

Labour's Strategic Defence Review

COLIN MCINNES

When Labour was elected to government on 1 May 1997, one of its long-standing manifesto commitments was to review defence policy. The Strategic Defence Review (SDR) was formally launched by the new Defence Secretary, George Robertson, on 28 May. Its aim was to provide the basis for a coherent, long-term defence programme up to 2015, fit for the needs of the post-Cold War world. Though it was originally scheduled to take six months, the resulting White Paper was not published until 8 July 1998.¹ In his introduction to the SDR, the Defence Secretary described it as 'radical', leading 'to a fundamental reshaping of our forces' while being 'firmly grounded in foreign policy'.² This article examines five key questions arising from these assertions. First, is the SDR as 'radical' as George Robertson has claimed? In particular, how is Labour's defence policy different from that of its Conservative predecessors? Second, how has foreign policy 'led' defence policy? What is the foreign policy baseline and to what extent has it influenced defence outcomes in terms of missions and force structure? Alternatively, has the SDR, like so many reviews before it, been driven by Treasury pressure to find cuts in the defence budget? Third, much has been made of the review being 'open' and of the attempt to build a consensus for the long term. How open was the process, and to what extent has Labour succeeded in creating a new consensus on defence policy? Fourth, there was a widespread belief at the end of the Major administration that forces were stretched if not overstretched (a view shared by the Labour party in opposition though not by the Major government itself). Has the SDR

¹ *The Strategic Defence Review*, Cm 3999 (London: TSO, 1998), hereafter referred to as *SDR*. The White Paper was accompanied by a separate volume of eleven more detailed essays on specific aspects of the Review: *The Strategic Defence Review: Supporting Essays* (London: TSO, 1998), hereafter referred to as *Essays*. The purpose of these essays was described by Jon Day, Director of Defence Policy, as 'a new development reflecting the trend towards increasing openness in defence. The 11 essays are intended to provide detailed background on how and why we came to the conclusions presented in the White Paper ... They are, however, much more than just long versions of chapters in the White Paper and have been written as self-standing essays.' Letter from Jon Day to author, 8 July 1998. Details of the SDR were leaked in advance, embarrassing the Defence Secretary into apologizing to the House of Commons: *Hansard* (Commons), 8 July 1998, cols 1073ff.

² *SDR*, pp. 1–2.

successfully addressed this problem? And finally, the SDR promises 'to provide the country with modern, effective and affordable Armed Forces which meet today's challenges but are also flexible enough to adapt to change'.³ Such rhetoric could have been voiced by any UK Defence Secretary since the Second World War. How does the reality in terms of the force structure detailed in the SDR meet this aim?

The Conservatives and defence, 1990–7

To assess how new—or 'radical'—the SDR is, it is first necessary to discuss how the previous Conservative government approached defence policy. Perhaps surprisingly, the end of the Cold War did not prompt a formal defence review in the UK. Instead, the Conservative party drew two lessons from its last defence review, conducted by John Nott in 1981⁴: that defence reviews held the potential for provoking fractious debate inside the parliamentary party as well as damaging criticism from the defence establishment (after all, strong defence held totemic value for the Conservative party, and to be criticized for failing to provide it could inflict political wounds); and that a defence review could be rapidly overtaken by events. The latter argument proved particularly important given the rapid changes in the international security environment and widespread uncertainty in defence establishments in the early 1990s. Nevertheless the Conservatives did conduct two major exercises which were defence reviews in all but name: the 1990–1 'Options for Change' exercise, which focused on defence roles and force structure, and the 1994 *Defence Costs Study* ('Front Line First'), which was concerned with cutting support costs.⁵

³ SDR, p. 6.

⁴ *The United Kingdom defence programme: the way forward*, Cmnd 8288 (London: HMSO, 1981). The most controversial feature of the 1981 review was the cuts to the surface fleet, which led to considerable discontent in the services (particularly the Royal Navy) and on the Conservative back benches. The objections of the Navy minister, Keith Speed, led to his dismissal (according to Dwin Bramall, CGS at the time, and Bill Jackson, Speed was the 'one man [who] emerged with honour' from the review, revealing perhaps more about service attitudes than about the realities of defence planning at the time). The Falklands conflict of the following year, which involved a number of ships due to be cut under the Nott review, was interpreted by many as proving Nott wrong and led to a wariness of defence reviews among subsequent Conservative governments. See e.g. Bill Jackson and Dwin Bramall, *The chiefs: the story of the United Kingdom chiefs of staff* (London: Brassey's, 1992), pp. 394ff; Eric Grove, *Vanguard to Trident: British naval policy since World War II* (London: Bodley Head, 1987), pp. 342ff; Lawrence Freedman, 'British defence policy after the Falklands', in John Baylis, ed., *Alternative approaches to British defence policy* (London: Macmillan, 1983).

⁵ *Front Line First: The Defence Costs Study* (London: Ministry of Defence, 1994). See also Eighth Report of the Defence Committee, *The Defence Costs Study* (London: HMSO, 1994). No similarly comprehensive official document exists detailing 'Options for Change'. The existence of the exercise was announced in the House of Commons on 6 February 1990. Initial results were presented to the House of Commons on 23 July 1990 and subsequent decisions on 23 July 1991. A number of details were presented in annual versions of the *Statement on the Defence Estimates* throughout the early 1990s, while a White Paper on the future of the Army was published in 1991: Cm 1595, *Britain's Army for the 90s* (London: HMSO, 1991). The civil servant at the heart of the exercise, Richard Mottram, discussed the process involved and some of the key issues in a presentation to the Royal United Services Institute for Defence Studies (RUSI), subsequently published as Richard Mottram, 'Options for Change: process and prospects', *Journal of the RUSI* 136: 1, 1991, pp. 22–6. See also Michael Clarke, 'Introduction', in Michael Clarke and Philip Sabin, eds, *British defence choices in the twenty-first century* (London: Brassey's, 1993), pp. xiii–xxv.

Neither of these was a comprehensive review, looking at the totality of defence policy and programmes; nor did either take a perspective extending much more than a few years into the future. Further, defence budgets proved vulnerable to regular and unplanned cuts as the economy weakened and pressure to contain public expenditure grew. The period 1990–7 was therefore characterized more by a rolling review than by stable planning. Of course, an evolutionary approach was hardly new to British defence planning—and there are good arguments in favour of such an approach.⁶ In the period 1990–7, however, defence policy appeared to be not so much evolving as in a state of flux and uncertainty, with budgets and priorities shifting repeatedly.

