Part I

Government and Politics

1 Foreign and Defence Policy

Christopher Coker

Britain emerged from the Second World War one of the Big Three: perhaps not a superpower like the United States and the Soviet Union, but the third wealthiest power in the world. Of the three victors it had been the first to enter the war, and unlike the other two it had the distinction of having declared war on Germany first.

Britain's reputation was higher than perhaps at any time in the twentieth century. But it was clearly exhausted from its efforts. Even in the closing months of the war its strength was visibly declining. In June 1944 British Empire troops deployed in Normandy had equalled those of the Americans; by March 1945 only about a quarter of the troops under the command of the Supreme Allied Commander General Eisenhower were British. By the end of the conflict the British wartime debt stood at £22 billion (about $2,000 per capita). The post-war debt of the United States was in per capita terms much the same, but the American national income had doubled during the war, and went on in the next five years to double again. The British emerged from the war almost bankrupt. Both countries had learned that the cost of victory comes high, but for the British the cost was so high that it threatened to lower permanently their economy and their standard of living.

British power was so rapidly eclipsed during the last months of the war that the United States became convinced that, together with the Soviet Union, it could construct a post-war order largely without British assistance. And yet the United Kingdom spent the next 25 years as a major world power. The British retained conscription, maintained a relatively large force in uniform (800,000 men and women in 1951) and spent about 10 per cent of their GNP on defence (as opposed to 3 per cent in pre-war years). This was a remarkable effort at a time when they continued to be beset by shortages, rationing and austerity measures at home. Not until the late 1960s did they begin to see themselves as a medium-sized power.

In short, in the 25 years that followed the surrender of German forces at Lüneberg Heath, Britain continued to play the role of a world power, tracing a

path that had seemed questionable even at the turn of the century. Inevitably, historians have been prompted to ask whether it might have been better to have accepted the inevitable, to have reduced defence spending, to have played a diminished role in world affairs. In fact, when we look at the period closely, we will see that the option was remote for reasons that were all too clear at the time.

To begin with, the next challenge to the European balance was already identifiable. The reality, real or perceived, of the Soviet threat meant there could be no Ten-year Rule as there had been in the 1920s, when the government had based its defence spending on the assumption that there was no immediate prospect of war with any power or combination of powers. As an occupying power in 1945, Britain was persistently reminded that there had been no peace settlement. Germany might be divided but the division was meant to be temporary; its permanence served to underline the impermanence of the peace.

Secondly, Britain may have emerged from the war economically weak but it was by far the strongest European power. In 1948 British defence spending exceeded that of all other European countries. Even as late as 1952 Britain's arms production was greater than that of all the other European North Atlantic Treaty Organization (NATO) members combined. As a result the British believed they could not confine their interests to Europe. As the first post-war Foreign Secretary, Ernest Bevin, remarked, 'Europe is not enough; it is not big enough.'

Thirdly, the prestige of the armed forces was never higher in the nation's history. Twenty-five military conflicts won unqualified public support for the professionalism of the services, who seemed to show a certain élan sadly missing in British society at large. Even if the contours of that society were changing fast, the armed forces maintained public esteem.

When looking at Great Britain's post-war role it is also important to recognise that it operated in a 'permissive environment' in terms of public opinion at home. In the 1920s Britain had to rapidly demobilise. Expenditure on the army was cut by half every year between 1919 and 1923. By 1922 social spending equalled 26 per cent of all government expenditure. Where large numbers of troops were deployed this was in Britain itself. The government called upon 43 infantry battalions during the railway strike of 1919; 56 battalions and 6 cavalry regiments were used to deal with the national coal strike two years later, almost the same number of troops that the British believed were necessary to keep down India.

These trends threw up new opportunities in British politics, as well as new challenges. The regional basis of unemployment and unrest turned the Labour Party from a clique into the official Opposition and propelled it into government for the first time in 1924. The decision to enfranchise not only women, but a third of all adult males who had been denied the vote ten years earlier, created a political climate of great uncertainty. In the 1923 election 79 per cent of those entitled to vote had never voted before.

It is against this background that Britain's decision to disarm, and later pursue a distinctively unheroic policy of appeasement towards the dictators, should be seen. After the Second World War, these circumstances did not apply.

