

An hourglass-shaped graphic with a globe inside. The top bulb is dark blue, and the bottom bulb is light blue. The globe is centered in the narrow neck of the hourglass. The top bulb is filled with a dark blue color, and the bottom bulb is filled with a light blue color. The globe is centered in the narrow neck of the hourglass.

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*Enlargement Issues at NATO's Bucharest Summit*

Paul Gallis, Coordinator, Foreign Affairs, Defense, and Trade Division

April 18, 2008

**Abstract.** This report will review the process by which candidate states are selected, including a sketch of the responsibilities of Congress and allied governments in final approval or disapproval of Albania and Croatia. The report will review general political factors for qualification, as well as external issues such as the views of Russia and regional geopolitical considerations. There will then follow an analysis of current conditions in the two states nominated to join, as well as in Macedonia. In addition, there will be a brief analysis of the debate over the qualifications of Georgia and Ukraine for NATO's Membership Action Plan (MAP), a set of guidelines laid out by the alliance for governments that wish to take the next step of becoming actual candidates. The allies were divided over the MAP for Georgia and Ukraine, and they were not extended the MAP at Bucharest. An appendix will examine key legislation on enlargement during the past fifteen years.

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# CRS Report for Congress

## Enlargement Issues at NATO's Bucharest Summit

Updated April 18, 2008

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<http://wikileaks.org/wiki/CRS-RL34415>



Prepared for Members and  
Committees of Congress

# Enlargement Issues at NATO's Bucharest Summit

## Summary

NATO held a summit in Bucharest on April 2-4, 2008. A principal issue was consideration of the candidacies for membership of Albania, Croatia, and the Former Yugoslav Republic of Macedonia (FYROM, or the Republic of Macedonia). These states are small, with correspondingly small militaries, and their inclusion in the alliance cannot be considered strategic in a military sense. However, it is possible that they could play a role in the stabilization of southeastern Europe. The allies issued invitations only to Albania and Croatia.

At Bucharest NATO decided not to offer a Membership Action Plan (MAP) to Georgia and Ukraine. The MAP is viewed as a way station to membership. Russia's strong objection to the two countries' eventual membership, as well as internal separatist conflicts in Georgia and public opposition to allied membership in Ukraine were among factors leading to the two governments' failure to enter the MAP. Energy security for candidate states in a future round of enlargement may also prove to be an important issue. The Bush Administration supported the MAP for Georgia and Ukraine, but a number of allies opposed the idea. Both the Senate and House passed resolutions in the second session of the 110<sup>th</sup> Congress urging NATO to enter into a MAP with Georgia and Ukraine (S.Res. 439 and H.Res. 997, respectively).

An enduring dispute with Greece over Macedonia's formal name delayed Macedonia's entry. The allies expressed clear support for Macedonia's entry once the name dispute is resolved.

Process is important in Albania's and Croatia's efforts to join the alliance. Each of the current 26 allies agreed at Bucharest to extend invitations. By the end of July 2008, NATO will send a protocol on each successful candidate to all allied governments, which will follow their respective constitutional processes to admit a candidate. Again, unanimity is required for a state ultimately to join the alliance. In Congress, hearings will be held in the House and Senate. For states to be admitted, the Senate must pass a resolution of ratification by a two-thirds majority to amend NATO's founding treaty and commit the United States to defend new geographic space.

Costs of enlargement were a factor in the debate over NATO enlargement in the mid and late 1990s. The issue is less controversial today. Congress has passed legislation over the past 15 years, including in the 110<sup>th</sup> Congress, indicating its support for enlargement, as long as candidate states meet qualifications for allied membership. On April 9, 2007 President Bush signed into law the NATO Freedom Consolidation Act of 2007 (P.L. 110-17), expressing support for further NATO enlargement. House and Senate committees have recently held hearings to begin assessment of the qualifications of the candidate states. This report will be updated as needed. See also CRS Report RL31915, *NATO Enlargement: Senate Advice and Consent*, by Michael John Garcia.

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# Enlargement Issues at NATO's Bucharest Summit

## Introduction<sup>1</sup>

NATO held a summit in Bucharest, Romania, on April 2-4, 2008. A principal issue was consideration of the candidacies for membership of Albania, Croatia, and the Former Yugoslav Republic of Macedonia (FYROM).<sup>2</sup> Their candidacies initiated the third round of enlargement in the post-Cold War era. In 1997, NATO invited Poland, the Czech Republic, and Hungary to join the alliance; they were admitted in 1999. In 2002, the allies invited Bulgaria, Romania, Lithuania, Latvia, Estonia, Slovenia, and Slovakia to join the alliance; they were admitted in 2004. These last two rounds of enlargement were “strategic” in the sense that the new members’ territory lay in regions that Russia once deemed critical to its own national interest, and in the sense that the region had been intensely involved in conflict for much of modern European history. In addition, several of these countries are sizeable, with considerable armed forces and significant resources.

At Bucharest, the allies issued invitations to Albania and Croatia to join the alliance. Greece blocked an invitation to Macedonia due to a dispute over Macedonia’s name.

Today, NATO’s purpose extends well beyond the mission of collective defense of the Cold War era. While collective defense remains a core function, the allies now undertake missions against terrorism and proliferation of weapons of mass destruction. A global military reach is necessary for such missions. The Bush Administration has pressed the allies to develop more deployable forces, able to go long distances and sustain themselves. Such resources are beyond the means of small member states, which are expected instead to develop “niche” capabilities, such as special forces or troops able to contain a chemical weapons attack. NATO has also developed a collective security mission, such as its stabilization and peacekeeping mission in Kosovo.

Albania and Croatia are small countries, with correspondingly small militaries. Croatia was part of the former Yugoslavia, a communist state but one that kept the Soviet Union at arms’ length and had reasonably friendly relations with the West. Albania, also once a communist state during the Cold War, was for many years the

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<sup>1</sup> The sections entitled Introduction, Process, Policy of the Bush Administration, and Broader Policy Implications were prepared by Paul Gallis, Specialist in European Affairs.

<sup>2</sup> The country’s name is in dispute. It will henceforth be referred to as “Macedonia” for the sake of simplicity only. The United States government recognizes the country by its official name, the “Republic of Macedonia.”

most isolated country in Europe. With the collapse of Yugoslavia and the end of the Cold War, the countries put themselves on the path to democracy and a commitment to join western institutions. The two countries have aspirations to join the European Union as well as NATO. Albania is a poor country with few natural resources. Albania and Croatia, in the sense of their military importance and their general resources, would not represent a “strategic” presence in the alliance, although their consistent contributions to NATO operations have been lauded. However, due to the continuing instability in the region, further stirred by Serbia’s and Russia’s sharply negative reaction to Kosovo’s independence, the two countries are a potential factor for stabilization in southeastern Europe.

This report will review the process by which candidate states are selected, including a sketch of the responsibilities of Congress and allied governments in final approval or disapproval of Albania and Croatia. The report will review general political factors for qualification, as well as external issues such as the views of Russia and regional geopolitical considerations. There will then follow an analysis of current conditions in the two states nominated to join, as well as in Macedonia. In addition, there will be a brief analysis of the debate over the qualifications of Georgia and Ukraine for NATO’s Membership Action Plan (MAP), a set of guidelines laid out by the alliance for governments that wish to take the next step of becoming actual candidates. The allies were divided over the MAP for Georgia and Ukraine, and they were not extended the MAP at Bucharest. An appendix will examine key legislation on enlargement during the past fifteen years.

## Process

The Washington Treaty of 1949, NATO’s founding instrument, does not describe detailed qualifications for membership. It does require that member states be democracies and follow the rule of law. It also requires that they take steps to strengthen their militaries, and refrain from the use of force in settling disputes outside the treaty framework. Article X of the Treaty leaves the door open to any states able to meet the general qualifications for membership, including a contribution to the security of member states. The process by which governments interested in membership may join has been refined since the end of the Cold War. In 1994 NATO established the Partnership for Peace (PFP), a program in which non-member states might train with NATO forces, participate in peacekeeping or other allied activities, and seek avenues to draw closer to the alliance. Some PFP members, such as Austria, are not necessarily interested in membership.

In 1995 NATO published a *Study on NATO Enlargement*.<sup>3</sup> The report remains the most detailed public roadmap for governments wishing to enter NATO. It describes the need for candidate states to develop democratic structures and a market economy, respect human rights and the rights of ethnic minorities, and build a military capable of contributing to collective defense. The 1995 study NATO included other requirements, principally the need to settle all disputes, such as border demarcations, with neighboring countries. The Balkan conflicts of the 1990s gave

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<sup>3</sup> *Study on NATO Enlargement*, NATO, Brussels, September 1995.

this requirement special significance. With the collapse of the Soviet Union, NATO has also become a collective security as well as a collective defense organization. Prospective members must develop military forces trained for peacekeeping and state-building, as well as for collective defense.

After the admission of Poland, the Czech Republic and Hungary in 1999, the allies, led by the United States, developed a more detailed process for prospective members. This process, called the Membership Action Plan (MAP), lays out in considerable detail specific steps that a government must follow to become a member. Such steps might include laws designating its parliament as having civilian oversight of the military, or the downsizing and professionalization of a large military, or the settlement of a border dispute with a neighbor. Each country's MAP is classified, as is its evaluation by the allies. During the 2003-2004 round of enlargement, the MAP was made available to the United States Senate for review.

Some allies have criticized the MAP process. They contend that it is primarily a creation of the United States, and that the ultimate decision on whether MAP requirements are met is made principally in Washington. They say, for example, that the full range of qualifications outlined in the MAP in the 2003 round of enlargement was not adequately assessed for several states that became members of the alliance. They contend, therefore, that designation of candidate states as prospective members is above all a political process, and that actual accomplishment of requirements is secondary to the will of the alliance's leader. U.S. officials dispute this characterization.<sup>4</sup>

For a candidate state to have been invited to join the alliance at Bucharest, consensus among the 26 member governments was necessary to approve an invitation. Each candidate was considered separately. One or more votes against a state means would block that state's progress to the next stage in the process of becoming a member. It was Greece's opposition to Macedonia that brought Skopje's failure to obtain an invitation. In March 2008, Greek Prime Minister Karamanlis said, "No solution – no invitation."<sup>5</sup> There were other issues under discussion as well. According to some officials in allied states, Albania and Macedonia continue to have problems of governance and issues detrimental to internal political comity. At the same time, the two governments have evidently made considerable progress in military reform, and their populations overwhelmingly support NATO membership. Croatia has a settled political environment. A somewhat narrow majority of its population supports NATO membership, a figure that has been rising in recent months.<sup>6</sup> These issues will be more fully discussed below.

