

No. 2166 December 11, 2008

Britain's Armed Forces: Victorious Abroad, Imperiled at Home

Ted R. Bromund, Ph.D.

The budget of Britain's armed forces is under intense pressure. All new major procurement programs have been frozen, and speculation is growing that some existing programs will be delayed or cancelled. To save money, the Royal Air Force has even offered to scrap its entire force of 75 Harrier jets—the only remaining air cover for the Royal Navy.¹

While Britain's procurement system has been disastrously mismanaged by the Blair and Brown governments, delaying programs will only raise their costs. Worse, if cuts are not made carefully, they will do enduring damage to Britain's armed forces and to the NATO alliance. Britain must reform its procurement system, but it must also resist the temptation to indulge in false economies at the expense of security.

The Budget Crisis and Procurement Cuts. In 2008–2009, the British Ministry of Defense (MoD) faces a budgetary shortfall of approximately two billion pounds. Much of this shortfall is driven by the cost of defense procurement and by the number of large programs that are now, or will shortly be, moving out of research and development and into the expensive acquisition phase.²

The programs being re-examined include the U.S.–U.K. jointly developed F-35 Lighting II (the Joint Strike Fighter), the Super Lynx helicopter, and the Future Rapid Effects System armored vehicles. Britain's two new aircraft carriers, promised by Labour in its 1998 Strategic Defense Review and originally scheduled for delivery in 2014 and 2016, have also been postponed for up to two years.³

Together, these programs are central to the plans of the British services on land and sea and in the air.

The threat to scrap the Harrier force is particularly serious. After the 2006 withdrawal from service of the Sea Harrier FA2, only the Harriers remain to provide air cover for the Royal Navy. Even today, the navy too often sails without adequate cover. On its most recent trip to the Middle East, the navy's flagship, the aircraft carrier *Illustrious*, carried only four Harriers.

Sacrificing the Harriers to the budgetary needs of the day would eliminate the Fleet Air Arm's fixed-wing element and expose the navy to serious and unnecessary danger. The F-35 cannot fill in for the Harriers as, even on present plans, the F-35 will not reach operating capacity in Britain until 2017. The Harriers were retained and are being upgraded to the GR.9 standard precisely to fill in until the F-35 arrives in service. The Harriers, the Navy, the F-35, and the new carriers are interdependent: Cancel one and the remainder are not a coherent force.

Labour's Cardinal Error on Defense. In the aftermath of the financial crisis, and the associated shocks to national budgets, procurement programs in both the U.S. and the U.K. are being re-exam-

This paper, in its entirety, can be found at: www.heritage.org/Research/Europe/wm2166.cfm

Produced by The Margaret Thatcher Center for Freedom

Published by The Heritage Foundation 214 Massachusetts Avenue, NE Washington, DC 20002–4999 (202) 546-4400 • heritage.org

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.



ined. All too often, such re-examinations simply raise costs. They save money today, but by slowing down the acquisition process, they increase costs over the lifetime of the program. In the worst case, they create a death spiral of ever slower procurement and ever rising costs.

Procurement programs are not, and should not be, sacrosanct. If a weapons system does not contribute effectively to the defense of the nation, it should not be postponed—it should be cancelled. Britain's fighting forces face a budget crisis in part because the Labour governments, while pouring billions into social spending and fighting alongside the U.S. in Iraq and Afghanistan, have only marginally increased defense spending. But Labour's cardinal error has come in the realm of procurement. This crisis is one of the government's making, and the armed forces are paying the price for it.

Under Labour, Britain's armed forces have been ordered to do the impossible: They have been required to field weaponry comparable to, and compatible with, that of the U.S. and to do so on a defense budget approximately one-tenth as large. Furthermore, under Labour's doctrine of "appropriate sovereignty," many of these weapons had to be developed and built domestically. In theory, this requirement was to ensure that Britain retained operational sovereignty. In practice, it was to protect British jobs. In other cases, such as the Eurofighter, efficiency was subordinated to the diplomatic imperatives of European cooperation. 8

Rising costs are a recurring danger in the procurement realm. But Labour's incoherent defense doctrine left the armed forces in the worst possible situation: As the military led the fight in Afghanistan and Iraq, Labour held the defense budget constant from 1997 to 2004 while demanding the forces field advanced weapons and imposing political conditions on the development and manufacturing process that guaranteed these weapons would cost more and do less than their U.S. counterparts. The hole in the MoD's budget is the result of these incompatible policies.

