countries have stepped up, France is spending 1.9 percent of its GDP in defense (56.65b USD), so are the UK (2.07 percent, 65.77b USD), Germany (1.57 percent of GDP, 68.08b USD) and Poland is now spending almost 4 percent of its GDP (29.1b USD).

The European Peace Facility (EPF) is an off-budget instrument aimed at enhancing the EU's ability to: prevent conflicts, build peace, and strengthen international security. It also enables the financing of operational actions that have military or defense implications under the Common Foreign and Security Policy (CFSP). Below is a breakdown of European aid to Ukraine until now:

- 43b USD in financial and budgetary support and in humanitarian and emergency assistance
- 29b USD in military assistance
  - 6b USD from EPF
- 18b USD from the EU budget to support Ukrainian refugees
- 1b USD for maintaining food and aid transport lanes

Europeans can do more when it comes to burden-sharing—and they have pledged to do so. That said, we still need U.S. leadership. The viability of NATO as an alliance depends on it. And, so does the credibility of its deterrent—whose need is pressing while Vladimir Putin attacks Ukraine daily and is hoping out transatlantic unity will falter.

One should not underestimate the Copernican revolution the EU went through in using the EPF. It has led to collective EU and EU member state support to Ukraine. Part of that funding went to forms of aid that the EU is used to providing: almost \$47 billion for financial and budgetary support and in humanitarian and emergency assistance. This support is crucial as it allows Ukraine to maintain infrastructures and public services, such as hospitals, schools, and housing for relocated people. It also ensures macroeconomic stability, and helps restore critical infrastructure destroyed by Russian attacks. The innovation of the use of the Peace Facility is that funding has been dedicated, for the first time in the EU's history, to military assistance. As such, \$29 billion have been spent on ammunition to air-defense systems, Leopard tanks, and fighter jets. This includes an unprecedented \$6 billion from the "European Peace Facility," in addition to supplies provided directly on a bilateral basis by our Member States. On ammunition for Ukraine, EU support includes \$2.2 billion for the joint procurement and delivery of up to an additional one million rounds of artillery ammunition by early 2024, and an additional \$535 million to urgently boost EU defense industry capacities in ammunition production. The difficulty now lies in the defense industries on both sides of the Atlantic materializing the production of sorely needed equipment. We have seen European companies struggling to ramp up production, as they now move from the smaller production capacities they adapted to at the end of the Cold War to a vastly different strategic environment in Europe since Russia's invasion of Ukraine. This new phase of adaptation will take time: once the funding is secured, factories need to be built, workers trained. New supply chains of critical materials must also be set up.

#### INCREASED EU–NATO COOPERATION

Hence, the need for NATO, the EU and member states to demonstrate their willingness, in words and action, to support Ukraine in the long run.

While NATO has procurement agencies and has been the essential go-to forum to coordinate efforts, the EU is endowed with financial instruments and the industrial toolbox that can incentivize defense industries in Europe. Indeed, Ukraine's allies find themselves buying equipment off the shelf as they go. But, if they are serious about providing long-term, decisive support to Kyiv, Europeans will have to develop these long-term capabilities for themselves.

The security of the EU and NATO are inter-connected. With Sweden about to become a NATO member, 23 European Union member states will also be NATO members. The addition of Sweden to the alliance will also lead to a strengthened Baltic Sea corridor. The EU has now officially open accession negotiations with Ukraine, effectively tying Kyiv and the Union's futures together.

The transatlantic alliance is rendered stronger by the partnership between the EU and NATO, and EU defense initiatives contribute to Trans-Atlantic burden-sharing. NATO is the foundation of collective defense and a bolstered European defense is complementary to it. Making both organizations stronger is mutually reinforcing and must be done in tandem.

In that context, the idea of a European "pillar" within NATO—meaning that a politically and economically strong Europe should contribute practically equivalent military capacity as the United States to mutual security—will be both a European and an American strategic interest.

EU–NATO cooperation is also an area where we tackle global issues, particularly when it comes to China.



The months and weeks leading up to the NATO Washington summit should be an opportunity for increased transatlantic cooperation and for bolstering our defense plans, as we seek to protect Ukraine and provide it with all the equipment and assistance it needs. A strong and stable Europe is in the U.S.' interest.

Senator SHAHEEN. Thank you very much, Ms. Varma, and thank you to all of our witnesses. We have lost people because they called the second vote, so I assume people will come in and out.

I will begin the questioning and then turn it over to Senator Ricketts.

Ambassador Lute, this issue of burden sharing has been challenging and all three of you addressed it to some extent.

Given that you served as U.S. Ambassador during the Wales summit when the 2 percent defense spend was agreed to, why is it taking some countries so long to reach that amount and what more can we do to encourage them?

Mr. LUTE. Thank you for that, Senator.

It is taking so long because of the, roughly, 25 years of atrophy in defense spending among European allies. It is taking so long because of where they started.

It was such a low start point. I do note, however, and I think Luke Coffey mentioned, that there have been now since Wales 10 consecutive years of real growth among other than American allies, so the other NATO allies.

That is significant and, I suspect, is historic in the 75 years of NATO history. There has been progress. You also mentioned, for example, as one example on the lower end of the performance scale, Canada, our neighbor, and if NATO is essentially a whole life insurance policy for its member states, then members have to pay the premiums on that insurance policy and something like 1.3 percent of GDP, Canada needs to step up.

There is both good news and bad news, but the fundamental answer to your question is we started from a very low point.

Senator SHAHEEN. Thank you, and thank you for mentioning Canada.

I happened to be in Halifax for the Halifax Security Forum last November and Canada had just cut millions of dollars from its defense budget and we raised a number of questions about how—about their participation in NATO, how they get to the 2 percent, and how to build support in the public to do that.

Ms. Varma, you talked a little bit about the philosophical shift in spending in Europe. What do you think? Is it just the war in Ukraine that has accounted for that or was that beginning to happen before the war?

Ms. VARMA. I think it is mainly due to the war in Ukraine, definitely. The attrition that—the lack of spending—the decisions really made by European countries not to spend on defense at the end of the Cold War, I think stemmed from the sense that the security environments had profoundly changed, not just vis-à-vis Russia, but also in terms of what the continent and the political project that the EU was supposed to bring about.

If we were not going to have any wars on the continent, then what was the sense of spending on defense? There were a few, of course, outliers—a number of European countries, member states

who are not of the EU who saw things differently, who had a different strategic vision for that.

The EU as a union, as a political project, was precisely thought of against geopolitical priorities, against a strategic vision and supposed to bring about a different sort of interactions between human beings.

I think it has taken quite—it has taken the war in Ukraine for the EU to have this strategic awakening, but it takes time because we are talking also about very concrete issues that need to be changed.

We are talking about ramping up production of ammunition and missile. We are talking—so that means unlocking funding. That means hiring workers, finding factories, finding the critical raw materials that are needed to build these weapons.

We are talking about actually a timescale that is pretty long and, as I said, Ukraine, unfortunately does not have that long.

Senator SHAHEEN. Thank you.

Mr. Coffey, in your opening remarks you talked about the economic benefit of NATO membership. As I talk to my constituents in New Hampshire who may question why it is important for the United States to continue to participate and fund NATO or fund our investment in NATO, what do you think is the best argument to make for that?

Mr. COFFEY. Madam Chair, in your case, New Hampshire exports more to the U.K. alone than it does to China and, in fact, pretty much exports the same amount to Ireland than it does to China.

As I mentioned in my opening statement, when someone from New Hampshire is building a product or providing a service that is exported, that is a job, and right now NATO is the ultimate security guarantor for New Hampshire's largest export market. That is why it matters, I would say.

