



**The 15th International Scientific Conference
“DEFENSE RESOURCES MANAGEMENT
IN THE 21st CENTURY”
Brașov, November 12th-13th 2020**



**ECONOMIC CHALLENGES IN DEFENSE RESOURCE
MANAGEMENT DUE TO THE COVID-19 PANDEMIC.
COMPARATIVE ANALYSIS BETWEEN: EU, NATO, ROMANIA
AND THE USA**

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Abstract:

The COVID-19 pandemic has had a significant influence on all areas of the human society, in many countries of the world, and the defense resources management area is no exception. The purpose of this paper is to explore the challenges generated by the pandemic in the field of DRM, through a comparative analysis of the EU, NATO, Romania and the US. The paper aims to observe the efforts put in by using defense resources in fighting the COVID pandemic, as well as understanding what is the risk of reallocating some of the resources from their original purpose, with a financial recession looming as well for the foreseeable future. While the paper will tend to focus on economic challenges, it will also present all type of resources involved in fighting the pandemic in terms of defense allocation, like logistic, human and information resources as well.

Key words: defense resources, burden share, defense expenditures, NATO and EU complementarity

1. Introduction

The COVID-19 that happened at the beginning of 2020 has been a pandemic event that has reshaped the global landscape. Resources that were programmed for fulfilling other objectives on short, medium and long term have been reassigned for helping the fight against the virus.

Defense Resources make no difference in this equation and have since the beginning of 2020 been allocated in trying to help authorities for different countries and international organizations lead the fight against the pandemic. In the following chapter we are going to observe how different countries have put the use of defense capabilities in fighting the pandemic. We will take into consideration the fact the pandemic has impacted countries and continents differently while laws and regulations have also triggered a different approach and specific measure not just for countries but for international organizations la NATO and the European Union as well.

The second part of the paper will focus on the possible risks that fighting the coronavirus with defense resources might mean, as with scarce and decreasing resources and with budgets potentially being diminished because of the pandemic, there will be a need for reshaping the strategic decision making process, in order for defense resources management systems to answer



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to both COVID threats and typical defense threats that are carried out on short, medium and long therm.

2. Defense Resources Management used in fighting the COVID Pandemic

The first thing we must take into consideration when we analyze how different resources have been used in the fight in the COVID pandemic is to understand that different countries and different continents have been hit differently by the Pandemic. As it can be observed in Figure 1. The first wave has hit Europe and North America in a similar fashion while Asia has not had such a huge impact from the Pandemic in the first wave, but rather in the second one. The Middle East and Africa have been hardly been hit by the pandemic, while Latin America and the Caribbean have taken a big hit.

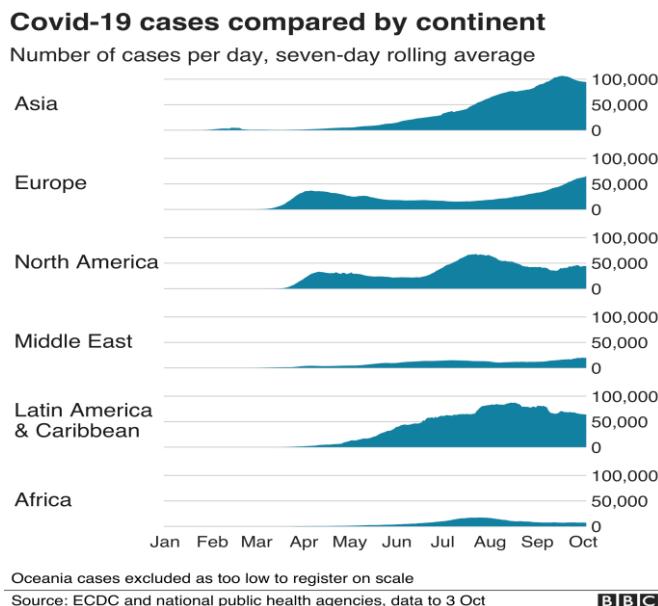


Fig.1 Covid-19 cases compared by continent

Figure 1 also shows us that while North America seems to have passed by July its highest level of Coronavirus cases, Europe has started experiencing a second wave with the beginning of October 2020, which has triggered EU member states to once again take powerful measures in fighting the virus. It is therefore interesting to see how different countries and different organizations have chosen to respond differently in terms of their response strategy.

