

## A Classic Dilemma?

The choice between renovation and innovation in Dutch defense planning

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This snapshot addresses the topic of defense funding and planning in the Netherlands, within the context of its security partners. Along with this topic, the paper considers the position and added value of the Netherlands' defense investments for both national and international security. To maintain its value as a relatively small but sophisticated partner in international security, the Netherlands could better position itself at the forefront of shifts in modern conflict. A framework is therefore introduced in order to illustrate focus areas in defense planning and the potential for innovation and future-orientedness, while contributing to NATO's and European defense. As such, we advise the Netherlands Ministry of Defence to consider the proposed framework in its process of updating the 2018 Defence White Paper.

Recently increased defense budgets are being used to renew and update the existing arsenal and already present qualities of the Netherlands' armed forces. While these investments have been long awaited and were necessary to maintain a position as a reliable security partner internationally, there is little financial room left for real innovation and preparation for modern and continuously evolving forms of conflict. As the Netherlands has a relatively small yearly defense budget of a little over €11 billion this year, and with just under 1.4% of GDP spent on defense last year – close to the European average – a good way to make an important contribution to European NATO defense is to spend this amount wisely.<sup>1</sup> And spending it wisely is not necessarily done where everybody else is spending, but rather in a way that can enhance NATO's capabilities most impactfully.

### The current state of defense planning

Present-day Western armed forces have been adapting their doctrines to changing threats and have reinforced their training on territorial defense, especially for NATO Article Five defense operations. NATO and the European Union form militarily strong blocs, which succeed in deterring attacks in the classical sense, on their territory. 'Defense by deterrence' tends to be considered an existing workable concept.<sup>1</sup> Increased defense budgets in these Western countries seem mainly used for optimization of current weapon systems, making them better, more capable, and extending their life spans, rather than for innovations and a reconsideration of the types of conflicts and environments that might require them. These optimization plans were laid out a few years ago, have gone through the bureaucratic and political cycles, have finally secured funding, and are contracted to the military industrial establishment. These plans and programs form a major part of the investment budgets of the Ministry of Defense (MoD) and are embedded in law as decided upon by parliaments. Thus, all flexibility has been organized out of the system and little money is spent on emerging projects to deter new threats in relation to the three main tasks of the (Dutch) armed forces.<sup>2</sup>

Nevertheless, these armed forces will still have good equipment after these investments, as well as improved capabilities intended for winning the 'industrial war'.<sup>3</sup> However, as 'defense by deterrence' is an existing, functional approach taken by most member states, the question remains whether these investments create a future-oriented organization.

Currently, little money is left to spend on new projects that might be needed sooner rather than later. New threats in the cyber domain could be devastating, both on the battlefield and off, and hybrid operations are being conducted that are highly difficult to spot, let alone stop. Hyper-weapons<sup>ii</sup> will also require new kinds of defensive systems not yet considered

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<sup>i</sup> Three forms of deterrence are often discussed: deterrence by denial concerns conventional use of armed forces; deterrence by punishment refers to nuclear capabilities in preventing certain forms of escalation; and territorial defense, which is what this paper refers to most in relation to the security of the European continent.

<sup>ii</sup> Hyper-weapons reach a velocity of multiple Mach numbers, can fly in erratic patterns, and are thus hard to spot and only with little reaction time left once tracked. The same is valid for nuclear cruise missiles, another threatening development.

enough up until now. Meanwhile, the rise of AI in guiding potentially lethal systems may be used against us, as part of a future not yet fully contemplated by some policymakers.

### Room for innovation

Since the absolute budgetary low in 2014, the MoD saw a gradual increase of its budget and related investment level. Unfortunately, as described by the ministry itself, this is actually intended for recovering what was lost in expertise and capabilities over the years – a process referred to as “repairing and modernizing.”<sup>4</sup> But how much investment in ‘classical defense’ – in the form of improving existing systems and replacing aged systems by more modern ones – is needed to maintain the posture of defense by deterrence? And to what extent can and should there be room left to diversify the defense portfolio in order to be prepared for new challenges posed by modern conflicts?

National defense is not the only government task that requires investing in innovation to remain effective, yet it has long been tasked to do the fiscally logical but realistically impossible task: to ‘do more with less’. One option could be to specialize completely in areas where the Netherlands can make a difference and thus contribute to defense in areas where there is little other international initiative, or where additional innovations are needed. However, in the Netherlands, a certain level of national independence and multi-usability will be required, as was also the outcome of numerous debates after the publication of the Defense Future Policy Survey in 2010 (*Rapport Verkenningen*), in which the choice for a ‘swiss army knife’ profile was made.<sup>5</sup> But to maintain this multi-purpose position, the elements that make up the knife itself need continuous honing and renewing as defense challenges are evolving and changing.

The coronavirus crisis will impact public spending in various areas, among which will be the defense budget for the next few years, as the measures for economic recovery will, at least in the near future, be carried out in large part by the government. As money continues to be scarce, it had better be spent wisely and in a future-oriented manner. Current times provide windows of opportunity to rethink defense spending in the Netherlands.

