

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

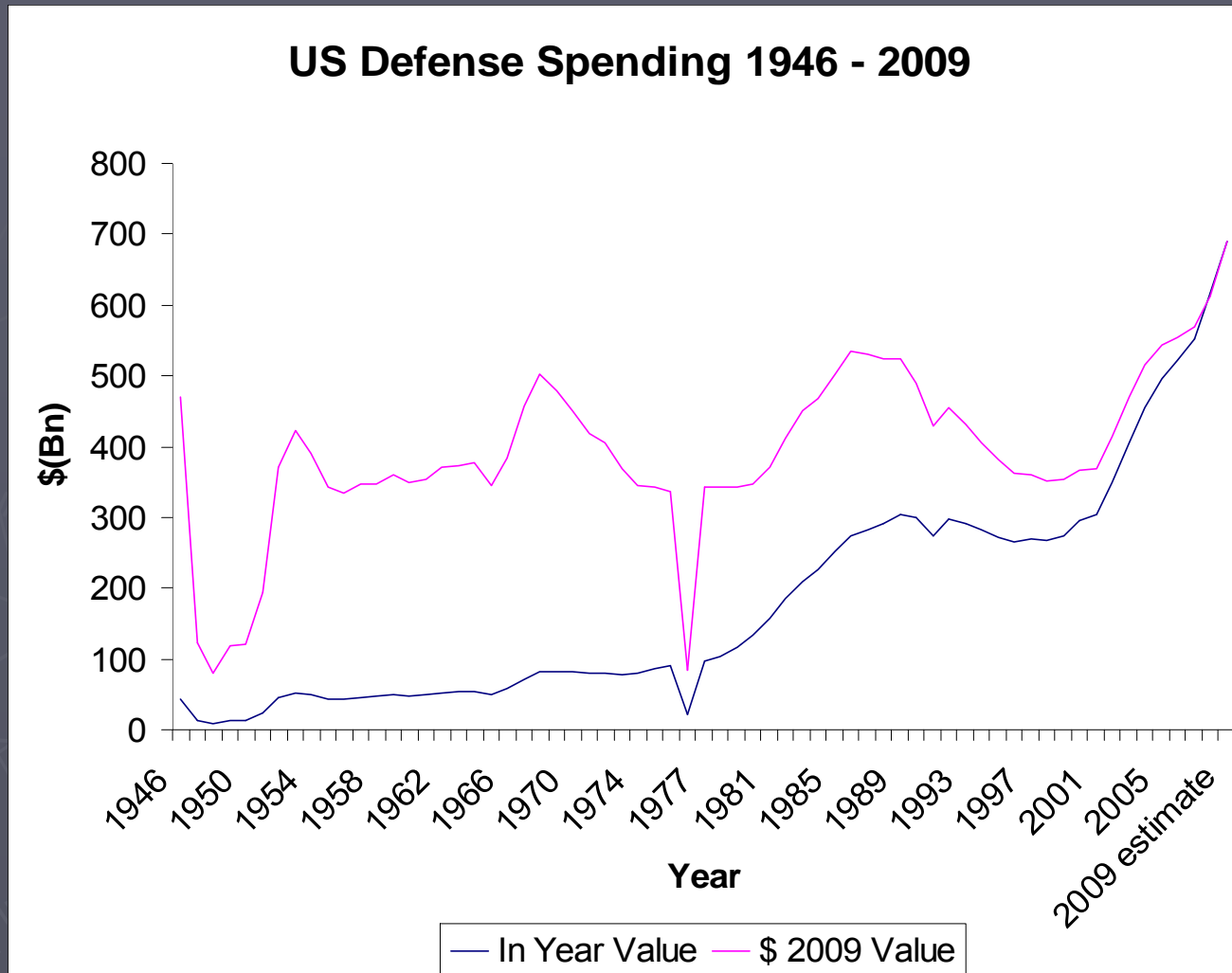


Similarities

- ▶ 