2.1 Defense Resources used in fighting the Pandemic at the level of the EU

So far the most insight in fighting the pandemic has come from the European Union and the way the European Commission has chosen to manage the crisis. In this paper we are going to focus on the way that defense management has been used by different EU countries to fight independently against the virus and then also analyze how EU countries have collectedly worked together during the pandemic.



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For this reason, we have chosen several examples of how different countries from the EU have chosen to fight against the COVID. The best example can be seen in the way that defense industries from European states have been used to help during this crisis [1]. Therefore. The defense industries response to the COVID-19 crisis has been impressive, despite seeing a big number of their production and manufacturing process, halted in many countries, still defense industries have contributed to the fight against coronavirus. For instance, throughout Europe defense-industrial facilities were used for additional disinfectant gel production and for manufacturing intensive-care equipment. In Spain, for example, defense companies mobilized to help with the production of essential supplies such as protective equipment, masks, and respiratory devices. In its Spanish facilities, aerospace company Airbus is using 3D printers to produce equipment. Other defense companies such as *Leonardo* and *Safran* are also using 3D printers for these purposes. Greek military factories have also been contributing to the production of protective material and mask production. In Italy, specialized army technicians were sent to factories to assemble lung ventilators. Major defense players in Germany are also engaged in supplying federal authorities with up to six million respiratory protection masks [3].

In the following Figure [5], we can observe other examples of how the EU has chosen to use defense resources and where in order to help in fighting the Pandemic.



Fig.2 Activities of Armed Forces in Response to The Coronavirus Crisis.

Source: [www.europarl.europa.eu/RegData/etudes/BRIE/2020/649401/EPRS_BRI\(2020\)649401_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649401/EPRS_BRI(2020)649401_EN.pdf)

This example coming from the European Parliamentary Research Service [4] shows us that defense resources have been used beyond that of defense industries, in terms of



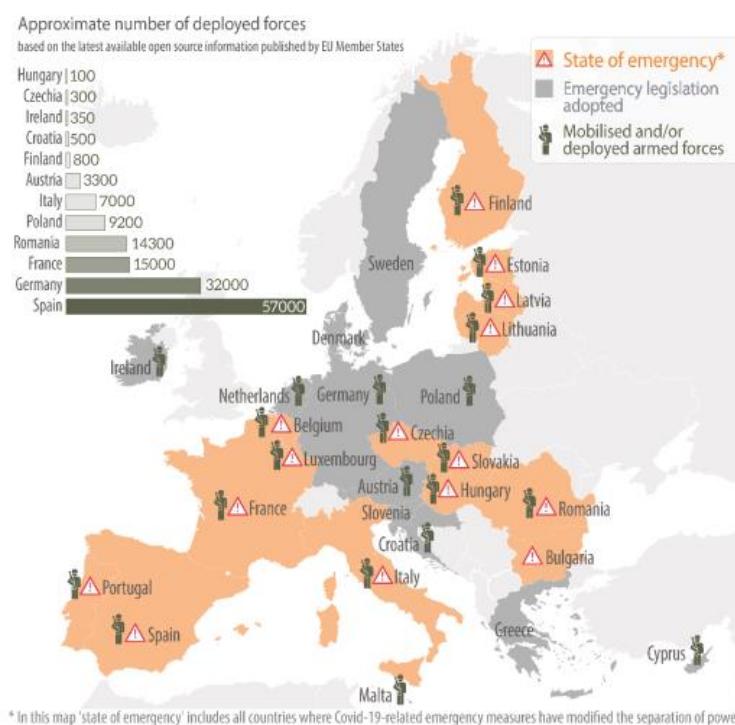
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infrastructure, logistics, and support for nursing homes, food and water distribution, public order support as well as law enforcement support and public order support.

Speaking about law enforcement it must be said that starting with April most European countries have entered into a state of emergency. State of Emergency requires mobilization of deployed armed forces for taking different actions like border control. Figure 3 shows us that the number of forces deployed has varied from 100, 300 in Hungary or Czech Republic to up to 32000 and 57000 troops deployed in Germany and Spain.

