

# Understanding Lithuania's total defence approach in the face of Russian threat through principal–agent theory

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# Abstract

Identification of the principal and agent in the case study of Lithuania's total defence approach by analysing official documents. Identification of what constitutes a total defence approach in Lithuania by scrutinising both official documents and semi-structured interviews. Determining the implementation of the total defence approach by considering official documents and semi-structured interviews. To understand the deeper context, qualitative research methods are employed. The analysis includes primary documents and semi-structured interviews, which provide the opportunity to identify casual links that may not be evident from document analysis alone. In the case study strategy, specifically focusing on the implementation of Lithuania's total defence approach, a deeper understanding is essential, and this naturally requires the in-depth insights that the interview method can offer. Empirical data from Lithuania highlights that the misalignment is not only due to information asymmetry, shifting priorities, or weak oversight but also to differing perceptions of what total defence entails. The Lithuanian Parliament, as the principal, envisioned total defence as a broad, inclusive strategy involving all sectors of society and business. In contrast, the government and military, as agents, prioritised military professionalisation and NATO integration, treating civilian involvement as secondary. This difference in perspective led to the deprioritisation of elements, such as citizen mobilisation and resilience-building. The data also shows that inconsistent definitions of total defence among institutions hindered effective policy implementation. Thus, principal–agent theory needs to account for these perceptual differences, suggesting that misalignment can arise from interpretive differences, rather than deliberate manipulation.

### Keywords:

Lithuania, total defence, principal-agent theory, Russia

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# Introduction

The Russian military interventions in Ukraine since 2014 have forced European countries to reassess their defence strategies, with a significant influence on the Baltic States, including Lithuania. Lithuania's security and perception of threats are still influenced by post-traumatic stress arising from the Soviet Union's occupation. Anti-Russian sentiment is part of the country's history, and this phenomenon continues to shape Lithuania's security policy (Jurkynas, 2014). Before the annexation of Crimea, the perception of the Russian threat was primarily based on soft power, where political, energy, and/or social pressure were dominant. However, the significant events in Ukraine in 2014, and especially in 2022, confirmed fears that the Russian threat is also based on hard power, meaning direct military intervention (Bladaitė and Šešelgytė, 2022; Ivanauskas et al., 2016; Janeliūnas, 2005; Jurgelevičiūtė, 2007; Maliukevičius, 2008, 2015; Šešelgytė, 2010; Thornton and Karagiannis, 2016). In addition, Lithuanian politicians, through strategic messaging, have been portraying Russia as an aggressor and a direct threat to Lithuania (Česnakas, 2021; Rogulis, 2023). Considering this, the article follows the logic that the Russian threat to Lithuania is evident, unquestionable, and driven by imperial ambitions aimed at expanding its sphere of influence through both soft and hard powers (Lopata and Statkus, 2006).

As a result of this situation, Lithuania has adopted a new national security strategy (2017, 2021), military strategy (2016), and military doctrine (2016), which also integrate citizens into the defence of the state. A total defence approach,<sup>1</sup> alongside collective defence with allies, forms a vital combination ensuring Lithuania's national security. The recent large-scale Russian military invasion of Ukraine has prompted Lithuania, along with other regional states, to undertake substantial measures<sup>2</sup> in preparation for a potential escalation involving Russia and Belarus.

Empirically examining Lithuania's national security strategy, the defence strategy model, and its three fundamental defence principles (the combat power of the Lithuanian armed forces, allied support, and public involvement in national defence), a long-term gap becomes evident between the declared strategic objectives and the actions implemented, particularly regarding public involvement in national defence.

From a theoretical perspective, existing theories offer explanations on how a security agenda or strategic response to threats emerges or is formulated, but they do not sufficiently explain the discrepancy between the adoption of national security-related decisions and their subsequent implementation. For instance, according to realists, states respond to changes in each other's capabilities almost automatically and objectively (Mearsheimer, 2001; Morgenthau, 1948; Walt, 1987; Waltz, 1979), while constructivists argue that both threats and the measures/strategies designed to neutralise them are socially constructed and therefore essentially arbitrary, 'negotiated' between the elite and the audience

<sup>&</sup>lt;sup>1</sup>Translating directly from the Lithuanian language, a total defence approach means 'a universal defence approach which involves all different parties and stakeholders'. Some would argue that it should be labelled 'a comprehensive defence approach'. However, due to the various strategic documents and laws adopted over the last decade, the Lithuanian case goes beyond the borders of a comprehensive defence approach. A comprehensive defence emphasizes the strategic coordination and integration of various security policies across government agencies and sectors, focusing on prevention and crisis management. In contrast, a total defence approach is more society-wide and focuses on mobilising citizens and the private sector in defence efforts, often with strong civil–military integration. To avoid conceptual misunderstandings, this paper uses the term 'total defence'.

