

Note of informal discussion, 18 March 2019

Members present:

Margaret Beckett (Chair), Lord Brennan, Lord Campbell, Lord Hamilton, Lord Harris, Baroness Healy, Baroness Henig, Dr Julian Lewis and Lord Powell.

Panel 1: Lord Robertson and Dr Kori Schake

Lord Robertson:

A global role would be “a natural ambition” for the UK, but there is some confusion about what sort of global role is being projected, not least until Brexit uncertainty is resolved. The UK plays a significant role at the moment, in NATO and in the EU and at the UN Security Council. The UK has significant NATO roles and Commands. Nevertheless, in the face of the security complications in the world today and Brexit, the UK will need to consider carefully how it will evolve its role, including multilaterally. “We will need a major diplomatic effort at a time when the FCO has had its budget dramatically cut over a number of years”, and we will need to rely on our intelligence capability at a time when “linkages will be disrupted” due to Brexit. Our relationship with the US is also changing: the UK used to be “America’s friend inside the EU, with leverage on both sides of the Atlantic”. Whether the UK will still have the capacity for a global role in foreign policy terms without the levers it had before is uncertain.

It is difficult to envisage many areas where the UK might have a post-Brexit foreign policy role in Europe — perhaps the only example is in relation to the Western Balkans, where the UK’s recognition of Kosovo would no longer be constrained by the policy of the current EU28 and we might be able to arbitrate as a third country. There are few such examples because “we tended to take the lead” on foreign policy within the EU.

We need a wider debate on the UK’s post-Brexit role. The Modernising Defence Programme (MDP) review took place inside the MOD, rather than across Government, and did not seek to discover what our role should be through a genuinely inclusive consultation. “Nobody feels that they have had a voice in this process outside the Cabinet Office, MOD and possibly the FCO.”

The UK’s foreign policy network is still substantial, though reduced. At a time when the UK may have to carve out new trading relationships, it would not make sense to drop particular regions in terms of its foreign policy focus, but we will be more limited on what we can do because we will have to rely on our own resources rather than on the foreign policy instruments of the EU. Certainly, “we should not be seeking to play some exaggerated global role that the Defence Secretary recently articulated.” His speech at RUSI went “over the top, talking about deploying military capability we don’t yet have, to position ourselves in the South China Sea for the future”. Supporting the US might be better done by the UK undertaking operations in such a theatre alongside the US (the Defence Secretary had been unclear whether a UK deployment to the South China Sea would be a purely UK operation) or by filling in for US capabilities, in

the same way that NATO AWACS [Airborne Warning and Control System aircraft] were deployed (under Article 5) to cover the Salt Lake City Olympics to allow the US to send its own to Afghanistan.

Dr Kori Schake:

“It is not only justifiable for Britain to maintain a global perspective, but essential for continued prosperity and security.” “It seems odd that the Government has gone this long without filling in what they mean by ‘global Britain’”. The gap between the Defence Secretary’s apparent ambition for the UK’s role and the current resources is a “yawning chasm that will invite attempts to test the UK’s willingness to achieve it”.

The UK should be in the South China Sea. Burden-sharing discussions in NATO show that many ‘middle powers’ appear to regard themselves as incapable of doing anything without US help, even though they could reach a similar magnitude of capability if they banded together. Look at what the UK has been doing with France, Australia and Japan in the past year. France is a capable nuclear and conventional power and came up with a better model in Mali for supporting counter-insurgencies. Sweden, Denmark and Norway are all capable countries, and when they band together are even better. Allies could not have intervened in Libya in the specific way they did it without American help, but there were other ways that the intervention could have been undertaken with, for example, less emphasis on precision-guided munitions or by using ground forces. Often “allies talk themselves into exquisite uselessness because they can’t do things the way the US would do, but they should instead be considering their capabilities against a standard of what is needed to successfully deal with the adversary being faced”.

Lord Robertson:

The low level of detail in the Government’s final MDP report makes it difficult to tell whether the Government has taken sufficient account of the major geopolitical changes affecting UK national security since 2015. It leaves major procurement issues hanging in mid-air and leaves it uncertain how inclusive of key stakeholders the review has been. We will have to wait for the next stage of the review in the hope of seeing greater clarity. At a recent event in Prague, marking the 20th anniversary of the accession of some NATO members, everybody was “completely bemused, confused and depressed” by what they see in the UK.

