

THE BROOKINGS INSTITUTION

FALK AUDITORIUM

TRIDENT ALTERNATIVES:

WHAT NEXT FOR BRITISH NUCLEAR FORCES?

Washington, D.C.

Wednesday, September 11, 2013

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PROCEEDINGS

MR. WALLACE: Good afternoon. I would like to begin by welcoming you here to The Brookings Institution and to this event, which is being held by the Arms Control Initiative, which is part of our new, or at least relatively new, Center for 21st Century Security Intelligence. My name's Ian Wallace. I'm a visiting fellow here in 21 CSI. I'm very pleased to be able to moderate this discussion that we're having today.

Like the new U.S. nuclear program, the UK program is now entering its eighth decade. It dates back to the beginning of the Manhattan Project in 1943. But throughout almost all of that history there's remained a lively debate within the UK about the costs and benefits of the deterrent, and that conversation has had political, financial, even moral dimensions. But it's not just a philosophical debate. Over the last decade, successive British governments have had to face up to the unavoidable question that the current class of Vanguard boats which carry the Trident missiles that constitute the UK deterrence will be going out of service in the 2020s. And in 2006, the government under then Prime Minister Tony Blair voted in Parliament to proceed with replacing that Vanguard class of submarines, but the debate has continued.

And a significant development in the meantime was the election in 2010, a very new coalition administration in the UK. It's the first

time we've had a coalition government for half a century, and that has created some interesting challenges, both opportunities and challenges, for the way in which government is done in Britain, including how some of the big issues, like how Britain manages a deterrent, are taken forward. And so today, I look forward, as I'm sure you do, to hearing how that process has worked and what it might actually mean for the UK deterrent.

There are a few people as well qualified to talk to that subject than the Right Honorable Danny Alexander, MP. Mr. Alexander is Britain's chief secretary of the Treasury, which is a role that roughly translates to the director of the Office of Management and Budget; also has some of the roles of the Treasury Secretary. But because of the way that the UK system works, he's also a legislator and has been a member of Parliament for Inverness, Nairn, Badenoch, and Strathspey since 2005. And following the 2010 election, he briefly became Secretary of State for Scotland and then soon after the chief secretary.

However, because of the way the coalition works, it is also significant that he is one of the most senior members of the Liberal Democrats within the coalition government. He was the coordinator for the Lib Dem manifesto in 2010. And he also led the negotiations that created the coalition. And it's in this capacity essentially that he's been taking forward this role.

Similarly, there are few Americans better qualified to comment on UK deterrent issues than Franklin Miller. Frank now works at The Scowcroft Group and we are very pleased to be joined here today by General Scowcroft, who's presumably here to see what Frank is up to when he's not in the office. (Laughter) But before he joined The Scowcroft Group he spent over three decades in federal government service, ending his career as a special assistant to President George W. Bush and a senior director for defense policy and arms control on the National Security Council staff.

Prior to that, '96/'97, he was acting assistant secretary of defense, written national security policy in the Pentagon; 2000/2001, acting assistant secretary for strategy and threat reduction. And, not insignificantly for the conversation we're having today, in those capacities he served as chairman of NATO's Nuclear Policy Committee, the high-level group.

Previously, Frank had a role in the START negotiations in the late '80s and '90s. And throughout all of this time remained very close to the UK deterrent to the extent that in December 2006, he was created an honorary knight commander of the Most Honorable Order of the British Empire.

I am now going to get out of the way, invite Mr. Alexander to

give some prepared remarks from the podium. I will then ask Frank to respond. And then having taken the moderator's prerogative to ask a few questions, I will throw it out to the floor and look forward to many interesting and challenging questions.

MR. ALEXANDER: Thank you, Ian, for that very kind introduction and thank you, distinguished guests, for being here today and to The Brookings Institution for inviting me to speak. And it's a great honor to share a platform with Frank Miller. And though I guess we may not agree on everything we talk today, your contribution has been enormous and I look forward very much to hearing what you have to say.

And first, let me just say that as today is the 12-year anniversary of the tragic events of 9-11, to pay tribute to the nearly 3,000 innocent lives lost that day, including 67 British citizens, our 2 nations stood together side-by-side for decades before that terrible September morning and we will continue to do so long into the future. And as an example, two weeks ago, I visited British troops in Afghanistan, but I also met American commanders and saw firsthand all that we are achieving there together. British and American troops have served our countries with honor and distinction. And as our war-fighting draws to a close, our troops will leave Afghanistan in a much better place than when they started. In doing so, we've protected national security of both the United

States and the United Kingdom by helping Afghans take control of their own security. And now, because of our support, the Afghan National Security Forces have a lead security role for the country's 27 million citizens. And my visit showed me, demonstrated to me how successfully they are taking on that role.

And the closest success of the U.S.-UK relationship based on shared history, culture, language, values, as well as deep defense and security cooperation, is why I've come to speak to you today. But first, I explained it a little bit, a bit of background on my role within the UK government because it may seem curious to some that a Treasury minister, I guess the equivalent of your deputy secretary of the Treasury, is speaking to you about troops in Afghanistan and the potential future of Britain's nuclear weapons policy.

After the 2010 UK general election produced a hung Parliament, I was the lead negotiator on behalf of my party, the Liberal Democrats, as we formed a coalition pact with the Conservative Party and a government with a Conservative Party, the first British coalition government since the Second World War and the first peacetime coalition government for 70 or 80 years. And in addition to my role in the Treasury, I sit on our National Security Council and I'm a member of the UK's so-called Quad, made up of the prime minister, deputy prime minister,

Chancellor George Osborne, and myself, which drives the coalition government forward. And it was within this context of this role and my role as a senior Liberal Democrat minister that I oversaw the nuclear systems review that I want to outline for you today.

In July, our government published that review into alternatives to our nuclear weapons system, currently comprised of four Vanguard-class submarines carrying Trident D5 missiles on 24-hour patrol. It was the most thorough nuclear systems and postures the UK has undertaken for decades and the most comprehensive analysis that we've made public. And more, this detailed and forensic analysis has challenged some conventional thinking about the UK's nuclear posture. And I think for the first time in a generation the Trident Alternatives Review shows that there are credible and viable alternatives to the UK's current approach to nuclear deterrence.

A different approach would, I believe, allow the UK to contribute meaningfully to the new multilateral drive for disarmament initiated by President Obama, while maintaining our national security and our ultimate insurance policy against future threats. And it could allow long-term savings to be made against current plans, savings of over four billion pounds, \$6 billion, over the life of the system.

But to be clear, the Trident Alternatives Review has not

changed current UK government policy. And that policy is to maintain our nuclear deterrent and prepare for a successor system. But the review has enabled the UK to have an open and more informed debate about what our nuclear weapons are for and how they should be deployed. And it provides us with a chance to change course before the final decision, what we call the “main gate decision,” before a successor system is taken in 2016. And it’s on that decision that the two governing parties do not agree, so today I want to make the case for Britain taking this opportunity and for the United States to take an interest in our debate.

I believe the Trident is the UK’s last unreformed bastion of Cold War thinking. Britain in the 21st century, almost a quarter of a century after the fall of the Berlin Wall, needs to think about nuclear deterrence and disarmament in a fresh way.

We have a big, final decision to make in 2016 about the future of our nuclear weapons system, and the Trident Alternatives Review shows that there are credible alternatives that don’t compromise UK security or our close cooperation with the US, but do allow us to move on from the Cold War. We can adapt our nuclear deterrence to the threats in the 21st century by ending 24-hour patrols when we don’t need them, and buying fewer submarines. That way we can take a big step down the ladder of nuclear disarmament while still keeping our country safe.

Now, there are some in the United Kingdom who argue that any change to our nuclear posture would cause serious disruption to our relationship, and not just as it relates to the Mutual Defense Agreement. But I believe that our relationship runs much deeper than that. The Trident Alternatives Review, I believe, is not a threat to that relationship. It is an opportunity to work together because all nuclear weapons states must think about how we take steps towards disarmament, but until a serious multilateral process is in place, each nuclear weapons state will come down the ladder in its own way. The Trident Alternatives Review, I believe, sets out how the UK can do just that. But before I make the case, let me set out how we have come to this decision point.

