

The Strategic Defence Review

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The promise to hold a strategic defence review featured as part of Labour's election manifesto. A review began at the end of May 1997 and is now scheduled to conclude in the early months of 1998. This paper looks at the origins of the review and its progress. It examines some of the strategic options which might be addressed, and also possible consequent changes to the structure of the armed forces. A companion paper will be *Previous Defence Reviews*. The House is to debate the review in its annual two-day defence debate to be held on 27th and 28th October.

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CONTENTS

I	The Strategic Defence Review	5
	A. Origins	5
	B. Structure	8
	1. Foreign Policy Led	8
	2. Strong Defence	9
	3. Trident and Eurofighter 2000	10
	4. National Consensus	12
	5. The Organisation of the Review	13
II	Defence Procurement	15
III	The Financial Context	18
IV	Drawing up the Policy Baseline	21
	A. External Assets and Responsibilities	21
	B. Retaining or Scrapping the Nuclear Deterrent	23
	C. The Revolution in Military Affairs	24
	D. Threats	26
	E. The Strategic Options	27
	F. Government Thinking	31
V	Options for the Force Structure	33
	A. Nuclear Forces	34
	B. The Royal Navy	36
	C. The Army	39
	D. The Royal Air Force	43
	E. Command and Support Structures	46

VI	Conclusion	47
VII	Bibliography	50

I The Strategic Defence Review

A. Origins

The origins of the Labour Government's Strategic Defence Review (SDR) can be traced back to the late 1980s and criticisms of the Conservative Government's "Options for Change" 'exercise'. Opposition spokesmen of both the Labour and Liberal Democratic parties charged that Options was essentially Treasury-driven and lacked any strategic direction; in other words, the primary aim was to cut the defence budget without any regard for the enormous changes in European security arising from the collapse of the Warsaw Pact. In its place, both parties proposed the holding of a different sort of defence review. In the annual defence debate of 1991 Martin O'Neill MP, then the Shadow Defence Secretary, stated that "On taking office, the Labour Government will institute a full and wide-ranging assessment of our defence needs".¹ Menzies Campbell MP, speaking for the Liberal Democrats, stated in the 1992 debate on the *Statement on the Defence Estimates*: "My criticisms of 'Options for Change' are that there were never any options, there were never any choices and there was never any public discussion of commitments or the resources that might be made available to meet these commitments."² Similar calls for a review came from the Conservative backbenches. In 1993, 12 Conservative Members published a pamphlet entitled *Facing the Future: - The Case for a Strategic Review of British Defence and Foreign Policy*. Those calling for the holding of a defence review may have been influenced by the reviews held in a number of other countries. The USA examined its strategy and force structures in the Bottom Up Review of 1993. The subsequent Quadrennial Defence Review of 1997 is intended to be the first in a series of periodic reviews.

The Defence Costs Study (DCS) of 1994, also known as "Front-line First", was attacked in similar language by opposition parties and many defence commentators for not looking beyond the structure of the defence establishment and its practices to the balance between resources and commitments and overall strategy.³ *The Daily Telegraph* remarked:

"The report makes no attempt to define the purpose to which the armed forces are to be directed after economies have been achieved ... Front Line First represents such a radical departure from previous defence statements, however, that it seems incomplete without a survey of how the restructured armed forces are to be employed, and an assessment of what capabilities they are to retain".⁴

¹ HC Deb 14/10/91 c 68 This commitment did not feature in the 1992 Labour election manifesto.

² HC Deb 17/6/93 c 1030

³ HC Deb 14/7/94 c 1177-1178

⁴ *The Daily Telegraph* 15/7/94.

Research Paper 97/106

The demand for a defence review was repeated by Dr David Clark MP, Martin O'Neill's successor, during the 1996 debate on the *Statement on the Defence Estimates*:

"We shall establish a strategic defence review. We have made it clear in our documents and discussions that the review will not be a cost-cutting exercise. It will report within six months of its establishment and will provide not only a blueprint for our security but stability for our armed forces and defence industry. On top of that, Labour will institutionalise long-term strategic thinking in the MOD".⁵

The Conservative Government maintained that such a review was unnecessary because, on the one hand, all aspects of defence were always under review to improve efficiency and effectiveness and, on the other, because following recent reductions and restructuring the armed forces required a period of stability.⁶

The debate between the leading parties over the merits of a defence review received a jaundiced welcome in some academic circles. One commentator wrote in 1995:

"Essentially, the true rationale behind Labour's review is to shield its defence policies from the electorate's inquisitive gaze. Internal differences over nuclear policy, defence resources and future commitments are therefore left uncovered until well after the voters have made their judgement. A fundamental defence review will almost certainly raise some intractable issues for the Opposition should they win power, but by then an internal debate will be free to rage. This, ostensibly, is why the present Government has been keen to avoid embarking on a reappraisal of the military. They continue, instead, to tinker at the edges and push through their cuts at the end of each parliamentary session to circumvent a truly open debate. So motivated by a dread of opening up a discussion of the military and its commitments in the new strategic environment, both main political parties are giving the impression of conducting a defence debate when, in reality, they are determined to leave such difficult questions off the General Election agenda."⁷

An alternative view of Labour's policy would be that it was difficult to be specific about its defence plans in pre-election conditions and without access to confidential information.

⁵ HC Deb 14/10/96 c 499 and see also David Clark, 'Labour on Defence', *Defence Review* 1996; David Clark, 'The Labour Party's Defence and Security Policy', *RUSI Journal*, April 1995; and *A Fresh Start for Britain: Labour's Strategy for Britain in the World*, June 1996

⁶ HC Deb 14/10/96 c 557

⁷ Edward Foster, 'Britain's Non-Defence Debate', *RUSI Newsbrief* April 1995

The Labour Party's plans for defence and arms control were elucidated in its 1997 election manifesto: -

Strong defence through NATO

The post-Cold War world faces a range of new security challenges - proliferation of weapons of mass destruction, the growth of ethnic nationalism and extremism, international terrorism, and crime and drug trafficking. A new Labour government will build a strong defence against these threats. Our security will continue to be based on NATO.

Our armed forces are among the most effective in the world. The country takes pride in their professionalism and courage. We will ensure that they remain strong to defend Britain. But the security of Britain is best served in a secure world, so we should be willing to contribute to wider international peace and security both through the alliances to which we belong, in particular NATO and the Western European Union, and through other international organisations such as the UN and the Organisation for Security and Co-operation in Europe.

Labour will conduct a strategic defence and security review to reassess our essential security and defence needs. It will consider how the roles, missions and capabilities of our armed forces should be adjusted to meet the new strategic realities. The review we propose will be foreign policy led, first assessing our likely overseas commitments and interests and then establishing how our forces should be deployed to meet them.

Arms control

A new Labour government will retain Trident. We will press for multilateral negotiations towards mutual, balanced and verifiable reductions in nuclear weapons. When satisfied with verified progress towards our goal of the global elimination of nuclear weapons, we will ensure that British nuclear weapons are included in multilateral negotiations.

Labour will work for the effective implementation of the Chemical Weapons Conventions and for a strengthening of the Biological Weapons Convention. Labour will ban the import, export, transfer and manufacture of all forms of anti-personnel landmines. We will introduce an immediate moratorium on their use. Labour will not permit the sale of arms to regimes that might use them for internal repression or international aggression. We will increase the transparency and accountability of decisions on export licences for arms. And we will support an EU code of conduct governing arms sales.

We support a strong UK defence industry, which is a strategic part of our industrial base as well as our defence effort. We believe that part of its expertise can be extended to civilian use through a defence diversification agency.⁸

⁸ *New Labour Because Britain Deserves Better*, p. 38 This paper does not discuss the arms trade or proposals for a defence diversification agency.

B. Structure

The Strategic Defence Review was officially launched by the Secretary of State for Defence, George Robertson, at a press conference on 28 May 1997, although earlier notice had been given in the Queen's Speech on 14 May.⁹ The review was originally intended to last no more than six months but its results are now unlikely to be made clear until the early months of 1998. They will be promulgated in the 1998 *Statement on the Defence Estimates* (the Defence White Paper). The fact that the review was announced to the press rather than in a statement to the House was the subject of some criticism from the Opposition.¹⁰ Since the end of May, further information on the structure of the review has appeared in Parliamentary Answers and in ministerial statements. Status reports on the review were given in evidence to the House of Common Defence Select Committee on 30 July¹¹ and in a speech by the Defence Secretary to the Royal United Service Institute on 18 September.¹² More may be made clear in the Secretary of State's opening speech in the forthcoming defence debate.

The MOD press release of 28 May is important as it revealed the general parameters of the review and the extent to which the discussion of policy and force options was limited before the review began. Any new government inherits the defence policy, force numbers and force capabilities of its predecessor and British defence policy since the Second World War, with the exception of the 1967 decision to withdraw from East of Suez, has generally been marked by continuity. However, by including certain procurement and policy positions, some of which featured in the Labour manifesto, the boundaries of the defence review have been set in a way which would not be the case if this was a review *a priori*.¹³

1. Foreign Policy Led

One of the central elements of the press statement was that the strategic defence review would be foreign policy led. This point was subsequently reinforced by the Defence Secretary in the House: -

⁹ MOD PR 28/5/97 & HC Deb 14/5/97 c 43

¹⁰ Nicholas Soames MP quoted in *The Daily Telegraph* 29/5/97

¹¹ Defence Select Committee, *The Strategic Defence Review*, Minutes of Evidence, HC 138-i

¹² 'The Strategic Defence Review', RUSI 18/9/97

¹³ See M. Codner, 'The United Kingdom's Strategic Defence Review: Strategic Options', *RUSI Journal*, July 1997

I assure the hon. and learned Gentleman that the strategic defence review will be foreign policy led, based on the priorities that we believe are important for this country in the world as a whole. It will not be predicated on savings in any other budget. We shall look for value for money in everything on which the defence budget is spent - the people expect no less than that - but I repeat that the review will be foreign policy led and not Treasury led.¹⁴

In keeping with this approach the review has been divided into two stages. It has begun with an examination of Britain's commitments and interests, known as the policy baseline. It seems that this stage has now been broadly completed.¹⁵ This is being followed by the second stage: an analysis of defence needs and the drawing up of a force structure to meet them.¹⁶

2. Strong Defence

The statement included commitments both to "strong defence", to "strong conventional forces" and also to "collective defence provided through NATO". By their very definition, these commitments may entail that the SDR will not lead to radical changes in defence strategy or force structures. For example, a "strong defence" means that Britain will not adopt the defence policy of Iceland, which relies on a small coastguard and diplomacy to preserve its national security. "Collective defence through NATO" has two important connotations. Firstly, it entails that no consideration is being given to adopting a policy of armed neutrality followed, for example, by Sweden. Secondly, support of collective defence probably entails some form of minimum force contribution to NATO's integrated command structure. Although NATO headquarters structures are currently the subject of a review and are likely to be substantially reduced in number, one command unlikely to be affected is that of the Allied Command Europe Rapid Reaction Corps (ARRC). The UK provides both the ARRC commander and also the bulk of its headquarters staff, all located in Germany. Both of Britain's remaining active divisions, the 1st Division in Germany and the 3rd Division in the UK are currently dedicated to the ARRC.

Separately, the Labour Government has made clear its commitment both to the retention of a permanent seat on the UN Security Council and to the UN generally.¹⁷ The latter alone may make it unavoidable for the UK not to continue to be a major contributor to at least some UN peacekeeping missions, with implications for the structure of the three Services, and the Army in particular.

¹⁴ HC Deb 16/6/97 c 9

¹⁵ HC 138, p. 4

¹⁶ The wider resource context of the review is discussed in Section III.

¹⁷ HL 17/6/97 c 105 WA

3. Trident and Eurofighter 2000

The MOD press release also contained two specific commitments to weapons systems, firstly to a national nuclear deterrent, in other words Trident, and secondly to Eurofighter 2000. A commitment to Trident does not necessarily limit the UK's strategic options since the system might be part of series of defence scenarios from pure territorial defence to international involvement. However, besides the implications for Britain's role in international arms control, it does have an impact on the defence budget, both through direct running costs and, indirectly, through the funding necessary to maintain the ships and other defence systems necessary to support it. Every *Vanguard* submarine entering and exiting the Atlantic requires the support of mine counter measures vessels and anti-submarine ships and submarines. In order to maintain a critical mass of expertise in submarine nuclear technology, the RN will need to maintain a fleet of nuclear attack submarines. This means that the three new *Astute* Class SSNs ordered shortly before the election are unlikely to be cancelled. The maintenance of Britain's nuclear warheads also requires the support of land-based facilities such as the Atomic Warfare Establishment at Aldermaston.¹⁸

The exclusion of the Eurofighter project from the SDR has also proved controversial. Many see the aeroplane as an expensive sacred cow and query the spending of such a large sum of public money on a high performance jet at a time when the UK faces a benign strategic outlook.¹⁹ The UK share in the Eurofighter project is currently estimated to be £15.4bn.²⁰ Others ask why Britain, in particular, needs to purchase more Eurofighters than its close allies.²¹ However, although the potential direct threat from then Soviet and now Russian high performance aircraft, which EF2000 was designed to counter during the Cold War, has now diminished, there is concern that such aircraft will be sold to pariah regimes by a cash-strapped Russian aerospace industry. These aircraft could then face the RAF in a future conflict. In addition, following experience in the Gulf War, air superiority is seen as one of the keys to dominance on the modern battlefield. The MOD recently defended the strategic rationale for the EF2000: -

Dr. Lynne Jones: To ask the Secretary of State for Defence what military threats the possession of the Eurofighter aircraft is designed to combat; and what other options his Department has considered for these purposes.