### A framework for defense planning

One way of looking at defense planning is by introducing a framework (Figure 1). The vertical axis represents the level of international security involvement and adaptability. The horizontal axis indicating emphasis from ‘classical’ defense (left) to modernized defense that counters new threats (right). Thus, four areas can be discerned. The top left quadrant represents ‘first line of defense NATO-style’. The bottom left refers to ‘kinetic national defense’, the area at the bottom right can be labeled ‘smart national civil defense’, and the top right quadrant represents a ‘future-oriented contribution’.

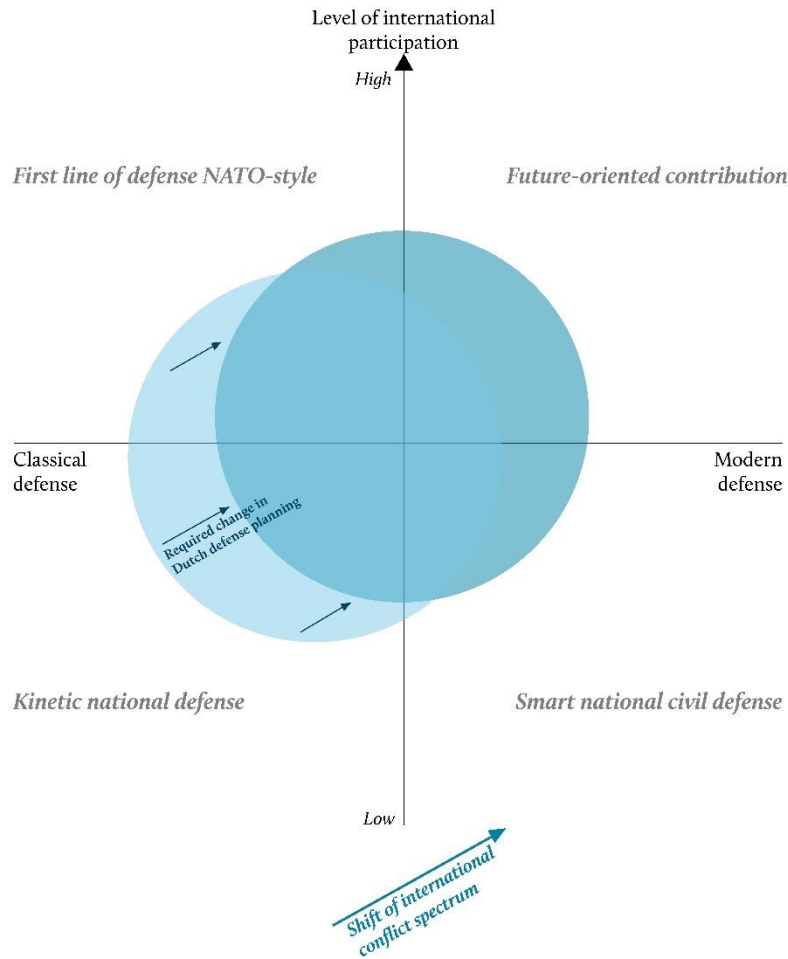


Figure 1. Framework for defense planning

**First line of defense NATO-style**

This represents the big-ticket items armed forces with their ‘connected arms strategies’ where cavalry, artillery, and infantry fight jointly in a man-heavy, modern, and highly capable force, supported by air and sea power. These are quite present within NATO. They form the backbone of the Defence by Deterrence units. Heavy on investments and well suited for peace operations where escalation dominance is required.

**Future-oriented contribution**

A force to augment mainly other nations’ heavy weapons formations with smart intelligence gathering, counter-hybrid, counter-hyper weapons, able to conduct cyber operations against opponents who threaten coalition partners. Capable of expanding the ‘deterrence envelope’ of NATO, wider than just in the classic (kinetic) area.

**Kinetic national defense**

Limited in numbers but comparable in terms of equipment and doctrines to the ‘first line of defense NATO-style’. Useful if the country is directly adjacent to the main threat, and where high numbers of personnel and equipment need to be on high-alert status. Can be used as a second line of defense against classic military opponents invading NATO’s territory.

**Smart national civil defense**

Smaller, highly skilled units which use smart weapons more than heavy-caliber guns and ammunitions. Information warfare and hybrid conflicts on own territory can be countered and civil authorities can be supported quickly and adequately. There is little escalation dominance and no capabilities to conduct out-of-area peacebuilding operations.

Current Dutch defense planning is indicated by the lighter blue circle seen in Figure 1. As reasoned earlier, the Coalition's classical defense posture is strong enough that territorial attacks on NATO in the kinetic spectrum are less likely to succeed. This motivates potential aggressors to move to a focus on areas where NATO is weaker by using new or different techniques, tactics, and doctrines.<sup>6</sup>

It is safe to assume that the probability of the type of conflict or threats we could face will shift to the right.<sup>7</sup> The proliferation of intermediate-range missiles (500-1500 km), especially after the abolishment of the INF treaty, makes Europe an obvious target. Defense systems against such threats will increase strongly in demand. Furthermore, the halting of the Open Skies Treaty will increase the need for persistent overwatch by satellites for early-warning launch detection. Europe itself does not possess these, and those the US has in use for this purpose are increasingly likely to become targets for anti-satellite weapons themselves as they are not hardened against such attacks.