As Cicero put it, finances are the sinews of war. Prosperity and security, these are the first order responsibilities of government. They are inextricably linked. It is almost impossible to have one without the other for any sustained period of time. To ensure both has required the UK government to take some very tough decisions.

On election in 2010, the coalition government faced the most severe economic challenges of any incoming government in the UK in living memory: high levels of private debt which had fueled the housing boom that contributed to the financial crisis; high levels of public debt which had grown rapidly and significantly as a result both of the downturn

in 2008 and the high pre-crisis deficit being run by our predecessors; and a rapid decline in financial services which had formed such a significant part of our economy leaving a major gap. Many of those issues were global, many of the problems were shared by you, our friends in the United States. And, in fact, our location -- geographically, politically, and economically -- in Europe, which is only now starting to emerge from their deep crisis, provided a further challenge to our economy.

As tax receipts fell away during the crisis, the public sector was revealed to be living way beyond its means. When we came into office, the UK was forecast to have the highest deficit in the G-20 and the economy was forecast to be about 9 percent smaller by 2015 than was expected before the crisis. In this context, it was clear that strong, decisive, and at times controversial action was necessary.

We made tough decisions across the board to tackle our deficit and not least with regard to the defense budget. In defense policy we had a delicate balance to strike: ensuring our military forces are configured to tackle the threats of today while maintaining the flexibility to respond to the threats as they change, making sure that we are prepared to face the future without sacrificing security and indeed prosperity in the present. And in 2010, we inherited a defense program that was not fit for this twin purpose.

First and most urgently, the finances of the defense program were hopelessly out of balance. At that time, the black hole in the Ministry of Defense budget by the end of the decade was more than one year's entire defense spending. And so difficult and very uncomfortable decisions were taken as part of the UK's 2010 Strategic Defense and Security Review, a process I think similar to your Quadrennial Defense Review.

But thanks to those difficult decisions, our defense budget is now in balance and the program on a firm 10-year footing. The test of the future will, of course, be to maintain this new discipline, making sure that the procurement schedule brings the right platforms online to the right specification, on time and on budget.

And that brings me to the second challenge that we faced in 2010. Well, of course, the size, shape, and configuration of Britain's conventional armed forces had changed quite radically since the end of the Cold War, but remnants of Cold War structure and thinking still exerted considerable influence: the overemphasis on heavy armor, the lack of a formal joint forces command, the basing pattern with over 14,000 personnel still based in Germany. And our most recent Defense Review, however, throws off the last vestiges of this thinking, reforming to face the new characteristics of warfare rescaled to the requirements of Britain's

security at a cost our finances can bear and in the context of the UK's global role and responsibilities, both to the U.S. and the rest of our allies.

But there is one area of policy that was not changed as part of the 2010 Defense Review: our nuclear weapons policy. And the two parties in government, the Conservatives and the Liberal Democrats, have different approaches, very different approaches, to this issue. The UK's Vanguard-class SSBNs are coming to the end of their service lives and, in 2007, the British Parliament voted to replace the submarines on the same scale with a successor system. The Conservatives supported this decision and wish to move on with the procurement of a like-for-like replacement. And as such, they believe there was no need to revisit the issue as part of our Defense Review. My party, however, opposed the like-for-like replacement of Trident in 2007. We argued then that no serious consideration had been made of alternative nuclear systems and postures that could provide long-term financial savings and be more suitable to the threat environment Britain faces now and in the future.

So our joint government policy is that the nuclear deterrent will be maintained as it is, initial design plans for Vanguard successors will proceed, but the Liberal Democrats will continue to make the case for alternatives, and the final contractual decision on Trident replacement will not take place until 2016, after the next UK general election. And so the

Trident Alternatives Review discharged this coalition agreement and is helping also to inform my party as we make the case for an alternative approach.

The review was commissioned jointly by the prime minister and the deputy prime minister in 2011. It was taken forward under the auspices of our Central Cabinet Office with a cross-government team of expert, civilian, and military officials. It was not a party-political review.

And just for the avoidance of doubt let me say what the review was not about. It was not and never has been about short-term savings to help the UK deal with our current deficit problem. This is not about backfilling budgets in the near term. Now, it's possible that under some options the savings against current plans will start to accrue in the mid-2020s. Just at the point when capital expenditure on Trident's successor reaches its heights in the 2020s, other major defense projects will also be competing for limited funds. So while cost is not the primary aspect when considering the future for the UK's nuclear capability, neither can competing pressures on the defense equipment budget be ignored, and so the review considered the whole life costs of alternative approaches through to 2060.

Second, the review does not address the question of whether or not the UK should remain a nuclear weapons power.

Complete unilateral disarmament is not the stated policy of either the Liberal Democrats or the Conservatives. Now, as we all know, in some parts of the world we are not far from the possibility of a new round of nuclear proliferation. To paraphrase the Duke of Wellington, we do not know exactly what is at the other side of the hill. So it's right that the UK should retain a nuclear weapons capability. What is at issue is not whether we should possess nuclear weapons, but how the scale and posture of our capability could change.

So the review was tasked with answering three questions. First, are there credible alternatives to a submarine-based deterrent? Second, are there credible submarine-based alternatives to the current proposals? And third, are there alternative nuclear postures which could maintain credibility? So let me just briefly take you through the analysis that we undertook.

The analysis undertook specific combinations of platform, delivery vehicle, and warhead technology for detailed consideration, but excluded technologies that could not be ready by 2035. From a starting list of more than 700 potential options, the work was narrowed to consider a small number of credible and deliverable platforms and weapons systems. An assessment of the UK's ability to develop and deliver the alternative options showed that producing the warhead and its integration

into a cruise missile or bomb would be the critical challenge. The reality is that the UK nuclear warhead program is highly optimized around producing and maintaining warheads for the Trident missile. The review found that moving to an alternative would add technical, financial, and schedule risk to the program. Delivering a new warhead for an alternative system would take at least 24 years, deliverable with some risk by about 2040. The crucial point is the review judged that this warhead timescale to be longer than the Vanguard submarines can safely be operated.

Now, there are options to bridge this gap, but when you look at the costs of alternative systems it becomes clear that, for example, each cruise missile-based option would include an extra \$15.5 billion on its price tag because of the need to bridge that gap.

The bottom line is this, and I quote from the review, the analysis has shown that alternatives to Trident that would enable the UK to be capable of inflicting significant damage, that most potential adversaries around the world would be deterred. So the analysis shows that these options, cruise missile-based options, are militarily credible. And the potential for a single platform for both conventional and nuclear weapons would be an advantage, but this is an argument for the very long-term. From the perspective of 2013, the timescales and likely gap make the argument much weaker than it would have been in 2007. And

so my conclusion is that a replacement nuclear deterrent based on the current Trident system is the most cost-effective in the period that we are considering.

But a four-boat successor operating on continuous at-sea deterrence is not the only viable alternative for the UK. The review opens up a much greater opportunity for change in its consideration of alternative postures and that, in turn, opens up the possibility of maintaining the UK's nuclear weapons capability with fewer submarines. Taken together, this is where the real opportunity resides for long-term savings and for recalibrating the UK's nuclear weapons policy to the requirements of our age as well as contributing to nuclear disarmament.

The analysis of the UK's national security strategy and the 2010 Defense Review confirms the position that successive British governments have adopted that, and I quote, "no state currently has both the intent and the capability to threaten the independence or integrity of the UK, but we cannot dismiss the possibility that a major direct nuclear threat to the UK might reemerge." So with no hostile backdrop and a surprise attack against the UK highly unlikely, there are a number of viable and credible alternative postures that the UK could adopt while maintaining a nuclear deterrent capability that meets the needs of our national security.

The review demonstrates that our current posture of continuous at-sea deterrence is not the only one available. So let me briefly describe the four alternative postures considered in the review, from highest to lowest at-readiness. And each of these represents, if you like, a different rung on the nuclear ladder, down from continuous at-sea deterrence at the top.