Dr Kori Schake:

The National Security Capability Review (NSCR) was useful in terms of thinking about how to coordinate and integrate across government, and policy is better as a result. The MDP had a useful purpose in “laying down markers for what the UK ought to be able to do.” But in general, defence reviews which have budgets unconstrained are of little use because strategy is fundamentally about identifying what needs to be done within the resources that a country is willing to expend. So the MDP was less useful than it could have been. The MOD is still too platform-centric in its approach to producing capabilities. In theory, strategy should not be influenced by sunk costs but

it is difficult in practice to overlook the capabilities already in place and paid for by the taxpayer. The MOD should be pressed to think more creatively about how it would use less as well as more budget; a similar system should be applied in the US, with Departments asked to plan for three different spending levels at \$50 billion increments.

Lord Robertson:

Reviews should be integrated with Spending Reviews and undertaken at no more than five-year intervals. With the MDP probably finishing finally in 2020, it will have been five years since the last capability review and will, in the end, have been linked back into the spending review process, even if not planned that way. The new Government in 1997 started by agreeing a 'foreign policy baseline' and then building capabilities, from a clean sheet, in anticipation of potential threats, but that Government was fortunate in that it did not have a major external challenge during the review period. The 1998 Strategic Defence Review (SDR) involved extensive consultation, including within the military — it was "the only review that had the support of Chiefs of Staff both in public and in private".

Dr Kori Schake:

Brexit would provide a "useful functional event" to tie the next defence and security review to. US Congress requires every new President to explain their plans as a way of holding the executive to account, so defence reviews every four years is the appropriate interval in the US system.

This is a difficult time to be a friend of the US. Public polling on immigration, allies and trade by the Chicago Council on Public Affairs has shown large swings in public attitudes in the opposite direction from the President's priorities. The President's behaviour can be erratic and often unconstructive, but "he is not nearly as rude about the UK as he is about almost every other allied country". Also, the President has a general difficulty in relations with female heads of state but gets on much better with May than Merkel.

More encouragingly, the President is not the only important voice — it is illustrative that, after rumours that the President would seek to withdraw troops from Europe and NATO, Congress passed legislation denying the President the money to do that. The Five Eyes partnership shows a continuing depth of trust in a privileged relationship that would not be replicated for other close countries. Trump serves a useful purpose, however, in raising 'first-order questions', in a way the US public can understand, which question shibboleths of post-World War Two policy in the US, including its links to NATO and Europe. But this is resulting in US public opinion moving away from his views.

Lord Robertson:

Trump has helped NATO by "shattering its complacency that the US would always be there" irrespective of members' financial investment or domestic public commitment

on defence. This has had an “electrifying effect in some NATO countries”, generally increasing commitment to the 2%-GDP spending target. “The capriciousness of his foreign policy is something that we will have to get used to, which will be a bumpy ride”. “The Europeans will have to start to look after themselves a lot more than they have done.” Some European states are undermining the relationship with the US by not sharing the burden sufficiently. NATO Secretary-General Jens Stoltenberg is right to talk about three ‘C’s — cost, capability and commitment — and if Europeans are to keep the NATO Alliance fresh they need to do more.

Dr Kori Schake:

US public opinion draws comfort when Europeans join US operations, because it shows that other countries believe the operation is right. Trump’s exasperation with Europeans’ low defence spending is widely held in the US, however, which will remain after his presidency. Eisenhower told Congress in 1951 that stationing US troops in Europe was a temporary measure until Europeans grew their capabilities. Recent reductions in planned German spending has irritated the US. The US puts a particular value, however, on allies like the UK who share its values and culture and remain steadfast over the long term, such as its allies who have contributed to operations in Afghanistan over the last 18 years.

Lord Robertson:

On China, we will have testing times ahead when we try to do trade deals with them if we are also sending carriers into the South China Sea.

Dr Kori Schake:

China is rising not just for the US, but for the UK and the rest of Europe too. It will be more cost effective for us to band together and sustain a common approach to China to cajole it into being a responsible stakeholder. The International Institute for Strategic Studies (IISS) is doing work on the Belt and Road Initiative (BRI), formulating three possible trajectories:

- (i) the BRI working as promised by China in providing additional sources of infrastructure finance for developing countries and putting China at the centre of new global trading patterns;
- (ii) the BRI becomes a debt-equity trap where infrastructure is subsequently repossessed and military bases installed in those countries; or
- (iii) the BRI becomes unaffordable for China and their approach to Western sovereign funds presents an opportunity for the West to influence China by attaching conditions to that investment.