While it would of course not be wise for all of NATO to divert their defensive means in this direction, as especially middle-European countries are geared towards the classical defense tasks already, it might make sense for countries such as the Netherlands – which are rethinking their defense policies – to keep an eye on current conflict trends and to reconsider parts of their strategy accordingly. This would imply a shift in focus, as indicated by the darker blue circle.

## Conclusion

The Netherlands is currently ideally positioned to rethink its defense posture, as the *2018 Defence White Paper* is set to be updated this year or the next.<sup>8</sup> The visible economic downturn during the COVID-19 outbreak underlines the need for structural rethinking of the spending of public funds, as governments see themselves forced by crises to underfund certain key public tasks. The main question should be where the most added value can be achieved, within the context of both the EU's and NATO's safety and security system. As innovation and planning cycles within the MoD tend to be tedious and lengthy, a timely decision is required to overcome ever-changing circumstances and threats if the Netherlands is to retain its added value and its relevance as a partner in international security. The country's MoD has recently seen a number of promising projects set up for research, testing, and potential implementation of new technologies.<sup>9</sup> However, not much of this is institutionalized in the MoD processes yet; such projects do not often combine expertise between the air force, army, and navy, and acquisition cycles of this sector remain not yet adapted to a new, more innovative form of defense development.

We have identified the direction in which considerations of the future composition and posture of the Netherlands' defense apparatus should be focused: a shift from classical and nationally oriented towards a more modern defense organization that evidently brings innovative power and an understanding of current and future forms of conflict to the

international table. This ensures that territorial NATO defense is maintained, in large part by, and together with, middle-European militaries, but increasingly that modern threats are also countered by countries such as the Netherlands. With a relatively small budget, a considerable contribution to the Alliance's defense can still be guaranteed.

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<sup>1</sup> "Defence Expenditure of NATO Countries (2013-2019)," Press Release (NATO, November 29, 2019), [https://www.nato.int/nato\\_static\\_fl2014/assets/pdf/pdf\\_2019\\_11/20191129\\_pr-2019-123-en.pdf](https://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2019_11/20191129_pr-2019-123-en.pdf).

<sup>2</sup> Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, "Grondwet" (1815), [https://wetten.overheid.nl/BWBR0001840/2018-12-21\\_artikel\\_97](https://wetten.overheid.nl/BWBR0001840/2018-12-21_artikel_97); Ministerie van Algemene Zaken, "Taken van de krijgsmacht," Rijksoverheid (Ministerie van Algemene Zaken, April 23, 2014), <https://www.rijksoverheid.nl/onderwerpen/krijgsmacht/taken-van-de-krijgsmacht>.

<sup>3</sup> Christon I. Archer, *World History of Warfare* (University of Nebraska Press, 2002), 410.

<sup>4</sup> Ministerie van Defensie, "Begroting Defensie 2020: repareren en moderniseren," nieuwsbericht, Defensie.nl | Nieuws (Ministerie van Defensie, September 17, 2019), <https://www.defensie.nl/actueel/nieuws/2019/09/17/begroting-defensie-2020-repareren-en-moderniseren>.

<sup>5</sup> "Eindrapport Verkenningen," officiële publicatie (Tweede Kamer der Staten-Generaal, June 14, 2010), <https://zoek.officielebekendmakingen.nl/blg-68805>.

<sup>6</sup> Lawrence Freedman, *The Future of War: A History*, 1st ed. (New York: PublicAffairs, 2017).

<sup>7</sup> Sean McFate, *The New Rules of War: Victory in the Age of Durable Disorder* (New York, NY: William Morrow, 2019).

<sup>8</sup> "2018 Defence White Paper: Investing in Our People, Capabilities and Visibility" (The Hague: Ministerie van Defensie, 2018).

<sup>9</sup> Arthur van Beveren, "Op ontdekkingsreis: Technologie ondersteunt militairen van de toekomst," *Landmacht*, May 7, 2019, [https://magazines.defensie.nl/landmacht/2019/04/11\\_op\\_ontdekkingsreis\\_purple\\_nectar\\_04-2019](https://magazines.defensie.nl/landmacht/2019/04/11_op_ontdekkingsreis_purple_nectar_04-2019); Robert den Hartog, "Snelle innovaties specialiteit van CD&E," *Landmacht*, September 3, 2019, [https://magazines.defensie.nl/landmacht/2019/07/09\\_snelle\\_innovaties\\_specialiteit\\_van\\_cde\\_07-2019](https://magazines.defensie.nl/landmacht/2019/07/09_snelle_innovaties_specialiteit_van_cde_07-2019).