

Contrasting Efforts: The British Strategic Defence Review and the United States Quadrennial Defense Review Processes

by Dr Jeffrey Bradford

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July 8th 2008 represented the tenth anniversary of the publication of the British Government's Strategic Defence Review (SDR).¹ The review was significant as it was both commissioned shortly after the 1997 election of 'New Labour' led by Prime Minister Tony Blair, and had as its focus the concept of being foreign policy-led as opposed to resource-led by then Secretary of State for Defence (and later NATO Secretary-General) George Robertson. In parallel, the United States Department of Defense commenced a Quadrennial Defense Review (QDR) process in 1997.² This brief article aims to contrast these two approaches and subsequent developments in defence policy.

The UK's Strategic Defence Review

Completed and presented to Parliament under the tenure of Robertson's successor Geoff Hoon, the British SDR was wide-ranging and encompassed the views of a wide audience. The review was well regarded at the time by the Armed Forces for its thoroughness, but how well have its decisions stood the test of time – the passage of a decade in which several strenuous commitments from Sierra Leone through Iraq to Afghanistan have taken place?

The centrepiece, in terms of procurement requirements resulting from SDR, was the decision to focus on expeditionary warfare with two new, large aircraft carriers at the heart of the new capability. Very recently manufacturing contracts were awarded suggesting that this procurement will conform with the approximate 15–20 year time frame it takes from concept through to entry into service of defence equipment.³ The original in-service dates for the two CVF vessels of 2012 and 2015 have drifted to 2014 and 2016 respectively.

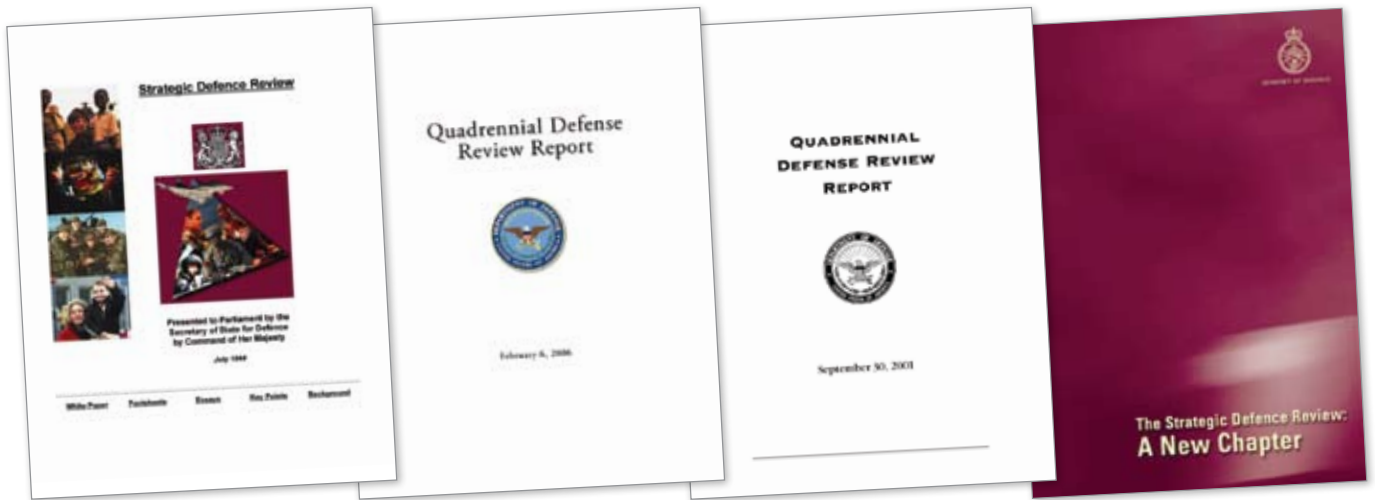
The need for improving strategic mobility was far-sighted and a cumbersome procurement under way was addressed at

the time by the leasing of four C-17 Globemaster strategic-lift aircraft from Boeing in the United States. Two years later the deal was signed and during the time which has elapsed a further two C-17 aircraft have been acquired by the Royal Air Force.⁴

However, the major casualty of the past ten years has been the surface fleet of the Royal Navy. Whilst in 1998 the plan was to reduce the surface fleet from 35 to 32 surface ships and 25 to 22 mine-hunters, the figures today are 26 surface ships (Type 22, 23 and 42 vessels) and some 16 mine-hunters. Although a construction programme is under way for successor destroyers to replace the ageing Type 42 destroyers, albeit in smaller numbers, no such relief appears to be on the horizon for the backbone of the surface fleet. This has major implications for operational capability, manpower planning and maintaining the experience base of the senior service.

