Securely into the future

MINISTRY OF DEFENCE STRATEGY 2025

Puolustusministeriö
Försvarsministeriet
Ministry of Defence

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We Need an Open Debate

The Ministry of Defence Strategy 2025 "Securely into the future" has three objectives. It makes a concise assessment of the long-term development in our security environment. On the basis of the assessment, the Strategy describes the future challenges facing Finnish defence policy and military defence. Thirdly, it explores the means by which these challenges can be met. By this publication we hope to increase awareness of the key points in our military defence.

The Strategy is based on the strategic planning process of the Ministry of Defence, with representatives of the Defence Forces also participating. Long-term strategic planning is done simultaneously with mid- and short-term planning. Government Reports on Finnish Security and Defence Policy (White Papers) are submitted every four years. Choices described in these reports influence long-term planning. The Strategic Plan, for its part, serves the preparatory work for the White Paper by clarifying the picture vis-à-vis future development options.

The cornerstones of Strategy 2025 are the common values of the Ministry of Defence and the Defence Forces: Security, reliability, credibility and patriotism. It is on these values that we will proceed into the future.

Security means safeguarding the functions vital to our society. We defend the entire territory of our nation and participate in preventing and repelling internal security threats. Furthermore, we participate in international cooperation and military crisis management.

Reliability, for us, implies that in all situations we act as part of a democratic society and carry out the decisions of the state leadership. Citizens, the state leadership and cooperation partners, domestic and foreign, as well as our own personnel must be able to rely on the Ministry of Defence and the Defence Forces.

Credibility stands for the credibility of our defence capability. This is the most important factor with regard to preventing external security threats to Finland as well as maintaining our defence will.

Patriotism means that we work for our nation's future while respecting the sacrifices of previous generations. We want to ensure that future generations will also be prosperous, safe and secure, and able to make independent decisions in the constantly changing international security environment.

Regardless of how our security environment develops, Finland will have to respond to several challenges. Our international dependence will increase. This expanding interdependence will result in the increased significance of cooperation. In the future, Finland will engage in cooperation ever more broadly, both at home and abroad.

The age structure of the Finnish population is experiencing great change. People age and this, too, influences the resources available for our defence. The ever-intensifying technological development has a similar effect as well. New technologies provide many opportunities, but the flipside is that the price of defence materiel is rapidly increasing.

In spite of growing collaboration and increasing interdependence the foundation of Finnish defence will remain national. We Finns will remain responsible for the defence of our own country, regardless of future defence solutions. The solid core of Finland's defence will always be Finnish.

By publishing this paper the Finnish Ministry of Defence aims to spur the debate regarding the future of our military defence. An active debate on the justifications of defence solutions is part of a genuine democratic process. The more matters of principle are discussed, the sounder the decisions. Also future solutions should strive to have wide-ranging consensus.

Helsinki, July 6, 2006

Dr. Seppo Kääriäinen
Minister of Defence
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Introduction

The desired end state for 2025 - the goals of the Ministry of Defence

Military defence must be able to maintain a credible capability to deter, and if deterrence fails, to prevent and repel military threats to Finland in the security environment of the 2020s. Finland will develop her defence either militarily non-allied but in close international cooperation or as militarily allied.

The Defence Forces must be able to support the civil society and other authorities in preventing and repelling wide-ranging security threats as well as in limiting their consequences. Pursuant to the decisions of the state leadership, the Ministry of Defence and the Defence Forces intensify and further develop the capability for international cooperation and military crisis management.

In future decades the Ministry of Defence intends to further cement its position as a dependable expert for the state leadership as well as a significant security and defence policy opinion-maker within the government. The Defence Ministry's role as coordinator of total defence activities will be developed. Furthermore, transparent and intense interaction related to total defence issues will be increased within the public administration as well as with other actors.

In order to reach the desired end state:

- The Defence Forces' capabilities for carrying out the statutory tasks will be maintained and developed by allocating the long-term resources required by the security environment.
- The critical success factors for key competence areas will be defined. Skilled personnel for said areas will be recruited and trained.
- Resources for critical success factors will be secured by rationalizing tasks and functions of the Defence Forces.
- When defence is being developed, attention will be paid so that no practical obstacles to possibilities of participating in the EU's common defence, which may be developed in the long term, nor to applying for NATO membership are created.
- The Ministry of Defence will be developed as the strategic-level planner, leader and implementer.
- Relations with domestic and international cooperation partners will be cultivated.

The foundation stands, change continues

- Military defence must be developed in the future as well.
- The tasks of the Defence Forces will be maintained and developed, within our means, according to changes in the security environment and advances in technology.
- The activities of the Ministry of Defence and the Defence Forces rely on citizens' support and approval.

As a part of Government and as the leader of its administrative branch the Ministry of Defence is responsible for national defence policy and security. In addition to being responsible for preparing and implementing defence policy, the Ministry of Defence is responsible for allocating resources and other prerequisites for military defence, coordinating total defence issues and participating in military crisis management. The capability to implement these tasks, combined with citizens' support, general conscription, the solid will to defend the nation and voluntary national defence activities, forms the foundation for the future.

Military defence will create the required capability to prevent and if necessary repel military threats against Finland as well as support the civil society and

other authorities in the prevention of wide-ranging security threats. The role of the Ministry of Defence as the coordinator of total defence activities is based on transparent and constant interaction involving the public administration, private enterprise and non-governmental organizations.

The primary future tasks of the Defence Forces are: Military defence of Finland, supporting society and other authorities as well as participation in international military crisis management. The tasks are mutually supportive and can be carried out with the resources that are primarily maintained for the task of defending Finland. In the future, Finland will establish a capability for participating in more demanding crisis management operations. As for international cooperation and military crisis management, the Ministry of Defence and the Defence Forces must be able to respond to goals and decisions established by the state leadership.

A Strategy encompassing the next two decades

- Strategic planning is a continuous development process.
- The Strategic Plan spans the next two decades. The Plan is updated every four years.
- The Strategy lays the groundwork for the long-term development of the Ministry of Defence and the Defence Forces.

