**„Risk monitor 2024 – a world of disorder“**

Dear Commandant, Sir

dear Generals,

distinguished participants of the NATO Bureau for International Language Coordination Conference,

ladies & gentlemen

I`m Brigadier Ronald Vartok, Director of the Military Policy Division in the Austrian MoD, and it`s an explicit pleasure for me being given the opportunity to offer you some insights into the **„Austrian Risk Monitor 2024“ – also referred to as „a world of disorder“** – and that for a very good reason.

So, what`s the setting?

Well, as a matter of fact, it`s an uncertain world we`re living in, characterized by multifaceted, fast-changing threats, challenges and geopolitical dynamics.

Areas and regions of persistent instability are expanding, existing conflicts are spreading and submerged conflicts are about to surface.

And if this wasn´t enough the unprovoked, totally unjustified and abhorrent Russian attack on Ukraine has clearly demonstrated that our hopes and expectations of being able to rely on a rules-based order are seriously jeopardized if not already lying in tatters at all.

And yes, we in the EU, we didn´t anticipate that to really happen! A term has been coined, the so-called **„illusion effect“** which basically says that Europe generally thinks and plans in terms of probabilities – and not potentials. The most of Europe was therefore under the illusion that there would be no Russian war of aggression against Ukraine. Such action seemed irrational and illogical in a Western-influenced mindset focused on regulated processes.

We didn`t see the writing on the wall which means Europe was neglecting to a large extent the events that had taken place in Georgia in 2008, and especially on the Crimean Peninsula in 2014, Europe was always hoping to be able to bring Russia back to the negotiating table.

We thought that globalisation means that stable nations are already too much intertwined to allow such a move of military aggression – out of sheer economical reasons.

But that has been proven wrong! We were wrong in our careless assessment!

Hence, the 24th of February 2022 constituted a substantial trend reversal – widely known as **„The Zeitenwende“**!

In addition, we are compelled to recognize that the ongoing war in Ukraine is not confined to that region but creates enormous challenges in other regions as well.

Russia´s war of brutal aggression has profoundly affected the global security architecture, causing substantial effects on multiple levels: energy security, cyber & hybrid challenges on an unprecedented scale, the hampered delivery of grain and fertilizers to nations heavenly depending on these goods, the erosion of strategic arms control initiatives, and the revival of nuclear threats, to name but a few.

And, if we ask ourselves what kind of Russian influence has been going into the Western Balkans and the African states, this is a situation definitely to be worried about – and there are other nations sniffing around as well!

The key message runs that in particular the Russian military aggression against Ukraine has triggered off a serious snowballing effect.

So, lacking a reliable crystal ball to tell us what the future will really bring, two burning questions remain:

1. what possibilities can be seized to reduce uncertainty to an acceptable degree? and
2. what measures could or should be taken to successfully meet the defined challenges we are about to face?

In Austria, we decided to resort to the „Risk Monitor“ to offer concrete answers to these questions.

So, what`s it all about?

Basically, the risk monitor is an essential **national assessment and conclusion tool** situated within the Austrian Ministry of Defence. For the analysis and the risk evaluation we use an IT/computer-based system, especially developed for the purposes and needs of our MoD, a system which combines probability calculations with empirical and statistical data of classified and unclassified nature. And, of course: the contributions from renowned experts form an essential part of the complete product.

How do these pundits come into play?

At the beginning of the risk assessment process various future scenarios are mapped in collaboration with a wide range of national and foreign experts leading to so-called **„environmental scenarios“** representing different conceivable outcomes – and thus providing an illustration of Austria`s possible future security and defence policy environment.

These „environmental scenarios“ are offering us a useful hint of what`s probably in store for us well into 2032.

So-called **„key factors“** sit at the core of these environmental scenarios, acting as nodal points by which to monitor ongoing trends and salient developments.

In-depth analyses are undertaken to determine the tendencies hinting at the so-called **„trend scenarios“.**

In order to support a more flexible analysis, a trend scenario is mapped over an observational period of three to five years and updated annually. Consequently, trend scenarios include an outlook until at least 2027.

In addition we produce specific scenarios, either regional or area specific as well as long-term developments with the same methodology on demand for the political and strategic level.

The risk monitor with its updated trend scenarios is to be published in January every year.

The current edition of 2024 **contains 62 risks**, summarized for overview purposes into the following 5 levels of assignment:

* The **Global Strategy Level**,
* The **Military Strategic Level**,
* The **System EU** (which is simply due to the fact that the EU marks the central frame of reference and action for Austria and the Austrian Government),
* Accordingly, the **Environment of the EU** is of utmost importance for us
* And, finally, the **System Austria** which is strongly characterized by the challenges we face in the resilience domain.

It is important to note that these 5 categories must not be considered in isolation, since they are interconnected in terms of their respective likelihoods, manifestations and impacts.

The published edition has 300 pages and is available in a German and an English version and can be downloaded from the internet.

In addition, the different risks are classified along so-called **„manifestation axis“** in different grades – as depicted here in concentric circles from „very low“ to „very high“.

They are arranged closer or further away according to their relation with each other.