It has to be mentioned that some countries have chosen to not deploy their troops as no state of emergency was imposed. This was the case of Sweden who adopted a different strategy in fighting the Covid-19. Greece is another EU member state that has chosen to not deploy troops during the pandemic. We must also mention that once the second wave of the pandemic hit at the beginning of October, even though some member states have entered different versions of state of emergency, no armed forces have been againd mobilized or deployed.



Source: Data compiled by EPRS, April 2020.

Source: [www.europarl.europa.eu/RegData/etudes/BRIE/2020/649401/EPRS_BRI\(2020\)649401_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649401/EPRS_BRI(2020)649401_EN.pdf)

Fig.3 Deployed forces by the beginning of April, in EU member states un emergency legislation.

Besides the individual effort of countries, we must also mention the collective effort taken inside the EU. We have mentioned the bureaucratic role that the European Commission has taken, but it is also worth mentioning, that in terms of expenditures on defense, the PESCO project has been used in order to fight the Pandemic with defense resources.

The Permanent Structured Cooperation (PESCO) represents a initiative in collective effort in terms of security and defense that European Member States share and agree upon.. The



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development of PESCO has come as part of the EU Global Strategy for Foreign and Security Policy (EUGS). Inside this strategy a process has been started for closer cooperation in terms of two main pillars of the Common Security Defense Policy those of security and defense. After member states have agreed to cooperate inside the project, several coordinated actions, increasing investments and in debt cooperation in defense capabilities has begun. Starting with the fight against the pandemic this efforts have reshaped PESCO into one of the projects aimed in managing the threats of the pandemic by using defense resources.

In **Figure 4** we can see several directions that the PESCO project will take in order to mitigate the pandemic.

The 4 main pillars of action are in support for healthcare and health security, logistics and transportation of goods and persons, humanitarian aid and support for law enforcement and fighting malicious online activity.

These four pillars are developed in debt into other subcategories of projects as can be seen bellow.

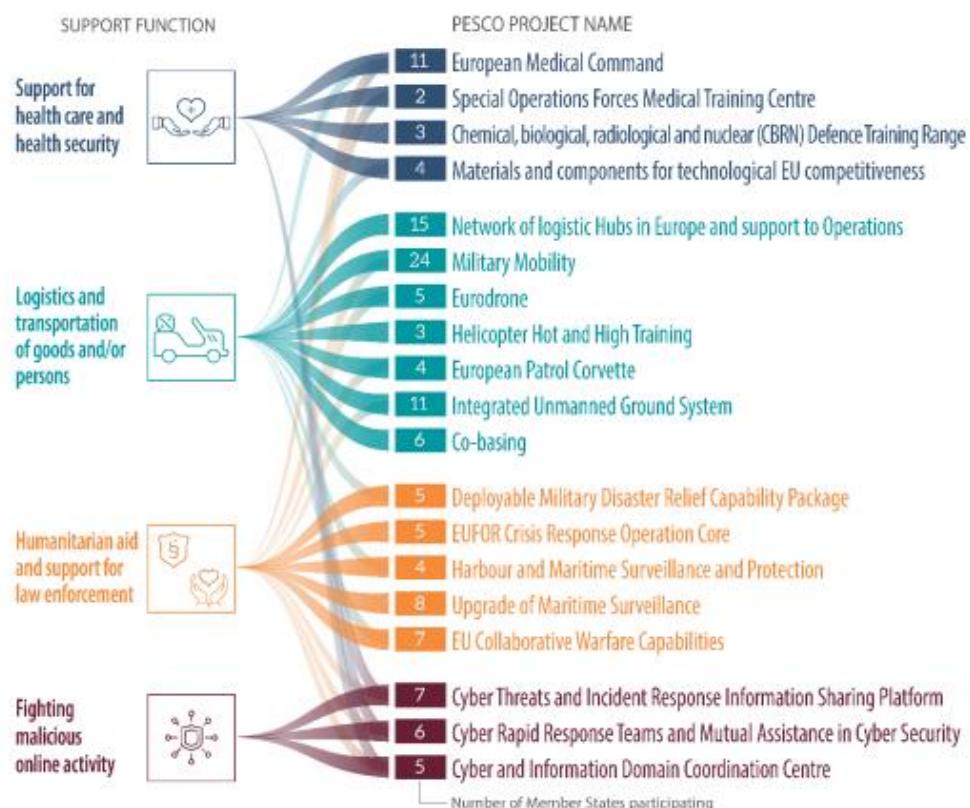


Fig.4 PESCO strategies for Fighting the COVID

Source:[www.europarl.europa.eu/RegData/etudes/BRIE/2020/649401/EPRS_BRI\(2020\)649401_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649401/EPRS_BRI(2020)649401_EN.pdf)

Following these actions, we can conclude that the EU has taken large steps in dealing with the COVID, reinforcing countries actions, joining them in the fight, and reallocating different resources including defense ones in order to stop the pandemic.



