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Estonian Defence
Ten Years of Development
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On the author

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Introduction

This study aims to provide an overview and short analysis of how the defence forces of one Baltic state – Estonia – have developed. A brief parallel with the early years of the Estonian republic from 1918-1940 will be drawn, and current policy goals, development of structures and allocation of resources reviewed. These will be seen not just in the context of NATO and EU integration, but rather in the framework of developing Estonia’s defence capability and enhancing its military security. The choice of the subject is also motivated by the realisation that, while Estonia is engaged in an intensive international cooperation, the prime focus has to be on an indigenous integral Estonian defence capability.

The development of Estonia’s defence structures began soon after regaining independence in August 1991. By the end of the year the Estonian Defence Forces (EDF) and its General Staff were legally established. The Estonian Ministry of Defence was set up in July 1992. Almost simultaneously an active Estonian involvement began in the political-military co-operation initiated by NATO. The Estonian Ministry of Defence was set up in July 1992. Almost simultaneously an active Estonian involvement began in the political-military co-operation initiated by NATO. Estonia has participated in NACC from 1991, and subsequently in EAPC.

Estonia joined the Partnership for Peace (PfP) programme in February 1994 and subsequently joined the PfP Planning and Review Process (PARP) at the beginning of 1995. Since 1996 intensive bilateral dialogue on issues concerning the enlargement of NATO has taken place between Estonia and NATO. Already in September 2001 Estonia submitted the third annual plan under the Membership Action Plan framework to NATO. As of 2001 Estonia is working on attaining the 62 Partnership Goals. The scope of the work associated with an implementation of the Partnership Goals is illustrated by the fact that the most general of these goals (PG G 0028) required a comprehensive Force Structure Review to be conducted in 2001. The fundamental outcome of the Review was a definition of the required military capabilities, the future organisation of the EDF, and a proposal for a new command and control structure of the EDF. The very short term priorities of the EDF development include establishment of the Joint Operations Staff, development of surveillance capabilities, training units for one infantry brigade and carrying out a training review to bring training into accordance with new requirements.

Estonia has concluded bilateral co-operation agreements or signed Memorandums of Understanding with 18 countries and concluded a trilateral co-operation agreement with Latvia and Lithuania.

Estonian Defence Forces are engaged in practical defence co-operation with Latvia and Lithuania through the joint co-operation projects BALTBAT (Baltic Battalion), BALTRON (Baltic Naval Squadron), BALTNET (Baltic Air Surveillance Network). The senior staff officers of the defence forces of the Baltic states are being trained in BALTDEFCOL (Baltic Defence College).
In 2001 Estonia had for the first time a comprehensive set of documents (laws, security concept, military strategy) regulating and guiding the development of the national defence.

In other words Estonia has achieved much since 1991. To evaluate how Estonia has been developing its defence capability, this study will look at the basic security and defence documents, force posture, command lines, acquisition process and defence budgeting, and participation in international operations and in arms control. The security environment since 1991 will also be outlined. First, background information about Estonia and the history of its armed forces will be provided, as both the geography and history of Estonia have influenced the country’s achievements since 1991.

The General Characterisation of Estonia

Estonia is situated on the coast of the Baltic Sea and the Gulf of Finland and has land borders with the Republic of Latvia and the Russian Federation. Estonia's closest overseas neighbour is Finland with Helsinki less than 50nm away from Tallinn.

Estonia is a maritime country – the length of its coastline (3,800 km) is about 6 times longer than that of the mainland border. Estonia's geography is surprisingly diverse: there are over 1,500 islands, 1,000 lakes (they cover 5% of Estonia's territory) and 7,000 rivers and streams in Estonia. Bogs and wooded swamplands of different types cover approximately one fifth of the country. Estonia's main natural resources are shale oil, peat, phosphorite, blue clay, limestone, dolomite, and arable land.

Estonia can be described as a small country in every respect. Its territory is 45,227 km2 and the population is 1,439,197. The ethnic composition of the population is approximately 65% Estonians and 35% other nationalities. Russians (the largest minority group) make up approximately 28% of the total population. The population of Estonia is not distributed equally between different regions; 28% of the total population live in Tallinn.

Estonia's GDP constituted in 1999 75,4 billion kroons, roughly US $4.5 billion. Of that agriculture makes up 3.6%, industry 30.7%, and services 65.7%. The advantages Estonia's economy have enjoyed since regaining independence have been proximity to main European markets, location between Eastern and Western Europe, relatively low wages and a skilled labour force. Estonia became a member of the World Trade Organisation in November 1999.

Estonia's foreign trade is oriented towards the EU. The EU takes roughly 70-80% of Estonia's exports and provides roughly 60% of Estonia's imports. Estonia's exports go mainly to Finland, Germany, Sweden and the Netherlands, whereas the exports to member states of the Commonwealth of Independent States accounted only for 4% of total exports in 2000 (6% in 1999). Estonia imports mainly from Finland, Sweden and Germany. Russia is in fourth position, providing 8.5% of all imports.

Estonia's main export articles are machinery and equipment, wood and wooden products, textiles, and metallurgical products. Machinery and equipment, agricultural and food products, metals and metallurgical products make up the imports.

A Historical Review of the EDF

The history of the EDF began on 23 April 1917 when Colonel Siegfried Pinding was given the task of establishing the first Estonian regiment. The political preconditions for the birth of the EDF evolved after the Russian February Revolution of 1917 when Estonia
was transformed into an autonomous province. The required personnel were already available – over 100,000 Estonians were mobilised into the Russian army during the Great War and 10,000 of them lost their lives on the battlefields. Two thousand Estonians became officers during the war. The Estonian officer corps included men who had served in high positions in the Russian army and who also had received an academic military education.

By February 1918, units consisting of Estonians were concentrated in Estonia and united into one division (35,000 men, 750 officers) under the command of Colonel Johan Laidoner. The independence of the Republic of Estonia was declared on 24 February 1918. It was not recognised by Germany and, in the course of its offensive, Tallinn was occupied on 25 February and Narva by 4 March 1918. Estonian armed forces were demobilised soon after the beginning of the occupation. The German occupation power allowed only the 3,000 man-strong Estonian police force to operate.

The summer of 1918 made it clear that Germany would not be able to win the World War and the failure of the German occupation was likely to be followed by immediate aggression from Soviet Russia. On 11 November 1918 Germany surrendered to the Allies and the Provisional Government of Estonia with General Larka as the Minister of Defence resumed its activities in Tallinn.

The only armed organisation subordinated to the government at that time was the Estonian Defence League (EDL) the formation of which began illegally during the German occupation. The EDL was created on the basis of a territorial principle, all over the country and under command of former national units' officers. By the end of November the EDL had 14,500 members, a few hundred rifles and a few dozen machine guns.

The Red Army attack on Narva on 28 November 1918 signified the beginning of the Independence War. Estonia received military assistance from the very beginning of the war: ammunition and volunteers from Finland, a British Royal Navy’s cruiser squadron provided a coastal defence and controlled the Gulf of Finland, etc. In the battles 2–6 January 1919, the Estonian Armed Forces halted the previously successful enemy. By the first anniversary of the Republic the enemy was expelled from Estonia. The Independence War was ended by the Tartu Peace Treaty signed on 2 February 1920. Here, Russia abandoned all territorial claims to Estonian Treaty.

