Future of Transatlantic Cooperation

An international perspective

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Fundamentals of the US/UK Security Relationship

► Common Values

► Shared Global interests

► High Technology – Uniquely Interoperable Armed Forces across spectrum of conflict

► Intelligence, Nuclear, Science, Special Forces
Similarities

► Security interests:
  - P5, NATO, G8, Global Trade

► Common Threats
  - International Terrorism, Piracy, Conventional Warfare

► UK shares some key high end niche capabilities with US – Intelligence, Special Forces, Nuclear
US Spending 1946-2009

US Defense Spending 1946 - 2009

*1976 Dip Caused by Transitional Quarter – not sudden drop in spending
UK Spending 1948-2009

Estimated UK Defence Expenditure: 1946/7 to 2008/09

- Nominal Defence Expenditure*
- Defence Expenditure at 2008/09 Constant prices*
- Near Cash**

Financial Year

Near Cash line
Cash (until 2000/01)
Net Cash Requirement (from 2001/02)
Spending as % of GDP 1948-2008

Defence Spending as % of GDP 1948 - 2008
Top 10 Military Spenders (\$Bn)*

- USA: 607
- China: 46.8
- France: 58.6
- UK: 65.7
- Russia: 65.3
- Germany: 65.3
- Japan: 84.9
- Italy: 30
- Saudi Arabia: 38.2
- India: 30

* Source SIPRI 2009 Yearbook
TOTAL US JOBS (August 2009) = >117,000 IN 50 STATES, D.C. & US Territories

* Includes:
  • UK direct investment in the US
  • UK prime contracts placed with US companies
  • US suppliers to UK primes

* Does not include:
  • UK collaborative projects

Puerto Rico - 2

AK (240) US JOBS DIRECTLY SUPPORTED BY UK DEFENCE SECTOR*
Differences

- Scale – budget approximately 10% of US spending
- Legislative/political/fiscal processes
- Cultural
- UK experience of collaborative projects
Opportunities

- Inter-operability
- Cost reduction
- Different perspectives
- Wider S&T
Broad Spectrum of Technology
Cooperation & Collaboration

- Nuclear
- Land
  - Survivability, Lethality, Fuel, Power for Dismounted Soldier, Protected mobility
- Maritime
  - From Protection against Fast Inshore vessels to the development of Future Submarine
- Air
  - Propulsion Systems, Stealth Technologies and Strategic Unmanned Air Vehicles
- Special Forces and Counter Terrorism
  - Night Vision, Electronic Counter Measures (ECM), Communication Systems, Specialist Land/Maritime/Air Vehicles
Acquisition Reform

- UK’s resource limitations meant it started far-reaching reforms 10 years ago

- Mixed success

- Some observations that may be useful to the US – both good and bad of our own experience
The Future?

- Continuation of increase in personnel costs to the detriment of equipment budgets
- Pressure on US and UK public finances
- Uncertainty - Global instability and shift in balance of power?
- Importance of interoperable coalitions
Questions?