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a. Defense Resources used in fighting the Pandemic at the level of Romania

From the 28 member states of the EU, we have also chosen to look at different examples of how Romania member of both the EU and NATO has chosen to use its defense resources in order to fight the pandemic.

After joining fellow member EU states in helping Italy in its Coronavirus fight in April and May, the Romanian MoD has also taken a role in Romania's strategic partnership with the US and has sent its human resources in the United States to contribute to the fight against Covid. Therefore a team of 15 specialist from the Ministry of National Defense, build up from 5 medics, 5 assistants, and 5 military specialists travelled to Alabama, a state that was heavily affected by the COVID crisis in the first wave and joined their American colleagues there for a period for 14 days.

The help of the Romanian team was not just for medical aid but also for biological, chemical, radiological and nuclear defense. Romania is just one example of countries that are both members of NATO and the EU, that have managed to use their defense resources in trying to aid partner countries for both organizations. This effort is visible in different partnerships, outside of Romania, where countries are putting their logistic resources in use, as well as their human resources in use in order to help other countries in need in dealing with the pandemic. It should be mentioned that Romania at the current time, is one of few countries to still operate military hospitals in its Ministry of Defense, hospitals that have ensured human resources for different tasks and capabilities during the pandemic, like the one described above.

b. Defense Resources used in fighting the Pandemic at the level of NATO and US

NATO has also been a part of the fight against the COVID. Together with member states NATO has monitored the Covid-19 situation ever since April, and has appointed NATO medical staff to manage the situation for mobilized troops where the pandemic could strike.

In the United States, the government has assigned the Department of Defense with several different projects in order to fight the COVID. By November 2020, there were 9 ongoing projects that several of the US armed forces were contributing too [4].

On such project included teams from NAVFAC Marianas [6], the U.S. Army Corps of Engineers Honolulu District, and Federal Emergency Management Agency, Department of Health and Human Services government of Guam, Guam National Guard, and contractor Hensel Phelps working together to convert several rooms at the local public hospital to care for acute infectious COVID-19 patients. Such projects are completed almost daily by US forces not just in the US and American territory, but over the world where partner states require help.

c. Shortfalls in fighting the Pandemic for Defense Resources Managements Systems

In terms of the shortfalls observed, with the financial crisis a potential threat to all investments, several governments including the US and UK governments are projecting different scenarios with either downgrading or maintaining ratios for GDP expenditures for all type of resources including defense. Scarce resources and lowered financial ceilings could affect



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the defense resource management systems, not just for normal programmed capabilities, but also in terms of the response that defense resources would give in the fight against the pandemic.

3. Conclusion

The ongoing fight against COVID for armed forces will focus on short term in providing aid for medical systems worldwide. Logistics, infrastructure, transportation and production of sanitary equipment will remain vital steps that defense resources will be allocated in 2021. Vaccination of the population will also require the use of the military logistic resources in order to make the vaccine easily distributed for several categories of population.

Until mass vaccination exist, the burden share for defense allocation will increase as organizations like the EU and NATO will look to prioritize the fight against the pandemic, while programmed and projected capabilities for traditional threats will also have to be managed by the defense system.

One of the disadvantages in fighting the pandemic with defense resources remains in that of limited budget and the problematic potential financial crisis that could have global effects starting with 2021. For decision makers in defense, managing even more scarce resources while allocating the budget to fight the pandemic will mean even more difficult decisions. However defense resources have proven their positive effect for managing to mitigate many of the risks brought by the pandemic in 2020 and creating a lot of advantages for the medical system that fights that virus and that has benefited from the use of the defense resources management system in this scenario.

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