A posture of focused deterrence would maintain a continuous deterrent for a specific period and in response to a specific threat, but at all other times, the system would adopt a reduced readiness level. So we considered three options for reduced readiness. A so-called sustained deterrence posture would mean regular patrols which maintain deterrence capability, but the number of platforms could be reduced. A responsive posture would allow gaps of irregular frequency and length between deployment, so that a potential adversary could not predict when and for how long a gap in deployment might occur whilst the posture of preserved deterrence would hold forces at low readiness. No deterrent platforms would be regularly deployed, but the UK would maintain the ability to deploy if the context changed.

The review clearly demonstrates that the concept of a ladder of capability and readiness is viable and credible and that there are a number of options for taking steps down the rungs without getting off the

ladder altogether and without sacrificing the capability to return to a continuous posture should a threat reemerge in the future. Of course, coming down the ladder depends on a number of things: first, how we judge it best to sustain Britain's security in the light of present and future threats; second, how Britain can contribute not just to our own security, but to that of our allies and international stability more generally; and third, how the decisions we make contribute to our legal and moral responsibilities for nuclear disarmament under the Non-Proliferation Treaty.

Any UK decision, therefore, to come down the ladder is not solely a British domestic issue, nor should it be considered as such. As a recognized nuclear weapons state under the Non-Proliferation Treaty we have an obligation to move towards a world in which nuclear weapons are no longer part of states' security and defense postures. And there are many distinguished advocates for this movement here in the United States, too. For example, former Secretaries of State Henry Kissinger and George Schultz, former Senator Sam Nunn, and former Secretary of Defense William Perry have called for moving towards a world free of nuclear weapons and a reduction in nuclear weapons stockpiles. Senator Nunn and former Senator Richard Lugar's Cooperative Threat Reduction Program has helped deactivate thousands of warheads. And in his Berlin

speech in June, President Obama called for a movement beyond the Cold War nuclear postures and announced a major reduction in the U.S. arsenal.

Of course, the UK has a much smaller arsenal than the U.S. Indeed, Britain has the smallest nuclear arsenal of any of the declared nuclear powers, and we have made significant steps since the Cold War in disarmament terms. There have been regular reductions in the number of UK operational missiles and warheads, and there has been some progress in de-alerting our nuclear weapons systems, to borrow a term from Senator Nunn, extending notice to fire, for instance.

As a result, some would argue that Britain has done its bit for disarmament, that we have reached the minimum level possible to be credible before stepping off the ladder altogether. Now, this argument has been deployed at every point in the scale down over the last 20 years, but each time it's proved not to be true. And no doubt, the same argument will be made for maintaining continuous deterrence. But in Britain we seem to find that we have the ability to step down the ladder when we find the political will to do so. So the next great big step is to reduce the salience of nuclear weapons in our defense policy itself, and that means accepting that a Cold War-style continuous deterrent has become unnecessary. So a word about the consequences, briefly, that I believe such a step down

the ladder would entail.

Of course, let me be clear that adopting a non-continuous posture does mean accepting a different calculation of risk than existed during the Cold War. But the argument that a current adversary would take the opportunity to target the UK during a period when no boat is covertly deployed and launch an overwhelming nuclear strike against Britain is, frankly, not supported by any analysis that I have seen. Nuclear weapons are weapons of mass destruction. The consequences of use in the strategic context are world-ending. A new scientific study suggests the true scale of the humanitarian and climatic impact of firing a nuclear weapon is greater than previously thought.

Nuclear weapons have no military utility except as a deterrent against nuclear attack. That's the ultimate guarantee that we often talk about. But the reality, I believe, is that in the current circumstances and for the foreseeable future that guarantee in the UK does not need to sit on a hair trigger. The option of non-continuous deterrence does not threaten current security, and by changing postures we can reduce costs at the same time. For instance, ending continuous patrols and procuring one less submarine would make savings of over \$6 billion over the life of the system. The judgment is where on the ladder you believe it is credible to stand, providing the ability to scale up or down

as threats change, and the momentum of proliferation on the one hand and disarmament on the other shifts.

So what would coming down the ladder mean for the UK and U.S. relationship? There are some in the UK who argue that any change to our posture would cause serious disruption to that relationship. I disagree. I believe our special relationship is deeper than that. And as a member of the UK's National Security Council, I know just how closely and regularly we work together, whether it's fighting terrorism, stabilizing Afghanistan, countering piracy off the coast of Somalia, drug interdiction in the Caribbean, training missions in Libya or Mali or many other I could mention. In short, no matter what change we may make to our nuclear posture, our strong and deep cooperation would, I believe, continue across the full range that currently delivers such enormous benefits to both our countries.

So let me sum up briefly. The Trident Alternatives Review is the most comprehensive study on nuclear weapons platforms and postures ever published by the UK government. And I believe as large numbers of nuclear weapons remain and the risk of proliferation continues, it is right that the UK should retain a nuclear capability for as long as the global security situation makes that necessary. That capability should be scaled and deployed to the threats we face now and held as a

contingency for the threats we may face in the future.

The conclusion that I draw from the Trident Alternatives Review is that there is a step down the ladder available to us: ending 24-hour patrols when we don't need them and procuring fewer successor submarines; moving on from a Cold War concept of deterrence to one fit for the world we inhabit currently; and making the greatest UK contribution to date to international disarmament efforts by (inaudible) our nuclear weapons system.

For the UK, the publication of this review marked the start of a national debate on one of the most profound questions of our time. It will also be an informed debate thanks to the review. But this is not just a British domestic issue. For international security thinkers and nuclear experts, especially those of you present here today, I believe this review also presents an opportunity to debate how nuclear weapons states think about nuclear postures and how we can break out of the habits of the past.

So I look forward very much to your comments. Thank you for listening. (Applause)

MR. MILLER: It's a real honor to be here and it's quite an honor to share the stage with the chief secretary. And I want to congratulate on your leadership of what has been an excellent review, as

you say, the most comprehensive review ever of the British nuclear deterrent, and also on your own personal role in helping close the black hole, end the black hold in the British defense budget, which was a herculean task.

What you will hear from me is very different from what you just heard. That's, I think, why I'm here and I shall not disappoint. So let me step right into the story.

Now, the Liberal Democrats went into the 2010 elections with a platform saying they would find and support a less expensive alternative to Britain's Trident-based strategic deterrent, but that hope has had a bruising collision with reality. The Trident Alternatives Review revealed what many of us have known and been writing for a long time: there is no less expensive or more effective deterrent than one based on the Trident missile system.

So now that there is general agreement that there is no less expensive or more effective deterrent than one based on an SSBN/SLBM system, there is one last major disagreement. And as noted by the chief secretary, it is whether to maintain this deterrent in a continuous at-sea deterrent, or CASD, posture. I have said before and I will say again to you today that the worst decision a government could make with respect to choosing a deterrent which is, by its very nature, invulnerable is to operate

that in a manner in which it would, in fact, become vulnerable. And halting CASD would do exactly that.

An SSBN force, at least one of whose submarines is not continuously at sea, is not a deterrent. It's a target. As Lords Hutton and Robertson, both former Labor Secretaries of State for Defence, have written, CASD provides a deterrent that is immune to any first strike and so provides the maximum amount of assurance against the risks of either nuclear attack or blackmail. There is no use having this insurance policy if it only applies for some of the time.

The idea that at times of tension we could scale up our patrols is also flawed. Such an escalation in the UK nuclear posture would itself only serve to heighten tensions both at home and abroad. Dropping CASD could have serious operational implications for the Royal Navy, too: "This could easily contribute to a decline in the vitally important professionalism and expertise of our nuclear-equipped forces."

And the current Secretary of State for Defence, Mr. Hammond, has also stated this forcefully and succinctly. I quote, "We must be under no illusion that we can pick and choose the threats we face. A deterrent only deters if it is credible and available. All the evidence points to a continuous at-sea presence based on Trident as the most cost-effective route to deliver the deterrent effect. Some have

argued that we should sacrifice our continuous at-sea deterrent, but not having a submarine permanently at sea would make us vulnerable to a preemptive strike.”