Senator SHAHEEN. Good. Thank you. That is put very succinctly, and I think as—I cannot remember if it was you or Ambassador Lute who pointed out that the funding for the supplemental that is going to help the Ukrainians, much of that money is coming back to the defense base in the United States to create jobs here.

Senator Ricketts, I am going to go vote so I will turn it over to you and be right back.

Senator RICKETTS [presiding]. Great. Thank you very much, Madam Chair.

I have got plenty of material.

[Laughter.]

Senator RICKETTS. Great. We have talked about this already, but I want to go into it a little bit more with regard to the North Atlantic Treaty.

Article 3 states that members will maintain and develop their individual and collective capacity to resist armed attack and that it is equally important. This idea about fair and equitable burden sharing is actually not a new concern.

It has been around for a long time—Presidents Eisenhower and Kennedy complained about this—and it is achievable. During the Cold War, many European allies routinely spent over 3 percent of GDP and so we know that they can get there.

Ms. Varma and General Lute mentioned some of the difficulties and I think part of it is we all took the peace dividend, and I should not say all—there were countries like Finland who obviously just recently part of NATO, they actually did not stop spending on defense because they have got an 800-mile long border with Russia. They apparently saw the need to continue.

Then, Mr. Coffey, you mentioned that this 2 percent was first raised in Riga in 2006. I think it was also brought up again in Bucharest in 2008.

We talked about Wales in 2014 and it has been 10 years now. Where are we today? We mentioned 11 countries have met their demand there despite the fact we have got the largest land war in Europe since World War II.

This is a big concern for all of us.

Mr. Coffey, you suggested just here that at the Washington summit we gather all the foreign ministers that are equivalents to talk about the need to reaching that 2 percent.

Can you go into a bit more detail about how if we got them all together at the Washington summit that might help, please?

Mr. COFFEY. Yes, Ranking Member. It would not be a silver bullet, but it would certainly help with the political discussion and debates going back in the national capitals.

The United States—the Cabinet position of defense secretary is constitutionally mandated as being a very senior position.

In most European parliamentary democracies, and I do not mean to sound flippant, but the defense minister is often a job that is given to someone who the Prime Minister owes a favor to.

This is not always the case, but the reality is the defense minister in many European countries does not have the same level of political clout or gravitas inside the cabinet, inside the government, as we are accustomed to here in the United States.

The finance minister certainly does. This is why I think it is important to get the finance ministers more involved so they can have a better discussion—a better-informed discussion back in their national capitals on why defense spending is important, why this military kit costs so much, and why it is a good thing that countries choose to invest in their military capabilities. It would not solve the problem but I think it would help.

Senator RICKETTS. I think that is a really interesting insight, especially for us Americans who may not understand what the parliamentary governments are like—I certainly will not claim that I understand—and I think that is an interesting insight.

Maybe we should also start inviting the Treasury secretary and the Fed chair to come to some of our meetings here with regard to why it is so important that we get there.

Russia is dramatically set to increase its defense spending from 3.9–6 percent of GDP. What message does it send to Putin if over a third of the alliance after 10 years here and especially after the war started are not getting the 2 percent?

Mr. COFFEY. Vladimir Putin respects two things, strength and consistency, and right now NATO is starting to show some strength in its early days now to determine if we are going to be consistent with this.

We are starting right now in the wake of the large-scale invasion of Ukraine in the right direction. Now it is up to NATO's leaders to make sure that we continue down this path to get to 2 percent or even greater and to give, as Ambassador Lute said, give the Ukrainians what they need to win and not just what they need to survive.

Senator RICKETTS. There have been some talking—some suggestions that NATO should revisit the 2 percent metric to design better ways of measuring the contributions.

I think you have talked about how NATO currently calculates defense spending may be already over-generous. Can you elaborate on this and do you believe there needs to be a change in how NATO calculates this?

Mr. COFFEY. I think the 2 percent benchmark is a useful one. At least it is a good reference point. If 2 percent is not the right number the—whatever the average is now, which is well below 2 percent, we know certainly is not the right number.

I think it is worth having a debate inside NATO about how you define what can be used to calculate the 2 percent. I think it is very outdated.

For example, according to NATO you can use ministry of defense civil service pensions to add towards that total. Yet, smart investments in regional infrastructure that could help with the movement of military equipment or cybersecurity, which touches both the military and civilian sector, are not counted towards those 2 percent.

Maybe we need to hit the refresh on how we define how a country gets to the 2 percent benchmark. Perhaps at the summit would be a good place to do that.

Senator RICKETTS. Certainly, we do not want to take away anything from pensioners who have served their country and so forth, but it is unlikely that they will be the ones that actually go out and have to fight Russia should Russia invade one of our NATO allies.

Thank you, Mr. Coffey.

Next up is Senator Van Hollen.

Over to you.

Senator VAN HOLLEN [presiding]. Thank you. Thank you, Senator. Thank you all very much for your testimony today.

As you well know, one of the big things we are debating right now here in the Senate is the supplemental appropriation including additional military assistance to the Ukrainians to protect their democracy and their sovereignty against Putin's onslaught.

If I could just get a yes/no response from each of you as to whether you agree that continuing support for the Ukrainian people is essential to the credibility of the NATO alliance.

Mr. LUTE. Absolutely.

Mr. COFFEY. Yes, absolutely.

Ms. VARMA. Absolutely.

Senator VAN HOLLEN. Thank you. I could not agree more.

The NATO Secretary General also made some remarks just, I believe, today at the Heritage Foundation—NATO Secretary General Stoltenberg—where he emphasized the point that you all just made, but also made the point that as we address the longer-term challenges posed by a more aggressive China, that it is important

that we continue to support the people of Ukraine not only for the credibility of the NATO alliance and our partners there, but also because our allies in East Asia are watching very closely what we do or do not do, and our adversaries as well.

As he said, today Ukraine, tomorrow Taiwan, meaning President Xi has got one eye on what we are doing in Ukraine and another eye on Taiwan.

I would just like to ask each of you whether you agree with the statement that you cannot say you are being tough on China if you are weak on Ukraine.

Mr. LUTE. I agree.

Mr. COFFEY. Yes, I agree. The security of East Asia and Eastern Europe cannot be separated.

Ms. VARMA. I agree as well. I think Luke Coffey said that two things matter to Vladimir Putin: strength and consistency. I think the same two things can be said for Xi Jinping.

He is looking at what we are doing inside the NATO alliance, how consistent and forceful we are with supporting Ukraine, and any sign that the transatlantic unity falters is going to be a sign for him that he will interpret in his own way.

I think the best deterrent to China is to keep funding the supplemental and to keep helping Ukraine.

Senator VAN HOLLEN. I appreciate that. Many of us have been trying to make that point to our colleagues and I am glad to see a unanimous view on that.

As you all know, at least so far, I think we would judge that Putin's attack on Ukraine has been a strategic failure. It has helped unite the NATO alliance and increase, enlarge, the NATO alliance, most recently Turkey ratifying Sweden's ascension.

We now have Finland as a member of NATO. We have Turkey supporting both Finland and Sweden now, but Hungary remains a holdout when it comes to ratifying Sweden's ascension to NATO.

If you could talk a little bit about the—what mechanisms we should be pursuing when we have a country like Hungary which is holding out right now. They are also, as you know, blocking I believe it is about \$50 billion in euros to support Ukraine.

On the one hand, people have talked about the benefits of the expansion of NATO over time. On the other hand, when you have a country like Hungary that is resisting efforts to support the larger cause both in terms of Sweden's ascension, but also holding up the euros—the funds to Ukraine—what recourse do you each recommend that we take?

If we could just—maybe each of you respond to that.