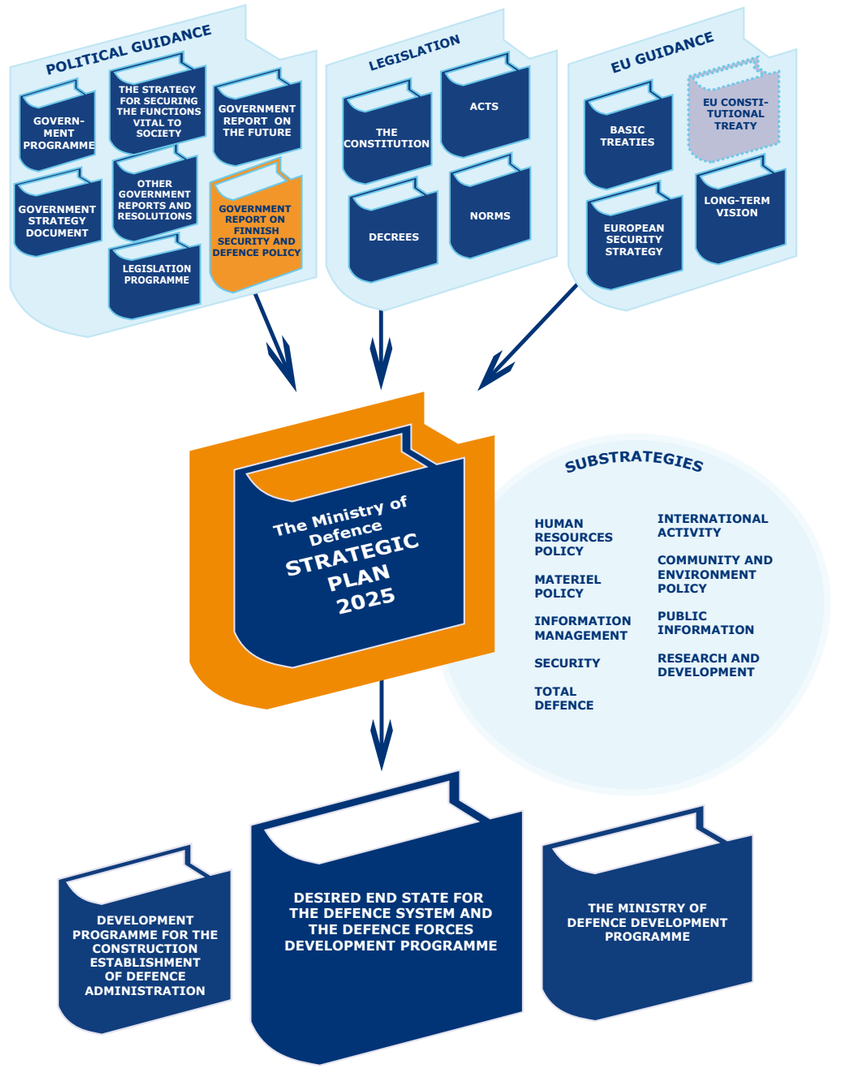
The Strategic Plan of the Ministry of Defence is the fruit of cooperation between the Ministry of Defence and the Defence Forces. The Plan guides the development of defence policy and the defence system with the aim of creating capabilities which also respond to future challenges and utilize future prospects. Background information was domestically obtained from the Defence Forces' and other research establishments. In addition, information was obtained from the EU's Long Term Vision process and from international research institutes.

The Strategy and the Government Report on security and defence policy (White Paper) are closely intertwined. The present White Paper is the key political framework document guiding the Strategy. Likewise, this Strategic Plan combined with the Defence Forces Development Programme provides principles for the preparation of the next White Paper. Furthermore, the Strategic Plan is tapped into when operational and financial plans, resource allocation and development programmes are being drawn up.

The desired end state of the defence system is reviewed at least every four years or whenever strategic developments or political guidance so require.

To begin with, as Strategy 2025 was being developed, security environment development options as well as threats facing Finland and the means of responding to the threats were comprehensively assessed. The Defence Forces continued the work in their long-term planning. The Defence Forces' strategic planning process produces the desired end state of the defence system as well as the Defence Forces Development Programme and the Research Programme. The end product of planning generates the capability requirements for weapon system procurement projects, for example, as well as for the required personnel training. Modern weapon systems are extremely expensive and long-lasting because they remain in operational use for 20-30 years. A military defence capability is the outcome of decades of work and, therefore, it is not possible to revive a deactivated capability even over a long period of time. For this reason, when a defence system is being developed one must look at least twenty years ahead.

The strategic planning process



The Government Report on security and defence policy, as well as other political framework documents, legislation and EU guidance are the key components shaping the preparation of the Strategic Plan of the Ministry of Defence. The Defence Ministry's Strategy creates the framework for the Defence Forces' own development programmes.

Scenarios and shocks - instruments for evaluating the future

Strategy 2025 uses three possible future global development scenarios as aids in the analysis. The scenarios do not attempt to predict the future. Instead, in lieu of a vision that is estimated to be the most likely to materialize, several mutually interchangeable scenarios are devised. The scenarios extensively explore the changes in our security environment as well as their possible long-term consequences to Finland. The scenarios in Strategy 2025 are:

- Scenario A: Globalization and collaboration intensify; a more peaceful world emerges
- Scenario B: Business as usual
- Scenario C: Economic growth stalls and collaboration is paralysed as global structures weaken. International conflicts multiply

Recent history testifies to the fact that single dramatic events and chains of events, such as the fall of the Berlin wall, terrorist strikes in the United States and in Europe or disasters, such as a tsunami, can amount to seminal events that influence the security environment.

Therefore, the Strategy's scenarios have been augmented by recognizing shocks, i.e. positive or negative developments which, at the moment, seem unlikely. Such shocks could be, for example: A new energy production method, a pandemic, the collapse or economic downfall of a major power, an environmental disaster or the European Union falling into serious crisis. Should a shock materialize, it could jolt the intra-scenario development or even transfer the development into an altogether different scenario. Shock assessment highlights the need for prognostic security environment monitoring and evaluating as well as for the maintenance of preparedness.

Development trends globally and in the near environs

The Ministry of Defence adopted the global approach for its Strategy. Key trends in the development of the security environment can be analysed in more detail within the previously mentioned scenarios. It is of vital importance to perform this analysis in strategic planning. The following five trends – population, environment and natural resources, technological development, globalization of the economy as well as the roles of the international order and states – lay a foundation for the evaluation of military conflicts and wide-ranging security threats.

Population: Growing in developing countries, greying in Europe and declining in Russia

Uncurbed population growth and urbanization continue in developing countries. In most developed countries birth rates are declining and the median age is increasing. It is estimated that the total population of the present 25 EU Member States will be approximately 470 million in 2025. This represents only 6% of the world's population. The median age of European countries is increasing, diminishing the dynamics and innovativeness of their society. This poses serious challenges for the EU's economic growth and competitiveness. The population of the United States continues to grow, aided by substantial immigration, longer life expectancies and higher birth rates. It is estimated that the population of the United States will be approximately 364 million in 2025. The Russian population will continue to decline, by almost 9 %, until 2025 when it reaches an estimated 129 million.

Finland's population will peak in the 2020s, estimated to be at a little above 5.4 million in 2025. Thereafter, beginning from 2028, the population will slowly shrink. The birth rate will remain low, with the median age increasing and people converging in population centres. The number of working age people (15-64) will already peak at the end of this decade. It is estimated that by 2030 this number will have decreased by 370 000 persons. Simultaneously, the number of people 65 years of age or older will have increased by 570 000. This trend in Finland will have consequences on the labour market and on economic growth. One solution to challenges posed by the age structure change is to substantially increase the immigration of working age people.