Wise words and well said. And for anyone who observed every minute of the three hours of the House of Commons debate on the Trident Alternatives Review on July 17th, as I did, it is worth noting that maintaining CASD was overwhelmingly endorsed by both the Conservative Party and the Labor opposition. And indeed, the review itself states, and I quote, “None of the alternative systems and postures offers the same degree of resilience as the current posture of continuous at-sea deterrence nor could they guarantee a prompt response in all circumstances.”

The review also states, and I quote, “Any change to the UK’s nuclear deterrent system and/or its posture may have the potential to impact on the perceived credibility of the deterrent and on our wider national interests and foreign relations.”

So what will change and what will not change if the UK halts continuous at-sea deterrence? Let’s be clear. Halting continuous at-sea deterrence will not -- first, will not cause the Russian government to change its policy of placing nuclear weapons at the heart of its security policy, threatening its near neighbors with nuclear strikes, or carrying out a

massive modernization of its ICBM force, SSBN force, or bomber force; neither will it cause the Russian Navy to cease its efforts to regain a CASD posture nor will it cause the Russian strategic rocket forces to take their hundreds of ICBMs off alert wherein today they maintain a capability to launch in minutes.

Halting CASD will not cause the Chinese government to halt its programs of building and deploying two new types of ICBMs, a new SLBM, and a new class of SSBN.

Halting CASD will not cause the French government to halt deploying its SSBNs in a CASD posture; or, according to the new deterrent policy signed out last month by President Obama, halt us from doing it either.

Halting CASD will not stop the Indian, Pakistani, Israeli, or North Korean programs to modernize and expand their nuclear forces; nor will it diminish Iran's desire to develop a nuclear weapons capability.

And as the chief secretary said, it will not alleviate the strain on the MOD's budget for a long time since building the two SSBNs all parties agree upon has to commence in 2015, given the aging problems found in the existing Vanguard fleet. And any relief from building boats three and four will occur outside the next two Parliaments, that is beyond 2025.

However, halting CASD will have effects. It will undercut the ability of future British governments to manage and deescalate a crisis with a nuclear-armed adversary. Because despite the huge resources we have both invested in intelligence, we have separately and together an extremely poor track record in predicting when a crisis will break out, including one involving state-on-state. The review itself notes, and I quote, "The UK could miss indicators or warnings of hostile intent." And following from that, the agonizing decision to send an SSBN to sea for the first time in an extended period could well, as the review states, "could introduce an increased risk of miscommunication or miscalculation with an adversary."

Halting CASD will create an opportunity for an aggressor to neutralize the British deterrent by bottling it up in the Clyde by placing mines. Given the geography of the Faslane base, this is a relatively simple thing to do. A string of mines could be placed in the Gare Loch or in the Clyde, which would prevent the SSBNs from going to sea and they would then be vulnerable to conventional or nuclear strike. Even the discovery of a single mine in the loch or the river would be sufficient to halt SSBN operations until a minesweeping force could be called in to clear the channel, and this could take days to accomplish. Alternatively, enemy hunter-killer submarines could be stationed in the ocean approaches to

the Faslane base where they could be used to try to engage and sink and SSBN before it could lose itself in the broad ocean.

Halting CASD will inevitably, over time, undercut the readiness of the SSBNs' crews, thereby endangering safe operations. And we here in the United States have sad and recent experience with this in our Air Force in 2007.

And finally, while I absolutely endorse everything the chief secretary said about the strength and necessity of the special relationship, and it is not only nuclear -- in fact, nuclear plays only a small role in it -- halting CASD will raise doubts on this side of the ocean about the continued commitment of the British government to share the burden of maintaining a nuclear umbrella over NATO. And despite the anonymous and decidedly incorrect remark made to the *New York Times* this past April by some unnamed U.S. official to the effect that the U.S. Government believed Britain should abandon its nuclear deterrent, serious-minded and responsible American policymakers appreciate and support the role the British nuclear deterrent plays. And indeed, Secretary Hagel quickly dismissed the *New York Times* report as inaccurate.

So to summarize, with respect to ending CASD, no good will come of such a policy change and some seriously bad things will certainly result and other worse things become plausible. Let me close by referring

to one last theme geared to those who would eliminate or dramatically scale back the British deterrent, and that is the thought that eliminating the deterrent, which is not the position of the Liberal Democrat Party, that eliminating the deterrent will accelerate the movement to a world without nuclear weapons and this will greatly increase global stability.

This notion, this notion that somewhere in the future there must be a world in which the instability of nuclear deterrence is replaced by the stability of conventional deterrence, reveals that its proponents neither study history nor pay attention to the policies of governments who just might not be content to eschew aggression or military coercion. Instead, they project their aspirations onto leaders of those potentially hostile states, leaders whose aspirations, goals, world views, and policies are altogether different and at times completely antithetical.

My study of history does not reveal that the world before 1945, a nuclear weapons-free world, was particularly stable nor was deterrence based on conventional forces alone ever particularly effective. There is a quote apocryphally attributed to Mrs. Thatcher. Speaking about the many statues commemorating the French war dead she reputedly said: There's a monument to the failure of conventional deterrence in every French village.

Since 1945, however, the major powers have avoided war

with one another, a sharp contrast to the average of five to seven wars per century between the major powers from 1648 to 1945. Something happened in 1945. Nuclear weapons made war between the major powers too dangerous, and that was and remains a good thing.

With that, I thank you and I look forward to our discussion.

(Applause)

MR. WALLACE: Thank you and thank you very much, Chief Secretary and Frank, for I think what we had there very clearly were two different sides of a both very important but also a very complicated debate set out in some of the clearest terms that you will get. I will ask a few questions, then I'll open it up to the floor. But before we do that, I'd just like to ask Mr. Alexander if he has any responses to Frank's points.

MR. ALEXANDER: Well, firstly, I'm very impressed that Frank stayed up for three hours to watch the House of Commons debate on this subject. (Laughter) You're fairly unique. You'd be fairly unique in the United Kingdom let alone in the United States for having chosen to spend your time doing that. And you characterized it fairly and summarized your argument very clearly.

I think that, I mean, many of the points you made I addressed in my remarks. I think that perhaps the area that -- there are a number of areas of difference, but one I would just highlight is what I am

not suggesting is that the UK should abandon its nuclear deterrent or step back from being a country which is a nuclear weapons power; that you quite rightly said, and I made this clear in my remarks, we recommend continuing with the Trident system. What I'm suggesting is that we should scale that to the threats of today and organize our posture in a way that is capable of scaling up or down in future such that we can respond to threats that might reemerge in the future.

And, you know, it's the position of our government and I think of other governments, too, that there is not at the moment an immediate threat of state-on-state nuclear warfare in the way that there was during the Cold War. And so the argument in favor of the posture that we're suggesting is that it is adapted to the threats of today, but allows us to scale up to the threats of the future.

The procurement of three successor submarines, which is the suggestion here, and the adoption of a posture that allows scaling up in the future would save money, but it would also require the UK to maintain all of the capabilities that are both valuable to the UK and also valuable to the relationship that we have with the United States in warhead manufacture and all the other things that we talked about.

I would respectfully say that in terms of protecting Faslane against mines and so on, I think that our navy and others will remain as

capable of doing that in the future as they are today.

And whilst you're right that -- and I made this clear -- cost is not the major issue, it is also true that defense budgets in the UK and the U.S. and many other areas are under a lot of pressure. And \$6 billion in the 2020s to the 2030s could be very useful in maintaining other capabilities that are crucially important and maybe need to be used more immediately than the one that we're discussing here today. So I think there is a good strategic argument for this as well as a subsidiary argument on the grounds of cost, which I would make in response to what you had to say.

But I think probably having gone for a long time, it'd be interesting to hear other people's views rather than mine.

MR. WALLACE: Just quickly, I'm bound to ask this given we're sitting here in Washington. You mentioned in your speech the assumed UK-U.S. relationship.

MR. ALEXANDER: Yes.

MR. WALLACE: And nuclear weapons is inherently wrapped up in that and has been for many decades. And what you just said sort of feeds into that as well. So the question, I guess, is do you see this as something that the relationship will need to endure or do you see selling this as a positive way or using resources to do something else?