Despite this flux, Conservative defence policy demonstrated a number of fairly consistent features throughout the early post-Cold War period. First, despite the continued rhetoric of strong defence, the reality was that defence budgets were repeatedly cut. As Labour pointed out while in opposition, by 1997 the defence budget as a percentage of GDP had shrunk to its lowest this century and the armed forces were smaller in number than at any time since the 1930s.⁷ Of course, as the last Conservative Defence Secretary Michael Portillo stated, with the end of the Cold War budgets had to be cut and the government would have been criticized had it failed to do so.⁸ Moreover, the squeeze on public finances under the second Major administration meant that the defence budget was under particularly severe pressure from the Treasury. But by 1996 the scale of the cuts was so deep that the Conservative-dominated Commons Defence Committee felt that it could no longer recommend the annual defence estimates to the House.⁹

Second, the emphasis on value for money which had begun under Michael Heseltine in the mid-1980s was pressed even further, most notably in the *Defence Costs Study*. Overheads were trimmed in an attempt to gain greater defence output for a diminishing financial input. In particular, the support ‘tail’ proved vulnerable to cuts in an attempt to provide greater efficiency by focusing on combat ‘teeth’. Although the drive for efficiency may have been a worthy goal, it failed to realize sufficient savings to even approach the amount by which the defence budget was being cut, while constant financial pressure (or what the Conservatives fondly referred to as ‘discipline’) had a damaging effect on morale. Problems with recruitment and retention began to appear in all three armed services. Most critically, however, the suspicion grew that cuts in support services might lead to a ‘hollow force’ incapable of sustained combat operations. The focus on combat ‘teeth’ and on finding savings in the support

⁶ John Baylis was among the first to argue for a regular review process formalizing an evolutionary approach to defence planning. See John Baylis, *British defence policy: striking the right balance* (London: Macmillan, 1989).

⁷ John Reid, ‘The armed forces and society’, *Journal of the RUSI* 142: 2, 1997, p. 34.

⁸ Michael Portillo, ‘Conservative Party defence policy’, *Journal of the RUSI* 142: 3, 1997, p. 29.

⁹ Menzies Campbell, ‘British security and defence policy’, *Journal of the RUSI* 142: 2, 1997, p. 35. Menzies Campbell was a member of the Commons Defence Committee which produced the report as well as Liberal Democrat spokesman on foreign and defence affairs.

'tail' could be readily presented in terms of efficiency gains. After all, it was combat forces which provided defence at the sharp end. But these combat forces relied for their effectiveness on substantial support which, if cut too far, would risk their operational effectiveness. As George Robertson commented, 'Forces must have genuine coherence not just the appearance of strength.'¹⁰

Third, the Conservative government repeatedly emphasized that Britain had a world role and global responsibilities, and that the military were very much a part of this position, which represented more than mere historical baggage and Tory longings for glory days long past. Britain was portrayed as a major trading power with a vested interest in international stability, while successive Defence Secretaries pointed to permanent membership of the UN Security Council as imposing certain obligations.

We have international responsibilities flowing from our status as a Permanent Member of the United Nations Security Council; as a leading member of the European Union, of the Commonwealth and of the Group of Seven of the world's most powerful economies; and as a responsible nuclear weapons state. We take our responsibilities seriously . . . We are ready to match words with action.¹¹

Much was made of Britain's participation in the 1990–1 Gulf War and UN operations in Bosnia as evidence of this global role, with talk even of a renewed role in Asia through the Five Power defence arrangements and historic links with Commonwealth countries, particularly Australia.¹² Much less was made of Britain's non-involvement in Somalia, its limited role in Rwanda and its reluctance to become involved in Zaire, while British involvement in the 1996 crisis off Taiwan does not even appear to have been considered. The global role was therefore constrained, not least by limited resources and capabilities,¹³ while the Conservative government failed to provide clear guidance on when, where and under what circumstances British forces should fulfil their global responsibilities. Nevertheless, much was made of the UK's military expertise as a comparative advantage allowing Britain to 'punch above its weight'.¹⁴

¹⁰ Speech by the Secretary of State for Defence, Mr George Robertson, on the Strategic Defence Review, Chatham House, 12 March 1998. Available at: <http://www.mod.uk/speeches/sofs3.98.html>, April 1998.

¹¹ Speech by the Secretary of State for Defence, Michael Portillo, Falkland Islands, 2 January 1997, 'Britain's continuing global responsibilities', p. 2. Available at: <http://www.mod.uk/speeches/sofs7.htm>, December 1997. See also Malcolm Rifkind, 'Peace and stability—the British military contribution', in *The framework of United Kingdom defence policy*, London Defence Studies 30/1 (London: Brassey's/Centre for Defence Studies, 1995), pp. 109–10.

¹² Portillo, 'Britain's continuing global responsibilities', p. 3; speech by Secretary of State for Defence, Michael Portillo: Australian Defence Force Academy, 9 September 1996, 'A British view of security in Europe and the Asia-Pacific region', esp. pp. 1–2. Available at <http://www.mod.uk/speeches/sofs3.htm>, December 1997.

¹³ For an analysis of the limits of British military capabilities, see 'Britain's stretched military and the price of influence', *RUSI Newsbrief*, 16: 2, 1996, pp. 89–90.

¹⁴ See e.g. Rifkind, 'Peace and stability'; Michael Clarke, 'Commentary', in *The framework of United Kingdom defence policy*, pp. 131–3.

Fourth, NATO remained the security organization of choice. It was repeatedly described as 'the most successful alliance in history'; Bosnia was seized upon as demonstrating the alliance's worth in the post-Cold War world; it was the cornerstone of European security; the link with the United States remained vital, both politically and militarily, and NATO was best placed to ensure this; and the government remained at best sceptical but more usually hostile towards the idea of a defence role for the EU, on both political and military grounds. But the Conservatives emphasized that NATO was more than a military alliance; it had a political dimension which would be crucial in dealing with the former enemies in the east.¹⁵ Although there was a discernible shift away from a Cold War focus on the threat from this direction, the potential danger from Russia remained a source of concern and the priority attached to NATO suggested an unwillingness to move too far and too quickly from what was tried and trusted. In this respect defence policy was 'conservative', in contrast to the 'radical' vision proclaimed by Labour in the SDR.

Fifth, military forces developed a new set of buzzwords for the post-Cold War world. Forces were to be 'flexible' because of the uncertainties over where they might be used, when, against whom and for what purpose. They were to be 'rapidly deployable' since crises were likely to occur away from their traditional base areas. Operations would be 'joint' to maximize military effectiveness. Forces had to be 'balanced', given the range of operations in which they might be engaged (for which read: optimized for high-intensity warfare on the basis that it was easier for such forces to engage in low-intensity operations such as peacekeeping than the reverse). And they had to possess a technological edge to ensure success at minimum cost.

By the end of the 1992–7 Major administration, however, defence faced a series of problems. Forces were clearly stretched and probably overstretched, with gaps between operational tours too short. Morale and recruitment were low. The rolling review had created uncertainty and a period of stability was required. And for all of the Conservatives' efforts towards greater efficiency in defence procurement, Labour was able to point to a National Audit Office report that 23 of the 25 major MoD projects were over budget, and all but two would not make their in-service date.¹⁶

Labour in opposition and the 1997 general election

In the early 1980s Labour's position on nuclear weapons had broken the traditional bipartisan consensus over defence policy.¹⁷ By the 1990s Labour's

¹⁵ See e.g. Malcolm Rifkind, 'Nato', in *The framework of United Kingdom defence policy*, pp. 43–58; Portillo, 'A British view', p. 3.

¹⁶ David Clark, 'Labour's defence and security policy', *Journal of the RUSI* 142: 3, 1997, p. 34.

