

Occasional Paper

Bracing for 2025

The UK and European Security Under a Trump Presidency

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Published in 2024 by the Royal United Services Institute for Defence and Security Studies.



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RUSI Occasional Paper, March 2024. ISSN 2397-0286 (Online).

Cover Image: Donald Trump press conference, NATO Brussels summit. Gints Ivuskans / Alamy Stock Photo

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Executive Summary

If Donald Trump were to be re-elected this year, a rapid reduction in US aid to Ukraine seems probable. European allies could also face the prospect that the US's commitment to NATO might be ended, or at least substantially reduced.

Even if a Democrat is returned to the White House, they will face the reality of a US defence budget that is both fiscally constrained and increasingly stretched geographically.

The Ukraine war has already led to European rearmament on an often-underappreciated scale. European defence spending has increased by 60% since the 2014 invasion and is set to increase further in the years ahead. The most remarkable increase is in Germany, whose commitment to spending 2% of its GDP on defence could, if sustained over the coming years, make it Europe's most formidable conventional power. These new defence investments across Europe, combined with the destruction of a large part of Russia's capability in battle, offer an opportunity for Europe to take on a larger share of the burden of its own defence.

If the US were to substantially reduce its military contribution to NATO, debate would intensify on reforming the institutional architecture of European defence. But the immediate priority would be to steady the ship, ensuring that the major European powers, working closely with NATO and the EU, take a united stance against any Russian attempt to take advantage of US withdrawal.

For the next decade at least, there will be strong pressure on the UK to prioritise those capabilities that are most important in providing for European defence, especially those which fill any gaps left by a possible American withdrawal. Although UK defence spending has grown more slowly than that of other European countries, the re-emergence of an acute threat from Russia has driven a commitment to a major recapitalisation of the UK's nuclear capability.

Introduction

Back to 2020 ... We were in Davos. And Donald Trump said to Ursula [von der Leyen], ‘you need to understand that if Europe is under attack we will never come to help you and to support you, and by the way NATO is dead, and we will leave, we will quit NATO.’¹ *EU Commissioner Thierry Breton*

If Donald Trump returns to power in January 2025, the value to the US of the structures created after 1945 – the networks of US-led alliances in Europe and Asia, as well as the main global regimes on trade and finance – could be called into question. Nor should much comfort be drawn from Trump’s first term in office. His nationalist approach to foreign policy has deep roots in American political culture and geography and has become mainstream thinking in the congressional Republican Party. Even if the Democrats retain the White House in 2025, a return to the internationalist cross-party consensus of the past is unlikely. This paper, therefore, assesses how detrimental a second Trump presidency could be for UK and European security. The research for the paper relies primarily on the author’s participation in discussions with experts and NATO government officials in late 2023 and early 2024, as well as analyses by the author of policy documents published over the past year.

If Trump were to be elected, a rapid reduction in US aid to Ukraine seems probable. European allies could also face the prospect of the US’s commitment to NATO ending, or at least being substantially reduced. The new president would have several options available to him that do not involve a formal withdrawal from NATO. He could issue a statement making clear that he does not feel bound to honour the security guarantees that are at the heart of NATO. Or he could demand a radical reform of NATO that allows him to withdraw most US troops from Europe. He might propose that the post of Supreme Allied Commander Europe be held by a European military officer, breaking the link with the head of US European Command. Or he could bring the Alliance machinery to a halt by making new decisions dependent on European allies accepting US demands for reform.

Even if only part of this comes to pass, UK policymakers will have to be more creative and agile, and more comfortable with uncertainty. They will need to get used to a dizzying pace of change, dwarfing the last period, under both Trump and Joe Biden, in complexity. Over the past two years, despite the multiple

1. Jakob Hanke Vela with Zoya Sheftalovich, ‘Kyiv Seeks Air Defense Missiles at NATO-Ukraine Meeting’, Brussels Playbook, *Politico*, 10 January 2024.

challenges it has faced, the UK has been able to draw comfort from the Biden administration's strong commitment to the Alliance. If this were to change, governments around the world – friends, foes and those who are neither – would all be adjusting their own policies. It would be a moment of both peril and promise. The importance of policy creativity, and effective policy delivery, would be higher than ever.

It is far from clear what 'fundamentally reevaluating' NATO's purpose, promised by the Trump campaign, would mean in practice.² It would not necessarily involve a full withdrawal of the US from the security guarantees that it provides through NATO. Given the competing pressures on the Pentagon's scarce resources, however, it is likely to mean fewer US resources devoted to Europe's defence, and less certainty over whether more US forces would be sent to the continent in the event of a crisis.

Nor would a scaling down of US NATO commitments necessarily mean an end to the US–UK security and defence relationship. The special intelligence and nuclear relationships between the two countries, embedded in the Five Eyes agreement and the US–UK Mutual Defence Agreement respectively, would likely continue even if the US were no longer a NATO member. The US might decide to keep bilateral security links to other European key states, even if it were to withdraw its wider Article 5 guarantee from all NATO members. This would be in keeping with Trump's statements, where he emphasises that his commitment to the defence of any specific European country would depend on the behaviour (and specifically the spending level) of that country. Even if it were to withdraw from NATO membership, therefore, the US could remain a significant, albeit less predictable, actor in European security.

If the reliability of the US were to diminish, the UK would likely place more reliance on other partnerships. European allies would become more important, as would other important Western partners (Japan, Australia, Canada, South Korea and New Zealand). It would pursue more issue-based coalitions with other governments, seeking to balance against US influence in areas – such as reducing global carbon emissions – where the Trump administration supported policies to which the UK was opposed.

It would not be an easy moment. The perception that the US was willing to retreat from its core NATO security commitments would be an opportunity for Russia and China to advance their own interests. After the remarkable unity of the West over Ukraine, a weakening of the US guarantee to Europe would be seen as a vindication of their efforts to build an anti-Western coalition.

2. Trump Make America Great Again 2024, 'Agenda47: Preventing World War III', 16 March 2023, <<https://www.donaldjtrump.com/agenda47/agenda47-preventing-world-war-iii>>, accessed 4 March 2024.

The UK military, like those of other NATO states, has been in the comfortable position, when facing new operational challenges, of being able to assume that the massive resources of the US will be there to fill any gaps that might exist in its own capabilities. The UK has consistently been NATO's second-largest defence spender since the Alliance's formation, and the US's strongest ally among the larger NATO European states. Even so, in most recent crises a British military contribution has been valued as much for its political symbolism – the US does not like to fight alone – as for its operational necessity.

If European states were forced to take primary responsibility for NATO's defence, the role of the UK would become more consequential. After a decade of rapid growth in Central and East European defence budgets, the UK was still responsible for 23% of total NATO European defence spending in 2022.³ And this number understates the country's weight as a defence power. While Germany is now overtaking the UK as NATO Europe's largest spender,⁴ it remains well behind in its accumulation of capability and operational experience. The UK is one of only two NATO European members – the other is France – that possesses nuclear weapons and has a significant ocean-going navy. It is the only European power with access to the Five Eyes intelligence-sharing arrangement, which could prove even more important for NATO if the US were otherwise to take a much less prominent role.

Not least, the UK, even during a period of exceptional domestic political turmoil, was able to play a key role in orchestrating military support for Ukraine. At several points over the past two years, the UK was willing to supply some types of military assistance well before the US agreed to do so. One of the most difficult challenges which European leaders would face if they had to take on the primary role in organising their own collective defence would be gaining the ability to think and act strategically. The UK would be more advanced than many in this, in part because of its long (and underappreciated) history of acting as a 'second centre' of analysis and decision-making in the Atlantic Alliance.

Given this, a strong UK commitment could be decisive in helping to build a broad European response to an American withdrawal. Security on the European continent matters more to the UK than it does to the US, which is why the UK committed itself to the defence of its European neighbours in 1914 and 1939 even as the US remained neutral.