Lord Robertson:

There was not enough substance in the MDP report to indicate whether the review conclusions will have to be revisited in the forthcoming Spending Review. The timetable of the MDP review is unclear, and it is uncertain what work is still happening

behind scenes. It says little about information warfare/asymmetric warfare, an area where we are “lamentable” — “we are preoccupied with platforms rather than with thinking and ideas”. Our adversaries — China, Russia, North Korea and Iran — are “adept at going for the cracks in our system”. An example of their approach is their engagement with British MPs on the disagreement on the Intermediate-range Nuclear Forces (INF) Treaty, where MPs were given the Chinese and Russian perspective through ‘fact sheets’ and bulletins (*China Daily* each day) but there is nothing comparable or current on the INF on UK Government websites.

Dr Kori Schake:

Because we are dominant in the main axes of warfare, we have driven our adversaries to the margins (to insurgency or hybrid warfare). There is no trade-off available for countries like the US or UK. If we were to spend on hybrid warfare and not on conventional capabilities, adversaries would target that weakness in the centre of the conflict spectrum. They are not alternatives for each other — “if you are not good at the big stuff you are going to be hit on big stuff”. Our adversaries are spending nothing like us on defence but are achieving their objectives. We need to find cheaper ways to cover the spectrum.

Panel 2: Baroness Pauline Neville-Jones and Tom McKane

Baroness Neville-Jones:

When the NSCR was initiated, threats to the UK had not changed in essence since the 2015 Strategic Defence and Security Review (SDSR). Some individual threats had changed, such as the terrorist threat, but overall there did not seem to be a basis for revisiting the 2015 National Security Strategy. In fact, the NSCR report itself does not revisit the threat situation to any great degree — “it doesn’t change the framework within which the 2015 SDSR was written”.

Tom McKane:

Agreed with that analysis — the advent of Brexit and the Trump presidency, which this Committee’s first report on the NSCR pointed to as potentially justifying the review, were not actually addressed in the Review’s report. The NSCR was not necessary but “I can see why in wake of a [2017] general election it might have seemed tidy to some to have a short review”.

Baroness Neville-Jones:

In favour of government reviewing its efforts, and the idea of a ‘posture review’ is a good one. Experience shows that a five-year strategy at the beginning of a Parliament does start to look dated by the end of that period. It might be helpful to have interim reviews “to mark your homework and update the scene”. Having posture reviews every two years or so would be helpful.

However, a “fundamental shortcoming” of the NSCR was that it perpetuated an inadequacy of the 2015 document in not addressing the changing strategic balance of power in the world. The NSCR report, written after the referendum on the UK’s membership of the EU, does not deal with the consequences of Brexit for the UK’s strategic positioning in any real sense. “The value of the NSCR document is limited because it doesn’t discuss the context in which UK is operating.”

The NSCR does look at serious and organised crime (SOC), border security and national resilience, and these are all relevant now. Recent Government strategies on SOC and CONTEST (a good example of where the Government’s Fusion Doctrine is operating) are right to focus on border security (there are still shortcomings here, as shown by the migrant boat crossings from France). They are the right issues and require further work.

The US’ strategy documents “command interest and respect”. Perhaps as a superpower, it is easier to be able to say with confidence what you are going to do about the various security issues. France produces “nicely reasoned” review documents, but whether in the end they are more convincing than the UK’s is not clear.

“The UK is so worried about saying anything about the Special Relationship which might undermine its importance or credibility [that it] puts an intellectual obstacle in the way of talking about the implications for the UK of the way the world is changing.” We cannot continue to speak of a ‘strategic partnership’ with China without saying anything about the context and the security implications. These are not reflected in the security documents. “You do need to talk about the real world.”

Tom McKane:

Not sure that there are examples of other countries that are significantly better than the UK in undertaking security reviews that take account of fast-changing threats. Agree that there is a danger of doing reviews too frequently, which can mean less time thinking about how to implement the results of those reviews.

It does not necessarily matter that the NSCR was produced two to three years after the last SDSR, but it would not be sensible to have another review this side of the next election. It would be odd to produce an SDSR in 2020, near the end of the Parliament.