By the end of the Independence War there were 85,000 men in the Estonian armed forces with a reserve of 32,000 men. The armed forces equipment had improved drastically: Estonia had by then 10 armoured trains, 12 armoured cars and tanks, 28 aircraft, 25 warships and two dozens auxiliary ships. Estonia had received material assistance from Great Britain, France, United States, Finland and Denmark.

After the Independence War, the structure of national defence in Estonia remained largely unchanged. Lieutenant General Nikolai Reek graduated as the first Estonian from the French Military Academy. He brought the training of the Estonian Armed Forces into accordance with European principles and tradition. Estonia established its own Military Academy in 1921. In 1928 Estonia gave up two-year conscription and switched to a one-year system. Territorial defence became the basis of Estonia’s defence in 1934 after the nomination of General Johan Laidoner as Commander-in-Chief.

Estonia’s policies in the inter-war period were guided by the strong feeling of lack of security. Already in November 1919 at the Paris Peace Conference Estonia proposed the idea of creating a Baltic League with the aim of thereby safeguarding the freedom of the
Baltic Sea and preventing any German or Russian dominance. In the autumn of 1919 Latvia also proposed a similar idea of a Baltic Union at the meeting of the Finnish, Estonian, Latvian and Lithuanian prime ministers in Tartu.

The first materialisation of such thinking occurred on 17 March 1922 in Warsaw when delegations from Finland, Estonia, Latvia and Poland signed a treaty recognizing their common borders. The agreement also referred to co-ordinating signatories’ foreign policies, mutual assistance in the event of aggression. In February 1934, co-operation between Latvia and Estonia led to the creation of a military union. Lithuania decided to join it in September 1934. The Treaty of Concordia and Cooperation among three Baltic states was signed in Geneva. This unity was, however, not to last and it collapsed slowly in the late 1930s when Estonia orientated its policy toward Germany and Poland in contrast to Latvia and Lithuania which were more orientated toward the USSR.

Before the Second World War, Estonian armed forces had a trained reserve as large as 147,000 men of whom 43,000 were members of the Defence League. The mobilisation plan envisioned the call-up of 6,500 officers, 15,000 NCOs and 80,000 soldiers. The Army was sufficiently equipped with light weapons and had, with mobilisation stocks, 250 guns, 50 anti-tank and 25 anti-aircraft guns.

The question whether Estonia should have resisted Soviet pressure and ultimatums in 1939-1940 will probably be an object of speculation for some time. The fact is that the EDF were well trained and later – in the Second World War – most of the ready reserves (around 100,000 men altogether) were mobilised either by the Soviet Union or Germany. Some Estonians also fought voluntarily in the Finnish Defence Forces.

The Second World War resulted in a considerable loss of population for Estonia. In addition to those lost in battle some 70,000 people fled Estonia during the war. In 1944-1956 an anti-Soviet resistance continued mostly in the form of guerrilla war. About 6,000-7,000 of the partisans were killed, and very many people were arrested.

The annexation of Estonia by the Soviet Union in 1940 ended the existence of the EDF for the next half century. A massive number of Soviet troops was stationed in Estonia (see below). The extensive exodus of Estonians during the war meant that they have served in the armed forces of several countries since the end of the Second World War. In addition to the Soviet armed forces, Estonians have also been in the US, Canadian, and Swedish armed forces, to name a few. The military training and experience gained that way have been important in rebuilding the EDF since 1991.

As in 1918, the re-establishment of the Estonian Defence Forces in the 1990s also started from the Defence League. It was reanimated by a national initiative on 17 February 1990 in one of Estonia’s counties, i.e. already one and a half years before regaining independence in August 1991. On 28 April 1992 the EDL was incorporated into the Estonian Defence Forces. Two weeks after regaining independence, the Supreme Council adopted the decision on general conscription. The next steps included the formation of the General Staff under the command of then Colonel Ants Laaneots and on 13 April 1992 the Ministry of Defence was established with Mr. Ülo Uluots as the first Minister of Defence.

The number of available trained personnel was, however, much smaller than in 1917. By 1 January 1992 there were 27 officers, 48 NCOs and 10 conscripts in the Estonian Defence Forces. A year later there were 84 officers, 213 NCOs and 829 conscripts. Despite the lack of trained personnel and from interruption of the military tradition for half
a century, in 1991 there was a strong national conviction as to the necessity of having Estonian defence structures. It found its expression in the creation of the EDL on the basis of public initiative even before the collapse of the Soviet Union.

Other circumstances favoured the re-establishment of the EDF. In sharp contrast to the situation in 1917-1918 when Estonia was actually in the middle of an ongoing war, the situation was peaceful in 1991-1992. Whereas there have been fears of some unexpected and aggressive behaviour from Russia (discussed below), since 1991 Estonia has enjoyed a decade of considerable stability during which it could build up its defences, strengthen its security and avoid repeating the mistakes of the past.

**Estonia’s security environment**

To introduce Estonia’s international environment, it is justifiable to quote the statement made by the Finnish President J.K. Paasikivi (1946-1956): “Gentlemen, please take a look at the map!” With this remark the Finnish President drew attention to the fact that Finland was bordering a very big and powerful state influencing security beyond its neighbours and that Finnish policies had to take that into consideration.

The same geopolitical statement is largely valid for Estonia. However, there has been an important difference between the statuses of these two countries during the last decade. Estonia has been in the process of state-building, that is, in the process of changing itself as well as asserting its position in the international system, while Finland has had to adapt (sometimes rapidly) to the changing environment.

The security history of Estonia can be divided into three phases. The first period lasted from 1988/9-1991 and it was the period of regaining independence. The second period was between 1991-1993/4 and it was mainly concerned with asserting independence and the withdrawal of Russian troops from Estonia. The third phase began after the withdrawal of Russian troops in August 1994 and it has been the period of working towards the achievement of a long-term security solution.

**The period 1988-1991**

It is important to note that during the first two periods of Estonian security history the country (even before regaining independence) was constantly experiencing a very straightforward and very present (military) threat from first the USSR and then from the Russian Federation. The credibility of that threat was underlined by the readiness of the USSR central government to use, and the actual use of, the Soviet Army in April 1989 in Georgia, the Soviet Army’s unplanned manoeuvres in Lithuania in March 1990 and its participation in storming the Vilnius television tower in January 1991.

Therefore, each step that the Baltic independence movements took was close to a balancing act on the thin line between becoming the target of massive repression and achieving their political goals. These movements took maximum advantage of the official “glasnost” policy that provided an excellent chance to voice loudly their discontent with, and declare illegal, the forceful annexation of their countries by the USSR in 1940. The concrete steps toward independence were taken in the form of declarations of sovereignty. Estonia declared itself a “sovereign state within the USSR” in November 1988. The Lithuanian Communist Party announced its secession from the CPSU in December 1989, which prompted calls from the Soviet conservatives for a military intervention in the rebellious Baltic republics which Gorbachev resisted. In May 1990 the
Soviet military leadership called for military intervention again after an unsuccessful attempt to seize the control of the Lithuanian Parliament.

Mounting tension in the USSR continued until 19 August 1991 when the conservative forces headed by the “State Committee for the State of Emergency” attempted unsuccessfully to seize power and declare a state of emergency in the USSR. When that attempt failed, the USSR disintegrated and on 20 August Estonia reclaimed its independence.

The Period 1991-1994

The independence regained by three Baltic countries signified the emergence of a new strategic setting. Of the Baltic States, Estonia and Latvia inherited large Russian-speaking minorities. The USSR had lost political control over the territories of the Baltic States, but it still had an impressive military presence there. In the case of Estonia during the Soviet era it had peaked at over 500 military installations, approximately 132,000 troops and close to 2% of Estonian territory being under the jurisdiction of the Soviet military.

