

Dr Robert Crowcroft, Research Associate, UK Defence Forum

The blunt truth is that the SDSR process has not been a strategy exercise. The review was conducted with such speed that attention within the MOD and the Armed Services focused on where the axe will fall, not geopolitics and policy responses. Nor has there been time to convincingly reform the badly mismanaged procurement policies of the MOD. Fundamentally, the SDR has been a political exercise with spending as the bone of contention and – most important of all from the perspective of those ministers involved – personal credibility riding on the outcome. It is a personal and party struggle, not a clash over policy itself. The purpose of this essay is to highlight the high political context in which Britain's national security strategy has been created.

Since taking office in May, the Defence Secretary, Dr Liam Fox, has been engaged in a long and at times fairly brutal power struggle with George Osborne, the Chancellor. The SDSR was supposed to provide a coherent framework for future defence policy but swiftly became a guerrilla conflict to ward off the Treasury's crusade for drastic cuts. Fox found himself immersed in a bureaucratic turf war with Osborne; a turf war in which the fortunes of both men was intimately bound up. One imagines that private meetings between the two have been angry affairs. Politically, the SDSR runs along a fault line within the Conservative party that has absolutely nothing to do with defence policy: specifically the mistrust of the 'Cameron project' and widespread disappointment that the election in May did not generate a Conservative parliamentary majority.

There are multiple ambitions at work here. Osborne's agenda is that he has to confound the doubters and prove himself a successful Chancellor. His political skills, highly rated by some, have long been questioned by others. His priority is to 'save the economy'; only by being able to make that claim will Osborne justify his billing. He simply has to pull it off. And the job is not just an opportunity, it is also fraught with danger. It is just as likely that the Chancellor will end up shipwrecked, either from an unresponsive economy or through bearing the opprobrium for painful cuts. To avoid this, he first needs to rein back state spending by every penny he can find, and secondly target the cuts smartly, on things which do not impact the daily lives of the public – like defence.

Osborne is also part of the Cameron faction of the Conservative party – tolerated but never loved by most MPs and activists. A second agenda in his rivalry with Fox has been to try and discredit the Defence Secretary as part of an internal Tory power struggle. Fox taps into a middle-class, no-nonsense strand of Conservatism that Cameron and Osborne struggle with: both are too cosmopolitan, and physically too baby-faced, to strike a chord. It is well-known that Cameron and Osborne do not like Fox, to say the least. Keeping people such as him from becoming a threat requires careful management, cunning, and a willingness to plunge the dagger in if it arises. The Cameroons clearly revelled in reports that Fox was struggling at the MOD in his first months. There is a clear 'win' to be had if Fox is seen to fail, or loses credibility in the eyes of the party. Defeating Fox is a crucial task in consolidating the Cameroons' hold on the party at a time of growing discontent over the alliance with the Liberal Democrats. Others

who could theoretically be a threat have either shot themselves in the foot (David Davis), or been cleverly co-opted by Cameron as an air-raid shelter (William Hague).

The Conservative party must surrender to the Cameron agenda if the Coalition is to be a success, and it is by no means clear that it will do so. There are always plenty of people waiting in the wings – whether the ambitious or the bitter – who look for 'issues' and 'crises' to use as platforms to boost their position. Many such platforms will be available in the coming year, especially with the imminent Comprehensive Spending Review and future government legislation. Spiking the guns of someone like Fox would be both personally helpful to Osborne, and beneficial in party management terms to Cameron.

Fox, meanwhile, had ambitions of being Tory leader at one point, and he may still harbour them. A future lurch away from Cameron may see Fox become an acceptable candidate for the party. Whatever his plans, to fulfil them Fox must be a successful minister. He can't be seen to fail and therefore defeat to Osborne was unthinkable. In July, Fox went public with the battle and warned Osborne not to 'play fast and loose' with national security when the Treasury sought the shift the cost of the Trident replacement to the main defence budget. The overt posturing continued until early October and the leak of a private letter from Fox to Cameron warning of 'brutal' political consequences if 'draconian' cuts were imposed – swiftly bolstered by hints that Fox himself would resign. This forced Mr Cameron to come to the MOD's aid. Fox played it cleverly, outflanking Osborne on ground which resonates with the Conservative party and bouncing the Prime Minister into helping him by loudly emphasising the damage that Mr Cameron will sustain if he did not. For the Prime Minister, political good health was more important than destroying an enemy. Fox calculated this and by last week, he had won: Osborne's desired cuts of at least ten percent were reduced to just seven percent – still a significant fall of the axe, but not as bad as it could have been. In this staring contest, Downing Street and the Treasury blinked first. On 14 October, Fox was scheduled to attend a NATO meeting in Brussels, but decided to remain in London in order to consolidate his victory over the Treasury.

Where is the defence policy in all of this? Well, it isn't really there – and that's the point. The SDSR process has been carried out at great speed, and proved to be more of a budget battle than an analysis of Britain's needs. For instance, Fox's success, though on the surface a victory for 'security' over 'cuts', is not necessarily a victory for strategic good sense. Fox appears to be quite happy for the Navy to bear the brunt of the cuts, with a surface fleet slashed to just twenty vessels. To this author at least, that is a disturbing policy.

Mr Cameron's recent measures –the appointment of his own military adviser, and taking on the job of personally unveiling the SDSR– signal that the war with Fox is far from over. The Prime Minister does not want it to appear that the Defence Secretary has established his own personal fiefdom in defiance of Downing Street. On 18 October there were stories in the newspapers about Fox's partying lifestyle and drinking habits, which Fox quickly labelled a smear by internal enemies. Cameron would doubtless like to trap and maim Fox, but the indications are that he is too afraid of sustaining political damage if he supports Osborne, and has chosen to spare the military even if it means that Fox escapes the Treasury hounds. The Defence Secretary rubbed salt in the wound by gleefully telling the BBC that 'Well, I think it's always helpful to have the

Prime Minister on your side in any spending round. And it's very clear that the Prime Minister himself is very committed to the Armed Forces'.

The result will be that Fox emerges looking triumphant, strong willed, and resolute: sure to chime well with a frustrated Conservative party. No doubt Cameron, Osborne, and their Notting Hill mafia will seek future opportunities to send out the hounds; and Fox's next challenge will be converting this victory into broader personal success. But, for now at least, the wily Defence Secretary has outsmarted his opponents. Where that leaves Britain's international strategy does not appear to be on the agenda.

Robert Crowcroft is a Research Associate at the UK Defence Forum and a specialist on British politics and defence.

The backgorunder to the Strategic Defence and Security Review - the National Security Strategy can be read [here](#) .