The member states had hoped to make a preliminary determination about invitations at a NATO foreign ministers' meeting on March 6, 2008, but resolution

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<sup>4</sup> Interviews with officials from allied governments, 2003-2008.

<sup>5</sup> Statement of Prime Minister Karamanlis, Athens, March 2, 2008.

<sup>6</sup> Interviews with officials from allied states, February-March 2008. The latest poll, from March 2008, shows 59.3% of the population supports NATO membership. The figure had been below 50% until late 2007. "Latest poll shows nearly 60% of Croats support NATO membership," BBC Monitoring European service, March 10, 2008.

of the issue surrounding Macedonia's name, and other issues, prevented a collective decision. At least two governments, France and Germany, expressed reservations about offering the MAP to Georgia and Ukraine. At Bucharest, other governments such as Spain and Italy shared the French and German view.<sup>7</sup>

The allies will draw up and sign a protocol for Albania and Croatia, probably by the end of July 2008. The protocol will outline NATO's expectations of the two prospective members. The protocol will then be deposited with each allied government. From that point, member governments will go through their constitutional processes to amend the Washington Treaty and admit a new state or states.

In some member states, such as the United Kingdom, the government has the authority to determine whether the executive alone may decide to admit a state nominated for entry, or instead, if issues of broad significance are involved, may send the protocol to parliament for approval. At the other end of the spectrum, the Netherlands has a meticulous, time-consuming process involving a parliamentary study and debate before a final vote is taken. NATO hopes to admit prospective candidate states at its next summit, to be held on the French-German border, scheduled for late 2009.<sup>8</sup>

The United States Senate has the constitutional authority to give its advice and consent by a two-thirds majority to the amendment of any treaty. In the case of NATO enlargement, it must decide whether to amend the Washington Treaty to commit the United States to defend additional geographic territory. The Senate Foreign Relations Committee is the committee holding the initial authority to consider the issue.<sup>9</sup> Both the Senate Foreign Relations Committee and the full Senate may decide whether to vote on each candidate state separately, or all together. During the previous two rounds of enlargement, House and Senate committees held hearings on enlargement. One purpose of the hearings is to create more widespread knowledge of possibly pending new obligations of the United States government. In the past, committees have also discussed such issues as the costs of enlargement, the qualifications of the candidate states, regional security implications of enlargement, implications for relations with Russia, and new issues in NATO's future, such as the viability of new missions.

## Policy of the Bush Administration

The Bush Administration reflects the general NATO view that the door to NATO must remain open to qualified states. Since the Clinton Administration, U.S.

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<sup>7</sup> "L'OTAN tempère les espoirs d'adhésion de la Géorgie et de l'Ukraine," *Le Monde*, March 7, 2008, p. 5; interviews of European officials, February 2008.

<sup>8</sup> Interviews with NATO officials, Brussels, February 2008.

<sup>9</sup> For a detailed discussion of Senate action during all the past rounds of enlargement, see CRS Report RL31915, *NATO Enlargement: Senate Advice and Consent*, by Michael John Garcia.

officials have supported the idea of a Europe “whole and free.” While NATO remains an organization for the defense of the United States, Canada, and the European allies, it has increasingly developed a political agenda. For example, it now routinely discusses such matters as energy security, disaster relief, and a range of political issues with Russia. The United States designed the MAP process, and takes a leading role in requiring candidate states to develop a professional military, democratic structures, a transparent defense budget process, civilian control of the military, and free market structures. The Bush Administration also supports the entry of NATO governments into the European Union as a means to build stability.

Some NATO governments have contended that the Bush Administration is less interested in the alliance than its post-World War II predecessors. This view, more apparent in the first five years of the Bush Administration, has brought challenges to U.S. leadership of the alliance. In the last several years, however, the Administration has dropped former Defense Secretary Donald Rumsfeld’s use of what many consider the divisive terms “coalitions of the willing” and “the old and new Europe,” and sought instead to engage all allied governments in decision-making about NATO’s general missions and its specific operations. Some allied governments say that meetings of the North Atlantic Council (NAC), NATO’s political governing body, have become more collegial and productive in recent years as a result.<sup>10</sup>

The Administration supported invitations to Albania, Croatia, and Macedonia at Bucharest. While U.S. officials acknowledged that all three states must continue to improve their militaries and their political institutions, they also believe that each state has made considerable progress over the last several years. These officials also contended that the three governments would contribute to the political stabilization of southeastern Europe.<sup>11</sup>

The Bush Administration supports the idea of a “NATO with global partners.” This idea does not necessarily imply membership for countries beyond the Euro-Atlantic region. Instead, the Administration has sought, for example, to engage such countries as Australia, New Zealand, and Japan in the effort to stabilize Afghanistan, but does not actively promote their membership in the alliance.

The Administration does have, however, a view of NATO’s long-term membership roster that is broader than that of some allies. At Bucharest, these allies questioned whether Georgia and Ukraine should be invited to join the MAP process. In the days leading to the summit, President Bush made a highly visible tour of Georgia and Ukraine, where he touted their qualifications for the MAP. He may have expended considerable political capital with other allies, as several member states had already made clear their opposition to the MAP for the two states.<sup>12</sup>

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<sup>10</sup> Interviews with officials from allied governments, 2005-2008.

<sup>11</sup> Discussions with Administration officials, January-February 2008. Testimony of Administration officials, Hearing, Senate Foreign Relations Committee, 2<sup>nd</sup> session, 110<sup>th</sup> Congress, March 11, 2008.

<sup>12</sup> Discussions with U.S. and European officials, April 2008.

The allies have extended Partnership for Peace to a number of central Asian governments, a move that the Administration strongly supports. There are several reasons for this policy, even though these governments are not democratic: these governments provide logistical support to allied operations in Afghanistan; the United States and its allies wish to encourage greater respect for human rights and nascent democratic practices in central Asia; and several of these countries are key to the development of greater energy security because of their oil and natural gas resources and the pipelines that cross their territory.

## Broader Policy Considerations

As in previous rounds of enlargement, a range of political factors attends consideration of the candidate states' application for membership. Beyond the qualifications achieved by a candidate state in the MAP process, such matters as the stabilization of southeastern Europe, Russia's voice in European security, and bilateral relations between a member state and a candidate state also come into play.

Stability in southeastern Europe is an issue of great importance both to NATO and the European Union, and current member governments believe that enlargement can serve this goal. NATO's decision to go to war against Serbia in 1999 to stop ethnic cleansing in Kosovo, and the alliance's subsequent creation of KFOR to contribute to Kosovo's stability are evidence of this point. Further evidence is the EU's decision to lead Kosovo's "supervised independence."<sup>13</sup> Both Serbia and Russia reacted strongly against Kosovo's independence, declared on February 17, 2008. The United States and most EU governments recognized Kosovo's independence the following week. On February 21 the U.S. embassy in Belgrade was attacked, as was the Croatian embassy, and part of the Slovenian embassy was sacked and burned. Serbian police reportedly stood by while mobs carried out these attacks. Most Serbian government leaders have vowed never to accept Kosovo's independence, and some may be complicit in stirring up unrest among the Serbian minority in northern Kosovo. NATO Secretary General Jaap de Hoop Scheffer has described Serbia as having sunk into a "sullen nationalism."

Of the three candidate states, Albania and Croatia have recognized Kosovo's new status, but Macedonia is expected to do so as well in the near future. Croatia has sought to serve as a channel for the United States and Europe with Serbia, and has resettled half of the 300,000 Serb refugees who fled Croatia during the Balkan conflicts of the 1990s. According to a range of European governments, there is minimal discrimination in Croatia against the Serbian minority. The ability of the three candidate states to put to rest enmity towards Serbia resulting from the conflicts of the 1990s is an argument in favor of their serving as a factor for stabilization in southeastern Europe, in the view of some member states. Their entry into NATO could also serve as a positive example for future NATO candidates, including

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<sup>13</sup> CRS Report RL31053, *Kosovo and U.S. Policy: Background and Current Issues*, by Julie Kim and Steven Woehrel; and CRS Report RS21721, *Kosovo's Future Status and U.S. Policy*, by Steven Woehrel.

Serbia.<sup>14</sup> Others contend that Serbia is a key government in southeastern Europe, and that NATO must find accommodation with Belgrade before absorbing three states whose membership would further antagonize Serbia's leadership.<sup>15</sup>

In contrast, Russia's role in European security remains an important question to the United States and its allies. Russia opposes inclusion of the three candidate states in the alliance, but its claim that their membership would be detrimental to Russian interests is less plausible than its complaints during the previous two rounds of enlargement. None of the candidate governments is either contiguous to Russian territory, nor was any ever part of the Warsaw Pact. And, as already noted, neither Albania, Croatia, nor Macedonia has a formidable military or notable natural resources.

Russia's opposition to the candidacies of Ukraine and Georgia for the MAP was shrill and threatening. President Putin, likely soon to be the new prime minister, has said that Russia will target nuclear weapons on Ukraine should it ever become a member of NATO.<sup>16</sup> Russia has reduced natural gas supplies to Ukraine and Georgia several times in the last several years, ostensibly because the two countries would not agree to pay a market price, but also as a likely act of intimidation. More broadly, Gazprom, Russia's government-owned national energy company that was once led by the President-elect Dmitri Medvedev, has been attempting to purchase distribution networks in Europe. NATO discussed energy security at the Bucharest summit, and some European governments believe that the alliance must first come to grips with how to respond to energy cut-offs before moving closer to states such as Georgia and Ukraine that are vulnerable to Moscow's energy politics.<sup>17</sup> This debate may have affected the two countries's failure to secure the MAP at the summit.<sup>18</sup>

Russia has also posed other obstacles to improved relations with NATO. Estonian officials contend that cyber attacks on computers in Estonian banks and governmental offices in spring 2007 originated from within the Russian government.<sup>19</sup> Moscow opposes the Bush Administration's ideas for a missile defense system in Europe, and has reportedly spurned a range of proposals to include Russia in the system.<sup>20</sup> Some European governments contend that NATO and the EU must maintain a fully open communication with Moscow and continue to seek to find a measure of accommodation under these circumstances. At the same time, the allies

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<sup>14</sup> Interviews with European officials, February 2008.

<sup>15</sup> Ronald Asmus, "A Better way to grow NATO," (ed.) *Washington Post*, January 28, 2008, p. A21. Asmus also argues that Albania and Macedonia have not met MAP standards for membership.

<sup>16</sup> "Putin threatens Ukraine on NATO," *Washington Post*, February 13, 2008, p. A5.