¹⁸ The arguments for and against retaining the British nuclear deterrent are discussed in Section IV B.

¹⁹ See, for example, Polly Toynbee in *The Independent* 9/6/97

²⁰ HC Deb 2/6/97 c 14w 96/97 prices

²¹ Whereas the UK is procuring 232 aircraft, Germany is intending to buy 180, Italy 121 and Spain 87.

Mr. Spellar: In an uncertain world where we face a variety of risks to British interests and where highly sophisticated combat aircraft are widely available, we need the flexible multi-role capability that Eurofighter will provide. Eurofighter will be able to contribute both to achieving air superiority and to ground attack operations. The need for both these capabilities has been demonstrated by recent operations in the Gulf and Bosnia. The alternative aircraft considered were the F-15, F-16, F-18, F-22, Rafale and Gripen.²²

If a military rationale for the acquisition of a new high performance fighter is accepted, then EF2000 may prove a cheaper option than some of its alternatives.²³ There are also economic arguments in favour of EF2000 procurement. According to the MOD, the project currently directly employs some 6,000 workers in the UK. At the peak of production this will rise to 14,000.²⁴ Critics point out that this amounts to some £1m per job, although given the up to 80,000 posts in the UK directly or indirectly linked to the project and the wider support the project may give to the European aerospace industry, this approach is perhaps simplistic.²⁵

Given the apparent industrial importance of the Eurofighter project, the requirement for a new RAF fighter aircraft and the European and domestic political capital invested in the project, cancellation of the EF2000 in any defence review was perhaps unlikely. The procurement does, however, have an important impact on the future shape of the RAF. As the UK's most expensive procurement project, Eurofighter will necessarily earmark much of the total MOD procurement budget into the early years of the next century. It may have a particular impact on the RAF's ability to procure other weapons systems. Maintaining Eurofighter will also require a certain infrastructure, airfields, pilot training, etc. Although a commitment to purchasing a significant number of aircraft was perhaps required to try to help persuade Germany finally to give its approval to the quadrilateral project, the decision to proceed with the procurement of precisely 232 Eurofighter 2000 aircraft, taken before the conclusion of the SDR, is open to question.²⁶

²² HC Deb 17/6/97 c124w

²³ *The Guardian* 5/6/97

²⁴ HC Deb 16/6/97 c 79w

²⁵ Estimates of exactly how many jobs EF2000 will support vary widely. In total up to 75,000 jobs across Europe may directly depend on EF2000 production of which 18,000 could be in Germany (*The Economist* 21/6/97 and *The Financial Times* 25/6/97). In one account the total number directly or indirectly dependent on EF2000 Europe-wide is some 250,000 (*The Guardian* 5/6/97).

²⁶ HC Deb 9/6/97 c 353 The German cabinet gave its approval to the EF2000 in October 1997. The *Bundestag* is to consider the matter in November 1997.

4. National Consensus

One item in the Secretary of State's comments was his call for the forging of a national consensus on defence. In his press statement, the Defence Secretary promised to involve both the Opposition parties and Parliamentary defence committees in the review process. Mr Robertson subsequently wrote to all Members outlining the scope of the review in similar language.²⁷ The House of Commons Defence Committee took evidence from Mr Robertson on the review on Wednesday 30th July. Separately, it is conducting an inquiry on *Future Defence Commitments*, which will parallel the SDR.

In an interesting innovation for the UK, two seminars on the SDR with defence and foreign affairs specialists from outside the civil service have been held. The seminars took place in London and Coventry in July 1997 and involved a wide range of academics, industrialists, civil servants, politicians and other opinion formers. Their proceedings have been made available to the House.²⁸ A further seminar will be held in November.²⁹ The Secretary of State will also meet members of the defence community in informal gatherings. He also announced that he would be advised by a panel of external experts, perhaps to include a representative from the defence industry, which will act as a sounding board for conclusions as they emerge from the review. The panel has yet to be established. The MOD also asked for written comments from the defence community and the general public. Over 450 were received.³⁰ Serving members of the armed forces and MOD officials will also be able to submit written comments on the SDR, outside the chain of command.³¹ It is unclear whether the latter will be made public. Separately, it emerged that due to the review, the MOD would not be publishing its usually annual Defence White Paper in 1997, although some of the factual information normally contained in it would be released later in the autumn in an expanded performance report.³²

An 'open' defence review may receive a whole series of ideas and opinions, some of which may prove impractical and some unacceptable to the Government of the day. One iconoclastic submission to the defence review came from a group of backbench Labour MPs.³³ The document included a number of recommendations for change in UK defence policy. For example, it stated that: -

²⁷ HC Deb 19/6/97 c 264w

²⁸ Deposited Paper 3/5396

²⁹ RUSI speech 18/9/97

³⁰ *Ibid.* These have not yet been deposited in the Library

³¹ *The Independent* 13/10/97

³² HL Deb 3/6/97 WA31

³³ *Joint Submission by Labour Members of Parliament to the Strategic Defence Review* signed by 30 Members, including Ken Livingstone and John Cryer (*The Scotsman* 18/8/97 and *The Daily Telegraph* 18/8/97)

"A switch needs to be made from the predominantly military response to the more non-military aspects of security: a move away from the supreme importance of the NATO organisation to a regional security structure with aims and objectives similar to the OSCE. This would place the emphasis of the European security policy heavily on the economic and social side rather than on military defence".³⁴

The submission also requested that British participation in NATO expansion to be stayed pending a future investigation of its implications and a full and open debate in the House.³⁵ The document also, *inter alia*, questioned whether Britain needed to procure Eurofighter 2000 and the continued requirement for the stationing of British forces in Germany. It also called implicitly for the mothballing of the Trident nuclear system.³⁶

Seeking advice beyond Whitehall and a greater openness in discussing options for the future of Britain's defence does not necessarily mean that the key decision-making surrounding the further shape of defence policy will also be transparent. It is notable in this respect that the now apparently completed policy baseline, upon which the new structure of the armed forces and future procurement is to be constructed, is not published in any form prior to the release of the White Paper.³⁷ This decision has been the object of some criticism from members of the Defence Committee. At the Defence Committee evidence session, Mr Campbell, remarked that during previous autumn defence debates, the House had the opportunity to consult a full statement of government defence policy in the form of the Defence White Paper. Such a statement would not be available this October. In reply, it was declared that the policy baseline was not being published early due to problems in separating defence policy and then requirements and capabilities into two separate documents. It was also suggested that premature publication would hinder Parliament in expressing its views on defence policy during the defence debate.³⁸

5. The Organisation of the Review

Although there is apparently no single review team, the SDR is being organised by a steering group within the MOD. Membership of this group has not been made public but, possibly chaired by the Director of Defence Policy, it includes representatives of each of the Chiefs of Staff and co-ordinates individual studies and reports. The group reports upwards to the Defence Council and Financial Policy and Management Group.³⁹

³⁴ Para 3.5

³⁵ Para 3.8

³⁶ Para 4.5-4.6 and Para 4.8

³⁷ HC Deb 28/7/97 c 75w

³⁸ HC 138, pp. 4-9

³⁹ The Defence Council is the 'main board' of the UK defence establishment. It includes the four defence ministers, the Chief of the Defence Staff, his deputy, the three Service Chiefs, the two Permanent Under

Research Paper 97/106

At a later stage, detailed recommendations will be brought to the Cabinet Committee on Overseas Policy and Defence.⁴⁰ It appears that apart from consultations at ministerial level with DFID, the Treasury and the DTI, the policy baseline has been drawn up principally by the MOD and FCO. The Treasury is kept abreast of discussions in second stage working groups, whilst the DTI is involved in those with potential industrial aspects.⁴¹

Secretaries, the Chief of Defence Procurement and the Chief Scientific Advisor. The FPMG includes the same figures but without the defence ministers in attendance.

⁴⁰ The membership of OPD includes the Prime Minister, the Deputy Prime Minister, the Chancellor of the Exchequer, the Foreign Secretary, the President of the Board of Trade and the Defence Secretary. The Chiefs of Staff attend as required.

⁴¹ HC 138, pp.10-11

II Defence Procurement

The subject of defence procurement was not specifically mentioned in the official launch of the SDR. However, defence reviews of the past have affected the normal cycle of procurement and the current position was subsequently revealed in a Parliamentary Answer: -

Mrs. Betty Williams: To ask the Secretary of State for Defence what consideration is being given to his Department's procurement plans in the Strategic Defence Review.

Dr. Reid: One of the aims of the Strategic Defence Review is to ensure that the Armed Forces are properly equipped to undertake the tasks asked of them. Our procurement plans will therefore be considered as part of the Review, including projects already on contract.

However, during the review there will be no moratorium and projects where contracts have already been placed will continue. Decisions on major equipment programmes not yet under contract will be considered on their individual circumstances in relation to progress with the Review.⁴²

In July, the Defence Secretary announced a new initiative to achieve 'smart procurement'.⁴³ Smart procurement is intended to try to eliminate many of the cost overruns and delays, which plague defence projects. Best practice will be spread throughout the MOD and private sector methods imported in order to try to achieve this goal. Defence procurement overseas will also be considered, particularly in the USA. The review will include examining how the MOD can buy necessary equipment from the civil market and avoid drawing up excessively strenuous and costly military specifications. A major feature of 'smart procurement' will be public-private partnerships. The latter are not novel. The Conservative Government launched several MOD PFI schemes, whereby private capital is invested in and commercial management assumes responsibility for various defence functions. A recent example is the £800bn contract awarded to the BT-led Inca consortium to takeover and manage the currently disparate defence fixed communications network. The MOD estimated that £100m will be saved from this contract over a ten-year period.⁴⁴ The National Defence Industries Council (NDIC), chaired by the Secretary of State, will be the main focus for consultation on procurement reforms with the defence manufacturers. NDIC working groups and a seminar will consider any possible changes to procurement mechanisms.⁴⁵

⁴² HC Deb 10/7/97 c 531w

⁴³ HC 138, pp. 2-3

⁴⁴ HC Deb 24/7/97 c 721w

⁴⁵ MOD PR 30/7/97

Research Paper 97/106

It was perhaps no coincidence that Mr Robertson's initiative was announced shortly before the publication of the National Audit Office *Major Projects Report 1996*, its annual survey of the leading UK defence projects. The 1996 Report considered 25 defence projects, which together accounted for over half of the annual procurement budget. Two projects showed large cost variations: Trident with a forecast reduction of £3,429m and Eurofighter 2000 with a forecast increase of £1,360m. When the remaining 23 projects were considered they revealed a net cost increase over 1995 of £1,375m or 8.7 per cent. This compared with a 7.4 per cent variance found in the 1995 report over 1994.⁴⁶ Twenty projects either have or will not meet their original in-service dates. Overall, a comparison of the 22 projects common to the 1996 and 1995 reports revealed that the average delay had increased by 5 months per project.⁴⁷ This picture should not necessarily be regarded as bleak. The NAO reviewed procurement practices in 11 other countries in 1994 and concluded that "relatively, and particularly in terms of the pursuit of competition, the Department was performing well".⁴⁸

In recent years, procurement spending has constituted about 40 per cent of the overall defence budget or about £9bn. Defence inflation has tended to rise at a faster rate than the GDP deflator, the Treasury's accepted measure of general inflation in the economy. Thus, the procurement budget has bought fewer items of equipment over time, regardless of other trends in the overall defence budget. The Procurement Executive has estimated that up to 10 per cent of the procurement budget could be saved if modern procurement techniques were adopted and steps were taken to ensure that projects are concluded on time.⁴⁹ However, this projection may represent an ideal world where the procurement of often complex defence systems, conceived, produced and brought into service over perhaps a twenty-year period, proceeds according to plan. The most common reasons for cost increases in programmes are re-orientation and inflation. Whatever the dangers of gold-plating, the pace of technological change and the shifting needs of the armed forces may require projects to be altered. Similarly, levels of inflation and exchange rates are also unpredictable.⁵⁰

Attempts to reduce the costs of procurement are not new. Extensive reforms of procurement practices began in the mid-1980s with the introduction of the Levene Reforms.⁵¹ The introduction of greater competition and fixed price contracting is said by the MOD to have led to an over 10 per cent reduction in procurement costs over the following decade, although the extent of this reduction has been disputed.⁵² Procurement mechanisms were most recently examined as part of the Defence Costs

⁴⁶ NAO *MOD: Major Projects Report 1996*, HC 238, Sess. 97-98, Para 1.6

⁴⁷ Para 1.8

⁴⁸ NAO, *MOD Defence Procurement in the 1990s*, HC 390, Sess. 93/94 Para 6

⁴⁹ *The Financial Times* 31/7/97

⁵⁰ See HC 238

⁵¹ Named after the former Chief of Defence Procurement Sir Peter Levene (1985-1991).