Mr. LUTE. Senator, this is really a vital question and I think the alliance has got to come to grips with. The second sentence of the Washington treaty says that everybody who signs up for NATO abides by three principles: democracy, individual liberty, and rule of law.

What we have seen recently is that when we bring in members who actually do not abide by those values, the cohesion of the alliance suffers. The first thing we should do is look carefully in terms of future accessions and make sure that we remember those three values.

It does not have, however—the treaty does not have provisions for policing or disciplining wayward members and Hungary is certainly an example, but it is not the only example of a NATO ally who has drifted away from these founding values.

I think that a closed-door conversation at the Washington summit among the 31, hopefully 32, heads of state and government about values and how—and values are not just rhetoric.

They are actually the glue that cements the alliance together. That kind of conversation has got to happen at the head of state and government level and I would certainly welcome that sort of thing at Washington.

Senator VAN HOLLEN. I appreciate that.

Very briefly, if others have a response.

Mr. COFFEY. I agree with Ambassador Lute and I would add that this is—and I am sure Tara would like to add to this. I am sure that this is an area where we have to work very closely with our European Union partners because they actually have the tools and the mechanisms that are appropriate in this case to apply pressure.

Ms. VARMA. Yes. Actually, the European Union said that it had a nuclear deterrent that it was going to activate against Hungary and that is basically putting financial sanctions on Hungary or arm twisting it in a way, saying that it is going to withhold the funds that Hungary is entitled to until it falls in line, in a way.

Until now the European Union has been very reluctant to do so. European Union heads of state and government are meeting tomorrow at the European Council and they have been very clear that this option now is very much on the table. They have been public about it.

I hope it will work.

Senator VAN HOLLEN. I was pleased to see that. NATO, it is not easy to get in, but as all of you have just stated it is really hard to penalize somebody, a member who is not cooperating with the greater objective.

Thank you all very much.

Senator MENENDEZ.

Senator MENENDEZ. Thank you. Thank you for your testimony.

Mr. Coffey, what is your son's name?

Mr. COFFEY. It is Henry.

Senator MENENDEZ. Henry. I must tell you, if my children would have listened to me as intently as you listened to your dad when he was testifying, things would be so much better.

[Laughter.]

Senator MENENDEZ. I commend you. You look very, very sniffy.

Mr. COFFEY. That is very kind of you, Senator.

Senator MENENDEZ. —I should say.

Yes, he was very intent on what you were saying. I do not know if he fully understood it all, but he was very intent while you were speaking.

Mr. COFFEY. He prepared my remarks.

[Laughter.]

Senator MENENDEZ. Did he? Okay. We got a good future then of the country.

I want to follow up on Senator Van Hollen's remarks because I raised this question to Jens Stoltenberg a while back. Part of the

context was Turkey's belligerent attitude towards Greece, a fellow NATO ally, and its commentary there.

Certainly, Hungary as well as it relates to its own challenges of living up to the principles that are part of the alliance, and it seems to me that something has to be done on this regard because if not in the long term, it is going to be a continuing challenge.

One of the things that I think that they could come to some agreement is if you do not live up to those principles, then your vote is suspended until that time in which you do because in the absence of having something tangible then a country, using Hungary just as by way of example, has no reason unless the Europeans do what they are now considering—has no reason not to hold up the works, sometimes out of philosophy, sometimes out of just pure leverage, and unless the alliance thinks about how it is going to meet this challenge, it is going to be an issue, especially as we look at future expansion.

Some of the countries that are coming in now, Sweden and Finland, that is not an issue, but you never know. I think it merits a lot of consideration.

I think you all—I stayed for two of your three testimonies. I had to go vote for yours, Ms. Varma, but you all have the belief that in this upcoming summit that some process should be offered to Ukraine for a future in NATO. Is that fair to say?

Mr. LUTE. Yes.

Mr. COFFEY. Yes.

Ms. VARMA. Yes.

Senator MENENDEZ. The question then becomes, what is that process? Is it a merely an invitation with a long-term opportunity? Is it something more substantial? Is it something that is just another stronger statement that its future is in NATO?

What would be desirable to walk away from the summit, especially at this point in time with Ukraine and its challenges that it has with Russia?

Mr. LUTE. Senator, you are right. We cannot say much more in a very different way than what we have been saying since 2008 at the Bucharest Summit. Fifteen years have passed and we have continually said at every NATO summit that Ukraine will be a member. That is plain English.

The question now is can we offer—since Ukraine is in an active conflict, can we offer a measure—a measurable step, a concrete step, towards that membership without actually crossing the line and having NATO offer an invitation itself, which most—will not gain consensus, quite frankly.

I think one innovative approach could be to take a step from the EU accessions process and offer at the Washington summit the beginning of accession talks, which is unusual. Accession talks in NATO background are typically very brief after invitations. It is almost a bureaucratic check of the box.

In this case, especially since those accession talks are underway between Ukraine and the EU, NATO could move in parallel with the EU and Zelensky could lead the Washington summit with a second set of accession talks. I think that is meaningful.

At the Vilnius Summit, they actually agreed the NATO Ukraine consul which could be the venue, could be the platform for these

accession talks. That is what I would propose, that we agree on accession talks.

Senator MENENDEZ. I see. Let me—one last final question in my last 30 seconds here.

Ambassador Lute, in 2016 you stated there was, “no chance of NATO expansion because of fears it could destabilize Russia.” That was 2016. Obviously the world has changed from then.

What is your assessment of the alliance in terms of expansion destabilizing Russia? I would think that that is not the case anymore, right?

Mr. LUTE. I think Russia has actually answered that question for us, that what we have seen is that when given—if given the threats from Russia as evidenced first in 2014 and now obviously in 2022, that those who aspire to membership had been convinced that the only path to security is through membership and, of course, the most obvious examples here are Finland and Sweden.

I think given what happened in 2022 that the only path for European security is to offer the same opportunity to Ukraine. I just do not—I cannot imagine a future where Ukraine is somehow neutralized or considered secure, given what has happened, unless it were a member of NATO.

Senator MENENDEZ. My time is up. I have—I will put questions for the record on China and NATO as well as the Middle East and I would be interested in your answers.

Thank you.

Senator SHAHEEN [presiding]. Senator Menendez, you are welcome to take—since it is just the three of us feel free to take a little more time.

Senator MENENDEZ. Okay. Madam Chair, I will take that offer any day.

Let me ask, in 2021 NATO for the first time identified systemic challenges posed by China’s assertive behavior and coercive policies and since then it has sought to enhance cooperations with governments in the Indo-Pacific region including Australia, Japan, New Zealand, South Korea.

It strengthened resilience guidelines for member states including for critical infrastructure and supply chains to maintain NATO’s technological edge.

I would offer this to anyone on the panel. What steps and additional steps can the alliance take to address challenges posed by China and what type of agreement is there within the alliance on the extent of these challenges?

Mr. COFFEY. Senator, there is not—there is limited consensus on how China should be addressed and treated inside the alliance.

However, I would like to add that while the member states of NATO need to be very aware of what China is doing around the world, we have to realize that as an intergovernmental security alliance, NATO as an institution lacks many of the policy competencies that are required to deal with these challenges.

For example, questionable investments in 5G in Europe, dubious investments in port infrastructure in Europe—these are not issues that NATO as an institution is designed nor has the policy competencies to address.



The member states do. In some cases the European Union does, but NATO does not and often with NATO when we expect it or want it to do something that it was never designed to do, that is when we become disappointed by it.

While NATO needs to be aware of what China is doing, its member states in the European Union need to really lead on this right now until China becomes a military threat, and I am going to quote the 1949 treaty here, “in the North Atlantic area north of the Tropic of Cancer.” When China becomes a military threat in this area, then NATO as a security alliance has a direct role.

