

21st Century Security Challenges and Future Possibilities

Foreign Minister Urmas Paet

At the Sälen Conference

Sälen, 14.I.2013

Your Royal Highness,

Excellencies, ladies and gentlemen, dear friends,

We are gathered here in this beautiful and peaceful winter resort at a time when the world around us is increasingly unpredictable and volatile. Europe, NATO allies and partners are confronted with ever new challenges. These challenges increasingly tend to crop up in corners of the world we used to consider distant. The concept “out of area” is losing its clear outlines. And the very nature of threats is changing as we see in cyber space. In short, the likelihood of coming across the unexpected, so-called black swans, has increased.

I would therefore like to address cyber security, defense spending and the need for NATO and its partners to be actively prepared to face new threats in a changed world.

Besides conventional forces, NATO’s, and its partners’, qualitative edge depends on the flexibility of the Alliance when tackling threats and challenges that are still being listed as emerging. It is certain that any large scale conflict in the future will, at least in part, be fought in cyber space.

It is important to take practical steps to that end: to continue to raise awareness about cyber defense, to develop training and exercise programs, to develop NATO’s and NATO partners’ capability, to enhance interoperability of national cyber defense capabilities, as well as other actions.

In this regard, NATO's Cooperative Cyber Defence Centre of Excellence in Tallinn, where also Sweden participates, is well-positioned. The Cyber Defence Centre develops new concepts and strategies and carries out training, exercise and awareness raising activities.

Cyber threats also illustrate how domestic security issues increasingly overlap with classic defense. Matters that also highlight this point, are for instance questions related to immigration, terrorism, radicalisation, and many others. Cyber security is actually linked to a lot of these too. The more of what we do in our daily lives goes online, the more important cyber security becomes. What goes on in the cyber world has very real consequences in the physical world.

The pace of change and development has only been accelerating in this field. Northern European countries like Estonia and Sweden already extensively rely on e-solutions and e-governance. This is a great asset. But it also makes us vulnerable. Rapid development is not only about whether you have the latest iPhone or tablet. I'm also talking about cyber-attacks. There is a clear need to be prepared for much more. Today, critical industry and physical infrastructure are at risk. Governments and the private sector have to co-operate in order to significantly improve the security of energy, water and other everyday infrastructure.

In 2011 Estonia established a Cyber Defence League that is made up of voluntary experts from both the private and public sectors. Their role is to contribute to the country's cyber security. The CDL has helped safeguard e-elections, has provided training, taken part in national and international exercises, and counselled businesses. In co-operation with the Estonian Information System's Authority, they have also tested the cyber security of businesses. This is an example of successful and mutually beneficial co-operation between the private and public sectors.

Ladies and gentlemen,

Let us move on to the question of defense spending. The general trend of decreasing military spending is becoming a real threat to NATO's and its partners' ability to maintain an edge compared to other powers. We have to keep in mind that a number of big players outside the Alliance do not hesitate to increase their defense spending.

Many see the economic crisis as an excuse for drastic cuts, but the trend to capitalize on the so-called peace dividend started years before the economic crisis. Poor excuses cannot be allowed to become a threat to maintaining an adequate level of deterrence in the future. We have come to a point where we have to talk not about the diminishing but the disappearing of defense spending. This is unsustainable. And this can lead to a new and much more serious crisis.

Every country has to bear a fair share of the burden. Europe cannot be a security consumer. For the second year in a row, Estonia is spending 2% of GDP on defense. And 76% of Estonians support and trust NATO. The 2% criterion has been set by the Alliance as a minimum goal to maintain essential capabilities. Yet in addition to Estonia, only the UK and US contribute 2% or more of their GDP to their defense budgets. Apart from Estonia, the only country in the Baltic Sea region that spends dramatically more than 2% of their GDP on defense is Russia.

We therefore cannot complain that the US is not doing enough and is paying more attention to the Asia-Pacific region than to us. A strong Atlantic relationship is key to the Alliance's cohesion. It is also important for NATO's closest partners. The United States has expressed its commitment by remaining present and actively engaged in Europe. But we in Europe cannot take it for granted. The relationship's success depends on us being able to reciprocate. I am convinced that the way in which America and Europe are financially and economically intertwined must continue to be mirrored in the security field too. What we need is a transatlantic space that constitutes what has been called a "strategic ecosystem".

An example of European contribution is Afghanistan where both Estonia and Sweden are involved. The Afghan mission has been challenging, but we have been up to the task. As the first ever mission to grow out of an Article V response, it has contributed significantly to making the territories of our nations safer. It has also proved that NATO has an important role to play in providing security internationally and that the allies are capable of co-operation necessary for a large scale out of area operation. All this is valuable experience in the face of potential challenges that we face at the beginning of this century.

We must ensure that the end of active combat operations in Afghanistan does not lead to a passive Alliance. This is crucial for our region too. Regular, large scale live format exercises are an excellent way to achieve this. The exercise “Steadfast Jazz 2013” will increase NATO’s visibility in the Baltic Sea region. It will provide significant value militarily as well as politically in raising NATO’s profile in north-eastern Europe. This enables the Allies to test interoperability, to practice contingency plans, and to make sure that NATO is ready for the worst case scenarios.

In NATO-Russia relations, we support mutual efforts to enhance reciprocal transparency with regard to military exercises, security doctrines and defense reform. But we have also seen the build-up of advanced offensive weaponry near NATO’s borders as we see in Kaliningrad, but also in the Pskov and Leningrad oblasts. The phenomenon of militarising these areas is counter-productive to the partnership we hope both NATO and Russia wish to maintain and develop.

The Cold War is long over. The world is very different compared to back then. But security challenges remain. And, as we know only too well, the outside world affects us significantly. None of us can go it alone. NATO’s stronger presence in our region would increase stability. Higher defense spending would also help to prevent the creation of a security vacuum. If we do not fill this potential vacuum with what we want, someone else will.

Last year’s Chicago summit was a step in the right direction. The Allies reaffirmed NATO’s commitment to implement Baltic Air Policing as a continuous mission. This increases security for the whole region. Countries like Sweden also benefit from the fact that Estonia, Latvia and Lithuania are better protected. Also, Sweden’s regular participation in Air Policing exercises in the Baltic States further increases the security link with the Alliance.

Sweden and Finland, as the Alliance’s closest partners, offer an outstanding contribution to NATO and increase security in our region. To sustain a high degree of interoperability, the Alliance should involve partners like you in a wider range of NATO activities, training programs and exercises. Including high-intensity conflict scenarios. On the other hand, we could think

about the greater integration of Estonia, Latvia and Lithuania with NORDEFECO initiatives. This would enhance security in our region.

EU-NATO co-operation deserves to be increased too; despite the fact that we know there are politically difficult issues here. The EU's Battlegroups are a promising concept. The Nordic Battlegroup, of which Sweden will be the framework nation in 2015, helps to increase interoperability between NATO Allies and EU members in the north.

Extensive and increasing co-operation is very positive. Some have even said that Sweden and Finland already are de facto members of NATO. As we are among friends, I am sure you will not mind if I'll be straightforward. In the end, it all boils down to the question of membership. This is a question that you will have to answer on your own. But with the question of closer integration on the EU's agenda too, it is no secret that Estonia would like to see the Nordic-Baltic region as integrated and unified as possible.

Dear friends,

I believe that together with likeminded nations like yours, we can find the best ways to respond to 21st century security challenges. They are challenges that we all face, and that we must address together.

I thank you for your attention.