

ADDRESSING NATO'S MISSILE DEFENSE CHALLENGES

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by

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INTRODUCTION

On May 12, NATO's Active Layered Theatre Ballistic Missile Defense (ALTBMD) program passed two important milestones when the Conference of National Armament Directors (CNAD) approved, under a Silence Procedure, the NATO Staff Requirement (NSR) for the system, and the Military Committee (MC) approved the ALTBMD Concept of Operations (CONOPS). Pursuant to the CNAD decision, NATO's top acquisition authorities formally declared their satisfaction with the program logic developed by the NATO Missile Defense Project Group (MDPG) and with the proposed technical solution to meeting NATO's Military Operational Requirement (MOR) for TMD. The NADs also agreed to recommend, in coordination with all involved NATO bodies, that the North Atlantic Council (NAC) approve the principle of the establishment of an NATO ALTBMD program based on the NSR and the Follow-on Program Plan (FoPP). They also recommended that the NAC task the CNAD to be the prime focus for the development of a final proposed plan for the establishment of the ALTBMD program and a new Program Management Organization (including the PMO charter).

With these decisions, the North Atlantic Alliance has moved a significant distance closer towards operationalizing the view, first expressed formally by Defense Ministers in June 2002, that "[t]here is currently a consensus on the need to deploy theatre missile defenses to protect our deployed forces." These actions are also fully consistent with the decision by NATO Heads of State and Government at the November 2002 Prague Summit to initiate a new NATO Missile Defense feasibility study to examine options for protecting Alliance territory, forces and population centers against the *full range* of missile threats. The point of the new feasibility study is to *inform* a future deployment decision on how and whether NATO will "go beyond TMD," not to *presume* it. But the new study will produce an options analysis that will provide the baseline from which a decision on longer-range defenses will be made.

Under the CNAD's FoPP (formally "noted" by the NAC on March 9, 2004), an initial operational capability (IOC) for ALTBMD could be achieved in the year 2010 to "defend NATO forces, deployed either within or beyond NATO's area of responsibility, against the threat posed by Tactical Ballistic Missiles (TBMs) with ranges up to 3,000 kilometers." And, as noted by Defense Ministers in the Statement on Capabilities issued

at their meeting on December 1, 2003, “excellent progress” has been made on the new “full spectrum” MD initiative, with the feasibility study under contract (to SAIC) with an expected duration of 18 months.

While the recent progress in NATO’s TMD efforts is certainly encouraging, it is not without qualification. For example, the CNAD made clear that its May approval of the NSR “did not amount to a formal commitment by the nations, but enabled the pursuit of the program without legal obligation.” Furthermore, the NADs agreed to language in the CNAD Decision Sheet specifically noting that it “would require considerable further clarification regarding technical risk, costs and proposed time scales as well as how the Program Management Organization would be structured...” The NATO Senior Resource Board (SRB) also has been given “homework” to do, with regard to determining the eligibility of ALTBMD for NATO common funding and the affordability of the recommended program.

As NATO endeavors now to clear these hurdles and establish, in the second half of 2005, the PMO to focus its ALTBMD developmental work through IOC in 2010, it must effectively address a wide range of challenges. Though none is insurmountable, each presents its own difficulties and its own challenges. Together, they will require a combination of determined effort, clear-headed thinking and a spirit of give-and-take if the hard-won consensus on missile defense NATO has held these past two years is to be sustained over the six additional years required to achieve the initial deployed capability. These challenges include:

- Maintaining consensus on the priority and immediacy of the threat;
- Overcoming technology transfer and export licensing barriers;
- Agreeing on what, specifically, should be deployed and how to pay for it.

Consensus on the Threat

At a time when Iraq and terrorism dominate the headlines, and NATO struggles to meet its military commitments to low-intensity stability operations being carried out in Afghanistan and the Balkans, some may wonder whether missile defenses are still relevant to the Alliance’s roles and missions. After all, a Patriot TMD interceptor offers no protection against rocket-propelled grenades (RPGs) or improvised explosive devices (IEDs).