Right now, it should be encouraging its member states to do more at the national level.

Mr. LUTE. Yes, if I may, to follow up on Luke’s point, the first step here is transparency. We should in the public eye disclose Chinese investments in mass communications, infrastructure, transportation, energy infrastructure, and so forth.

Many of these technologies—many of these sectors, economic sectors, are dual purpose, both military and civilian.

The first thing we ought to do is be very clear and public about where China is investing and what its intent is because these commercial investments today are accompanied with a political down payment later and we have seen this time and again in the Belt and Road Initiative and so forth that a commercial investment, a lucrative loan today, has this expectation that there will be a political payoff down the road.

We should be much more transparent.

Senator MENENDEZ. Taking advantage of the chairlady’s offer, one final question. In December, Secretary Stoltenberg made a historic trip to Saudi Arabia and becoming the first sitting Secretary General to visit an Arab state.

What challenges would NATO have in establishing cooperation with Arab nations as Iran-backed militia groups continue to sow chaos in the region?

I applaud that he went, but it seems to me that it is a totally different challenging theater for NATO’s engagement. What are your thoughts?

Mr. LUTE. Among the some—40 some partner states with NATO, so not members but associates, if you will, there are Arab states.

There is a handful of Arab states but not yet Saudi Arabia. What those partner states get from the alliance is access to NATO standards, sort of the gold standard in terms of military operations and equipment.

They gain access on a partner basis to the school system and so forth and they essentially learn from NATO what right looks like, and this is the sort of thing that I think Saudi Arabia could benefit from, but Kuwait, Bahrain, the UAE, are all today NATO partners and they have access to that sort of NATO standardization.

Mr. COFFEY. I would like to add to that that not only does this year mark the 75th anniversary of NATO, it also marks the 20th anniversary of something called the Istanbul Cooperation Initiative which is the main platform that NATO uses to engage with Kuwait, Qatar, Bahrain, and the UAE.

There has been rumblings for a while that Saudi Arabia might be interested in getting more involved with this format. We should

make sure we manage expectations on what this format can achieve. It is a great way to do joint training, share ideas, officer exchanges, military education exchanges and, interestingly, looking at a map I mentioned the North Atlantic area north of the Tropic of Cancer. Every country in the Middle East other than Yemen is actually north of the Tropic of Cancer.

It is certainly an area that NATO has an interest in because what happens in the Middle East often spills over into Europe.

I think it would be great if in parallel to the 75th anniversary celebrations we also think about how we can reenergize this Istanbul Cooperation Initiative on the 20th anniversary of that platform.

Senator MENENDEZ. Thank you [inaudible].

Senator SHAHEEN. Thank you, Senator Menendez. I really wanted to hear what you were asking about, particularly China and the Indo-Pacific, because I wanted to follow-up on what I understand was Senator Van Hollen's questioning along those lines as well because obviously—participating in both the summits in Madrid and Vilnius, I got a chance to observe the participation by four Indo-Pacific countries who were at both of those summits and there was a great deal of interest in the fact that they were there and very engaged.

As we look at the connection between security in the Indo-Pacific and security in Europe, North Korea is providing weapons to Russia to use in Ukraine, for example.

How do we better engage countries in those conversations around how to address security in both regions and is there a role at the summit this spring in Washington to do that in a way that better raises the issues around the security connection between what happens in China and the Indo-Pacific and what happens in Europe and the West?

Ms. Varma, for example, we had a hearing on Europe earlier—at the end of last year and one of the things we heard is that the leadership is now—of Europe is now becoming more concerned about the role that China is playing in the world.

Has not filtered down as much to some of the population in European countries, but so how do we make that—help countries make that connection between those security environments and how critical it is that we are talking to each other and recognize the role and is there something we should be thinking about for the summit?

Ms. VARMA. Thank you very much, Chairwoman.

I do think people in Europe are thinking about the threat that China represents, but, of course, in a very different way than the threat that Russia represents on a daily basis.

For now, we see difficulties coming from China mostly from an economic point of view, which is why we would like actually to increase discussions around China and global issues inside an EU NATO framework because as Luke Coffey said, financial instruments pertain to European institutions and not to NATO.

There are many areas on which we could work together to better coordinate. I think the invitation to the AP4 in the past two summits is already a demonstration of what we have seen in a number of official documents in the U.S. and Europe, notably in the U.K.'s

integrated review refresh, which says that security—the security in Europe and in Asia are indivisible, which means that challenges in both areas, of course, have impacts on each other. The NATO strategic concept of 2022 also outlines this.

NATO as an organization, as a political and military alliance, has a remit, which is the Euro-Atlantic area and so I think we should also be mindful that for the time being at least this is where we are working at.

Does not mean that we cannot talk of these challenges. I think we mentioned them. We were explicit that we share those challenges, but there are a number of countries in Europe that do not believe that NATO is the right place to do so. Fears of escalation, perception of escalation on Beijing's part as well, though, again, the strategic concept with—the strategic concept and the strategic compact which is a similar document produced by the European Union clearly identify Russia and China as our main threats, our main challenges.

We need to do—to act towards them, but I am not sure that NATO is the right place to do that.

Senator SHAHEEN. Do we think that sentiment is what ultimately defeated the effort to put a NATO office in Japan?

Ms. VARMA. There are many reasons for that. I think one of them was that the proposition was put to the press before it was put to the table of decision makers and so it did not help, I think.

There are NATO points of contacts in embassies around the Indo-Pacific region. In Japan, Denmark is the point of contact. In South Korea, France is the point of contact. I think these discussions, they already take place.

NATO has a number of partnerships with Indo-Pacific countries. It is absolutely clear that European Union—the European Union member states, European countries, the U.S., have a variety of shared interests in the region and so we need to work much closer together.

This goes beyond the question of a NATO liaison office or not. It is about us being clear about our shared vision, our shared interests, and our capacity to act on them.

Senator SHAHEEN. Thank you.

Mr. LUTE. Senator, if I may.

I think the single most important thing we can do with regard to those four key U.S. bilateral allies, but NATO partners is to help Ukraine win the war.

This is not only a very important message to any potential competitor in the Indo-Pacific—China—but it is an equally important message to our allies in the Indo-Pacific.

It is a two-part message and it goes back to the fact that the single most important deliverable for the Washington summit is a clear commitment that our objective in Ukraine is to win.

Senator SHAHEEN. Thank you.

Did you want to add anything, Mr. Coffey?

Mr. COFFEY. Just that the issue of credibility amongst our friends and the issue of deterrence amongst our adversaries in the context of Ukraine and the Indo-Pacific is a very important one that is accentuated by the fact that—remember, in February of

2022, just 6 months before, the world was watching Afghans fall off the wheel wells of C-17s.

Had we suffered an immediate defeat—if the West had suffered another blow in Ukraine, I suspect that the hearing today could very well be on China and Taiwan, not NATO and Ukraine.

It is about reestablishing our ability to deter adversaries and recommit to our partners and friends and that is why Ukraine is actually the way to enhance our position in the Indo-Pacific.

Senator SHAHEEN. Thank you.

Senator RICKETTS.

Senator RICKETTS. Thank you, Madam Chair.

I think your point there, Mr. Coffey, Japanese Prime Minister Kishida said that Ukraine today may be the East Asia of tomorrow, to your points. That is certainly a view that is believed not just here in this room or in Europe, but also in Japan.

I do want to hit upon this a little bit more, though, because, Ms. Varma, you said that maybe part of the problem was that the liaison office with the AP4 was somewhat hampered by the fact that it was released to the press before it was talked among members.

Do you think it is a good idea that we have that liaison office in Japan?