Baroness Neville-Jones:

Just because it can be difficult to anticipate how threats will emerge, it does not mean you should not try. The MDP’s proposal for net assessments is a good one, provided they genuinely reflect what is happening in the world.

Tom McKane:

Any NSS/SDSR process must involve consideration of budgets. Unless you link policy objectives to the money, it would be an academic exercise. That does not necessarily

entail a zero-sum game — whether to set particular budget parameters is ultimately a ministerial choice.

Because defence accounts for 60–70% of the cost of national security capabilities, it is more likely that reviews will move money from defence to other capabilities than vice versa, simply because that can provide proportionately more significant changes. But whether concerns to protect the MOD budget led to the MDP being separated from the main NSCR is difficult to say. There is a suspicion that it was as much to do with the change in the Defence Secretary and media reports of difficulties with the defence programme.

A disadvantage of a separation is that the reviews do not look at national security and defence capabilities in the round. On the other hand, if it was decided that more time was needed to address problems in the defence programme, the separation could be regarded as a pragmatic thing to do, although the final MDP report did not suggest that those problems were in fact addressed.

I would not favour some ‘mega Department’ managing all the issues and budgets together. Rather, the secret is to coordinate and direct the activity of the different Departments involved in an effective way. That said, one drawback of the NSS & SDSR process for defence could be that it may not have the same day-to-day, direct ministerial direction that a ‘defence review’ might have because the Prime Minister cannot devote sufficient attention to the review.

Baroness Neville-Jones:

Not in favour of having national security and defence covered in the same document. Defence procurement issues need detailed treatment in their own terms and at length. The process of the second SDSR (in 2015) being managed from the centre rather than the MOD was preferable, but the MDP report did not do justice to its separation.

The national security machinery should be able to produce good-quality policy-making but it requires a strong centre and robust dialogue with Departments. “The National Security Adviser needs to lead a process, not simply be a coordinator of one”, which would be little better than what we had before 2010. The role needs to be dynamic with more challenge built into it.

Tom McKane:

SDSRs and Spending Reviews can appear to be two, not wholly integrated, processes. In 2010, there was direction from the Cabinet Office on the one hand while the Treasury continued to act as the final arbiter on how the money was allocated.

Baroness Neville-Jones:

It will be a major challenge for NATO to meet its 2% spending target, but it must try. There could be significant consequences for European security if European NATO members do not take this responsibility more seriously.

Tom McKane:

The 2% figure is a useful benchmark, but in general countries should decide how much they need to spend on the basis of the capabilities they need, rather than an arbitrary figure.

Baroness Neville-Jones:

But if there is not a figure, countries will not spend enough. Even as a crude figure, the target serves a useful purpose in providing political commitment.

Tom McKane:

The additional funding provided to the MOD in 2018 was necessary if the MOD was not going to be forced into cutbacks. The funding will tide it over until March 2020. This is not the right way to fund defence but it was understandable and sensible in the circumstances.

Efficiency programmes, as announced in the MDP, are often the result of a failure to match resources and capabilities. Such programmes are typically “the solution that the MOD reaches for when, at the end of a review, there is a gap between the cost of the capabilities that the Government has decided upon and the budget that is being allocated”. A feature of them is that they do not flesh out how the efficiencies will be secured and the MOD discovers later that they will not all be achieved.

The MDP does not say how its defence programme will be afforded, presumably while the outcome of the Spending Review is awaited. As a result, “it is difficult, from what is set out in the MDP, to be confident that what is set out will be deliverable”. “We must assume that it is validating the uplift in capability announced in 2015 SDSR, which may have been what created the financial problems in the first place.”

In his recent RUSI speech, the Defence Secretary said that the Transformation Fund would fund Littoral Strike Ships and swarms of drones. The Fund — even if it does grow to £500 million as stated in the MDP — will not pay for all of that, so we need to know more details, such as whether this money is simply paying for pre-concept phase work on those capabilities.

Nobody sensible would dissent from the stated intention to make the most of what we already have, by increasing weapon stockpiles and spares in order to improve readiness and availability of key defence platforms. Nor would they disagree with the intention to work more closely with allies or to be better at exploiting the opportunities offered by modern technology. But the MDP report provides insufficient detail to demonstrate how these worthy objectives are to be met, given the pressures on the defence budget, nor whether in themselves they will be sufficient to match the UK’s defence needs in the uncertain future we face.