The most significant changes in the size of the annual conscript intake of 20 year old males have already taken place. The size of the 20 year old male age group will remain at its present volume until 2012, whereafter it will decrease by approximately 10% by 2030. Competition over skilled labour will increase and this will affect the Defence Forces, too, as they have to operate as a good employer in the labour market.

Environment and natural resources: Deprivation breeds instability, Finland remains dependent on energy imports

Total food production would exist to feed the growing global population but the distribution of food is uneven. Famine plagues authoritarian countries or countries suffering from internal conflicts. By 2030, lack of potable water will be a problem for over fifty per cent of the world's population. The significance of water in world politics and as a catalyst for conflicts will increase.

Energy requirements grow but reserves remain sufficient for the assessment period. The stability of energy producing regions influences the price and availability of energy. The price of energy will remain high in the future as well and, therefore, alternative solutions must be sought. Energy - its

supply, transfer routes and resources - is used as an instrument of political influence and pressure. By 2030 the EU's dependency on imported energy will have increased from the present 50% up to 70%. As for imported oil, the EU's dependency in 2025 will increase to up to 90%, and up to 80% for natural gas. The bulk of energy the EU uses comes either from Russia or through Russia.

Finland will remain extremely dependent on imported energy. Renewable energy sources can cover only a fraction of her total energy consumption. Finland's economic growth can be endangered by disturbances in energy or raw material production or deliveries caused by tension in international relations or crises. Guaranteeing national security of supply and international supply security arrangements will increase in significance. The continually rising price of energy also affects the activities of the Defence Forces.

Environmental disasters and changes in the environment may directly or indirectly reflect on the global security situation, on the EU and on Finland. This is why, as the Defence Forces' capabilities are developed, it is also appropriate to prepare to support other authorities in environmental disaster consequence management. The Ministry of Defence and the Defence Forces must take environmental protection issues into consideration in all activities and to further develop its capacity for environmental disaster prevention.

Technological developments: Bigger prospects - challenged by price increases and system vulnerability

Advances in technology and the introduction of new technologies occur faster and faster. On the whole the effects of these are positive, but at the same time security risks grow. The proliferation of information technology applications enables the fast and purposeful spreading of political ideas and practices.

New technologies do not alter the character and conventions of traditional warfare. Developing and maintaining military technologies is challenging from the perspective of resources. It is estimated that modern defence materiel doubles in price every seven years. The maintenance costs for new materiel grow proportionately. Expensive defence technology forces us to seek future solutions by innovatively integrating high-technology weapon systems and cost-effective commercial systems. Nevertheless, the number of new development projects and procured systems will decrease in the future.

The development in information technology facilitates network enabled warfare. This is an operational concept based on an effective and wide-ranging information-gathering, analysis and collection systems, on modular and capable units, international interoperability as well as a highly developed command and control system.

Finland keeps abreast of the technology development and maintains first-class know-how in her own key competence areas. The expanding introduction of new defence technologies poses challenges to the military security of supply in crisis situations to a small country like Finland which has limited resources. This highlights the significance of materiel cooperation among the Nordic countries as well as within the European Union.

As technology advances, the vulnerability of the society and the defence system increases. It is estimated that the intentional abuse of new technologies will mainly bring about indirect security risks to Finland, such as paralysis of information networks and command and control systems as well as disruptions in the society's vital functions.

The globalizing world economy - interdependency increases

Globalization drives growth in the world economy, raises living standards and increases interdependency among nations, as well as economic integration and political stability. Nations no longer wield absolute control over the economy. Instead, some of the control becomes multinational. However, the benefits of globalization are not fairly distributed. Nations that are sidelined from the benefits of globalization may form a security threat and a breeding ground for terrorism.

Factors affecting the development in Finland's security environment

The United States as well as the emerging economic powers China and India are the most effective nations at exploiting the openings of globalization. The EU will maintain its status as an economic area almost as large as the United States, even though its economy will be suffering in the 2010s due to its ageing population.

Russia is a centrally controlled market economy, whose economic growth largely hinges on the prices of energy and raw materials. Russia also uses her status as an oil and gas exporter to maintain and expand her clout. Russia's economic progress is held back by demographic factors, a dilapidated infrastructure and risk factors in her political development.

Our national economy is affected by the fluctuations in world trade conditions and remains dependent on foreign trade. When the median age of our population increases, economic growth may slow down and latitude in the public economy may get smaller. As in other European countries, the maintaining of the welfare society in Finland, too, will become increasingly expensive. Growth pressures on general government finances will add to the uncertainty over defence appropriations and may complicate long-term defence development.

The international order and the role of nations: The EU and transatlantic relations are important to Finland

In the foreseeable future the United States will retain a dominant role in international affairs. China and India will increase their political clout as Russia tries to preserve her status as a major power. As integration intensifies, the EU countries will form an increasingly coherent community and the Union will attempt to strengthen its role as an international actor. The simultaneous enlargement is a challenge to the European Union's internal and external ability to act. Transatlantic relations will remain high on the EU's agenda.

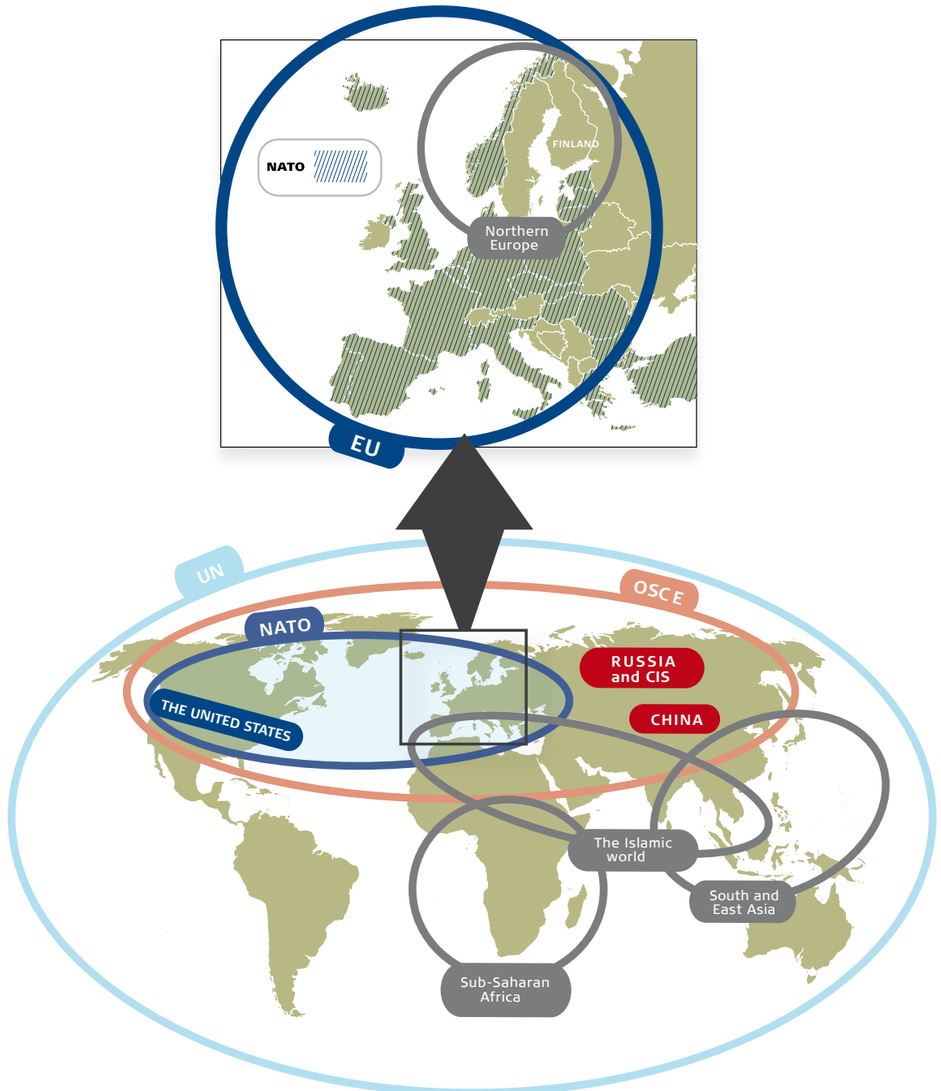
Consequences of security problems spread faster and wider than ever before. Future threats and the solutions to them are global and individual nations will not be able to opt out of the problem-solving sphere.