Estonia’s primary task in the field of security after regaining independence was to achieve the full withdrawal of these troops. It took more than two years and nineteen rounds of negotiations to sign the agreement on 26 July 1994 on the withdrawal of Russian troops.

The period from August 1991 to 31 August 1994 (the deadline of actual troop withdrawal) was full of much more than just negotiations.

The legal basis for the withdrawal of Russian Federation troops was established at the CSCE Summit in Helsinki that took place 9-10 July 1992.9 In Estonia’s view the Russian troops had to pull out all their forces from Tallinn and all offensive units and mobile weaponry from the entire country before the end of 1992. Estonia was willing to allow for complex technical installations that took time to dismantle to remain for an additional period, but disagreed with Russia over the exact length of time.

Further developments showed that the issue of withdrawal would be a complicated one. Russia adopted a differentiated approach towards the Baltic States. On 8 September 1992 Lithuania and Russia signed the agreement on withdrawal according to which all units of the Russian Federation should have left Lithuania by the 31 August 1993. Simultaneously it became clear that Russia was willing to maintain some elements there for a longer time.

Parallel with the negotiation process on troop withdrawal, Russian Federation foreign policy was undergoing a major change. Growing domestic economic difficulties, diminishing political support of Yeltsin’s administration and the strengthening of the conservative (right-wing) opposition had their impact on Russia’s foreign policy.10 The autumn of 1992 brought two important developments in the Russian Federation. Foreign policy had become a major issue of domestic politics and the moderate liberals (to whom Kozyrev belonged) were pushed aside from policy-making (but not implementing) by the moderate conservatives (e.g. S. Karaganov) and hard-liners (e.g. S. Baburin, G. Ziuganov). This was reflected in the concept of “near abroad” that evolved gradually during 1992 connected the withdrawal of Russian troops to the Russian minority and military pensioners. Russian foreign minister Kozyrev defined the “near abroad” as a “unique, sui generis geopolitical space, to which nobody but Russia could bring peace.”11 Although assurances were given to Estonia that the concept of “near abroad” was not the basis for Russian foreign policy, the issue of “protecting compatriots
abroad” found its reflection in the 1993 military doctrine of the Russian Federation. The spring of 1993 was characterised by the return to hard-line practices in Russian foreign policy. The assertive line was expressed by politicians and reflected in military exercises.

The eventual outcome of the negotiations on troop withdrawal was largely determined by two important factors. Firstly, Russia received financial assistance to provide housing for the relocated military personnel in Russia and, secondly, Western countries refused to accept connecting the troop withdrawal to the minority, pensioner and other issues intensively promoted by Russian Federation. 12

The Period from 1994 to the Present
The end of troop withdrawal from the Baltic States signified again the beginning of another new strategic setting in the Baltic region.

The position of the Russia’s Leningrad Military District had changed radically. Alongside Moscow and North Caucasus, it became one of Russia’s front-line military districts, which were all given priority in the development of the armed forces. As a consequence of redeployment of forces from Central Europe and the Baltic States, the overall number of units representing various branches of the armed forces increased in the Leningrad Military District by the middle of the 1990s compared with the beginning of the decade. The number of personnel, however, had fallen below 300,000. It has been estimated that there were nearly 1,000 battle tanks, 1,600 armoured combat vehicles and over 1,000 pieces of artillery in the Leningrad Military District in the middle of the decade.

The Russian Baltic Fleet was relocated to the easternmost extremity of the Gulf of Finland and to the Kaliningrad area. Russia lost her ports and airfields as well as her aerial surveillance and air defence stations in the Baltic States. As a consequence of that development, her naval defence shifted to the Northern Baltic and became coastal in character. 13

The responsibility for the space left behind by withdrawing Russian troops in the Baltic States was assumed by the emerging defence forces of the Baltic States. From the Finnish perspective the Baltic States possessed little military might. Altogether they had about 11,000 regular soldiers, i.e. ten or so battalions, which almost completely lacked heavy weaponry. In addition to that, the three countries had reserves or paramilitary forces totalling around 30,000. According to the Estonian Ministry of Defence the size of the regular armed forces was by the beginning of 1995 3,400 men and the Defence League had 7,500 members. 14

The next major and urgent task of Estonian security policy in consolidating statehood was concluding an agreement on a common border with the Russian Federation.

The negotiations on the border between Estonia and Russia began in April 1992 when the border constituted one of four major topics discussed between the two states. While the negotiation process was proceeding the Russian Federation initiated a unilateral demarcation of the border on the basis of President Yeltsin’s decree of 21 June 1994.

The main obstacle to concluding the border agreement until 1996 was the different positions on the Tartu Peace Treaty from 1920. Estonia proceeded from the standpoint of historical continuity, in Russia’s view the Treaty was merely a historical document. The change came in 1996 when it was decided to leave out the references to other documents and to focus on technical issues. By March 1999 the border negotiations were concluded, the land and sea border agreements, including
appendices, were initialled. However, as of late 2001, the agreement remains to be signed. The situation is increasingly becoming similar to the process of achieving the agreement on troop withdrawal. It is becoming recognised by Western countries that settling the border issue relies on the Russian Federation’s good will and there are no substantial objective obstacles left to settle.15

The withdrawal of troops was accompanied by the further deepening of tendencies in Russian foreign policy that had become visible earlier. The inability of the Russian Federation Ministry of Foreign Affairs to come forward with sound policies towards the former Soviet republics greatly stimulated the increase of influence of other agencies and actors over these issues and also drove Russia into proxy wars on its perimeter – Moldova, Tajikistan, Karabakh, Georgia. 16 December 1994 signified the beginning of yet another military conflict on Russia’s perimeter – the Chechen war. It lasted until September 1996 when the “Khasav-Yurt” agreement was signed by Russian and Chechen representatives. While this agreement did not permanently resolve the status of Chechnya, it was sufficient for the ending of hostilities and withdrawal of Russian troops. However, a second Russian intervention into Chechnya began in October 1999 as a response to the attempt of Chechen warlords to export an Islamic revolution into Dagestan in the summer of 1999. The outcome of that conflict is yet to be seen.

The period after the troop withdrawal has been favourable for Estonia’s attempts to strive towards the achievement of its integration goals – memberships of the EU and NATO. Membership of the EC/EU was already declared a long-term goal by Estonia’s first government formed after the September 1992 elections.17

The major milestones in Estonia’s EU integration process have been: becoming an associated partner to the WEU (November 1994); applying for EU membership (24 November 1995); the European Council’s decision at the Luxembourg Summit to begin EU accession negotiations with six countries, including Estonia (April 1998); closing of 18 negotiation chapters (April 2001); setting 1 January 2003 as the date for achieving full readiness to join the EU.

Estonia’s relations with NATO began in 1991 when then foreign minister of Estonia, Mr. Lennart Meri visited NATO headquarters in Brussels. That was followed by participation in the North Atlantic Co-operation Council (NACC) since the first meeting of Foreign Ministers in December 1991, and since May 1997, in a new Euro-Atlantic Partnership Council (EAPC) that built on and replaced NACC. Accession to NATO has been included in all coalition agreements of all Estonian governments since the restoration of independence, including the present.