MR. ALEXANDER: I would present it in the latter way. Of course change of this sort is bound to be -- it is a change that has to be managed. It's a change to the way things have operated or would be a change to the way things have operated for some time. But equally, I mean, I gave a list in my remarks of the many, many ways in which our two countries cooperate and work together, and there are a range of UK capabilities that are very valuable in that context. And so being able to maintain those capabilities is also very, very important.

Also, I mean, the President has laid down the challenge in terms of, you know, taking steps towards the very long-term goal. And I know, I'm sure Frank would agree, it's a very long way off of a world free of nuclear weapons. Each nuclear weapons state has to think about that in its own terms. The point I was making in my remarks is that for the United Kingdom, the next step down the ladder I think is in relation to the posture that we adopt given, you know, the relatively small size of our nuclear arsenal compared to the United States. I think that's an area where our governments can work together and I think needn't be a source of conflict, but could be a source of cooperation.

MR. MILLER: And my view is that the perception is important. I mean, clearly, we both believe, and many, if not all, in this room believe in a strong special relationship. My concern is that if the UK

steps down from CASD, that will be a change in the day-to-day share of the burden of the umbrella over NATO. And as we have seen in recent months, there is an ugly strain of isolationism which is appearing again in the American body politic, something we haven't had to deal with since about 1945 to 1948. Generations have come and gone that believe the United States is an internationalist power.

To the degree that more people believe that we alone are being left to carry the burden for the sake of the rest of the world, then the whole question of our role in the world will be called into question. That is my concern.

MR. WALLACE: The other aspect that both of you touched on is whether this will or will not play into any future arms control debates. So I guess the question is do you think other countries care enough about what Britain does for this, the changing posture that you're advocating, to be impactful?

MR. ALEXANDER: Well, we'll see how much people here care about it when we have the questions and the discussion.

Look, I do not make the argument that this move is a critical move to persuade others to do different things. That was not part of my presentation. And, you know, Frank put that point very well in his remarks.

I do, though, think that, you know, each nuclear weapons state has signed up to international obligations to take steps to reduce, where they can, the threat that nuclear weapons pose. And in a sense, I'm recommending this on the basis of it's a step down that ladder that the United Kingdom could take, but also recognizing that it's very important that while the threat of nuclear weapons persists in the world, that the UK needs to maintain a capability. So it's about taking a step that we could take as opposed to making an argument and this is going to prompt a response from any other particular country.

MR. MILLER: And I'd make two observations. One is, as the chief secretary said, Britain has made a major contribution to nuclear disarmament in the context of the size of its own force and the variety of systems it deploys as have the United States and France and, indeed, with strategic systems, Russia. Unfortunately, the countries about whom we are most concerned have paid no attention to that. And as you graph warhead levels over time and you look at U.S., UK, France, and Russia on the strategic side come down over the last 22 years. You watch China, India, Pakistan, Israel, North Korea go up for the reason that many of these countries want their nuclear weapons not about our nuclear forces, but our conventional ones. So I think it's time to take a step and look back.

I would be much more comfortable, my second point, with the notion of halting CASD if it were proposed in the context of having every major nuclear power take its nuclear weapons off of alert in a verifiable manner as opposed to having the UK begin to step down that ladder by itself. And that's a daunting task, but it's something that if I were placing the CASD discussion in context, I would put it in the context of other countries' forces on alert because they can still be used very quickly.

MR. WALLACE: We are going to go to the audience, but I'd just like to check is there any chance that this would be done in a conditional way, as Frank is advocating?

MR. ALEXANDER: Well, that's not what we are proposing, in fairness. But I do think the point about that, in a sense, this is a step within the argument about taking nuclear weapons off alert is important. And, you know, no doubt that will be part of, you know, future multilateral talks. It's been very much part of the debate here in the United States. I think it's a position the UK could usefully take without, I believe, in the current threat environment weakening our own defenses, but, also, perhaps showing the way that -- a way that could be taken to reduce the alert status of nuclear weapons around the world.

MR. WALLACE: Thank you. Questions. And I preface this by saying please keep your questions short. We want to get in as many

as we can. And please no speeches. End your question with a question mark. (Laughter)

We will start at the front.

MR. ULLMAN: I'm Harlan Ullman. Thank you for your debate.

About 3,000 years ago, I was a sailor in the Royal Navy in a 600-pound bomb officer, for those of you who remember what that was. I've also had the opportunity to discuss the Trident alternatives with the senior levels of you MOD, and I raised three questions which I do not think were covered at all, or at least sufficiently, in an otherwise thorough review.

First, who are you going to target and have you really thought through what you're going to need for all your surveillance and intelligence-gathering information over the next 20 or 30 years? Because that's going to be hugely expensive.

Second, I don't think you looked into new battery technology and diesel-electric submarines closely enough, and I was curious why not? Because there are lots of options and alternatives that are available there.

And thirdly, having spent some time in the Clyde with parachuters in the Royal Navy Command course for submariners, it's a

pretty deep place. You can fire missiles from submarines ashore when they're in port and you can also -- sure you can, Frank.

MR. MILLER: Not the Trident system.

MR. ULLMAN: Well, then you can do it from nearby in the estuaries where you can hide. And so my question is it seems that there's an awful lot of tactical deception that could be used to cover Frank's point about some kind of a modified continuous-on station.

MR. ALEXANDER: So I think all of the -- three very good questions. By the way, thank you for our service in our Royal Navy.

MR. ULLMAN: With Nelson. (Laughter)

MR. ALEXANDER: Right. I'm not sure how to respond to that. (Laughter)

I mean, the study was a theoretical study, which was looking at the capability of alternative systems and then making estimates of cost. So it didn't drill down into a huge amount of detail, for example, in terms of the questions of battery technology that you mentioned. The points about targeting and surveillance and intelligence-gathering, those are questions about -- as much applicable to our existing capability as to any future capability. It wasn't part of the study, so it's not something that we'd be seeking to change.

And, you know, nor did the study look at what might be your

tactics to optimize any given system or any given posture that you had chosen. And, of course, whatever choice we make, we would then, you know, expect our military, as they do at the moment, to develop doctrine to make the best use of the equipment that was provided and the posture that was determined. And I'm sure that, you know, there's a whole range of ways of doing that. But again, getting into that level of detail was not part of the purpose of this study. The purpose of the study was to, from a theoretical point of view, analyze particular options, set out the consequences and the costs of those options to try and inform the high-level decision-making process. You know, in the event that the UK made the decision to change its posture in the way that I'm suggesting, then all the questions that you've raised would be ones that would then obviously need to be followed through on.

MR. ULLMAN: Except you probably could get at least four diesel boats for three boats.

MR. MILLER: Let me just say that we're way down the road for that and you can't get the endurance, but also to say -- and I don't wear dolphins. I mean, my brief time in the Navy, I wore surface wings. If one were starting with a blank slate, one might be able to build a British or American submarine which, like Soviet or Russian submarines, was designed to sit on the bottom. That's not, as you know, the way we build

our submarines, and we and the UK share technology. We're built for open-ocean operations. And so while theoretically that kind of a tactic might be an option, it's not a realistic opportunity.

And unlike the Polaris systems, the Trident systems cannot shoot alongside the pier.

MR. WALLACE: Next question at the back, please. And if you could identify yourself before you ask your question. Thank you.

MR. COFFEY: Thank you. Luke Coffey, Heritage Foundation. Mr. Alexander, first I want to say thank you for your very kind remarks in the beginning about the U.S.-UK relationship and your recent trip to Afghanistan, especially on a day like today. I think we all appreciate that here.

I was fascinated to hear that the phrase "cruise missile" was not used by you, and I think that's a positive development. I hope that this review has probably laid that debate to rest because I know that was a fundamental part of many people in the Liberal Democrat Party in terms of advocating for a different type of system. And I think that hopefully now it's been proven that that is not an adequate alternative.