Drawing historical parallels is inherently difficult. If the US commitment to the defence of NATO allies were to be called into question by the next administration, perhaps the most apposite comparison would be with the key role that UK Foreign

3. See NATO, 'Defence Expenditures of NATO Countries (2014-2023)', 7 July 2023, Table 2, <https://www.nato.int/cps/en/natohq/news_216897.htm>, accessed 4 March 2024.
4. *The Economist*, 'How Boris Pistorius is Transforming the German Armed Forces', 21 February 2024.

Secretary Ernest Bevin played during the first post-war years. UK efforts during this formative period played a vital part in making European defence cooperation possible (through the Treaty of Brussels in 1948) at a time when the US still seemed bent on withdrawing its forces as rapidly as possible. Assisted by Soviet aggression in Czechoslovakia, the UK was then able to persuade the US to join with the European powers, together with Canada, in signing the North Atlantic Treaty the following year. If Trump does decide to question the nature of the US's NATO commitment, the coming period could see diplomatic activity as intense, and consequential, as that between 1946 and 1949. Then, as now, the UK could play an important role in shaping the outcome.

This paper comprises four chapters. Chapter I examines Trump's potentially radical programme of change, both at home and abroad, with a focus on the foreign policy programme. Chapter II outlines the economic factors underpinning US defence and security, while Chapter III explores the question of alliances, especially in relation to Ukraine. The final chapter concludes with an overview of the impact of a second Trump presidency on UK and European defence priorities.

I. American Overstretch

If Donald Trump wins, especially if his party also controls both houses of Congress, he is likely to embark on his already-promised radical programme of change, both at home and abroad. In his first term in office, he showed that he was strongly inclined to reduce foreign military commitments – for example in Syria, Afghanistan and Germany – and focus defence more on narrowly defined US national interests.⁵ He was more sceptical of the value of military intervention than many of his hawkish Republican advisers. He was highly sceptical of the value of international institutions for the US, whether in relation to trade, climate or security. He repeatedly expressed sympathy with Russian security concerns and opposed efforts to aid Ukraine. He reportedly indicated his support for withdrawal from NATO on repeated occasions.⁶

A re-elected President Trump is likely to double down on most, if not all, of these stances, and to have the support of his party. His plans for a massive overhaul of government personnel have been widely reported, with thousands of existing officials set to be replaced by Trump loyalists.⁷ Both Trump and his followers are determined not to repeat the experience of his first term, when, especially in relation to national security, successive senior appointees saw their primary role as being to frustrate the president's more extreme policies. This time, we are told, Trump is likely to enter office with appointees who are loyal to his vision.⁸

Yet, in most respects, Trump's foreign policy programme represents only the extreme end of a shifting US consensus, rather than a total departure from it. Once the political rhetoric is stripped away, Biden has not reversed many of Trump's protectionist measures. He has not been prepared to add new judges to the WTO appellate court, effectively paralysing that body. Nor has he been prepared to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, leaving Japan and the UK as the two largest member economies. A majority in both US parties now appears to believe that a 'foreign policy for

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5. Mark Lander, Helene Cooper and Eric Schmitt, 'Trump to Withdraw U.S. Forces from Syria, Declaring "We Have Won Against ISIS"', *New York Times*, 19 December 2018; Philip H Gordon, 'Trump's Sudden and Dangerous Troop Withdrawal from Germany', Council on Foreign Relations, 8 June 2020, <<https://www.cfr.org/in-brief/trumps-sudden-and-dangerous-troop-withdrawal-germany>>, accessed 4 March 2024.
 6. Julian E Barnes and Helene Cooper, 'Trump Discussed Pulling U.S. from NATO, Aides Say Amid New Concerns Over Russia', *New York Times*, 14 January 2019.
 7. Gram Slattery et al., 'Trump Would Install Loyalists to Reshape US Foreign Policy on China, NATO and Ukraine', *Reuters*, 18 December 2023; Jonathan Swan, Charlie Savage and Maggie Haberman, 'Trump Plans to Expand Presidential Power Over Agencies in 2025', *New York Times*, 17 July 2023.
 8. Erin Banco and John Sakellariadis, 'The Prospect of a Second Trump Presidency has the Intelligence Community on Edge', *Politico*, 26 February 2024.

the middle class' requires greater protection for American workers from international competition.⁹ This is very different from the consensual internationalism of the George Bush and Barack Obama presidencies between 2001 and 2017.

The consensus on military intervention is also very different from that period. Both Trump and Biden are sceptics in relation to any suggestions for military intervention that remind them of the multiple failures of the post-2001 period, and the total bill of \$8 trillion which these incurred.¹⁰ Against Pentagon (and UK) opposition, Biden delivered on Trump's decision to abandon the commitment to Afghanistan, opening the way for the Taliban to return to power.¹¹ Both Trump and Biden sought to draw down the scale and cost of the US's defence commitment to Middle East security, and both presidents were anxious to avoid war with Iran.

In the new circumstances created since Hamas's attack on Israel in October 2023, it is far from clear that the commitment to a light footprint approach to the Middle East can be maintained. And it would not be the first time that the commitment to supporting Israel's military security – central to the approach of both presidents – had pulled the US back into the region, at the expense of Asia-Pacific commitments. There is little difference between the Trump and Biden approaches in this regard.

There is clearly a substantive difference in approaches to the war in Ukraine. Where both Biden and Trump are united, however, is in their shared belief that the US should not be a direct party to the conflict, and that it should take the risk of nuclear escalation very seriously. This concern has been at the heart of Biden's reluctance – despite repeated pleas from Ukraine – to supply longer-ranged weapon systems and combat aircraft to Ukraine. The prohibition on the use of US-supplied weapons against Russia's own territory (a prohibition that the UK also applies) is also driven by escalation concerns.

Clearly there are also very real differences in approach. Biden's administration has made support to Ukraine a top priority, providing large quantities of military aid as well as vital intelligence and training support to the war effort. Trump, in contrast, has frequently expressed his admiration for Russian President Vladimir Putin as a leader,¹² has made clear that he would seek to impose a

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9. The White House, 'Remarks by National Security Advisor Jake Sullivan on Renewing American Economic Leadership at the Brookings Institution', 27 April 2023, <<https://www.whitehouse.gov/briefing-room/speeches-remarks/2023/04/27/remarks-by-national-security-advisor-jake-sullivan-on-renewing-american-economic-leadership-at-the-brookings-institution/>>, accessed 19 March 2024.
 10. Watson Institute for International and Public Affairs, Brown University, 'Costs of War', <<https://watson.brown.edu/costsofwar/>>, accessed 6 March 2024.
 11. Helene Cooper and Eric Schmitt, 'Defence Chief Says He Advised Against Staying in Afghanistan "Forever"', *New York Times*, 29 September 2021.
 12. See for example Joseph Gedeon, 'Trump calls Putin "Genius" and "Savvy" for Ukraine Invasion', *Politico*, 23 February 2022.

settlement on Ukraine, and has urged Congress to reject further requests for military aid.¹³

More broadly, whereas the Biden administration has devoted much effort to repairing and maintaining strong Alliance relationships, a Trump presidency would likely be more confrontational in its approach to European allies seen as freeriding on US protection.

Yet American policymakers of all parties want European states to take a greater share of the responsibility for defending their own continent. A Trump presidency would be a step change away from this policy consensus if concern over burden-sharing were used to call for withdrawal from NATO or the disavowal of security guarantees to Europe. Such a radical shift would be opposed by some Republicans who would otherwise be sympathetic to other elements in Trump's agenda. If such threats were used primarily as a lever to force greater European efforts, however, they would likely have much wider support.

13. Ramon Antonio Vargas, 'Donald Trump Pleased at Praise from Putin: "I Like That He Said That"', *The Guardian*, 16 September 2023; Lauren Gambino, 'Republicans' Topsy-turvy Take on Aid for Ukraine Reveals Party in Thrall to Trump', *The Guardian*, 13 February 2024.