<sup>17</sup> CRS Report RS22409, *NATO and Energy Security*, by Paul Gallis.

<sup>18</sup> Interviews with officials from allied governments, April 2008.

<sup>19</sup> "An assertive Russia sends chill through Baltics," *International Herald Tribune*, November 12, 2007, p. 2.

<sup>20</sup> Interviews with Bush Administration officials, May 2007-January 2008.

assert that Russia must not be allowed effectively to veto further NATO enlargement, or any NATO policies.

Some allies that are also in the European Union believe that a NATO candidate state that becomes a member of the alliance is propelled forward in the line to become an EU member. These EU members wish to see future Union enlargement move more slowly. They believe that EU decision-making has been complicated by recent enlargements, although the recent Lisbon reform treaty is meant to ease some of these problems (a view echoed by some in the alliance about NATO decision-making). Some EU governments wish to devise a more workable plan to reach important decisions in the EU before admitting more states.

Croatia and Macedonia are EU candidate states, but only Croatia is deemed to have made sufficient progress to have begun accession negotiations. Officials in some EU governments are wary that Albania and Macedonia have passed legislation, for example, to reduce corruption and fight organized crime, but that implementation of the legislation is at an early stage. The current example of Bulgaria's and Romania's record in the EU could adversely affect Albania's (and eventually Macedonia's) efforts to join NATO, and then the EU. Bulgaria and Romania joined the EU in January 2007. However, in February 2008 the EU sharply criticized the two governments for poor implementation of legislation to fight organized crime and corruption, and threatened to suspend them in six months from the Union's justice and interior policies unless rapid progress is made. Some officials in EU states believe that a clear message should be sent to Albania and Macedonia that more progress must be made in the same areas before admission to NATO, and to the EU.<sup>21</sup>

Several allied governments believe that the overall pace of NATO enlargement is too compressed, and wish to consider first how to resolve a complex range of issues. In their view, if Albania and Croatia succeed in joining the alliance, then the next round should go more slowly. These governments tended to oppose placing Georgia and Ukraine in the MAP at Bucharest, and contend that other issues – the calming of nationalist emotions in Serbia, an overall improvement in NATO-Russian relations, and coming to grips with the wide-ranging problems in energy security – must first be resolved before considering new countries for the MAP.<sup>22</sup> Waiting further in the wings for the MAP could be Bosnia and Herzegovina, Montenegro, an eventually united Cyprus, and even Serbia.

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<sup>21</sup> Interviews with European officials, January-February 2008; "Corruption stands in way of reform in west Balkans," *Financial Times*, October 31, 2007, p. 4; "EU warns 2 hopefuls that fixes are needed," *International Herald Tribune*, February 5, 2008, p. 3.

<sup>22</sup> Interviews with European officials, January-February 2008.

## The Candidate States

### Albania<sup>23</sup>

Albania was one of the first countries in central and eastern Europe to seek NATO membership after the fall of Communism in the region in 1989-1991. Albania's membership candidacy has been evaluated by the Allies using a number of criteria, such as the state of its political and economic reforms, public support for NATO membership, defense reforms and ability to contribute to allied missions, and Albania's role in its region. However, NATO's decision on Albania's candidacy was in the end a political judgment of NATO member states on whether Albania's membership will contribute to their security.

#### Albania at a Glance

**Population:** 3.6 million (2007 est.)

**Ethnic Composition:** 95% Albanian, 3% Greek, 2% others (1989 est.)

**Total Area:** 28, 748 sq. km. (slightly smaller than Maryland)

**Gross Domestic Product:** \$11.2 billion (2007 est.)

**Defense Budget:** \$208 million (2007)

**Active Duty Armed Forces:** 11,020

**Sources:** 2008 CIA World Factbook; Military Balance 2008; Forecast International

**Domestic Reforms.** Most observers believe that the main challenges to Albania's candidacy are questions about the pace of its political reforms. Albania's current government is led by the center-right Democratic Party of Albania (DPA), which formed a coalition with several smaller parties after the country's 2005 parliamentary elections. The government is led by longtime DPA leader and Prime Minister Sali Berisha. In the past, Berisha has often been criticized for having a harsh and uncompromising leadership style, although observers have noted that he has tried to moderate this image since the 2005 elections.

Since its first multiparty election in 1991, Albanian politics have been marked by fierce political conflict between parties and factional struggles within them. In Berisha's previous tenure as Prime Minister, public order collapsed completely for several months in 1997 after the failure of financial pyramid schemes. Since 1991, both the DPA and the other chief Albanian party, the Socialist Party of Albania, have lost elections and refused to concede defeat, charging fraud. Indeed, the Organization for Security and Cooperation in Europe (OSCE) has often assessed the quality of Albanian elections as not fully meeting international standards, including an OSCE report after the 2005 vote. Local elections in February 2007 also fell short of international standards, according to the OSCE, although Albania's record has gradually improved. U.S. and EU leaders have often called on Albania's leaders to

<sup>23</sup> Prepared by Steven Woehrel, Specialist in European Affairs.

show greater civility in their political struggles and to work together to prepare the country for Euro-Atlantic integration.<sup>24</sup>

Aside from the issue of political civility, Albania has significant legal and institutional shortcomings. Two key current issues cited by NATO and Albanian leaders themselves are electoral reform and judicial reform.<sup>25</sup> The Albanian parliament is in the process of drafting new legislation on these issues, but progress has been slow. Moreover, observers note that passing laws is one thing; implementing them effectively is another. Other Albanian reform efforts have focused on fighting organized crime and corruption, perhaps among the most serious challenges the country faces. Some of Europe's most powerful crime organizations are based in or have strong links to Albania.<sup>26</sup> In Transparency International's 2007 Corruption Perceptions Index, Albania ranked 105<sup>th</sup> out of 175 countries, with the worst showing in central Europe.

**Public Support for NATO Membership.** Public support in Albania for the country's membership in NATO is very high, with public opinion polls showing as many as 96% of those polled in favor. All major Albanian political parties across the political spectrum favor NATO membership.

**Defense Reforms and Ability to Contribute to Allied Missions.** Albania has made significant progress in military reforms. However, the country's small size and poverty will likely prevent it from making a large contribution to the alliance's military capabilities. With the assistance of the United States and other NATO countries, Albania is trying to develop a small, efficient, well-trained force that can operate effectively with NATO. The current strength of Albania's armed forces is 11,020 troops. By the time the country's restructuring effort is over in 2010, it will comprise about 10,000 men. Albania is devoting a significant share of its meager resources to defense spending. Albania's 2007 defense budget was \$208 million, representing about 1.8% of the country's Gross Domestic Product (GDP). In 2008, Albania will spend 2.01% of GDP on defense, just above the 2% recommended by NATO for member states, although achieved by only 7 of the 26 allies.<sup>27</sup>

As in the case of the previous round of enlargement, NATO has encouraged candidate states to develop "niche" capabilities to assist NATO missions. Albania has focused on creating a Rapid Reaction Brigade, military police, special operations forces, explosive ordnance disposal teams, engineers, and medical support units. Albania says it plans to have 40% of its land forces ready for international missions. Eight percent of the total forces would be deployable at any one time, and the

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<sup>24</sup> Economist Intelligence Unit, Country Report: Albania, December 2007.

<sup>25</sup> "Further Reform Necessary in Albania, says NATO Secretary General," October 19, 2007, from the NATO website, [<http://www.nato.int>].

<sup>26</sup> Jane's Sentinel Security Assessment: The Balkans, January 31, 2008.

<sup>27</sup> Forecast International report on Albania, February 2008; Presentation of Albanian Defense Minister Fatmir Mediu, at the Atlantic Council of the United States, February 19, 2008.

remaining would be available for rotations, according to Albanian officials.<sup>28</sup> Independent assessments of Albania's reform progress note that the country is committed to carrying out these reforms, despite facing severe practical and financial limitations.<sup>29</sup>

Albanian leaders contend that their country has already acted for years as a de facto NATO ally. Albanian forces participated in SFOR, the NATO-led peacekeeping force in Bosnia, and are part of the current EU force there. Albania has deployed a company-sized force of about 140 men as part of ISAF, the NATO-led stabilization force in Afghanistan. It has deployed a military medical team to ISAF jointly with Macedonia and Croatia. There are currently 71 Albanian special forces troops serving as part of the U.S.-led coalition in Iraq.

Albanian defense officials concede that Albania will continue to need bilateral assistance for some time to be able to participate in international missions. Much of its hardware comes as a result of international donations, and it lacks sufficient logistical capabilities, which requires the assistance of allied countries when Albania's forces are deployed abroad.<sup>30</sup>

On March 15, 2008, a massive blast at an Albanian army ammunition dump killed at least 26 persons, injured over 300 others, and destroyed more than 400 homes. The incident took place during efforts to dispose of the country's huge stockpile of communist-era artillery shells, with the help of a U.S. contractor. Albanian Defense Minister Fatmir Mediu resigned after the incident, and three persons have been charged with negligence. While the investigation into the explosion is still ongoing, some observers have said the incident may show weaknesses in the professionalism and competence in Albania's government and defense establishment.

**Regional Issues.** Albania has no outstanding territorial issues with its neighbors. Albania was one of the first countries to recognize Kosovo's independence after the former Serbian province declared it on February 17, 2008. This has increased tensions in its relations with Serbia. Albanian leaders have repeatedly said that they do not support merging their country with Kosovo and ethnic Albanian-majority parts of Macedonia in a "Greater Albania." Indeed, U.S. and EU officials often praise Albania for its moderate stance on the Kosovo issue.

Since 2003, Albania has participated with Croatia and Macedonia in the U.S.-sponsored Adriatic Charter, which promotes cooperation among the three countries in defense reforms and other areas in order to boost their NATO membership prospects. Albania participates in other regional fora, including the Southeast Europe Defense Ministerial (SEDM) and the Southeastern Europe Brigade (SEEBRIG).

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<sup>28</sup> Presentation of Albanian Defense Minister Fatmir Mediu, at the Atlantic Council, January 28, 2008.

<sup>29</sup> Jane's Sentinel Security Assessment: The Balkans, November 15, 2007.

<sup>30</sup> NATO Parliamentary Assembly, The Three Adriatic Aspirants: Capabilities and Preparations, 2007, from the NATO Parliamentary Assembly website, [<http://www.nato-pa.int>].

