

Romania to buy Patriots

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On 21 November, the Romanian parliament passed an act granting consent for the acquisition of the Patriot medium range air and missile defence system as part of the US Foreign Military Sales (FMS) programme. Under this decision the Romanian government intends to buy seven Fire Units (three and a half batteries) in the PAC3+ standard, including missiles and accompanying equipment, for approximately US\$4.64 billion (including VAT). The Minister of Defence has announced that the contract under which the first Fire Unit will be bought (for US\$0.91 billion) will be signed before 1 December. The Fire Unit is expected to be supplied in the middle of 2019 and gain operational capability in 2020. The calendar of acquisition of further units has not yet been presented. The Romanian government has disclosed that four Patriot units will be allocated to the ground troops and the remaining three to the air force. Romania's preparations to buy the Patriot system have advanced despite the fact that the prime minister was replaced in June this year and the minister of defence has been replaced twice (in June and September this year). The first official information that Romania is interested in the deal appeared in April this year. In July, the US Department of State granted consent for the system to be sold, and in September, Raytheon opened an office in Bucharest to sign a memorandum with Romania's state-owned company Aerostar one month later. The memorandum concerns examining the possibilities of technology transfer and technical assistance in connection with the planned deal. However, there is no offset clause as part of the contract's implementation. It took the parliament two days to pass the act granting consent to buy Patriots (under Romanian law, each military purchase over 100 million euros requires consent from parliament).

The purchase of the Patriot system is a key element of the programme of modernisation of the Romanian armed forces updated in August this year. This programme envisages military expenses of around US\$11.5 billion in 2017–2026. The money reserved for the purchase of Patriots is almost 40% of this amount. In addition to the air and missile defence system, the Romanian government has declared the desire to buy (amongst other equipment) four multi-role corvettes (for around US\$1.9 billion), artillery rocket systems (in August, the US Congress granted consent to sell the HIMARS system to Romania for US\$1.25 billion; Bucharest plans to buy other systems as well), multi-role combat aircraft, attack and multi-role helicopters and armoured personnel carriers.

Commentary

- The plan to buy Patriots and the increase in defence spending have met with extensive political support in Romania. Both the centre-left government, the centre-right president and the opposition view the purchase of the Patriot system not only in terms of improving defence capabilities but above all as a political investment in the strategic alliance with the USA. Not only is the opposition not questioning the rationale of buying the system (the total value of which is equivalent to 6.5% of Romania's budget expenditure this year), it has even attacked the government coalition for possible delays in the implementation of the transaction. One indirect effect of the political consensus is the absence of an extensive public debate on investments in the armed forces. The government has presented its motives for buying the Patriot system in general terms, emphasising the political and prestige aspects of the planned deal. In turn, President Klaus Iohannis has even suggested that purchase of this military equipment is too complicated an issue to be a subject of public debate.
- The quick decision to buy the Patriot system is an effect of the sense of threat from Russia which is present in Romania in the context of the Russian-Ukrainian war and the annexation of Crimea. The Russian aggression is viewed in Bucharest as proof of the instability of the Black Sea basin and fits in with the strongly entrenched perception of Russia as a neo-imperial power, especially considering the fact that Crimea is located less than 300 km from the Romanian coastline and, because of the maritime economic zone, Russia has in fact become Romania's neighbour. In this context, a cross-party agreement was signed in early 2015 envisaging increasing the defence budget to 2% of GDP in 2017 and maintaining it at this level for another decade. The agreement has been respected so far; Romania has increased the level of defence spending from 1.4% of GDP in 2015 to 2% of GDP this year; 46% of the spending is planned to be allocated on armament. The rapidly growing budget expenditure (although the budget deficit has not exceeded 3% of GDP in 2017) and the promises made by the centre-left government to further increase spending do, however, provoke questions as to whether it will be possible to maintain the high level of spending on military investments in the future.