II. The Economics of US Defence

The roots of this changing American consensus lie in defence economics. The US is the world's largest defence spender by a wide margin, outspending China by a margin of three to one (\$877 billion to \$292 billion in 2022).¹⁴ It accounts for 68% of total NATO defence spending,¹⁵ and far outstrips any other country in the size and deployability of its forces.

The biggest driver of US defence and security budgets is now the need to respond to the threat from China, which has become the Pentagon's number one priority. China's own defence budget is growing rapidly,¹⁶ allowing it to field increasingly capable maritime, missile and air forces, which the Pentagon fears could provide the country with the ability to win a short-notice regional war. The US believes that China is also rapidly increasing the size and diversity of its nuclear capabilities, and could have as many as 1,500 deployed warheads by the mid-2030s, up from its 2021 level of 400.¹⁷

Even if large-scale conflict is avoided, the dynamic of the whole-system competition between China and the US seems likely to be a central policy driver for both powers. Both seem certain to devote a significant share of their national security resources to military, cyber, intelligence and technological capabilities designed to gain advantage over the other. With the return of major power competition as the primary driver of their defence policies, both powers also seem set on increasing the budgetary priority given to nuclear forces. After decades of maintaining only a minimum nuclear deterrent, comparable in scale to those of the UK and France, China is set on building an arsenal more similar, in size and diversity, to those of the US and Russia.¹⁸ The US, for its part, seems set on a major programme of investment in its own strategic nuclear forces, designed

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14. William Hartung, 'Reality Check: Chinese Military Spending in Context', Watson Institute for International and Public Affairs, Brown University, 5 December 2023, <<https://watson.brown.edu/costsofwar/papers/2023/reality-check-chinese-military-spending-context>>, accessed 6 March 2024.
 15. NATO, 'Defence Expenditures of NATO Countries (2014-2023)'.
 16. Kathrin Hille, 'China's Military Capability Set to Grow Faster than its Defence Budget', *Financial Times*, 6 March 2024.
 17. Madelyn R Creedon et al., *America's Strategic Posture: The Final Report of the Congressional Commission on the Strategic Posture of the United States* (Alexandria, VA: IDA, 2023), p. 12, <<https://www.ida.org/research-and-publications/publications/all/a/am/americas-strategic-posture>>, accessed 6 March 2024.
 18. *Ibid.*, p. 8.

to respond to the new problem of having to deal with two major nuclear adversaries at once.¹⁹

At the same time, the US is also having to invest more in conventional capabilities that are able and ready to counter China at short notice. Apart from its small long-range nuclear missile force, China's capability for attacking the continental US remains limited. But China is not seeking to emulate the US's global military footprint in the near future. Rather, its military build-up is designed to make it progressively more difficult for the US to operate freely in China's backyard and thereby achieve local military dominance.

US forces remain superior to those of China, in both quality and quantity of high-end assets such as aircraft carriers and nuclear-powered attack submarines (SSNs). But the US is hobbled by the 'burden of distance' – the reality that most of its forces are based many thousands of miles away.²⁰ Its forces are also committed to providing support for a wide range of allies and partners across most of the world's continents and oceans. Requirements to invest more in deterring China in Asia compete with NATO commitments, the effort involved in supplying and supporting Ukraine, and the need to support Israel from possible Iranian aggression. As a result, the Pentagon is facing harder choices than it has had for at least the past three decades.

This seems unlikely to change. In large part because of concerns about the economic challenge from China, the Biden administration is committed to a large programme of subsidies to help make the US more competitive, especially in green industries. But it has not raised taxes to pay for this extra spending, which comes on top of the enormous \$4.6-trillion cost of Covid-19 relief.²¹ As a result, the US government is in a worse fiscal position than at any time since the 1950s, with total debt set to rise to some 135% of GDP by 2028.²² By 2031, interest payments on this debt (\$1,241 billion) are projected to exceed total spending on defence (\$976 billion) by a large margin.²³ In coming years, the US is planning to run a budget deficit of around 6% of GDP, much higher than most other developed economies.²⁴

19. *Ibid.*

20. For further discussion, see Patrick Porter, 'Why Distance Matters: Putting the "Geo" Back into Politics', *RUSI Journal* (Vol. 160, No. 3, 2015).

21. US Government Accountability Office, 'COVID-19 Relief: Funding and Spending as of Jan. 31, 2023', GAO-23-106647, February 2023, <<https://www.gao.gov/products/gao-23-106647>>, accessed 6 March 2024.

22. International Monetary Fund, 'Transcript of the 2023 Fiscal Monitor Press Briefing', 12 April 2023, <<https://www.imf.org/en/News/Articles/2023/04/13/tr041223-fm-press-briefing-transcript>>, accessed 6 March 2024.

23. Congressional Budget Office, 'Budget and Economic Data', <<https://www.cbo.gov/data/budget-economic-data#3>>, accessed 6 March 2024.

24. Ruchir Sharma, 'The Trouble with American Exceptionalism', *Financial Times*, 16 July 2023.

At less than 3.5% of GDP, according to NATO figures, US defence spending is much lower than the 6% that it consumed in the last years of the Cold War.²⁵ But it is still almost twice as high as the average of its European allies (2.0%), and more than twice as high as the 1.6% of GDP that China is estimated to be spending.²⁶ Defence takes more than half of total discretionary federal spending in the latest cross-party deal negotiated in Congress.²⁷ So-called ‘non-discretionary spending’ on social security and health continues to grow.

Because of these competing pressures, the nine years from NATO’s 2014 Wales summit saw US defence spending rise by only 7% in real terms – less than any other NATO member state, much less than the 47% increase in NATO European spending, and a falling proportion of US national income (from 3.71% to 3.24%).²⁸

Although US defence spending has not increased substantially in recent years, after adjusting for inflation, it is still reasonable to assume that it will keep pace with GDP growth in coming years. Unless there is a marked shift in US funding priorities, however, substantial growth in some areas will need to be financed from cuts elsewhere in the defence budget.

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25. NATO, ‘Defence Expenditure of NATO Countries (2014-2023)’, updated 14 March 2024, Table 3, <https://www.nato.int/cps/en/natohq/news_223304.htm>, accessed 25 March 2024; NATO, ‘Financial and Economic Data Relating to NATO Defence: Defence Expenditures of NATO Countries (1975-1999)’, 2 December 1999, <https://www.nato.int/nato_static_fl2014/assets/pdf/pdf_1999_12/20100614_p99-152e.pdf>, accessed 6 March 2024.
 26. Center for Strategic and International Studies, ChinaPower Project, ‘What Does China Really Spend on its Military?’, 2024, <<https://chinapower.csis.org/military-spending/>>, accessed 6 March 2024.
 27. Caitlin Emma and Jennifer Scholtes, ‘Johnson Strikes His First Bipartisan Deal – A \$1.7T Funding Accord’, *Politico*, 7 January 2024.
 28. NATO, ‘Defence Expenditure of NATO Countries (2014-2023)’, updated 14 March 2024, Table 2.

III. The Renewal of Alliances

This all makes alliances more important. For most of the post-Cold War period, the US's military effort was primarily focused on expeditionary operations in Afghanistan and the Middle East, in which allies often provided a relatively small part of the total effort. Even the UK, the largest European ally in both wars, spent only 3.5% of total US spending.²⁹ Others spent much less.

Allies and partners are now becoming more important, albeit in different ways in each of the three competing priority regions. In recent years, the US has sought to deprioritise the Middle East to focus elsewhere. But, as the ongoing Gaza crisis has demonstrated, the commitment to the defence of Israel remains very strong and deeply engrained in the US body politic. It is already sending substantial quantities of US military aid to Israel,³⁰ and the potential for a wider conflict remains very high. Moreover, in contrast to East Asia and Europe, the US's strongest Arab partners will be reluctant to side with the US in many scenarios. In the Red Sea, where Iran-backed Houthi forces are blocking international shipping routes, Arab states are noticeable by their absence.³¹ European powers – including the UK and France – are doing more, but on a much smaller scale than the US.