States retain their role as key actors. However, their influence will shrink as the role of multinational and non-governmental actors grows. Developed welfare states will be more prone to internal instability. The growth of political extremism may increase violent protests and indigenous terrorism. The significance of religion as a defining feature of people's identity may grow and alter views of the character of the traditional nation-state along with the increased immigration and multifaith traditions. Globalization will revolutionize decision-making and communications, making it more difficult for authoritarian governments to remain in power.

The significance of case-by-case multinational groupings will increase. They will augment the activities of international organizations. The importance of regional organizations will also grow.

It is in Finland's national interest to promote EU coherence, especially, when it comes to security and defence policy. The European Union is the most important organization from the Finnish perspective. However, in the enlarged Union Finland must be able to make choices and, if necessary, to intensify case-by-case cooperation between groupings

The international actors and regional entities affecting Finland's security environment



Finland's security environment is no longer constrained to our vicinity. Global developments increasingly affect us. This is why the Defence Ministry Strategy adopted the global approach and evaluated in all 11 international actors or regional entities. Each of these was assessed within three alternative scenarios spanning 20 years. The key actors in Finland's security environment are the EU, Russia, the United States and NATO.

representing different views. As the EU continues to expand and due to a possible multi-speed development of its security and defence policy, Finland must deliberate the level and degree of her participation in activities. Finland underscores the responsibility of the international community in the prevention of crises and humanitarian disasters as well as in the protection of the civilian population. As a rule, we participate in crisis management operations which are mandated by the UN. However, we may have to make choices on whether to participate in operations which do not have an explicit UN mandate. The activities of a globally engaged EU may generate adverse reactions which will also affect Finland and the Finns.

Military conflicts: The future Defence Forces mirror the change in the security environment

➢ **The spectrum of military conflicts will expand - the traditional boundary between war and peace will become indistinct - asymmetric warfare will be more common**

Future military conflicts will mainly be regional or internal in nations. They will often build on historical reasons, disputes over the control of energy sources, natural resources or potable water, ethnic and religious tension, societal and economic inequality as well as the lack of human rights and democracy. Regional conflicts will have wide-ranging spillover effects and other new, cross-border security threats will be associated with them. These conflicts will often begin in failed states, in whose crises their neighbors meddle.

A grey phase, varying in duration, will exist between the traditionally perceived conditions of war and peace. The threat of military force or a limited use of it as a means of pressure is symptomatic to the phase. In addition, political and economic pressure as well as means of asymmetric warfare disrupting the society's vital functions occur during the grey phase. Asymmetric warfare selects the most vulnerable targets and chooses methods for which the opponent does not have adequate preparedness. Asymmetric warfare is embodied in international terrorism, an attempt to acquire weapons of mass destruction and to the threat of using them, computer network attacks as well as information warfare.

In the past, terrorists acted against preselected targets in accordance with their regional and political objectives. In the future, the global threat of international terrorism aiming at large-scale destructive effects will increase. The methods of terrorism will also be widely used against international crisis management operations as well as against other military campaigns.

Preparedness against asymmetric security threats requires intensified cooperation between international and domestic security authorities. This expands the military's traditional range of tasks. In spite of these new tasks, the capability to defend one's own territory against a military attack or the threat of an attack remains the fundamental task of the armed forces.

The proliferation of technology, poor border security and globalization of the weapons industry highlight the significance of arms control activities. Even though monitoring and regimes are being developed, the potential use of nuclear devices and other weapons of mass destruction has still not been ruled out. A nuclear weapon improves the standing of a single state or a non-governmental actor in a regional power struggle. The largest military powers take the possible use of tactical nuclear devices into consideration in their doctrines.

The threats of international terrorism, proliferation of weapons of mass destruction, information warfare, network jamming and attacks as well as spillover effects from regional conflicts also reflect on Finnish society. Finland, along with other developed states, must actively participate in finding responses to global security threats. In the future we will likely have to consider participating in preemptive military action as part of a larger country grouping.

➢ **Crises are intervened in increasingly earlier and from farther away.**

The proportional share of the United States in global defence spending will begin to decrease in the long term as China and India heavily invest in their own defences. Partners will become even more important to the United States. From the EU's perspective it would be unrealistic to assume that available defence appropriations would suffice to cover the creation of all capabilities. Therefore, the need to strengthen the transatlantic relationship as well as EU-NATO cooperation will be accentuated.

Western countries' defence policies and military activities increasingly focus on rapid response capabilies beyond their own territories, on crisis management as well as on wide-ranging security threats. The area extending from North Africa through the Middle East and Central Asia all the way to Southeast Asia forms a wide arc of instability, where conflicts will most likely occur. Most of the security threats targeting developed Western countries are spawned in this area.

The principles of international jurisprudence on the use of military force are called into question as most conflicts are - in lieu of conventional warfare - unconventional. Interventions of the international community on issues traditionally considered a state's internal affairs will become more acceptable.

➢ **Modernizing crisis management - Finland possesses formidable competency.**

International crisis management forms an entity comprising development policy, early warning and conflict prevention, military and civil crisis management in the acute phase, as well as post-conflict stabilization and reconstruction.

Military crisis management will become more demanding. Rapidly deployable and militarily demanding operations executed far away from Europe pose challenges to it. For example, rapid response capability and preparedness for long-distance strategic transport increase the costs of crisis management.

