

"The global security environment is perhaps now more challenging than at any time since the late 1980s" according to Dr John Chipman, Director General of the London based International Institute for Strategic Studies (IISS) at the launch of their annual Military Balance in London. The terrorist attacks which marked the end of 2015 added to the already full menu of crises and potential crises with which planners and politicians are coping.

The terrorist attacks in Paris, as well as the continuing migration crisis in southern and Eastern Europe, combined with the tension in Eastern Ukraine and the situation in Syria to pose a real risk to European security. Add to this instability in central Africa, confrontation in the South China Sea and the enigma that is North Korea. Any one of these flash point could rapidly develop into a crisis which quickly becomes trans-regional. By contrast the late 1908s was comparatively predictable; the two bloc Cold War.

The complicated situation in the Middle East became even more so with the intervention of Russia in the Syrian civil war. The inability of the US led coalition to make any apparent progress in their efforts to quash ISIL / Daesh, poses the question of whether Western powers will have to commit 'Boots on the Ground' – likely to figure as an issue in this year's US presidential elections. The Saudi led coalition which is focussed on Yemen has served to divert regional allies from the task of fighting Daesh, and the refugee crisis continues to puzzle policy makers.

Developments in Asia also pose tricky dilemmas – not the least of which is trying to fathom what is going on in North Korea. The recent launch of a satellite by the Pyongyang regime has elicited differing responses from the US and China. The US is bolstering Ballistic Missile Defences in both Korea and Japan. This has caused Beijing to express its concern at the introduction of BMD technology into north eastern Asia. Meanwhile tensions continue in the South China Sea where China is seeking to extend its sovereignty.

Technological developments continue to pose additional dilemmas as the technological edge that the west has long enjoyed is being rapidly eroded by the advent of dual use IT and low cost systems such as 'drones' or Unmanned Air Vehicles (UAVs) as well as a maritime counterpart. Both China and Russia continue to develop weapon systems which seek to achieve 'Area

Denial' – a way of preventing western forces getting too close. This has led to the emergence of conventionally armed Ballistic Missile capability as well as stand-off long range capability being fielded by both China and Russia. This has particular implications for NATO in Europe as the Russian enclave of Kaliningrad between Poland and Lithuania could see the basing of both Ballistic and long range SAM systems to threaten NATO forces.

The Military Balance notes that after four years of budget cuts by western powers following the financial crisis of 2008, financial outlays stabilised in 2015. This means that the reductions have stopped – but the level of increase is not great. The report notes that whilst Russia has increased defence expenditure in 2015 to a level of 4.3% of GDP despite the downward pressure on oil prices, many western European NATO allies struggle to achieve even the 2% of GDP minimum called for at the NATO Wales summit in 2014.

The United States has embarked on a 'Third Offset Strategy' which is designed to exploit technological developments to offset the numerical superiority represented by Chinese and Russian forces. The difference this time is that the same technology is largely available to all via commercial sources. European efforts to harness technology and to use this as a means to achieve defence exports will become increasingly complicated as emerging economies seek to participate in the defence market as well. This will call for careful examination of defence relationships by governments who will need to match security policies with the need to achieve economic growth, a pathway the UK has chosen.