<sup>&</sup>lt;sup>2</sup>Over the past decade, Lithuania has significantly bolstered its defence capabilities through a 650% increase in defence spending, military modernisation, and infrastructure expansion, including the reinstatement of conscription and the establishment of rapid reaction forces.

(Buzan and Wæver, 1998, 2003; Finnemore, 1996; Wendt, 1999). A similar situation could be identified among liberal theorists who often discuss how international institutions, democracy, and economic interdependence influence the formulation of security policies, but they generally do not delve deeply into the practicalities of implementing these policies (Keohane, 2005; Russett, 1993). It remains unclear why there may be a gap between the declared strategic goals and actual actions within the political context. Nevertheless, among political scientists, the principal–agent theory is used to describe the reciprocal relationships between two distinct parties. Relationships emerge when one party, termed the principal, forges an agreement with another party, designated as the agent, and confers upon the latter the responsibility to execute a function or a set of tasks on behalf of the former (Coletta, 2013). Considering that the Russian threat is evident and securitised, this raises the research question of this study: Can principal–agent theory explain the misalignment between the declared strategic goals and the implemented actions of a total defence approach in Lithuania?

Therefore, this paper seeks to analyse the Lithuanian total defence approach in response to the growing Russian threat since 2014 through the lens of principal–agent theory. This paper is organised into four sections. Firstly, the theoretical framework of the principal–agent theory is presented. Secondly, the methodological part provides a detailed description of the methods used. Thirdly, empirical insights are derived from primary sources and twenty-one semi-structured interviews conducted with high-level politicians, ministers, political advisors, bureaucrats, and directors of governmental institutions, covering the period from 2012 to 2024. Lastly, the paper concludes with findings and recommendations.

# Fundamentals of principal-agent theory

The theoretical ideas of the principal–agent relationship are derived from Max Weber's theses, characterised by the asymmetry of political relations. In such relationships, authority resides on one side, while informational advantage lies on the other. According to Weber (1978), power belongs to the expert. One of the first to apply the theoretical ideas of the principal-agent model was Banfield (1985), who, building on Weber's thoughts, argued that political organisations differ from economic ones and affect the relationships within them. Meanwhile, Mitnick (1975), examining the relationships between bureaucracy and political principals, found that agents may be motivated either by the public interest or their own personal gain. With more knowledge, that is, a greater understanding of their expertise than their principals, agents naturally acquire an informational advantage, leading to different choices and information asymmetry. At the same time, principals, driven by their beliefs, may seek to control the agents' actions, but this requires additional costs and time. In other words, information and monitoring are costly, so principals are inclined to seek a balance between control and efficiency. This means that closely related mutual relationships involve some loss of control, allowing agents to make decisions in line with their own views, regardless of the principal's preferences and the hierarchical structure in which agents are theoretically subordinate to the principal (Coletta, 2013). Therefore, it can be argued that differing goals between the principal and the agent create three theoretical problems:

- 1. Unwanted actions by agents require additional costs and monitoring (Hannah, 2008).
- 2. The principal's doubts about whether they have selected the best agent for the job. This is known as the adverse selection problem and arises from the fact that agents may hide information about their (in)competence.

3. Once the principal has chosen an agent, the problem of moral hazard arises. This refers to the risk that the agent's performance may be suboptimal, either because the agent demands too high a price for their services or delivers fewer results than possible (Waterman and Meier, 1998).

To address information asymmetry and potential 'loss', principals can employ three measures: first, monitoring (audits, progress reports, reviews, etc.); second, incentivising (increasing the institutional budget and promoting good behaviour, which is the most effective solution to principal–agent problems); and third, strengthening mutual communication while establishing joint working groups. It is crucial for agents to maintain good relationships with their principals to ensure the continuity of agreements and/or to be rehired for specific tasks (Van Thiel, 2016). A negative relationship could lead to a reduced budget or the establishment of new agencies that take over certain tasks from the previous agent.

