

As the civil servants and senior military officials of Britain's policy community contemplate the 2015 Strategic Defence and Security Review (SDSR), Nick Watts Deputy Director General of the UK Defence Forum spoke to Liam Fox who was the Secretary of State at the MOD at the time of the 2010 SDSR. Fox reflected that when he approached the last defence review he established a template against which the review was carried out. We looked at costings, operational capability, the cost of regeneration, but particularly the real world risk. He says that for every decision relating to equipment, either in terms of purchase or deletion, the MOD was able to take a number of calculated risks.

When ministers revisit the decision this time, they will find that the level of these risks will be increased.

Failing states: This risk has increased most notably Pakistan and Yemen.

Belligerent states: This risk too has increased notably Russia and North Korea.

Trans National Terrorism: This is an increased risk with the rise of Al Shabab and Daesh/ISIL among others.

The risk to global financial stability: Fox believes that this is greater even than a year ago.

Commodity competition: Has also increased.

The cyber threat: Is massively increased.

Fox believes that keeping in mind the real world threat is a useful guide for policy makers. This needs to be the driver behind any defence review. It is one thing having nostalgia for history, quite another thing to get trapped by it. We have got to be agile enough to deal with the risks of the future, not of the past."

Fox is concerned that Whitehall can be part of the problem, when it comes to making tough choices. He is concerned that departmental stove pipes may prevent Government from solving problems. Do we have the mechanisms that can look at actions in one part of the policy world and see how this affects other areas? He believes that Government needs a Strategic overview. This should be the role of the National Security Council. It should be able to initiate studies and undertake more independent work. He cites the Bank of England as an exemplar, but points out: We haven't got the mechanism in Whitehall to assimilate that information, even when it's available."

In an uncertain world Fox questions whether the UK is investing enough in its Security services: we spend through the Single Intelligence budget in a year what we spend on the NHS every six days. Given the huge increase in the risks, are our security services big enough for the job in hand?"

After the 9/11 attacks the US had a good look at its security apparatus on whether there is an artificial distinction between domestic and foreign security services, which creates barriers to the sharing of intelligence between services. There is a case for the UK to conduct a similar exercise (for example in the wake of the Woolwich attack) but I wouldn't come to any pre-ordained solutions. Fox believes that there should be an identifiable and accountable Security supremo. The National Security Adviser should be in the cabinet and should be the head of the NSC, not a civil servant."

Regarding the UK's level of defence expenditure, Fox believes that there is more work that can be done to improve efficiency, given the pressures there will be on the defence budget in the next parliament. But he points out that there is a limit to how far this can go: We are pretty close to where we can get. He points out that the earlier money is found to up-grade Typhoon and retire Tornado, the more coherent the RAF fast jet fleet will be. Fox stresses that the government took tough decisions in 2010 about capability gaps. But these choices cannot be taken again."

Fox believes that as much as financial resources Britain's place in the world is a function of political will. He feels that the vote on Syria in August 2013 was worrying. Deterrence depends on credibility about your political will to use any assets you have; and the physical capability of those assets. You don't have deterrence if

you don't have both of these things. The tragedy of the Syria vote was twofold: it gave the Obama administration the excuse not to act, despite their red lines. It has emboldened our enemies and weakened the resolve of our allies. He adds: "the government was defeated and no one resigned."

The parliamentary vote on Syria raises the question of who takes the country to war. Fox is clear on this: "Britain has never had a tradition of asking parliament first. The Government has always acted under executive authority and explained to parliament afterwards. That is the way it should remain." He fears that otherwise the outcome will be government by opinion poll. Fox believes that sometimes Britain will have to act unilaterally as in the case of the Falklands; on other occasions bilaterally. He believes that Britain should not be hidebound by decisions taken in other capitals. "Germany's failure to support us in the UN over Libya is a warning."

Fox is concerned that the US pivot to Asia is misguided. In his view the US remains both a Pacific power and an Atlantic power. By announcing its intention to concentrate its efforts on Asia, it is sending the wrong signals to Moscow. Fox recounts Putin's recent actions: the Estonian cyber-attack in 2007; the invasion of Georgia in 2008. Putin's ally in Syria used chemical weapons, and the west still failed to react. Then President Obama announces a pivot to Asia. Fox asks "is Putin misreading the signals?" He answers his own question by stating that Putin is "perfectly interpreting the signals; as a sign of serial weakness if not outright appeasement."

Fox thinks the west should pay attention to developments in Moldova, Republika Serbska in Bosnia; also to the Arctic High North and South Caucasus. Fox believes that Putin favours the doctrine of a "Near abroad" that Russia should have a veto over its neighbours. The west believes that sovereign nations should have the right to exercise self-determination. The Russian view is incompatible with international law. Putin's view is that Russia can "protect" Russian minorities, not the sovereign states in which they live. "This drives a coach and horses through accepted international norms." The inability of the west to vocalise these issues has become a problem. "Our relations with Moscow cannot be normalized until Russia is prepared to accept the norms of international law."

After this interview, Dr Fox became increasingly firm in his calls to arm the Ukraine Government. <http://www.telegraph.co.uk/news/uknews/11427512/Liam-Fox-It-is-time-to-arm-Ukraine.html>