¹⁷ On the Labour party and defence policy in the 1980s, see Bruce George, *The British Labour party and defense* (New York: Praeger/Center for Strategic and International Studies, Washington DC, 1991); Dan Keohane, *Labour party defence policy since 1945* (Leicester: Leicester University Press, 1993).

leadership viewed this as a mistake and an electoral liability. The emphasis was therefore upon consent and a low profile for defence—party managers believed that defence could only lose Labour votes, regardless of any weaknesses in the Conservative record. Therefore Labour in the 1990s, like the Conservatives, was committed to NATO, would keep Trident and was sceptical about an EU defence role. Nevertheless a number of differences could be identified. Labour was especially critical over the lack of strategic focus in defence planning by the Conservatives. Labour argued that the rolling review had been Treasury-driven and was unrelated to defence needs. As a result Labour was committed to a defence review to provide long-term coherence in defence planning. Second, although Labour shared the view of Britain having a global role, this was constructed rather differently to the Conservatives. Labour argued that such a role was not simply to defend British interests, but that Britain should be ‘a force for good in the world’; it believed that UN machinery should be strengthened to make it a more effective security organization; and that ‘defence diplomacy’ could do much to avoid crises developing and escalating into military confrontations. Third, Labour appeared much more committed to arms control than the Conservatives and espoused the goal of global nuclear disarmament. Its election manifesto committed a Labour government to limiting numbers of Trident warheads to the levels of the current Polaris fleet, and was critical of an arms export policy which prioritized industrial concerns over ethical responsibilities. Fourth, Labour appeared to emphasize new threats such as terrorism and drugs trafficking over the risk of war in Europe, implicitly criticizing the Tories’ ‘balanced’ approach which maintained the capacity to fight a high-intensity war in Europe. And finally it argued that the defence-industrial base was critical both to the national defence effort and to the UK’s high-technology base. Government policy, it argued, had led to an erosion of this sector, and Labour would introduce a new strategy for the defence industry.¹⁸

Defence did not figure as a major, or even a minor issue in the 1997 general election. This was in stark contrast to the general elections of 1982 and 1987, and even to a somewhat lesser extent that of 1992. In all of these the Conservatives had successfully used defence as a means of undermining Labour’s electoral credibility. Therefore the lack of a defence debate in the 1997 general election was widely perceived as a success for Labour—not least by the Labour Party itself, which attributed this success to its movement towards a more bipartisan approach on defence. There was not a little irony in this, however. During the Cold War, conflict in Europe appeared unlikely (although if it had occurred the consequences would have probably been apocalyptic, and debates over nuclear weapons had been heated); but in the post-Cold War world British forces had been deployed to conflicts within Europe and without. Forces were being actively used in a manner in which

¹⁸ See esp. *Road to the manifesto: a fresh start for Britain—Labour’s strategy for Britain in the modern world* (London: Labour party, 1996), pp. 11–15.

they had not been since Denis Healey's withdrawal from east of Suez in the 1960s; and yet defence was much less of an electoral issue than it had been during the relatively peaceful days of the 1980s. Moreover, for the first time since Margaret Thatcher won the 1979 general election, the Conservatives were vulnerable on defence. Overstretch, poor morale, under-recruitment and the high incidence of programmes which were both late and over-budget were all sticks with which Labour could have beaten the Tories; but chose not to, preferring instead to avoid a defence debate.

If Labour's success was due to its more consensual approach, why was there a need for a fundamental defence review—the keystone of Labour's defence policy? Before and after the election, Labour made much of the importance of bipartisanship and consensus in defence policy, but a strategic defence review suggested if anything moving *away* from this consensus—either that, or the review would be radical and fundamental in name only, changing little by way of key policies and programmes.

The Strategic Defence Review: process

The SDR was announced in the Queen's Speech following Labour's election victory and publicly launched on 28 May by George Robertson.¹⁹ He estimated that the review should last six months and would therefore be complete by the end of the year. Indeed, in opposition there had been a feeling among the shadow defence team that this might be a priority since other elements of Labour's programme, especially the ambitious constitutional changes, could well take longer. A defence review could therefore be pointed to as an early achievement. That 14 months passed before the White Paper was published in July 1998 can probably be attributed to two factors. First, Labour had underestimated the sheer scale and complexity of such a review. If the SDR was to be not only 'strategic' in its vision, but thorough and comprehensive, six months was an unrealistic timeframe and was quickly recognized as such. Second, the SDR became entangled in the Whitehall-wide Comprehensive Spending Review led by the Treasury. An early SDR would steal a march on the Comprehensive Spending Review and, from the Treasury perspective, might provide it with an unwelcome *fait accompli*.²⁰

Robertson, like David Clark, his Labour predecessor as Shadow Defence Secretary, emphasized from the outset the importance for long-term stability of consensus in defence policy.²¹ He therefore announced that to assist in the

¹⁹ Ministry of Defence press release 055/97, 'Britain's defence: securing our future together', 28 May 1997 (hereafter referred to as MoD). Available at <http://www.coi.gov.uk/coi/depts/GMD/coi9091c.uk>, December 1997. It is worth noting that Robertson had been shadow Scottish Secretary and had not expected to become Defence Secretary.

²⁰ Rumours persist that the delay between the SDR crossing Whitehall from the MoD to the Cabinet Office in March and its eventual approval by the Cabinet in July was due to Treasury problems in Cabinet committees.

²¹ Clark, 'Labour's defence and security policy', p. 33; MoD, p. 1.

development of a national consensus on defence, and as part of Labour's commitment to more open government, the SDR would include inputs from as many people as were interested. An invitation for papers and suggestions from individuals and organizations to be sent to the MoD, two seminars over the summer of 1997, chaired by Robertson and the Foreign Secretary Robin Cook, to which interested parties were invited, a third seminar in the autumn and the appointment of an outside 'expert group' to comment on emerging conclusions were all remarkable innovations in opening up the defence review to outside ideas and stood in stark contrast to the small group which conducted the 'Options for Change' exercise.²² As the SDR stated, 'We actively sought ideas and suggestions from all sources. The aim was an open, inclusive Review which would encourage a better informed debate on defence issues and help build a wide consensus on defence policy.'²³

It is easy to be cynical about these innovations. Certainly, it is unclear just how much influence these outside contributions had in determining specific policy outcomes or in changing the predispositions of ministers and officials. Although many close to the heart of the SDR emphasized the importance of the external inputs and the significance attached to them, this view was not shared throughout the Ministry of Defence. In particular, those in the armed services on the periphery of the review, or uninvolved in the process, appeared extremely sceptical about how much influence outsiders could, would and even should have. Rather, they suspected that when the tough decisions over resources and force structures were made, it would be 'business as usual', with civil servants and the three services fighting protracted bureaucratic battles within the MoD and perhaps with other Whitehall departments (especially the Treasury). At present there is no hard evidence to support either view. What has happened, however, is that the culture of defence policy has been opened up. It is no longer solely the preserve of military officers, civil servants and government ministers; decisions are no longer simply promulgations by Whitehall. Of course, the extent to which the process has been opened up is limited, but a start has been made, defence is becoming more open and accountable, and the culture is not ruled by the assumption that Whitehall knows not only what is best but what can be legitimately discussed as part of the defence debate.