Ms. VARMA. I am not sure that the office—the liaison office is the main issue right now. I think we need to be concrete in our partnership with Japan, South Korea, Australia, New Zealand, other partners as well in the Indo-Pacific region who want to see a high end investment of Western countries and that can take many forms.

I do not think the form it takes is what is central here. I think the strength of our commitment, its consistency, its seriousness is what will matter and for our partners to see that we are serious about Ukraine, that we are serious about European security, that we are serious about ramping up production of ammunition and missiles, that we are actually on the war economy footing in Europe. I think that is what concretely makes a difference.

Senator RICKETTS. Certainly, that would be a concrete step. Are there other things, though? Perhaps—because establishing a liaison office certainly would be a concrete step, very tangible. People would be able to see it.

What about instead of a standing invitation to the AP4 rather than ad hoc to NATO summits, would that be a concrete step we could take?

Ms. VARMA. I think that could work. They have been invited to the last two. They are invited to this one. As I said, if we are saying that the security of Europe and Asia are indivisible, I think it makes sense they can have a standing invitation.

I am guessing there might be others who at some point would want an invitation, too, so we also need to think about what is so special about our willingness to partner with the Indo-Pacific partners. Are we thinking about whom other can—could ask for such a standing invitation? I do not—I am not opposed to it, of course. I think it also has ramifications that we need to think about.

Senator RICKETTS. Okay. Great.

Actually, thank you. That is a great answer. I would like to have both of our other panelists to kind of weigh in on the concreteness

of establishing a liaison office or a standing invitation or another step that we could take with regard to the AP4 and some of the implications of it.

Mr. LUTE. Senator, I think a standing invitation makes sense. In fact, it is very hard to imagine that having attended two now that somehow we break that pattern because it is no longer important.

If anything I think increased participation of the AP4. So perhaps commit further to one of the foreign ministers meetings every year having an AP4 session, or one of the defense ministers meetings. These are standard sessions throughout the year in NATO. A standing invitation on a regular, predictable basis I think makes a lot of sense.

I am with Tara in terms of the importance of the office. What is more important than the office is not losing the cohesion of the alliance because you cannot gain consensus on the office.

Raising the issue when you do not have the consent—look who I am talking to.

[Laughter.]

Mr. LUTE. Those who have to get votes, right. If you do not have consensus at the alliance, then the issue should not be raised because it is only going to be divisive.

It is not—that is not as important as, I think, the periodic and routine invitations.

Senator RICKETTS. Great. Thank you.

Mr. Coffey.

Mr. COFFEY. I agree with everything that was just said on the subject and those are issues taken at the high level of affairs of state with a lot of symbolism and importance attached with how NATO engages with partners around the world.

I would like to tie it just briefly back to Ukraine and how that impacts the Indo-Pacific in more practical military ways.

We are exposing the shortcomings in our defense industry today while Americans are not being shot at. To better prepare ourselves for the future, imagine the situation we would be in right now if the U.S. was involved in an armed conflict against a country like China and we are just now discovering the shortcomings in our Defense Industrial Base.

We are also learning what weapons work and what do not work on the modern day battlefield and our defense industry is taking great steps to modernize, update, and transform these weapons to make sure they can be lethal and we have an advantage on the modern day battlefield, and they are learning all of this from Ukraine.

We are getting newer weapons and munitions in our stockpiles that could better prepare us for an Indo-Pacific scenario. Many of the weapons we are providing to Ukraine are technically expired or soon to be expired and we are replacing these with newer systems and munitions.

Then, finally, we are learning ways to arm Taiwan faster. Because of the success of the presidential drawdown authority being used for Ukraine, for the first time last year the PDA was used to arm Taiwan.

Because of the effectiveness of the HIMARS system on the modern day battlefield, Taiwan has now been moved up the queue in terms of when they will receive HIMARS systems.

We are learning all sorts of lessons both at the high level affairs of state, but also at the lower more tactical military side of things as well that will help us in the Indo-Pacific.

Senator RICKETTS. Madam Chair, may I just have one quick follow-up?

You mentioned the expired weapons. Actually somebody just mentioned this to me that, for example, we would pay the vendor to retire our expired weapons like somehow they do not work as much I guess, I know, or whatever.

We have got these, say, expired HIMARS. Do you know right now are we actively looking to give those to Ukraine? Is there any sort of barrier to doing that versus paying somebody to actually dispose of those?

Mr. COFFEY. This is an ongoing debate. I do know that in October the United States gave an undisclosed number of long-range ATACMS missiles using the cluster—it is the cluster munition variant—and the Ukrainians in one night and probably over the course of 2 or 3 minutes, however long it took for those rockets to launch and hit their target, took out about 12 percent of Russia's KA-52 attack helicopters in a matter of minutes.

Had we done that in the spring before the counter offensive, Russia would have had a lot less tactical air capability to go against the Ukrainian armor.

Once again, we are giving Ukraine what they need to survive and not enough to win and if we do have these weapons sitting around about to expire or being decommissioned, we should be giving them to Ukraine.

In fact, some of the social media footage that was released in the aftermath of that attack at those two Russian air bases on occupied Ukrainian territory showed the manufacture dates being in the early 1990s.

We should be doing—we should be saving probably the American taxpayer money helping our partners in Ukraine win by providing these weapons.

Senator RICKETTS. Great. Thank you very much. I appreciate it.

Mr. LUTE. Senator, if I could just—a quick follow-up.

Senator RICKETTS. Please go ahead.

Mr. LUTE. I do think that even the provision of those older systems requires additional presidential drawdown authority.

Unless we come to a convention where if a weapon has exceeded its shelf life, its value goes to zero and therefore it is either demolished or it is provided to Ukraine, there is still a dollar figure assigned to that—the provision of that capability.

Eventually it comes back here.

Senator RICKETTS. Again, that was kind of my point, though, is if we are paying somebody to dispose of them, those weapons systems now have a negative value to us because we have to pay somebody dispose, versus if we can give it away for “free” to Ukraine actually we would save ourselves the expense.

It may just be kind of the way the rules, regulations, and laws are written that is preventing that even though it would actually save us money rather than cost us money.

Mr. LUTE. That is a very common sense approach. We should dispose of them on Russian forces.

Senator RICKETTS. Could not agree more.

Senator SHAHEEN. Thank you, Senator Ricketts.

I am sure we remember in the early days of the war in Ukraine that we were trying to find a number of former Soviet republics that had munitions that the Ukrainians were used to using because getting people up to speed on some of the newer weapons was going to take time. It is essentially the same discussion.

I want to switch to the Black Sea because one of the things that I think the invasion of Ukraine has done is to make the rest of the world appreciate just how much we have been dependent on Ukrainian grain not just here in the United States, but really around the world and what the impact of cutting off those sea lanes when the war started has meant.

Now, obviously, Ukraine has really fought back. They are now exporting more grain via the Black Sea than even before the war started and—but as we think about the future and the role of the Black Sea and trying to make sure that this situation does not happen again, what should we be thinking about and how can NATO be better engaged to ensure that we do not have this kind of blockade of the Black Sea in the future?

I do not know who wants to start.

Mr. LUTE. I think the war in Ukraine has caused everybody to bring out their maps and to figure out where is the Black Sea, why is it important, and to figure out and to deduce the economic implications of the war in Ukraine.

You mentioned grain, but it is also fertilizer, it is energy stocks, and so forth, and, of course, there are a number of NATO allies that border the Black Sea. They should get special attention.

Fundamentally, your question points to the importance of Turkey, which controls the access in and out of the Black Sea, and it goes back to this conversation we had a few minutes ago about values and democratic principles and so forth.

Here we have yet another case of where an ally when it drifts from those three founding values becomes a difficult ally and I think we have certainly seen that over the Turkey episode—Turkish episode with regard to ratifying the accession of Sweden.