⁵² HC 390, Sess. 93/94, Para 11 & S. Schofield, 'The Levene Reforms: An Evaluation', *Defense Analysis*, August 1995

Study. Recommendations arising included: *inter alia*, an examination of longer-term contracts; a reduction in the number of tenders for a requirement; and the use of single-source suppliers. The MOD also looked at the hiring, leasing and pooling of equipment.⁵³

'Smart Procurement' may therefore not be a radical departure but rather a continuation of a longer reform process where each new generation of procurement processes is built on the foundations of the previous one. Although defence procurement may always be improved, it may never, due to its very nature, become perfect and a certain degree of cost overruns and delays may prove an inevitable part of the procurement process.

⁵³ *Frontline-First: The Defence Costs Study*, 1994, Paras 402-412

III The Financial Context

The MOD has promised that the SDR will be "policy led rather than driven by resources".⁵⁴ However, the new Government is committed to the previous government's spending plans for the next two years. Hence defence spending will fall from £21,822m (2.8 per cent of GDP) in 97/98 to £22,276m (2.7 per cent in 98/99). The outline figure for 1999/2000 is £22,832m (2.6 per cent).⁵⁵ Whatever its construction, the defence review takes place, as with any previous review, within a resource context. Indeed, the review will form the MOD's contribution to the Treasury's Comprehensive Spending Review.⁵⁶

Defence spending in GDP terms is now half the level of 1984/85. Indeed, British defence spending has not been lower in such terms since the early 1930s. However, the UK also continues to spend more, as a percentage of its GDP, than its main European allies and industrial competitors. In 1996, Germany spent 1.7 per cent of its GDP on defence and France 3.0 per cent, although, as both countries are wealthier than Britain, their defence spending is higher in gross terms. The 1996 European NATO average was 2.3 per cent of GDP. In NATO, only Greece, Turkey and the USA spent more in GDP terms on defence than the UK.⁵⁷ Many European defence budgets continue to fall. The French defence budget is to be cut by 8.7 per cent in the 1998 budget alone.⁵⁸ The US defence budget is to fall to 2.9 per cent of GDP by 2000.⁵⁹

The picture is somewhat altered, though, if net overseas aid to developing countries is considered as an element of wider security spending. Out of table of 21 leading industrial countries, Britain ranked 15. France and Germany both outspent Britain in both gross and GNP percentage terms. NATO countries such as Belgium and Canada, which spend comparatively less on defence, both spent more than Britain on overseas aid in GNP terms.⁶⁰

Without a major change in the strategic environment, UK defence spending will decline in line with the previous government's spending plans. The question may then be whether the future direction of defence spending after 1999 will be one of continued gradual decline or more dramatic reduction. The Government has promised to increase the amount of national income spent on education over the course of the parliament. It

⁵⁴ HC Deb 22/5/97 c 115w

⁵⁵ MOD *Government's Expenditure Plans 1997/98 to 1999/2000*, Cm 3602, Table 1 'Cash Plans'

⁵⁶ HC Deb 30/6/97 c 63w

⁵⁷ *Financial and Economic Data Relating to NATO Defence*, NATO PR 17/12/96, Table 3 Estimates only

⁵⁸ *The Independent* 25/9/97

⁵⁹ M. Chalmers, 'The Strategic Defence Review - British Policy Options', *RUSI Journal*, August 1997

⁶⁰ 1995 figures from *British Aid Statistics 1991/92-1995/96*, Table 6 and *SDE 95*, p.50 France 0.55, Germany 0.31, Belgium 0.38, Canada, 0.39

also faces pressures for spending from other departments. It is a widely held assumption that spending on health needs to rise by 3 per cent per annum in real terms in order to meet the demands of an ageing population and technological change.⁶¹ The Labour Party has also reaffirmed the UK's commitment to the 0.7 per cent UN aid target and promised that it will reverse the decline in UK aid spending.⁶²

The extent of pressures on the defence budget from other departments may have been revealed by the Government's decision to divert £168m from the defence budget to Department of Health to help to cover cash shortfalls in the NHS in England and Wales this winter. The sum was apparently the figure which the MOD overspent in the 1996/97 financial year and which it was due to be compensated for by the Treasury. The money will not now be handed over and is a "fine" for poor financial management in the MOD.⁶³ The overshoot represents less than 1 per cent of that year's defence budget. Sir George Young MP, the Conservative defence spokesman, commented: -

"[This] revelation makes a mockery of the Government's vaunted defence review, which is not due to report until next year ... There is little point in a considered defence review of our defence commitments if the Treasury feels free to raid the current defence budget at will".⁶⁴

It is unclear as to what extent the removal of £170m from the MOD will have on procurement or armed forces operations. However, the MOD's financial problems may prove to be more long term. As the Defence Committee has discovered, deducing actual annual defence expenditure is a difficult task.⁶⁵ Longer term analysis is made problematic by the MOD's practice of not publishing its 10-year Long Term Costings. Instead, the furthest forward public financial projection is the annual three-year PES statement.

It is known that a number of planned projects will reach their peak spending in the middle of the next decade including the Common New Generation Frigate, Eurofighter 2000 and the Replacement Maritime Patrol Aircraft. The MOD has numerous outstanding staff requirements, including, for example, ASTOR, an airborne ground surveillance system. On even the current level of funding, it would seem that there is insufficient funding in the procurement budget to cover both equipment ordered and equipment desired. In short, projects will need to be delayed, unit numbers cut or programmes even cancelled altogether in order to meet budgetary restrictions.⁶⁶ In the words of a naval officer, " In a real business we would have a 10-year plan. The MOD

⁶¹ See POST, *Factors Affecting Pressure on Healthcare Resources*, Para 4.6 Department of Health: the Government's Expenditure Plans, Cm 3612, Paras 4.22-4.24

⁶² *New Labour Because Britain Deserves Better*, p. 38

⁶³ Treasury PR 14/10/97

⁶⁴ *The Scotsman* 13/10/97

⁶⁵ Defence Select Committee Fourth Report, *Defence Spending*, HC 127, Sess. 96-97

⁶⁶ HC 127, Paras 44-49

Research Paper 97/106

has a 10-year plan and rips it up every year and starts again.⁶⁷ One task of the SDR may be to reorganise defence spending in such a way as to secure sufficient funding for the longer term procurement programme.

The Treasury is often criticised for its allegedly adverse impact on defence decision-making. However, in recent years, the Treasury has ceased to take a direct interest in many areas of defence spending. Treasury approval, and thus Treasury scrutiny, is only now required for defence projects with a price tag in excess of £100m.⁶⁸ It is up the MOD and in many cases various lower level budget holders, to disburse much of the defence budget as they see fit within broader Treasury guidelines. However as Mr Robertson has remarked: -

"... of course the Treasury have got an interest in the defence budget, it would be a very strange Treasury and a unique Treasury if it did not. And it is interested in making sure there is value for what is spent of the public money in defence but not half as much as I have. Frankly I believe that it is our job to maximise the value we get from our defence assets. It is in the interests of our troops that we liberate money from areas of waste and duplication and put it into the front line. I intend to be as rigorous if not more rigorous on behalf of taxpayers than the Treasury will be because I believe getting value for every pound of money spent in defence is an obligation that I have on behalf of the people that elected us to power".⁶⁹

It could be said that ultimately the burden of decision on how much to spend on defence rests not with the Treasury but with the executive and, subsequently, the taxpayer. Malcolm Rifkind declared during his term as Defence Secretary that: -

"It is incorrect to suggest that the Treasury imposes a cash limit on defence expenditure regardless of policy implications. It must quite properly identify where expenditure can be reduced in the interests of the taxpayer. But in the end the cabinet decides where the balance of public interest lies".⁷⁰

⁶⁷ *The Financial Times* 2/7/94

⁶⁸ 'The Whitehall Machine', Symposium at RUSI 16/7/96

⁶⁹ HC 138, p. 11

⁷⁰ *The Sunday Times* 18/4/93

IV Drawing up the Policy Baseline

Between 1992 and early 1997, British strategy was configured around three defence roles: One, the defence of the UK mainland and its dependent territories; Two, insurance against a major external threat to the UK and its allies (i.e NATO); and finally, the promotion of Britain's wider security interests through the maintenance of international peace and stability (UN peacekeeping, etc).⁷¹ These three roles have been replaced by seven core missions: security of the UK; security of the Dependent Territories; military assistance; support of international order and humanitarian principles; regional conflict outside NATO; NATO regional conflict; all-out War.⁷² Given that defence doctrine has only recently been redefined, the SDR may not make significant changes to this list. However any wider discussion of defence policy should perhaps examine a number of factors in particular: the UK's external assets and responsibilities; the question of retaining or scrapping the nuclear deterrent; the Revolution in Military Affairs; potential threats to the UK; and a broader analysis of strategic options.

A. External Assets and Responsibilities

Britain is a relatively small state in the north-western corner of Europe. It has a modern developed economy, although in terms of GDP (\$1,146bn) it ranks fourth in Europe behind Germany (\$2,353bn), France (\$1,540bn) and Italy (\$1,208bn). In terms of population (58.8m) it is similar to France (58.4m) and Italy (57.5m) although smaller than Germany (81.9m). On a global level, the UK ranks sixth in terms of GDP, behind the three European states and also the USA (first, \$7,342bn) and Japan (second \$4,600bn).⁷³

Britain is linked with other states through a web of organisations and alliances. It is one of the veto-wielding Permanent 5 (P5) members of the UN Security Council and a member of the Group of 7 major economic powers. It is a prominent member of the European Union, particularly in its still emergent Common Foreign and Security Policy. It has residual ties with its former Empire via the Commonwealth. It has close links with the world's only superpower, the USA, particularly in certain areas of defence and intelligence, although it could be argued that these links are seen as more important in London, than they are viewed in Washington. It is suggested that Britain's seat at the world's top tables, and the influence gained, requires the UK to make an active contribution to international security in a manner different from other states. It should be pointed out these elite institutions may expand and any British

⁷¹ *SDE 93*, Para 103

⁷² *British Defence Doctrine*, February 1997

⁷³ OECD Figures for 1996

Research Paper 97/106

benefit gained from them decline as they admit new members. Britain is a strong supporter of permanent German and Japanese membership of the UN Security Council. With the possible addition of regional members from Latin America and Asia, the P5 could well become the P10 after 2000. Similarly, the continued rapid development of certain Far Eastern economies may lead to their joining bodies such as the Group of Seven.⁷⁴

In terms of defence, Britain is bound by the collective security alliances of NATO (1949) and the WEU (1948). Although the EU is not a security alliance, it would be difficult for the UK to avoid coming to the assistance of those EU Member States, which are not also members of NATO or the WEU, if they were to be attacked. Under the Five Power Agreement of 1971, Britain, along with Australia and New Zealand is obliged to "consult" with Malaysia and/or Singapore if they are under attack or fear such an attack.⁷⁵ Treaties with certain states in the Persian Gulf imply that the UK would come to their assistance if they faced external aggression. Britain must, of course, protect its remaining Dependent Territories: in Europe (Gibraltar); in or near the Caribbean (Bermuda, Cayman Islands, the British Virgin Islands, Montserrat); in the Atlantic (the Falklands Islands, South Georgia, St. Helena and their respective dependencies); in the Pacific (Pitcairn Island); and in the Indian Ocean (British Indian Ocean Territory, BIOT).

Economically, Britain is a major trading nation. In 1996, UK exports totalled £166bn.⁷⁶ In 1996, the UK regained its second highest position in terms of foreign direct investment (FDI) inflows and outflows after the United States.⁷⁷ In 1995, the UK private sector invested £26bn overseas. In that year the value of privately held UK external assets was £195bn.⁷⁸ Ten million British nationals live overseas.⁷⁹ Although the Government has some duty to look to their interests, the majority reside in European or Commonwealth countries where their security could not be said to be at any risk.

Although relatively small, Britain's armed forces are widely regarded for their professionalism and capabilities. Together with France, Britain is the only European State able to launch any significant military missions beyond the European continent. British military capabilities, however, are completely dwarfed by those of the USA. The US Marine Corps alone is larger than the British Army and disposes of nearly as many combat aircraft as the RAF.⁸⁰ The United Kingdom possesses a sophisticated diplomatic service. The BBC World Service and the British Council have importance

⁷⁴ Chalmers, p. 37 Russia already attends certain G7 meetings.