To give you a better understanding I´d suggest to have a look at the next slide.

For example:

An **increasing great power rivalry between the USA and China** (maybe triggered by the effects of the US election in November) **could** lead to an increased weakness of NATO, which in turn **could** lead to an increased EU weakness regarding its efficiency in Security & Defence Policy, thus exacerbating the already highly tense confrontation between the EU and Russia – through the exploitation of „actual or perceived European weakness“ by the Russian regime – up to a direct military confrontation (keyword: Russian attack against one NATO or EU member state) – with all its drastic consequences for Austria as well.

In other words: shifting a risk in its respective assignment level along the manifestation axis „very low – low – medium – high – and very high“ automatically entails the shifting of several risks – be it in the same assignment level or in other assignment levels.

The increased importance/significance of one or more risks affects others risks as it pushes/pulls their respective significance down or raises it.

And, yes, sometimes it only may have little or no effect on other risks – depending on their respective interconnectivity.

So what`s in store for us?

The bad news upfront:

The increasingly confrontational global strategic situation does not allow for any improvement in its current conclusions and offers no hope for stagnation, a „freezing“ of the current state.

On the contrary, in all likelihood the security situation will take a turn for the worse, which means a deterioration of the security situation in the coming years (regardless of when and how the war in Ukraine will end)

The growing rivalry between the USA and China is set to become the determining factor of the global system. Moreover, this global system will be characterized by pronounced asymmetry.

While the USA continues to act in its capacity as the world`s lone superpower, China will face clear challenges in balancing its domestic and international priorities. Yet the future direction of these two principal actors remain uncertain.

China is seeking to exploit every opportunity of evident power vacuum, acting with far greater resolve than it did only a few years ago. President Xi Jinping has proven himself ready to prioritise national security affairs over economic interests – however important they are for China. Beijing also appears increasingly prepared to use military means to further its goals, according to the well-known principle: *A security vacuum is never to stay for long!*

Nevertheless, several trends can be identified that indicate a weakening of the Chinese system. A dynamic trend of internal factional rivalries - not seen for decades - can be observed within the Chinese Communist Party – the CCP.

Growing lines of conflict between the People`s Liberation Army and the CCP can also be discerned. For the assessment period, it is anticipated that China will continue to ply its twin strategy of pressing its regional hegemonic claims more assertively, while at the same time appearing diplomatically cooperative on the international stage.

In parallel with its constructive participation in established international organisations, China will redouble its efforts to forge a so-called „new world order“.

Assessing China and its political ambitions and moves we always have to bear in mind that China is willing to pursue its strategic goals with the respective strategic patience needed which stands in stark contrast to western states who are often prone to think in short- to midterm categories – in a worst-case scenario only concentrating on periods between two general elections.

I do recall the story when Xi JinPing paid a state visit to France a few years ago and, as it is always common practice at such an occasion he was offered to deliver a speech at a French university. After that the floor was open for questions and Xi JinPing suddenly saw himself confronted with the cunning question of a French student who bluntly asked him:

„Your excellency, how would you reckon the influence, the impact of the French Revolution dating back to 1789 has had on the Chinese Communist Party?“

And Xi JinPing`s astute answer was: „Well, this question is actually very difficult to answer since that event you`re referring to just happened recently!“

Of course, that answer is a funny – and maybe an even charming one – but, nevertheless, there`s a kernel of truth in it: the willingness to use strategic patience when pursuing your strategic goals.

Back to Russia:

Russia`s war of aggression against Ukraine has led to deep-seated change upon the global and the European security order. The relationship between Russia and „the West“ is to be marked by antagonism and hostility for the course of the period under assessment.

Notwithstanding remaining isolated interdependencies, notably in the energy sector, Russia will continue to turn its back on the West with increasing conviction.

By similar measure, it can be assumed that Russia will double down on its programme of international repression. It will also seek to destabilise and deliberately undermine Europe by deploying hybrid means on a large scale in order to undermine cohesion in Europe and especially within the EU. Just as a military clash on the EU`s external borders with Russia seems increasingly possible, long-range threats to Europe (e.g. missiles and drones) can no longer be entirely ruled out. Even the nuclear threat is back on the table.

Europe`s surroundings will be defined, in significant measure, by enhanced instability and conflicts in the medium term. This instability will manifest itself in violent conflicts, unstable peace settlements, and fragile states.

Increasing levels of terrorist activity and the growing pressure of Europe-bound migration will only aggravate the insecure conditions within Europe`s geostrategic sphere. If the negative trend trajectory in Europe`s environment becomes more pronounced, it could represent a long-term, large-scale threat to the EU and its member states.

For the course of the assessment period, the EU`s trajectory remains highly uncertain, since differing trends show at times contradictory tendencies. Above all, the macro-economic fallout of the COVID Pandemic and the consequences of Russia`s brutal war of aggression against Ukraine – together with their associated socio-economic and socio-political implications – are significant insecurity factors, with potentially disintegrative effects. As in case of the long-term model`s environmental scenarios, the EU`s direction of travel is a key point of uncertainty.

So, what we are going to do about it?