US alliances are of greater importance in East Asia, where China's aggressive actions in recent years have provoked balancing behaviour from most of the region's key players. Japan has embarked on a major arms build-up, including of longer-range missile systems capable of reaching China. On current plans, it should become the world's third-largest defence spender by 2028, overtaking the UK, Germany and France.³² The main ASEAN states bordering the South China Sea – Vietnam and the Philippines – are forging closer security links with the US and Japan. Australia is investing heavily in defence, most notably through

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29. Malcolm Chalmers, 'The Sinews of War', in Adrian L Johnson (ed.), *Wars in Peace: British Military Operations Since 1991* (London: RUSI, 2014), p. 284.
 30. John Hudson, 'U.S. Floods Arms into Israel Despite Mounting Alarm over War's Conduct', *Washington Post*, 6 March 2024.
 31. Cathrin Schaer, 'Red Sea Attacks: Why Arab Nations Won't Join Naval Coalition', *DW*, 21 December 2023, <<https://www.dw.com/en/red-sea-attacks-why-arab-nations-wont-join-naval-coalition/a-67790545>>, accessed 22 March 2024.
 32. Mari Yamaguchi, 'Japan Cabinet OKs Record Military Budget to Speed up Strike Capability, Eases Lethal Arms Export Ban', *AP*, 23 December 2023.

the AUKUS deal with the US and the UK. While the US is not alone, the sheer scale of its military effort means that all this regional investment, and more, will be needed to balance China in the years ahead.

In Europe, by contrast, the US's allies are militarily stronger, and its primary competitor (Russia) is relatively weaker, than in East Asia. Whereas China outspent the US's regional partners (Japan, South Korea, Australia, Taiwan and New Zealand) by a margin of two to one (\$298 billion to \$150 billion) in 2022, NATO Europe (excluding Turkey) outspent Russia by four to one (\$312 billion to \$72 billion) in the same period.³³ Although Russia is now investing heavily in its military-industrial sector, and has increased defence spending to an estimated \$143 billion (8% of GDP) this year, the war has depleted a large part of its stockpiles and killed many of its most skilled personnel.³⁴ Once the war ends, Russia can rebuild to pre-war levels over time. But Europe has the economic resources to finance a large, and sustained, increase in its own defence budget. It is already beginning to do so.

Because of concern about the threat from China, and the political strength of its military-industrial complex, the US will continue to spend much more on defence than all its allies (European and Asian) combined. And a large part of its forces could be made available to NATO with sufficient notice and if the need were to arise. In terms of forces more immediately available, however, stronger European forces would allow the Pentagon to focus its forces much more on Asia and the Middle East.

Ukraine Matters

The first year of the Ukraine war was a major strategic setback for Putin. Having launched the invasion in the expectation that he could force Kyiv's surrender within weeks (a prediction shared by Western allies), he is still a long way from achieving this objective two years later. His armed forces have suffered massive losses of equipment and experienced personnel, and losses seem set to continue over the next year.³⁵

While there is, as a result, still a major opportunity for Ukraine and NATO to achieve strategic success, it could all go badly wrong. Russia used the breathing space created by the slow pace of Western support to build strong defences along

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33. Stockholm International Peace Research Institute (SIPRI), 'SIPRI Military Expenditure Database', <<https://www.sipri.org/databases/milex>>, accessed 6 March 2024. All figures are in current prices. If military spending is calculated in purchasing power parity, Russia and China both spend significantly more, but China's relative advantage remains similar.
 34. John Paul Rathbone, 'European Defence Spending "Lacks Urgency"', *Financial Times*, 13 February 2024.
 35. Yaroslav Trofimov, 'Opinion: How the Best Chance to Win the Ukraine War was Lost', *Washington Post*, 9 January 2024.

the frontline, supplemented by highly effective new capabilities (notably for electronic warfare) and new cohorts of mobilised personnel.³⁶ There is a hard attritional struggle ahead. The most urgent priority for NATO states, therefore, is to provide Ukraine with the aid it needs to survive, and then, in time, to regain the territory it has lost.

If the current block on the administration's request for US military aid to Ukraine were to be sustained, and European states do not fill the gap, Ukraine could quickly lose the war.³⁷ The result would be a humanitarian disaster, with large-scale atrocities likely against those who remained, and many more fleeing their homes for safety abroad. After all the commitments by European leaders over the past two years, the loss of Ukraine in such circumstances would have a devastating effect on the credibility of the EU and NATO. Although it could take time for it to suppress remaining Ukrainian resistance, and to rebuild its own forces after heavy wartime losses, Russia would emerge emboldened from such a climbdown.

The US and its European allies have not been prepared to deploy their own armed forces against Russia, fearing the risks (including nuclear) of escalation to a wider war. Ukraine is not a NATO member, and has few prospects for becoming one, at least until there is an agreed resolution of the war with Russia. Yet Ukraine's ability to survive the initial Russian onslaught, together with the scale of assistance provided, means that the costs of failure for the UK and its European allies are greater than they would have been if Ukraine had been forced to concede in the first weeks. If Ukraine were to fall because of an American withdrawal of support, it would call into question the credibility of US security guarantees to NATO members themselves.

The UK and its European allies therefore have much more at stake than in any of the recent conflicts in which their forces have been directly involved. NATO's operation in Afghanistan was the largest ever in the Alliance's history, involving the deployment of some 36,000 European troops and 78,000 American troops at its height in 2010.³⁸ Yet, when Biden completed the withdrawal from Kabul 11 years later, governments in Europe had largely moved on. They had fought in Afghanistan largely to show solidarity with the US after 9/11. It will not be so easy for Europeans to move on if Ukraine were to be conquered by Russia.

36. Jack Watling and Nick Reynolds, 'Stormbreak: Fighting Through Russian Defences in Ukraine's 2023 Offensive', RUSI, 4 September 2023, accessed 6 March 2024.

37. Isobel Koshiw, 'Ukraine Hurries to Fill US Funding Gap', *Financial Times*, 10 March 2024.

38. NATO, 'International Security Assistance Force (ISAF): Key Facts and Figures', 7 June 2010, <<https://www.nato.int/cps/en/natolive/107995.htm>>, accessed 6 March 2024.

Helping Ukraine

Practical steps are needed now to strengthen Ukraine's resilience and military capability and to ensure that, whoever enters the White House in January 2025, the country has the resources to defend itself against Russian aggression. The EU and its member states already have the primary responsibility for providing economic and budgetary support. Despite Hungary's efforts to block further support, other member states overcame these objections, signing up to €50 billion of further assistance in February 2024.³⁹

The UK's comparative advantage, by contrast, is in military support. In the first year of the war, the UK was the largest single European provider of military assistance, including equipment and munitions, training, and intelligence. By the end of 2023, however, the rate at which UK support was provided appeared to have reached a plateau, even as other states were increasing their rate of commitments.⁴⁰ As of January 2024, Germany had allocated €9.4 billion on military assistance to Ukraine since the beginning of 2022, while the four Nordic states (Denmark, Finland, Norway and Sweden) had together provided €9.12 billion. This compares with the UK's total €5 billion allocated up to the same date.⁴¹ The UK has also committed to spending a further £2.5 billion (€2.9 billion) in 2024/25, while Germany has committed to spending a further €7.1 billion in 2024.⁴² Thus, while the UK was the leading European provider of assistance at the start of the war, other countries are becoming relatively more important. This parallels the much slower increase in overall UK defence spending compared with most of its European allies.