⁷⁵ The agreement took the form of a communique issued on 16 April 1971

⁷⁶ ONS *Monthly Trade Returns*

⁷⁷ *World Investment Report 1997*, p. 41

⁷⁸ ONS *Overseas Investment*, MA4 (Net book value)

⁷⁹ *FCO 1997 Departmental Report*, Cm 3603, p. 49

⁸⁰ See IISS *The Military Balance 1997/98*

abroad. English is a leading global language. Generally, Britain could be said to retain a reservoir of goodwill overseas.

Yet is worth asking to what extent these assets have a bearing on Britain's economic position. Although it could be argued that global influence does have some impact on economic relations, this is difficult to quantify. Both Japan and Germany, which follow more low key diplomatic and military policies in international affairs, have proved more successful than Britain in economic terms in the post-war period. Britain's international activism may only serve to perpetuate its diplomatic and military cadres for their own purposes.

B. Retaining or Scrapping the Nuclear Deterrent

Although the Government has already confirmed that it will retain Trident, the case for and against possessing the nuclear deterrent at the present may be summarised as follows.

In favour:

It could be argued in favour of the Trident that it offers a relatively low-cost, but very potent deterrent to any state which might seek to coerce the UK by threat or implied threat of using nuclear weapons, or other weapons of mass destruction. Trident also gives the UK greater political weight in its international defence alliances, especially in NATO and the WEU. It may provide a justification for the privileged position of the UK at the United Nations, i.e. the possession of a permanent seat and a veto in the UN Security Council. Furthermore, having Trident means that the UK retains a technical capability to design, maintain and deploy nuclear weapons. Without this capability the UK would find it impossible to re-acquire a nuclear deterrent should the world become significantly more threatening again in the future. Finally, it cannot be assumed that the USA will be committed indefinitely to NATO and to the protection of Europe by nuclear deterrence. If the US link should weaken, it might not be in British interests to leave France as the sole Western European nuclear weapon power. Together the UK and France might provide a European deterrent. However, without the UK, Germany might be tempted to develop its own nuclear weapon, provoking a new and destabilising arms race with Russia.

Research Paper 97/106

Against:

A number of arguments could be used to reject Trident. Firstly, any defence policy based on the implied threat of use of a massively destructive and largely indiscriminate weapon is inherently unethical and unacceptable. Furthermore the International Court of Justice ("World Court") in 1996 ruled that the use or threat of nuclear weapons would generally be illegal. It failed to reach a definite conclusion on whether there were any circumstances in which nuclear weapons could be used legally, but indicated that the overriding consideration of humanity meant this would only be conceivable in extreme circumstances when the survival of a state was at stake. Secondly, the USA is likely to retain nuclear weapons for at least as long as Russia and China and is committed to the defence of the whole NATO area, including the UK. Trident could only be used independently of NATO in the most unlikely and extreme circumstances. Trident therefore merely provides an unnecessary and largely unwanted marginal addition to the US forces which would deter any external nuclear threat to NATO. Unilateralists also argue that Trident is not a credible deterrent, because there are no circumstances in which it could be used which would not hugely damage British interests. Used against Russia it would invite massive retaliation; used against any smaller power, threatening to use weapons of mass destruction, it would threaten British allies and (possibly) citizens in the region, not to mention innocent civilians already, by definition, suffering under a brutal and irresponsible regime. Moreover, the more the UK seeks to justify its retention of a nuclear capability, the more it adds weight to the arguments of other states which have shown an interest in achieving such a capability, e.g. Israel, India, Pakistan, Iraq, Iran, North Korea etc. It therefore undermines the common interest in non-proliferation. Finally, real influence in the world does not depend on possession of nuclear weapons, but rather on economic strength; Germany and Japan, both without nuclear weapons, have outstripped the UK and France in terms of effective power and influence.

C. The Revolution in Military Affairs

The Revolution in Military Affairs (RMA) is an American concept, partly arising from experience of the Gulf War, which suggests that the application of modern information technology will transform warfare. The essence of the theory is that the new technology will allow almost instantaneous transmission of information and increase the rapidity and accuracy with which force can be applied. All units of an armed forces from the soldier on the ground, to aircraft aloft, ships at sea and satellites in space will be linked into an electronic network which will maximise the efficiencies gained from speedy command and control, communications, surveillance and damage assessment. If this electronic web can be engineered successfully, then it will provide the US armed forces with an in-built superiority over all others. Significantly, it offers

the prospect of war fighting with minimum chance of incurring casualties whilst inflicting maximum damage on the enemy.⁸¹

Some would doubt whether the RMA is quite such a revolution, but suggest that the application of information technology to warfare has been a more gradual process. The first 'Smart' bombs were first used by the USAF towards the end of the Vietnam War, two decades before they appeared to be so destructive during the Gulf War. Moreover, the 'Star Wars' world of success of Operation Desert Storm has been questioned by the US General Accounting Office. It found that the initial USAF estimates of the effectiveness of smart weaponry were exaggerated. For example, the hit rate of the F-117 Stealth fighter was not better than the thirty-year old F-111. Furthermore, instead of one laser-guided bomb per target, it was discovered that on average four bombs were utilised per target. Technology enthusiasts would argue in response that some of the weaponry used in 1991 was in fact relatively outmoded and has since been eclipsed by more modern systems.⁸² Another criticism of the RMA is that it may most applicable to high intensity and large scale warfare and rather less useful in terms of lower intensity conflicts, which are the more usual at present. Despite this, the Pentagon is pressing ahead with strategies and procurement based on the RMA theory. The US Army plans to deploy its first digitised division by 2000.⁸³

The US decision to pursue the RMA has important military and industrial implications for Britain and Europe. It is debatable whether Britain or any of its European allies is financially capable of keeping up with the US military-technological advance. This could exacerbate the existing division between the capability of the NATO hegemon and the weaker members. There is the possibility of a three-tier technology Alliance emerging. This would be composed of the USA, capable of all forms of advanced warfare; many of the remaining existing NATO members, capable of some forms of advanced warfare; and peripheral members along the south and east of NATO, including the candidate states, being largely incapable of any involvement in high intensity conflicts of the future.⁸⁴ Industrially, the US policy may have implications for Europe as a whole, given the potential commercial spin-offs from Pentagon investments in high technology. This may place not only Europe's defence industry, but also many civil sectors, at a disadvantage.

⁸¹ L. Freedman, 'War Designed for One (the Revolution in Military Affairs)', *The World Today*, August 1997

⁸² C.Beal, 'One target, one bomb?', *International Defense Review*, August 1997, quoting GAO 1996 report.

⁸³ S. Gourley, '4th Division sets trend in motion', *Jane's Defence Weekly* 1/10/97

⁸⁴ B. Starr, 'USA warns of three-tier NATO technology rift', *Jane's Defence Weekly* 1/10/97

D. Threats

For over forty years from the late 1940s, British defence planning was based on the perception of an overriding threat to national security from the Soviet Union. Since the late 1980s, this threat has evaporated. The Soviet Empire disintegrated in 1989 and the Soviet Union itself collapsed in 1993. The once mighty Soviet and now Russian military machine is now a shadow of its former self and even if a government in Moscow decided to do so, may be in no condition to pose a threat to European security. Facing cash and conscript shortages and after an inept military performance in Chechnya, the Russian armed forces would take some decades to reconstruct.⁸⁵

Britain, therefore, is probably safer than at any time since the 1920s. However, this is not to say that there are not threats to British security but that these are on a lower scale. Northern Ireland and mainland Britain have faced the consequences of domestic terrorism since 1969 and although ceasefires are currently in force, a return to violence cannot be ruled out. International terrorism is also a threat to British nationals and British interests, both at home and as well as abroad. The risks from nuclear, chemical and biological weapons and ballistic missiles, perhaps acting as delivery system for these weapons, are still small but may grow over the twenty-year horizon of the SDR. The impact of global warming is unclear. Population growth, environmental degradation and political instability could lead to conflicts in the Balkans, North Africa, the Near and Middle East, all close to western Europe, which might directly threaten, for example, Britain's southern European allies or oil supplies in the Persian Gulf. Countries, such as Italy, have already seen the consequence of mass immigration arising from severe domestic unrest in a near neighbour, in this case in Albania. A major conflict on the southern Mediterranean littoral could repeat this effect on a larger scale with an impact on Europe as a whole. Yet a list of economic, social and security challenges posed by potential conflicts on the fringes of Europe should not disguise the fact that the UK is essentially secure. In the post-Cold War world, its role in dealing with the consequences of these conflicts is now to a large extent self-determined. In the words of Freedman: -

"Without that sense of chronic insecurity we have moved from thinking about wars of necessity to wars of choice. We have discretion, we do not have to get involved in a lot of things. There is a perfectly good case for the Britain to say to those in trouble in another part of the world that this is all very sad, but unfortunately you live there and we live here and we do not intend to get involved."⁸⁶

⁸⁵ It should be pointed out, though, that in some areas of military technology, such as aspects of submarine design, Russia is equal to, if not ahead of, NATO.

⁸⁶ Freedman, p. 40

It is against this background of voluntarism in defence that five basic options for British defence policy might be discussed.

E. The Strategic Options

With little threat of attack, Britain could adopt an **isolationist** strategy, which might further be divided into policies of **complete isolation** or **practical isolation**. Under the former, Britain would withdraw from NATO and become an observer member rather than full member of the Western European Union. The armed forces would be disbanded. A reinforced coastguard could take charge of patrolling territorial waters, air-sea rescue and other local maritime defence missions. A paramilitary police force would be formed capable of dealing with terrorism and insurgency. A paramilitary police air wing would undertake national air liaison and transport tasks. The remainder of the air force would be disbanded. Trident would be abandoned. Britain would relinquish its permanent seat on the UN Security Council. It would, however, remain a UN member, contributing towards the costs of UN peacekeeping and humanitarian missions. Its active commitments to such missions would be confined to medical teams and civilian specialists. The remaining dependent territories would either be forced into independence, (?Bermuda), transferred to UN trusteeship, (?the Falkland Islands) or transferred to the responsibility of another state, (?Pitcairn to New Zealand, for example).

A policy of complete isolation, although theoretically feasible, would have severe diplomatic costs in terms of political relations with the USA and the UK's European partners. Militarily, it would seem to lack credibility. Notwithstanding any eventual settlement, Britain's security requirements in Northern Ireland may necessitate the existence of an Army, rather than a paramilitary police force. The UK's extensive coastline, the deeper waters of the Western Approaches and its dependence on imports of food and raw materials requires a Navy of a certain calibre, including combat-capable ships of frigate size. Britain has a large airspace which may need to be patrolled by a minimum number of fighter jets, AWACs planes and maritime patrol aircraft. If these factors are accepted, then a second strategic options presents itself, that of **practical isolation**. Under such an approach, Britain's armed forces would be optimised for national defence. The Royal Navy would shed its carriers and amphibious capability and concentrate on destroyers and frigates, coastal patrol craft and mine counter measures vessels for use in home waters. The Army would abandon much of its heavier equipment, tanks, artillery, etc. and concentrate on infantry training for an internal security role. The RAF would expand its air defence, including the procurement of a national ballistic missiles defence system. Britain would remain a member of NATO but would contribute minimal maritime and air forces to non-Article V operations. In the event of general war, Britain would only defend her national territory and immediate waters. Trident would be retained and replaced at the end of its life. Responsibilities for the Dependent Territories would be shed as described above.

Research Paper 97/106

Although a policy of practical isolation is perhaps more credible in military and diplomatic terms, it ignores the fact that since the time of the Armada national security has been affected by developments across the Channel. Britain has a direct interest in the balance of power on the continent of Europe. Since the seventeenth century, a growing part of its economic wellbeing has been linked to international trade and stability in its markets beyond Europe. Military tasks created by underwriting Britain's European and more global interests, as well as undertaking home defence, can be formulated into with three different forms of an **expeditionary strategy**: a strategy of **multilateralism**, a **gendarmarie** strategy and a **national expeditionary** strategy.

Since the end of the Cold War, falling defence expenditure, movement away from larger, single role and static formations towards smaller, more flexible units, coupled with, at the European level, political pressures for European integration, have led to a **multilateralisation** of NATO forces and the emergence of numerous forms of multilateral and bilateral European defence co-operation. In the post-war period, although possessing an integrated command structure at a higher level, NATO forces were in essence a collection of entirely separate national and largely free-standing formations. The NATO Central Army Group, for example, was composed of a so-called layer cake of national army corps with their own national logistical support structures. Since then, NATO formations have been broken down into units integrated at a much lower level. Hence, there is a Multinational Airborne Division, composed of helicopter borne brigades from Belgium, Britain, Germany and the Netherlands. Outside NATO, there are forces made available for use by the WEU such as the quinnationa Eurocorps (Belgium, France, Luxembourg, Germany and Spain). In October 1995 Britain and France established the Franco-British Euro Air Group which will "develop contingency plans and common operating procedures for use in exercises and operations, including a wide range of tasks in the field of crisis management".⁸⁷ Collectively, the various Euro-formations could provide the building blocks for an independent Common European Defence should all Members of the EU decide to establish one as part of a future round of European integration.

