

AMBIGUITY AND STABILITY IN THE BALTIC SEA REGION

DEFENCE COOPERATION BETWEEN FINLAND
AND SWEDEN INCREASES BOTH

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- Defence cooperation between Finland and Sweden has created a ‘fleet-in-being’ effect across the Baltic Sea region, with mixed consequences for regional stability, and paradoxically both increasing and decreasing ambiguity at the same time.
- The implications of Swedish and Finnish security policy coordination for regional stability are clear: the current situation is strategically stable, but if Russia further destabilises it, Finland (and potentially Sweden) would seek a new equilibrium through a change in policies, possibly through joining NATO.
- Sweden’s approach to solidarity and preparing to defend the country with others has decreased ambiguity, while Finland’s approach has both increased and decreased ambiguity for regional defence planners.
- Finland is increasingly transparent about tactical interoperability with Swedish and NATO member military forces, a trend which will increase as Finland prepares to participate in and host large international exercises. Yet, strategically Finland’s foreign policy elite collectively makes reserved statements which, in effect, increase regional ambiguity about Finland’s intentions in a crisis.



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ISBN 978-951-769-572-5

ISSN 1795-8059

Language editing: Lynn Nikkanen.

Cover photo: Finnish Defence Forces.

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This Briefing Paper has benefitted from insights and sparring by both current and retired Finnish and Swedish defence officials and officers, thank you.

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FINNISH-SWEDISH COOPERATION IMPACTS REGIONAL SECURITY

Finland and Sweden see their own security as being tied to regional stability, and have both reacted similarly to the changed European security environment by pursuing security and defence policies which they see as increasing stability in the Baltic Sea region. This has meant strengthening national defences, and while neither currently wants to belong to a military alliance, both have increased defence cooperation bilaterally, as well as with the United States, NATO and the European Union. Finnish and Swedish bilateral cooperation regarding their defence policy and operationally between the two countries' defence forces is seen in a positive light domestically, and generally welcomed internationally. The intent of the bilateral cooperation has been to increase both countries' security by ensuring that there are no military vacuums in the region, and more broadly to improve the stability of the Baltic Sea region by not changing the current geopolitical makeup of the region, where two geopolitical spaces meet, overlap and compete.

In practice, the cooperation has created a 'fleet-in-being' effect with mixed consequences for regional stability, both increasing and decreasing ambiguity at the same time. The term, borrowed from writings on naval warfare, denotes that a force can have an influence on an adversary's thinking and actions, even if it is not actively used. The opponent must consider the possibility that the force will be used, and therefore plan accordingly. Unless there are unexpected changes to the cooperation dynamics emerging in the region, or significant changes to Swedish and Finnish security thinking, this mixed impact of cooperation is likely to continue.

The round of intensified cooperation between Sweden and Finland started in 2014, initially with a view to improving training and logistics in international crisis management operations. After an in-depth study was conducted on the possibilities of cooperation throughout 2014, a new era of cooperation dawned. In February 2015 during the publication of the study, Swedish Defence Minister Peter Hultqvist said that the goal of

the cooperation was to enable the militaries of both countries to operate together in situations beyond peace, namely in the event of war.

By 2018, both countries had exchanged foreign and defence policy officials at their respective ministries, while links between the defence forces have now become so commonplace as to defy a complete listing. The Swedish-Finnish Naval Task Group has reached initial operational capability, the two air forces are interoperable, and the land forces are methodically building the ability to conduct high-end operations together at brigade strength. In addition to increasing their own national readiness, both countries have also gained an increased understanding of each other's operational defence plans, and recent exercises such as *Ruska17* and *Flygvapenövning18* saw Finnish and Swedish jets practise defending each other's territory. Moreover, both countries recognize the need to be aware of their respective planning, synchronize these activities where possible, and prepare bi-national operational plans for cooperation in war.