Asymmetric relationships have become a fundamental aspect of the principal–agent theory. In such mutual relationships, it is important to understand accountability and dependence on one another. In the last decade of the 20th century, Terry Moe (1990), in his academic publications, focused on the general issue of bureaucratic drift, where the actions of bureaucratic agencies deviate from the goals of the politicians trying to control them. Research shows that direct monitoring of bureaucratic agencies by politicians rarely takes place. Such findings support Max Weber's assertion that bureaucracies are, in fact, beyond political control. This raises a natural question: Why do politicians not even try to monitor bureaucrats? Seeking an answer leads back to the previously mentioned problem—that the principal (i.e., the politician) must engage in monitoring, but direct oversight is too costly. Therefore, the principal must find less expensive strategies (Kiser, 1999). From this, mechanisms emerge that link accountability and dependency, allowing the principal to control agents:

- 1. The principal establishes rules for the agent's actions. Detailed rules can ensure consistency and adherence to the principal's objectives; however, when discretion is granted, agents have the flexibility to adapt to unforeseen circumstances and introduce innovations while carrying out the tasks entrusted to them.
- 2. Monitoring and regular reporting. To reduce information asymmetry between the principal and the agent, the principal can rely on monitoring and reporting mechanisms. These are typically outlined in the regulatory documents governing the bureaucratic agency. Through monitoring, the principal can assess the agent's actions and ensure they align with expectations. However, the principal is not fully protected from the potential distortion of information or the submission of false reports.
- 3. Effective vetting and selection procedures for agents are important tools to ensure that agents act in accordance with the principal's intentions. This process is relevant at both management and agency levels and aims to align agents' actions with the principal's goals. However, it is important to note that in cases of adverse selection, there is a risk that agents may hide their true intentions.
- 4. Principals can establish relationships with agencies by incorporating institutional checks and balances that limit opportunistic behaviour by agents. This may involve having multiple agents with overlapping functions to promote competition and transparency, thus reducing agents' ability to act against the principal's interests (Hawkins *et al.*, 2006). Additionally, the principal can simultaneously hire external consultants to mitigate the manipulation of information by subordinate agents (Waterman and Meier, 1998).

5. The application of sanctions and punishment for undesirable behaviour is one of the more radical methods. The 'carrot and stick' approach is used to shape agents' actions to achieve desired outcomes. Budget adjustments are a common form of sanction, where successful agents receive increased budgets to enhance performance, while poorly performing agents face budget cuts or adjustments (Kiser, 1999).

These mechanisms reinforce the hierarchical structure and dependency between the principal and the subordinate; however, an agent, acting opportunistically, can avoid the principal's dominance. It is important to note that controlling the agent *per se* is not the main goal. The principal's priority is to get as close as possible to the most desired outcome and to incentivise the agent to use their expertise to best represent the principal's interests (Gailmard, 2014). Looking at the principal's control mechanisms discussed above, it is clear that agents, by leveraging their powers, are afforded some room to manoeuvre and adapt to potential constraints.

Firstly, the agent holds exclusive expert knowledge that the principal does not possess, which is provided as information the principal needs to make the best decision. The principal, aiming to make certain political decisions, may require expert clarifications, which the agent can prepare based on their specialised knowledge. The agent selects the policy they most prefer, which, based on their expert information, leads to the most desired final outcome (Gailmard, 2014). In other words, if the principal provides a broad spectrum of information, the agent is more likely to choose information that aligns with their own preferences, presenting it to the principal as expert advice. Conversely, if the principal presents a narrow scope of information needs based on their own views, the agent's freedom to manoeuvre is reduced.

Secondly, bureaucrats, who are the agents, seek to maximise their budgets. Bureaucrats understand the value that legislators place on the services they offer, but they have a deeper understanding than the legislators, their principals, of what the tasks being performed are worth. In order to fully implement the assigned tasks, agents essentially compel legislators to accept budget proposals (Niskanen, 2017). This situation creates a dilemma in which the agent, relying on their expert knowledge, presents a proposal or solution that must be either accepted or rejected. This is particularly relevant in military matters (such as armament, logistics, and military infrastructure), where agents hold significant informational advantages over civilians (Hannah, 2008). Rejecting the agent's proposal means politicians must bear the associated potential risks and consequences, which may even affect national security. The dilemma of maximising the budget creates room for potential manipulation, which the agent can exploit to achieve their goals.