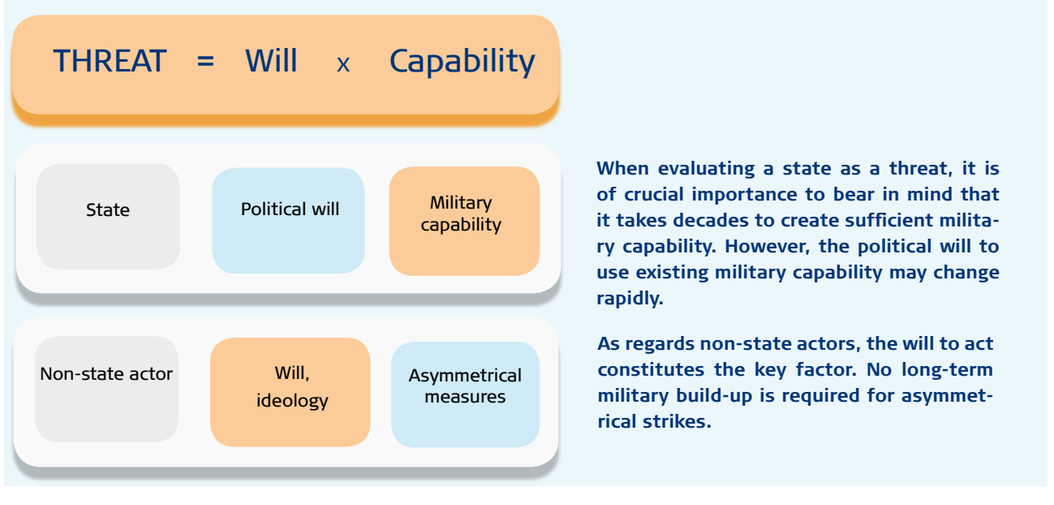
The conditions in which crisis management troops operate are more demanding and the troops do not have logistic support similar to that at home. Many diverse actors operate in the crisis area. The local population does not necessarily accept the troops' presence. In addition to post-conflict stabilization there must be the ability to rebuild a functioning society in the area. Operations will be long-lasting and will require strong commitment from the international community.

Finland must prepare for more demanding military and civilian crisis management along and beyond the borders of Europe. We may face growing pressure to increase our share in international crisis management. Crisis management requires swift multinational and domestic decision-making as well as sufficient military resources in high readiness.

➢ **Use of military force against Finland is still possible - furthermore, the threat can increase rapidly.**

In addition to participating in crisis management, Finland must also continue to prepare for military threats to her territory or to her society's vital functions. The likelihood of using military force against Finland remains small. However, a significant and qualitatively improving capability for the use of military force remains in our vicinity. The probability of using military force against Finland may increase as part of an escalating global or European conflict and that probability may also rapidly grow. The consequences of a possible projection of military power against Finland, should it materialize, would be devastating. Therefore, the defence system must be maintained and developed in a long-term and anticipatory fashion.

The political and military development in our vicinity, especially in Russia, significantly influences Finland's security. Along with maintaining her political integrity, the capability to defend Moscow, St. Petersburg and the Kola Peninsula remains Russia's primary objective. The significance of the Baltic Sea to Russia will increase, particularly because of vital energy and materiel transports. Kaliningrad remains a special exclave where economic and social development lag behind the median in Russia. However, this direction of development may change should Kaliningrad manage to take advantage of its location in the middle of EU and NATO countries. Russia will continue to maintain considerable military capabilities in the region and the main naval base for her Baltic Fleet is located in Kaliningrad.



When evaluating a state as a threat, it is of crucial importance to bear in mind that it takes decades to create sufficient military capability. However, the political will to use existing military capability may change rapidly.

As regards non-state actors, the will to act constitutes the key factor. No long-term military build-up is required for asymmetrical strikes.

Russia will become more prosperous with revenues accrued from exporting energy and raw materials. This will also enable investments for modernizing her armed forces and increasing their capabilities. Instability along her southern border and problems related to Islamic separatism affect the internal situation in Russia. Disputes over oil resources and over the control and use of oil lines in Central Asia and the Caucasus will reflect on Russia's relationship with other great powers. Tensions in Russia and in the CIS area may spawn security threats. Russia will also endeavour to maintain its special relationship with NATO.

➢ **The EU gets stronger and concentrates on crisis management.**

Integration will intensify the EU trait of being a security community for its member states in which military conflicts between member states are highly unlikely. However, the relations of an enlarged EU to its new neighbors may spawn security challenges. The greatest threats to the EU countries remain terrorism, proliferation of weapons of mass destruction and regional conflicts as well as so-called failed states and organized crime.

In spite of the Constitutional Treaty, the development of the European Security and Defence Policy (ESDP) is likely to proceed. Europeans will increasingly assume responsibility for the security of their continent and its surrounding areas.

EU-NATO cooperation in military crisis-management evolves. The photo is from a ceremony marking the end of NATO's SFOR Operation and the establishment of the EU Operation "ALTHEA" in Bosnia in December 2004.

Some of the member states may deepen mutual military cooperation within the structures of the Union, yet for the most part cooperation will continue to concentrate on crisis management. The Solidarity Clause and possible security guarantees will increase the security of the member states. NATO will remain the foundation and implementer of its members' collective defence. During the period of this evaluation the EU will probably not create a territorial defence capability independent of NATO. Therefore, only NATO membership can provide military security guarantees.

The EU's strength is its wide range of instruments. In addition to military crisis management, civilian crisis management, military training and advisory activities as well as disarmament will remain its focus.

The primary function of the European Defence Agency, EDA, is to intensify the development and harmonization of the EU's military capabilities. The EDA's activities build on the European Security Strategy and the EU's crisis management tasks.

The EU's new security environment creates challenges for Finland's security and defence policy. Threats focusing on the Union also target Finland and, along with other EU countries, Finland must participate in responding to these threats. The EU's possible security guarantees strengthen Finland's security. Finland must also have the capabilities to provide and receive the assistance detailed in the Solidarity Clause. As security and defence policy integration intensifies and due to advances in technology, Finland's dependence on other countries in the Union, with regard to developing and maintaining Defence Forces' capabilities, will increase. Participating in the European Defence Agency's activities supports the development of Finland's national defence.

➢ **NATO's role transforms - security guarantees remain.**

NATO is modernizing its military role. Its area of operations is no longer geographically confined. Instead, NATO will establish capabilities for operating globally, wherever future threats originate. Simultaneously, cooperation with partner countries external to Europe will be intensified and expanded.

The global power projection capability of the United States is of crucial importance to the defence arrangements and capabilities development of European NATO members.