The dramatically deepened military cooperation between Finland and Sweden has made the two countries a significant potential military actor in the heart of the Baltic Sea region. It also means that the military capabilities developed through the increase in interoperability will have an impact across the region. The aforementioned 'fleet-in-being' effect was identified in 2013 as an attractive approach for Nordic countries in general.¹ In the case of Finnish and Swedish cooperation, the effect means that an adversary cannot be sure whether they would face the combined aerial and naval fleets of Finland and Sweden, but knows that Finland and Sweden are capable of conducting demanding high-end military operations together. The Finnish government's report on foreign and security policy describes the effect from the cooperation as "raising the threshold against incidents and attacks".²

- 1 Stig Rydell and Stefan Forss, *Tie kohti uutta pohjoismaista turvallisuusstrategiaa* (Helsinki: Maanpuolustuskorkeakoulu, 2013) <https://www.doria.fi/handle/10024/88688>, accessed 14 June 2018.
- 2 *Government Report on Finnish Foreign and Security Policy* (Valtioneuvoston kanslia, 17 June 2016) <http://julkaisut.valtioneuvosto.fi/handle/10024/75139>, accessed 15 September 2017.



Sweden and Finland practiced the defense of Sweden during Aurora17 exercise.
Photo: Finnish Defence Forces

COOPERATION BASED ON MUTUAL INTERESTS SEEKS STABILITY

Domestically, this deepening defence policy and military cooperation is strongly supported. Public statements made by experienced politicians in both countries emphasize the unique nature of the cooperation, and it is endorsed by 94% of the population in Finland, who have a positive view of it.³ This is considerably more robust support than for cooperation with any other actor, such as NATO (which 61% view positively) or the United States (which 59% view positively); while cooperation within the EU is viewed positively by 89%, it is ‘softer’ in that a majority of respondents see it ‘rather positively’ instead of the large majority of ‘very positives’ for cooperation with Sweden. Swedish polls do not ask about cooperation with Finland specifically, focusing instead on broader cooperative possibilities with NATO and Finland, which 48% supported.⁴

Trust between the Finnish and Swedish militaries, identified as critical to future cooperation,⁵ has improved as daily cooperation on a range of projects continuously expands the number of soldiers cooperating on operationally relevant issues. Officers from both countries have been allowed into the ‘inner sanctum’ of capabilities that each could contribute in a crisis. Combined with clear statements from the political and military leaderships of both countries, this has anecdotally had the effect of increasing support for cooperation within the military.

While trust has increased between the militaries, there is more than isolated concern about the willingness of Swedish politics to deliver the necessary resources to the Swedish military. In clear terms, unless the Swedish defence budget is quickly increased to the tune of billions of euros, its already limited territorial defence capabilities will begin to shrink in a few years. The lack of funding has affected Finnish–Swedish cooperation and while Sweden possesses world-class military and intelligence gathering capabilities, if Sweden’s capabilities shrink, it makes less sense for Finland to

3 Advisory Board for Defence Information, *Finns’ Opinions on Foreign and Security Policy, National Defence and Security* (Helsinki, November 2017).

4 *Opinioner 2016 Allmänhetens Syn På Samhällsskydd, Beredskap, Säkerhetspolitik Och Försvar* (Myndigheten för samhällsskydd och Beredskap, 2016).

5 Charly Saloniuss-Pasternak, *Deeper Defence Cooperation: Finland and Sweden Together Again?* (Helsinki: Finnish Institute of International Affairs, 12 March 2014) <https://www.fia.fi/en/publication/deeper-defence-cooperation>, accessed 14 June 2018.

continue investing in deepening cooperation. This concern is well-founded, as Swedish politicians have over the decades been prone to making dramatic defence-related decisions without considering the potential consequences for broader national or regional security.⁶