Albanian officials say that their membership in NATO (as well as that of Croatia and Macedonia, the other candidates) will stabilize the region by anchoring the alliance more firmly in southeastern Europe. Membership of these three countries would also give pause to extremist forces in Serbia, they say. Moreover, they contend that it will give encouragement to pro-Western forces in Serbia, showing that if they follow the course of the Adriatic Charter countries, their country too can be part of the Euro-Atlantic community.

**Outcome.** Albania received an invitation to join NATO at the Bucharest summit. After a protocol of accession is signed, most likely by the end of July 2008, each NATO country will follow its constitutional procedures to admit Albania. The Allies will likely continue to press Albania to address key reform concerns, including those that may have been exposed by the March 2008 ammunition dump blast.

## Croatia<sup>31</sup>

NATO countries evaluated Croatia's request to join the alliance using a number of criteria, such as the state of its political and economic reforms, public support for membership, progress on defense reforms and ability to contribute to allied missions, and whether Croatia plays a positive role in its region. In the final analysis, however, NATO member states made a political judgement on whether Croatia's membership will contribute to their security.

**Domestic Reforms.** Croatia's progress on political and economic reforms is generally considered to be very good, and does not appear to be an obstacle to its NATO

candidacy. Croatia has been conducting membership negotiations with the European Union since October 2005. In its November 2007 progress report on Croatia's candidacy, the European Commission found that Croatia has met the political criteria for EU membership. The report praised the progress Croatia has made in reforming its judiciary and fighting corruption. However, it said that Croatia must still make more progress on these issues. Transparency International ranked Croatia 64<sup>th</sup> out of 179 countries in its 2007 Corruption Perceptions Index. It ranks next-to-last (just above Romania and equal with Bulgaria) when compared to EU and western

### Croatia at a Glance

**Population:** 4.49 million (2007 est.)

**Ethnic Composition:** 89.6% Croat, 4.5% Serb, 5.9% other (2001)

**Total Area:** 56,542 sq. km. (slightly smaller than West Virginia)

**Gross Domestic Product:** \$50.96 billion (2007 est.)

**Military Budget:** \$875 million (2007)

**Active Duty Armed Forces:** 17,660

**Sources:** 2008 CIA World Factbook; Military Balance 2008; Forecast International

<sup>31</sup> Prepared by Steven Woehrel, Specialist in European Affairs.

European countries, but at the top when compared to eastern European and former Soviet countries not part of the EU.<sup>32</sup>

Croatia has also made progress in minority rights, and to a lesser extent, the return of Serb refugees to their homes. Over 300,000 Serb refugees fled or were driven from their homes during the 1991-1995 war between Croatian and local Serb forces backed by neighboring Serbia. About half that number have returned, according to the Croatian government. Other sources claim that this estimate is inflated as many persons return only briefly in order to sell their property and leave. Many of those who remain are elderly pensioners. The EU stated that further progress is needed on these issues, as well as the prosecution of war criminals. The EU report noted that Croatia is a functioning market economy, but stressed the need for further structural reforms, less state interference in the economy, and a better public administration and judicial system.<sup>33</sup>

**Public Support for NATO Membership.** Public support has been identified as perhaps the biggest weakness of Croatia's membership candidacy. Until recently, public opinion polls from early 2008 showed support for NATO membership barely exceeding 50% of the population, despite active efforts of the Croatian government to boost public awareness of the benefits of NATO membership. After an attack by a Serbian mob on the Croatian embassy in Belgrade following Kosovo's declaration of independence from Serbia in February 2008, this figure soared to more than 70%. Those opposing NATO membership believe that it would engage Croatia in international conflicts against its will and that NATO will demand bases in Croatia. The Croatian government has tried to persuade its citizens that neither outcome will occur.

The largest party in the governing coalition, the Croatian Democratic Community (HDZ), strongly supports NATO membership for Croatia. Since the death of its founder in 1999, longtime Croatian strongman Franjo Tudjman, the HDZ has transformed itself from a nationalist, quasi-authoritarian party to a democratically-oriented, pro-European center-right political force. Croatia's leading opposition party, the Social Democratic Party, supports NATO membership, but called for a public referendum on the issue. In any case, Prime Minister Sanader has ruled out a referendum on NATO membership during the country's November 2007 parliamentary elections and afterward. The HDZ's coalition partner, the Croatian Peasants' Party-Croatian Social Liberal Party (HSS-HSLS) once supported a NATO referendum, but dropped its demand when it formed a coalition government with the HDZ. An effort by anti-NATO activists to collect enough signatures from Croatian voters to force a referendum failed by a large margin.

**Defense Reform and Ability to Contribute to Allied Missions.** Croatia has made progress on defense reforms, according to most observers. Croatia is moving from the relatively large, territorially-based conscript army that it had during its war with Serbian forces in the 1990s to a smaller, more professional, more

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<sup>32</sup> Transparency International website, [<http://www.transparency.org>].

<sup>33</sup> EU Commission, Croatia Progress Report 2007, from the EU Commission website, [[http://ec.europa.eu/enlargement/index\\_en.htm](http://ec.europa.eu/enlargement/index_en.htm)]

deployable force. Croatia ended conscription at the beginning of 2008. Croatia's active duty armed forces total 17,660 men, of which 12,300 are in the Army.<sup>34</sup> Croatian defense officials say that it is their goal to have 40% of their forces able to be deployed for international missions. Croatia's 2008 defense expenditures are expected to amount to 1.8% of GDP. By 2010, Croatia plans to spend 2% of its GDP on defense, the level recommended by NATO for member states, although currently reached by only 7 of the 26 allies.<sup>35</sup>

As in the case of the previous round of enlargement, and as mentioned in reference to Albania, NATO has encouraged candidate states to develop "niche" capabilities to assist NATO missions. To this end, Croatia is developing a special operations platoon, a demining platoon, and two helicopters for NATO-led operations. It also plans to contribute a motorized infantry company, a nuclear, chemical and biological weapons defense platoon, and an engineering platoon.<sup>36</sup> However, some independent assessments question whether Croatia has committed the financial resources necessary to carry out its planned reforms.<sup>37</sup>

Croatia has about 190 troops in Mazar-e-Sharif and Faizabadan in northern Afghanistan, as part of the NATO-led ISAF stabilization force, and is planning to increase the size of its force by another 100 troops. Croatia heads an Operational Mentoring and Liaison Team (OMLT) that trains Afghan army units. It also participates in a military medical team with Albania and Macedonia. Croatia did not support the U.S. invasion of Iraq in 2003 and it has no troops in the U.S.-led coalition there. Croatia will likely continue to need support from its allies to be able to participate in international missions, in part due to a lack of logistical capabilities.

**Regional Issues.** Croatia has no major conflicts with its neighbors. Relations with Serbia improved greatly after democratic governments came to power in both countries in 2000. Since then, Croatia has also played a largely positive role in Bosnia and Herzegovina, encouraging ethnic Croats there to work within the Bosnian political system rather than seek intervention from Croatia. In mid-March 2008, Croatia resolved an issue over a coastal zone that it had had with two neighbors. Croatia had declared an "ecological and fisheries protection zone" in its Adriatic waters, over the strong objections of neighboring Slovenia and Italy. With support of the Croatian parliament, Zagreb suspended the zone on March 12, 2008. Croatia and Slovenia had also disagreed over the maritime boundary between the two countries. However, in August 2007, the two countries agreed to refer the dispute for arbitration to the International Court of Justice at The Hague.

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<sup>34</sup> International Institute for Strategic Studies, *The Military Balance 2007*, from the IISS website, [<http://www.iiss.org>].

<sup>35</sup> Forecast International report on Croatia, February 2008.

<sup>36</sup> NATO Parliamentary Assembly, *The Three Adriatic Aspirants: Capabilities and Preparations, 2007*, from the NATO Parliamentary Assembly website, [<http://www.nato-pa.int>].

<sup>37</sup> Jane's Sentinel Security Assessment: The Balkans, December 14, 2008.

Another regional issue is Kosovo. Croatia at first delayed recognizing Kosovo's independence, which the former Serbian province declared on February 17, 2008, not wishing to alienate Serbia by being among the first countries to do so. On February 21, Serbian rioters attacked the Croatian embassy in Belgrade, in a rash of assaults that also targeted the U.S. embassy. Croatian officials condemned the violence. On March 19, Croatia extended diplomatic recognition to Kosovo. Serbia has warned that it would downgrade relations with Croatia and any other country recognizing Kosovo.

Since 2003, Croatia has participated with Albania and Macedonia in the U.S.-sponsored Adriatic Charter, which promotes cooperation among the three countries in defense reforms and other areas in order to boost their NATO membership prospects. Croatia participates in other regional fora, including the Southeast Europe Defense Ministerial (SEDM) and the Southeastern Europe Brigade (SEEBRIG).

**Outcome.** Croatia received an invitation to join NATO at the Bucharest summit. After a protocol of accession is concluded, which is expected to occur by the end of July 2008, each NATO country will follow its constitutional process to admit Croatia to the Alliance.

## Macedonia<sup>38</sup>

Since joining NATO's Membership Action Plan (MAP) in 1999, Macedonia has worked closely with NATO on a broad array of reforms. Macedonia's efforts have been backed by a strong domestic majority (90% by some polls) favoring membership in NATO. In addition to consultative mechanisms under the MAP process, Macedonia hosts a NATO liaison office in Skopje that provides advice on military reforms and support to NATO-led Balkan operations.<sup>39</sup> At a January 2008 meeting to review NATO's progress report on Macedonia's 9<sup>th</sup> MAP cycle, NATO representatives praised Macedonia's progress in implementing political, economic, and military reforms, but noted that "more needs

### Macedonia at a Glance

**Population:** 2.06 million (2007 est.)

**Ethnic Groups:**

Macedonian, 64.2%; Albanian, 25.2%; Turkish, 3.9%; Roma, 2.7%; Serb, 1.8%; other, 2.2% (2002 census)

**Total Area:** 25,333 sq. km. (slightly larger than Vermont)

**Gross Domestic Product:** \$6.85 billion (2007 est.)

**Military Budget:** \$161 million (2007, IISS); \$153.4 million (2007, FI)

**Active Duty Armed Forces:** 10,890 (Army 9,760; Air Force 1,130) (2007)

**Sources:** CIA World Factbook; IISS Military Balance 2008; Forecast International

<sup>38</sup> Prepared by Julie Kim, Specialist in International Relations.

<sup>39</sup> For more information on the NATO headquarters presence in Skopje, see "NATO Headquarters Skopje" web page at [<http://www.jfcnaples.nato.int/nhqs/index.html>].

to be accomplished.”<sup>40</sup> While details of the reports under the MAP process remain classified, media reports, summary analyses, and comments by government officials have indicated a mixed picture for Macedonia, but with notable progress achieved in the months and weeks before the Bucharest summit.