Not all these commitments – from the UK or its allies – will necessarily translate into deliveries, given the difficulties involved in ramping up European arms production levels. But European states would have to do much more if the US were to stop its own programme of military aid to Ukraine. Over the first two years of the war, up to December 2023, total US allocated military aid to Ukraine totalled some €43 billion, compared with around €38 billion for Europe (including the UK and Norway).⁴³ In view of this, if the US were no longer willing to provide assistance, maintaining the current level of total military aid would require Europe to double its contribution. If the UK were to take its proportionate share

39. Henry Foy et al., 'EU Agrees €50bn Support Package for Ukraine', *Financial Times*, 1 February 2024.

40. IFW Kiel Institute for the World Economy, 'Ukraine Support Tracker – Methodological Update & New Results on Aid "Allocation" (Febr. 2024)', <<https://www.ifw-kiel.de/topics/war-against-ukraine/ukraine-support-tracker/>>, accessed 6 March 2024.

41. *Ibid.*

42. Ben Hall and Leila Abboud, 'Volodymyr Zelenskyy Hails Ukraine Defence Deals with Germany and France', *Financial Times*, 16 February 2024.

43. IFW Kiel Institute for the World Economy, 'Ukraine Support Tracker – Methodological Update & New Results on Aid "Allocation" (Febr. 2024)'.

of this increase, it might mean doubling its Ukraine budget from £2.5 billion in 2024/25 to as much as £4 billion or £5 billion per annum.

In the short term, it will be difficult for European states to source most of the additional munitions or weapon systems that will be required from their own production lines and stocks. A large part of the aid would probably have to be sourced from elsewhere, for example South Korea. If the new US administration were to agree, Europe could also place increased munitions orders with American producers, replacing the Pentagon as the main funder for key production lines. Over time, European governments would presumably insist that most Ukraine military aid is spent in Europe, including in Ukraine itself. As a transitional arrangement, European purchases from US factories might have to be part of the answer, however uncomfortable this would be for some governments.

European states will also have to decide how to organise increased aid, working closely with Ukraine's military to ensure that the aid meets its needs. While the EU will likely play an important role in providing increased finance, increased bilateral contributions will be vital, including from the UK. European governments would also need to consider how to replace the US's leadership role in the Ramstein process, currently the main Ukraine aid coordination mechanism.⁴⁴

In the wake of a Trump victory, the UK might also have to take on additional responsibilities in relation to training and intelligence support for the Ukrainian armed forces. It would be better placed than most other European allies to use its close intelligence relationship with the US to build on any residual American coverage of Ukraine and its neighbourhood. The UK would also be a key player in European debates on how to balance the need to support Ukraine with continuing concerns over escalation risks. If the US were to signal an imminent withdrawal of support, it is likely that Russia's first response would be to use this as an opportunity to crush Ukraine or to settle the conflict on terms highly favourable to itself. The role of the UK and other European countries, in contrast, would be to send the clear message that they had the will and capability to back Ukraine's battle for survival as long as the Ukrainians themselves had the appetite to do so.

Yet perhaps the biggest challenge for the UK and other longstanding European allies would be to move beyond their deep structural dependency on the US in relation to security. Over the past three decades, the UK's armed forces have been used in multiple conflicts. But in almost every case, including Ukraine support, its contribution (even if larger than those of other European allies) has been dwarfed by that of the US. If the US were to withdraw from Ukraine,

44. Lara Seligman and Paul McLeary, 'The Little-Known Group That's Saving Ukraine', *Politico*, 1 May 2023.

however, the UK would be one of the largest remaining contributors, and what it decided to do would be highly consequential.

It is by no means clear that Europe would be able to rise to this challenge. The risks of failure would be high, and eagerly anticipated in Moscow and Beijing. But the extent to which European states have already risen to the challenge of supporting Ukraine and raising their defence budgets is reason for some cautious optimism. For the UK, such a crisis would be an opportunity to show that it is a committed European power when it matters most.

Rapid Response

NATO, along with its European members, has already taken major steps in the right direction in the two years since the full-scale invasion of Ukraine. It would need to do much more if the US commitment to European security were to falter.

First, NATO will need new plans for collective defence. It has already agreed regional defence plans, for the first time since the Cold War, including detailed national commitments designed to ensure that the Alliance is able to deploy 300,000 well-equipped troops to its borders within 30 days.⁴⁵ NATO is preparing to defend every inch of its territory. The ‘tripwire’ concept – based on small battlegroups deployed on NATO’s borders to trigger wider allied involvement in a conflict without posing any offensive threat to Russia – has been abandoned.⁴⁶

It would not be easy to replace the role of the US in these plans if it were to decide to withdraw support. Key enablers – such as strategic lift, air defence, refuelling and satellite intelligence – might be especially difficult. The revised plans would likely have to involve a different defence model, adapted to take account of the gaps left by the US. It is quite remarkable, given how concerned the Baltic states have been about Russian intentions since 2014, that the main barriers constructed along their borders with Russia were primarily intended to prevent illegal and irregular migrant crossings. This is now changing, in part because of the success of Russia’s own prepared fortifications in thwarting Ukraine’s counter-offensive in summer 2023. In January 2024, the three Baltic states announced plans to build ‘anti-mobility defensive installations’ along their entire border with Russia and Belarus.⁴⁷ Further innovations are likely to be needed as European states adjust to having to plan their own defence without the US.

45. Ben Hall, Henry Foy and Felicia Schwartz, ‘Military Briefing: ‘Nato Brings Back Cold War Doctrine to Counter Russian Threat’, *Financial Times*, 30 June 2022.

46. *Ibid.*

47. *The Economist*, ‘As Donald Trump Threatens NATO, the Baltic States Stiffen Their Defences’, 10 February 2024.

European leaders should take heart from Ukraine's successful defence of its own territory over the past two years. Even if European states collectively lack the size and sophistication of US air and maritime power, it would be a massive gamble for Putin to take on a European force whose capability would exceed that of Ukraine manyfold. The key, as always, would be allied unity. The main European states involved – the exposed states of Northern and Eastern Europe, plus Germany, the UK and France – would have to send a clear message of united determination. This would need to be backed up by sufficient investment to make collective defence without the US credible.

This is doable. The past two years have weakened the capabilities of Russia's ground forces. Russia is not comparable to the Soviet Union in aggregate power. Ukraine has shown that, with a small air force and a population only a quarter of Russia's, it can inflict massive losses of people and hardware on the aggressor. However, given time, and an end to the war, Russia has the finances and the raw human material to rebuild its forces. It has demonstrated that it is able to access technology and components on the world market, especially through China and Turkey, and it is ramping up its level of arms production. It has shown an impressive ability to innovate, introducing new strategies and technologies across its forces.⁴⁸

In order to be ready to launch a full-scale invasion of a NATO country, however, Russia's forces would need the Ukraine war to end, and then to have several years to invest in rebuilding its stockpiles. Opinion varies as to how long such a reconstitution period would need to be, and on the Russian leadership's willingness to bear the economic cost of doing so. Much would depend on the circumstances in which the Ukraine war ends, and on whether Russia would be prepared to mobilise most of its forces on a single front. The faster that European states can rearm and reorient their forces for collective defence, the shorter the period of vulnerability would be, and the more likely that Russia would be deterred from going down this path.

Second, NATO will need more resources. The US's 'levelling up' strategy for NATO defence spending – with the lowest-spending states increasing their budgets the most – is now bearing fruit. Most European allies have sharply increased their defence budgets in recent years, with especially rapid growth in Eastern and Northern Europe, the regions most exposed to Russian aggression. In 2014, only two of NATO's European states (Greece and the UK) spent more than 2% of their GDP on defence.⁴⁹ By 2022, Poland and the three Baltic states also met the target and, in 2023, they were joined by Denmark, Finland, Hungary

48. Mick Ryan, 'Russia's Adaptation Advantage: Early in the War, Moscow Struggled to Shift Gears – But Now it's Outlearning Kyiv', *Foreign Affairs*, 5 February 2024.