Politically, deeper cooperation is stated to be based on mutual interests, with the Finnish government's report on foreign and security policy underlining that "Foreign and security policy cooperation with Sweden is wide-ranging and it is promoted on the basis of shared interests without any limitations...and will be developed to cover operational planning for all situations".⁷ More recently, Sweden's Minister of Defence, Peter Hultqvist, wrote that as two militarily non-allied countries Finland and Sweden have a shared starting point for security policy, common geostrategic interests and a shared view of today's security challenges in the Baltic Sea region. Defence Minister Hultqvist ends by writing that continuing Finnish-Swedish cooperation on its current trajectory is the best way to take into consideration history, geographical realities and other limiting factors, ultimately raising the threshold for conflict in the region.⁸ More broadly, the foreign and defence ministers in both countries have issued statements saying that one of the goals of cooperation is to contribute positively to regional stability.

In Finland, led by President Sauli Niinistö, the idea of an 'active stability policy' seeks to improve regional stability through increasing transparency among other things. Reducing the number of 'black flights' – where military planes fly in international air-space without transponders or submitting flight plans – that can endanger civil aviation over the Baltic Sea being one example of this. Both Finland and Sweden, then, seek to increase stability as well as transparency in the region. Increasing the capabilities of their respective defence forces and improving their interoperability with other militaries, in combination with not being members of a military alliance, are seen as positive contributions to regional security and stability. Yet, in practice, Finland's and Sweden's chosen security and defence policies and actions are having mixed consequences for regional stability, and serve to both increase and decrease ambiguity at the same time.

6 Charly Saloniuss-Pasternak, *The defence of Finland and Sweden: Continuity and variance in strategy and public opinion* (Helsinki: Finnish Institute of International Affairs, 7 June 2018) <https://www.fiia.fi/en/publication/the-defence-of-finland-and-sweden>, accessed 11 June 2018.

7 *Government Report on Finnish Foreign and Security Policy*.

8 'Peter Hultqvist: Finland Värt Att Försvara', *Dagens Industri*, 2017. <https://www.di.se/debatt/peter-hultqvist-finland-vart-att-forsvara/>, accessed 24 May 2018.

FINLAND AND SWEDEN BUTTRESS GEOPOLITICAL STABILITY IN BALTIC SEA REGION

From the perspective of senior Finnish and Swedish politicians, Finland's and Sweden's contribution to regional stability is to reduce the friction that the meeting and overlap of two geopolitical spaces – the west (including the EU and NATO) and Russia – has caused in the region. They view any change to the current alliance status of Finland and Sweden as altering this balance and removing the cushioning effect provided by the two countries' non-membership of NATO. Thus, the current political leadership in both countries regards not seeking NATO membership as making a positive contribution to regional stability, yet sees NATO exercises and the enhanced forward presence of member-state forces as stabilising factors in the region. Notably, politicians in both countries unequivocally state that the decision not to join NATO (for the moment) is based on national interests, arguing that any change to the *status quo* would negatively impact Swedish and Finnish national security.

Russia is unperturbed by this viewpoint, as it has made it clear that it does not want to see Sweden or Finland become NATO members. Furthermore, frequent references to the need to consider Russia's reactions by politicians in both countries at least implicitly enables Russia to feel that it has been granted one of the core elements of being a recognized great power: a sphere of influence. However, as pointed out by President Niinistö after the annual Kultaranta discussions in 2016, Finland's 'option' to apply for NATO membership is an important security policy tool to be used in the event that Finnish security is threatened.⁹ This implies that the president sees the deterrence value of both the option and actual membership as being considerable, a message unlikely to have been lost on Russian decision-makers.

Sweden has not made similar statements regarding NATO, rather the current government has underlined that military non-alignment is a basic part of Swedish security policy. At the same time, the number of exercises where Sweden trains together with NATO countries has increased. For example, during the Aurora17 exercise some 1500 American troops practiced the re-inforcement and defence of Sweden on Swedish soil,

9 'Presidentti Niinistö: Nato-jäsenyyttä ei kannata sulkea pois laskuista', *Aamulehti*, 2016. <https://www.aamulehti.fi/kotimaa/presidentti-niinisto-na-to-jasenyytta-ei-kannata-sulkea-pois-laskuista-23738975/>, accessed 24 May 2018.

together with smaller contingents from other NATO countries.