The SDR was repeatedly and deliberately described by the MoD as a *policy* review, not a budgetary or organizational review. The SDR was also to be explicitly driven by foreign policy concerns. The Foreign Office was therefore closely involved, particularly in the initial stages when the foreign policy baseline was established. Foreign Office participation was most publicly demonstrated by the presence of the Foreign Secretary at the summer seminars. The

²² MoD, pp. 2–3. Membership of the expert group was published in *Essays*, 1–11 to 1–12. Summaries of the seminars and details of those involved were made available on the MoD's web page. See <http://www.mod.uk/seminar-july 1997.htm#3>, December 1997.

²³ *Essays*, 1–5.

FO was also represented in some of the working groups established to conduct the review. The purpose of this involvement was to help identify the security context in which British defence policy would be operating in the future and to ensure close liaison between the two departments most concerned with security policy. Although the international security context had been closely examined by the MoD almost continuously since 1990, Labour claimed to see the world differently from the Conservatives: in particular, Britain's ethical responsibilities, the importance of the institutional dimension (particularly the UN) and the ability to be a 'force for good in the world' were all identified by Labour as being different foreign policy priorities which would impinge upon defence policy. Nevertheless, Foreign Office involvement was limited. In part this was because its expertise related primarily to the first stage of the SDR when the foreign policy baseline was set, and much less to later questions of resource allocation and force structure. But it also reflected the fact that while for the MoD the SDR was the dominant focus of attention for over a year, for the Foreign Office it was much less important than other issues, such as the handover of Hong Kong and the EU presidency.

The SDR did not start with a clean sheet of paper. Rather, certain assumptions were made which went unchallenged: that Britain would play a leading role in the world and that its military forces would be an important element in this position; that NATO would continue as the alliance of choice and the foundation of European security;²⁴ that Britain would retain strong conventional forces (in other words, the *gendarmierie* option would not be considered²⁵); and that Trident would be retained. All of these represented both a continuity with previous Conservative policies and a limitation on the scope of debate. Although this may have been justifiable in terms of ensuring consensus, it did raise questions over how fundamental and radical the SDR could be if these issues were not even to be debated.

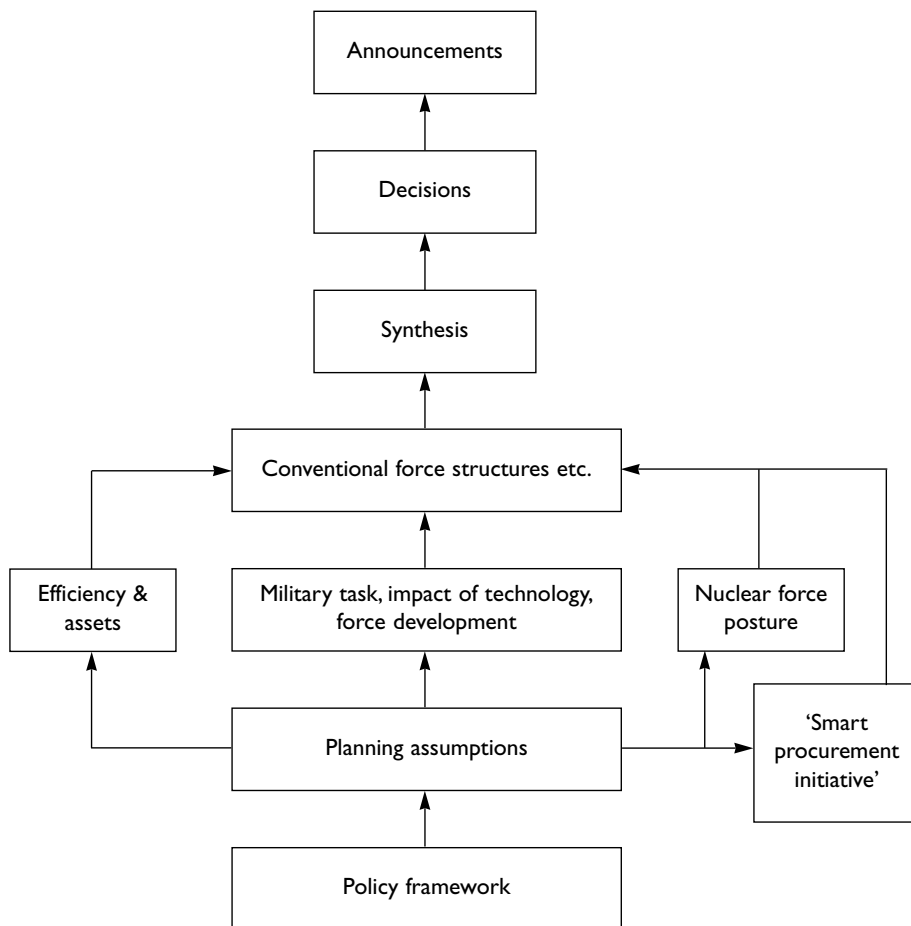
The review process moved through a number of stages. The first two were the establishment of the foreign policy baseline and then the planning assumptions from which eight military missions were derived (see below). These in turn allowed planners to identify 28 military tasks for which a range of force structure options could be considered. These options were then costed and presented to ministers for decision in early 1998. Although ministers emphasized that 'no options should be ruled out',²⁶ a number of programmes (including Trident and Eurofighter) were effectively ring-fenced, while the internal MoD nature of this 'troops to tasks' exercise suggests that the range of

²⁴ In his address to the March 1998 Königswinter Conference, for example, George Robertson spent considerable time endorsing and enthusing about NATO in a manner which echoed his Conservative predecessors, even to the extent of using the Conservative formula of its being 'the most successful military alliance' in (European) history. Speech by Rt Hon. George Robertson MP, Secretary of State for Defence, Königswinter Conference, 27–29 March 1998. Available at: <http://www.mod.uk/speeches/sof54-98.html>, April 1998.

²⁵ The option is discussed in 'Make do or mend?', *RUSI Newsbrief* 17: 4, 1997, p. 27.

²⁶ *Essays*, 1–3.

Figure 1 The SDR process



Source: *Essays*, 1–2

options considered may have been limited by bureaucratic pressures, internal norms and what Robertson described as ‘sound military experience ... and distinguished military traditions’.²⁷ Ministerial decisions were then sent to the Prime Minister on 27 March 1998 where they entered Cabinet Committee and the Treasury’s Comprehensive Spending Review (see Figure 1).

Rather than establishing a distinct review team (as had been the case with the *Defence Costs Study*), the emphasis was on using existing structures and in-house staff. The key work was carried out by a number of working groups managed by the Vice-Chief of the Defence Staff and Second Permanent Secretary. Unsurprisingly, the longest and most controversial phase was the

²⁷ *SDR*, p. 2.

'troops to task' exercise of deciding on force structure (as one key official commented, this was recognized in advance as 'where the blood will be spilt').²⁸ Two points stand out from this process. First, there appears to have been a clear attempt to devise a process whereby foreign policy principles would lead to military missions and force structure. In other words, the formal process fits with the proclaimed aim of a foreign policy-led review. Of course, this does not necessarily mean that force structures *were* derived from foreign policy principles (i.e. that the process worked). Equally, foreign policy principles may have been sufficiently open to interpretation to allow the MoD to create force structures derived from other principles but which could be presented as following from the foreign policy baseline. Nevertheless, the MoD created a process which accorded with the stated aim of the SDR being foreign policy-led. Second, despite the attempt at openness, the longest and most controversial stage of the review (the 'troops to task' exercise) was also the phase conducted to the greatest degree in-house and with the greatest degree of dependence upon internal MoD advice.