Thirdly, under strict control from the principal, the delegation structure itself may encourage the agent to act contrary to the principal's wishes. Restricting their freedom to act may motivate the agent to pursue their own interests, hiding information from the principal to reduce their workload, minimise psychological pressure, or hire individuals favourable to themselves. This evasiveness arises because agents are familiar with the functioning of the bureaucracy and are likely to take advantage of it (Waterman and Meier, 1998).

Given these points, it can be argued that manipulation of information brings the principalagent theory back to its core theoretical position—asymmetric relationships. Therefore, looking at these relationships and the potential for agents to exploit their informational advantage, it can be argued that an agent, or a bureaucratic agency that maintains a stable core of personnel and unifying leaders over the long term, is more likely to develop and uphold its own work vision, which may not necessarily align with the politicians who serve as principals. This is especially relevant when politicians serve only a single term. Therefore, the stronger the bureaucratic agency, the harder it is for the principal to steer it in the desired direction. Diverging perspectives may lead to mutually destructive relationships, stagnation of long-term projects, or even sabotage.

In summary, relationships are established when one party, the principal, makes an agreement with another party, the agent, and delegates responsibility to the latter to perform a function or set of tasks on behalf of the principal. The principal can be any individual or organisation that delegates responsibility to another in pursuit of goals that would be too costly (in terms of time, resources, or supplementing knowledge and expertise). The core theoretical issues arise from the *differing goals of both parties* and *the information asymmetry* that benefits the agent.

# Methodology

T o understand the deeper context, qualitative research methods are employed. The analysis includes primary documents and semi-structured interviews, which provide the opportunity to identify casual links that may not be evident from the document analysis alone. In the case study strategy, specifically focusing on the implementation of Lithuania's total defence approach, a deeper understanding is essential, and this naturally requires the in-depth insights that the interview method can offer.

In this paper, one of the primary research methods is the semi-structured interview. The questions are based on theoretical frameworks and the analysis of official documents, with the aim of examining the implementation of the total defence approach. Informants were asked to define the concept of total defence in Lithuania, explain the goals and means that were considered, and compare them with the other two defence principles. Additionally, informants were asked to identify the reasons for the misalignment between the principal's and agent's goals. Finally, they were asked to evaluate the overall progress and issues of the total defence approach in Lithuania since 2014.

The sampling follows the logic that interviews with informants are conducted until the information becomes redundant and no new aspects are revealed, indicating that data saturation has been reached. The research involved twenty-one informants, of whom fourteen held principal positions, such as decision-makers in the Seimas (Parliament). Meanwhile, nineteen informants held agent positions, such as ministers, senior political advisors, and directors of governmental institutions within the government, ministries, or subordinate institutions covering the period from 2012 to 2024. It is important to note that over the long term, many informants held both principal and agent positions. To ensure anonymity, detailed information about leadership periods and institutional affiliations are not provided. Each informant is coded as interviewee 1, interviewee 2 and so on.

The analysis of the interview data follows an inductive approach, where individual pieces of knowledge are generalised into broader categories and subcategories. Ultimately, all data collected from principal and agent is analysed and compared over the long term. The abundance of data helps to identify the fundamental causes affecting the implementation of the total defence approach in Lithuania.

The empirical research is divided into three stages:

1. Identification of the principal and agent in the case study of Lithuania's total defence approach by analysing official documents.

- 2. Identification of what constitutes a total defence approach in Lithuania by scrutinising both official documents and semi-structured interviews.
- 3. Determining the implementation of the total defence approach by considering official documents and semi-structured interviews.

This research methodology has several limitations. Firstly, semi-structured interviews, while offering valuable insights, rely on subjective perspectives that may be influenced by personal biases or specific roles of informants. Secondly, the focus on a case study of Lithuania's total defence approach also limits the applicability of the findings to other countries, as Lithuania's unique geopolitical situation may not be easily comparable. Thirdly, the study's reliance on retrospective accounts from 2012 to 2024 introduces the risk of memory bias or changes in perspective over time. Lastly, the inductive approach used in this research might not fully contribute to broader theoretical generalisations, as the findings are closely tied to Lithuania's defence landscape.

# The Lithuanian case The principal and the agent in the Lithuanian defence approach

To fully comprehend the Lithuanian total defence approach through the lens of principalagent theory, it is important to consider the adopted official documents. The fundamental ideas of the total defence approach come from the Constitution of the Republic of Lithuania, specifically from Article 3, which states that the nation and every citizen have the right to resist anyone who forcibly encroaches upon the independence, territorial integrity, or constitutional order of the Republic of Lithuania (Constitution of Lithuania, 1992). This article serves as the foundational principle upon which the concept of the total defence approach in Lithuania is based.

