



REPORT

THE NEWEST ALLIES

FINLAND AND SWEDEN IN NATO

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| WITH A CONTRIBUTION BY JAN HYLLANDER |

MARCH 2024

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RAHVUSVAHELINE KAITSEUURINGUTE KESKUS
INTERNATIONAL CENTRE FOR DEFENCE AND SECURITY
EESTI • ESTONIA

Title: The Newest Allies: Finland and Sweden in NATO
Authors: Lawrence, Tony; Jermalavičius, Tomas; Hyllander, Jan
Publication date: March 2024
Category: Report

Cover page photo: View from the boardwalk to the “Three-Country Cairn”. Photograph by TylerTheTraveler - own work, distributed under a CC BY-SA 3.0 license, <https://commons.wikimedia.org/w/index.php?curid=32448953>. The cairn marks the point where the borders of Finland, Sweden and Norway meet.

Keywords: Finland, Sweden, NATO enlargement, Nordic-Baltic security, Russia’s war in Ukraine

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ISSN 2228-0529
ISBN 978-9916-709-22-1 (print)
978-9916-709-23-8 (pdf)

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ACKNOWLEDGEMENTS

We are very grateful to the officials and analysts in Finland, Sweden, and the three Baltic states who agreed to be interviewed for this report. Their inputs were immensely valuable to our work.

We are also grateful to Sakari Salmi and Ella Strandberg who, as research interns at ICDS, assisted us greatly in gathering and analysing background information.

Any errors of fact or judgement are ours alone.

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EXECUTIVE SUMMARY

Finland and Sweden's decisions to apply to join NATO have been among the most notable geopolitical consequences of Russia's full-scale invasion of Ukraine. This report examines, largely from the perspective of the security and defence of the Baltic states, the impact of their accession. This is very positive; nonetheless, some associated risks and challenges should also be acknowledged.

While strong strategic cultures based on neutrality and non-alignment dominated for decades in Finland and Sweden, both have sought greater defence cooperation with NATO and with key partners since the end of the Cold War, especially in the past decade or so. Finland has long been alert to the threat posed by Russia and has developed armed forces to address independently any military violence. But the brutality of Russia's full-scale attack on Ukraine led to a rapid and substantial shift in public opinion in favour of NATO membership, which was quickly embraced by the leadership. Renewed public appreciation of the threat from Russia ensured that the membership debate proceeded quickly in Sweden too, but the speed of Sweden's shift was also influenced by a wish to take the NATO issue off the table ahead of the elections in September 2022, and by the inevitability of a quick positive decision in neighbouring Finland. The two countries submitted their applications to join NATO on the same day in May 2022. Finland became NATO's 31st Ally on 4 April 2023 while Sweden joined on 7 March 2024.

Finland and Sweden's membership will bring great benefits to the security of the Nordic-Baltic region at all levels. Politically, their accession will strengthen NATO, including by creating a large bloc of states in northern Europe whose memberships of security organisations are (mostly) aligned and who demonstrate broadly similar security thinking. At the operational level, their accession will plug a large hole in NATO territory, reducing the isolation and vulnerability of the Baltic states and allowing military commanders many more options for preparing for and dealing with a possible conflict with Russia. At the tactical level, they add modern, capable armed forces to NATO's inventory.

Nonetheless, their accession is not without its challenges. The most difficult practical challenge for both countries is likely to be developing deployable ground forces to meet the requirements of NATO membership. Finland's present territorial defence arrangements place a high premium on in-place rather than deployable forces. Sweden's recent defence reforms have also focused more on territorial defence than on international deployability, and its army has suffered from recruitment problems.

Overcoming the mental and cultural challenges of accession, however, will probably be more difficult. For Finland, these relate to adjusting an independent, highly self-reliant defence model, held in great regard by both the leadership and population, to meet the needs of collective defence and to the requirement to bolster Allied cohesion by speaking more openly about threats to the Allies' common security interests, in particular, Russia. For Sweden, the notion of neutrality has not only been fostered as a defining element of its self-identity as a distinctive international actor, but also as a necessary vehicle for the development of a unique democracy and welfare state. Its mental transition to Allied status may be difficult and lengthy.