The foreign policy baseline

Given that the SDR was explicitly foreign policy driven, establishing the foreign policy baseline was identified as the first task of the review. As George Robertson commented,

This government already has a clear and different foreign policy agenda. We are internationalist not isolationist. We believe in European co-operation not offshore scepticism. We intend Britain's foreign policy to be based on clear ethical principles and not just to be driven by sharp profit. And we are committed to giving an impetus and new urgency to conventional and nuclear arms control.²⁹

Five themes can be identified in the baseline. First there is a clear emphasis upon new risks, especially terrorism, drugs, ethnic and population pressures, and scarce resources.³⁰ Although the previous government recognized these, Labour appears to place them higher in the list of defence priorities. Labour argues that interdependence, globalization and the importance of international stability mean that these are problems which a British government cannot ignore. Moreover, they are problems which exist, as opposed to the increasingly remote threat of a major war in Europe. Implicit in this is that a new response is required. The challenge now is to move from stability based on fear to stability based on the active management of these risks, seeking to prevent conflicts rather than suppress them. This requires an integrated external policy through which we can pursue our interests using all the instruments at our disposal, including diplomatic, developmental

²⁸ For more details on the process, see *Essays*, 1–2 to 1–8.

²⁹ George Robertson, 'The Strategic Defence Review', *Journal of the RUSI* 142: 5, 1997, p. 40.

³⁰ *SDR*, pp. 5, 8–9.

and military. We must make sure that the Armed Forces can play as full and effective a part in dealing with these new risks as the old.³¹

Second, Britain will remain active in promoting international security, including the deployment of military forces as and when necessary. Lawrence Freedman has commented that ‘There is a perfectly good case for 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.’³² If this option was considered by the Conservative government it was rejected; it was not even considered by Labour. The Labour party and government are internationalist by inclination: they believe they can be a ‘force for good in the world’ and that Britain has special responsibilities, not least as a permanent member of the Security Council. The Labour government is also internationalist for pragmatic reasons, notably the large number of overseas British investments and trading interests. There is a clear acceptance in the SDR that military forces will play a key role in promoting British security interests and, as George Robertson states in his introduction to the review, ‘We must be prepared to go to the crisis, rather than have the crisis come to us.’³³ Nevertheless, there are important limitations on British participation. Geographically, involvement is more likely in Europe, the Gulf, the Near East and Africa. Although a British role in the Far East has been mentioned on a number of occasions, Robertson has been clear that involvement in a crisis there is less likely than elsewhere.³⁴ And participation in areas of subsidiary interest remains a matter of choice rather than legal (or moral) obligation. Aspirations to be a ‘force for good in the world’ are clearly constrained, not least by resource limitations.

Third, Europe and NATO will continue to be central elements in British defence policy. Further, retaining US political and military engagement in Europe remains vitally important to Labour. NATO is not only considered the best vehicle for ensuring this engagement but has proven its worth as a European security organization in Bosnia. As the SDR comments,

Our security is indivisible from that of our European partners and Allies. We therefore have a fundamental interest in the security and stability of the continent as a whole and in the effectiveness of NATO as a collective political and military instrument to underpin these interests. This in turn depends on the transatlantic relationship and the continued engagement in Europe of the United States.³⁵

Fourth, there is no sense of a move towards European defence structures. Although some, such as Malcolm Chalmers, have argued that Europe is the key to the future of British defence policy and that it is only through Europe that

³¹ SDR, p. 5.

³² Lawrence Freedman, ‘The defence review—international policy options’, *Journal of the RUSI* 142: 4, 1997, p. 40.

³³ SDR, p. 2.

³⁴ Robertson, ‘The Strategic Defence Review’, p. 5.

³⁵ SDR, p. 7.

Figure 2 Defence missions

- A. PEACETIME SECURITY
- B. SECURITY OF THE OVERSEAS TERRITORIES
- C. DEFENCE DIPLOMACY
- D. SUPPORT TO WIDER BRITISH INTERESTS
- E. PEACE SUPPORT AND HUMANITARIAN OPERATIONS
- F. REGIONAL CONFLICT OUTSIDE THE NATO AREA
- G. REGIONAL CONFLICT INSIDE THE NATO AREA
- H. STRATEGIC ATTACK ON NATO

Source: Essays, 6–2.

Britain can hope to influence the international agenda,³⁶ there is no indication of a more positive attitude to an EU defence role than under the Conservatives. NATO remains the European security organization of choice, and closer defence cooperation in Europe should either be under NATO auspices or at the very least not in competition with NATO. And although Robertson has made a special point of referring to the closeness of the defence relationship with Germany,³⁷ there is little suggestion of a movement away from the traditional 'special relationship' with the United States in defence towards one with Europe.

What is striking about this foreign policy baseline is how conservative it is. If Labour is seeking to build a consensus on defence, then this is a good start. Radical options such as forsaking the special relationship for closer EU defence ties, or promoting a less internationalist and more isolationist line, were not merely rejected but do not appear to have been seriously considered. Nevertheless, there are differences from the previous government's approach, albeit more in shifts of emphasis than in radical departures. The most important of these are the priority accorded to new security risks and the extra-European perspective. On the former, the SDR states:

For the last two hundred years, the dominant force in international affairs has been the nation state. Most wars have been caused by attempts to create or expand such states. In contrast, over the next twenty years, the risks to international stability seem as likely

³⁶ Malcolm Chalmers, 'The Strategic Defence Review—British policy options', *Journal of the RUSI* 142: 4, 1997, p. 37.

³⁷ George Robertson, 'Building European security and the role of defence diplomacy', Speech to the English Speaking Union, 4 September 1997. Available at: <http://www.mod.uk/speeches/sofs4-9.html>.

³⁸ SDR, p. 8.

to come from other factors: ethnic and religious conflict; population and environmental pressures; competition for scarce resources; drugs, terrorism and crime.³⁸

On the latter, there appears to have been a distinct shift away from concerns over the residual Russian threat and the requirement to keep forces in Germany to guard against this. Instead there has been a movement towards the concept of strategic mobility and the notion that forces will have to be sent to crises, more often outside Europe than within. Although both trends were identifiable in the policies of the Conservative government, Labour has pushed them further than before, and decisively so.

Troops and tasks

The foreign policy baseline allowed the MoD to define eight key missions ‘which the Armed Forces must be able to undertake in support of foreign and security policy’³⁹ (see Figure 2). From this list the MoD developed 28 specific military tasks, each related to a mission and each requiring a particular military capability.⁴⁰ A similar methodology had been used in the mid-1990s,⁴¹ though the MoD claimed that it was ‘refined and considerably expanded’ in the SDR.⁴² What is clear is that the MoD had created a methodology for translating the foreign policy baseline into specific military tasks and capabilities. In this sense, then, the SDR was indeed foreign policy-led.