The answer is to be found in the Final Communique of the NATO Defense Ministers’ December 1, 2003 meeting in Brussels, which, inter alia, declared: “our capabilities must be able to respond rapidly and effectively, wherever the Alliance decides, to the challenges to our security, from wherever they may come, including the dangers posed by terrorism.” In other words, NATO’s imperative in dealing with an increasingly global campaign of anti-Western terrorism while also transforming the Alliance’s war-fighting capabilities at the high end of the conventional conflict spectrum is to appreciate that this is not an “either/or” choice; that is, confronting *either* terrorism *or* high intensity threats. It must do *both*, and do so simultaneously and with a sense of urgency.

NATO does not have the luxury of calling a “time out” from the process of transformation while it puts out the fires of Iraq and Afghanistan. That is why the Supreme Allied Commander, Europe, General James Jones, has been so determined over this past year to *accelerate*, rather than defer, the establishment of the initial capabilities of the new NATO Response Force (NRF). The NRF, consisting of a technologically advanced, flexible, deployable, interoperable and sustainable force of land, sea and air elements, is being designed to deal with the full range of threats to NATO security, including high-intensity conventional conflicts that include nuclear, chemical or biological attacks. If the NRF is to be equipped to meet these daunting requirements, NATO’s military planners are increasingly of the view that it will need to be equipped, in certain scenarios, with deployable and hence mobile TMD capabilities.

Indeed, NATO is in accord that the dangers posed by missile proliferation are *growing*. At Prague, Heads of State and Government agreed that the missile threat to Alliance territory, forces and population centers is “increasing.” This is not solely a view held by NATO. In the December 12, 2003 “European Security Strategy” adopted by European Union (EU) Heads of State and Government, the EU declared: “The spread of missile technology adds a further element of instability and could put Europe at *increasing risk*” [emphasis added]. Early this May, a senior communist leader of the Democratic Peoples Republic of Korea (DPRK) told Selig Harrison, a veteran journalist for the N.Y. Times, that while North Korea was prepared to give up its nuclear program to secure a binding U.S. pledge not to attack the DPRK, it was not prepared to limit its export sales of ballistic missiles, which it saw as a “legitimate” source of revenues.

It is impossible to overstate the importance of maintaining a clear perspective on priority and urgency if cooperative programs are to advance quickly through NATO’s labyrinthian policy and budgeting committee structures. After Prague, NATO achieved what many had assumed to be “mission impossible” – attaining contracting authority for the new Missile Defense feasibility study by moving three key decision-making documents through five different NATO committees in less than nine weeks after SHAPE submitted the original supporting documents. But the impetus that can be imparted to a particular program at a summit can, and sadly too often does, begin to fade. That is why it is so important that the Istanbul Summit re-embrace and re-energize NATO’s determination to achieve ALTBMD IOC by 2010.

Overcoming Export Licensing Barriers

In re-committing to 2010, the Alliance’s Heads of State and Government must be under no illusion that snapping ones fingers will be sufficient to make it happen. Of all the complex technical issues threatening to derail this collective effort, perhaps none looms larger than the seemingly intractable obstacles to genuine technology sharing.

As former NATO Secretary General Lord Robertson said at a Brussels conference on transatlantic defense industrial cooperation last July, “current regulatory regimes on both sides of the Atlantic were designed in a different era, and concerns have been raised that they unnecessarily make allied arms cooperation and procurement more expensive and

complicated, and therefore detract from Alliance capabilities and cohesion.” Or, as the current Secretary General, Jaap de Hoop Scheffer, put it more bluntly in his first public remarks to the Brussels foreign policy and defense community in February – a speech in which he singled out the need for reform of U.S. export licensing and technology release regimes as a key priority for his term of stewardship - “at present, it seems every nut and bolt requires a license.”