An Opportunity for Clear Thinking. The way forward is clear:

- 1. First, Britain needs to increase defense spending. Like much of the rest of the NATO alliance, it has taken far too large a peace dividend. The core deterrent purpose of its armed forces, and of the NATO alliance, is in serious danger.
- 2. Second, Britain needs to cancel weapons systems that cost too much and do too little, abandon the concept of "appropriate sovereignty," end failed or overpriced collaborations with Europe, and buy replacement systems—usually from U.S. suppliers—if they are available at a reasonable price.

These cancellations should not be made out of panic or simply be aimed at large systems such as Britain's carriers. Contrary to the claims of critics, it is not safe to assume that the era of major wars has passed and that all future campaigns will be counter-insurgencies. Appropriate targets for cancellation include the Future Lynx helicopter and the Nimrod MRA4 mari-



^{1.} Michael Smith, "Head of Royal Navy Threatens Resignation over Push to Scrap Harriers," *The Times of London*, December 7, 2008, at http://www.timesonline.co.uk/tol/news/uk/article5298898.ece (December 10, 2008).

^{2.} Sylvia Pfeifer, "MoD Orders Spending Clampdown," *Financial Times*, November 16, 2008, at http://www.ft.com/cms/s/0/45b69bfe-b417-11dd-8e35-0000779fd18c.html (December 10, 2008).

^{3.} Sylvia Pfeifer and Alex Barker, "Navy Faces Aircraft Carriers Delay," *Financial Times*, December 4, 2008, at http://www.ft.com/cms/s/0/bb1b9392-c252-11dd-a350-000077b07658.html (December 10, 2008).

^{4.} Ted R. Bromund, "British Defense Cuts Threaten the Anglo-American Special Relationship," Heritage Foundation *Backgrounder* No. 2210, November 18, 2008, p. 16, at http://www.heritage.org/Research/Europe/bg2210.cfm.

^{5.} Tim Fish, "Interview: Captain Steve Chick, Commanding Officer, HMS Illustrious," *Jane's*, November 21, 2008, at http://www.janes.com/news/defence/naval/jni/jni081121_1_n.shtml (December 10, 2008).

^{6.} Smith, "Head of Royal Navy," and Bromund, "British Defense Cuts," p. 16.

^{7.} Bromund, "British Defense Cuts," pp. 6, 8.

^{8.} Ibid., pp. 10-11, 19.

time patrol aircraft, which, at over three billion pounds for nine aircraft, are among the most expensive planes ever built. These cancellations should come as part of a broad review of British defense policy that would reassert Britain's need for forces equipped to deter and win across the spectrum of combat.

3. Third, Britain and the U.S. need to work together to control the defense cost spiral. One element in this collaboration should be the U.S.–U.K. Defense Trade Cooperation Treaty, which would permit the U.S. to trade most defense articles with Britain without an export license. The treaty will raise the level of competition and will reduce the ability of any one company to dominate the procurement process. The result will be lower costs, faster development cycles, better weapons systems, and a renewal of

the close and vital defense ties between the U.S. and the U.K. 10

The British budget crisis threatens severe harm to Britain's armed forces and the strength of the NATO alliance. But it also offers an opportunity for clear thinking about the purpose of these forces, the errors of policy that have caused the crisis, and the continuing importance of a strong and renewed Anglo–American strategic partnership. Britain and the United States must not allow the present crisis to induce them to make decisions that will hurt either nation and thereby weaken the democratic world for decades to come.

—Ted R. Bromund, Ph.D., is Senior Research Fellow in the Margaret Thatcher Center for Freedom, a division of the Kathryn and Shelby Cullom Davis Institute for International Studies, at The Heritage Foundation.

^{10.} Ted R. Bromund, "The Defense Trade Cooperation Treaties with the United Kingdom and Australia Advance the American Interest," Heritage Foundation *WebMemo* No. 2090, September 29, 2008, pp. 1–3, at http://www.heritage.org/Research/Europe/wm2090.cfm.



^{9.} Lewis Page, "The Poor Bloody Infantry," *Prospect Magazine*, March 2007, at http://www.prospect-magazine.co.uk/ article_details.php?id=8308 (December 10, 2008); Lewis Page, Lions, Donkeys and Dinosaurs: Waste and Blundering in the Military (London: Arrow Books, 2007), p. 362.