Although the defence missions are not wholly dissimilar from those under the Conservatives—a point acknowledged by the SDR⁴³—there are two critical changes as well as a number of shifts in emphasis. The first of these changes is the decision that a strategic attack against NATO ‘is no longer within the capacity of any conceivable opponent and to recreate such a capacity would take many years’.⁴⁴ Therefore there is no requirement to maintain forces *solely* to guard against a revanchist Russia. Although the Conservatives had recognized that increased warning times could allow a reduction in NATO’s readiness to fight a major war in Europe, they had still felt the need to provide forces to guard against such an attack. Labour does not. As its foreign policy baseline suggests, the nature and location of security threats have changed and defence policy must change accordingly. The second key change is the incorporation of ‘defence diplomacy’ as a full mission. Defence diplomacy is the only mission to be accorded a supporting essay in its own right, signifying the importance attached to it as an innovation in defence policy. It involves a number of activities falling short of military operations designed to prevent or defuse

³⁹ *Essays*, 6–2.

⁴⁰ The 28 military tasks are outlined in *Essays*, 6–14 to 6–18, and the resultant force structure for each mission in *Essays*, 6–19 to 6–26.

⁴¹ See e.g. Cm 2800, *Statement on the Defence Estimates 1995: Stable Forces in a Strong Britain* (London: HMSO, 1995), pp. 107–20.

⁴² *Essays*, 6–2.

⁴³ *SDR*, p. 13.

⁴⁴ *Essays*, 6–2.

crises. The three key areas identified by the SDR are: arms control, including confidence-building measures and non-proliferation initiatives; a new military task termed 'Outreach' which involves visits, military assistance, joint exercises and training programmes in central and eastern Europe; and a range of similar activities outside Europe.⁴⁵ Although none of this is particularly new (many of the Outreach programmes, for example, are already undertaken under the auspices of NATO's 'Partnership for Peace' initiative), what is different is the status accorded to these activities. This is a clear reflection of the importance attached to stability—within Europe and without—in the foreign policy baseline.

The next stage of the review process was to construct a force structure capable of meeting the demands of these military missions. The key decisions are detailed in Table 1. A number of points are worth making concerning this new force structure:

- Joint (tri-service) structures have been boosted in an attempt to obtain greater efficiency as well as reflecting the nature of modern operations.⁴⁶
- Power projection capabilities have received a substantial increase, most notably with the two new carriers but also with improvements in strategic mobility.
- There has been a shift in naval capabilities away from open-ocean anti-submarine warfare and towards littoral operations.
- Despite the reduction in tank regiments, the Army's armoured forces have not been targeted for deep cuts. Instead there is a recognition that armoured forces may have a role in a wide variety of scenarios, including peace support and humanitarian operations.
- Reserves are to be made more 'usable' in post-Cold War operations and less focused on general war requirements such as home defence.
- There is a continued emphasis upon the 'best possible equipment' being available to ensure military success at minimum cost in terms of British lives.⁴⁷
- There is an increased emphasis upon 'information warfare', especially ISTAR (intelligence, surveillance, target acquisition and reconnaissance) as vital to the future battlefield.
- Future operations will almost certainly be multinational in nature.
- Planning is based on the requirement to fight one large-scale operation (involving a division-size deployment or equivalent) or two simultaneous medium-scale operations (brigade-size deployment), while a full-scale operation in response to 'significant aggression against an [NATO] Ally' would have warning of 'many months or even years'.⁴⁸
- Support services receive considerable emphasis, reflecting the fact that forces are likely to be used on a more regular basis and may need to be sustained in theatre for considerable lengths of time.

⁴⁵ SDR, pp.14–15; *Essays*, 4–1 to 4–3.

⁴⁶ See *Essays*, 8–1 for details. 'Jointness' had become the shibboleth of the 1990s well before Labour was elected, but the SDR does give this a considerable boost.

⁴⁷ SDR, p. 4.

⁴⁸ *Essays*, 6–3.

Table 1 Main changes in force structure

	Cuts and additions	Reorganization	Confirmation and enhancement
Army	<ul style="list-style-type: none"> • 3,300 more troops to be recruited particularly for specialized areas such as signals, engineer, medical and logistic support; • <i>Territorial Army to be cut from 57,000 to 40,000;</i> enhancements within the remaining force to increase the number of individually qualified specialists. 	<ul style="list-style-type: none"> • 1 new type of <i>Air Manoeuvre Brigade to be created:</i> strengthen, and add battlefield helicopters and one parachute battalion to 24 Airmobile Brigade; • <i>Re-role 2 of the 8 armoured regiments</i> to armoured reconnaissance and NBC roles respectively, and enlarge the 6 remaining tank regiments to full 58-tank units, though only keeping 30 tanks per unit in the front line day to day; • <i>Additional Mechanized Brigade to be created,</i> re-roled and strengthened from 5 Airborne Brigade which will be dissolved. 	
Navy	<ul style="list-style-type: none"> • 2 aircraft carriers to be deployed after 2012, replacing the present 3 smaller carriers; • <i>Royal Navy Reserve to be increased by 350;</i> • 4 <i>Ro-Ro container transport ships to be bought,</i> to add to existing 2; • 3 <i>escort vessels cut:</i> frigate and destroyer force to be reduced from 35 to 32; • 3 <i>mine counter measure vessels cut,</i> reducing planned increase from 18 to 22 instead of 18 to 25; 		<ul style="list-style-type: none"> • <i>Cruise missiles:</i> all <i>Trafalgar</i>-class submarines to be made capable of firing Tomahawk land attack missiles.

The underlying theme of all of these changes is that forces are likely to be used regularly, that they must be moved to where they are needed, that they need modern and adequate equipment to do the job effectively, that they must be supported in the field and that they are likely to be operating on both a joint and a multinational basis. This reflects very powerfully the internationalist outlook and the awareness of new risks outlined in the foreign policy baseline.

	Cuts and additions	Reorganization	Confirmation and enhancement
Navy	<ul style="list-style-type: none"> • 2 attack submarines cut, from 12 to 10. 		
Air Force	<ul style="list-style-type: none"> • 4 C17 transports (or their equivalent) to be bought; • RAF Reserve to be increased by 270. • 36 combat aircraft cut: 23 offensive support and 13 air defence aircraft cut, number of squadrons to be cut by 2 to 18. 		<ul style="list-style-type: none"> • Confirmation of EF2000: the number of Eurofighters to be brought into service remains unchanged at 232; • Air-launched missiles enhanced: attention will be given to numbers and mixes of 4 different types of air-launched missile; • Tornado GR4: Deployability to be enhanced and some improvements to operations; • Nimrod-R: Improvement in on-board processing systems for long-range reconnaissance aircraft; • Air transport: Confirmation of the need for a successor to portions of the ageing C-130 fleet.
Joint		<ul style="list-style-type: none"> • Create Joint Rapid Reaction Forces to be operational by 2001, with enhanced command, control, transport and supporting arms, from which the UK's commitment to the ARRC and the AMF(L) will be met. 	<ul style="list-style-type: none"> • Create Joint Helicopter Command: all battlefield helicopters to be placed under a single command.

Source: *The Strategic Defence Review: how strategic? How much of a Review?*, London Defence Studies 46 (London: CDS/Brassey's, 1998), pp. 9–10.

Labour has also resisted the temptation to focus on light forces equipped for low-intensity operations, instead balancing a capability for peacekeeping and humanitarian operations with that of projecting force in Gulf War-type scenarios. Indeed, there is a recognition that even 'low-intensity operations' such as peace support may require well-equipped and heavily armed forces (the key lesson here being the experience of IFOR and SFOR in Bosnia).