49. NATO, 'Defence Expenditures of NATO Countries (2014-2023)'.

and Slovakia.⁵⁰ Eighteen member states are now expected to meet the 2% target in 2024,⁵¹ with the remaining large states in northwestern Europe – Germany, France and the Netherlands – expected to be included in this total. NATO European defence spending this year will be more than \$380 billion in 2015 prices, a 62% real-terms increase since 2014. In total, NATO Europe will be spending 2.0% of its GDP on defence this year, up from 1.48% in 2017.⁵²

More budgetary resources would be needed after 2025 if the availability of US capabilities is pared to a bare minimum. Much will also depend on the extent to which resources are well spent and focused, as well as on how much operational risk allies are prepared to take. There is no easily calculable minimum threshold below which NATO could not hope to deter a Russian attack. As the Ukraine war has shown very clearly, many other factors – morale, political leadership, military strategy and tactics – contribute to success or failure on the battlefield. Even so, given the mobilisation of new resources for European defence that took place after the full-scale invasion of Ukraine, it would be reasonable to expect a comparable, and additional, increase in the event of a sea change in the US commitment to NATO.

If this were to happen, the increase, for most European states, could be comparable to the increases during NATO's Cold War investment surge in the late 1970s and early 1980s (when all member states were asked to increase their budgets by 3% per annum in real terms).⁵³ This would provide the guaranteed resources that would allow investment in long-term defence industrial capability, with a particular focus on rebuilding stocks of those consumables – munitions and spare parts – where underinvestment has been especially serious in recent decades.

Third, Europe should take full advantage of NATO's enlargement to include Finland and Sweden. This is a big change in the military balance in NATO's favour and is especially important for the UK. It will become even more important if the US commitment to NATO is reduced. It could, for example, provide NATO with additional offensive options of its own, making it harder for Russia to concentrate all its forces in one theatre. During the Ukraine war, Russia has run down its force presence on the Norwegian and Finnish borders to much lower levels (where they remain), secure in the knowledge that NATO would not attack. If Russia were mobilising its forces for an attack on Estonia or Poland, however, NATO European states could make it clear that in addition to mobilising for the

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50. NATO, 'Defence Expenditures of NATO Countries (2014-2023)'; NATO, 'The Secretary General's Annual Report 2023', p. 159, <https://www.nato.int/cps/en/natohq/opinions_212795.htm>, accessed 22 March 2024.
 51. NATO, 'Defence Expenditures and NATO's 2% Guideline', 20 February 2024, <https://www.nato.int/cps/en/natohq/topics_49198.htm>, accessed 6 March 2024.
 52. *Ibid.*
 53. Drew Middleton, 'NATO Extends 3% Rise in Annual Spending to '85', *New York Times*, 16 May 1979.

direct defence of these states they would have the capability to hold at risk key targets within Russia itself. This could include, for example, Russian bases in Kaliningrad, now surrounded by NATO members, or the Northern Fleet, whose Murmansk base is 180 kilometres from the Finnish border. If Russia still occupied Crimea or other parts of Ukraine, these would also be vulnerable, obliging Russia to retain scarce air-defence systems and other capabilities to protect them.

Fourth, in the context of US departure, the major European powers should do more to reassure the most exposed states – the Baltic states, Poland and Romania – by increasing their permanent military presence in these countries. Germany has already committed to deploying a full brigade in Lithuania. The UK and France should consider something similar. Even if the military logic of such a step is less compelling, its value in terms of reassurance would be considerable.

Fifth, European allies should make it clear that their commitment to collective defence will not be constrained by the need for unanimity. Even without the US, NATO would be by far the most credible and capable vehicle for organising the collective defence of European members. In the turmoil created by a US withdrawal from Europe, it would be a distraction to spend precious effort negotiating an entirely new set of security institutions. Yet leaders should acknowledge that NATO's deterrent power has always rested on the perception that the US could act decisively even if not all member states agreed. In the absence of US leadership, Putin might gamble that one or more NATO states could block consensus and win him precious time to achieve military success. The leading European states – most of all Germany, France and the UK – should disabuse Putin of any such illusion, making clear their commitment to work through NATO if possible, but separately if necessary.

Such a commitment could become even more important given the rise of rightist nationalist parties across much of Europe, in a development that parallels trends within the US Republican Party. The decline of the centre-left and centre-right in many European countries has left space for a more nationalist politics to emerge. Italy's Prime Minister Giorgia Meloni has been relatively moderate in her approach to foreign and EU affairs, even as her domestic policies are more radical. Within the next UK parliamentary term, it is possible that Marine Le Pen could become the president of France, and the Alternative for Germany Party (currently polling second) enter a governing coalition in Germany. Nor can NATO states ignore Turkey, which also has a veto over NATO decisions.

Unless it were to fundamentally change the way it works, the EU is not the right mechanism for organising collective defence and mutual security guarantees. Since the start of the Ukraine war, the EU has played a vital role in mobilising

resources for Ukraine aid. It could do more to help raise funds for national defence through its well-established multiyear budget process. Yet, on operational matters, it shares NATO's problem of having a decision-making mechanism based on unanimity. Whatever the exact division of labour between NATO and the EU (and this could change over time), the solidarity of European states in their mutual defence will depend on coalitions of willing states, even if these are underpinned by shared norms and institutions.

IV. The UK and European Defence Structures

In the event of a second Trump presidency, the most likely scenario remains that the US stays in NATO, retains the position of supreme military commander, but makes deep cuts to the military resources it assigns to the Alliance. In this event, Europeans would have to do more, but NATO as an institution would survive, and the possibility of a renewed US commitment, under a new president, would remain open.

If Trump goes further and withdraws the US from its NATO commitments altogether, all bets would be off. Some voices would call for the EU to take on the main role in organising the common defence of its members, with the UK and Norway participating through third-party agreements. This option would build on the EU's emerging role as a geopolitical actor in relation to Ukraine, as well as its developing role in supporting defence research and foreign military assistance.

If the US's long-term commitment to European security remained unresolved, however, most European states would be likely to favour the Europeanisation of NATO, rather than a wholesale transfer of its responsibilities to another organisation. This might include, for example, the appointment of a European military officer as the supreme military commander of NATO, alongside the Europeanisation of a range of other command functions. US military officers would remain in the Alliance, but more clearly in support, rather than command, positions.

If it has to choose, the UK will prefer this latter option, which will give it an equal say with the other major European military powers in the continent's defence, as well as minimising the disruption caused by a US drawdown. EU member states may also favour this option because it would help bind the UK, and its significant military forces, into the defence of Europe.

If defence were to be transferred to the EU, by contrast, it would add to the UK's post-Brexit marginalisation from European decision-making. The UK already has very limited influence over EU enlargement to Ukraine, and its defence industry increasingly looks outside Europe for collaborative opportunities. If the EU were to take on the main role in relation to common defence, the UK would also become a 'rule taker' in this area, under pressure to support decisions, and adopt standards, that were agreed when it was not in the room. This would

not be comfortable for either the UK or the EU. It could deepen the case for the UK to deprioritise the resources it devotes to European defence in favour of wider global commitments, to the detriment of its neighbours.

In the wake of a full US withdrawal from NATO, but not from European security, the Alliance may not be able to reach consensus on the creation of a Europeanised command structure and organisation. Some leaders in the US will perceive it as in their national interest to promote strong bilateral relations with selected European countries (likely including the UK), while opposing the emergence of a strong post-American NATO. The creation of the European Economic Community in 1958 was only made possible by the prior US security guarantees established through NATO. The US would likely have to play a similarly supportive role if NATO were now to become a European-led alliance.

In the absence of a broad consensus for creating a Europeanised NATO, the Alliance machinery could still survive, albeit in a less robust form. In addition to any remaining bilateral ties with the US, European countries could seek to enhance their security through small-group arrangements with other states to whom they were especially close. For the UK, for example, the existing Joint Expeditionary Force (which it leads alongside Denmark, Finland, the Netherlands, Norway, Sweden and the Baltic states) could take on new relevance. Other arrangements – for example between Black Sea allies – might be strengthened.