The members of NATO are still committed to the collective defence. Merely by existing, NATO creates a deterrence to those posing a potential threat. The security guarantees and the capability to implement them will be preserved as life insurance, which protects against any future surprises. However, military crisis management is emphasized in NATO's operational activities. Common defence planning as well as command and troop structures are developed to flexibly conform to the prevailing strategic situation assessment.

Through developing partnership activities with NATO Finland can more effectively participate in exercises and NATO-led crisis management operations. However, this evolving partnership does not enable participation in the alliance's collective defence. Neither does it facilitate fully fledged participation in decision-making nor in military capabilities development.

Wide-ranging security threats - a challenge for the entire society

Diverse threats can target the functions vital to society in the future. In addition to traditional military threats, individual threats also contain other dimensions. This means that the concept of security has expanded.

The significance of wide-ranging security threats is increasing and new and better means to respond to them are being sought. Wide-ranging threats constitute, inter alia, the following:

- Terrorism
- Threats posed by weapons of mass destruction
- Threats posed by failing states
- Threats targeting information systems
- Information warfare
- International cross-border organized crime
- Major disasters
- Environmental hazards
- Uncontrollable migrations
- Health hazards, including severe contagious diseases.

Many of the wide-ranging security threats are interlinked, difficult to predict, multifaceted and they have little early-warning. Due to their character, in order to properly prepare for and respond to them, vigorous international and domestic cooperation and pre-agreed collaboration arrangements are required. Military resources can also be used to defend societies against wide-ranging security threats. This may expand the range of tasks of the armed forces.

The preparedness for wide-ranging security threats must be taken into consideration as the Finnish defence system is being developed.

In addition to society, wide-ranging security threats may also target the Defence Forces, both at home and while deployed to international crisis management operations.

The readiness to repel any use of military force against Finland is the responsibility of the Ministry of Defence and the Defence Forces. The long-term development of the defence system also includes preparedness for the worst-case scenario.

Foresight - the essence of a successful defence system

The significance of monitoring and evaluating the strategic security environment as well as making anticipatory decisions will increase in the future. The Ministry of Defence is in the process of improving its capability to do strategic evaluation. The Defence Forces compile a military-strategic assessment for the entire state leadership by monitoring the development of military threats. This is augmented by intensifying international cooperation.

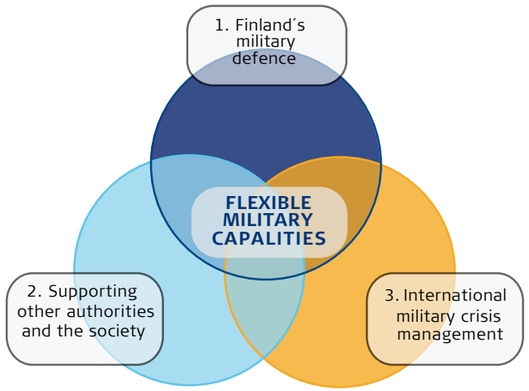
Strategic planning in the Ministry of Defence and in the Defence Forces establishes the preconditions for long-term political decision-making and resource allocation, spanning approximately 20 years.

The joint intelligence, surveillance and command and control system covering all of the services will be further developed. Hence, the capability for rapidly raising readiness and for executing operations both at home and abroad is guaranteed.

Basic tasks: Military defence, supporting other authorities and international crisis management

The most important goal is to preserve a credible defence capability. This is done so as to maintain the deterrent threshold for use of force against Finland high enough to outweigh the perceived benefits of attack. Irrespective of Finland's military non-alignment or alignment we prepare to prevent and, if necessary, repel a military threat primarily on our own. In addition to this, we also prepare for

The key areas in Finnish defence system development



- We shall guarantee the country's independence, the freedom of action of the national leadership and safeguard the livelihood of the population.
- We will support other authorities in abnormal and exceptional conditions related to wide-ranging security threats.
- We will, within our means, develop the capability to participate in international crisis management.

The Defence Forces' military capabilities must be flexibly exploitable in the defence of Finland, in providing support for other authorities and the society both at home and abroad as well as in international military crisis management.

international collaboration and develop our ability to receive support.

The Finnish Defence Forces cooperate in unison with other authorities so as to seamlessly secure the functions vital to society. The Defence Forces' expertise, equipment, infrastructure and situational awareness information constitute valuable assistance to other authorities. At the same time the Defence Forces acquire valuable information and experience for the development of its own activities.

The capabilities for international cooperation and military crisis management are quantitatively and qualitatively developed as per our international obligations and in accordance with the requirements of future operations. The Defence Forces' functional and material interoperability is being improved. The Defence Forces also prepare for force protection against wide-ranging security threats while deployed to international operations.

Modernizing the defence system - quality replaces quantity

Finnish society will be more vulnerable in the future. The character of war is changing and military technology advancing. The future defence system will focus on defending the nation's key areas and on securing the vital targets and functions of society.

The modernized defence system will facilitate all services' effective joint operations in the next decade. The core of the defence, fulfilling the requirements of network enabled warfare, will build on army, navy and air force readiness units and on the integrated intelligence, surveillance and command and control system. Units decrease in size but simultaneously advance in mobility, firepower and range.

As long as resources can be allocated for the required military capabilities, the development of the defence system does not signify compromising the defence of the nation's entire territory. Force is flexibly concentrated and centres of gravity are formed as required.

Cost-effectiveness is optimized - materiel, operations, maintenance and personnel expenses are balanced

During the past decade the biggest post-war changes have been implemented in the Finnish defence system. The transformation process is incessant. The Defence Forces' peacetime development and relocation of activities centre on the main tasks. Permanent and fixed arrangements will be abandoned in favour of functional and administrative models that are more flexible and less restrictive.

Cost-effectiveness is striven for when developing the defence system. However, it is possible that current defence appropriations will be too low for developing our defence capability according to the new requirements. If prices, especially those of defence materiel, continue to grow at the present rate, major defence capability reviews or substantial supplementary appropriations may be required.

Defence spending requirements also increase due to the fact that the official functions related to total defence are becoming business-based. By outsourcing the Defence Forces' support functions core functions can be concentrated on. However, this poses increasing challenges regarding the defence establishment's competence as a customer, the development of contractual and logistic systems as well as the safeguarding of security of supply.

General conscription continues to be an effective solution for Finland

General conscription is a cost-effective way to implement the defence of the entire territory of the nation as well as to carry out the other tasks of the Defence Forces. The overwhelming majority of Finnish citizens as well as the state leadership continue to support general conscription. In the future the entire segment of the annual intake which is fit for military service will be trained in accordance with wartime troop requirements. This way the average age of operational troops can be kept suitably low and the sufficiency of troops in the reserve can be guaranteed.

General conscription lays the groundwork for the Finnish citizens' strong will to defend the nation and for their commitment to national defence. It also promotes citizens' social equality and guarantees the transparency of the Defence Forces' activities in the society.