Resources

It is on the question of resources that Labour faced one of its most difficult challenges in respect of defence policy. The new government was stuck on the horns of a dilemma. Having committed itself to strong conventional forces, Labour inherited a position where all three services were overstretched. Gaps between tours of duty were hopelessly small, morale was plummeting and recruitment was low. Despite promises made in the early 1990s to reinstate the 24-month gap between operational tours for the Army, by the time Labour was elected this had still not been effected, with devastating consequences for family life and morale; the numbers of Navy ships at sea was approaching unsustainable levels; and all three services were under-recruiting, with the Army 4,845 men below strength immediately prior to the election. Not only were the services overstretched but there were clear 'capability gaps', most obviously in terms of transport, logistics and spares for front-line equipment such as Challenger and the Tornado F3. The critical point about this sorry list is that it is one drawn up by Labour.⁴⁹ But Labour had also agreed to keep to the tight Conservative spending plans for 1997/8 and 1998/9, plans moreover which included neither a £168 million fine for overspending in the previous year, nor £189 million for operations in Bosnia.⁵⁰ The SDR also announced expenditure plans for the next three years which would leave the defence budget £915 million lower in real terms by 2001/2.⁵¹ Having admitted that forces were overstretched and under-resourced, Labour proceeded to cut the defence budget. How could the circle be squared?

There were four possible ways of doing this. First, the government could have reduced defence commitments. This has been a traditional means of dealing with overstretch, the most notable example being Denis Healey's 1968 decision to withdraw British forces from commitments east of Suez. But such an approach was difficult to reconcile with Labour's stated aim of being a 'force for good in the world', its internationalist stance and its acceptance of responsibilities deriving from permanent membership of the Security Council. Second, the SDR identified further efficiency gains (including 'smart procurement', discussed below) as allowing some of the problems of overstretch to be addressed.⁵² But after more than a decade of Conservative administrations seeking efficiency gains, and most particularly after the recent *Defence Costs Study*, how much more can really be saved through increased efficiency? Given that defence was under-resourced, despite Conservative attempts at increased efficiency, can Labour find sufficient additional savings both to offset new cuts

⁴⁹ Robertson, 'The Strategic Defence Review', pp. 1–2.

⁵⁰ The impact of these was mitigated by an increase to cover Bosnia and the 'fine' relating to the early payment of bills which did not need to be met in 1997/8.

⁵¹ SDR, p. 51. Note however that the sale of assets (particularly parts of the defence estate) will effectively reduce this shortfall to £685 million: SDR, pp. 49, 51.

⁵² SDR, p. 51.

and to make inroads into overstretch? Third, the government could have pursued rather greater role specialisation in concert with allies. British capabilities in certain areas might have been forsaken to allow resources to be diverted to other areas, the resulting 'capability gap' being covered by other members of the alliance. Although the Conservatives rejected this option as compromising freedom of action (how reliable would allies prove to be? would they be sufficiently capable militarily?), in reality British forces are already wholly dependent upon allies for certain key resources (most notably the United States for satellite navigation, strategic reconnaissance and certain areas of support for Trident). Further role specialisation would therefore have allowed resources to be redirected to those areas most in need. This option, however, was not mentioned in the SDR, Labour apparently agreeing with the Conservatives that the risks involved outweighed the possible gains. Finally, forces could be restructured in such a manner as both to produce savings and to allow them to be used in a more effective manner (including a greater emphasis on 'jointness'). This appears to have been the SDR's key tool in addressing the resources/commitments problem, with force restructuring as detailed above.⁵³ What is striking, however, is that, in contrast to 'Options for Change', restructuring has not meant major cuts in force levels—indeed, the degree of overstretch probably prohibited this—and the regular Army will actually see an increase in strength by 3,300 (though numbers in the Territorial Army will fall).⁵⁴ Instead, restructuring has meant retasking and repackaging so that forces may be used more efficiently and effectively to meet defence missions. The SDR has shuffled the pack to provide a rather more focused force structure. Whether this will prove sufficient to overcome problems caused by past and planned cuts, and to resist potential pressure from the Treasury if the economy fails to perform as well as expected, remains uncertain. But what the SDR has done is to wriggle on the horns of Labour's dilemma in the hope that a balance can be maintained rather than opting for one of the horns.

Trident

Although nuclear weapons were part of the core review process, they were considered as a separate part of the SDR (see Figure 1 above). With the withdrawal of the RAF's last nuclear gravity bomb in March 1998, this meant Trident in both its strategic and its sub-strategic role.⁵⁵ Despite the fact that it is almost ten years since Labour, in the wake of its third successive general election defeat in 1987, began to move away from a nuclear-sceptic policy,⁵⁶

⁵³ See also *Essays*, 6-1 to 6-30, 7-1 to 7-8 and 8-1 to 8-9.

⁵⁴ *Essays*, 6-8 to 6-9 and 6-11.

⁵⁵ Interestingly, the SDR has comparatively little to say about other weapons of mass destruction other than an attempt to improve capabilities against biological and chemical attack, though rather more is said in the supporting essays. See *SDR*, p.22; *Essays*, 5-13.

Trident remains a sensitive issue, particularly with the left wing of the party. And although a large proportion of the parliamentary party was elected after the bruising nuclear debates of the early and mid-1980s, sufficient numbers of participants in those debates remain, and the legacy of those debates is sufficiently strong, to ensure that Trident holds a very particular resonance for Labour. It is at one and the same time a symbol of Labour's period in the political wilderness and an important touchstone of the party's ideals. Attitudes towards Trident are therefore complex and owe as much to past debates within the party as to current defence requirements. And although Trident is no longer at the centre of the debate on British defence policy—nor, indeed, is it as central to British defence policy as it was under Margaret Thatcher—it is still the focus of some debate and a headline issue in the defence programme.⁵⁷ In the SDR, Labour maintained its commitment to nuclear arms control but argued against including Trident in START negotiations. Instead it reduced the number of planned Trident warheads to the 'minimum necessary'—under 200, compared to 300 under the Conservatives—and placed the force on a reduced alert status. In the interests of transparency it also released data on holdings of fissile material.⁵⁸

Labour's policy towards Trident appears to be a mix of pragmatism and idealism. On the pragmatic side, Labour acknowledges that most of the investment has now been made and that there is little money to be saved in cancelling the building programme. Nevertheless there would be savings in operating and maintenance costs (amounting to £277 million per annum on average over Trident's 30-year operating cycle).⁵⁹ Releasing this would go some way to dealing with problems of overstretch. Politically, however, Labour cannot cancel Trident: it would raise too many ghosts from Labour's anti-nuclear past as well as appearing to be massively wasteful of public resources at a time when money is tight. Labour has therefore used arguments similar to those made by the previous administration to justify the independent nuclear force: that at a time when nuclear weapons remain and proliferation appears possible, it would be foolish to give up these weapons for nothing in return; and that nuclear weapons confer a degree of special status.⁶⁰ But Labour also has a degree of idealism which sets its stance apart from that of the Major administration. The party is publicly committed to global nuclear disarmament and has emphasized injecting 'new urgency' into disarmament negotiations (although there is little evidence of this to date).⁶¹ In other words, Labour's long-term solution to the problem of proliferation and a nuclear world is to

⁵⁶ Keohane, *Labour party defence policy*, pp. 111–31.