The Law on the Foundations of National Security of the Republic of Lithuania of 1997 is the first document that outlined the basic guidelines for the development of the total defence approach. According to the first edition, national security is ensured by the state guaranteeing readiness for unconditional defence and universal civilian resistance in case of aggression, while citizens ensure preparation for universal civilian resistance (Law on the Foundations of National Security of the Republic of Lithuania, 2024d). The essential defence principle of this law is universality and unconditionality. The 1997 edition clearly states that the Parliament implements the provisions of this law by creating a legal basis for national security and defence, regulating universal defence and resistance to aggression by law. Meanwhile, the Government is responsible for educating and training citizens for universal resistance and developing civil defence (Law on the Foundations of National Security of the Republic of Lithuania, 2024d). This clear division of responsibilities reveals a fundamental distinction whereby the Parliament carries out legislation and oversight, while the Government and its subordinate ministries handle implementation. In subsequent editions, the principles of universality and unconditionality are maintained, but the provisions regarding institutional divisions of responsibility are eliminated and reflected in other laws.

Clarity in the management of the total defence approach is brought by the Law of the Republic of Lithuania on Armed Defence and Resistance to Aggression, according to which from the first to the last edition (corresponding to the years 2000–2023), preparation for armed defence and resistance to aggression is led by the Government of the Republic of Lithuania, the Minister of Defence, the commander of the armed forces, ministries, and other state

institutions according to their competence established by legislation (law on armed defence and resistance to aggression, <u>Republic of Lithuania, 2024a</u>). The law, reiterating previously described legal acts, reaffirms once again that defence is unconditional and universal. The armed forces and citizens, guided by non-prohibited forms and methods, can resist aggression. Based on this clarification, it can be argued that the government and its subordinate ministries, institutions and the military, which operate under the policy of the national defence system, must ensure that citizens are adequately prepared for the total defence approach.

Similar logic is identified in the law of the <u>Republic of Lithuania (2024b)</u> on mobilisation and host nation support, according to which for the last decade, the government has been responsible for the state's mobilisation and armed forces plan, which it helps formulate with the Ministry of Defence and the leadership of the Lithuanian armed forces (law on mobilisation and host nation support, <u>Republic of Lithuania</u>, 2024b). Additionally, the government must adhere to and immediately execute a resolution of the Seimas or a decree of the President of the Republic regarding a proclamation of mobilisation. With this law, it is once again affirmed that the government is the main institution empowered to implement the total defence approach.

In addition to the mentioned laws, there are other official documents in Lithuania that further classify the operation and implementation of the total defence approach in the country. The law on the Riflemen's Union<sup>3</sup> (1997), National Security Strategy (2021b), Military Strategy and Military Doctrine of the <u>Republic of Lithuania (2016, 2017)</u>, Strategy for Citizen Training for Civil Resistance (2022), and State Defence Plan (2023) are among the essential documents that allow us to understand how universality can be implemented. Due to their specificity, these documents can also be considered laws that clarify and complement the total defence approach, clearly indicating which groups of people should join the armed forces, how nonviolent resistance will be carried out, and what role non-governmental organisations, legal entities, and other institutions will play (law of the <u>Republic of Lithuania (2024e)</u> on Lithuanian Riflemen's Union (LRU); National Security Strategy, 2021b; Military Strategy, of the <u>Republic of Lithuania (2017)</u>; and Military Doctrine of the <u>Republic of Lithuania (2016</u>). These documents clearly outline strategic directions related to the total defence approach. It is noteworthy that essential laws were adopted or supplemented after the mass Russian invasion of Ukraine in February 2022.

The discussed legal framework provides clear lines and declares that the Seimas ensures the enactment and oversight of appropriate laws. Meanwhile, the government, ministries, subordinate institutions and military are responsible for the implementation of universality and unconditional defence. Therefore, looking through the lens of the principal–agent theory, the parliament is considered as the principal and the government is the agent in the Lithuanian total defence case. The next section reviews the concept of the total defence approach in Lithuania.