The milestones in Estonia’s NATO integration process have been: joining the Partnership for Peace (PfP) programme (February 1994); joining the PfP Planning and Review Process (PARP) (beginning of 1995); starting the Intensive Dialogue with NATO (1997); stating the integration objective in the “Guidelines of the National Defence Policy of Estonia”, approved by the Riigikogu (the Parliament) May 1996; work in the framework of Membership Action Plan (MAP) initiative (since 1999).

Russia’s policies toward Estonia have since 1994 been based mainly on its negative position on NATO enlargement (and the efforts undertaken by Central and Eastern European countries to become members) that has led to frequently resorting to political pressure, using for example the border issue as a tool.18

Since 1994 the Russian Federation has adopted two National Security Concepts (in
1997 and in 2000). These documents are not binding, but they reflect the development of security thinking in Russia. The first security concept (1997) put threats rising from inside the Russian Federation ahead of international threats while the next concept stressed again the international threats (the weakening of OSCE and UN, weakening of Russia's influence, eastward expansion of NATO) in addition to repeating the previously listed internal ones.\textsuperscript{19}

The currently valid Russian Military Doctrine was affirmed by Decree No 706 of President Putin on 21 April 2000. It reaffirms the threats shown in the security concept and repeats the possibility of the first use of nuclear weapons stated earlier. This doctrine is the logical conclusion or formalisation of the conservative views on Russian military security which started to dominate in 1992. The military activity of the Russian Baltic fleet and also the strategic forces in the Baltic region has been in full concordance with them.\textsuperscript{20}

The actual Russian military capabilities in the vicinity of Estonia have remained considerable despite the financial difficulties experienced by the Russian armed forces. The changes of the CFE Treaty flank regime in 1996 provided Russia with the possibility of stationing roughly 400 armoured vehicles more than earlier in the Pskov region.\textsuperscript{21} Certain units stationed in the proximity have been maintained at a high combat readiness. Russian nuclear capabilities in the vicinity of Northern Europe and Baltic States consisted of some 400 tactical nuclear weapons in 1999.\textsuperscript{22}

To conclude, it is important to note that the period from 1994 until today has been – despite the impressive Russian force demonstrations in the Baltic region – characterised by the concentration of Russian military efforts in the southern regions of the Russian Federation as well as the Commonwealth of Independent States.

**Estonia's security solution**

The moments in time when Estonia has declared and regained its independence display some similarities. In both cases it was the time when the large occupying state was dramatically weakened, and as a result of it, forced to focus its state rebuilding efforts on its heartland. However, its interest towards the surrounding areas remained strong and, as shown above, the policies toward these areas were frequently accompanied by attempts of intimidation.

The quick survey of the economic and military power of Estonia reveals that these are and will be potentially very limited. Estonia's experience from the last ten years provides, however, at least one good example which demonstrates that in the modern globalising environment, under favourable circumstances, a small state can muster a considerable political power (international support in the form of political pressure) to support the attainment of its goals. This example is the negotiation process with Russia on troop withdrawal.\textsuperscript{23} However, the subsequent negotiations on the border issue demonstrated immediately the limitations of this kind of political power – Western countries could not possibly support and did not support the territorial claims (even purely theoretical) arising from pursuing the principle of historical continuity against the world's strongest or second strongest nuclear power.

Having regained independence, Estonia had theoretically three basic security options: integration into Western structures, pursuing a neutrality policy or establishing closer ties (re-integration) with the Commonwealth of Independent States. As the current paper focuses on the development of Estonia's
defence capabilities, the military aspect of these solutions will be discussed below.

The long-term security solutions envisioning neutrality and/or closer ties with the Commonwealth of Independent States (CIS) have several inherent disadvantages.

The Finnish experience shows that a small state bordering a large assertive state and pursuing a neutrality policy must be able to identify and to accommodate the crucial security interests of its neighbour and balance them with its own interests. This aspect of “assurance” must then be supported by credible “deterrence” in order to avoid fully depending on the good will of the larger neighbour.24

If Estonia were to pursue a neutrality policy it is most likely that these principles would have become relevant to its security policy very early on. Considering the time of launching the “near abroad” concept (which resulted from Russia's internal development) and the increasing conservatism in Russia's security policy, Estonia would have faced problems similar to those of Finland. However, it is doubtful whether the limited powers of Estonia would have sufficed in maintaining independence.

Additionally, even on the theoretical level, it would have been almost impossible to identify and to accommodate vital Russian interests in Estonia at a level acceptable to Estonia.

Had Estonia chosen integration into the CIS, the risk of losing its independence would have been higher. In its latest National Security Concept the Russian Federation states openly that the scale and the level of the threats to its security in the military sphere are increasing with NATO enlargement as one of these threats.25

This kind of Russian threat analysis would probably have had a serious impact on Estonia. Firstly, the proximity of Estonia to the second largest city of the Russian Federation (St. Petersburg) would have likely led to requests for deployment (non-withdrawal) of Russian air defence units to Estonia and the deployment of Russian naval units to Estonian ports. Secondly, the inclusion of defending the interests of the compatriots living abroad into Russian military doctrine had a considerable potential for leading to the forceful incorporation of Estonia into the Russian Federation.

Thus, Estonia has in practice only one realistic security policy option: integration into Western economic and security structures. As an acknowledgement of this fact of life, Estonia has since the beginning of its independence set full integration into the EU and NATO as priorities for its security policy. This has also been reflected in Estonia's National Security Concept approved by the Parliament on 6 March 2001.26

Having defined the integration into Western structures as its fundamental security solution, Estonia has nevertheless constantly recognised the crucial importance of relations with the Russian Federation to its security. With an overall aim of consolidating its statehood vis-à-vis Russia and settling the various bilateral issues, the Estonian Ministry of Foreign Affairs has since 1991 pursued three different policies toward the Russian Federation: the nationalist approach (1991-1994), the policy of “positive engagement” (1994-1997), and the policy of “positive scepticism” (since 1998-1999).27 They have been relatively effective in achieving their goals although the main problem – the different perception of the security environment and security as such – has remained. The situation where the Russian Federation is wary of NATO, and the Baltic States are not too sure about Russian intentions, has been summarised as “a battle of perceptions”.28 The outcome of this “battle” could be determined by
the NATO transformation process, by the changes caused in international relations by the anti-terrorist campaign launched after the events of 11 September 2001, or perhaps even during the course of the evolving debate on missile defence issues.

Estonia’s Defence Policy

In Estonia defence policy constitutes a part of security policy, this is a notion of security policy similar to that found in the Nordic countries. In addition to the military field, it covers other areas vital to the proper functioning of society. In Finland, for example, security policy consists of a foreign policy aimed at providing for the national security, and a defence policy, supported by economic and social activities.29

The only official Estonian definition of the term “defence policy” has been so far given in the document “Estonia’s Defence Policy Guidelines” approved by the Parliament on 7 May 1996. It states: “The state’s defence policy is a collection of political and military measures to guarantee the independence of state, the indivisible integrity of its territory, territorial waters, and air space, constitutional order and the vital capacity of the nation”.30

Estonia’s National Security Concept mentioned above states that defence policy in Estonia has been guided by the state’s security policy. This order of policies is strongly supported by Estonia’s experience from the 1990s when the state had to rely mostly on its political power (not supported by any credible defence capability) to achieve its goals and to deter outside pressure.

To facilitate the analysis of the development of Estonia’s national defence, “defence policy” can be defined as a flow of purposive action over time in the field of national defence.31 As a flow of action it must then respectively have goals, allocated resources and some sort of results. The environment in which this action has taken place was described earlier.