It is in this context that Britain could adopt a new strategy for defence by dissolving the remainder of purely national military capabilities into a NATO or European framework. Using the Combined Joint Task Forces concept, individual British ships, air squadrons or battalions could be fed into multinational task forces as required and according to pre-arranged contingency plans. Purely national headquarters would be scrapped. Thus, the new Joint Rapid Deployment Force HQ would be replaced by a NATO or WEU equivalent. National operational commands would also be abolished. For example, the Dutch and Belgian Navies serve under a joint HQ.⁸⁸ This strategy offers further opportunities for Britain to abandon certain defence roles if they could be carried out on a reciprocal basis by close allies. Thus, for example, Britain might decide to disband the

⁸⁷ Deposited Paper 3S/2294

majority of its heavy tank regiments, leaving this armoured task to be carried out by the German Army. Trident would remain in commission but might eventually become part of a pan-European deterrent. In this scenario, there might be sufficient strength in the remaining national forces to allow for defence of the Dependent Territories.

Multilateralism is attractive in certain respects. If taken to its logical conclusion, it could remove much of the duplication of forces currently visible in NATO. There might also be significant cost savings. The chief problems are, however, political. Forces integrated to this extent would require multilateral control mechanisms. Even if the loss of any capability to take purely national action were desirable, both NATO and the EU have shown themselves to be poor decision-makers. Although operating by consensus, NATO action may ultimately be determined by the continued interest of its dominant member, the USA, in a particular issue and Washington's willingness to coerce its other NATO partners. Despite further reforms at Amsterdam, the EU's Common Foreign and Security Policy has yet to prove that it can respond rapidly and effectively to major international crises. In short, some sort of purely national military capability may still be required in the future.

A **national expeditionary strategy** would have quite the contrary effect to multilateralism in that it would see the re-nationalisation of many of Britain's security assets. The armed forces would be configured and optimised for global rapid deployment within a purely national Joint Rapid Deployment Force. Although practising interoperability with all NATO forces, the UK would withdraw its units from Germany and abandon its command of the ACE Rapid Reaction Force. The dispatch of the JRDF would be selective and based on purely national criteria. In practice, however, such operations would probably take place in co-operation with states, such as France and the USA, ready, willing and politically and militarily able to act. These three states would leave longer-term military commitments overseas, such as peacekeeping and national reconstruction tasks to other allies.

A national expeditionary approach might prove attractive because it might allow Britain to continue to 'punch above weight in the world'. However, retaining inter-operability with American forces and also national capabilities in wide variety of roles could well prove to be expensive. The costs of such expeditionary actions might also prove heavy, both in terms of cash, with other more passive allies perhaps reluctant to contribute, and in terms of casualties. There could be diplomatic tensions between the participants in an operation and those excluded, willingly or otherwise. A national expeditionary strategy would go against the trend towards integrated forces.

Some would also argue that the above strategy, with the maintenance of heavily equipped rapid deployment capabilities, is both expensive and unnecessary. Instead,

⁸⁸ 'Benelux fleet could lead to Euro navy', *Jane's Defence Weekly* 6/3/96 The joint command excludes the Dutch submarine squadron.

Research Paper 97/106

they suggest an alternative **gendarmarie strategy**. They would argue that the high intensity conflicts seen in the Cold War period, which in any case hardly occurred, are of the past. Any British contribution to a future Gulf War type operation would by its very nature be very small and such missions should be left to the USA and its arsenal of high technology weaponry. Greater onus should be placed on conflict prevention through diplomatic means and by addressing some of the underlying social and economic precursors of war. Conflicts of the future in which British forces are likely to become engaged, they suggest, are far more likely to be of the low intensity and peacekeeping type. Britain should therefore optimise its forces for peace support operations, nation building and humanitarian assistance. The army would abandon its heavy equipment, including its main battle tanks and heavy artillery, and train exclusively for peacekeeping roles. This would place the emphasis on logistical and other support services, such as engineers, medical staff, etc. There would, though, still be a role for armoured reconnaissance. Both the RN and RAF would become primarily logistical in nature, requiring the purchase of additional large transport aircraft and expanding the bulk shipping elements of the Royal Fleet Auxiliary.⁸⁹

Even if the UK were never to be involved in a high intensity conflict again, many would see the division between high and low intensity operations as a false dichotomy. Instead they would regard British military operations as part of a broad spectrum. These would range from simple military aid operations at the bottom of the scale, such as disaster relief, a type of action most recently exhibited in British assistance to its dependency of Montserrat, to complex full-scale conventional war, practised most recently in the Persian Gulf in 1991. Military skills and equipment required for operations at one end of the spectrum are just as applicable to other end. Thus, heavy engineering abilities, such as bridge building, are just as useful to peace support operations as they are to all-out military offensives. Likewise, the tank or the attack helicopter can double as a leading instrument of high intensity warfare and as an effective deterrent to potentially warring factions in a country suffering internal tensions or divisions. Challenger II tanks and AS90 tracked artillery continue to serve with Britain's contingent of the Stabilisation Force (SFOR) in Bosnia. The Warrior Armoured Infantry Fighting Vehicle has proved even more of a success in the peace support role. During the UNPROFOR mandate the Warrior was the only vehicle serving with international forces with sufficient protection and firepower to be able to force aid convoys through the lines of the heavily armed warring factions. It should also be remembered that the Dayton peace agreement, and the cease fire that it brought to Bosnia, was in part made possible by the coercive use of NATO air power and artillery against the Bosnian Serbs in 1995. More fundamentally, this view would regard the training required for high intensity warfare and the discipline and techniques induced, as the key to enabling the armed forces to carry out lower intensity peace support operations effectively. In contrast, the Canadian armed forces, which have optimised their forces for peacekeeping operations over the last 30 years,

⁸⁹ See M. Codner, 'The United Kingdom's Strategic Defence Review: Strategic Options', *RUSI Journal* August 1997

are now in a parlous state, beset by low morale and scandals involving the performance of personnel in UN operations in Bosnia and Somalia. Thus, in perhaps a contortion of the worn Cold War adage, by training for war, one keeps the general peace not necessarily just in Europe but beyond it as well.

F. Government Thinking

In reality, neither the isolationist nor the gendarmarie approaches are ever likely to be adopted at the conclusion of the SDR. Under the previous government, defence thinking was tending towards options three and four, a combination of involvement in multilateral forces and the development of limited, independent national deployment capability. This trend may continue under the Labour Government and be incorporated into the SDR White Paper. The Government's position was revealed during Mr Robertson's address to the Royal United Services Institute in September. Whilst outlining the continued requirements of national defence: the internal security of Northern Ireland, the defence of national airspace and territorial waters, and the security of Britain's Dependent Territories; the Defence Secretary declared: -

"We have concluded that the United Kingdom should plan to take an appropriate share in actions, including high intensity conflict, to ensure international security, reflecting the spread of our interests and our political leadership role, particularly in the UN Security Council. In some circumstances, that could well require a demanding range and scale of capabilities, akin to those which we are likely to offer NATO. Participation in any individual operation should, however, remain a matter of choice, even if we had the capability to act."⁹⁰

After describing his strong support for NATO and its role in European security, Mr Robertson described the areas in which British forces would be most likely to operate:

"Outside Europe, our interests are most likely to be directly affected by events in the Gulf, the Near East, and North Africa. We have bilateral agreements with some Gulf States which carry strong expectations of military support in some circumstances. Risks in those areas are unlikely to decline over the next 15 to 20 years. We must be ready to respond, in combination with others, to support stability in this region which is vital to our economic prosperity.

⁹⁰ Speech on the Strategic Defence Review, RUSI 18/9/97

Research Paper 97/106

In other areas of the world, such as the Far East, we still have interests, but the risks to them are either of a lesser magnitude or we could expect to have a more choice about the level of our response. Again, we would expect to act in concert with others."

With the first stage of the SDR complete, attention will now focus on how best to meet the roles and expected commitments. In concluding his speech, Mr Robertson remarked: -

"The remainder of the Strategic Defence Review will look in detail at the missions of our forces; the scale and level of deployments on which we should plan; and, consequently, how we should modernise our force structures and capabilities."

V Options for the Force Structure

A number of steps could be taken to alter the structure of the armed forces if Britain is to remain an active military member of NATO and also to continue to prepare its forces for missions beyond Europe. The previous Government may have taken a step towards this end by establishing the Joint Rapid Deployment Force and a Permanent Joint Headquarters in 1996. The PJHQ is in charge of planning for and managing current British military operations abroad. The JRDF is intended to be the UK's tri-service intervention force and has at its disposal the 3rd RM Commando Brigade and the 5th Airborne Brigade. Other units, ships and aircraft can be assigned as required.⁹¹ However, the formation of these new headquarters may only be part of wider changes needed to meet any new strategy. Here, the Defence Secretary raised some important themes in his RUSI speech.

Mr Robertson spoke of the need to maintain forces at the *right level of readiness*. This may mean that certain units earmarked for rapid deployment may see their strengths increased, whereas other longer-term contingency forces might have their strengths reduced. He also addressed the related issues of *sustainability* and *logistics*. Overseas deployments, which require higher levels of equipment use, place a greater strain on spares support and maintenance staff than is usual. For example, during 1995 the RAF faced severe shortages of engine parts for Tornado aircraft, and consequently achieved very low serviceability rates. The problem occurred in part due to industrial action at the supplier, but was also caused by inadequate spares levels at a time of heightened Tornado operations in the Gulf and elsewhere.⁹² A similar and often quoted example is the manner in which the Challenger tanks in two armoured divisions in Germany were cannibalised in order to provide sufficient spares to maintain the armour in the single armoured divisions sent to Saudi Arabia during the Gulf War. Logistical support is also another area where the UK may face difficulties in supporting forces sent overseas. Again, partly due to a reluctance to call out logistical units of the Territorial Army, 95 per cent of the then Royal Corps of Transport were deployed on operations during the Gulf War.⁹³ They supported only one of the UK's then four active divisions. As well as underlining the importance of *deployability*, the Defence Secretary said that the British armed forces should be *flexible* and able to adapt to a wide variety of problems. He also spoke of analysing the extent to which Britain might mount military operations concurrently and the extent to which reliance could be made on the capabilities of allies and partners.⁹⁴

⁹¹ See P. Hine, 'Developments in Measures to Enhance Joint Operations', *RUSI Journal*, October 1996

⁹² Defence Select Committee Seventh Report, *Statement on the Defence Estimates 1996*, HC 215, Session 95-96, Para 50

⁹³ Defence Select Committee Tenth Report, *Preliminary Lesson of Operation Granby*, HC 287, Sess. 90/91, Para 10

A. Nuclear Forces

The British strategic nuclear deterrent is maintained by two *Vanguard* class nuclear submarines (*Vanguard* and *Victorious*). The last Polaris submarine, *HMS Repulse*, was decommissioned in 1996. *HMS Vigilant* will enter service in 1998. A fourth *Vanguard*, *HMS Vengeance*, is under construction and is due to be commissioned in 1999. The sub-strategic deterrent is currently borne by RAF Tornados, carrying the WE-177 free fall bomb. However, these are finally to be withdrawn from service by March 1998 with Trident then acting in both a strategic and sub-strategic role.⁹⁵ The latter will see a new lower-yield warhead entering service. Dr John Reid, the Minister of State for the Armed Forces, restated government policy in June 1997: -

Our nuclear deterrent forces ensure that the United Kingdom is safe from any threat of nuclear coercion and contribute to the Alliance's policy of war prevention. The Government are committed to the fourth Trident submarine and will maintain strong defences while pressing for multilateral negotiations towards mutual, balanced and verifiable reductions in nuclear weapons.⁹⁶

The vast majority of the capital costs of the Trident project have now been spent. The financial savings which could be achieved by abandoning Trident might be relatively small. The Government has estimated the annual running costs as £200m for the next 30 years, i.e. somewhat less than 1% of the current annual defence budget, although this does not include the eventual costs of safe decommissioning, both of the warheads and of the nuclear-powered submarines.⁹⁷ However, there has been some discussion as to how, given the reduced level of threat to the UK, the RN might reduce the costs of operating the Trident system. All *Vanguard* submarines have two crews and at least one submarine is always on station in the Atlantic at any one time. Savings might be achieved by single crewing and also by reducing the number of *Vanguard* patrols. The submarines might even be semi-mothballed and then recommissioned at some future moment of insecurity. Given that, short of scrapping Trident, any savings gained might be small, these measures might be judged against levels of operational effectiveness. There are already some indications that the alert status of Trident has been relaxed and the requirements for Atlantic patrol reduced.⁹⁸

⁹⁴ Speech on the Strategic Defence Review, RUSI 18 September 1997

⁹⁵ HC 31/7/97 c 473w

⁹⁶ HC Deb 16 /6/97 c 81w

⁹⁷ HC Deb 28/7/97 c 77w Using a Greenpeace analysis, the overall cost of Trident (procurement, ancillary facilities, running costs and decommissioning) is £37bn in current prices (Figure updated from 'The Rising Cost of Trident' Greenpeace 1992)

⁹⁸ *The Guardian* 29/9/97

Another option would be to reduce both warhead and missile numbers. The Government recently confirmed that it is to procure an additional 7 Trident missiles from the USA in 1998. This brings the total number of missiles ordered to 58.⁹⁹ The Conservative Government planned to procure 65 missiles, that is 48 missiles to fill three *Vanguard* submarines, leaving 17 for test-firing and maintenance.¹⁰⁰ As of June, this figure was being "tested during the strategic defence review before final decisions are made".¹⁰¹

Although a *Vanguard* submarine is able to carry up to 192 warheads, the previous Conservative Government declared that each submarine "will deploy with no more than 96, and possibly with significantly fewer".¹⁰² In opposition the Labour Party maintained that Trident would deploy no more warheads than carried by Polaris.¹⁰³ This policy has not been implemented, but questioned on this point in June Dr Reid responded: "our deterrence requirements, including warhead numbers, will however be examined as part of the Strategic Defence Review".¹⁰⁴ Both Trident warhead and missile numbers might be reduced without necessarily diminishing the nuclear deterrent.