## The perception of the Lithuanian total defence approach

The analysis of official documents has revealed that clearer definitions of total defence have only emerged in recent years, specifically in 2021 and 2022. The latest edition of the National Security Strategy states that the geopolitical situation of the Republic of Lithuania requires not only national and NATO allied forces to be prepared for state defence but also civil, state and municipal institutions, the private sector, and citizens (National Security Strategy, 2021b). All these elements are essential for the total defence approach. Meanwhile, the newly adopted strategy for preparing Lithuanian citizens for civil resistance declares that civil resistance is a key component of Lithuania's main defence principle—total defence. Total defence means that state defence is understood not only as armed defence but also as a responsibility that extends beyond the Lithuanian armed forces and other military institutions or NATO allies. Every citizen, regardless of age, must be prepared to contribute to threat prevention and resistance against aggression and occupation. All civil state and municipal institutions and agencies, economic entities, society, citizen communities and organisations must be ready. All state resources must be mobilised and utilised for defence (strategy for preparing Lithuanian citizens for civil resistance, 2022). Prior to the publication of these documents, the concept of total defence was understood as an unconditional defence and universal civilian resistance in the event of aggression against Lithuania. Since 2016, Lithuania's military strategy has recognised citizen involvement in defence as one of its three core pillars, alongside national defence capabilities and the support of allied forces.

In order to fully comprehend what a total defence approach is in the context of Lithuania, informants were asked to describe how they comprehend 'total defence'. Even though half of them did not provide an exact definition, two key factors were mentioned.

Firstly, there is a dominant holistic approach to total defence where society, the government and other stakeholders work together. According to interviewee 4: '[Total defence is a] development of all capabilities, dialogues with the Ministry of the Interior and other interested institutions'. Similar answers could be identified in the thoughts of interviewee 16, who described 'Total defence—the mindset and action of everyone'. Meanwhile, interviewee 14 was of a similar opinion and claims that: 'Total defence—action on many fronts. How to warn society in peacetime without causing too much fear. The goal is to maintain balance'. Similar arguments were recognised through the answers from interviewee 20, who claims: 'Total defence—the defence of all, the involvement of all institutions. Strategy is nothing without accountable dates by which certain actions are taken'. Eventually, interviewee 17 is specific with an answer describing that total defence is 'the 3V principle [based on three Lithuanian letters "V"]: society (*visuomenê*), business (*verslas*), and government institutions (*valdžios institucijos*). The military constitutes only a few percent of everything'.

Secondly, the perception of total defence is closely related to increasing resilience. As interviewee 10 observes, total defence is 'involvement of all, deterrence, society does not give up, will not let the enemy in. Deterrence is Lithuania's main tool'. Meanwhile, interviewee 18 is more specific and claims that 'universality is an evolving process. Resilience against propaganda, determination to defend according to the law. Volunteering balances out disparities, does not seek personal gain. Everyone must be integrated into defence, supporting the military'. Eventually, as interviewee 21 describes: 'Total defence is the strengthening of resilience, the society's willingness to resist. Although resilience is increasing, it does not guarantee they will come to defend, as they have the freedom of choice. In military terms, civilians are difficult to integrate, their impact is small. In peacetime, it is important to involve civilians, as this has a psychological effect and serves as reassurance'.

Summarising the perception of the total defence approach in Lithuania, it is evident that on the one hand, the total defence approach is a holistic approach to national security, where society, government, and all stakeholders work collaboratively to enhance resilience and preparedness against existential threats. This approach involves the development of comprehensive capabilities across various sectors, fostering a mindset of collective responsibility and action. It involves coordinated efforts from government institutions, businesses and civil society to ensure a unified defence strategy. Notably, resilience is identified as the crucial element enabling the total defence approach. On the other hand, half of the informants were unable to describe what a total defence approach is. The other half described it according to their own opinion, rather than a nationally agreed definition, demonstrating that the concept of a total defence approach is fragmented among representatives of both principal and agent.

## Implementation of the total defence approach

To fully understand the implementation of the total defence approach through the lens of the principal–agent framework, informants were asked to evaluate the goals and measures adopted over the past decade. The previous section of this research confirmed that the total defence approach is an integral part of the state's defence strategy. Looking at national security and military strategies, besides the total defence approach, other defence models also emerge. Firstly, there is the development of national defence capabilities, and secondly, the strengthening of NATO collective defence aimed at defence actions to defend Lithuania or another NATO ally.<sup>4</sup> To better understand the choices of principal and agent in the context of defence models, semi-structured interviews were conducted to look at the key measures that were chosen since 2014.

Firstly, as most informants note, to strengthen military capabilities, conscription was reinstated in 2015. Conventional military acquisitions (artillery, tanks, air defence, etc.) were initiated to strengthen the weak Lithuanian army, aiming to fill military units with soldiers and restore three brigades, rebuild the military reserve, and create favourable infrastructure conditions for allies. Informants in agent positions confirmed that the inclusion of citizens in conscription and reserve training is already an integral part of the total defence approach.