Voluntariness as a key asset

Voluntary military defence supports the Finnish Defence Forces' wartime troop training as well as the maintenance of defence capabilities. It also augments the nation's general preparedness and capability for action. Consequently, the Defence Forces' wartime troop training can be supported in an economical way and the Defence Forces' capacities for executive assistance can be developed.

Wartime regional troops are reinforced by voluntary local defence troops, which are developed as cores of regional troops. Local defence troops are capable of rapidly responding to threat scenarios in emergency conditions as well as providing support for society's vital functions. The most important tasks of local defence troops are to protect key targets and functions as well as to patrol appropriate areas and to support the activities of the authorities. In the future local defence troops' tasks can be expanded to include the tasks of the combat arms branches.

Voluntary military defence boosts the Finnish citizens' will to defend the nation and increases the Defence Forces' provincial visibility. Furthermore, it broadens women's opportunities in participating in the national defence. Voluntary military defence, its prerequisites and the other required resources will be further developed. Voluntary military defence will be carried out under parliamentary control and under the guidance of the Ministry of Defence.

Competence is emphasized

The performance of the Ministry of Defence and that of the Defence Forces crucially hinge on the competence of their personnel. Competence management and control is a critical success factor. It affects the Ministry of Defence´s and the Defence Forces' competitiveness as employers, their performance and service ability as well as their productivity. We must be able to recruit competent personnel and to offer growth opportunities to our skilled staff.

Wide-ranging security threats, challenges in the European integration process as well as the need to participate in more demanding international crisis

The Navy's ultra-modern Hamina-class Missile Fast Attack Craft are equipped with the effective South African Umkhonto air defence missile system.

Ground Based Air Defence will be developed in future decades. Quality replaces quantity and competence is highlighted.

management call for an increase in the competence of the Defence Forces' personnel. Since conscripts are highly educated to begin with, it is already possible to train them for highly demanding tasks within their present period of military service. Conscript training, too, must aspire towards even higher professional competence. In this way sufficient numbers of personnel will be trained to subsequently be recruited to international crisis management tasks and to the regular personnel of the Defence Forces.

Growth in the need for professional skills does not infer conversion to professional armed forces. Instead, professionalization means skills development as well as leveraging the professionalism and competence of the rest of society so as to avoid unnecessary duplication of efforts with civil society. Rapid techological advances in weapon systems as well as our international obligations, ever increasing in number and scope, demand a flexible personnel system which is qualitatively developed.

Internationalization increases - whether we are non-allied or allied

The primary objective of Finland's security and defence policy is to further security and stability in Northern Europe.

The intensifying international cooperation supports the development of the Defence Forces' capabilities. International military crisis management provides a good venue for the Defence Forces to participate in the prevention of wide-ranging security threats as well as in securing the functions vital to the security, economy and livelihood of our country.

International activities aim at achieving interoperability on all levels. Moreover, all services and specialized fields should be able to execute the operations required by our international obligations.

The planning of future crisis management operations is built on an effects-based approach. This determines the required mix of civilian and military capacities for each mission. The effectiveness of crisis management is improved by enhancing civil-military coordination.

Finland supports the development of the European Security and Defence Policy as well as improving the Union's crisis management capabilities. Development of EU-NATO cooperation is an important dimension in the formation of the ESDP. Participation in the EU's Rapid Response Force, and especially in the so-called battle groups, requires more rapid deployment than at present as well as both transport and logistic support capability even in challenging conditions.

Cooperation aiming at developing interoperability, force planning and resources as well as participation in NATO training and exercises will be increased. By doing so we improve our preparedness to participate in international crisis management operations because other international organizations use the principles and methods of NATO in their own operations as well. Participation in such exercises and operations, including lessons learned, also boosts the performance and capabilities of our national defence. In order to fully participate in NATO-led and EU-led crisis management operations, Finland must be able to collaborate with the NATO Response Force, NRF.

Intense bilateral defence cooperation continues, especially, with the United States as well as with large EU and NATO member states, such as Great Britain, Germany and France. In our neighbourhood the same happens with Sweden, Norway and Estonia. Bilateral activities between the Defence Forces and the Russian armed forces are being developed by e.g. intensifying reciprocal visits to units.

The Ministry of Defence participates with its full expertise in international arms control and disarmament. Changes in the international operating environment as well as increasingly complex threats call for refocusing arms control activities as well as prioritizing activities. The focus of arms control is on prevention of proliferation of weapons of mass destruction.

Cooperation is a way of guaranteeing security of supply and materiel procurements

The dependence of our military security of supply on European and international cooperation grows. Securing our emergency supply in the future entails international agreement regimes as well as long-term strategic partnerships with materiel and service providers.

The European Defence Agency, EDA, develops armament cooperation within the EU. It also coordinates new armaments collaboration projects as well as the development of defence capabilities. EDA's resource-oriented activities provide Finland an opportunity to produce interoperable or common resources for crisis management and national defence. Through collaboration with the EDA Finland also gets an opportunity to implement measures improving European military security of supply as well as to participate in defence materiel procurement projects and in their financial arrangements. NATO runs its own, well-developed security supply system.

Total defence - the concern of the entire nation

Total defence is our national model in which threats, required preparedness and the measures required in a crisis are considered as an entity. Each branch of administration, private enterprise and non-governmental organization plays its own role and has its tasks within the total defence concept.

Securing the functions vital to Finnish society as well as the total defence concept-based coordination that is required among government branches will continue to be emphasized. Due to the character of wide-ranging security threats, the preparedness for and responses to them require

Wide-ranging security threats against society

SFVS = The strategy for securing the functions vital to society

vigorous international and domestic cooperation and pre-agreed collaboration arrangements. As the society protects itself against wide-ranging security threats the resources of the Defence Forces can be used in support of other authorities in increasingly versatile tasks.

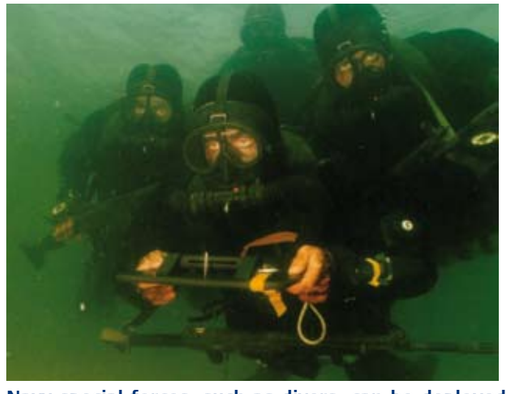
The military defence of Finland and the required coordination of all government branches' activities - which are tasks under the purview of the Ministry of Defence - are the most demanding total defence tasks and tie up the the greatest share of society's resources. It is sensible to also employ the principles of total defence coordination while responding to other wide-ranging security threats. The management and cooperation that is required during a crisis that has already begun is always led by the competent ministry.