The Defence Policy Goals

Estonia’s defence policy goals proceed directly from the general security policy goals stipulated in the National Security Concept. They are:

* To maintain the territorial integrity and sovereignty of Estonia;
* To safeguard the existence and progressive development of Estonia as a democratic state;
* To promote national welfare and preserve the cultural heritage, to safeguard the preservation of the Estonian people, Estonian language and culture as well as Estonian identity over time, while promoting international co-operation in the globalising world.

These goals are, in principle, more or less identical to the fundamental security interests of any other state. The first two priorities for achieving these goals are: the integration into and co-operation with European and transatlantic security, political and economic structures (NATO, European Union, WEU) and the development of a national defence system that safeguards Estonia’s independence.

The National Military Strategy approved by Estonia’s Government on 20 February 2001 postulates the following defence policy objectives in support of attainment of the above mentioned security goals:32

* To ensure the capability to encounter security risks by military means;
* To support the integration of Estonia into Euro-Atlantic structures;
* To ensure a readiness to participate in peace support operations and collective defence;
* To ensure participation in national crisis management system.

The above goals represent a further clarification in comparison to those stipulated in
the earlier documents. The "Defence Policy Guide-lines" (May 1996) defined the prevention of aggression against Estonia as the primary goal of a defence policy and, in case of its failure, an active and passive defence against the aggressor throughout the territory.

For that purpose, defence had to be built up in two mutually complementary directions:
* The development and maintenance of the indigenous and credible national defence capability for defence of the nation's vital interests;
* The development of the Estonian Defence Forces in a way that ensures inter-operability with the armed forces of NATO and WEU member states, and their capability to participate in peace support operations.

These directions were indicated as the defence policy goals in several documents prior to the National Military Strategy.

The Military Strategy

Estonia's military strategy has to solve a fundamental problem, that is to ensure an equally efficient fulfilling of the defence requirements arising from the need to strengthen the national defence (security) as well as the requirements arising from the national integration efforts. Although it seems that these requirements naturally overlap (which has also been occasionally stated) it has not necessarily been so in all possible scenarios. The crucial point is that of the defence solution vis-à-vis an envisioned threat.

Three major papers have attempted to solve this problem. The first attempt was made already in 1992-1993 followed by two papers from 1996 and 2001.

The first attempts to formulate the conceptual basis of Estonia's national defence were made when the Ministry of Defence proposal "The Fundamentals of National Defence" was discussed in the Parliament.

The draft of this paper envisioned a defence build-up according to the total defence concept. It was estimated that Estonian Defence Forces could train 5,500-6,000 conscripts annually (this figure is based on the number of Estonian citizens) and the total mobilisation reserve could constitute some 110,000 men. The military defence structure would have been divided into three defence regions each containing one brigade (the creation of one light infantry, one guerilla and one marine brigade was envisioned). That document was considered incomplete and therefore not approved.

The next document with a fundamental importance for the development of national defence was "Estonia's Defence Policy Guidelines". In addition to stipulating the general goal of national defence, it postulated on the political side the objective of joining NATO and WEU, and stressed the need for international co-operation at various levels. The document also described the national and military command lines (stipulating among other things the development of four defence regions in Estonia) and the general structure of defence forces. Although the term "total defence" has not been directly used in the "Estonia's Defence Policy Guidelines" the envisioned basis of the national defence is the same - the maximum use of all available resources for defence purposes.

The latest document, "The National Military Strategy" (February 2001), represents the further development of strategic thinking in Estonia. It includes the declaration about resisting aggression in any case. The document does not envision a direct military threat to Estonia presently and in the near future (which probably means that Estonia observes currently the lack of intention rather than lack of capability or formal reason of any potential aggressor). In comparison to the previous papers, a detailed description of the
military threat scenarios is added (the “Guidelines” defined the risk as arising from great power ambitions and instability in the region). The document returns to the term “total defence” and stipulates it to be the basis of national defence. It is to be composed of military, economic and psychological defences and civil readiness. The force development is to proceed on the basis of Annual National Programs, Partnership Goals, and Partnership for Peace Program Planning and Review Process in order to achieve interoperability.

Another big step forward is defining the territorial defence concept as the basis of military defence. For the first time Estonia has written into its basic documents how it is going to defend itself militarily if the need arises. The description of the different scenarios is also very important as it shows what the defence is aimed against. Estonia sees military resistance to the aggression covering the full territory of the state. The purpose of military resistance is to tie down the attacking forces, to defend strategically important areas, to gain the time necessary to invoke international reaction and to take measures aimed at halting the aggression.35

There are three concrete military threat scenarios outlined in the current Estonian military strategy. They are:

* Intimidation - the opponent is carrying out large-scale military exercises, partial sea blockade, over-flights of Estonia’s territory. This scenario may be transformed into full naval and aerial conflict.
* Coup Attack - the opponent carries out special forces’ operations to seize strategic objects in Estonia and undermine the functioning of state institutions. This scenario is characterised by the lack of or a very short warning time. Tallinn as the capital is likely to be the primary target.
* Full Military Attack - it will be carried out as a joint operation with forces outnumbering the defenders. The emphasis will be on the ground operations supported by the Naval and Air Force units.

A quick analysis of Estonia’s military strategy shows that it contains many features characteristic to the defence concepts and military thinking of its Scandinavian neighbours. The threat scenarios are similar to those described in the Report by the Council of State to Finnish Parliament, “European Security and Finnish Defence.”36 The content of the “total defence” concept as given in the document is evidently based on Swedish and Danish experience.37 The time period between 1993-2001 can accordingly be defined as the time that was required for all involved sides in Estonia to reach consensus on fundamental defence issues.

The Force Posture

The Estonian Defence Forces are based on conscription. They consist of a regular component (divided into three services: Army, Air Force and Navy), a voluntary defence organisation, the Defence League (Kaitseliit) and the militarily organised institutions and units under the Ministry of Interior subordinated to a Commander in Chief during the state of war. The total strength of the regular armed forces was, as of March 2001, approximately 8,600 men according to the information exchanged in the framework of Vienna Document.

Of the services of the EDF, the Air Force and Navy are structured so that their peacetime strength is equal to their envisioned wartime strength. The Army is built up differently. In peacetime it consists mainly of training units, units for participation in peace support operations (PSO) and units in reserve. This means that the Army which, according to the National Military Strategy, bears the main responsibility for defending the country, relies on mobilisation to achieve its wartime
strength. After mobilisation there will be two types of Army units: the territorial units and the general-purpose unit (brigade). Such an overall defence posture is very similar to the Finnish defence model.

The defence build-up has not always proceeded in accordance with this model. The envisioned fundamental force structure of the EDF has changed at least twice when the leadership of the defence forces (having previous experience from different armies) changed. The Finnish model was abandoned when the retired US officer General (EDF rank) Alexander Einseln took over the command of EDF in May 1993. After his resignation in December 1995 the Finnish model was adopted again.

The Air Force consists of the Air Force Staff, Air Force Base and Air Surveillance Battalion. Its basic task is carrying out the missions necessary for asserting the state's sovereignty. For this purpose, current efforts are focused on the development of the air surveillance capability.

The Navy consists of Naval Staff, Naval Base, and Mine Countermeasures Squadron. Its main functions are the maintaining of defence readiness, carrying out the peacetime maritime operations and the coastal defence. The composition of the Estonian Navy indicates that the primary efforts are directed to the development of its mine warfare capability.