I think the big question the Liberal Democrats need to ask themselves is do you want to have a deterrent? Because as Frank pointed out, if it's not continuous, it's not a deterrent. It might be a nuclear

weapons capability, it might be a submarine with nuclear weapons, but it's not a nuclear weapons deterrent. So in my opinion that's the big question.

I think we need to look at this more long-term. These boats will be in service from around 2028 to the 2060s. The last captain of the last boat hasn't even been born yet, so we have no idea what sort of threats we'll face. And we're talking about a savings of 6 billion pounds when the public spent 9 billion pounds on the Summer Olympics for 2 weeks, and we're talking about a 30-year-long insurance policy. So how do you see this playing out in terms of your own party, the Liberal Democrats? Because it seems you've been able to make nobody happy. The C&D advocates are unhappy because you still support some sort of nuclear weapons capability. The other side is not happy because they don't think it goes far enough. So how do you see this playing out in your own party, you know, considering that there are no Liberal Democrat defense ministers in the MOD and there doesn't seem to be a certain degree of importance attached to the upper echelons of the party as opposed to the grassroots? Thanks.

MR. WALLACE: So the question is how will your party respond to this?

MR. ALEXANDER: Well, there were quite a lot of question marks in that statement, so I will -- unfortunately, I'm --

MR. COFFEY: Well, I'll (inaudible).

MR. ALEXANDER: And I'm very grateful for what you said at the start of your remarks. Thank you. And can I just address a couple of those points?

MR. WALLACE: Go for it.

MR. ALEXANDER: I'll try and be as quick as I can.

On the cruise missile point, we analyzed all of those options, as I said in my remarks. The main factor is the timeline, particularly on warhead production. The truth is if you went down that line you would have a gap where no deterrent was available at all. That is not acceptable to me, it's not part of the philosophy that informed our response to the study, and so we have taken the view that I described here.

I think it is deterrent, not least because on the options that I'm suggesting we would retain the capability as threats emerged to scale back up to a CASD operation in response to specific sets of circumstances. And incidentally, I think that that stepping up could provide an opportunity for governments to show resolve as opposed to be a risk that could cause a situation to escalate.

Making nobody happy, well, that's always a risk in politics. That doesn't mean -- and actually I'm not sure that is right. We've had a lot of positive responses both within and outside our party in the think tank

community in the United Kingdom. And I think this gets the balance right between a position which is a responsible one in the sense that it is right that the UK should maintain a deterrent, but one which also takes steps where the financial points are second order, but do take steps that enable the UK to make progress down the ladder of disarmament while maintaining a credible capability.

But we're due to have debates on this at our party conference next week. In the United States you have party conventions once every four years; for our sins we have party conferences every year, so you're well out of that one. (Laughter) But we will have that debate. You know, I think that our position, which is a realistic one which we can adopt at the next election, and then potentially, if there is a future Coalition Government, make part of our negotiating platform for those discussions, which has a realistic chance of being implemented, is one that our party will welcome. And incidentally, I think that's one reason why this thinking should be taken seriously over here, too.

MR. WALLACE: Frank, any thoughts? In the corner.

MR. SLOCUM: I'm Walt Slocum. My claimed connection to the British deterrent is that Michael Quinlin and I signed an agreement on what, since it was on British sovereign territory, what was called (inaudible).

You said both in your immediate remarks just a second ago and in your prepared statement that you could return to continuous at-sea deployment if necessary. I assume it is the case that everybody's satisfied that you need four submarines to maintain it over an indefinite period of time. If that is the case, how could three submarines return to a continuous at-sea deployment posture? I mean, I understand that if it was a crisis you knew was going to be over in six weeks, you could do it. But if there was a kind of fundamental change that raised the possibility that you call, rightly, a state-to-state threat, how would that work?

I also, while we're giving compliments to each other, I think the Liberal Democrat Party should be commended, and I mean this in all seriousness, for actually looking carefully at a difficult issue, that is the advantages of Trident over a cruise missile. Not every political party in the world is capable of actually looking at things as carefully as obviously you looked at that one.

MR. ALEXANDER: I'm not sure who the second part of your comment was directed at, but I'm very grateful. I mean, to other political parties and I'm very grateful for what you said. I mean, you know, we have tried to approach this in a dispassionate way and also to present the evidence to the public in order that other people can have a chance to consider the same evidence that we're considering and reach, you know,

as Frank has, reach different conclusions.

So the posture, the focus posture, would enable a return to continuous posture for a period of months or a small number of years. But you're quite right to say it would not, with three boats, allow you to return to that posture in perpetuity. It would allow you to scale up in response to a specific threat and, as I say, for the sort of time period that I've suggested. So I would say that that is something which, you know, realistically, given the threat environment that we face at the moment and that we're forecast to face is a realistic approach to take.

Clearly, as in any case, if circumstances change very markedly in many decades' time, then, you know, future procurement decisions can be taken. But right now I think that capability to, if you like, surge back to a continuous posture for a period of months or a small number of years would be the right balance to strike between that and other military options.

MR. WALLACE: Frank, (inaudible)?

MR. MILLER: The difference, I think, between us perhaps is twofold -- three. One, the speed with which a state-on-state threat could develop, and I understand what the British national security posture is and I also understand our track record.

Second, there is the question of government resolve. And

as we've all seen over the past four weeks, government resolve is not necessarily something that happens when governments or prime ministers or presidents decide it's time to do that. And the public repercussions of a decision to send a boat back to sea in the midst of a building crisis, even as the review indicates, could result in misperceptions and miscalculations.

And the third point is the readiness of an SSBN crew to fulfill its duties in an accident-free, zero-fault environment not having been on the job for some period of days or weeks, or done the work-up. And as we know, with the U.S. Air Force incident in 2007 and the subsequent study, which I was a part of, that examined that incident, a failure to have a complete focus on the nuclear mission every day, 24/7, poses risks to the ability of any military force to carry that mission out faultlessly, which is what the nuclear mission has to be.

And soldiers, sailors, and airmen will tell you that they will try to do it, that they can do it. But history shows that if you don't have the constant training, there will be a problem. And we cannot afford either the U.S. or the UK a problem with a nuclear weapon.

MR. WALLACE: That is an important point which resonates over here for the reasons that Frank has just outlined. Do you want to just come back on whether you can maintain the interest of the Royal Navy in

this task if you're not (inaudible)?

MR. MILLER: It's not interest, it's focus.

MR. WALLACE: Focus, right.

MR. MILLER: It's focus.

MR. ALEXANDER: Yeah, I think the interest would be maintained. Look, it's a very serious point and it's one that I discussed in the context of drawing up the review. It's an important argument.

I mean, firstly, if you went to a lower posture which was one of sustained deterrence with regular patrols, then there would be, you know, continuous training. There would be numerous opportunities for the personnel concerned to hone and refine their skills and carry out their mission in the way that was expected. And, I mean, look, the review, I think, reflected the position fairly. There are potentially risks in this space. I think they're modest risks that can be managed and mitigated against through the operating procedures and training that is applied.

Again, we didn't drill down in the review into precisely what those things would be. Those are questions of optimization that would be followed through as and when a future decision was taken. But I think those are risks that can be managed through training and through regular patrolling so that people have the opportunity to maintain their skills.

MR. WALLACE: Next question. Front, please. We'll come

to the back, don't worry.

MR. BUTLER: Yeah, John Butler, Lockheed Martin. With the enormous build up of intermediate-range nuclear weapons along the Russian borders with Europe, and your proposal that CASD be broken, are you content to rely on the French to provide the only European deterrent? (Laughter)

MR. ALEXANDER: No, that's why I'm suggesting that the UK should maintain a nuclear deterrent, but adapt a posture that is suited to the threat environment that we face today. The study was not based on that sort of presupposition. It was based on what is an approach that the UK could reasonably and safely take that reflected the risks and threats that we face right now and an ability to respond should threats -- as we hope they won't, but as they could -- escalate in the future.

Frank doesn't want to deal with that one.

MR. MILLER: Next question.

MR. WALLACE: Over here.

MR. BLANEY: Harry Blaney from the Center for International Policy. Having served in NATO and worked on some of these problems in the past, I see a certain degree of what I'll say looking back on the Cold War in some of the assumptions.