That is not the only issue. It goes—once again it swings back to those three founding values.

Senator SHAHEEN. I am glad you raised Turkey because that was my next question and that is how do we continue that relationship with Turkey who is a valuable NATO ally?

I think probably everybody would agree with that, but yet we see President Erdogan who is hedging his relationship with Russia, who has been an outspoken supporter of Hamas and the war in Gaza.

How do we balance that and improve our ability to keep Turkey within the NATO family and yet, hopefully, address the values piece that you are talking about?

Ambassador and—Mr. Coffey, you want to start with that?

Mr. COFFEY. Sure, I will have a stab at that. With Turkey it is important to look in the long run, in my opinion. There has been a lot of problems in the bilateral relationship with Turkey.

Senator, as you said, they are an important part of the alliance and I am not quite ready to throw away about eight decades of a fairly good security relationship for eight or so challenging years under President Erdogan.

I think we need to think more long-term here. On the issue of Turkey and NATO security and Black Sea security in Ukraine, it is a fascinating one. On balance, when I speak to Ukrainians, they tell me what Turkey is doing is beneficial, more in favor of them than Russia.

President Erdogan had an election that he had to deal with. He wants to make sure the economy is going. Russia is a big trading partner of Turkey.

Then, on the other hand, the Turkish closure of the straits clearly benefits Ukraine in this matter. I do not see how you could think otherwise.

Turkey provided cluster munitions to Ukraine when the Americans would not provide them. Turkey is building Ukrainian ships in Turkish dry docks.

Turkey has provided MLRS rocket systems, cold weather gear, armored vehicles and, of course, the famous Bayraktar drones.

Turkey, in general, and Erdogan, in particular, is trying to perform this geopolitical balancing act in the Black Sea in a region that has traditionally for cultural, economic, and security reasons been a priority for Turkey.

Senator SHAHEEN. Ms. Varma.

Ms. VARMA. Yes, I was precisely going to say that. I think we need to be conscious of how much of a balancing act Turkey is willing to play right now.

I think that has, of course, disadvantages, but it also has advantages. If you look at the fact that Erdogan finally unlocked the Sweden accession with the membership situation, I think we still have a number of cards in our pocket that we can play with Turkey.

We need to understand that this is what we are doing right now and this is where we might have an issue in the mid- to long-term because, yes, NATO is a military alliance, but it is also a political alliance.

There needs to be some form of a political cohesion, some form of political unity as well, but we need to pressure Turkey probably a bit more in the coming years.

Senator SHAHEEN. Thank you. Did you have anything to add, Ambassador?

Mr. LUTE. It is hard to improve on that. I do think that Mr. Erdogan plays a very delicate East-West balancing act and he plays it very well, and I think the kind of sustained political pressure that we saw placed on him with regard to Sweden's accession is the sort of thing we must be prepared to marshal in the future on different issues—maybe access to the Black Sea or whatever. It is possible. It is just he is a very good deal maker and we should appreciate that.



I would also offer, though—we have talked a lot about values—that the most important press back against those values—drifting from the values comes from the public themselves.

What we saw recently in Poland is an interesting case where you had a Polish Government which was significantly drifting from the values of both the EU and NATO and you saw a change of government because the Polish people stood up and demanded a change of government.

At the end of the day, I think that is—that will happen eventually in Hungary and I believe eventually in Erdogan's Turkey.

Senator SHAHEEN. Thank you. I think that is—those are all interesting insights on Turkey.

Before we close—I do not think any other senators are coming back, but I have to take this opportunity to ask you all about the Western Balkans, which is an area of Europe where we have had in the last 15 years, as I said in my opening comments, not only welcomed Montenegro and North Macedonia, but also Croatia in the NATO alliance.

There are still aspirant countries there. Bosnia-Herzegovina is one of those. It is a part of Europe where NATO has played a very important role during the breakup of Yugoslavia—former Yugoslavia.

One of the areas of real concern is the political and, I think, security situation in Bosnia-Herzegovina. Sadly, I think due to the secessionist rhetoric in the Republic of Srpska, Milorad Dodik, it is a place where there could be real security challenges and NATO continues to have an advisory role with the EUFOR mission there.

Should NATO reconsider Bosnia as a security challenge and look at doing more to push for enlargement to include Bosnia, doing more there to support what is happening in the country?

Ms. Varma.

Ms. VARMA. A number of countries in the Western Balkans have been very frustrated with us. They feel like they have been put in—

Senator SHAHEEN. With us, Europe? With us, U.S.? With us—

Ms. VARMA. Europe and the West. The West, let us say.

Senator SHAHEEN. Okay.

Ms. VARMA. They feel they have been put in an antechamber for a very long time. They have been promised something that actually we have never been serious about until now.

The opening of accession negotiations with Ukraine and Moldova to get inside the European Union, hopefully, with Georgia as well, means that down the line and not very far down the line we will have to consider the Western Balkans as well as being part of the European Union. That will mean a massive enlargement of the union.

Economic security, but also traditional security—the EU will have to provide that, will have to be serious about it. It will mean implementing massive reforms inside the European Union that we are thinking about right now.

It is clear to me that the future of the Western Balkans is inside Europe, not only because they are prey to massive Russian and Chinese interference right now. That should not be the only reason why we need to do it, but it is certainly one of the reasons.

Mr. LUTE. Senator, I came back from Kosovo, yesterday, in order to come——

Senator SHAHEEN. Oh, good. That is my next question.

Mr. LUTE. —in order to come to this hearing. I have been watching the Balkans since days of the Dayton Accords back in the mid-nineties.

It is really unfinished business for NATO. It is the soft, vulnerable underbelly of Europe. As Tara mentioned, it is a playground for Russian misinformation, disinformation campaigns, interference in election processes and so forth.

I do not think—I do not think the armed conflict threat is as high as the political instability threat. I think alongside our partnership, NATO's partnership with the EU, we ought to focus on the politics here and in Bosnia in particular at the, what, 20-, 30-, gosh, 30-year anniversary of Dayton is coming up next year.

Think about the durability of, has Dayton accomplished, what it might accomplish putting an end to the conflict, but did it really provide a reasonable path forward in terms of a political resolution, and I think it is wearing thin.

Senator SHAHEEN. Since you just got back from Kosovo, let me ask you because Kosovo and Serbia still have unresolved conflict which has flared up last fall in ways that were very distressing.

Is KFOR equipped there to address potential violence should it arise and what should NATO do in that area to deescalate?

Mr. LUTE. You are right. The northern Kosovo southern Serbian boundary is a potential flashpoint in the Western Balkans.

KFOR, I think, has actually performed to standard. Most recently, it did not get in front of the violent episodes between Serbia or Serbians and their Kosovo Government, but it responded quite quickly.

In one such episode some two dozen KFOR soldiers were actually injured as a result of the civil unrest and so forth, and since then NATO has demonstrated that it is not leaving Kosovo because it has committed its reserve force to reinforce KFOR.

KFOR is still alive and well. I think alongside—again, alongside the EU, there needs to be consistent pressure on both sides to move towards what they agreed to do years ago which is to stabilize the relationship and provide essentially for the Serbian minorities in Kosovo a predictable future and one that features security, and then also for the Kosovo Government to provide the kind of security that they do not have to worry about their larger northern neighbor.

Senator SHAHEEN. It would be helpful for Serbia to also address its behavior, as well. I lied. I have one more question.

Because one of the things that I have worked on and that the Congress passed in 2017 was the first legislative directives around women, peace, and security and it has been, I think, a successful initiative that still has lots of work to do in terms of the potential to better engage women in conflict areas and to also look at how militaries can better engage.