The Army consists of six training infantry battalions, one training air defence battalion, one training artillery battalion and one rapid reaction battalion. The latter was established officially in March 2001 and it is based on the existing Estonian peace time structures. This rapid reaction battalion is to be fully ready to fulfil its tasks by 2005. Its main tasks are the defence of Estonia against surprise attacks and participation in the international peace operations.

There are two fundamental yet finally unresolved issues related to the Army: its planned size and equipment. Together they should represent, in theory, a balanced solution to counter the perceived threat within the existing resource constraints. In the case of Estonia it is very painful to strike that balance in a way that would be sustainable and militarly meaningful. It is illustrated by the changing size of the envisioned wartime EDF. Initially in 1992 the plans were to train and mobilise forces of 120,000–130,000. This number has been drastically reduced over the years. In 2000 the plans envisioned the formation of units to field three light infantry brigades and reach the EDF wartime structure of 25,000–30,000 in the period 2000–2005. Plans presented at the Estonian Ministry of Defence press conference on 12 November 2001 foresee the Army consisting of one light infantry brigade, one rapid reaction battalion and seven territorial battalions. The size of the wartime structure will be 20,000 men. Simultaneously the number of envisioned defence regions has been decreased from the four listed in "Defence Policy Guidelines" from 1996 and affirmed by the Government's Decree No. 51 from 13 March 1998, to two defence regions and two special defence districts (Tallinn and the Western Estonian islands) by the end of 2000.

Currently the Army has practically only light weapons (assault rifles, machine guns, anti-tank grenade launchers, 23mm anti-aircraft guns, mortars, recoilless guns, some 105mm field howitzers). Heavier equipment and especially items limited by CFE remains an unresolved issue. Various figures have been proposed. According to one assessment 200 battle tanks, 250 armoured combat vehicles, 400 artillery pieces, 40 combat aircraft, 30 attack helicopters would be militarily sufficient for Estonia. These figures are, in some respect, close to these of Finland (230
battle tanks, 1063 armoured combat vehicles, 1893 artillery pieces, 57 combat aircraft). However, one must keep in mind that Estonia’s GDP is US $4.5 billion against Finland’s US $123 billion.

As was pointed out above, the crucial point for Estonia’s defence capability is the army reserve. The reserve units are to form the envisioned brigade. As a parameter for evaluation of Estonia’s defence capability one can use the training and preparation of battalions.44

The EDF is training approximately 3,000 conscripts annually. By the end of 2000 the number of personnel having completed the conscript service in the EDF reached approximately 25,000 men. Exercises of the reserve units have been carried out since 1998. By the end of 2000 three major exercises had taken place. The first exercise involved an incomplete battalion in 1998 and was followed by the two exercises of battalion-sized units (respectively in 1999 and 2000). The EDF is also training annually some 2000 reservists. The growing emphasis on reservists’ training has been reflected in the Government Decree No 348 on the call-up of personnel for conscript service from 31 October 2000. For the first time since 1991 it included the number of reservists to be called up for training.

The training capacity indicated above could by 2006 provide Estonia with 8-15 battalions that have had at least one battalion level exercise. This may be quantitatively sufficient for the achievement of the planned goal of forming one light infantry brigade and seven territorial battalions. However, one should also keep in mind that any acquisition of heavy equipment is likely to require additional training of personnel.

The Defence League is a peacetime organisation with 15 regional units and various auxiliary organisations. Its main task is organising the military training of its members and participation in the establishment and training of the territorial defence units. There were approximately 8,000 members in the Defence League in 2000.45 According to the latest projections, the EDL will prepare a number of units equivalent to five battalions by 2006.

The Command Structure

The Supreme Commander of National Defence is the President of the Republic of Estonia. The Government has executive powers in the management of National Defence. The main responsibility for formulation of defence policies relies on the Ministry of Defence (MOD). The Commander of the Estonian Defence Forces (CHOD) is directly in charge of all components of the EDF. The CHOD is responsible for planning, budgeting and management of the EDF.

In case of aggression the President’s powers include: the declaration of war, ordering a mobilisation/demobilisation, appointing the wartime Commander-in-Chief of EDF without waiting for a resolution to be adopted by Parliament.

In peacetime the Parliament – on the nomination of the President – appoints the Commander of the Estonian Defence Forces. The President appoints the Chief of General Staff and commanders of the services on the basis of proposals of the CHOD and the Government of the Republic. The President also grants ranks and awards to military personnel. In his activities the President is assisted by the National Defence Council which is an advisory body composed of the Chairman of Parliament, the Prime Minister, the CHOD, the Minister of Defence, the Minister of Interior, the Minister of Foreign Affairs and the Chairman of National Defence Committee of the Parliament.46

The Government implements defence policies, co-ordinates the activities of local
governments and the institutions at the state level. The Government also initiates the drafting of legal acts and approves the structure and location of the EDF. The MOD is responsible for issuing the political guidance for the EDF and for drafting the defence budget. The MOD is also responsible for carrying out acquisition for the EDF, the call-up to conscript service, drafting the required legal acts, etc. The MOD is composed mainly of civil servants. The General Staff of the EDF is the working body of CHOD. Each service in the EDF has its own staff and commander of service responsible for the development of that particular service. The defence regions are also envisioned to have commanders and staffs. According to "Estonia's Defence Policy Guidelines" the leadership of the defence regions must be able to continue to lead military resistance in case of loss of central command.

The state level command structure where the President can command the CHOD directly while the Government is responsible for the development and implementation of the defence policies requires a good working relationship between the President, the Government, the Minister of Defence and the CHOD as a precondition for effective functioning. In the case of the opposite, there is a serious potential for a dire impact on the development of the EDF which may be seen, inter alia, through the appointments of the higher commanding echelons of EDF, and through the budgeting process. To rectify this situation the current Government has drafted the new Peacetime National Defence Act and sent it to the Parliament. The draft envisons the harmonisation of relations of the key figures of National Defence through bringing CHOD and the Minister of Defence closer to each other.

The situation where the MOD (composed mainly of civil servants) is physically separated from the General Staff subordinated to CHOD also has a certain negative impact on the state-level defence planning. Information presented by Estonia on its defence planning under the Vienna Document in 1999 shows that national defence planning is carried out in the framework of a Planning, Programming and Budgeting System. The basic mechanism of the system is that MOD issues the political guidance that forms the basis for the General Staff to draw up plans. There are two types of plans – the five-year development plan and the annual budget. In Estonia the process of forming the plan is actually divided between two different establishments (although belonging to the same administrative sphere) which complicates the issues in comparison to systems where the General Staff is closely integrated into the Ministry of Defence. The first five-year plan completed in Estonia was the Annual National Program (ANP) drawn up in the framework of the Membership Action Plan and approved by the Government in September 1999.

The analysis of the military command structure is a more complicated issue. A brief comparison of the territorial organisation of the Finnish and Estonian defence provides a reason for asking several serious questions. For example: the total Finnish territory is 337,030 km² and it is divided into three defence regions. Estonian territory is 45,227 km² and it is divided into two defence regions and two special defence districts. It means that while Estonia is only half the size of one Finnish defence region it still has almost the same amount of territorial defence structures as Finland. Whether the Estonian solution is optimal remains to be seen.

A separate matter is the relationship between the services of the EDF. Until December 2000, when the Army Staff was inaugurated and the Army Commander appointed, only the Air Force and Navy had their own staff re-
responsible for the development of those particular services. The General Staff was largely responsible for developing the Army in addition to its various other tasks. The introduction of an Army Staff should enable the General Staff to become the body dealing with the strategic planning and finding balanced solutions for all three services.