Despite the traditional picture of a nation that emerged from the war exhausted and dispirited, the British people were very different from 1919. The voters had voted before, and although they voted Churchill out of office they expected Britain to remain a great power. The British remained an intensely international people. If the historian A. J. P. Taylor was right to claim that the Battle of Britain was the last great moment in British history, the British people lived off its memory for years afterwards.[1] After the war they clearly felt they had made too many sacrifices to be reduced 'to a cold and unimportant little island, where we should all have to work very hard and live mainly on herrings and potatoes', as George Orwell remarked in *The Road to Wigan Pier*. Even if this was a fate they could not escape indefinitely, the British people seemed willing to pay the price of protracting their decline as long as possible. It was a feat which their political leaders in the end accomplished with consummate skill.

Churchill, in fact, continued to inspire a generation even after he had passed from the political scene. The sense of heroic destiny he painted survived him. The British people did not seem ready to turn their backs entirely on history, even if they did not expect greater triumphs to come. They were not disappointed.

Embarrassed by appeasement in which they had connived with the politicians, the British people made no demands for a drastic reduction in defence spending. Even though the country struggled to get back to its pre-1938 levels of prosperity, the British did not consider themselves overtaxed when it came to defence spending. According to an opinion poll conducted in the early 1980s, only 13 per cent of those polled knew that Britain spent less than 10 per cent of its GNP on defence. Considering that throughout the 1970s up to 10 per cent of those canvassed believed the country should spend more, they clearly considered that the cost of remaining a great power, though high, was at least an investment in the future.

Finally, one of the most striking features of British political life in the immediate post-war years was the extent to which both Labour and Conservative governments succeeded in maintaining a solid bipartisan consensus on security policy which was strikingly different from the lack of consensus in the 1930s. The left wing of the Labour Party may have cast negative votes on peacetime conscription, membership of NATO, and the deployment of British forces overseas, justifying its dissent by reference to such socialist principles as internationalism, anti-capitalism and anti-militarism, but on all major issues the Labour Party steered the same course as the Conservatives. The special relationship with the United States became a predominant theme of Labour politics, even when the relationship turned increasingly on nuclear cooperation between the two countries.

On the right of British politics a similar pragmatism held sway. Gaullism did not gain a hold. If successive Tory governments expected Britain to play a major role, they also expected it to do so in association with the United States. So too did the British electorate, which consistently accepted high defence spending in every election except one (1951). The reasons for that support were many, but the most telling was undoubtedly the post-war environment in which the country found itself in 1945.

East of Suez

Reviewing the entry of British troops into Tunis in 1943, Harold Macmillan recorded in his memoirs: ‘these men seemed on that day masters of the world and heirs of the future’.[2] Any decision to have reduced the commitments prematurely and adopted a Little England stance would have been seen as an abdication of the country’s international responsibilities. That those responsibilities were taken seriously by the political elite and even the public at large became clear from Britain’s role in the defence of South Korea (1950–3), which involved a substantial number of casualties, the great majority of whom were national servicemen. As late as 1966 the British still deployed a force of over 60,000 men in South-East Asia, as well as a naval task force of 80 ships. As late as 1968 large numbers of British soldiers were serving in the Middle East, mostly in Aden.

It was fortunate, perhaps, that Britain did not face a challenge to its world position in the immediate post-war period at all comparable to the threats it faced in the 1930s. Of its two pre-war rivals east of Suez, Japan had been defeated and the United States co-opted. As for the Soviet Union, it figured hardly at all in British military planning. It took almost no role in any of the challenges which faced Britain in the Middle East, and none in South-East Asia. The British ‘moment’ in the Middle East was brought to an end not by Moscow but by Arab nationalism. These challenges were very different from the strategic headaches the British had to face before the Second World War. So, even if they clung to a status which had lost much of its meaning, even if British power was in decline, even if the withdrawal from east of Suez represented what Laurence Martin once called ‘a long recessional’, at least it was not a headlong retreat. With one exception, it never provoked a hasty and ill-advised last stand.