Given that the SDR is considering defence requirements over the next twenty years, it may also wish to consider the issue of an eventual replacement for Trident. It took 15 years from the firm decision to procure Trident (1980) to the operational deployment of the first Trident submarine (1995). If the pre-procurement studies are taken into account then the procurement span was almost 20 years. On this basis, preliminary decisions about a possible follow-on to Trident might fall to be taken between 2000 and 2005. Any decision to proceed with a Trident replacement would need to be taken against the strategic background of the time (a renewed threat from Russia or the rising power of China?) and also the general progress of arms control. There might be the prospect of some closer co-operation with France, perhaps in the development of some future common European nuclear deterrent, however this raises questions about control and in any case might be prevented by Britain's treaty obligations to the USA. On the other hand, Washington may prove less willing to assist the UK with the sale of missiles, and submarine and warhead designs, etc. in the future. Given the Comprehensive Test Ban Treaty, any new warhead will most probably have to be designed and deployed without live testing. More significantly, given the reductions in the defence budget since the mid-1980s, any replacement is likely to loom much larger as a proportion of the total budget, i.e. significantly more than the average of

⁹⁹ HL Deb 14/10/97 WA172

¹⁰⁰ *The Guardian* 16/10/97

¹⁰¹ HC Deb 11/6/97 c 486w

¹⁰² *SDE 96*, p. 56 A theoretical maximum is 14-16 warheads per missile (Norris et al, *Nuclear Weapons Data Book: British, Chinese and French Nuclear Weapons*, p. 167)

¹⁰³ It is thought that the original Polaris system deployed up to three warheads per missile (up to 48 per submarine). The modernised Polaris system (Chevaline) was thought to deploy two warheads per missile (up to 32 per submarine) *SIPRI Yearbook 1996*, p. 617

¹⁰⁴ HC Deb 11/6/97 c 486w

Research Paper 97/106

5% absorbed by Trident each year for more than a decade. The question of whether Trident replacement is being contemplated as part of the SDR is unclear.¹⁰⁵

B. The Royal Navy

Besides the Trident submarines, the Navy operates a fleet of wide-ranging capability. The destroyer/frigate fleet consists of 35 ships, compared to 47 in 1990. Three further Type 23 frigates are on order; a corresponding number of Type 22 frigates will be phased out as they enter service. The attack submarine fleet consists of 12 boats in comparison with 32 seven years ago. There are still three aircraft carriers, although one of these is always either in or awaiting refit. There are 18 mine countermeasures vessels, although this is due to rise to 25 when seven Sandown minehunters on order enter service.¹⁰⁶ It should be remembered that at least a third of the fleet will either be in refit or undergoing maintenance at any one time. Currently, about half of naval personnel are in sea-going appointments, absent from home ports for 18 months of any 30 month standard posting.¹⁰⁷ As of June 1997, total trained RN personnel stood at 41,368 or 3 per cent under strength.¹⁰⁸

Besides their role in supporting SSBN deployments, the nuclear attack submarines have important missions in their own right. Some are being fitted with Tomahawk cruise missiles. Three new *Astute* Class SSNs were ordered shortly before the general election at a cost of some £2bn.¹⁰⁹ Prior to the SDR there was a requirement for a total of five new SSNs to replace the five *Swiftsure* Class submarines. If cuts are demanded, it might prove possible to reduce the size of the SSN fleet whilst retaining a critical mass of nuclear submarine capability and expertise. The French Navy intends to maintain a submarine fleet of four SSBNs and only six SSNs in the future.

Besides its nuclear submarines, the other key RN capabilities are its carriers, with their respective air groups and command and control facilities, and its amphibious squadron. Both can be used to support expeditionary operations. At the end of the Cold War, the Royal Navy moved away from its previous concentration on anti-submarine missions in the North Atlantic to catering for out of area missions. This involved a reduction in the number of anti-submarine frigates but investment in the amphibious squadron. The latter has borne fruit with the order for a new helicopter carrier, *HMS Ocean*, to enter service in 1998, and the 1996 order for two new landing ships, the *Albion* and *Bulwark*, to enter

¹⁰⁵ HC Deb 23/6/97 c 359 w and HC 138, p.17

¹⁰⁶ See J. Jansen Lok, 'New challenges force change on the Royal Navy', *Jane's Defence Weekly*, 3/9/97

¹⁰⁷ Speech on the Strategic Defence Review, RUSI 18/9/97

¹⁰⁸ HC Deb 18/7/97 c 353w

¹⁰⁹ HC Deb 17/3/97 c 381w

service by 2002.¹¹⁰ The older Landing Ships Logistic (LSLs) have been refurbished. The MOD has an outstanding requirement for a Future Amphibious Support Helicopter (FASH). However, a weakness in the amphibious squadron, and the UK's rapid deployment capability generally, may be a lack of generic sealift. The UK merchant fleet has continued to decline in recent years. The number of ships potentially available for UK military use has fallen further with the transfer of Hong Kong, and its merchant fleet, to China.¹¹¹ In 1995, for example, the MOD chartered 91 merchant ships of which only 17 were under the British flag.¹¹² Although this may partly reflect the business of UK merchant shipping, in certain threat scenarios foreign-flagged ships may be less willing to undertake charters. There is also the question of immediate availability. The MOD leased a Japanese roll-on roll-off ferry for support of the Joint Rapid Deployment Force in 1996 as an interim measure.¹¹³ Prior to the SDR it began to study whether an additional ship should be chartered or whether it would be better to purchase two new ships.¹¹⁴ It remains to be seen, if these additions to sealift are accepted, they will be sufficient to meet expeditionary requirements.

If the review decides to continue with an expeditionary strategy, then one of the greatest challenges facing the MOD is whether to replace or refurbish the three *Invincible* Class carriers when they reach the normal end of their lives from 2010. The Navy would dearly like to acquire new and larger carriers able to operate bigger and more capable air groups. The *Invincibles* usually operate only up to six or seven fixed-wing aircraft at any one time, some of which may be unserviceable.¹¹⁵ A future carrier could use the naval version of the US Joint Strike Fighter. The UK is a junior partner in the JSF project.¹¹⁶ Although it might be possible to make some cost savings by using a more commercial design, along the lines of *HMS Ocean*, the difficulty is that a new carrier may still prove prohibitively expensive. The decision of the French Navy to procure a large nuclear-powered carrier, the *Charles de Gaulle*, has proved immensely costly and has warped the French naval procurement budget to the detriment of other projects. Aircraft carriers are also manpower intensive and are potentially large targets, vulnerable to missile attack. Alternatively, power projection and fleet defence requirements might be met by the use of missiles fired from submarines, anti-air warfare frigates and land-based air power. Ironically, this debate has echoes of the 1960s carrier decision when it was decided not to proceed with the procurement of a new generation of carriers and to use land-based aircraft to serve in a maritime air defence role instead. Problems of co-ordination and a potential absence of friendly airfields have perhaps made RAF protection of RN task forces difficult. It remains to be seen whether technological advances will overcome these hurdles.

¹¹⁰ It is intended that a squadron of partly RM-crewed Apache attack helicopters will be able to operate from these ships.

¹¹¹ For example, the number of general cargo break bulk ships over 1,000 on the UK, Crown Dependencies and Dependent Territories registers has fallen by a third (*UK Defence Statistics 1997*, Table 3.2 and DETR, Defence Planning and Emergencies)

¹¹² *SDE 96*, Para 710

¹¹³ HC Deb 27/6/96 c 248w

¹¹⁴ HC Deb 8/7/97 c 422w

¹¹⁵ RAF Harriers can also operate from RN carriers.

¹¹⁶ HC Deb 20/12/95 c 1175-1176w

Research Paper 97/106

Another programme perhaps ripe for examination is the Common New Generation Frigate or Project Horizon. The £7bn tri-national programme, involving France and Italy, is now the Royal Navy's most important procurement project.¹¹⁷ The CNGF is intended to replace the UK's 12 Type 42 destroyers early in the next century. In theory this would lead to a procurement of 12 CNGFs. However, the MOD has only committed itself to replacing the 'capability' of the Type 42 and there have been suggestions that only eight or even six ships might be bought.¹¹⁸ The French Navy has a requirement for four and the Italian for six ships. A programme MOU was signed in 1994. Since then, the project has been the subject of extensive delays. There have been differences with the French and Italian partners over all aspects of the ship, particularly the relative sophistication of the Principal Anti-Air Missile System or PAAMS.¹¹⁹ The original ship ISD was 2002 but has now been put off until 2004 and may even extend to 2006.¹²⁰ Delays in the CNGF project have operational considerations. Until the ship enters service, the RN's main anti-air weapon is the Sea Dart, which was designed in the 1970s. Despite upgrades, this is rapidly becoming outdated. Given the complications surrounding the Horizon project, the Government could yet opt to abandon it and launch a purely national programme, perhaps based on an upgraded Type 23 frigate. Another alternative could be to construct US Arleigh Burke destroyers, and their Aegis missile systems, under licence in the UK, although this might have Euro-political and military-industrial implications.

It is often thought that the main maritime threat is now from the air, rather than from submarines. The UK operates 23 anti-submarine warfare frigates, although generally these tend to be maids of all work. It has been suggested that in the absence of a major submarine threat in the North Atlantic, this fleet could be cut in numbers. Overall, Chalmers has suggested that a destroyer/frigate fleet of 20-25 would suffice for UK needs, if closer co-operation were secured with similar allied resources.¹²¹ However, a reduction of national ASW capability might be balanced against the proliferation of submarine technology, particularly in the Middle and Far East. Forty countries now operate diesel-electric submarines. Iran, for example, has acquired such submarines from Russia.¹²²

Although it may prove difficult to reduce Britain's naval forces in the South Atlantic, questions might be asked about the future of the West Indies Guard Ship, which is usually a destroyer or frigate. Its role could perhaps be undertaken either by a smaller patrol vessel or by regional allies.¹²³

¹¹⁷ *The Financial Times* 24/3/97

¹¹⁸ HC Deb 23/02/94 c 220w & P. Preston, 'The Naval Balance 1995', *Naval Forces* 2/95

¹¹⁹ *he Financial Times* 25/3/97 and 24/2/97 and PA 12/3/97

¹²⁰ HC Deb 14/1/97 c 233w and *Jane's Fighting Ships 1997/98*, p. 766. The project has been criticised by the NAO (See *MOD: Procurement Lessons for the Common New Generation Frigate*, HC 692, Sess. 95/95).