**Domestic Political Issues.** Among the most important factors that has weighed on Macedonia’s NATO candidacy prospects has been the state of its political reforms. NATO had identified reform priorities in Macedonia to include “efforts to meet democratic standards, support for reducing corruption and organized crime, judicial reform, improving public administration, and promoting good-neighborly relations.”<sup>41</sup> Throughout much of 2007, political conflict across the spectrum of political parties in Macedonia caused substantial deadlock in parliament, and even led to a physical confrontation in parliament that fall. The net result was stalled progress on passing key reform measures, including bills relating to implementation of the Ohrid Framework Agreement (the 2001 accord that ended a near-civil war in Macedonia). On numerous occasions that year, international officials expressed disappointment with the antagonistic state of political relations across the party spectrum in Macedonia, and the capacity for political leaders to engage in constructive dialogue and compromise rather than confrontation.<sup>42</sup> Shortly before the Bucharest summit, the Macedonian government nearly fell after an ethnic Albanian party briefly left the coalition. Following the summit, a majority in the Assembly voted to dissolve the parliament and hold snap elections on June 1; Prime Minister Gruevski remains popular and his party is expected to do well in the coming vote. However, it is not clear to what extent the new vote may hold up further progress on domestic reforms or on resolving the name dispute (see below).<sup>43</sup>

NATO’s political reform priorities identified for Macedonia track closely with the country’s EU accession prospects as well. Macedonia is currently a named EU candidate country, but still awaits the start of actual accession negotiations with Brussels. In its latest progress reports on EU candidates released in early November 2007, the European Commission praised some of Macedonia’s advancements, but also expressed concern that political tensions were delaying important political and legal reforms and undermining the functioning of political institutions.<sup>44</sup> Reflecting these concerns, the EU has not yet set a start date for accession talks. This unfulfilled goal remains a priority for Macedonia in 2008.

**Defense Reform and Capacity to Contribute to Allied Missions.** Macedonia has an extensive track record of implementing broad defense reforms,

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<sup>40</sup> NATO press release, January 23, 2008.

<sup>41</sup> “NATO’s relations with the former Yugoslav Republic of Macedonia,” from NATO’s web page at [[http://www.nato.int/issues/nato\\_fyrom/index.html](http://www.nato.int/issues/nato_fyrom/index.html)].

<sup>42</sup> See, for example, “NATO urges more Macedonian reforms,” *BalkanInsight*, November 16, 2007.

<sup>43</sup> Macedonian President Crvenkovski is among those critical of the decision to hold early elections instead of focusing on the NATO and EU agenda.

<sup>44</sup> For full text of the 2007 progress reports, see EU Commission website, [<http://ec.europa.eu/enlargement>].

advancing security cooperation regionally, and contributing to global missions. The Army of the Republic of Macedonia (ARM) has been undergoing a major restructuring effort toward a smaller, lighter, and fully professional force under a streamlined command structure. From a 2007 strength of about 11,000, Macedonia continues to downsize its forces to reach about 8,000 active troops by the end of 2008, to increase the deployability of its forces, and to eliminate conscription. Macedonia's restructuring effort has focused on developing niche capabilities for use in allied operations such as special forces – including special purpose units for counter-insurgency and unconventional operations – and military police. Macedonia has surpassed NATO's informal defense budget benchmark of 2% of GDP. Its 2007 defense budget was increased to over \$153 million by one estimate, or about 2.3% of GDP, and included a greater share for military modernization than in the past.<sup>45</sup>

Macedonia has sustained its contributions to numerous international missions, and has taken measures to reduce limitations, or caveats, on the use of its troops. Its current contributions include a 130-strong infantry unit providing security to the NATO ISAF headquarters in Kabul, Afghanistan; about 30 military personnel to the EU force in Bosnia; and a 40-strong special operations platoon in Baghdad as part of U.S.-led operations in Iraq. Macedonia is adding a second platoon to Iraq in 2008. As noted, Macedonia continues to host a NATO headquarters presence in Skopje for the alliance's Balkan operations, mainly in Kosovo. In 2007, it took a leading role in coordinating activities of the U.S.-Adriatic Charter.

**Name Dispute.** A longstanding unresolved dispute with Greece, a NATO ally, became closely intertwined with Macedonia's prospects for an invitation at the Bucharest summit. The two countries have been in disagreement over Macedonia's use of the name "Macedonia" since 1991, and have met intermittently with U.N. Special Representatives since 1995 in order to reach a mutually acceptable solution to the dispute. U.N. Envoy and U.S. diplomat Matthew Nimetz commenced a new round of talks with Greece and Macedonia in January 2008. With a greater sense of urgency to resolving the dispute, Nimetz floated several new proposals on resolving the dispute in February and March. Further talks with the parties, however, could not produce an agreement.

While this dispute had long been kept on a separate track from Macedonia's Euro-Atlantic aspirations, the two issues became inextricably linked in the run-up to the Bucharest summit. Athens maintained that it could not support Macedonia's NATO candidacy if no mutually acceptable agreement on the name issue was reached. Since NATO operates by consensus, the Greek position made clear that a veto was eminently possible. In contrast, Macedonia's government insisted that it has made numerous concessions already, and that linking its accession prospects to the bilateral name dispute would be unacceptable and would violate an interim accord agreed to by both sides in 1995. In visits to the region and at the March 6, 2008 foreign ministers meeting, NATO representatives urged that a solution be found

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<sup>45</sup> Forecast International report on Macedonia, December 2007; Jane's World Armies, January 7, 2008.

before the summit.<sup>46</sup> After the summit, U.S. and other officials continued to urge both parties to engage in the Nimetz process in order to reach a compromise agreement. Despite the upcoming early elections, the Macedonian government has said it will resume talks under the Nimetz process.

**Regional Issues - Kosovo.** Macedonia has long sought to act as a stabilizing factor in the unresolved conflict between its two northern neighbors of Serbia and Kosovo. Kosovo declared independence on February 17, 2008. The United States and many European Union countries subsequently recognized Kosovo's independence; Macedonia is expected eventually to follow suit. By virtue of its long common border and strong ethnic/communal links between Kosovo's ethnic Albanian majority and Macedonia's ethnic Albanian minority, Macedonia has a major stake in Kosovo's security situation and its regional impact. Many observers are concerned that any violent unrest in Kosovo could easily spill over into Macedonia. At the same time, observers note that Kosovo has not been the cause of recent political tensions in Macedonia, or even a major focus of domestic politics. Indeed, many observers believe that some aspects of Macedonia's recent experience in inter-ethnic accommodation – for example, in decentralization – could serve as possible models for Kosovo's government. The Macedonian government has expressed support for the terms of the Ahtisaari plan for a comprehensive settlement in Kosovo.

Kosovo's changed status and uncertain aftermath have elevated international concerns about stability in the Balkans. Some fear that a volatile situation in Kosovo could create further regional instability and exacerbate political tensions in Macedonia, moving Macedonia away from meeting NATO standards. Others contend that the situation in Kosovo provides further argument in favor of anchoring Macedonia and the other MAP countries in NATO, in order to promote regional stability during Kosovo's transition. Those of this view are concerned that Macedonia's failure to receive a NATO invitation at Bucharest could precipitate further political tensions in Macedonia and delay unnecessarily Macedonia's long-established accession track.

**Outcome.** Of the three MAP states, NATO invited only Albania and Croatia to begin accession talks to join the alliance. NATO noted with regret that talks to resolve the name issue had not produced a successful outcome. Alliance members agreed to extend an invitation to Macedonia "as soon as a mutually acceptable solution to the name issue has been reached" and said they expected talks on the name issue to be "concluded as soon as possible."<sup>47</sup> Expressing deep disappointment, the Macedonian delegation left the summit early. At a follow-on meeting in Croatia, President Bush expressed further regret about the failure to include Macedonia and reiterated the U.S. position favoring Macedonia's entry into NATO.

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<sup>46</sup> In December 2007, NATO ministers called for "mutually acceptable, timely solutions to outstanding issues." Visiting Skopje in March 2008, the NATO Secretary General pointedly noted that "Greece is a staunch NATO member," while Macedonia was not. Associated Press, March 3, 2008.

<sup>47</sup> Bucharest summit communiqué, April 3, 2008.

## Enlargement Costs<sup>48</sup>

NATO member states contribute to the activities of the alliance in several ways, the chief of which is through the deployment of their own armed forces, funded by their national budgets. Certain commonly conducted activities, however, are paid for out of three NATO-run budgets. These three accounts — the civil budget, the military budget, and the security investment program — are funded by individual contributions from the member states. The countries' percentage shares of the common funds are negotiated among the members, and are based upon per capita GDP and several other factors. NATO staff have been tasked with recalculating cost shares for all member nations in light of the addition of invitations to two new states. The resulting changes — reductions in the contributions of existing member states — will be quite small.<sup>49</sup>

During the period leading up to first round of enlargement in Central and Eastern Europe in 1999, analysts estimated the cost of adding new members at between \$10 billion and \$125 billion, depending upon different threat scenarios and accounting techniques. Some Members of Congress expressed concern over these cost projections and were also worried that the United States might be left to shoulder a large share of the expenditures; they questioned whether existing burdensharing arrangements should continue and suggested that the European allies should be encouraged to assume a larger financial share for the security of the continent. However, a NATO study estimated that enlargement would require only \$1.5 billion in common funds expenditures over 10 years, and DOD concurred. It was further forecast that the 2004 round of enlargement would cost a similar amount, “with greater benefits” to U.S. security. In addition, the inclusion of ten new contributors to the NATO common funds actually *reduced* the percentage shares of the established members — including the United States.<sup>50</sup>

In preparation for the Bucharest summit in April 2008, NATO staff are preparing estimates of the total cost and the cost-sharing implications of a new round of enlargement. U.S. officials state informally that the methodologies and assumptions used to estimate costs and cost sharing arrangements in prior rounds of enlargement are believed to be still valid, and that any addition of new members in 2008 would not entail significant costs. The only expenses likely to be charged directly to the alliance's common military budget would be for the procurement of secure communications between NATO headquarters in Brussels and Mons, and capitals of the new member countries. Any other common-funded projects in new

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<sup>48</sup> Prepared by Carl Ek, Specialist in International Relations.

<sup>49</sup> CRS Report RL30150, *NATO Common Funds Burdensharing: Background and Current Issues*, by Carl Ek.