And also, the discussion of the nuclear umbrella, it seems to

me that we're talking about a situation which the UK has to face and which maybe it doesn't want to talk about, and that is if there was a nuclear threat or supposed attack against a NATO member, particularly a nuclear member, like Britain which we have "a special relationship with," it's highly doubtful that someone would do that if there were X-number of submarines invincible by the United States at sea, and that would be a risk that anyone would take.

Second, and this is where I'm going to come to my question, there was a discussion earlier on by Frank about the reduction of, let's say, the most advanced nuclear nations and an increase of the smaller and other marginal ones. The amount of numbers that are there, and you can see that in any chart, is miniscule compared to what the combination of the nuclear net weapons are there. They're not even close or even going to come close in the near future. The danger is against each other, like Pakistan and India, or a rogue operation, which are, you know, a half-dozen or less nuclear weapons, whatever.

The question I'm really asking is why are we going into a mindset that does not take into consideration all of those elements that are real in the world as against what I would call an almost Herman Kahn kind of approach to this issue, looking as if somehow we're worried about someone attacking the UK on its own and by itself, and no other thoughts?

Thank you.

MR. MILLER: Do you want me to go first?

MR. WALLACE: Do you want to start, Frank?

MR. MILLER: First of all, you know, I think you'll find us of one mind: that the policy that the study talks about does take into account third parties; does take into account proliferation; that what is important is keeping a nuclear capability while other nations continue to have one. And you say it's small numbers, but only one is enough, as the joke used to go, to ruin your entire day. So I think that is part of the element.

The thing I do think you forget, though, when you're talking about state-on-state and nobody would attack the United Kingdom, is that while we talk today here, the policy, the stated policy of the Russian government is nuclear weapons are to be used to deescalate -- their word -- any form of conflict, including local and regional wars. They carry out exercises where they simulate nuclear strikes on the new members of NATO. They are refurbishing their entire nuclear triad. So it's one thing for us to say we ought to diminish our reliance on these weapons, but it's critically important to take into account the fact that the Russian government, for one, does not take that point of view. It takes an entirely different point of view.

And so as with, if you'll excuse the expression, as with the

Cold War, two centers of decision-making still make a difference, which is why the study and why we believe that a British nuclear deterrent is critically important to stability.

SPEAKER: If I may just intervene for just a second. Would you see Russia, right, (inaudible) against the British, think of attacking the UK singularly in any circumstances that one can imagine and without, you know, being covered by the nuclear (inaudible)?

MR. MILLER: I think that as we found in the Cold War, there are circumstances where a Russian leadership could find itself in a crisis that it hadn't designed, but was sucked into, where it might convince itself, particularly given rifts between or policy differences between Washington and London, that it might be able to blackmail the UK. And it could spiral itself into a crisis by accident.

I would say to you -- this is not well known, but it's certainly not a classified fact -- the Russians went to a nuclear alert in 2008 in the Georgian crisis. So, I mean, they think very differently about this. And for us to try to project or mirror image our point of view on how Putin and his military think is a very dangerous thing.

MR. WALLACE: You want to comment?

MR. ALEXANDER: Just sort of two points. I mean, firstly, the conclusions that I've drawn from the study and, indeed, the study itself

were not based on the UK diminishing in any way our ability to maintain our NATO obligations. That's very important to us and to our allies.

In terms of the counter-proliferation argument, there are many other ways that we work together as countries and with other countries to seek to counter-proliferation, so I don't think either that the options put forward here would diminish our ability to carry out that work.

I made my points in my remarks earlier about the threats that we see and that, you know, there's no evidence that I've seen that suggests that a state-on-state nuclear threat to the UK would emerge out of the blue. And so in that sense, I think that the proposal to step back from CASD is based on a reasonable assessment of current and future threats.

MR. WALLACE: We have a lot of questions and not very much time, so I'm going to pick up three questions, if that's okay --

MR. ALEXANDER: Sure.

MR. WALLACE: -- and then we'll answer them quickly. And I'll go to the back, the back in uniform. And the shorter the questions, the better, please.

MR. TENNANT: I'll try and be brief. Mr. Alexander, my name is Paul Tennant. I work as an exchange officer in the Pentagon. I'm a Conservative voter, sorry. (Laughter) And also --

MR. ALEXANDER: You're entitled to vote for whoever you want.

MR. TENNANT: -- an army officer and, therefore, an unnatural advocate for the Royal Navy. (Laughter)

I would just open by saying that for the last 18 months or so in the Pentagon I found it really quite challenging placing in context the reductions in the UK's defense capabilities notwithstanding the sympathy that people instinctively have for the financial situation. I ask, therefore, the extent to which during the study you were confident that you were considering correctly and in context the way that the relationship between our two nations is likely to change if we were to take our foot off the gas in terms of a continuous at-sea deterrent, and particularly with the added context of a stated and actual economic shift to the Asia Pacific and the likelihood that when these boats come into service this country will be entirely energy self-sufficient.

MR. WALLACE: Dan?

MR. DAVIDSON: Daniel Davidson. I'm still not sure there's been answer. The question's been raised quite forcibly. Does anyone envisage a scenario with any prospect of reality in which Russia or any other nuclear state would attack Great Britain with nuclear weapons while not simultaneously attacking the United States? And if so, I'd like an

explanation of how this could happen.

MR. WALLACE: And a third question down here in front, please. We'll come back, don't worry.

SPEAKER: Way back when I was in the crib, in 1962 to '64, I dealt with your defense policy as a diplomat, (inaudible) diplomat, at the American embassy in London. And I was concerned with things like Blue Streak, Skybolt, and the Nassau Agreement. And the overriding lesson, and I followed this since and written a bit about it, politics, domestic politics in Britain plays a very important role as well as, you know, international politics. So my question is about the future of British politics in terms of the Labor Party, if it should come back into power how it might look at this issue differently.

And secondly, although right now there doesn't seem to be a strong movement as perhaps a year ago for Scottish independence, to what extent -- I'm surprised it hasn't come up here -- to what extent Scottish independence could affect the relationship.

MR. WALLACE: Three very different questions.

MR. ALEXANDER: Right. Well, I'll try and be quick because we've got lots more questions to get in.

In relation to the last point, of course domestic politics plays an important role. I think it does in every democracy, including here.

In terms of Scottish independence, there is going to be a referendum on Scottish independence in September of next year. As a UK government minister representing a Scottish constituency, I have a direct interest in this matter. And there is a very vigorous campaign going on for and against this. Current opinion polls suggest that only a small minority of Scots favor independence, but we're not going to leave anything to chance. We're going to, you know, try and do our best to win that argument as strongly as we can. And, you know, as a government we're not sort of speculating on the consequences of a decision that we don't expect to happen and certainly don't support. These things would have to be dealt with at the time.

There will actually, over the next few weeks, be, as part of our Scotland Analysis Program, which is a series of government papers analyzing issues around Scottish independence, be a paper on defense. So you might be interested to study that when it comes out if you're interested in that subject.

In relation to Paul's questions, and thank you for your service to our country. Even if you're not a Liberal Democrat voter, I'm very grateful for the work that you do representing the United Kingdom over here. And all I can say is, the question of the relationship, the toing and froing on this subject and on many others, was part of our

consideration. I spent time talking to officials and experts in this area, and the conclusion that I reached was the one that I set out, which is that this is a relationship that has very many dimensions: military, a huge range of military dimensions, as well as non-military dimensions.

And, you know, I was struck in a discussion I had earlier today with a group of think tanks about the question of if we were to make a savings in this area and those savings could potentially be redeployed to support other areas of our military capability which are perhaps of more immediate use, that that actually could in a way be seen as something which could strengthen our relationship. So, in a sense, there are a lot of ancillary issues around the central proposition which would make a difference in that space.

But given that what we've been talking about here is procuring three submarines, maintaining the UK's capabilities in terms of warhead production, submarine manufacture, and so on, that there is, even in the much narrower space, still within this proposition much to commend a continuing, strong, and close relationship between the UK and the U.S. within the policy that's been suggested here. But to reassure you, it certainly was something that I spent a lot of time myself trying to understand in the context of this review. And it's also partly why I'm here, to hear directly from people, you know, who are involved, their views of

that issue.