¹²¹ Chalmers in Gittings & David (ed), *Rethinking Defence and Foreign Policy* p. 35

¹²² D. Foxwell, 'Sub proliferation sends navies diving for cover: the multiple menace of diesel electric submarines', *International Defense Review*, August 1997

¹²³ The West Indies Guard Ship together with her Royal Fleet auxiliary tanker, provide support to our Dependent Territories and other UK interests in the region. They carry out a range of tasks, including contributing to the

C. The Army

The Army has been comprehensively re-armed over the past decade with much new equipment either entering service or on order. Examples include the Challenger II tank, the AS90 self-propelled gun and the Apache attack helicopter. Sixty-seven attack helicopters are due to enter service in 2000.¹²⁴ A project for the future is the Multi-Role Armoured Vehicle (MRAV), which will be conducted in a tri-national consortium with France and Germany under the auspices of the European Quadrilateral Armaments Agency.¹²⁵ The vehicle will replace the current Combat Reconnaissance Vehicle (CVR) family (Scimitar, etc) and also the FV430 armoured vehicles. Of major importance, given the rise of information warfare, is the Bowman combat radio project, intended to replace the increasingly obsolescent Clansman system. The new radio was originally to have entered service in 1995. This is now not planned until 2002.¹²⁶ Generally, however, the difficulties faced by the Army are not so much of equipment but of personnel. The trained strength of the Army was 101,372 as of June 1997. This was 5 per cent under strength.¹²⁷

Of the three Services, the Army has suffered the most from over stretch. The combination of heavy commitments in Northern Ireland and Bosnia, coupled with personnel shortages has placed it under intense pressure in recent years. The Army has never been able to reach its target of 24 months between operations tours. This strain has fallen most heavily on the infantry, which suffers the most from personnel shortages.¹²⁸ Some 30 per cent of the Army is either preparing for, deployed on, or recovering from operations.¹²⁹ Recruitment in 1995/96 was a quarter below requirements, leaving a shortfall of 4,000, although the intake has since improved.¹³⁰ On current projections, the Army will remain under strength into the next decade.

There are three ways in which this situation might be improved. Firstly, recruitment can be improved. The last and present Government's have introduced a host of initiatives to this end: for example, new retention bonuses for certain units, the reintroduction of junior leader training with the establishment of an Army Foundation College, more advertising,

international fight against drug trafficking, disaster relief, goodwill visits and training for Caribbean forces (HC Deb 16/6/97 c 78w).

¹²⁴ *SDE 96*, p. 60 The post-Options requirement was for 91 helicopters (T. Nash, 'Needs Versus Politics', *Military Technology*, November 1993)

¹²⁵ Also known as OCCAR (Organisme Conjoint de Cooperation en matiere d'Armement)

¹²⁶ HC 238, Sess. 97-98, p.94 and MOD PR 20/3/97

¹²⁷ HC Deb 18/7/97 c 353w

¹²⁸ The 40 infantry battalions of the Army are over 2,000 men under strength (HC Deb 18/7/97 c 354-355w). The two armoured reconnaissance regiments left after Options for Change also saw extensive service. The Army has found it necessary to form another one from the RAC training regiment.

¹²⁹ Defence Secretary, RUSI Speech, 18/9/97

¹³⁰ HC 215, Para 30

Research Paper 97/106

and changes to the initial training programme.¹³¹ Steps have also been taken to improve recruitment amongst the ethnic minorities.¹³² There is perhaps little that the SDR can add to these initiatives. A second solution would be to reduce commitments. The NATO/expeditionary strategy apparently envisaged by the Government may not lead to radical changes in the deployment of British forces, but some alterations might be made. A third solution would be to reshuffle available resources in order to meet the needs of the new strategy.

Any discussion of Army commitments must first deal with the British garrison in Northern Ireland. Prior to the first IRA ceasefire in 1994 there were 18 major Army units in Ulster: six resident garrison battalions on two-year accompanied tours; six units on six-month roulements (including one prison guard force drawn either from the Royal Armoured Corps or the Royal Artillery); and six home service battalions of the Royal Irish Regiment (the former Ulster Defence Regiment). In total there were some 19,000 armed forces personnel in the province, inclusive of RAF and RN/RM contingents. Over the last three years, the size of the garrison has fluctuated, although it has never fallen below 15 major units. In early July 1997, there were 11,122 Army regulars and 2,818 full and 2,006 part-time members of the Royal Irish Regiment in Northern Ireland, organised in 17 major units.¹³³ If personnel from the other Services are added, the NI garrison now stands at about 17,000, or not far off its 1994 level.¹³⁴

The varying size of the army presence in Ulster shows the problems facing the MOD in planning for security contingencies there. It must be hoped that the Northern Ireland peace process will lead to a peaceful settlement of the conflict. This could entail a reduction in the number of units in the Province, perhaps beginning with the five roulement battalions. Prior to 1969 there were 3,000 British soldiers in Northern Ireland.¹³⁵ Even if eventual substantial troop withdrawals were to be made, for some time contingency forces might need to be maintained on the mainland for a sudden return to the Province in the event of a resumption of violence.

The largest Army deployment is in Germany and the issue of its continuing presence may prove to be one of the most important to be addressed by the review. The then British Army of the Rhine remained in Germany after the Second World War as an occupation force. A British military contribution to the defence of the continent was subsequently enshrined in the modified Treaty of Brussels of 1954. As part of Options for Change, BAOR was cut by half from over one corps HQ and three armoured

¹³¹ HC Deb 30/7/97 c 357w and 'Army Training Needs Modernisation Not Mollycoddling, Says Minister, MOD PR 7/8/97

¹³² *The Guardian* 16/10/97

¹³³ HC Deb 11/7/97 c 631w

¹³⁴ HC Deb 16/7/97 c 232-233w, see also *SDE 1994*, pp. 36-37 & T. Gander, *Britain's Modern Army* (1995), pp.61-65

¹³⁵ *SDE 94*, p. 37

divisions (some 50,000 men) to one armoured division. If the British contingent of the Allied Command Europe (ACE) Rapid Reaction Corps HQ and its British commander are included, there are some 23,000 UK troops in British Forces Germany at present.

Many would see the continued stationing of a quarter of the UK Army on the continent as a Cold War anachronism. The British military presence may look even more anomalous following NATO enlargement to the east in 1999. With Poland now due to join the Atlantic Alliance in 1999, the NATO 'front-line', if it can still be called that, will stand on the River Bug, hundreds of miles east of the UK bases east on the Rhine. Without a Soviet threat, the British Army in Germany now serves as a contingency reserve and reservoir for the emergency tour plot, dispatching units both for service in Northern Ireland and in Bosnia. At any one time, up to half of the troops in British Forces Germany have actually been serving somewhere else. The ETP system is immensely disruptive for normal training and places a particular strain on service families. A decision to return all UK troops to Britain could generate savings and also lead to a further rationalisation in Land Command. In any case, due to environmental restrictions, it is very difficult to train in Germany. Large brigade level exercises are now undertaken in Poland each autumn. Moreover, in 1996 France announced that it would withdraw all but a few thousand of its remaining troops in Germany by the end of the decade. It could also be said that the MOD has conceded the principle of withdrawal by its decision to pullout the remaining RAF wing in Germany by 2002.

There are a series of arguments in favour of retaining British forces in Germany. The UK has a key role in NATO as leader of the multi-division ARRC, NATO's main military force. If the armoured division were to be withdrawn, then this command might have to be surrendered (probably to Germany). Basing in Germany has allowed British units to train and practice with NATO allies. More significantly, the presence has always been justified in terms of convincing the USA to retain a ground force in Europe, an important component of its commitment to European security. A British withdrawal might only encourage the siren voices of isolationism in the Congress and weaken US interest in European security. Finally, the short-term costs of repatriation may prove greater than the excess costs of retaining troops in Germany, where they are accommodated partly at the cost of the German government. Barracks, etc would need to be constructed in the UK at a time when the MOD has pursued a policy of rationalising the defence estate. A greater problem might be posed by the over 50,000 Service dependants living in Germany. The 1996 deal involving the privatisation and lease-back of the Service married quarters estate involves a steady run-down in the amount of Service housing. If all these families were to return from Germany, the Annington Homes contract would almost certainly need to be renegotiated and further Service housing might need to be constructed. Training facilities in the UK, particularly for mechanised units, are in short supply.¹³⁶

¹³⁶ M. Codner, 'Make Do or Mend? What the United Kingdom Electorate Ought to Be Asking About the Defence of Their Realm', *RUSI Newsbrief*, April 1997, p. 29

Research Paper 97/106

One defence commentator has put the costs of a complete repatriation at £3bn.¹³⁷ Mr Robertson paid a recent visit to British forces in Germany in June and was quoted as saying, "We have military and political reasons for staying here".¹³⁸

However, reductions could be made in Germany as part of a wider re-balancing of the proportions of heavy armour and infantry in the Army. The core of the 1st Armoured Division is its six heavy armoured regiments, out of the total of eight in the Army as a whole. The Royal Armoured Corps is currently being re-equipped with 386, delayed Challenger II main battle tanks.¹³⁹ Many commentators have seen this tank force as being too large and too inflexible. Disbanding some of the tank regiments might free personnel, now or in the future, who could be transferred to the under strength units. Alternatively, more attack helicopters could be procured. These have the advantage of multiple use and could be applicable both to high and low intensity conflicts. The 1st Armoured Division is composed of three so-called 'square' brigades of two armoured and two infantry regiments each. If cuts are seen as necessary in Germany, one solution might be to scrap one of these brigades, disbanding its armoured units and repatriating its remaining infantry. Alternatively, the brigades could convert to a 'triangular' structure, with the removal of three armoured regiments from across the division. Britain's overall military and political commitment to NATO's Allied Rapid Reaction Corps would not necessarily be affected in this scenario. Another more limited reform could be to reduce the number of tank regiments, whilst retaining overall armoured strength. Formerly, an armoured regiment contained 50 tanks in five squadrons. This was cut to 38 tanks in four squadrons. Returning to the Type 50 regiment could eliminate two regimental HQs and associated HQ squadrons.¹⁴⁰

Another area for possible examination is the continuation of a British garrison in Cyprus of about 2,500 soldiers. The base proved of use to British forces during the Gulf War and acts as a base for operations in the Near and Middle East. On the other hand, it could be said to be a luxury. The Army may be keen to hang on to Cyprus as its last 'sunshine posting', but there have been continued embarrassing lapses of order and discipline amongst British troops sent there. The GCHQ signals intelligence facility in Cyprus may to some extent be duplicated by US intelligence bases in Turkey and might be withdrawn.¹⁴¹ Conceivably the RAF could use NATO bases in Italy, Greece and Turkey when operating in the region, rather than RAF Akrotiri. Closure of the sovereign bases would provide a pretext for ceasing to contribute forces to UNFICYP. A British unit has participated in the UN Force in Cyprus (UNFICYP) for over 30 years.

¹³⁷ *The Times* 26/5/97

¹³⁸ *The Independent* 24/6/97

¹³⁹ HC 238, p. 81

¹⁴⁰ I. Kemp and C. Foss, 'British Army balances on a thin green line', *Jane's Defence Weekly* 3/9/97

¹⁴¹ The UK government has access to most US intelligence data via the UKUSA Agreement of 1947 and subsequent agreements

The role of the Territorial Army is another area to be examined by the SDR. The TA currently numbers 56,000 as against a ration strength of 59,000. This is about a third less than in 1991 when actual strength was 74,000 against a ceiling of 91,000. Since 1991, the locus of the TA has moved away from front-line units to support formations. This change was assisted by the *Reserve Forces Act 1996*, which contained various measures to allow the reserves to engage more freely in the operations of the regular forces.¹⁴² As a consequence, over 400 Territorials are serving with the British contingent of SFOR in Bosnia. The Defence Review may look at how the Territorials might be even more closely integrated into the regular army. As part of a readjustment of units in response to personnel shortages, in February 1997 it was announced that a regular MLRS regiment would be disbanded and its sophisticated equipment transferred to the TA.¹⁴³ More measures along these lines may be considered. These may see further cuts in the number of TA infantry companies, which may have less use in a strategy of rapid deployment of combat ready units. On the other hand, further reduction in the TA may prove short-sighted. The network of TA centres may play an important role in keeping the Army in the public eye. In addition, in his speech at RUSI in September, the Defence Secretary declared, "We also need to retain a framework on which it would be possible to rebuild forces over the longer term to meet a greater threat than currently foreseen, should one begin to emerge". The network of TA centres across the country may play an important part of such a reconstitution capability.

D. The Royal Air Force

Options for Change and then, more importantly, the Defence Costs Study and the rapidity with which the latter's recommendations were implemented, may have proved a bruising experience for the RAF. While the RAF numbered 90,000 personnel in 1990, this had fallen to 76,000 by 1994.¹⁴⁴ However, the RAF then suffered the deepest personnel cuts imposed on any Service as a consequence of the Defence Costs Study. Coupled with subsequent more minor administrative changes, RAF numbers will fall to 52,500 by 1999. In short, RAF strength has been cut by over 40 per cent in the past decade, the largest percentage drop in any of the Services. The reorganisation arising from the DCS may have had an impact on operational effectiveness. NATO evaluations were cancelled and non-essential training suspended. In 1996, the Defence Select Committee found that the RAF was only "just about meeting its commitments".¹⁴⁵ The bulk of RAF restructuring was due to be completed by April 1997. As at June 1997, RAF trained personnel were five per cent or about 2,500 under strength.¹⁴⁶

¹⁴² See RP 96/40, *The Reserve Forces Bill*, March 1996

¹⁴³ MOD PR 20/2/97

¹⁴⁴ *Defence Statistics 1997*, Fig. 2.8

¹⁴⁵ HC 215, Sess. 95-96, Para 43

¹⁴⁶ HC Deb 18/7/97 c 353w

Research Paper 97/106

Generally amongst the three Services, the RAF is in the unique position of being able to justify much of its equipment both in terms of national defence and overseas offence, for example, a multi-role fighter aircraft can double in both roles. It is also closely linked with the economically and politically significant aerospace industry. The RAF has also lost its last major overseas posting with the decision, announced last year, to remove the remaining RAF units from Germany by 2002.¹⁴⁷ Although there would appear to be no reason why this withdrawal could not be accelerated. There is also the question of Cyprus referred to above.