Can I ask as you look at NATO, what is the potential role for NATO in better adopting women, peace, and security as a way of operating?

Mr. LUTE. Senator, as a father of three daughters, one of whom is here today, and as the husband of my wife, Jane, who served both in senior levels of the U.S. Government and senior levels at the United Nations, I am a full believer in this.

I also think, frankly, that the empirical data here is pretty compelling.

Senator SHAHEEN. It is very compelling.

Mr. LUTE. When women are involved in conflict resolution and negotiation processes and so forth, you have a much greater prospect for success.

Now, that actually defies some of my relationships with my daughters in terms of negotiating ability, but I think the data here is pretty clear.

NATO has a special representative for women, peace, and security and she traditionally has a very vocal role at NATO headquarters.

I think the most important thing, though, is the power of example. When you have U.S. ambassadors like Kay Bailey Hutchison and Julie Smith serving in difficult challenging times with such distinction, there is no more powerful message that the United States of America gets it and is willing to put the women that we need where they can best serve the country.

I am a big proponent.

Senator SHAHEEN. Ms. Varma.

Ms. VARMA. Absolutely. I am a huge proponent of it, as well. Women, peace, and security is about two elements. One element is the human resources element, which I think is crucial.

Having women in power, women as role models, to have an inspiration I think that is absolutely crucial, yes, for little girls and teenagers, but also for little boys and teenagers. I think that is important, too.

The second element is the substance part of it. I think to be able to say that we look at issues through a women, peace, and security framework is still probably one of the Copernican revolution that we need to improve a little bit.

I think the fact that NATO adopted the human security perspective is really important to say that actually NATO, which was a very traditional security, political, and military alliance is thinking about climate change effects, how women are especially target to rape, that rape is a weapon of war everywhere in the world.

That was true 50 years ago. It is still true today. We see it in Israel, Palestine, typically.

To see these issues come to the forefront of public debate and for them to be endorsed I think by an institution like NATO is absolutely crucial.

Senator SHAHEEN. Is there a role at the summit for discussion of that?

Ms. VARMA. I hope there is. I think what we are seeing again in the Middle East right now is women are particularly targeted. We need to bring that to the forefront and I would hope that one day it is not just women bringing these issues to the forefront, but men do it as well as women.

Senator SHAHEEN. We have seen it in Ukraine as well.

Ms. VARMA. Yes.

Senator SHAHEEN. Mr. Coffey.

Mr. COFFEY. Yes. Actually, bringing those back to Ukraine is very important. Perhaps one of the most iconic photos of this war was the one of the mother walking her daughter to the train station in civilian clothes with a yellow armband on her right arm with an AK strapped on her back, and that actually served as an important reminder that it is just not the Ukrainian armed forces that are at war.

It is Ukraine society and guess what? Women are 50 percent of that society. The Ukrainians have actually done a great job in recent years increasing the role of women in the armed forces.

This is one of the big reforms after 2014 where they opened up more combat roles to Ukrainian women. In 2016, women only accounted for about 8 percent of Ukraine's armed forces.

By 2022, that had doubled and there is now about 48,000 women serving in Ukraine. This is an increase of 40 percent from 2021, and they are many times on the frontlines.

I can tell you as a former U.S. Army military policeman, I saw the important role that the female soldiers could play especially when it came to law enforcement and other military operations.

I think it is a—it is a great initiative and NATO should continue to focus on this and look at Ukraine as a model.

Senator SHAHEEN. You are absolutely right. I have had a chance to meet with a number of those women—Ukrainian women soldiers—and not only are they good soldiers, they are good messengers for why we need to support the Ukrainian cause.

Thank you all so much for your compelling testimony and for taking time to join us and, hopefully, we will see you at the summit.

Mr. COFFEY. Thank you.

Senator SHAHEEN. Now, officially I think the record stays open until Friday at close of business and so if there are any questions for the record, we need to have them by then.

Thank you all very much. At this time, I will close the hearing. [Whereupon, at 4:20 p.m., the hearing was adjourned.]

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ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

**Report to Congress on a Strategy for Working With NATO  
Allies To Deepen Ties With Black Sea Countries***Submitted by Senator Jeanne Shaheen*UNCLASSIFIED

**Report to Congress on  
A Strategy for Working with NATO Allies to  
Deepen Ties with Black Sea Countries  
Section 7019(e) of the Department of State, Foreign Operations, and  
Related Programs Appropriations Act, 2023 (Div. K, P.L.117-328) and the  
Joint Explanatory Statement**

The United States has an enduring interest in a Black Sea region that is secure, prosperous, interconnected, and free from threats to the territorial integrity of states, economic coercion, and malign influence posed by Russia and the People's Republic of China (PRC). The President's National Security Strategy underscores our interest in working with Allies and partners to strengthen our defense and deterrence against Russia's aggression and respond to the PRC's attempts to reshape the international order and erode U.S. alliances. Russia's full-scale invasion of Ukraine highlights growing challenges in the Black Sea region and has deepened our resolve to ensure Putin's war is a strategic failure. The United States, our NATO Allies, and likeminded partners have responded with greater focus, more security and economic assistance, and additional forces for the Black Sea region. The NATO Strategic Concept adopted at the NATO Summit in Madrid in 2022 explicitly recognizes the Black Sea's strategic importance to the Alliance.

The Black Sea region encompasses a diverse set of countries with disparate interests. Our strategy considers the Black Sea littoral states of Bulgaria, Georgia, Romania, Russia, Türkiye, and Ukraine, as well as Armenia, Azerbaijan, Greece, and Moldova. Russia's war against Ukraine seriously constrains the environment, and supporting Ukraine as it defends its sovereignty and territorial integrity remains our immediate priority. Yet even in this wartime context, we see opportunities to strengthen regional

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cooperation and advance U.S. priorities. This strategy will rely on interagency coordination, robust cooperation with likeminded partners, NATO, and the European Union (EU), and the expertise of private industry – as well as the availability of adequate personnel and resources.

The United States will coordinate our efforts in the Black Sea region along the following lines of effort:

**1. Promote Political Engagement**

Consistent, visible U.S. engagement in the Black Sea region counters malign narratives and emphasizes to Allies and partners that there is a credible alternative to those who seek to undermine Europe's stability. The United States will strengthen our ties with likeminded countries in the Black Sea region through deliberate and focused political and diplomatic engagement. We will meet with Black Sea partners more frequently at senior levels and foster greater regional political cooperation through formats such as the Bucharest Nine. We will coordinate with European partners and the EU to encourage frequent multilateral engagements with and among Black Sea states and leverage opportunities through the EU, NATO, the Three Seas Initiative, and other fora.

We will increase the visibility of U.S. commitment to the Black Sea region through messaging that conveys the importance of the region to U.S. and European security. We will emphasize the tangible benefits of Transatlantic integration, interconnectivity, energy security and democratic resilience through diplomatic channels, media engagements, and public outreach. Our support for political and economic Euro-Atlantic integration will include robust support for aspirants to join NATO and the EU and continued security, economic, and humanitarian support for Ukraine.

U.S. efforts to promote peace in the South Caucasus will secure and reinforce this Black Sea strategy. Peace between Armenia and Azerbaijan will fundamentally change the U.S. relationship with both countries, unlocking new security cooperation and economic opportunities.