MR. WALLACE: Frank?

MR. MILLER: Three things quickly. One, I've spoken about the U.S.-UK relationship. I don't need to repeat.

Two, with the man who is Secretary of State for Scotland and whose constituency is in Scotland, I'm not going to comment except to say that I'm a union man and I believe the union will be sustained.

And third, no government, no individual, no government seriously believed that Hitler would attack France. In 1935, '36, no one seriously believed he would attack France. No government seriously believed Saddam Hussein was going to attack Kuwait in 1991, except till days before he did so. And I say to you that in a future crisis, a scenario that I cannot not even imagine, but the probability of which is greater than zero and less than one, a Russian government would do everything it could to split and break the NATO alliance. So the answer to your question is yes.

SPEAKER: Yes, that is barely imaginable (inaudible).

MR. MILLER: As you will.

MR. WALLACE: Next questions. I'll say this may have to be our last round, but we have two here and we'll find another one.

MS. GILCREST: Hi. Sarah Gilcrest with the British

American Security Information Council. I had a question relating back to your remarks on how halting CASD won't stop Russia or Iran or Pakistan. And I wanted to know if, on the flip side, could serious disarmament efforts by a nuclear weapons state provide credibility in convincing non-nuclear weapons states to not pursue a nuclear weapons program by showing that they aren't essential to creating a sound national security policy?

MR. WALLACE: Thank you.

MS. MACBEE: Hello. Thank you very much. Jennifer Macbee. We spoke a little bit earlier about the renewal that's up for -- the mutual defense agreement that's up for renewal next year in 2014, and I wonder how this argument might link to that.

And also, other than Frank, what have been the American reactions to this proposal? (Laughter)

MR. MILLER: Thank you, Jennifer.

MR. WALLACE: And right at the back, please. And I'll take one --

MR. GODWIN: James Godwin, retired Department of Defense analyst. When you mentioned that scaling down the force it almost happened in reality, as you're aware, from the collision of the British and the French nuclear submarine. So if something like that were to occur in the future with a smaller force, how would you compensate for

that? And also, what do you think about improved cooperation between British and French as far as their nuclear deterrent?

MR. WALLACE: And one final question just in the second row here.

MR. GALLAGHER: Hi. I'm Kevin Gallagher, NAVSEA. If your study determines that successor is the best value for money and meets the gap, what remaining issues are there with your main gate in 2016?

And my second question is if you're freeing up about \$6 billion by breaking CASD in the 2020/2030 timeframe, what percent of your defense budget are we really talking about?

MR. WALLACE: Take your pick.

MR. ALEXANDER: Wow, right, okay. Five minutes left, so I'll try and be brief to give Frank a chance to comment as well.

In response to the first question, I think I agree with Frank's perspective on this, that -- a chance to comment as well.

In response to the first question, I think I agree with Frank's perspective on this, that, I mean, action by the UK in this respect might help to encourage others, but it's not the central basis on which the study is positioned. That's based on the fact that whilst others have nuclear weapons I believe it's important for the United Kingdom to maintain a

credible deterrent, but we also do have obligations to take steps down the ladder where we can. We all have those legal obligations. This, I think, is a credible way for the UK to meet those obligations whilst maintaining a credible deterrent and that's the basis on which I'm advocating it. If it fits into a wider multilateral effort, that would clearly be helpful, but that's not the central argument that I am making. I don't think this of itself makes any difference to the discussions we're having, you know, about the renewal of the mutual defense agreement.

In relation to the UK and France, there are a whole range of defense areas, defense policy where our two countries work closely together. And it's important to maintain and improve that cooperation.

In relation to your question about remaining issues with the main gate decision, I mean, clearly this debate that we're having is one such issue, but there are lots of technical preparations that have to take place and are taking place at the moment and are being commissioned at the moment to help us to gather the information and to understand the costs to get the designs in place and so on. All that work has to be done before we can, you know, on the basis of being able to judge the value for money, for example, take a decision. That's why the timeline is 2016 because that gives time for all those other sort of technical preparations to take place.

You'll be aware that one of the other things we did, which I didn't mention when we came in, was as part of our efforts to constrain public spending we undertook a value-for-money assessment of the process of procuring a successor. That enabled us to take costs out in various ways, which has helped us with a number of our fiscal pressures and confirmed that the 2016 date is the appropriate timeline for a final decision to be taken.

MR. MILLER: I'll take questions 1 and 3. On disarmament, first of all, what you have to recognize is governments like North Korea and Iran aren't moved by our nuclear weapons. They want their nuclear weapons to deter conventional U.S. or allied action. So it's got nothing to do with -- I mean, we could have zero and as long as we have conventional capabilities, they would want to have nuclear weapons. If you look at unilateral steps and bilateral steps, you look at how the UK has come down from three systems to one, you look at how the United States and NATO have reduced by 90 percent the technical stockpile in Europe with absolutely no similar reduction by Russia.

So no, I don't think that governments other than those in the West are now inclined to talk about reductions, and that ought to give us some pause, particularly as there are now stories circulating in the press and on the Hill about Russia cheating on a major nuclear arms agreement.

So I think we should look at this very carefully.

With respect to the French, whom we all dearly love, there is a cooperation between the United Kingdom and France. There's cooperation between the United States and France. However, and it's really important to understand this, while the United Kingdom and the United States have pledged their nuclear deterrent to the defense of the NATO alliance and conduct joint planning to defend NATO, and both countries, both nuclear nations work with the other allies in the Nuclear Planning Group and the high-level group and have consultations, the French stand apart. The French have made a general commitment that their nuclear weapons support NATO, but the French have always stood back from saying how those nuclear weapons would be used in NATO's defense. They have stood back from any notion of a joint plan, quite apart from their own separate national plan, and they've refused to join in any consultations in the high-level group or the Nuclear Planning Group or the staff group.

So at the end of the day, technical cooperation with the French is plausible. But relying on the French to be part of a U.S.-UK-French umbrella is not currently in line with French policy.

MR. WALLACE: Final question, just as we begin to wrap this up, what happens next? What's the future of the Alternatives Review?

You mentioned 2016 is the main gate, the main investment. What do people in this audience have to look forward to over the next three years or so?

MR. ALEXANDER: Well, I hope they have many things to look forward to -- (Laughter) --

MR. WALLACE: Surely nothing of the (inaudible).

MR. ALEXANDER: -- which go way beyond anything I might be about to say. Look, firstly, as highlighted in one of the earlier questions, we have a debate at our party conference shortly in terms of determining precisely the policy that the Liberal Democrat Party will take into the next election. I'm sure this debate will continue, but, as I made clear, the policy of the current coalition government is unchanged. We are maintaining our deterrent as is. We are undertaking the preparations that will enable us to take the main gate decision in 2016.

So I guess the main intervening excitement is the UK general election where each party will have to determine precisely the policy that it offers. I think certainly for ourselves and the Conservatives that is fairly clear.

And then depending on the result of that election, there may or may not be a need for further discussions that could lead to another Coalition Government. So I guess that would be the principal point that

people here should be interested in and aware of in terms of whether or not the UK's position changes in the future.

But, look, I'm very grateful to everyone for taking the time to listen to what I've had to say, to Frank for responding so thoughtfully to it, and for the debate that we've had in this room. And it's very valuable for me in response to one of the earlier questions through this event and through other meetings I've had while I'm here just to gain an understanding directly of some of the issues here in the United States that affect people's perception and understanding of what it is that we are seeking to achieve, which, I underline, is to maintain a credible nuclear deterrent in the United Kingdom, but to update it in line with the current threats. That's what I'm seeking to do, no more and no less.

MR. WALLACE: So it just remains for me to thank you for coming and for the quality and depth of your questions, and also to invite you to join me in thanking Frank for his fantastic responses and insights and also of the chief secretary for coming here and explaining what lies behind the review and how that might take forward British policy in the future. (Applause)

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