Even if the US were to withdraw from the Alliance, the EU and NATO are likely to remain in place as important parts of the European security architecture. But their effectiveness as instruments for deterring Russia would depend, much more critically than at present, on the ability of Europe's major powers to provide strategic direction. Just as the EU, for most of its history, has been driven by the Franco-German axis, and NATO by US leadership, so common European defence against Russia will require clear leadership from France, Germany and the UK working together. Other states – such as Italy and Poland – will also be vital in generating a critical mass of defence capabilities.

In one scenario, amid the turmoil of a second Trump presidency, and with NATO traumatised by a Ukrainian defeat and paralysed by internal squabbling, the UK might be tempted to follow the US in distancing itself from NATO, relying instead on the 'special relationship', and wider global ties, to ensure its own national security. Certainly, the UK should ensure that it has the defence capabilities necessary for survival in this scenario if necessary. But it would be a perilous, and third-best, option. The maintenance of strong US security guarantees to Europe through NATO is by far the most desirable option. Were this not possible, then the UK would have a strong interest in building a strong and credible European alliance against Russia, using NATO as the framework.

The Next UK Defence and Security Review

If the US were to pull back from NATO, and perhaps even from European security more generally, the UK would need to have a wider discussion about how to pursue its national interests, especially economic and trade interests, in what would be a dangerous moment in Europe's history. The level of UK resources devoted to European defence would be a central focus of this reappraisal. Despite facing the most serious war that Europe has suffered since 1945, the Ministry of Defence (MoD) has fallen behind other departments in the UK's fiscal priorities over the past three years. There has been no significant real-terms uplift in UK defence spending since 2021, other than the time-limited addition of funding specifically for Ukraine support. Even after allowing for the extra funds provided in the 2023 Spring Budget,⁵⁴ planned real-terms UK defence spending (in 2022/2023 prices) only increases from £49.0 billion in 2021/22 to £51.8 billion in 2024/25.⁵⁵ Over the longer period from 2014 to 2023, the UK has had one of the slowest rates of increase in spending of any NATO state – 20% in real terms compared with the average increase in other European countries of 57%. Only France and the US had a comparably slow rate of growth.⁵⁶ The result of making the 2% of GDP target the primary indicator of success within NATO has been that the states who already meet, or almost meet, it – the US, the UK and France, NATO's three most militarily capable states – have been under less pressure to do a lot more.

The UK's leaders have periodically declared their commitment to increasing defence spending more substantially. The short-lived government of Liz Truss committed to increasing spending to 3% of GDP.⁵⁷ The 2023 Integrated Review Refresh committed the government to increasing spending to 2.5% of GDP 'over time, as fiscal and economic circumstances allow'.⁵⁸ But the decision on whether to increase the core defence budget further has been left to the next multiyear Spending Review, which is unlikely to take place until after the general election. Before then, NATO is likely to confirm that Germany has overtaken the UK as Europe's biggest defence spender, with a budget of €80 billion on defence (2% of

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54. HM Treasury, *Spring Budget 2023*, HC 1183 (London: The Stationery Office, 2023), <<https://www.gov.uk/government/publications/spring-budget-2023>>, accessed 22 March 2024.
 55. Calculated from Malcolm Chalmers, 'A Welcome Refreshment? Implications of the Spring Budget for UK Defence', RUSI Policy Brief, 17 May 2023, updated to take account of HM Treasury, *Spring Budget 2024* (London: The Stationery Office, 2024), Tables 2.1 and 2.2. This includes an additional £1.1-billion projected spending on *Dreadnought* contingency and other technical adjustments, as briefed by the MoD on 7 March 2024.
 56. NATO, 'Defence Expenditure of NATO Countries (2014-2023)', updated 14 March 2024, Tables 2 and 4.
 57. Malcolm Chalmers, 'From Famine to Feast? The Implications of 3% for the UK Defence Budget', *RUSI Occasional Papers* (September 2022).
 58. HM Government, *Integrated Review Refresh 2023: Responding to a More Contested and Volatile World*, CP 811 (London: The Stationery Office, 2023), p. 12.

GDP) projected for 2024,⁵⁹ compared with £63 billion (€74 billion) for the UK.⁶⁰ Given Germany's larger economy, this is the natural result of its decision to meet NATO's 2% target. But it is also a moment of truth for the UK, whose position as NATO's largest European defence spender has been a constant feature of the Alliance's history since the 1950s.

When the next UK Defence Review (likely to accompany the Spending Review) does take place, it will be confronted with a formidable set of defence commitments and aspirations which, taken together, cannot be funded with currently planned budget levels. If the MoD is to win the case for substantial real-terms increases, it will need to convince the prime minister and chancellor that it deserves to be favoured over other pressing priorities. This will be easier if the government is prepared to increase the overall burden of taxation. Even then, a prioritisation of defence cannot be taken for granted.

If Trump is elected, it will be a moment of truth for European security. Whatever government emerges from the next UK election will be faced with a momentous choice: how far to throw its weight behind a Europe-wide effort to replace the US role in supporting Ukraine and, more generally, in relation to the defence of NATO itself.

The first priority would be Ukraine. As set out above, replacing US aid could involve a doubling of current UK support, a large part of which might initially have to be spent on purchasing munitions from US producers. This could cost an additional £3 billion a year, equivalent to around 0.1% of GDP.

The UK could also commit to increasing spending on its own armed forces. A commitment to 2.5% of GDP by 2030/31, for example, would release a further £45 billion over the next six years.⁶¹ Whether the next government is prepared to fund such an increase, which would almost certainly have to be funded through increased tax revenues, may not be clear until after the UK and US elections.

Conventional Priorities

Even if the MoD is successful in obtaining significantly more funds, difficult decisions will need to be made. Among Western medium powers, the UK is unusual in the spread of operational commitments it has accumulated. The

59. Guz Chazan and Sam Jones, 'Will Germany Deliver on its Grand Military Ambitions?', *Financial Times*, 15 February 2024; *The Economist*, 'How Boris Pistorius is Transforming the German Armed Forces', 21 February 2024. In addition to €72 billion of spending on its own armed forces, Germany is planning to spend €8 billion on military aid to Ukraine. See DW, 'Ukraine Updates: Germany to Double 2024 Military Aid to Kyiv', 11 December 2023, <<https://www.dw.com/en/ukraine-updates-germany-to-double-2024-military-aid-to-kyiv/live-67379813#liveblog-post-67381551>>, accessed 14 March 2024.

60. Author's own calculations, based on the NATO definition of defence spending.

61. See Chalmers, 'A Welcome Refreshment?', p. 9.

countries that are now at the forefront of European rearmament in Eastern Europe, the Nordic states and Germany are almost completely focused on deterrence of Russia. The UK's military capabilities, by contrast, reflect more than three decades of expeditionary warfare outside Europe. Successive interventions in the Balkans, Iraq, Afghanistan and Libya have led to capabilities that are often not optimised for fighting Russia. The Royal Navy maintains an active role in the Middle East, the Indo-Pacific and the South Atlantic, as well as in NATO's core area of operations. In addition, almost 20% of the total defence budget is now being spent on maintaining the UK's position as one of only two European nuclear-armed states.⁶²

Taken as a whole, UK armed forces are still better trained and more experienced than those of any other large European state apart from France. But the lack of significant budget increases has left large parts of the force structure underinvested. The British Army cannot field more than a single armoured brigade, and its equipment modernisation plans are years behind those of countries such as Germany and Poland. Much still needs to be done to overcome the maintenance and availability problems facing its surface fleet. Even in areas where the UK had an edge over others, such as F-35 aircraft, other European states are catching up.⁶³ Thirteen years of real-terms cuts in pay levels, together with eroding conditions of service, contribute to ongoing difficulties in recruitment and retention of capable personnel.