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## **2. Strengthen Regional Security Cooperation**

The United States has done much to strengthen the U.S. and NATO presence in the Black Sea region since Russia's unprovoked and brutal invasion of Ukraine, and unwavering support for Ukraine's self-defense and sovereignty remains the bedrock of our efforts. The strategic importance of the Black Sea region is shared by our Allies as reflected in NATO's Strategic Concept. The region continues to face long-term threats to its security, including Russia's aggression and occupation in Ukraine and Georgia, mines in the Black Sea that threaten commerce and freedom of navigation, and hybrid threats such as malign cyber activities. The United States will support likeminded regional states' efforts to promote regional cooperation, build joint all-domain awareness, advance freedom of navigation, strengthen coastal defenses, and protect critical infrastructure. In consultation with Allies and partners, we will identify opportunities to conduct port visits, further joint training and exercises, and support non-NATO joint exercises, building on the United States' reputation as a trusted security partner. Our priorities are:

- a) Increase Information Exchange and Strengthen Domain Awareness:** We will support increased information-sharing and strengthened maritime domain awareness among likeminded littoral states and with the United States and NATO. Improve capabilities to monitor the maritime domain will also ensure the security of the region's economy. We will build on initial progress in Georgia and Romania to further integrate other likeminded Black Sea region states, including via NATO's Regional Airspace Security Program.
- b) Prioritize Defense Modernization and Interoperability:** We will continue to ensure our security assistance meets the region's defense needs. Ensuring all NATO Allies and partners acquire interoperable military equipment bolsters Black Sea security and reduces vulnerabilities posed by Russian or PRC defense exports. Modernization of defensive capabilities will be among our top priorities, including improved intelligence, surveillance and reconnaissance capabilities, coastal defense, and hardened communications.

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**c) Bolster NATO Presence:** Since Russia's full-scale invasion of Ukraine, NATO has significantly stepped up its deterrence and defense posture along its Eastern Flank, establishing four new multinational battlegroups in Bulgaria, Hungary, Romania, and Slovakia. The United States deployed more forces in Romania and Bulgaria and will continue to support a robust, visible NATO forward presence in the Black Sea region, including through support for enhancing indigenous maritime, land, and air capabilities of likeminded Black Sea littoral states.

**d) Defend Freedom of Navigation and Use of International Air Space:** A visible U.S. and NATO naval presence in the Black Sea contributes to regional security. We will seek to preserve U.S. and NATO access to the Black Sea, consistent with international law, including the Montreux Convention, and in a manner that does not escalate tensions. Engagement with Allies and partners, combined with targeted capability development, will build towards exercising freedom of navigation and use of international airspace. We will work with NATO Allies and partners to deter and defend against maritime threats and ensure the freedom and security of commercial shipping lanes in the Black Sea. The United States should resume periodic ship visits to the Black Sea as in the pre-2022 period after deliberate consultation with our Allies and partners and informed by conditions.

### **3. Enhance Regional Economic Cooperation**

The Black Sea region has great economic potential as a connector between Europe and Central Asia and plays a vital role in global food security. The United States will continue to promote free commerce, advance U.S. competitiveness, and promote economic resilience, including from Russian and PRC influence, through our economic assistance, support for policies that promote a level playing field, and the prioritization of commercial projects with a strategic focus on the Black Sea. We will cooperate with the EU to promote Black Sea development and advance regional initiatives that can contribute to Ukraine's reconstruction. We will:

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- a) Invest Strategically and Boost Interconnectivity:** We will continue to promote economic development and interconnectivity in the Black Sea region through international financial institutions. We will support platforms such as the Three Seas Initiative (3SI) and encourage them to invest in strategic infrastructure that enhances the resilience of the region's transit corridors for people, goods, and services. We will promote integration of 3SI funding with existing EU and G7 resources. We will also further focus our economic assistance to Black Sea countries on promoting integration with Europe and Western markets, promoting transparent, predictable, and stable investment climates, and building capacity to counter foreign malign influence. We must secure these economic and infrastructure linkages now for the United States and our partners to effectively support Ukraine's recovery and reconstruction.
- b) Promote a Level Playing Field:** We will work with Black Sea countries and partners such as the EU to support policies that ensure fair and open trade and investment and combat malign economic influence. We will help countries develop robust investment screening mechanisms and advocate for transparency in public procurement and diverse supply chains in strategic sectors such as critical minerals and energy supplies. These measures will strengthen economic resilience and help EU aspirants on their path to European integration.
- c) Support the Black Sea Grain Initiative (BSGI):** We will continue to work with partners to ensure the BSGI operates effectively. We will encourage participants in the BSGI to uphold their commitments. We will work to extend and expand the BSGI and work towards restoring pre-war levels of agricultural output from the Black Sea.

#### **4. Promote Regional Energy Security and Clean Energy**

Russia's aggression underscored the urgent need to help countries transition away from dependence on Russian energy sources. The United States will strengthen the Black Sea region's energy security and resilience through

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support for energy diversification and clean energy alternatives. These efforts also advance our shared climate goals.

**a) Support Energy Interconnectivity and Western Integration:** We will support the integration of the energy markets of aspiring EU member states with internal EU markets as well as the expansion of regional electricity and natural gas infrastructure to produce, distribute, and store transitional and next-generation energy sources across state boundaries. This will increase the resilience of our Allies and partners to supply shocks, spur economic growth and workforce training, and advance our objective of a clean energy future. Integrating energy supplies from the South Caucasus will promote the western orientation of these countries, while also expanding Europe's resource base and energy resilience.

**b) Support Energy Sector Decarbonization:** Solar, wind, geothermal, hydrogen, and conventional and small modular nuclear reactors are but a few examples of the low-carbon sources that we will increasingly rely upon to facilitate a global clean energy transition. We will work with international financial institutions, the U.S. Export-Import Bank, the U.S. International Development Finance Corporation, and private sector partners to couple innovative and sustainable financing with new and scalable technologies as well as more immediately implementable solutions.

##### **5. Foster Democratic Resilience and Counter Malign Influence**

The United States will support our Black Sea Allies and partners to strengthen rule of law, promote respect for human rights, combat corruption, and counter disinformation that threatens regional security, increases vulnerability to malign influence, and hinders greater investment and economic growth. We will support the European aspirations of partners and help consolidate the region's ties to Euro-Atlantic institutions and values. We will encourage greater cooperation and engagement among civil society in the region. We will strengthen regional people-to-people ties by promoting exchanges between and among local government and civil

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society leaders in likeminded littoral states and through increased engagement on issues of common interest such as health and climate. We will:

- a) **Combat Corruption:** Corruption corrodes public trust, undermines security and government stability, hinders economic growth, and serves as a vector for foreign malign influence. The United States will promote transparency and rule of law and elevate our anticorruption work in the Black Sea region through our assistance, capacity building, and by using existing accountability tools to target corrupt actors. We will leverage multilateral engagement through the Group of States against Corruption and the Conference of the States Parties to the UN Convention against Corruption. We will promote information sharing, work with partners to boost anticorruption enforcement, and ensure capacity building efforts incorporate anticorruption considerations, in line with the U.S. Strategy on Countering Corruption.
- b) **Counter Disinformation:** Our adversaries use disinformation to undermine international norms. The United States will support policies and programs that strengthen media freedom and media literacy and publicly counter malign narratives. We will also support investigative journalism to expose corruption and linkages between civil society elements and malign actors. We will pursue partnerships with the public and private sectors and civil society to counter disinformation and share U.S. experience and expertise with Black Sea nations. We will leverage resources like the Global Engagement Center, the interagency Russia Influence Group, and multilateral platforms like NATO and the EU to strengthen our efforts to counter propaganda.
- c) **Strengthen People-to-People Ties:** We will continue to support regional states, including EU aspirants, to strengthen their democracies, promote respect for human rights, and use public diplomacy and programming to build support for further Euro-Atlantic integration. We will foster strong people-to-people ties with our assistance, through exchanges between government and civil society groups, and via bilateral engagement. We

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will support regional exchange among Black Sea states on issues like health, climate, and science to advance our shared goals.

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