A number of senior U.S. officials have acknowledged that more must be done to streamline these processes if transatlantic cooperation on missile defense (and other crucial armaments cooperation mission areas) is to succeed. At the July 2003 Brussels conference hosted by Lord Robertson, Lincoln P. Bloomfield, Jr., U.S. Assistant Secretary of State for Political-Military Affairs, stated “the benefit to U.S. interests of exercising controls on U.S. defense technology in the manner we have been doing, was being achieved at high cost in terms of damaged political influence and goodwill among the very countries on whose security partnership we depend.” In May of last year, the White House released National Security Policy Directive (NSPD)-23, which codified U.S. policy on missile defense, including the initiation of a review of existing regulatory regimes in order to “seek to eliminate unnecessary impediments to such cooperation.” As Lt. Gen. Ronald Kadish, Director of the U.S. Missile Defense Agency, explained in a subsequent interview, “it is pretty clear that if we want our allies to participate, technology issues will have to be addressed.”

Regrettably, little progress has been evident since these efforts were launched. In October, Mr. John Rood, a U.S. Deputy Assistant Secretary of Defense, told a conference in Italy: “There is a growing recognition that the U.S. export control policy is not serving the aims of missile defense, and the President has acknowledged this, but bureaucratic resistance exists.” There are other factors impeding reform as well, including increased protectionist attitudes in the U.S. Congress that reflect a sharp emphasis on technology security following September 11th and resentment at key allies for their policies on Iraq. One welcome exception has been the draft missile defense legislation put forward this spring by Senator Wayne Allard (Rep.-Colorado), calling for the establishment in 2004 of a “fast-track approval process” for transfers of missile defense technology and hardware between the United States and “coalition security partners.” Among other things, this legislation would change the current “resumption to deny” such transfers to a “presumption to approve.” Prospects of this bill’s passage, however, remain problematic.

Within the executive branch, the demands of coping simultaneously with the on-going crisis in Iraq and a presidential election campaign have apparently put off for at least the rest of this year the prospects of any broader updating of U.S. arms export and technology transfer policies, as had originally been expected this year pursuant to NSPD-19, the Administration’s now three-year old but still on-going review of U.S. defense export trade policy. At a recent conference in Brussels sponsored by the Konrad Adenauer Stiftung, a distinguished panel of industry leaders and a former NATO SACEUR was uniformly pessimistic about the likelihood that NSPD-19 would be completed anytime soon. Absent such an overarching “strategic” perspective, the panelists feared that technology transfer decisions that go to the heart of several

“flagship” allied cooperation programs, including the NATO Medium-Extended Air Defense System (MEADS), would continue to be made at relatively low levels within the U.S. inter-agency structure, and that they would reflect highly restrictive “tactical” perspectives that could threaten the viability of the programs.

In pressing the U.S. Administration last year to move farther and faster on reform these regimes, Lord Robertson made clear that he was not urging an “anything goes” liberalization. As he said in his July 2003 speech: “We must retain those controls needed to ensure terrorists, rogue states or other potential adversaries do not gain access to technology or weaponry that would pose genuine threats to the men and women the United States and its allies send into harm’s way.” The challenge, then, for NATO Heads of State and Government as they gather in Istanbul is to strike a better *balance*.

The Need for an Evolutionary Approach

Assuming NATO can hold its focus on the priority need to respond to the increasing threat of global missile proliferation and work with the next U.S. administration – Republican or Democratic – to realize a more far-reaching and fundamental overhaul of U.S. export licensing and technology transfer regimes, the main remaining hurdles to a successful collaboration on missile defense will be the traditional pulling and tugging within the Headquarters over which nations’ hardware are selected to be part of the overall system and what balance is struck between national funding and NATO common funding.