While Finland and Sweden accession to NATO bring immense benefits for the security of the Baltic states and beyond, there are also risks that should be acknowledged. One is that the addition of two strong Allies may encourage other Allies or their publics to believe that deterrence and defence in the Nordic-Baltic region is complete, and needs no further attention. A second is that the low-key approach Finland and Sweden expect to take to their membership, at least in the years immediately following accession, may mean that the benefits of their joining will be only partly realised. It would be a missed opportunity, for example, if Sweden declined to take a leadership role in the Nordic-Baltic region.

There is also a risk that Finland and Sweden's commitment to a strong Nordic regional identity, while useful for promoting practical security and defence cooperation, may be disadvantageous to Baltic security if its pull were to result in the diminished engagement of Finland and Sweden in the Baltic region. The tension between the two countries' northern and Baltic identities has already been evident in a discussion concerning their place in NATO's operational-level command structure. Finally, there is a risk that imprecise talk about 'strategic depth' that has sometimes been part of the discussion about the benefits that Finland and Sweden bring to NATO may suggest that other parts of Allied territory are somehow less important. This would be unhelpful to coherent deterrence by denial on the north-east flank.

We recommend that:

- Finland and Sweden should engage to the greatest extent possible in implementing NATO's core task of collective deterrence and defence in the Nordic-Baltic region. NATO is a political alliance as much as it is a military one. Demonstrating commitment and cohesion by operating alongside other Allies is an important aspect of building deterrence and strengthening defence. Even if membership means making unwelcome or unexpected adjustments to national defence postures and policies, a stronger NATO benefits all Allies, including its newest members.
- They should thus consider contributions to enhanced Forward Presence, Baltic Air Policing, the rotation of air defence systems and capabilities on the eastern flank announced at NATO's Vilnius Summit, and NATO's Standing Maritime Groups and Standing Mine Countermeasures Groups. Sweden has already indicated an intention to contribute in some areas. As a front line state itself, Finland will naturally have less scope for such contributions.
- Sweden should consider cultivating a regional leadership role, especially in the maritime domain. It will need to find a balance between leadership in the Baltic Sea with its ambitions to expand its naval footprint in the North Sea and North Atlantic.
- Both Finland and Sweden should also be open to NATO requests to host Alliance facilities or develop national facilities to better meet Alliance needs on their own territories. This might include, for example, air and sea bases or other logistics facilities, facilities for prepositioning equipment and, in the case of Finland, a NATO Force Integration Unit or similar liaison function.
- Finland and Sweden should be active from day one in security initiatives and policy discussions at NATO HQ that span the entire range of NATO business. Their participation and voices are important in finding solutions to the security challenges facing the Nordic-Baltic region and beyond that also protect Nordic-Baltic interests.
- Equally, they should be ready to step away from the reticence and 'bothsidesism' of non-alignment, in particular to reinforce the Alliance's deterrence messaging.
- They should consider further measures to accelerate the substantial cultural and mindset changes that will be necessary domestically if the Alliance, including its two newest members, is to benefit to the greatest possible effect from their accession. Public information and strategic communication measures are likely to be of greatest value.
- They should continue, with some urgency, to strengthen their military capability, allocating defence funding as needed. Sweden, especially, has work to do to remedy the capability deficits it allowed to develop during the post-Cold War period. Capability developed today can be presented as the 'new normal,' while capability development once Russia's war in Ukraine is over will be claimed by Russia to be escalatory, a sentiment that may also resonate with sectors of Finnish and Swedish society. Naturally, as Allies, they will need to adjust to developing capability within the framework of the NATO Defence Planning Process.

- Finland and Sweden should take advantage of their accession to further develop NORDEFCO within a NATO framework. In this they should be ambitious and recognise that they can be an example to other Allies. They should also make efforts to include the three Baltic states in such cooperation.
- However, they should remain aware that, as Allies, they have responsibilities to NATO that sit above responsibilities to Nordic cooperation. There is no other regional grouping inside NATO that resembles the Nordic states' vision for a Nordic identity. If the north-eastern flank is to remain a security priority for the entire Alliance, Finland and Sweden should be ready to engage with the security interests of all Allies, including those outside the wider Nordic-Baltic region.