<sup>50</sup> CRS Report 97-668, *NATO Expansion: Cost Issues*, by Carl Ek, February 26, 1998. U.S. Department of Defense, *Report to the Congress on the Military Requirements and Costs of NATO Enlargement*. Washington, DC. February 1998. U.S. Congressional Budget Office. *NATO Burdensharing After Enlargement*. Washington, DC. August 2001. U.S. Department of State. Bureau of European and Eurasian Affairs. *Fact Sheet: The Enlargement of NATO*. Washington, DC. January 31, 2003.

member states would be assessed and funded in terms of their contributions to NATO capabilities or support to ongoing missions and are not directly attributable to enlargement. In recent years, the cost issue in general has received relatively little attention from policymakers and the media. The focus has instead been on 1) specialized capabilities that new – and existing – members can bring to the alliance, and 2) member states' willingness to contribute military assets to alliance operations, particularly in Afghanistan.<sup>51</sup>

## Future Candidates in Future Rounds?

### Georgia<sup>52</sup>

After Georgia's "rose revolution" of late 2003 brought a new reformist government to power, Georgia placed top priority on integration with NATO. Georgia began sending troops to assist NATO forces in Kosovo in 1999 and recently pledged to send troops to assist the International Security Assistance Force (ISAF) in Afghanistan. It is also the third largest contributor (behind the United States and Britain) to coalition operations in Iraq, with a current deployment of 2,000 troops. Georgia joined NATO's Partnership for Peace (PFP) program in 1994. At the NATO Summit in Prague in November 2002, Georgia declared that it aspired to NATO membership. Although some alliance members initially appeared more confident than others that Georgia had made adequate progress, a consensus was reached in September 2006 to offer Georgia an "Intensified Dialogue" of stepped-up consultations to assist the country in furthering its aspirations for alliance membership. At a meeting with NATO Secretary General Jaap de Hoop Scheffer on February 14, 2008, the head of Georgia's mission to NATO handed him a note from President Mikheil Saakashvili formally requesting the alliance to invite Georgia to participate in a Membership Action Plan (MAP). On February 14, 2008, the Senate approved S.Res. 439 (sponsored by Senator Lugar), which urged NATO to award a MAP to Georgia and Ukraine as soon as possible.

Further movement by Georgia toward alliance membership is dependent upon Georgia's drive to democratize, develop a market economy with social welfare guarantees, and create a professional military that contributes to Euro-Atlantic security. Other criteria include the resolution of internal separatist conflicts and international disputes.

After a Georgian government crackdown on demonstrators in early November 2007, some allies raised concerns about Georgia's apparently faltering democratization and the suitability of inviting it to participate in a MAP at the upcoming NATO summit in Bucharest in April 2008.<sup>53</sup> De Hoop Scheffer criticized the imposition of emergency rule and the closure of media outlets by the government

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<sup>51</sup> CRS interview of U.S. Department of Defense official, January 11, 2008.

<sup>52</sup> Prepared by Jim Nichol, Specialist in Russian and Eurasian Affairs.

<sup>53</sup> *Financial Times*, January 25, 2008, p. 6.

in Georgia as “not in line with Euro-Atlantic values.”<sup>54</sup> Domestic and international criticism may have helped convince President Saakashvili to admit that his government appeared non-responsive to the concerns of many citizens, and to resign and seek re-election by pledging reforms. Following Saakashvili’s re-election in early 2008, NATO “welcomed” the international monitors’ assessments that the election reflected the free choice of the voters, and stated that “NATO will continue to deepen its intensified dialogue with Georgia.”<sup>55</sup> Nonetheless, some allies reportedly urged delaying a decision at the April NATO summit on a MAP for Georgia, at least until after an assessment of that country’s prospective May 2008 legislative election.

Georgia has made progress in creating a free market economy, resulting in GDP growth of 10% in 2007 (*CIA World Factbook*). However, the economy remains hampered by trade restrictions imposed by Russia. The high level of lingering poverty was a contributing factor in the civil unrest in late 2007. Although the Georgian government has made some progress in combating corruption, the World Bank stresses that corruption still seriously retards good governance.<sup>56</sup> Saakashvili has pledged added efforts to combat poverty and corruption.

The Georgian military has undertaken major efforts to re-equip its armed forces with Western-made or upgraded weapons, armor, aviation, and electronic equipment, with stated objectives that include increasing the military’s interoperability with NATO forces and contributing to NATO collective security and operations. Georgia’s *Strategic Defense Review* has suggested that the country eventually might be able to contribute to NATO by developing a niche capability in mountain combat training.<sup>57</sup> To enhance democratic civil-military relations, a civilian defense minister was appointed in 2004 to head a ministry increasingly staffed by civilians. Some in Georgia have alleged that military budgeting remains non-transparent and thwarts legislative oversight.

De Hoop Scheffer appeared to stress in October 2007 that Georgia should settle its separatist conflicts if it aspires to alliance membership, a viewpoint also expressed by German Chancellor Angela Merkel in March 2008.<sup>58</sup> However, some observers argued that Georgia should not be excluded from the MAP and, ultimately, NATO membership due to separatist conflicts that are in large part fueled by Russia. President Saakashvili has declared that Georgia will pursue only peaceful means to regain authority over Abkhazia and South Ossetia. Georgian officials have argued

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<sup>54</sup> NATO. Press Release. *Statement by the Secretary General on the Situation in Georgia*, November 8, 2007.

<sup>55</sup> NATO. Press Release. *NATO Spokesman’s Response to the Presidential Elections in Georgia*, January 8, 2008. According to a plebiscite held at the same time as the election, about 77% of Georgia’s citizens who voted answered affirmatively that the country should join NATO.

<sup>56</sup> The World Bank. *Governance Matters 2007: Country Data Reports*.

<sup>57</sup> *Strategic Defense Review*, p. 83.

<sup>58</sup> NATO. *Speech by NATO Secretary General Jaap de Hoop Scheffer at Tbilisi State University*, October 4, 2007. *Agence France Presse*, March 10, 2008.

that progress toward alliance membership eventually will encourage the breakaway regions to re-integrate with a stable, peaceful, democratic, and prosperous Georgia.

Georgia's poor relations with Russia are a consideration in NATO's deliberations over a MAP for Georgia. However, alliance membership in principle is open to all European aspirants and all Allies have stated that Russia shall not have a "veto" over a decision to offer membership to Georgia.

**Outcome.** NATO did not offer Georgia a MAP at the Bucharest summit. Among apparent arguments used at the summit by Allies opposed to a MAP for Georgia (see also above), German Defense Minister Franz Josef Jung argued on April 2 that Georgia does not meet a requirement of NATO membership (and of MAP) to be a contributor to rather than a recipient of Alliance security, since a U.N. observer mission is stationed in Abkhazia, to which Germany and other NATO countries contribute personnel. Similarly, German Foreign Minister Frank-Walter Steinmeier raised concerns on April 2 that political instability in Georgia makes it unsuitable for a MAP. He also argued that European relations with Russia were under "strain," because of policies that included the recognition by many European governments of Kosovo's independence, and that Russia could become "unmanageable" if further strains occurred. French Prime Minister Francois Fillon stated on April 1 that Paris first wanted to join in a European "dialogue" with Russia on the balance of power before considering a MAP for Georgia.<sup>59</sup> Some observers suggested that European concerns about upsetting energy ties with Russia affected views toward a MAP for Georgia.

In the Summit Communique, the Allies praised Georgia's (and Ukraine's) "valuable contributions to Alliance operations,"<sup>60</sup> and declared that "we support these countries' applications for MAP." In unprecedented language, the Alliance also pledged that Georgia (and Ukraine) would eventually become a member of NATO. Seemingly indicative of the concerns of some Allies about democratization progress in Georgia, the Summit Declaration called for Georgia's prospective May 2008 legislative elections to be "free and fair." It stated that "intensified dialogue" with Georgia would continue until "questions still outstanding" regarding its MAP application were addressed, and directed the foreign ministers of Alliance members to examine Georgia's progress in resolving these questions at a meeting in December 2008. The Communique called for Russia to address Georgia's remaining concerns about the closure of Russian military bases on its territory (presumably referring to the fact that Russia continues to use a base in Gudauta, Abkhazia, for its "peacekeepers"), in line with Russia's commitments under the adapted CFE Treaty. The Communique also raised concerns about regional conflicts in the South Caucasus, and called for the peaceful settlement of conflicts "taking into account [the] territorial integrity, independence, and sovereignty," of Georgia (and Armenia and Azerbaijan).

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<sup>59</sup> Open Source Center. *Europe: Daily Report* (hereafter *EDR*), April 2, 2008, Doc. No. EUP-72004; April 2, 2008, Doc. No. EUP-72002; *Reuters*, April 1, 2008.

<sup>60</sup> Georgia stressed at the summit that it would contribute troops to peacekeeping operations in Afghanistan.

President Saakashvili hailed the Summit Communique language that Georgia “will become a member of NATO” and claimed that it was a “direct obligation” by the Alliance that was better than a MAP, which has no guarantee of NATO membership. Georgian Foreign Minister Davit Bakradze warned that Russia will “do everything” over the next few months to destabilize Georgia in the expectation that the foreign ministers would then balk at a MAP for Georgia.<sup>61</sup>

While Russian officials viewed the outcome of the NATO summit as somewhat successful because Georgia was not offered a MAP, President Putin appeared to react harshly to NATO’s pledge of eventual membership for Georgia. On April 16, 2008, he directed his government to establish a broad range of cooperative ties with Abkhazia and South Ossetia. Both Georgia and NATO protested these Russian moves as undermining Georgia’s sovereignty and territorial integrity.

## Ukraine<sup>62</sup>

Ukraine participates in NATO’s Partnership for Peace (PFP) program and has an “Intensified Dialogue” with NATO on possible future membership in NATO and related reforms. On January 15, 2008, President Viktor Yushchenko, Prime Minister Yuliya Tymoshenko, and parliament speaker Arseniy Yatsenyuk sent a letter to NATO Secretary General Jaap de Hoop Scheffer requesting a Membership Action Plan (MAP) for Ukraine at the NATO summit in Bucharest. On March 17, President Yushchenko and Prime Minister Tymoshenko sent letters to De Hoop Scheffer, German Federal Chancellor Angela Merkel, and French President Nicolas Sarkozy reiterating Ukraine’s request for a MAP.

Supporters of a MAP for Ukraine believe that it is important to give the pro-Western government in Kiev a strong signal of support for its Euro-Atlantic aspirations. They say that Ukraine’s membership would be a way to incorporate the country more fully into the Euro-Atlantic community of democratic values, as part of the overall U.S. foreign policy goal of creating a Europe “whole and free.” Those who view Russia as a potential threat to European security see Ukraine’s future membership in NATO as a guarantee against possible Russian attempts to revive its “empire.” However, Ukraine’s MAP candidacy faces several challenges.