The RAF has also benefited from a raft of major procurement decisions in 1996. These included orders for the Nimrod Replacement, the Conventionally Armed Stand Off Missile (CASOM) and Advance Air-Launched Anti-Armour Weapon (AALAW). All of these projects may be reviewed. However, with the exception of AALAW, the justification for which has been questioned, they would seem unlikely to be cancelled¹⁴⁸ The Labour Government has made clear its commitment to Eurofighter procurement.¹⁴⁹

The SDR will consider what further changes to the RAF could be made to respond to likely missions over the next twenty years. A possible change would be to reduce the size of the air defence force. This now numbers some 100 Tornado fighters. Given that Russian air activity over the Northern Atlantic is low, this force might easily be cut, with the surplus aircraft being placed in storage/reserve. A reduction in the size of the air defence force might allow a stretching of the Eurofighter 2000 programme. It might also reduce the necessity for an attrition buy after the manufacture of the 232 Eurofighters is completed in 2014. A further possibility might be to use the extra EF2000s to replace the RAF Harriers, which will reach the end of their lives at about the same time. Another area for possible reductions is the RAF's maritime strike capability. There are currently two Tornado squadrons equipped with Sea Eagle in this role. These may overlap with RN anti-ship capabilities and might thus be deleted or assigned to other roles.¹⁵⁰

Given that an expeditionary strategy appears likely, the RAF may proceed with its plans for a Future Offensive Air System (FOAS) which is intended to replace the Tornado strike aircraft after 2015. The possible candidates are the Joint Strike Fighter, a modernised EF2000 or an Unmanned Air Vehicle (UAV).¹⁵¹ The SDR should perhaps look at two other areas in particular.

¹⁴⁷ SDE 96, Para 453

¹⁴⁸ See RP 96/90, *Defence Update*, October 1996

¹⁴⁹ See p.10

¹⁵⁰ *Jane's Defence Weekly* 30/7/97

¹⁵¹ *Jane's Defence Weekly* 8/1/97

The requirements for Ballistic Missile Defence have been studied both at NATO and national levels. A pre-feasibility study for the MOD was completed before the last election.¹⁵² Although the direct threat to the UK mainland from the proliferation of such weapons may be small, there might be a current threat to UK forces if they were to be deployed on operations in the Middle East and elsewhere. A decision to develop some form of BMD could prove expensive, even if pursued in a multinational programme.

The theme of deployability has already been identified as important to the SDR and has a special significance for air transport, which has both military and humanitarian uses. However, this attention is not necessarily novel. There has been a new onus on the air transport force since Options for Change. Hence the arguably belated decision to upgrade the RAF's helicopter fleet and the order, in 1995, for new Hercules II transports in replacement for half the existing Hercules fleet. The RAF lacks a heavy transport aircraft able to carry main battle tanks and other large armoured fighting vehicles. Currently and as with other European armed forces, these need to be borrowed from the US Air Force or chartered from Russia or the Ukraine, whenever they are deemed to be necessary. The MOD has a pre-SDR requirement to replace the other half of the Hercules fleet, about 25 aircraft, after the year 2000. If the replacement of a number of ageing tankers and other large transports are added, this could raise a prospective order to 40 or 50 aircraft. There is some prospect that this order could be fulfilled by the Future Large Aircraft (FLA). This transport aircraft, designed by a consortium of companies from eight European countries including the UK, has been on the drawing board since the late 1980s. Together, Germany, France, the UK, Italy, Spain, Portugal and Turkey have a requirement for some 300 large military transports. The FLA is thus of great potential importance to the European aerospace industry. There has been some discussion in the WEU of the formation of a pan-European air transport force, perhaps using the FLA. Such a force would be one of the keys to any concept of a European defence independent of the USA.

Efforts continue, under the charge of the successful Airbus consortium, to place development and manufacture of the FLA on a purely commercial basis. In July, the Government endorsed the FLA European Staff Requirement and a statement of principles surrounding the commercial management of the project.¹⁵³ Detailed proposals will be defined over the next two years.¹⁵⁴ Even if these prove acceptable to the multinational partners and development begins, the aircraft might not reach production until 2004 at the earliest. This might prove too late for the RAF and some other European air forces. There are also doubts as to whether France and Germany will have sufficient funds to pay for their shares of any £14bn project. In addition, the FLA will not be able to carry the largest tanks or helicopters. The MOD has also

¹⁵² *SDE 95*, p. 62 & HC 215, Para 23.

¹⁵³ HC Deb 31/7/97 c 466 w

¹⁵⁴ *The Daily Telegraph* 1/8/97

Research Paper 97/106

examined acquiring the McDonnell Douglas C-17 Globemaster III, which can hold such equipment and has been in-service since 1993. A difficulty may be that the unit price of the Globemaster is £200m, in comparison the price estimate for the FLA is £45m.¹⁵⁵ Although a specific commitment to the FLA or any other heavy transport aircraft is unlikely in the 1998 Defence White Paper, the SDR may help to secure funding for the project in the Long Term Costings.

E. Command and Support Structures

The Defence Costs Study made extensive changes to armed forces command and support structures. It is difficult to see where major administrative and cost savings changes could be made. There have, however, been some suggestions.

In 1996 a Permanent Joint Headquarters was established to oversee all British military operations abroad. This may have created some duplication with the three Service combat commands (RN CinC Fleet, Army Land Command and RAF Strike Command) which retain some of their own capability for directing military operations. The latter could be removed, with the combat command merely acting as force providers to the PJHQ.¹⁵⁶ Given the general onus on tri-Service co-operation and 'jointness', another possibility might be to further strengthen the Central Staff and the Chief of the Defence Staff by abolishing the remaining staffs of the single Service Chiefs. The Chiefs might then be transformed into inspector generals of standards within their respective Services.

A case might also be made for removing helicopters from the RAF and transferring them to the Army and RN. Helicopters in the RAF undertake two distinct roles. In the first role, the RAF operates a large fleet of Chinook and Puma heavy and medium support helicopters. These operate almost solely in support of the Army, which only deploys small, light liaison, reconnaissance and attack helicopters in its Army Air Corps (AAC). In most NATO countries, including the USA and Germany, armies control the bulk of their helicopter forces. Sixty per cent of AAC helicopter pilots are NCOs. RAF helicopter pilots are all officers.¹⁵⁷ The other role for RAF helicopters, which it shares with the Royal Navy, is air-sea rescue. Both Services operate the same Sea King helicopters in this mission, although of different models (the RN helicopters usually have additional tasks, such as anti-submarine warfare). There seems to be no reason why the RAF Air-Sea Rescue functions could not be transferred to the Navy. The removal of rotary-wing aircraft from the RAF would leave the Service to concentrate on fixed-wing jets and transports and might lead to some cost savings.

¹⁵⁵ *The Guardian* 1/8/97 and *Jane's All the World's Aircraft* 1997/98

¹⁵⁶ See "The Permanent Joint Headquarters: a final solution or a transitional arrangement?", *RUSI Newsbrief*, May 1996.

¹⁵⁷ HC Deb 30/10/96 c 174w and see G. Keating & W. Owen, 'Back to the Future -Britain's New Royal Flying Corps', *RUSI Journal*, April 1996 for arguments in favour of such a merger.

VI Conclusion

The Strategic Defence Review is the sixth major attempt to remodel Britain's defence policy and armed forces since the Second World War. Although its findings will not be published until 1998, on current indications it may be marked more by continuity than by radical change. The kernel of any defence review is to look to the future and decide what the most likely threats to national security will be; the SDR has a time frame of 2015. However, a lesson of the past is that predictions are often inaccurate. Despite the best efforts of the western intelligence community, including the British intelligence services, few foresaw the sudden collapse of Soviet power. Similarly, the British defence planners of the 1960s who shed the UK's last major extra-European defence commitments, would not have predicted that 35,000 British servicemen would be fighting a war in the Persian Gulf in 1991. They may also have ridiculed any suggestion that ten per cent of the British Army would be involved in a peace enforcement mission in Bosnia in 1996.

These examples would perhaps suggest that Britain should retain a whole range of defence capabilities to prepare for any eventuality. However, even if national defence spending were raised considerably, maintaining such a range of forces would not seem credible and can only be undertaken by a superpower. Ever since 1940, successive British governments have recognised that they are incapable of discharging all defence tasks and have looked to the support of the USA as the only ally capable of doing so. The US alliance has continued to be the basis of British defence policy and securing influence in US foreign policy and defence decision-making has been one of the major goals of UK diplomacy. This premise does not appear to be being questioned in the SDR.

Whatever its benefits, relying on the assistance of the world's only superpower also has potential risks. The political importance given to supporting the alliance could lead Britain to engage in foreign actions that it would not do otherwise. The UK opted not to participate in the Italian-led intervention in Albania under OSCE auspices. It has been suggested that if the operation had been orchestrated by the USA, British units would have been deployed.¹⁵⁸ Since the Vietnam War, US public opinion and Congress have become increasingly resistant to any commitment by the US government of ground forces in any crisis in which there is a high probability of US casualties being incurred. As a consequence, there is the possibility that British and other European forces could find themselves engaged on the ground in a conflict, in which US ground forces were not participating, but in which the USA had a direct political interest. In one sense, they might find themselves as mercenaries of US foreign policy. On this point, the UK

¹⁵⁸ Freedman, p. 41 On the other hand, Britain did not participate in the US-led UN peacekeeping mission in Somalia, to the apparent displeasure of the US government.

Research Paper 97/106

and France have been keen to stress that they will withdraw their forces from Bosnia in June 1998, at the current end of the SFOR mandate, if the USA does so.

British and American security interests are not necessarily synonymous. During the earlier stages of the Bosnian conflict, the USA, on the one hand, and Europe, on the other, were at odds over the use of force against the Bosnian Serbs and the lifting of an arms embargo against the Bosnian (Muslim) government. Commercially, there has been friction between the trading interests of the USA and the EU since the 1960s. Generally, there has been rising concern in the EU, shared by Canada, over the number of extra-territorial trade laws being passed by the USA, not just by Washington but also at the state and even local level. The Helms-Burton Act, with respect to Cuba, and the D'Amato-Kennedy Act, with respect to Iran and Libya, contain provisions allowing actions against the US subsidiaries of companies investing in these states.¹⁵⁹

There is also the underlying question of US political and public opinion. In so far as there is any significant interest within the US public in the world beyond the USA, in the first half of the decade this was invested in the importance of the Pacific rim as an emerging and, in the future, possibly the dominant world market.¹⁶⁰ This was to the detriment of US interest in Europe. During the second term of the Clinton Presidency, there has been a reappraisal of US external thinking and a realisation that Europe is as important to the USA as Asia, not only as a trading partner, but also on the political level, as an ally in the Middle East and other potentially volatile regions of the world. It remains to be seen whether this interest will continue into the next century. Indeed, it is unclear for how long the US taxpayer will continue to pay for the stationing of 100,000 military personnel in a Europe facing no mass threat to its security. Some 60 per cent of total NATO member state defence expenditure continues to be borne by the USA.¹⁶¹

Certain European states, such as France, have prepared for the contingency of a US military withdrawal from Europe by advocating the eventual adoption of an independent European defence. Britain has tended to counter this position by suggesting that a US presence in European security is essential and can best be ensured by developing the European defence pillar within the Atlantic Alliance. Germany has tended to place its feet in both camps. Whatever the position at present, the future security relationship between Europe and the USA may be one of the

¹⁵⁹ *The Financial Times* 31/7/97 and *The Financial Times* 2/10/97

¹⁶⁰ A third of US Congressmen do not possess a passport (*The Financial Times* 30/9/97).

¹⁶¹ IISS *The Military Balance 1997/98*, p. 33

central issues to be considered early in the next century after one and possibly two rounds of NATO enlargement and the expansion of the EU.¹⁶²

On average, defence reviews have occurred once a decade since 1945. Notwithstanding any decision to institutionalise periodic examinations of national defence along US lines, it would not be surprising if in 2005 Parliament were to be discussing Euro-Atlantic security relations as part of the next defence review.

¹⁶² The Czech Republic, Hungary and Poland are scheduled to join NATO in 1999. Austria, Slovenia and Romania are possible future NATO members. Negotiations on the entry into the EU of Estonia, Cyprus, the Czech Republic, Hungary and Poland will begin in December 1996.

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