With a total defence budget roughly comparable to those of Germany and France, the UK can no more expect to have a full spectrum of military capabilities than can either of these European peers. In the absence of much larger budget increases than currently seem likely, it will have to make clearer choices about what to prioritise.

Nuclear

One area where the UK is likely to retain a distinctive, and almost unique, role is in its nuclear-powered submarine fleet, currently consisting of four nuclear-armed missile submarines and seven attack boats. Only the UK and France have these capabilities, and no other European power has the ability, or the political will, to replicate them.

This force is set to become more important in the more unsettled circumstances in which NATO now finds itself. Even if the US remains in NATO and maintains

62. *Ibid.*, p. 4.

63. House of Commons Defence Committee, 'Ready for War? First Report of Session 2023–24', HC 26, 4 February 2024, <<https://publications.parliament.uk/pa/cm5804/cmselect/cmdfence/26/report.html>>, accessed 19 March 2024.

its commitment to providing nuclear guarantees to its European allies, current debates on the US's role in Europe are unsettling for states that have, until now, taken these guarantees for granted. The credibility of US nuclear deterrence in Europe depends, moreover, on the presence of US conventional forces in Europe. The further the US goes in pulling down such forces, the more uncomfortable its exposed allies will be.

Both the UK and France already contribute to NATO nuclear deterrence. The existence of three separate decision-making centres would complicate the efforts of the Russian leadership to exert nuclear coercion in a future crisis. Moreover, the much smaller size of British and French nuclear forces understates their deterrent value. Both the UK and France retain second-strike arsenals large enough to inflict massive damage on the Russian state and on the assets it values most. There are bound to be questions about how much risk either country would be willing to take to defend a NATO ally against nuclear threats. These questions are also asked about the US. What is probable, however, is that the 'risk appetite' of NATO Europe in a confrontation with Russia would be greater if it includes two nuclear-armed states in its ranks.

If the UK is to make such a contribution to European security, however, it needs to be able to ensure that it always has sufficient nuclear force available, ready if necessary to survive a protracted conventional conflict to deter further Russian escalation. Doing so is proving to be increasingly expensive. As of December 2023, the planned 10-year equipment cost of this capability is £110 billion, some 38% of the total UK equipment budget.⁶⁴ Total nuclear and submarine spending has now reached almost 20% of total UK defence spending.⁶⁵

These capabilities are more important than ever as NATO enters a period when the US's commitment to European security is seen as less reliable. When questions are raised as to whether the UK is pulling its weight in collective defence, it is therefore legitimate to argue that both its nuclear deterrent force and its formidable (and expensive) nuclear attack submarine (SSN) force should be taken into account.

In contrast to East Asia, where the US's two primary allies, Japan and South Korea, have refrained from developing their own nuclear forces, the UK and France have possessed their own nuclear deterrents since the early decades of the Cold War. Neither country, at that time, was prepared to rely entirely on the willingness of the US to risk nuclear attacks on its own territory to ensure the protection of its allies. Both also believed that the existence of additional centres

64. Letter from David Williams, Ministry of Defence Permanent Secretary to Meg Hillier, Chair of the Public Accounts Committee, 'Equipment Plan 2023-2033: Update on Affordability', 4 December 2023, <committees.parliament.uk/publications/42509/documents/211389/default/>, accessed 6 March 2024.

65. Chalmers, 'A Welcome Refreshment?', p. 4.

of Western decision-making could complicate the calculations of Russia or another adversary. It might be harder, for example, for Russia to use nuclear threats to deter the UK or France from coming to the aid of an exposed NATO state in a crisis if Moscow knew that they had nuclear forces of their own.

Such a role could take on increased prominence if the reliability of US nuclear guarantees were called further into question. The UK and France are likely to be very cautious about making an explicit statement to this effect, not least because doing so now might cast doubt on existing, and longstanding, US nuclear commitments. Even without such statements, however, Russia needs to consider the existence of British and French nuclear forces. Russian official propaganda during the past two years has often emphasised the UK's specific, and in its view perfidious, role in opposing Moscow's legitimate ambitions. This perception of the UK as an independent major power, with its own nuclear weapons, enhances the value of that arsenal for UK security.

The UK and the Wider World

While the threat from Russia is the most urgent and consequential concern for British and European security, the UK and its NATO allies also need to face security challenges elsewhere, most notably in Asia and the Middle East. In the recent period, UK armed forces have been involved in counter-Islamic State air strikes in Iraq and Syria, the effort to defeat Houthi attempts to close the Red Sea, and the maintenance of a persistent presence in Southeast Asia. The AUKUS agreement commits the UK to regular SSN deployments to Australia. Not least, and as NATO now recognises, European and US governments will need to work closely together to tackle the challenges posed by China, both in Asia and more widely.

Given the overstretch facing US armed forces, the years ahead could see a greater division of labour among Western allies, in which European states do more for their own defence, and the US focuses more of its effort in East Asia. With both European and Asian allies increasing their defence budgets more rapidly than the US, there are also likely to be new opportunities for defence cooperation between the two regions. South Korea, for example, has played an important role as an arms supplier for Europe.⁶⁶ The UK's landmark agreements on defence industrial cooperation with Japan and Australia reflect a similar trend. If the US goes in a more nationalist direction under a Trump administration, the case for strong Europe–Asia defence ties would strengthen further.

66. Joshua Posaner, Lucia Mackenzie and Jan Cienski, 'In Ukraine War Arms Race, US Stalls as Israel, Turkey and South Korea Surge', *Politico*, 4 December 2023.

Conclusion

The international balance of power could be on the cusp of its most significant transformation since the end of the Second World War. The rise of China poses the most comprehensive, and sustained, challenge to the US's dominant international role since the defeat of the Axis powers. Russia's invasions of Ukraine, first in 2014 and then again in 2022, have resulted in the most serious military conflict on the European continent for seven decades. Whatever its outcome, the war is likely to accelerate Russia's relative economic decline and its growing dependence on China.

The crisis has also directly led to European rearmament on an often-underappreciated scale. European defence spending has increased by 60% since the 2014 invasion and is set to increase further in the years ahead. The most remarkable increase is in Germany, whose commitment to spending 2% of its GDP on defence could, if sustained over the coming years, make it Europe's most formidable conventional power. Although UK defence spending has grown more slowly, the re-emergence of an acute threat from Russia has driven a commitment to a major recapitalisation of the UK's nuclear capability, alongside a post-War on Terror re-engagement with European security. These new defence investments across Europe, combined with the destruction of a large part of Russia's capability in battle, offer a new imperative for Europe to take on a larger share of the burden of its own defence.

It is just in time. If Trump is elected president, the moment of truth for European security could come in 2025. Even if a Democrat is returned to the White House, they will face the reality of a US defence budget that is both fiscally constrained and increasingly stretched geographically.

For the UK, this means that, for the next decade at least, the primary focus of its military effort must be NATO's preparedness to defend against Russia in Europe. It will need to prioritise those capabilities that are most important in providing for European defence, especially those that fill any gaps left by a possible American withdrawal.

If the US were to withdraw from NATO, or substantially reduce its military contribution to the Alliance, debate would intensify on reforming the institutional architecture of European defence. But the immediate priority would be to steady the ship, ensuring that the major European powers, working closely with NATO and the EU, take a united stance against any Russian attempt to take advantage of US withdrawal. It would be a moment of peril, but also of opportunity.

About the Author

Malcolm Chalmers is Deputy Director-General of RUSI and directs its growing portfolio of research into contemporary defence and security issues. His own work is focused on UK defence, foreign and security policy. His most recent papers have been on national interest and UK foreign policy, and UK defence budgeting. He has been an Adviser to Parliament's Joint Committee on the National Security Strategy since 2012 and was Senior Special Adviser to Foreign Secretaries Jack Straw MP and Margaret Beckett MP.