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



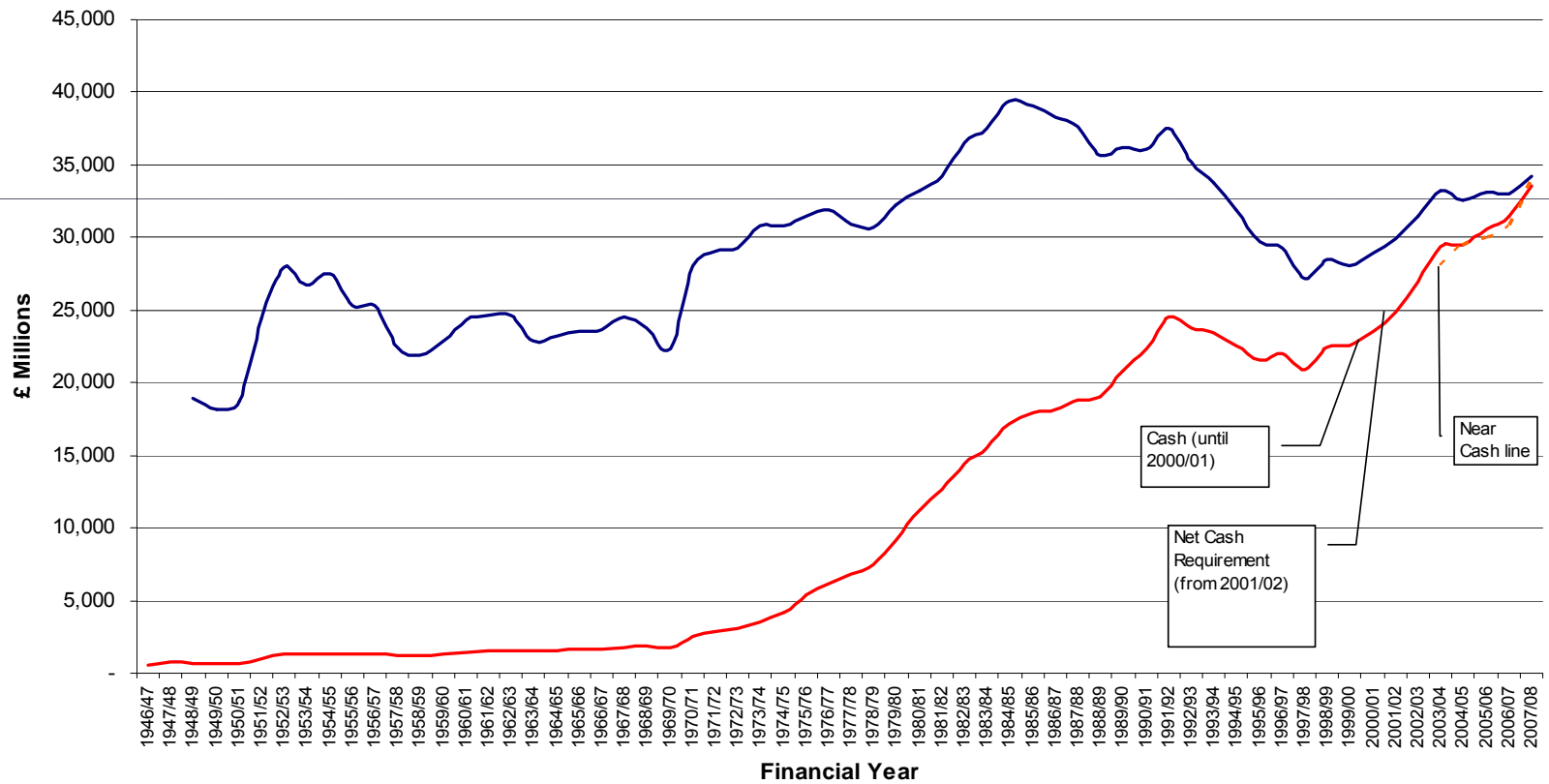
US Spending 1946-2009



*1976 Dip Caused by Transitional Quarter – not