The implications of Swedish and Finnish security policy coordination for regional stability are clear: the current situation is strategically stable, but if Russia further destabilises it, Finland (and Sweden) would seek a new equilibrium through a change in policies, possibly by seeking NATO membership.

SWEDISH SOLIDARITY AND MILITARY COOPERATION DECREASES AMBIGUITY

At the strategic security and regional defence policy levels, Sweden has been a vocal proponent of solidarity for years. Sweden has for almost a decade continued to emphasize that it would not stand idly by if a fellow EU or Nordic country were attacked militarily, and would expect others to behave similarly towards Sweden. Swedish politicians are not coy about clarifying that this solidarity extends to Latvia, Lithuania and Estonia – a clear security policy difference from Finland, to which we return below.

Even if many observers have questioned Sweden's ability to provide extensive military assistance for others, the sentiment is consistent with the current idea that Sweden is prepared to defend itself with others. The consistent strategic messages from Sweden are that its organic defence capabilities have improved and that the ability to defend Sweden with others has been tested, for example in the Aurora17 and Flygvapenövning (FVÖ18) exercises. Through these exercises, Sweden has also made it clear just who it would prefer these 'others' to be: Finland and the United States are at the top of the list, while Nordic NATO members would certainly be expected to contribute.

Sweden's announced procurement of US Patriot air-defence systems, letting US AWACS planes fly through Sweden, and a range of other activities certainly suggests that Sweden and the United States have come to a more concrete understanding about how each would behave vis-à-vis the other in the event of regional military conflict. Thus, compared to the Cold War era, Sweden has become considerably more transparent about with whom and in defence of what it would fight – thereby contributing to transparency for regional defence planners. This is in contrast to Finland to some extent.

FINLAND BOTH INCREASES AND DECREASES AMBIGUITY

During the past three years, Finland has become more open about the countries with which it wishes to improve military interoperability to the point that a common defence effort would be desirable and practical. However, when it comes to political transparency, the signals are mixed. For nearly a decade, Finnish politicians spoke about European security in the context of the European Union's Article 42.7. Despite this, no legislative efforts were made to enable Finland to give or receive military assistance outside of a UN-mandate framework. This was remedied through the passing of legislation in 2017, giving the Finnish Defence Forces a new task, preparing for the giving and receiving of international military assistance (the three other tasks are national territorial defence, assistance to national civil authorities, and international crisis management operations). The Finnish political establishment is thus transparently and unambiguously positively inclined in terms of generically giving or receiving military assistance. In practice, this is not the case, however, even within the confines of the Baltic Sea region.

An illustrative example can be found in the 2018 Finnish presidential elections, when candidates were asked during debates about providing military assistance to Estonia. A frequent refrain was that the primary responsibility of the President (who leads foreign and security policy in cooperation with the government) is to secure Finland's population. Moreover, nearly all of the candidates agreed that assistance would be considered on a case-by-case basis and could take economic, political, diplomatic and military forms. There were clear disagreements over whether the European Union's mutual defence provision (Article 42.7) bound Finland to provide assistance. The case-by-case interpretation became particularly clear when candidates were (during multiple debates) asked about whether neighbouring Estonia should be assisted militarily in the event of an attack by Russia. The overall sensibility was reflected in the words of then incumbent and now re-elected President Niinistö when he stated in a December 14, 2017 debate "the best way for us to contribute to the defence of the Baltics is by ensuring our borders are taken care of". The Finnish political establishment is clearly divided on the meaning of solidarity, and how Finland should behave in the face of a military conflict in the region, and hence Finland's official position is likely to remain ambiguous.