Some might say that the Austrian MoD has just elaborated another comprehensive risk assessment while some are already at hand – like the risk analysis conducted by the EU.

Well, our main motivation has been to elaborate the risk monitor in order to give us a strong clue as to whether or not certain risks will have their impact on Austria - and to what extent.

As a consequence it can trigger off measures taken by the government – and that already happened. I can offer you some examples:

Finally, the Austrian Government is about to publish a new Austrian National Security Strategy.

The current Austrian National Security Strategy dates back to the year 2013. A year when Russia was - at least from our perspective - still deemed an important and trustworthy partner.

2013! That is to say:

* Before the annexation of the Crimean peninsula
* Before EU`s Global Strategy
* Before EU`s Strategic Compass
* Before the COVID Pandemic
* Before the migration crisis that has been sweeping over Europe since 2015
* Before the heinous Russian attack on Ukraine, etc, etc.

A key message runs:

„The golden days of the so-called „peace dividend“ are definitely over! That`s a given!“ And, believe me, it took quite a lot of time in Austria to get that decisive factor being generally accepted in Austria. It is about time to adopt a new Security Strategy.

The former Head of the permanent representation of the EU Commission to Austria, Ambassador Martin SELMAYR, 3 years ago, if I remember rightly, astutely and poignantly stated:

*„There are 4 neutral countries in the EU: three islands and one „Island of the Blessed“ - which is Austria!“*

You know what? – and this is my personal view now: Sometimes it`s not too bad if you receive additional external stimulus in order being able to foster certain important cases at home. So, Mr Selmayr, thank you very much for that!

So, for us there`s work to be done, and I`m inclined to say that we`re on a good track!

The significant increase of the Austrian Defence Budget is a perfect example. And what`s more, that increase is enshrined in law – a very important factor since we`re having General Elections this September.

The same goes for the so-called **„Austrian Armed Forces Development Plan“.**

Currently, the for decades depleted Austrian Armed Forces cannot be described as being robust and fit for the challenges to be faced.

We are lacking a lot of decisive capabilities which are urgently needed and to close these capability gaps is one of the most important and arduous tasks to be fulfilled in the years to come. An arduous task which can`t be achieved within the validity period of the „trend scenarios“ reaching till 2027 but have to be achieved within the validity period of the „environmental scenarios“ reaching till 2032 and beyond.

This is a neat timeplan we are working to at the moment.

It`s not only about procuring the modern assets so badly needed it`s also about implementing them into the system, about adapting the military infrastructure and, last but not least, about having the right personnel at hand once our planners and implementers will finally state: „full operational capability achieved!“

That is why the „Austrian Armed Forces Development Plan 2032+“ got elaborated and approved by the political level. The „+“ already hinting at the fact that enormous endeavours will have to be made to develop our Armed Forces even further.

The risk monitor has been very well received by the Government, the political leaders, the media and – very important, indeed, by the Austrian public as well.

Our experts from the MoD ensured a strong media presence making sure that the Risk Monitor and its key messages gained a lot of public attention.

The acceptance of the governmental decision to take part in the European Sky Shield Initiative, to a strong extent, can be traced back to the risk monitor and its general acceptance.

And, of course, it`s not only about the development of our Armed Forces! A lot of threats, especially in the cyber & hybrid domain, are aimed at the civil society, at our critical infrastructure, at our economy, our social cohesion, etc.. The Austrian Armed Forces – like in your countries – by its very nature is „only“ the strategic means of the last resort.

Accordingly, **national resilience is a key topic!** A non-resilient nation automatically is prone to sinister influences from outside, - which might easily lead to destabilization and finally losing fundamental control of your own country.

Enhancing national resilience is crucial, and yes indeed, a highly complex domain – which is heavily dependent on a robust mindset within our society.

And, we should always bear in mind that resilience not only comprises typical security aspects like:

military defence capabilities, energy security, cyber defence, air security, transport and mobility issues – to name but a few – but it definitely includes domains like:

secure economy, robust financial security, protected trade, migration issues and social issues, a strong robustness of civil cohesion.

The complexity and the sheer quantity of threats and challenges tell us that no single EU Member State alone will be able to single-handedly meet them successfully.

Hence, enhanced cooperation in all fields necessary will not be an exemption in the future but the norm. The key message runs:

*“It´s 27 EU Member States sitting in the same boat to meet the same rough weather!”*

Accordingly, the EU does offer and does provide the measures needed to foster that essential part of national resilience! NATO is very much on the same track and offers advice & support, also to partner nations, when it comes to enhancing national resilience.

Consequently, one of the crucial domains of collaboration between Austria and NATO ,as depicted in the „Individually Tailored Partnership Programme“ (the ITPP), focuses on enhancing our national resilience.

To sum it up:

I guess that the Austrian MoD can confidently state that the Risk Monitor has been quite a success – and that it was worth all the effort.

The changes we have undertaken – and will continue to manage – are part of a carefully judged process and the emphasis that we in the MoD are taking is to provide a more capable, more effective and more flexible force that - in terms of projection & utility and interoperability with our partners - is well matched to the needs that we can predict.

Ladies and gentlemen, this concludes my briefing!

Thank you very much for attention!