

Global Military Balance Shifts as Economic Winter Hastens Europe's Decline

By Jijo Jacob

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An eventual shift in the global military balance is one of the inalienable fallouts of the economic winter experienced by the Western world. While military spending in the U.S., the reigning super power, is increasingly coming under the scanner, the extended defense holiday in Europe signals that the continent's global influence is on irreversible decline.

Even as the U.S. and Europe tend to spend less on military, China, serious contender for the superpower status, is ramping up spending. Russia is aggressive in its defense strategy despite the fact that a weary NATO looks a lesser threat than before.

"With the eurozone economy still sluggish and governments fixated on containing the sovereign debt brushfire that has consumed three member states, defense continues to be an afterthought in Europe," Forecast International said in a media release.

The leading defense intelligence provider said it expects that total European defense expenditure will barely reach \$280 billion by 2015. That amount will soon be dwarfed by the combined spending of China, India, the rest of the emerging world and the highly aggressive Gulf Arab nations.

Defense spending as a percentage of the Gross Domestic Product (GDP) paints a skewed landscape. According to the Stockholm International Peace Research Institute (SIPRI) data, the U.S. spends 4.8 percent of its GDP on military while China spends 2.1 percent. However, in terms of value, China's military spending has risen nearly 200 percent in the last decade to reach the 2010 spending of about \$200 billion.

The U.S. could remain the undeniable military super power in the foreseeable future by virtue of its ability to funnel massive amounts of money into this sector. According to SIPRI, at \$700 billion per year, the U.S. military spending is larger than the combined spending of the next 17 countries.

Europe pales in comparison. France and Britain, pre-eminent European military powers, spend only 2.3 and 2.7 percent respectively on defense. Germany's military spending is pegged at 1.3 percent while Italy spends 1.8 percent of GDP. Russia spends 4 percent of GDP on defense.

"Little in the near-term environment lends hope that a rethink toward defense prioritization is in the offing," says Forecast International. "Austerity programs are draining government ministries of funding and any reversals of this trend will first be felt in areas outside defense."

And the results are already visible.

Commenting on the NATO mission in Libya, the then U.S. Defense Secretary Robert Gates said in June that the vast majority of the military bloc's European members did not have the capability to carry out air attacks. "Frankly, many of those allies sitting on the sidelines do so not because they do not want to participate, but simply because they can't ...The military capabilities simply aren't there," Gates said.

Gates also issued a stern warning for the European allies, suggesting that if Europe didn't live up to its responsibility it would lose its position as America's favored military ally. "...if current trends in the decline of European defense capabilities are not halted and reversed, future U.S. political leaders-those for whom the Cold War was not the formative experience that it was for me-may not consider the return on America's investment in NATO worth the cost," Gates said, according to the Wall Street Journal.

While the U.S. still managed to spend a large share of its GDP on defense in 2010, the European members of the military bloc spent only 1.7 percent of GDP. According to IHS Jane's, Europe's military spending will decline even further in the coming years. It estimates that between 2010 and 2015, the military spending of the European members of NATO will decline by 2.9 percent.

"The end result of the ongoing decline and flattening of already-limited defense allocations will be armies that struggle to project power, conduct training exercises, maintain combat readiness, and entice new recruits. Modernization programs will be postponed or forsaken entirely," Forecast International adds.

Dragon Moves up in Defense Pecking Order

According to CIA World Factbook, Gulf Arab countries traditionally top the chart of military spending. As of 2005 Oman spent 11.4 percent of GDP on defense while Qatar and Saudi Arabia spent 10 percent. Israel's defense spending was 7.3 percent. Among emerging powers, India spent 2.5 percent while Brazil spent only 1.7 percent.

However, China's ascendance in the defense pecking order has been the most stupendous in recent times. Earlier this year, the Pentagon had warned that China's aggressive military build-up and modernization will make it a formidable power by 2020 and change for once and all the military balance in the Asia Pacific region.

In an annual report submitted to Congress, the Pentagon said though China was unlikely to wield global reach and match up to the U.S. in terms of the ability to handle high-intensity combat operations far abroad, it will become an unquestionable regional military power in the years ahead.

The People's Liberation Army (PLA) is sprucing up its conventional military capabilities by developing better missile technologies. China is also well on course to developing its JL-2 submarine-launched ballistic missile. The Pentagon had calculated that JL-2 would be operational by 2010, but continued delays have hit the program to develop this lethal weapon.

"Most reports agree that the JL-2 will have a range of about 8,000 km, while some reports suggest that the missile will have an estimated range at least 9,000 kilometers," according to [global security.org](http://globalsecurity.org).

There were also reports that China would start building a fully indigenous aircraft carrier this year. If the program goes ahead as expected, China will have a second aircraft carrier by 2015.

China's stealth fighter, J-20, had created a lot of ripples in the defense world this year when it conducted its celebrated test flight. According to the Pentagon, the J-20 "highlights China's ambition to produce a fighter aircraft that incorporates stealth attributes, advanced avionics and super-cruise capable engines over the next several years."

Moreover, China is actively harnessing technologies to develop lethal space and counterpace capabilities. The Pentagon also has said PLA has set up "information warfare units" in a bid to gain upper hand in cyber warfare, the modus operandi of the future. The Pentagon report had pointed out that targets inside the United States had been victims of cyber attacks that took origins in China in the recent past.

In stark contrast, the images from the United States and Europe are less than upbeat. In August this year, the U.S. announced massive spending cuts in the defense sector as part of the debt deal unveiled by the White House.

The White House fact sheet said defense spending will be reduced by a whopping \$350 billion in ten years, a decision that would deal a crippling blow to many of Pentagon's vaunted weapon programs.

The U.S. could be eying to cut down military spending in future by slimming down its nuclear arsenal and being choosy about weapon purchases, besides reducing personnel costs. There is also the risk of really big ticket projects like the aerial refueling tanker getting sidelined or slowed down.

And in Britain, the country's only aircraft carrier was decommissioned recently because of budget constraints.

Analysts say Europe faces the dire threat of becoming a fringe player if it continues to undermine the importance of sheer military power. "The shrinking of (defense) assets and degradation of capabilities happened over an extended period of time. Defense investment in Europe has steadily declined since the early 1990s as governments placed a premium on 'soft power' alternatives over military strength," says Forecast International's Europe Military Markets Analyst Dan Darling.

"Europe needs to summon the political willpower to strengthen defense or accept that out-of-area operations going forward will have to be limited in number and restricted in scope. There is already a finite capacity regarding further Libya-type operations, let alone a similar mission to the one still going on in Afghanistan. A decline in ability to project power comes with a decline in global influence. Such decline may be relative, but it is a decline nonetheless."

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