**Ukrainian Public Opinion and NATO Membership.** One key challenge to Ukraine’s desire for a MAP is the current lack of consensus on NATO membership in Ukrainian society. Public opinion polls have shown that less than one-quarter of the population supports NATO membership at present. Ukrainian public opinion, on this as on other issues, is split largely along regional lines. Persons living in southern and eastern Ukraine tend to oppose NATO membership. People in these regions, whether ethnic Russians or Ukrainians, tend to be Russian-speaking, are suspicious of Ukrainian nationalism, and support close ties with

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<sup>61</sup> Open Source Center. *Central Eurasia: Daily Report* (hereafter *CEDR*), April 3, 2008, Doc. Nos. CEP-950352 and CEP-950455; April 4, 2008, Doc. No. CEP-950366; April 5, 2008, Doc. No. CEP-950176; and April 6, Doc. No. CEP-950074.

<sup>62</sup> Prepared by Steven Woehrel, Specialist in European Affairs.

Russia.<sup>63</sup> They are largely opposed to NATO membership because they fear that it will worsen ties with Russia. Many supporters of NATO membership are from western Ukraine, where Ukrainian-speakers dominate, suspicion of Russia is substantial, and support for a Western orientation for Ukraine is high. However, western Ukraine is considerably less populous than eastern Ukraine, where most of the country's industrial capacity is concentrated.

In addition to pro-Russian sentiment, many people in these regions and elsewhere retain bad memories of the Soviet invasion of Afghanistan, in which Ukrainian draftees were forced to participate. They fear that NATO membership could embroil them in Afghanistan again, and in similar conflicts in distant parts of the world. Ukraine's participation in the U.S.-led coalition in Iraq in 2003-2004 was politically unpopular in Ukraine. President Yushchenko withdrew Ukraine's troops from Iraq shortly after taking office in 2005.

The ruling government coalition, which supports a MAP for Ukraine, holds a wafer-thin majority in the Ukrainian parliament. Its fragile unity has been shaken by tensions between President Yushchenko and Prime Minister Tymoshenko over issues not related to NATO membership. President Yushchenko strongly supports NATO membership for Ukraine. Until the January 2008 letter to NATO Secretary General de Hoop Scheffer, Tymoshenko appeared to be lukewarm at best about joining the alliance. The Party of Regions, the largest opposition party, and the Communists are strongly opposed to NATO membership. After the January 2008 letter, they blocked the Ukrainian parliament from conducting business, in protest against Yatsenyuk's signature of the document. The parliament resumed operations on March 6, 2008, after it passed a resolution stating that the parliament would consider legislation to join NATO only after a public referendum approved NATO membership.

Ukrainian leaders acknowledge that an effective public information campaign is needed to boost support in Ukraine for NATO membership. A lack of domestic consensus on NATO membership could make it difficult for future Ukrainian governments to consistently fulfill the terms of a MAP. In February 2008, perhaps in an effort to defuse domestic and Russian criticism over his decision to seek a MAP, President Yushchenko said that Ukraine will not allow the establishment of NATO bases on Ukrainian soil. He noted that the Ukrainian constitution does not permit the establishment of foreign military bases in Ukraine, with the temporary exception of Russia's current Black Sea naval base, the lease for which runs out in 2017.

**Lack of Unity within NATO on a MAP for Ukraine.** Before the January 2008 letter by Ukraine's top three leaders, U.S. officials warned that there must be support for the MAP "across the government spectrum," that Ukraine must continue defense reforms, and that Ukraine needs to conduct a serious information campaign to educate the public on NATO. They warned that Ukraine must "have its act

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<sup>63</sup> Ukraine's population is 77.8% ethnic Ukrainian, and 17.3% ethnic Russian, with a range of other minorities. "Ukraine," *CIA World Factbook 2008*, Washington, DC.

together” on these issues and not make “premature appeals” for membership.<sup>64</sup> The January 2008 letter to the NATO Secretary General may remove at least the first objection for the United States. However, both before and after a NATO foreign ministers’ meeting on March 6, 2008, U.S. Secretary of State Condoleezza Rice refrained from publicly expressing support for a MAP for Ukraine at the Bucharest summit, saying only that NATO is a performance-based organization and that the decision on a MAP for Ukraine will be not be taken until the summit. During a visit to Kiev on April 1 to meet with President Yushchenko, President Bush strongly supported granting a MAP to Ukraine at the Bucharest summit.

Key European NATO allies were reluctant to consider a MAP for Ukraine at Bucharest in part because they feel that Ukraine’s qualifications for a MAP are weak, and in part because they are concerned about damaging relations with Russia. On March 6, German Foreign Minister Frank-Walter Steinmeier said, “I cannot hide my skepticism” about Ukraine’s chances for a MAP. At the NATO foreign ministers’ meeting, French Foreign Minister Bernard Kouchner and other European leaders stressed the need for maintaining good relations with Moscow.<sup>65</sup>

**Possible Russian Response.** Russian leaders have been hostile to Ukraine’s possible NATO membership. Russia has viewed the former Soviet republic as lying within its sphere of influence, in which Western countries and institutions should play little role. NATO, as a military alliance, is viewed with particular suspicion. On February 14, 2008, in response to a question about possible Ukrainian membership in NATO, President Putin warned that Russia might be forced to take military countermeasures, including aiming missiles against Ukraine, if Kiev hosted foreign bases or joined the U.S. missile defense project.<sup>66</sup>

In addition to changes in its military posture, Russia could react in several other ways to the prospect of NATO membership for Ukraine, judging by Moscow’s past conduct in the region. It could try to stir up regional conflicts between eastern and western Ukraine. Russia could encourage pro-Russian groups to intensify anti-NATO campaigns and stir up conflict by pushing for use of Russian as an official language in eastern and southern Ukraine. Russia could even encourage those favoring more autonomy for these regions or even their separation from Ukraine, particularly in the case of the Crimean peninsula. It should be noted, however, that such tactics have not always worked as Moscow expected. Indeed, they have sometimes produced a backlash among the large majority of Ukrainians who favor the country’s sovereignty and territorial integrity.

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<sup>64</sup> Transcript of remarks by David J. Kramer, Deputy Assistant Secretary of State for European and Eurasian Affairs, December 7, 2007, from the State Department website [<http://www.state.gov>].

<sup>65</sup> Lorne Cook, “NATO Considers Balkan Membership, as Greeks Threaten Veto,” Agence France Presse wire service, March 6, 2008.

<sup>66</sup> Transcript of press conference with President Putin and President Yushchenko, February 14, 2008, from the Johnson’s List website, [<http://www.cdi.org/russia/johnson/2008-32-40.cfm>]

Russia could also exploit close economic ties between the two countries. As it did in January 2006, Russia could cut off natural gas supplies to Ukraine, or sharply increase the price it charges. Russia could also cut off or hinder other trade with Ukraine, or make life difficult for the many Ukrainian labor migrants in Russia. Russia has used similar tactics in disputes with Moldova and Georgia, both of which have sought closer ties with the EU or NATO or both. In any case, Russian ability and desire to “punish” Ukraine politically and economically could exceed the ability and willingness of many NATO states to respond.

Another possibility is that, after complaining loudly, Russia would grudgingly accept NATO membership for Ukraine, as it did in the case of the Baltic states, Poland, and other countries in Central Europe. Many observers believe that this outcome may be less likely due to the particular sensitivity of Ukraine to Russians, many of whom believe the country should be closely tied to Russia, as much of it has been from the 17<sup>th</sup> century until 1991. In addition, many observers note that Russia’s foreign policy has been more assertive in recent years, as high revenues from energy exports have improved its internal and external finances. Moreover, the Russian government regime has used anti-NATO and anti-U.S. rhetoric to shore up its domestic support.

**Outcome.** The Allies declined to offer Ukraine a MAP at the Bucharest summit. However, they expressed support for Ukraine’s MAP application, and said that Kiev could receive a MAP at the NATO Foreign Ministers’ meeting in December 2008 if remaining questions over its application are resolved. In a move that surprised many observers, the summit communique also contained an unqualified statement that Ukraine (and Georgia) “will become members of NATO,” without specifying when that might happen.

The ambiguous result of the summit caused varying reactions within Ukraine. President Yushchenko and the Ukrainian government hailed the summit as a key stepping-stone on Kiev’s path toward NATO membership, pointing in particular to the commitment made to admit Ukraine into the Alliance. In contrast, Yanukovich and the opposition applauded the denial of a MAP at the summit, viewing it as a blow to Yushchenko’s pro-NATO policy.

Russian leaders appeared dissatisfied with the summit outcome, despite the fact that Ukraine was not offered a MAP. According to Russian press accounts, President Putin reportedly told President Bush and NATO leaders at the NATO-Russia summit that Ukraine was not a real state, given its regional heterogeneity, and that Ukraine would cease to exist if it joined NATO. On April 8, Russian Foreign Minister Sergei Lavrov said Russia would do all that it could do to prevent NATO membership for Ukraine. On April 11, Chief of the Russian General Staff General Yuriy Baluyevsky warned that Russia would take military and “other measures” if Ukraine joined NATO.<sup>67</sup>

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<sup>67</sup> Jamestown Foundation Eurasia Daily Monitor, April 14, 2008, Radio Free Europe/Radio Liberty Daily Report, April 9, 2008, and Agence France Presse wire dispatch, April 11, 2008.

## Other Countries

Beyond Georgia and Ukraine, other countries that currently participate in the Partnership for Peace program could well seek full membership in NATO in the future. In the western Balkan region, these include Serbia, Montenegro, and Bosnia-Herzegovina. For the time being, Serbia may not move much closer to the alliance. At the Bucharest summit, however, the alliance invited Montenegro and Bosnia-Herzegovina to begin an Intensified Dialogue with NATO, an interim step relating to membership aspirations. Both countries also agreed to develop concrete relations with the alliance through Individual Partnership Action Plans (IPAP). The newly independent country of Kosovo may also seek closer ties with NATO, perhaps first through PfP.

## Conclusion<sup>68</sup>

The Bucharest summit did not make significant strategic decisions concerning enlargement or the MAP process. However, most allies seem to believe that Albania's and Croatia's road to membership in the alliance could lead to greater stability in southeastern Europe, especially given the recent independence of Kosovo and the enduring hostility to NATO of important political factions in Serbia.