⁵⁷ Michael McCgwire, 'Is there a future for nuclear weapons?', *International Affairs* 70: 2, 1994, pp. 211–28; Michael Quinlan, 'The future of nuclear weapons', *International Affairs* 69: 3, 1993, pp. 485–96 and *Thinking about nuclear weapons* (London: RUSI, 1997).

⁵⁸ SDR, pp.17–18.

⁵⁹ *Essays*, 5–7.

⁶⁰ *Essays*, 5–1; Clark, 'Labour's defence and security policy', p. 35.

⁶¹ Clark, 'Labour's defence and security policy', p. 35; Robertson, 'The Strategic Defence Review', p. 2.

get rid of these weapons rather than to deter their use. Labour has therefore cut the number of warheads on Trident missiles, though it has not dropped talk of Trident being used in a sub-strategic role. Labour, in marked contrast to the Conservatives, appears committed to pursuing a nuclear-free world, and this goal provides an important link with Labour's past nuclear scepticism.

Procurement and the defence industry

Equipment accounts for over 40 per cent of the defence budget; with the National Audit Office estimating that most major programmes continue to be both late and significantly over budget,⁶² the incentive to save money by more efficient procurement methods is quite clear. Accordingly, in July 1997 the Defence Secretary launched a 'smart procurement' initiative as part of the SDR, aimed at reducing costs and shortening the time it takes for major projects to come into service.⁶³ 'Smart procurement' appears to consist of a number of elements: simplified procurement procedures; improved collaboration with allies; increased use of commercial technologies and processes; the exploitation of lean manufacturing techniques; and the retention of competitive tendering as a key element in maintaining low costs.⁶⁴ The problem, however, is that efficient procurement in defence has been a government priority at least from the time of Michael Heseltine's creation of a procurement executive under Peter Levene; and yet, a decade and a half after that initiative, it still appears that defence procurement is inefficient and that the majority of programmes run over budget. The temptation is therefore to suggest that efficient defence procurement is the philosophers' stone of defence policy, and that there are strong structural reasons why defence programmes will run over budget. The possibility for realizing savings in the short run are limited anyway, and given the efforts of previous administrations in this area, a healthy scepticism over the possibilities for major savings in the long run appears justified. Perhaps the best that can be expected is a 'steady state' whereby cost overruns continue to exist, but do not overly threaten the defence programme. There will be some successes, there will be some failures; 'smart procurement' will limit the extent of cost overruns in the defence programme, but it is unlikely to solve the problem.

The search for efficient procurement methods and the continued use of competitive tendering may clash with another government aim: that of protecting the defence-industrial base, both as an important element of the

⁶² *Essays*, 10–1.

⁶³ MoD press release 096/97, 'Strategic defence review seeks "smart procurement"', 30 July 1997. Available at <http://www.coi.gov.uk/coi/depts/GMD/coi1281d.ok>, December 1997. See also Robertson, 'The Strategic Defence Review', p. 5. One report stated that officials believed up to 10 per cent of the equipment budget (£900 million p.a.) could be saved through smart procurement. George Parker, 'Defence procurement review aims to save £900M a year', *Financial Times*, 31 July 1997.

⁶⁴ *Essays*, 10–2.

UK high-technology sector and for its significance to the national defence effort. Labour was critical of the Conservatives for failing to develop a strategy for the defence industry and for their apparent willingness to rely on competition and market forces⁶⁵—although to what extent this really was the case is somewhat in doubt; certainly the decision to buy Challenger 2 owed as much to the imperative of preserving a UK tank industry as to the merits of the weapon system. Implicit in Labour's strategy for the defence industry is that preserving key industrial capabilities has strategic significance which may at times override efficient procurement. A UK system may therefore be purchased instead of a cheaper/better foreign-produced system to preserve certain industrial capabilities or jobs. Although efficient procurement and strong national defence industries are not necessarily mutually exclusive, the potential for friction between these two aims is quite clear.

Conclusion

This article began by asking five questions of the SDR. The first concerned whether it is as new and 'radical' as it claims. Although there is much in the SDR which is familiar, it is new in three senses. The most obvious of these is that it is a formal review which is both detailed and comprehensive. The Conservatives avoided a formal review, and the reviews they did hold (in all but name) focused upon aspects of the defence programme, not the totality. Second, it is new in the sense that it is explicitly foreign policy-led. Although foreign policy considerations informed Conservative policy, there is no escaping the suspicion that the size (and to an extent the shape) of the defence programme owed more to Treasury pressures. Third, there are a number of major changes to defence policy, some of which may have been foreshadowed by the Conservatives, but which have been taken by Labour and pushed much further. Most important are: the shift away from the defence of NATO towards power projection and strategic mobility; the priority attached to new security risks; and the emergence of defence diplomacy as a key tool in crisis prevention and in promoting international stability. The second question concerned the extent to which the SDR was foreign-policy led. Although there is as yet little information available on how key decisions on force structure were actually made, the process was clearly designed to establish a foreign policy baseline which would then be translated into defence missions and a force structure. Moreover the defence missions, military tasks and force structure are all broadly consistent with the foreign policy baseline. The third question was whether the process was 'open' or whether external inputs were ignored once internal battles began. There are in reality two questions here: was there the opportunity for external involvement? And how important was this in affecting decisions? On the first, there is no question that the SDR was

⁶⁵ Clark, 'Labour's defence and security policy', p. 33.

the most open defence review ever conducted in the UK. On the second, there is little evidence to date that key decisions were affected by external inputs. But perhaps that is too ambitious a target, especially at such an early stage in the process of opening up defence decision-making. Rather, what appears to have happened is that the *culture* of decision-making has become more open. On the fourth question, the government has attempted to overcome the problem of overstretch through increased efficiency (particularly in procurement) and a reorganization of forces. No major surgery has been proposed to cut forces, equipment or commitments; and though the defence budget has once again been cut, reductions are not as great as some feared. Instead the government has reshuffled the pack in an attempt to tailor forces to meet requirements more accurately and to increase efficiency throughout the defence programme. Whether this is sufficient, given the degree of overstretch and under-resourcing over the past few years, is at best uncertain—it will clearly require strong and capable management. What is more certain is that if the performance of the economy falters, then further defence cuts are likely which will affect the balancing act George Robertson has attempted. In particular, new and expensive programmes such as the two medium-sized aircraft carriers may become Treasury targets. Finally, the SDR has addressed two key areas in the quest for improvements in military effectiveness. The first is to improve support services—vital if forces are to be used (especially over a sustained period), but all too easily ignored or cut in the past when attention focused on combat ‘teeth’. The second is an attempt to create a more effective force projection capability. The headline feature here is the decision to replace the three small *Invincible*-class carriers with two larger and more capable carriers. But many less attention-grabbing initiatives will have a significant impact in improving Britain’s ability to send forces where they will be needed: improved strategic lift; the reorganization of reserves; the creation of an air manoeuvre brigade and Joint Rapid Reaction Forces. Of course, new equipment purchases may be vulnerable to future defence cuts, but what is apparent is that Labour has taken the requirements of its defence missions and attempted to devise a force structure capable of meeting them.