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Within the world of equipment acquisition, the major organisational change as a result of the SDR was the combination of single-service logistics through the creation of a tri-service Defence Logistics Organisation (DLO). It was also felt that the separation of procurement and in-service support would assist in improving focus – aiding acquisition of equipment 'faster, better, cheaper', echoing shades of the Olympian ideal. Over the nine years since its creation it has sought to rationalise logistics provision and, most recently, was combined with the Defence Procurement Agency (DPA) into a large combine known collectively as Defence Equipment and Support (DE&S), creating the single largest Top Level Budget holder in the Department.



But what of 'faster, better, cheaper'? Achieving the goal of improving acquisition has arguably been hampered by the failure, identified by Downey in the 1960s, to spend more money in the evaluation and development phases of a project. In addition, there appears to have been little reduction in the 'gold-plating' of operational requirements. In contrast, the urgent acquisition of equipment (via the Urgent Operational Requirements (UOR) process) has continued to be successful, though its lessons are proving highly difficult to apply to procurements which do not have battlefield necessity attached to them. Additionally, Treasury rulings on long-term funding of UORs make them increasingly problematic.

Meanwhile, procurement policies focused on 'value-for-money' have created one of the most open defence commercial environments in the world, offering competitive deals to the Ministry at the increasing expense of the UK defence manufacturing base – something which the subsequent Defence Industrial Strategy (DIS) may, or may not, assist in redressing. The increasing use of the words 'partnership' and 'partnering' reflects efforts to prevent the full effect of market forces wiping out the indigenous industrial capability.

The US Quadrennial Defense Reviews

Looking across the Atlantic, how well have the policy measures, undertaken by the US Department of Defense (DoD) over the same period, aged? The Department of Defense has undertaken three four-year QDRs of policy in 1997, 2001 and most recently 2006.

The QDR was borne from a series of four rapid reviews as the Pentagon sought to grapple with the end of the Cold War and re-orientate its strategy and force structure. The 1997 QDR came out ahead of its British counterpart. The subsequent installment emerged rapidly after the tragedy of 9/11 and the most recent, five years later, was influenced, it could be suggested, by strong debates over the effects of Iraq and Afghanistan commitments on US defence policy.

The 1997 QDR emphasised the continuing requirement of the US Military to be able to fight successfully two large-scale regional conflicts simultaneously, and the resultant needs for equipment and infrastructure.⁵ At this point the overall defence budget was some \$250Bn and the target for procurement was \$60Bn.⁶

The 2001 review was completed swiftly in the aftermath of the 9/11 terrorist attacks. Traditional threat analysis was changed to a capabilities-based model of analysing potential threats to security. This approach proposed the need for major recapitalisation of the defence infrastructure and funding to improve recruitment, retention and training, and to increase readiness levels. In addition Secretary of Defense Donald Rumsfeld identified new technologies as well as excess infrastructure and DOD business processes which required review. Despite the removal of the section concerning resources in the body of the review, the Chairman of the Joint Chiefs noted that the 1997 procurement goal had been reached, and that the new demands suggested a procurement target of \$110–130Bn as necessary.⁷

By 2006, the QDR contents pages addressed the effect of sustained operations in 'fighting the long war'. Whilst the review largely concerns the needs of transformation, there is somewhat tellingly little or no mention of overall resource needs. The separately issued 2007 budget proposals flagged a requirement for an overall budget of \$493Bn (nearly double the 1997 figure) and procurement in the \$80–90Bn range.⁸

SDR's New Chapter

The 'SDR: A New Chapter' mini-review illustrated either a similarity of thinking with the United States post-9/11 or else drew heavily on the 2001 QDR outcomes.⁹ In resource terms, however, it led to a 1.2% annual increase for three years.¹⁰ One of the more provocative implications of the review was to bind the UK defence effort more closely to the United States. The then Secretary of State for Defence Geoff Hoon observed,



"From the outset, we demonstrated by our actions our wish to work closely with our most important ally, the US. Our ability to operate alongside the US ... will be key to future success."¹¹

This was provocative in so far as there existed significant political discord regarding US intentions towards Iraq, coupled with implications for procurement and the domestic defence industrial base.