An ongoing strategic concern of the alliance is the stabilization of Afghanistan. Enlargement is only tangentially related to this issue. Albania's and Croatia's militaries and resources are modest. But the United States and several other leading governments in the alliance expect new member states to develop niche capabilities to contribute to NATO operations around the world; and in Afghanistan, financial assistance to the government in Kabul, whether through the EU or other organizations, is important not only to stabilize the country, but as a demonstration of solidarity in the effort to accomplish the alliance's most important mission.

NATO is facing future challenges that may shape any following rounds of enlargement. Strategically, one of the most important is energy security. Gazprom, Russia's national energy company, is making strong efforts to control parts of Europe's oil and natural gas distribution network. Even without such control, much of Europe and the Caucasus depend upon Russia for portions of their energy supply. Gazprom's repeated supply disruptions to customer countries underscores a stark reality: Russia can cut off a vital lifeline if it so desires. Countermeasures – new pipelines skirting Russia and drawing supplies from a range of sources, and conservation – will require years to plan and implement, probably at great expense. Some allies believe that energy security must be enhanced before new members in succeeding rounds may be extended invitations to join, particularly if they are vulnerable to Russian pressure. Concurrent efforts to improve relations with Russia are likely to be a centerpiece of European allies' policy during this period.

Another important strategic consideration will likely be the ongoing effort to improve NATO-EU coordination. One issue is the different membership of the two organizations. Governments in one of the two organizations sometimes block

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<sup>68</sup> Prepared by Paul Gallis, Specialist in European Affairs.

coordination with the other organization to promote a national agenda. The two organizations are now working closely together to stabilize Kosovo. Yet NATO and the EU have different means to arrive at key decisions. The essence of EU policymaking is in the social and economic sphere. In that environment, internal compromises and horse-trading are common when EU member states bargain for resolution of a key issue. While NATO decision-making is often complicated, the trade-offs apparent in EU processes are less common, and decisions are often more quickly made. NATO and the EU have important objectives that are the same, namely stabilization of a country or region that threatens their interests. Working together effectively, however, can prove a difficult undertaking, as in Afghanistan.

## Appendix. Legislation on Enlargement in the 109<sup>th</sup> and 110<sup>th</sup> Congresses<sup>69</sup>

The Senate has given its assent to all five rounds of NATO enlargement. However, Congress has played a particularly active role in shaping the alliance's eastward expansion since the end of the Cold War. In the NATO Participation Act of 1994 (title II of P.L. 103-447), Congress for the first time authorized the president both to assist designated former Soviet Bloc countries to become full NATO members, and to provide excess defense articles, international military education and training, and foreign military financing assistance to these countries. In subsequent legislation in 1996, 1998, and 2002, Congress further encouraged and endorsed NATO's eastward enlargement, while outlining the conditions under which such enlargement should take place.<sup>70</sup>

Before ratifying the treaty protocols enabling the alliance's 1998 and 2004 enlargements, the Senate broke with past practice, subjecting its approval of the protocols to several conditions. One such condition, as articulated in the Senate's resolutions of ratification for both enlargements, requires the president to submit to the appropriate congressional committees a detailed report on each country being actively considered for NATO membership before beginning accession talks and to submit updated reports on each country before signing any protocols of accession. Specifically, these reports are to include an evaluation of how a country being actively considered for NATO membership will further the principles of NATO and contribute to the security of the North Atlantic area; an evaluation of the country's eligibility for membership, including military readiness; an explanation of how an invitation to the country would affect the national security interests of the United States; a U.S. government analysis of common-funded military requirements and costs associated with integrating the country into NATO and an analysis of the shares of those costs to be borne by NATO members; and a preliminary analysis of the budgetary implications for the United States of integrating that country into NATO.<sup>71</sup>

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<sup>69</sup> Prepared by Paul Belkin, Analyst in European Affairs.

<sup>70</sup> See the NATO Enlargement Facilitation Act of 1996 (title VI of section 101(c) of title I of division A of P.L. 104-208 ), the European Security Act of 1998 (title XXVII of division G of P.L. 105-277), and the Gerald B.H. Solomon Freedom Consolidation Act of 2002 (P.L. 107-187). For more information see CRS Report RL30192, *NATO: Congress Addresses Expansion of the Alliance*, by Paul Gallis; Senate Executive Report 108-6 submitted by the Committee on Foreign Relations to accompany Treaty Doc. 108-04 Protocols to the North Atlantic Treaty of 1949 on Accession of Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia, April 30, 2003; and CRS Report RS21055, *NATO Enlargement*, by Paul Gallis.

<sup>71</sup> See Resolution of Ratification of Treaty Document 105-36, Protocols to the North Atlantic Treaty of 1949 on Accession of Poland, Hungary, and Czech Republic, as agreed to in the Senate on April 30, 1998; and Resolution of Ratification of Treaty Document 108-4, Protocols to the North Atlantic Treaty of 1949 on Accession of Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia, as agreed to in the Senate on May 8, 2003. For a detailed discussion of the Senate's role in NATO enlargement see CRS Report RL31915, *NATO Enlargement: Senate Advice and Consent*, by Michael John Garcia.

Members of the 109<sup>th</sup> and 110<sup>th</sup> Congresses have expressed continued support for NATO enlargement. On September 29, 2006, towards the end of the 109<sup>th</sup> Congress, Senator Richard Lugar introduced S. 4014, the Freedom Consolidation Act of 2006. The bill, expressing support for NATO enlargement and designating Albania, Croatia, Georgia, and Macedonia as eligible to receive assistance under the NATO Participation Act of 2004, passed the Senate on November 16, 2006. S. 4014 was referred to the House International Relations Committee, but was not taken up before the end of the 109<sup>th</sup> Congress.

In the 110<sup>th</sup> Congress, both the Senate and House passed successor bills to the bill that passed the Senate in the 109<sup>th</sup> Congress. The NATO Freedom Consolidation Act of 2007, introduced by Senator Lugar on February 6, 2007, passed the Senate by unanimous consent on March 15, 2007. A companion bill, H.R. 987, introduced by Representative John Tanner in the House on February 12, 2007 passed the House on March 6, 2007. President Bush signed the NATO Freedom Consolidation Act of 2007 into law (P.L. 110-17) on April 9, 2007.

The NATO Freedom Consolidation Act of 2007 reaffirms the United States “commitment to further enlargement of the North Atlantic Treaty Organization to include European democracies that are able and willing to meet the responsibilities of membership...”<sup>72</sup> The act calls for the “timely admission” of Albania, Croatia, Georgia, the “Republic of Macedonia (FYROM),” and Ukraine to NATO, recognizes progress made by Albania, Croatia, and Macedonia on their Membership Action Plans (MAPs), and applauds political and military advances made by Georgia and Ukraine while signaling regret that the alliance has not entered into a MAP with either country. At the same time, Congress affirms that admission of these five countries into the alliance should be “contingent upon their continued implementation of democratic, defense, and economic reform, and their willingness and ability to meet the responsibilities of membership in [NATO] and a clear expression of national intent to do so.”<sup>73</sup>

In addition to expressing support for the candidacies and potential candidacies of Albania, Croatia, Georgia, Macedonia, and Ukraine, the NATO Freedom Consolidation Act of 2007 authorizes FY2008 appropriations for security assistance to each of these countries. This assistance shall be consistent with the conditions set by the NATO Participation Act of 1994, which limit the types of security assistance offered by the United States to prospective NATO member states to the transfer of excess defense articles (as determined under section 516 and 519 of the Foreign Assistance Act), international military education and training (as determined under chapter 5 of part II of the Foreign Assistance Act), and foreign military financing assistance (as determined under section 23 of the Arms Export Control Act). According to the NATO Participation Act, security assistance should encourage joint

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<sup>72</sup> NATO Freedom Consolidation Act of 2007 (P.L. 110-17), 3(2). See also, Senate Foreign Relations Committee, Senate Committee Report 110-34 on the NATO Freedom and Consolidation Act of 2007. March 9, 2007.

<sup>73</sup> *Ibid.* Sec 2(22).

planning, training, and military exercises with NATO forces, greater interoperability, and conformity of military doctrine.<sup>74</sup>

Both the Senate and House have expressed further support for a strengthening of Allied relations with Georgia and Ukraine passing companion resolutions expressing strong support “for [NATO] to enter into a Membership Action Plan with Georgia and Ukraine.”<sup>75</sup> The resolutions draw attention to contributions made by Georgia and Ukraine to the collective security of the alliance, and highlight progress made in each country towards a stronger relationship with NATO. In what could be an effort to address some European allies’ concern that a MAP would be understood as a guarantee of future NATO membership, the resolutions explicitly state that a MAP does not ensure membership.

As discussed earlier in the report, congressional deliberation over post-Cold War NATO enlargement has revolved largely around three issues: cost; burdensharing; and relations with Russia. In terms of cost, the Congressional Budget Office (CBO) estimates that additional costs to the United States associated with NATO expansion to the five countries designated in the NATO Freedom Consolidation Act would not exceed \$30 million over the 2008-2012 period. Based on the State Department’s 2008 appropriation request, CBO estimates that outlays would total \$12 million of 2008, and \$30 million over the period from 2008-2012.<sup>76</sup>

Neither the NATO Freedom Consolidation Act nor the accompanying Senate Foreign Relations Committee Report directly addresses potential concerns regarding burdensharing within the alliance or the effect a further round of enlargement might have on relations with Russia. However, Members of the 110<sup>th</sup> Congress have expressed such concerns in several congressional hearings, and Members on the United States congressional delegation to the NATO Parliamentary Assembly are said to have discussed these issues with their European counterparts, as well as officials in candidate countries Albania, Croatia, and Macedonia.<sup>77</sup>

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<sup>74</sup> NATO Participation Act of 1994, Sec. 203.

<sup>75</sup> S.Res. 439, introduced by Senator Lugar, passed the Senate on February 14, 2008. H.Res. 997, introduced by Congressman Robert Wexler, passed the House on April 1, 2008.

<sup>76</sup> Congressional Budget Office Cost Estimate, S. 494 NATO Freedom Consolidation Act of 2007, March 9, 2007. Included in Senate Committee Report 110-34, op. cit.

<sup>77</sup> Members of Congress expressed some concerns as to an expanded alliance and the effect of enlargement on NATO and U.S. relations with Russia during a July 2007 House Committee on Foreign Affairs hearing on central and eastern Europe, a March 4, 2008 Helsinki Commission hearing on NATO enlargement, and a March 11, 2008 Senate Foreign Relations Committee hearing on NATO enlargement.

Figure 1. Europe