The Acquisition Process and Defence Budget

The procurement of equipment for the EDF is the responsibility of the Estonian Ministry of Defence. The needs for one or another type of equipment are specified by the General Staff. The general legal basis for acquisitions is provided by the Public Procurement Act.

So far one large procurement of arms for the EDF has been completed ("procurement" standing for buying new equipment directly from the producer). It was the acquisition of weapons from “TAAS Military Industries” (Israel) in 1993. These weapons were sufficient for equipping the entire Estonian Defence Forces in the initial stages of their development. The price was US $49 million (totalling US $60.4 million with interest) and the last payment was made in January 2000.49 Small numbers of arms have been procured also from Romania and China.

The two ongoing major procurements are aimed at the development of capabilities necessary for asserting state sovereignty. According to the Estonian press the Estonian Border Guard was as of the first half of 2001 in the process of procuring 20 sea surveillance radars from EADS Deutschland GmbH for the price of US $21-22 million. The Ministry of Defence is carrying out the procurement of long-range surveillance radar from Lockheed-Martin. The estimated cost of the radar will be approximately US $11-12 million.

The other equipment the EDF currently operate has been received as a donation. The Estonian Navy has received five mine ships, two patrol boats and one command ship from Germany, Finland and Denmark. The US has donated 40,500 M14 rifles, Germany 1,500 machine guns MG 3 and Finland 19 howitzers. The EDF will, according to plans, receive additionally up to 50,000 assault rifles and 1,500 machine guns from Sweden.50 A considerable amount of equipment has also been donated to structures subordinated to the Ministry of Interior.

As shown, there have so far been too few serious acquisitions to provide a solid basis for an evaluation of the acquisition process in Estonia. For example the Israeli deal became the object of a sharp criticism from the political opposition. There were statements regarding the poor quality and obsolescence of the arms and their price. It was also considered that these weapons created an illusion that Estonia was rapidly becoming heavily armed. This statement, however, does not reflect the actual state of affairs. It must be remembered that in 1992 there were only very few countries willing to sell arms to Estonia. In addition, Estonia was in serious need of them (especially considering the security environment described above) and had little or no experience at all in Western business practice. As estimated by the EDF in 2001, the acquired weapons were not obsolete or unfit to use. The main problems related to that particular procurement were rooted in the poor management of the transactions on the Estonian side, caused by a lack of experience and initiative.

Another issue is the number and the types of weapons acquired for the EDF. It is evident that detailed plans for the development of the EDF by the end of 1992 did not exist (see envisioned force size above). Therefore the acquisition was carried out on the basis of existing estimates and experience (there was no proper expertise to evaluate the weapons). As such, the deal with “TAAS” justified itself fully.
The number of infantry weapons already received and envisioned in the form of donations (close to 100,000 assault rifles) raises a question about the coupling of the acquisition process to the force plans. It is not quite clear yet how this figure is related to the planned EDF wartime structure.

The process of air-surveillance radar procurement has to a certain extent confirmed the above statement about the lack of respective experience in Estonia. As was noted during the procurement process, the relevant Estonian legislation contained several loopholes and shortcomings, thus preventing the process from proceeding smoothly and not giving sufficient cause for protests.

Estonia’s defence budget has experienced a tremendous growth since 1992. From 0.71% of GDP in 1992, it is expected to reach 2% in 2002. In 1992 the situation in the EDF was such that the then Minister of Defence Ülo Uluots expressed the hope that soldiers would have warm barracks by Christmas. He also mentioned that the state was capable of sustaining properly only a 1,000-man strong EDF. The financial situation of the EDF started to improve after 1995 when funding stabilised and stayed above 1% of GDP. One should keep in mind that the GDP itself has also been growing in addition to the growth of sums allocated to defence.

It is quite probable that the strongest incentives for the Government raising defence expenditure up to 2% of GDP have been the integration attempts toward NATO. The decision to increase defence expenditure up to 2% has been implemented persistently – instead of planned expenditure of 1.4% in 1999 the actual was 1.45%; in 2000 instead of 1.6% it was 1.59%; in 2001 it is to be 1.8% of GDP (i.e. US$ 104.8 million).

However, an increasing amount of money is spent on a greater number of structures: before 1999 the defence budget did not include the defence-oriented spending on the Border Guard and the Rescue Service subordinated to the Ministry of Interior.

As the urgent needs of the EDF were gradually fulfilled and the payments of the Israeli deal have been completed, the economic premises for the next procurement seem to be developing. As the payments to the Israeli firm were made from the annual Estonian defence budgets, the availability of money for the next procurement depends on the way the payments for the radar systems will be organised (the Government plans to take up a loan to fund radar procurement). As to the object of the next procurement, the Estonian authorities have expressed an interest in the acquisition of short-range air defence missiles. This is in accordance with the declared acquisition priority areas: air-defence, anti-tank systems, naval mine warfare and reserve mobilisation.

The high cost of modern weapon systems in comparison to available funds has been increasingly realised among the leaderships of Baltic defence structures and it has put the issue of joint Baltic procurement on the agenda. One might expect the further acquisitions to be made jointly by the Baltic States.

Participation in International Peace Support Operations (PSOs)
The EDF have participated in the PSOs since March 1994 when the first platoon took part in the UN mission UNPROFOR in Croatia as part of a Danish battalion. Since then the PSO units of the EDF (mainly a platoon or company-sized infantry units) have participated in various operations. In the period 1999–2000, over 700 military personnel (including 77 officers) have been involved. In 2000 Estonia allocated US $5.2 million to fund participation in peace operations.

The personnel for participation in PSOs are trained in the Peace Operations Centre which...
is part of the Army. It was established in 1994 as a Single Peacekeeping Company, which was transformed into a Peace Operations Centre with a battalion structure in July 1997. The personnel of PSO units are volunteers aged 19-35 who must have completed their conscript service (except for the female volunteers). The basic training of volunteers lasts 15 weeks.

In absolute terms Estonian contributions to various PSOs have not been impressive, but if considered in per capita terms or in relation to the size of the EDF and the defence budget, the contribution is remarkable. 15% of all officers of the EDF have been on PSOs and in 2000 the funds allocated to participation in PSOs constituted roughly 7% of the defence budget. Such a considerable involvement is in accordance with the defence policy goals and the national integration efforts. The preparation for and the participation in real operations together with the units of NATO countries are an excellent method of achieving interoperability.

The structures and methods used so far for these purposes may, however, need revision. As was stated above, the personnel for the PSO have so far been recruited from outside the EDF, i.e. from the contingent that has passed through the conscript service. The latest attempt to form a company this way failed. The reason was the lack of the tangible motivation for volunteers which raises the need for the EDF to adjust their policies for forming the PSO units. A step in that direction may be the plan to form a rapid reaction battalion that will also provide the required PSO capability, but the participation of that unit in operations abroad will strongly depend on Estonia's security situation. Considering Estonia's threat scenarios, size and geographical location, it is difficult to see the rapid reaction unit responsible for deterring a strategic surprise attack being deployed abroad for a prolonged time periods unless there is a stable and peaceful international situation.

The Arms Control and Participation in CSBMs
Estonia is a party to all main disarmament and non-proliferation agreements (Nuclear Non-Proliferation Treaty, Chemical Weapons Convention, Biological and Toxin Weapons Convention, Comprehensive Test Ban Treaty).