Finnish soldier using Swedish urban combat range during annual Kvarn exercise.
Photo: Finnish Defence Forces

The ambiguity of Finland's formal policy is in stark contrast to the decades-long cooperation between Finland and Estonia on developing the latter's defence capabilities in particular. Additionally, Finland continues to participate with sizeable units in Estonian national defence exercises, such as Kevadtorm2017 and most recently SIIL18. Operationally, Finland is happy to be transparent about the increased interoperability with Estonian and other NATO member forces, a trend which will increase as Finland prepares to participate in and host large international exercises. Yet, strategically Finland's foreign policy elite collectively makes reserved statements which, in effect, increase regional ambiguity about Finland's intentions.

DECREASING AMBIGUITY WHILE MAINTAINING REGIONAL STABILITY

The relevance of this for Finnish-Swedish defence cooperation is direct. The fleet-in-being effect that deep cooperation has created has impacts on all military actors in the region. The differences regarding strategic ambiguity mean that while the likelihood of each country assisting the other has increased, there are serious questions about whether this assistance would

extend to third parties in the event of a regional crisis. For example, if Sweden decided to contribute directly to the defence of a Baltic country and was consequently attacked, would Finland automatically aid Sweden? If the answer is no, then all of Finland's peacetime partners must form their own plans under the assumption that, despite the legally binding nature of the European Union's mutual defence provision (Article 42.7), Russia could dissuade Finland from participating in the defence of its neighbours. This again increases regional ambiguity, while in the minds of some it contributes to strategic stability because Russia would not need to be concerned about threats emanating through Finland to its strategically important locations around St. Petersburg or the Kola peninsula.

A formal bilateral defence pact would clarify to the entire region that while Finland and Sweden are not members of a large military alliance, nor do they constitute a military vacuum in the region. In Finland's case, such a pact would allow it to benefit from some 'reachback' functions in intelligence, improve its defensive depth regarding naval and air operations, and reduce pressure on limited maritime security resources. Sweden would gain a formalised shield to help it deflect an initial strike, as well as making it geographically easier to consider a 'defence forward' approach

to influence the capabilities of an adversary. However, both would also see a decrease in their freedom of action, in scenarios where only one of them is attacked and the other country might be able to stay out of a limited military conflict. A bilateral agreement would demand that all regional defence planners place Finland and Sweden firmly in the western defence context, decreasing ambiguity. Moreover, Russia would be less likely to see such a pact as having crossed its implied red line: NATO membership – thus contributing to the maintenance of the current geopolitical balance and putative stability in the region.

If a bilateral defence pact remains beyond the reach of politicians in both countries, continued strategic signalling and communications can be used to imply a de facto alliance arrangement between the two countries. Individually both Finland and Sweden have engaged in internationally noted strategic communications activities during the past three years, such as Sweden sending out the ‘If crisis or war comes’ booklet to all Swedish households, or Finland sending a letter to 900,000 reservists with information about their wartime tasks.

Should Finnish and Swedish defence and security cooperation subside in the long-term, its impacts on the region’s stability could be manifold. If it led to Sweden seeking NATO membership, the regional geopolitical equilibrium would change, and Finland would have to seriously consider its response. The Finnish population does not seem too fazed by this prospect, as in 2016 34% of Finns thought that Finland should seek NATO membership if Sweden did, compared to 25% who responded in the affirmative when asked whether Finland should seek membership by itself.

Faltering cooperation would also require Sweden to immediately and significantly increase its defence budget (something it should do in any case), so as not to in the 2020s become a security vacuum in the region, negatively affecting regional stability. In Finland’s case, hiccups over deepening cooperation with Sweden (and others) would likely demand increased ambiguity and reduced transparency regarding its possible behaviour in a regional armed crisis. Compared to the current situation, this would impact regional stability negatively, and paradoxically limit Finland’s room for foreign policy manoeuvre – neither an optimal nor sought-after foreign policy for Finland by any means.

Ultimately, because Finland and Sweden have through their defence cooperation generated a

fleet-in-being effect, they must now together recognize and address its repercussions in terms of ambiguity and regional stability. /