Under the exemplary leadership of Dr. David Martin, Chairman of the CNAD’s MDPG, an innovative “time phased” approach has been recommended to take advantage of Alliance TMD capabilities as they become available. Under this plan, national TMD systems (such as PAC-3, SAMP/T, or MEADS) can be assigned to NATO once operational, and a portion of the full Battle Management Command, Control and Communications and Intelligence (BMC3I) requirements can be earmarked for implementation now, with future capabilities added when technologies become available to meet more challenging threats. The FoPP outlines three phases from now until IOC in 2010:

- Phase One (2004-2005): Baseline Capability is the TMD capability that exists today;
- Phase Two (2006-2009): Capability 1 is the improved *lower-level* capability that will exist in 2006 when the baseline capability of NATO’s new integrated air defense system (ACCS LOC 1) is deployed at four validation sites and the convergence and implementation of the first level of capability for all functional services of NATO’s new Bi Strategic Commander Automated Information System (Bi SC AIS Target 2) is achieved. (It important to underscore that NATO is pursuing ALTBMD *as part of* its broader efforts to expand and strengthen its extended integrated air defense (EIAD) posture.)
- Phase Three (2010-beyond): Capability 2 is the first, fully integrated (i.e., lower- and upper-level) ALTBMD.

With regard to the basic acquisition strategy for ALTBMD, the MDPG has recommended a “middle ground” option. Rather than relying entirely on the nations to provide *all* required TMD capabilities or take on the extraordinary costs of a wholly-owned and common funded system of weapons systems, BMC3I, and sensors, NATO would initially acquire only the integrating BMC3I, while leaving the door open to adding, through a common-funded approach, additional sensors and a limited number of weapons systems (e.g., a modest inventory of TMD interceptors, such as MEADS, that could equip the NRF for high-intensity conflict deployments). The cost to the NATO Security Investment Program (NSIP) of the baseline approach is estimated to be just over 700 million euros.

Two aspects of this plan are particularly crucial to industry as NATO seeks to exploit the benefits of its evolutionary approach. First, the ALTBMD Systems Engineering Phase (which will be conducted in 2006 and 2007) should and must include the development of an Integration Test Bed (ITB). The ITB, which would be based on modeling and simulation technologies, would be used incrementally to test prototypes of the required BMC3I software and algorithms, to verify overall system performance objectives, and to validate TMD CONOPs. The ITB’s capabilities would then be enhanced for the second program phase, the Integration and Test Phase (2008-2012), to enable it to carry out Hardware-in-the-Loop testing of actual BMC3I, early warning sensors, and interceptor systems as they become available to be incorporated in the overall ALTBMD system. NATO intends to select a Systems Engineering and Integration (SE&I) contractor to provide direct support for the development and utilization of this test bed for the duration of the ALTBMD program, and to assist the PMO with other key architecture and engineering (A&E) tasks.

Second, it is important that the SE&I contract encompass *both* program phases – the Systems Engineering Phase and the Integration and Test Phase. It is difficult for industry to attract the best engineering talent to programs that are two years or less in duration (as will be the case with the Systems Engineering Phase), especially when the contract team is expected to relocate to a specific testing site. In addition, administrative costs – both to industry and to NATO - are increased if two separate competitions must be organized. And perhaps most of concern, bifurcating the phases would risk a loss of continuity and momentum if two different firms ended up being selected for the two different phases.

CONCLUSION

NATO’s six-year long effort to enhance its integrated air defense capabilities with TMD protection for its deployed forces now stands on the threshold of success. Two crucial steps must, however, be immediately taken. First, as recommended by the SRB on April 22, the Strategic Commands, led by the new Allied Command Transformation, must expedite the preparation and submission of the TMD Capability Package, which will provide the basis for all subsequent decisions on NSIP eligibility and affordability. And, even more crucially, NATO Heads of State and Government meeting in Istanbul must give a solid “push” to this decision-making by unequivocally endorsing the goal of achieving ALTBMD IOC in 2010.