The total defence concept provides tools for assigning appropriate command responsibilities and resources. In order for this concept to work, all administrative branches must constantly monitor and analyse developments in the security environment and within society. In addition, they must periodically review relevant statutes and their own preparedness plans.

The Finnish Defence Forces provide excellent support for other authorities with their expertise, equipment, infrastructure and situational awareness data. In practice, such support is being increasingly requested. Executive assistance commitments on statutory and international collaboration obligations are likely to continue to increase. Inter-authority interaction, however, must be intensified on all levels.

International interoperability is required of the Air Force in future crisis management operations. Capabilities acquired for national defence can also be used in international tasks.

Readiness brigades are equipped with modern weaponry, such as the Finnish-made AMV carrying the AMOS advanced mortar system.



Navy special forces, such as divers, can be deployed to EU battle groups.

Global security challenges increasingly affect Finland's security. The key objective of Finland's security and defence policy is political and military stability in our near environs. The direction in which Russia develops, both politically and militarily, is of crucial importance. This development is intertwined with her economic development and the progress of her internal reforms. Great opportunities for Finland are inbuilt in Russia's development, albeit with risks and problems. The key interest for Russia continues to be the protection of strategically vital areas as well as securing oil and gas deliveries in the Baltic Sea area.

Even in the future the main tasks of the Defence Forces comprise the military defence of Finland, providing support for other authorities and the society as well as international military crisis management.

A credible defence capability requires that approximately one third of the defence budget be allocated to materiel procurement in the future, too. The cost pressure is significant. In order to maintain the present level capability corresponding to future requirements, major re-evaluations of the system or considerable increases in defence appropriations are needed.

Due to limited resources the Defence Forces' military capabilities must be developed in such a manner that they can also be flexibly used in international military crisis management. Capabilities must also be exploitable in preventing and repelling wide-ranging security threats.

It is warranted that the task of coordinating total defence be under the purview of the Ministry of Defence. The Finnish total defence concept will be viable in the ever-changing security environment in the future as well.

The possibility exists that a country would project military power against Finland. The consequences of this, should it materialize, would be devastating. A military threat develops faster than it is possible to reactivate a previously decommissioned capability or before a militarily non-allied country can secure concrete assistance from an alliance.

Defending Finnish entire territory and general conscription form a viable foundation for our modernizing defence solution also in the future.

Due to advances in technology and our increasing international commitments, the requirement for professional competence is highlighted in the development of the Defence Forces.

The use of our reserve troops will be intensified by developing voluntary defence arrangements as part of our wartime defence. Local defence troops can be issued tough security and combat arms branches' tasks and they will be trained to be capable of providing executive assistance.

International cooperation constitutes an essential element of Finnish defence policy. When defence is being developed, attention is paid so that no practical obstacles to the possibilities of applying for NATO membership nor to participating in the EU's common defence, which may be developed in the long term, are created.

Being a part of the EU's defence dimension, Finland must prepare for more demanding military crisis management along the outer reaches of Europe and even beyond.

As the Finnish defence of the 2020s is being planned, the fundamental questions are (1) will Finland continue militarily non-allied or will she become allied, and (2) how big a share of the national budget is Finland willing to invest in her defence. Answers to these questions involve political decisions which depend on developments in our security environment and on the prospects of our national economy. Regardless of these solutions the solid core of Finland's defence will always be Finnish.

Definitions

Asymmetrical warfare
Military and non-military action that uses means or equipment for which the opponent is unprepared. The main forms of asymmetrical warfare are terrorism, sabotage, the proliferation and use of weapons of mass destruction and information warfare.

Capability
The capability of the defence system or its subsystem, consisting of personnel (troop) competence, materiel and the principle by which the system is used. Said capability can be divided into operational and tactical capability. Operational performance consists of the effect of the capability, its life span and usability. Tactical capability consists of command and leadership, mobility, survivability and logistics.

Capability requirement
The requirement established for the defence system or part of it, which has to be reached by a given date. The capability requirement comprises sub-requirements concerning several different components.

Defence policy
The process of preparation, decision-making and political guidance concerning the tasks and general arrangements of the nation's defence. It also concerns Finnish participation in activities concerning the maintainance of international security and stability. Defence policy covers all aspects of national defence and the Ministry of Defence is responsible for it.

Defence system
The Defence Forces defence system consists of command and control and administration systems, intelligence and surveillance systems, troop production and mobilization systems, a supply and logistics system, command echelons and troops.

Development programme
The end product of strategic planning, covering at least the mid-term (4 years) planning period. The development programme provides the basis for drawing up the operating and financial plans during this period. Furthermore, it defines the focal points for development and resource allocation in order to reach the established goals.

Government Report on security and defence
The security and defence policy report is the Government's basic position, setting out the principles and objectives for Finland's security and defence policy and providing a framework for its implementation in the different sectors. In accordance with the Government Programme, the report evaluates the entity of Finland's security and defence policy.

Military crisis management
Crisis management activities implemented by military means (peace support activities). The primary purpose of these activities is to restore and maintain stability and security in crisis areas with the specific aim for creating proper conditions for re-establishing the other functions of the society.

Military defence
The planning, preparation and implementation of the Defence Forces' statutory tasks.

Network based warfare
An operational concept providing real-time command over sensors, echelons and units. It is based on an effective and wide-ranging information-gathering, analysis and collection system, on modular and capable units, international interoperability as well as on a highly developed command and leadership system.

Security of supply
The safeguarding of economic functions and ancillary technical systems vital to the livelihood of the population, the national economy and national defence in exceptional circumstances or comparable serious disturbances.

Situational awareness
Situational awareness stands for the understanding by decision-makers and those assisting them of the events that have taken place, the circumstances surrounding them, the objectives of the different parties and possible further developments, all of which are needed to make decisions on a particular issue or set of issues. The creation and maintenance of situational awareness can be promoted by providing and updating information as necessary, for example, by using pictures, texts and charts.

Strategic plan
The Strategic Plan provides the basis for developing the military defence during the long-term period. The goal is to maintain the capabilities determined by the state leadership and to develop them with the allocated resources. The purpose of strategic planning is to prepare the grounds for strategic decision-making at the Ministry of Defence and in the Defence Forces.

Total defence
The use of all military and civilian measures to safeguard Finland's independence and the livelihood and security of her citizens against external threats, posed by states or by others. Coordination of total defence means coordinating the measures of the public sector, i.e. those of the Government, state authorities and municipalities and the private sector as well as citizens' voluntary activities in order to sustain the vital functions of society under all conditions.

Wide-ranging security threats
Threats which cause severe danger to the population or serious or significant interruptions to society's vital functions. They either consist of deliberate human activities (e.g. spreading malicious software via networks and terrorism), accidental occurrences (e.g. wide spread blackouts in the electric grid and an accident at a nuclear plant) or natural disasters. These threats which often cross national borders are characterized by unpredictability, difficulty in predicting and localizing as well as short early warning. They usually represent a component of military threats or are linked to them.

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