sudden drop in spending

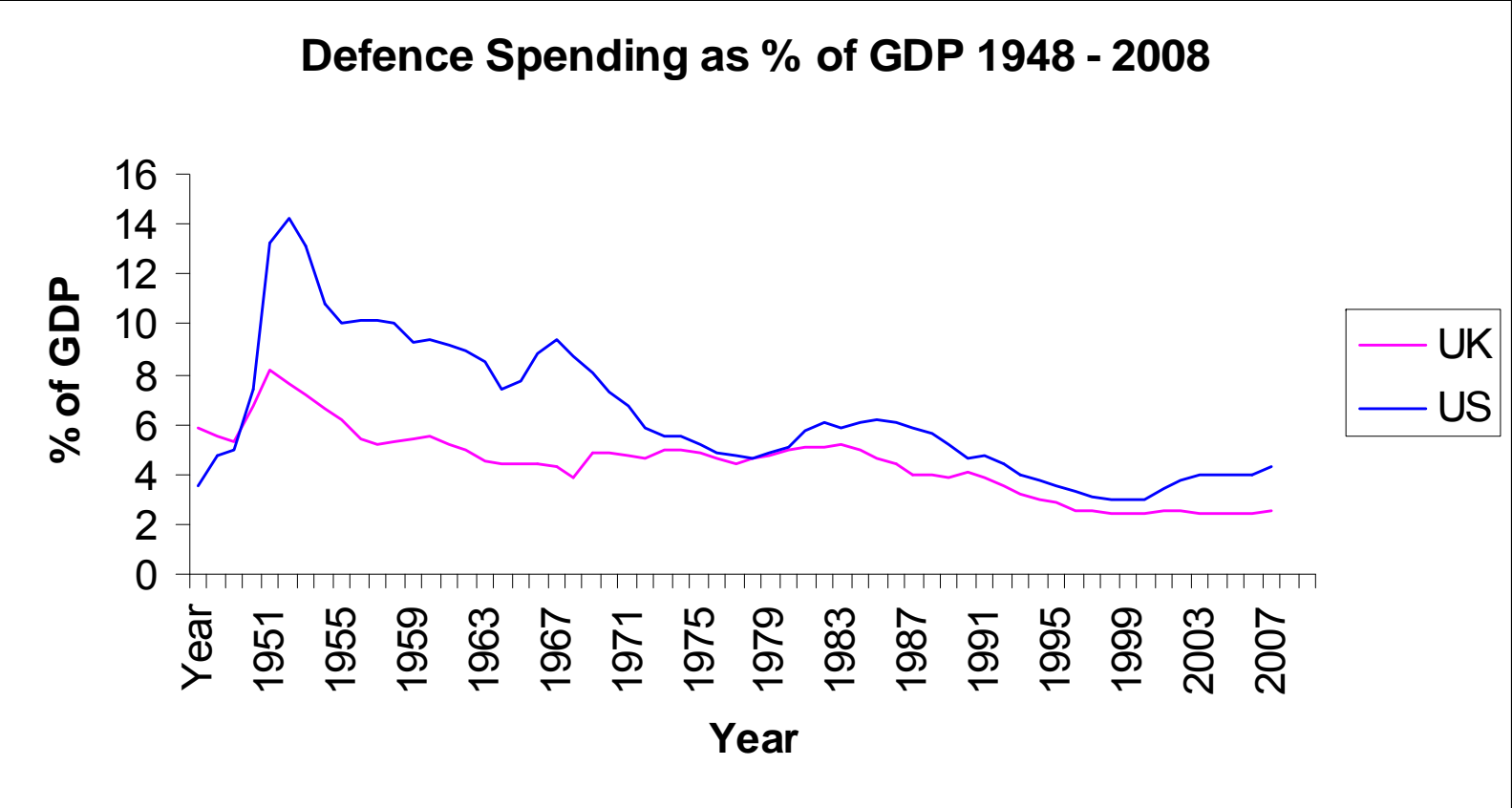
UK Spending 1948-2009

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