Secondly, in developing non-military measures, according to the informants, most attention was paid to countering hybrid threats and disinformation. This included the establishment of a cybersecurity centre, seeking to change legislative frameworks to facilitate the functioning of the armed forces and the use of weapons, and strengthening intelligence and counterintelligence operations. Non-military measures also included energy security, reducing social inequality and poverty, and restricting or blocking Russian television.

Looking at the arguments presented, it can be noted that after the annexation of Crimea, the principal was seeking to strengthen national defence capabilities, namely the Lithuanian armed forces, and to develop closer ties with allies to enhance host nation support in Lithuania. This can be illustrated by the proactive efforts of Lithuanian officials, who have been working to persuade Berlin to deploy a brigade-sized unit of 5,000 troops to Lithuania in the coming years. This initiative can be seen as one of the primary national objectives of Lithuanian politicians. Meanwhile, non-military measures were aimed at bolstering efforts against hybrid threats. To understand why the total defence approach did not receive the same attention until 24 February 2022, informants provided four key reasons.

Firstly, after the annexation of Crimea, the public's interest in such events waned over the years, and citizens naturally became less engaged in national defence. This naturally inspired the second reason, a lack of interest and initiative among representatives of the principal. The total defence approach became a niche area among individuals, which was not only reflected in their actions but also in official documents.

<sup>&</sup>lt;sup>4</sup>More information can be found in the National Security Strategy of 2017, the 2021 edition, and the Lithuanian Military Strategy of 2016.

Thirdly, during the period from 2014 to 2022, issues related to strengthening national power and attracting allies dominated, strongly supported by the agent (the Government, the Ministry of Defence and the Lithuanian armed forces). The absence of clear positions on total defence from the principal led the agent to dominate while using information asymmetry and advocating for their own ideas to prioritise military acquisitions. As noted by interviewee 13, 'The allocation manager, which is the ministry, decides how big money will be distributed'. Similar opinions were expressed by interviewee 14: 'Priorities are set completely differently'. Meanwhile, interviewee 18 states: 'The state sector blames ministries of internal affairs, defence. If an institution needs to join total defence, there will be a lot of changes in work, and there is no inter-institutional cooperation. The understanding of statehood is through one's institutions. Everyone should act according to the rules of their established institution'. Finally, interviewee 15 argues that 'there is too slow development. Huge attention to armament, infrastructure, and compliance with NATO standards'.

Similar arguments are evident in identifying the fourth reason for the deprioritisation of the total defence approach among the leadership of the Lithuanian armed forces. As noted by interviewee 3, 'The vision of the military leadership (former generals of the Lithuanian armed forces Pocius and Žukas). Neither had the desire to involve the public. The Ministry of Defence has the same view as the armed forces'. Similar opinions are held by interviewee 19: 'The military does not need it [total defence approach]'. Interviewee 11 stated: 'The public will not interfere, no money is allocated, although universal conscription is necessary', and interviewee 6 added that 'The military leadership considers professional soldiers a priority'. Finally, as noted by interviewee 1, 'The public involvement through conscription was considered as enough'.

Eventually, the informants were asked to evaluate the Lithuanian total defence approach and issues related to it over the last decade. One-third of the interviewees provided positive evaluations, while the remaining two-thirds indicated negative views or felt there was insufficient progress in the total defence approach.

Several positive aspects of the development of the total defence approach in Lithuania can be identified. Firstly, the LRU has seen increased funding and support through laws initiated by the National Security and Defence Committee, and the Ministry of the Interior has provided infrastructure support. Secondly, gradual progress has been made, but coordination between the Ministry of Defence, the Ministry of Foreign Affairs and the Presidency has been challenging. Thirdly, notable progress has been made from 2022 to 2024 with increasing education on defence topics, promoting open discussions about different societal roles in defence. Overall, there is a positive trend, with businesses feeling involved and an emphasis on learning from Ukraine's experiences. There has been a significant increase in funding, public involvement and active reserves. The focus in future should include soft power, commandant's offices, and enhancing the psychological sense of security.