In the field of conventional arms control, Estonia's main activities are carried out in the framework of the Vienna Document. The CFE Treaty is considered to be the cornerstone of European security and the ratification process of the adapted Treaty is being monitored closely. Estonia is considering its own possible accession in the future and will formulate its position on it once the adapted Treaty comes into force.58

Estonia's active participation in the field of arms control began in 1997. In that year Estonia hosted evaluation visits by Lithuania and Ireland, and an inspection by Spain. Estonian inspectors in turn carried out the first independent evaluation visit to the Russian Federation and participated in the Swedish-led evaluation visit to Spain and an inspection mission to Croatia.

In pursuit of increased military transparency with its large neighbour, Estonia proposed and the Russian Federation agreed on additional CSBMs (Confidence and Security Building Measures) in 1998. These measures include one mutual additional evaluation visit and the exchange of information in CFE format. In September 2000 the Russian inspectors carried out their first additional evaluation visit in Estonia and in October 2000 Estonian inspectors conducted their third additional evaluation visit to Russia.

The possibility of carrying out an additional evaluation visit is a good opportunity for...
Estonia to achieve a higher military transparency with the Russian Federation as the quotas according to the Vienna document of the latter tend to be used up very quickly. Simultaneously the Russian Federation has a better chance to see the development of the EDF striving towards NATO.

The effect of the exchange of information in the CFE format might have many aspects and not all of them profitable to Estonia. Considering that Estonia's force posture is very similar to that of Finland, i.e. the EDF is a reserve force depending crucially on mobilisation, the exchange of information in CFE format may be harmful. The Finnish negative position toward CFE is largely based on the fact that the exchange of information in the CFE format as well as intrusive verification would expose Finland's wartime units and reveal its mobilisation system. In the case of Estonia where these units and the mobilisation system are under development this exchange may not be a serious issue yet, but in the future and in the case of accession to NATO being postponed, the above mentioned CSBM may have to be revised.

Conclusions

As a conclusion one can ask a number of questions: have Estonian policies, defence policy in particular, taken into account the geopolitical realities? Has the flow of action been purposive? Where is Estonia now: is it ready for NATO? The answer to the first question must be given in the context of the military security environment in which Estonia has existed throughout the decade of independence.

The historical review shows that the Estonian people felt in 1991, as in 1918, the urgent need for Estonian defence structures expressed through the re-establishment of the Estonian Defence League. The preconditions for re-establishment of the EDF were in 1991 very different from those in 1917-1918. Whereas in 1917-1918 there was a sufficient number of trained and war-experienced personnel to form the armed forces on the spot, in 1991 there was basically an empty space. However, in 1917-1918 the war was going on and the freshly formed units saw action almost immediately after formation.

Since 1991 the military security environment has been very different. Its basic reflection can be seen in Estonia's general security solution foreseeing tight integration into the EU and NATO. In the military field, the unfriendly behaviour of the Russian Federation has most likely pushed the EDF leadership to plan for the size of the EDF limited by demographic circumstances, but likely exceeding the economic capabilities of the country. The use of the evolving EDF in the field of arms control is an example of realistic political thinking in Estonia. Having relied for the most of its existence on political power, these activities have provided for the development of mutual transparency and tackling the potential threat in an early stage. This is not to say that Estonia considers Russia as an enemy, but to stress that there have been many reasons to be cautious and develop the EDF as quickly as possible, as well as to engage them in practical activities through the various international political frameworks.

Consistency has not always been present in the development of the EDF. It has taken some eight years to adopt officially (on all leadership levels) the total defence concept in the form of military strategy (though it can be argued that Estonia has all the time been building total defence). In the field of military conceptual thinking, the search for a generally adequate military defence solution for Estonia still continues.

In the EDF build-up in general, the envisioned force posture has changed at least twice,
and the target force size has been constantly reduced. The drastic decrease of the planned size of the EDF by a factor of six between 1992 and 2001 illustrates the difficulty in striking the balance between modern requirements, a militarily significant force size (and its equipment) and the economic capabilities of Estonia.

Quite another issue is whether this balance exists even in theory and whether Estonia can indeed muster enough economic power to develop, equip and maintain an EDF capable of resisting the large-scale attack for a considerable time. At first glance the very rough comparison between Estonia and Finland presented above reveals perhaps too dramatic a difference to be rectified and thus raises doubts whether Estonia could enjoy a sufficient level of military security outside NATO at all (which again supports the idea of integration). It is evident, however, that Estonia must do its maximum to strengthen its own defence capabilities to support its security policy. The acquisitions made so far clearly indicate the determination to do so.

The above developments have taken place with the national command line containing a serious potential for misunderstandings and strife. This has certainly had its effect. Indeed the EDF since their establishment have had four CHODs and three acting CHODs. This phenomenon is explicable in the context of the rapid development not only of the EDF, but also the whole state: since regaining independence and until 2002 Estonia has had nine governments. The impact of a rapidly changing political environment on the EDF has been inevitable.

The separation of MOD from the General Staff can be listed as another shortcoming in the command line affecting particularly the planning process. One of the reasons for this is historical – the General Staff was established before the Ministry of Defence.

All in all one can say that there has actually been a purposive flow of action which has been characterised by the general (still ongoing) socialisation of various levels of society to Nordic military thinking. The hindering factors have been perhaps the intimidation attempts from the Russian side (which nevertheless led to accelerated defence development), the difficulty of finding a sustainable and meaningful military defence solution for Estonia, and the lack of experience in military build-up and defence management. At the lower level the EDF have demonstrated a very quick learning and adapting capability through the successful participation in PSOs and the same can be said about the lessons learned in the course of acquisitions made so far.

The short answer to the question ‘is the EDF a valid candidate for NATO membership?’ is “yes” and “no” depending on what kind of NATO Estonia is trying to join.

If it is a NATO placing greater emphasis on collective defence, the aspirant’s ability to contribute to Alliance’s security, and geo-strategic factors, then the candidacy of Estonia may be strongly questioned. It is evident without any deep analysis that it is practically impossible to build up military structures similar or equal to those of the Western countries or the new NATO members in 10 years. In addition, in the case of Estonia it is even questionable whether its economy permits the build-up of structures capable of contributing considerably to the security of other Allies through collective defence as happened during the Cold War. Estonia’s credibility can be further reduced by fairly pessimistic statements about the ability of the latest new members to contribute militarily to the accomplishment of NATO’s missions.80

If NATO is going to be transformed into an organisation with a stronger emphasis on collective security then Estonia is indeed a
valid candidate. It has demonstrated the determination and commitment to participate in international PSOs, it has developed certain capabilities and seeks to develop a better support for them in the EDF. This commitment has been constant despite the frequent changes in the political and military leadership. In general Estonia has formulated an integrated view of what it considers necessary to do in the future and has developed a strong basis for the defence build-up as of late 2001.
Notes


3 The International Institute for Strategic Studies, “The Military Balance 2000-2001”, p. 93. This was according to preliminary data.


14 Bajarnas et al., “The Baltic Sates”.


16 Arbatov, “Russia’s Foreign Policy Alternatives”, p.20.

17 Bajarnas et al., “The Baltic Sates”.


23 According to the recollections of one participant of the process the effect of the international pressure was also recognised by the Russian side.


Bolving, “Baltic CFE Membership”, p. 28.


Bolving, “Baltic CFE Membership”, p.43.


“Rahuaja riigikaitse seadus” available in database: http://lex.andmevara.ee/estlex/Kehlivad/AktSearch.jsp


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Ten Years of Development

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