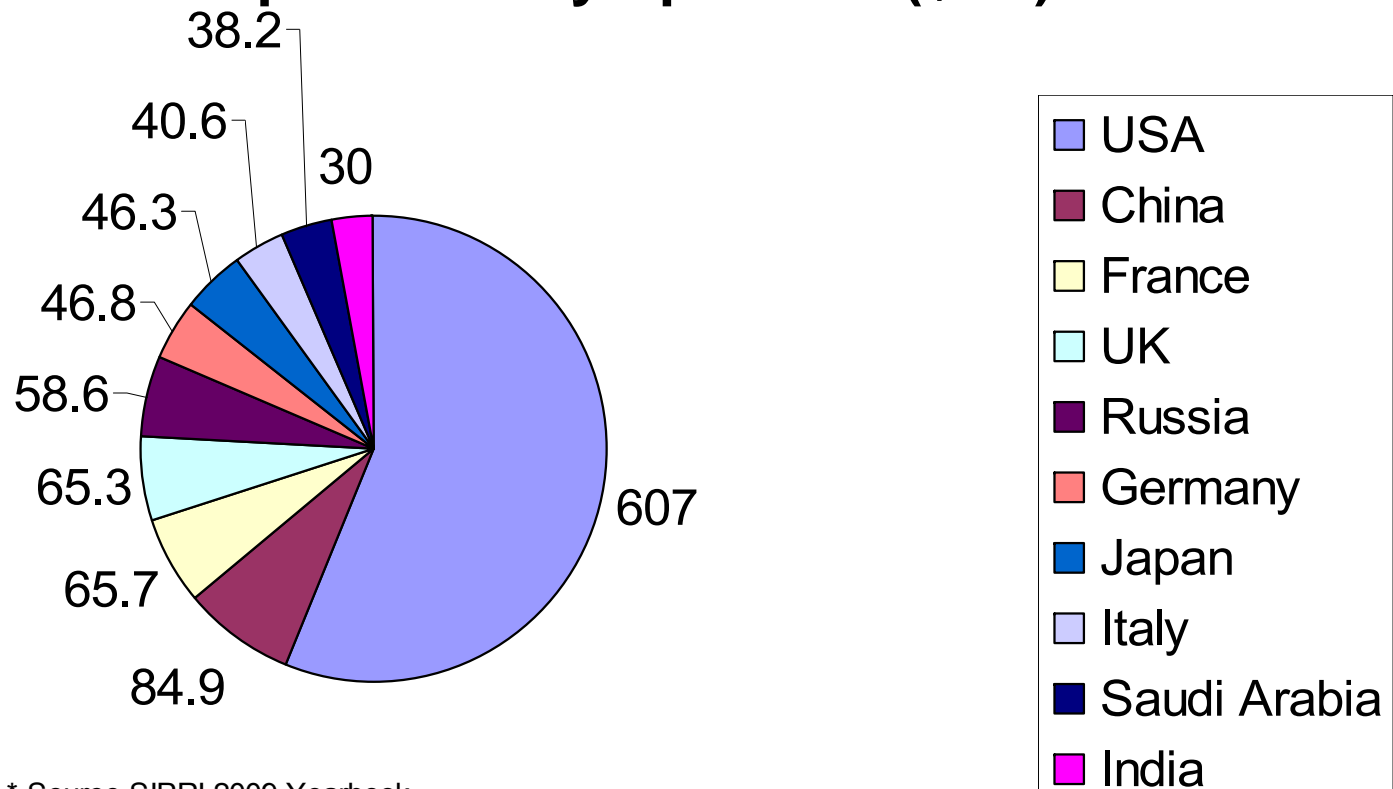
— Nominal Defence Expenditure* — Defence Expenditure at 2008/09 Constant prices* - - - Near Cash**