Post-SDR it could be suggested that three procurements, coupled with multiple large- and medium-scale operational commitments, have placed the MoD under substantial pressure. The lack of an ideal outcome to avoid procuring all 232 Eurofighter aircraft, despite a required RAF future fast-jet front line of 70 (including the Joint Strike Fighter) is a potentially debilitating expenditure of resource.

The reduction of surface ship numbers to protect the funding for the Future Aircraft Carrier (CVF) budget will make them reliant on the statistic pushed by the former First Sea Lord that, "No aircraft carrier has been lost to enemy action since 1944." In addition, what if the STOVL variant of the Joint Strike Fighter does not enter production?

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Lastly, due to timing, the Vanguard submarine-borne nuclear deterrent was largely absent from consideration in the review. Now is the time for a number of decisions to be set in train regarding its successor, which will likely be no cheaper to procure than previous generations.

Resources are now more stretched than ever before. One senior official once suggested that the MoD in effect commits 120% of the actual funds available, thus suggesting that any increase in budget less than 20% will have no material improvement for the defence enterprise. The cuts in numbers of platforms acquired reflects the difficulty of doing more with increasingly less, whilst no effort is made to fundamentally choose which commitments to pursue and which to downplay. It is perhaps somewhat ironic that, as government policy has increasingly focused on meeting key performance indicators, the obvious outcomes won by MoD have actually led to lower levels of funding (when defence inflation is taken into account).

Conclusion

The QDR has provided the US Defense Department leadership with the opportunity to review its position at

set points. However, despite massive resource increases, many of the challenges remain the same as for the United Kingdom – balancing procurement versus in-service support, the size of infrastructure, recruitment, care and retention of personnel, in-sourcing versus out-sourcing and modernising business processes. Greater funding alone does not seem to equate to simpler decision-making.

Looking at SDR some ten years after its publication it is clear that both the rigour applied to the process and the effort to solicit a wide range of views were highly commendable. The British approach of holding a review only as necessary during a period of intense pressure on resources has proven, it could be suggested, a political hindrance, with the British Government lacking the 'safety valve' of a pre-programmed review to make mid-course corrections to policy without taking a significant political risk. Instituting a formal policy review schedule of a broader character than the narrower, resource-driven Comprehensive Spending Round (CSR) could prove an advantage in better tailoring of scarce resources devoted to a small, yet globally well-regarded, defence enterprise. ■

NOTES

- ¹ Cm 3999, *The Strategic Defence Review*, The Stationery Office, London, July 1998
- ² For more information see Department of Defense, *Report of the Quadrennial Defense Review*, May 1997; Department of Defense, *Quadrennial Defense Review Report*, 30 September 2001; Department of Defense, *Quadrennial Defense Review Report*, 6 February 2006
- ³ United Kingdom Ministry of Defence press release, £3 billion contracts signed for largest ever UK warships, 3 July 2008
- ⁴ United Kingdom Ministry of Defence press release, Sixth C-17 swoops into Britain, 3 July 2008
- ⁵ Department of Defense, *Report of the Quadrennial Defense Review*, May 1997, Section III, Defense Strategy
- ⁶ Ibid, Section IX, Resources
- ⁷ Department of Defense, *Quadrennial Defense Review Report*, 30 September 2001, Section VIII, Statement of the Chairman of the Joint Chiefs of Staff
- ⁸ Department of Defense, *National Defense Budget Estimates for 2007*, March 2006, Pages 5–6, Tables 1–2, 1–3
- ⁹ Cm 5566, *The Strategic Defence Review: A New Chapter*, The Stationery Office, London, July 2002
- ¹⁰ Ibid, Section 6, Paragraph 89, Page 28
- ¹¹ Ibid, Introduction, Page 5