As a contrast to the progress observed, wider criticism could be obtained from the informants. Firstly, there was no clear ownership or institution responsible for the total defence strategy. Secondly, the defence strategy should have been adopted earlier, with a need for a detailed plan of measures. February 2022 highlighted the urgency, but some institutions did not see the war as relevant to their own national defence. Thirdly, greater involvement of the LRU, education on military knowledge, and integration of public security services are needed. Civil organisations acted, but no significant qualitative progress was noted. There is difficulty in absorbing societal changes and a lack of universal conscription. Responsibility is often shifted away from institutions, leading to fragmented efforts and slow progress. There is a lack of clear leadership and timely resource allocation. Multiple working groups and diverse statements create confusion and slow down progress. Last but not least, alternative service options for youth, such as participation in LRU activities, are needed due to social and health inequalities among citizens. Overall, there is a need for better coordination, clear ownership, timely resource allocation, and broader public and institutional engagement in the implementation of Lithuania's total defence strategy.

In summarizing, it became clear that the total defence approach has not gained significant attention from agents, largely due to the lack of clear strategic guidelines from the principal. Additionally, the principal has not implemented any substantial measures to address information asymmetry of the agent. The only official parliamentary hearing on the progress of the Strategy for Preparing Lithuanian Citizens for Civil Resistance was held in 2022, but this was an exception, rather than a consistent method employed by the principal (Seimas of the Republic of Lithuania, 2024). Meanwhile, the agent (the Ministry of Defence and the Lithuanian armed forces) dominated the decision-making process, prioritising their own objectives while employing information asymmetry. It is evident that until Russia's large-scale invasion of Ukraine on 24 February 2022, there were minimal efforts to involve citizens in Lithuania's defence. Although the principal (the parliament) aimed to enhance citizen participation, the agent (the Government and its ministries, including the Ministry of Defence) focused on other issues. This misalignment between principal and agent resulted in a significant delay in advancing the total defence approach after Russia's occupation of Crimea in 2014. The agent's information advantage clearly dominated the process of shaping Lithuania's total defence approach. Following the invasion, cooperation between the principal and the agent improved, largely because the principal successfully established clear, realistic, acceptable, and achievable goals and priorities for the agent (the Government, ministries, and the military).

# Conclusions

The ongoing Russian military interventions in Ukraine since 2014 have significantly influenced European defence strategies, especially in the Baltic States, including Lithuania. In response, Lithuania has revised its National Security Strategy, military strategy and doctrine to include a total defence approach, integrating both military measures and civilian involvement. Despite these updates, a noticeable gap persists between the stated strategic goals and their actual implementation, particularly regarding public participation in defence. Existing theories, such as realism, constructivism, and liberalism, do not fully explain this discrepancy. Principal–agent theory offers a valuable perspective on this issue. It reveals that misalignment between the Lithuanian parliament's (principal) declared strategic goals and the implementation of its total defence approach is partly due to the Government's and military's (agents) control over information and shifting defence priorities. As a result, the Parliament's broader goals of civilian participation in defence have been delayed or deprioritised. Furthermore, the Parliament's inconsistent oversight allowed the agents to focus on their own preferences and institutional capabilities.

Empirical data from Lithuania highlights that the misalignment is not only due to information asymmetry, shifting priorities, or weak oversight, but also to differing perceptions of what total defence entails. The Lithuanian Parliament, as the principal, envisioned total defence as a broad, inclusive strategy involving all sectors of society and business. In contrast, the Government and military, as agents, prioritised military professionalisation and NATO integration, treating civilian involvement as secondary. This difference in perspective led to the deprioritisation of elements, such as citizen mobilisation and resiliencebuilding. The data also shows that inconsistent definitions of total defence among institutions hindered effective policy implementation. Thus, principal–agent theory needs to account for these perceptual differences, suggesting that misalignment can arise from interpretive differences rather than deliberate manipulation.

To address the challenges identified in the Lithuanian case, several key recommendations could be taken into account. Firstly, strengthening communication and coordination between Lithuanian Parliament, Government and military is crucial to ensure a unified understanding of the total defence approach. Secondly, developing a clear definition of total defence helps align perceptions and assign roles between different institutions. Thirdly, improving oversight and accountability mechanisms will address discrepancies between goals and implementation. Lastly, reducing information asymmetry through joint workshops can bridge gaps between the principal and agents. These steps could help to improve the Lithuanian total defence approach in the near future.

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#### Data Availability Statement

Publicly available datasets were analyzed in this study. These datasets can be accessed at: <u>https://e-seimas.lrs.lt/</u>. The interview data are not publicly available due to privacy concerns.

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