Spending as % of GDP 1948-2008



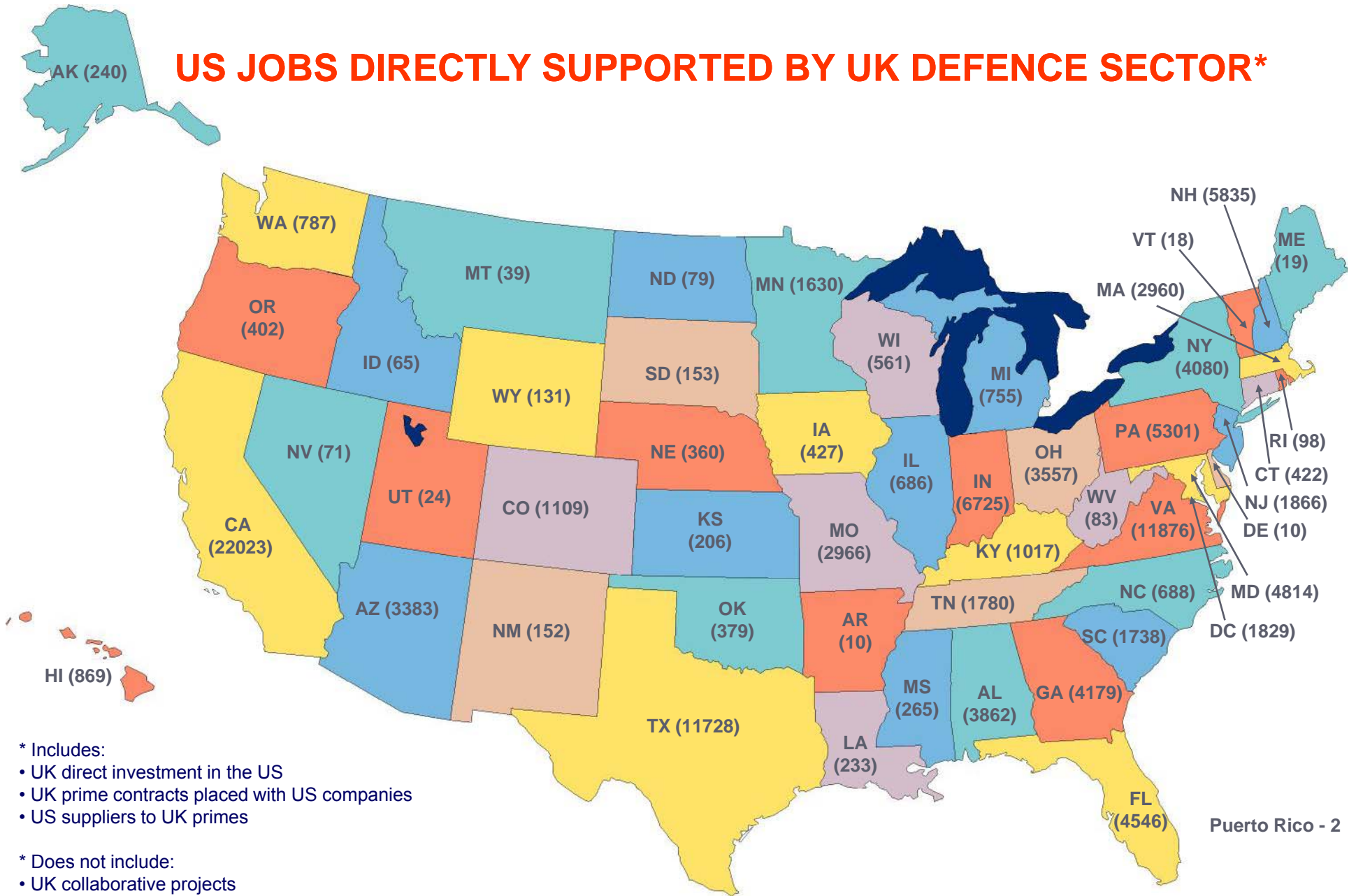
Top 10 Spenders

2008 Top 10 Military Spenders (\$Bn)*



* Source SIPRI 2009 Yearbook

US JOBS DIRECTLY SUPPORTED BY UK DEFENCE SECTOR*



- * 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

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

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?