The exception was Suez. The Suez crisis was provoked in 1956 by the decision of the Egyptian leader Abdul Nasser to unilaterally nationalise the Suez canal in order to pay the costs of the country’s biggest development programme, the Aswan Dam. In response, Britain and France decided to seize control of the canal. But they were unable to act quickly enough. They also wavered in their objectives and did not have a clearly defined political purpose. For the first time, too, they faced opposition from both the United States and the Soviet Union, and even at home public opinion was bitterly divided. The military campaign was successful, but it came too late, and in the face of overwhelming international condemnation the British and French were forced to withdraw, leaving Nasser’s authority in the Middle East higher than ever, and their own lower than ever before.

Suez demonstrated British weaknesses in other ways. There was a rapid decline in the country’s foreign currency reserves as foreign governments withdrew funds from British banks, and as US speculators and the Federal Reserve Bank tried to get rid of their sterling. The Suez war convinced the British establishment that Britain could no longer exercise world power without the support of the United States. The crisis, in fact, reminded the political establishment that the relationship was not one between equals. The British recognised that they

should never again engage in a military operation without America's open or tacit encouragement and, better still, day-to-day support. The lesson the French learned, by contrast, was never again to find themselves in a situation in which they could be overruled by the United States, as well as never again to rely on the British as an interlocutor between Paris and Washington.

It would be wrong to conclude, however, that the British ceased to be of account internationally after 1956. On a famous occasion in December 1962 Dean Acheson, a former American Secretary of State, said that Britain had 'lost an empire and not yet found a role'. The remark drew a swift response in London, and many were quick to point out that, far from clinging to a post-imperial role, the British government had applied to join the European Economic Community 16 months earlier. What annoyed his critics both in Britain and the United States was his assertion that 'the attempt to play a separate role – that is, a role apart from Europe' had failed.

In the event, British policy in the world at large was still successful. In 1961 it successfully dissuaded Iraq from invading Kuwait. Between 1963 and 1966 it fought and won an extensive conflict against Indonesia which wanted to undermine the Malay Federation by detaching the island of Borneo from it. The campaign fought by the British in 'the Indonesian Confrontation' was a classic of its kind.

In the end, what forced the British to withdraw from east of Suez was a weak economy. When they were forced to devalue sterling in 1967 they had to summon the legions home. But if the Suez crisis had effectively displaced it as the main Western power in the Middle East, it did not displace it in the Persian Gulf until much later. Indeed, it was not until 1973 that an American aircraft carrier, *Task Force*, visited the region for the first time since the Second World War, and not until three years later that the US navy established its first base in the region, in Bahrain.

After 1973, however, the British were able to operate only on limited contract. They were still able to engage in occasional exercises, of which the largest was 'Operation Swift Sword' (1986), in which the UK's rapid reaction force, the Fifth Airborne Brigade, was deployed to Oman within 36 hours. But its forces had no heavy equipment and only a minimum of light armour. By the 1980s, in fact, it had already become clear that, short of an unexpected crisis which would call for an extraordinary response (notably the war in the South Atlantic in 1982 – of which more anon), the British would only be involved in that or any other region as partners of the United States. They went to Sinai in 1981 as part of a five-power peacekeeping force to underwrite the American-brokered Camp David agreement. They went to Lebanon in 1984 as part of another five-power force, this time in the shadow of the 16-inch guns of the US Navy. Unlike the exercises conducted with the Dutch and French navies in the Gulf in 1972, the two British patrol vessels which operated in the area in 1984 co-ordinated their activities with a US carrier force group led by the *USS Midway*. By necessity, as much as choice, Britain's role was restricted to areas where the United States could provide protection or reinforcement or the promise of assistance if needed. This was a principal theme of the Strategic Defence Review of 1998.

Ironically, the only major war Britain fought in this period was not east, but west of Suez. For most of the 20 years before the Falklands War of 1982 it had been engaged in negotiations with Argentina over the future of its colony in the Falkland Islands in the South Atlantic, some 500 kilometres off the Argentinian mainland. In late 1981 negotiations over the future of the colony collapsed and there seemed little prospect of their revival. Sovereignty over the islands – called the Malvinas in Argentina – had been an emotive issue for several decades.

On 2 April 1982 Argentina invaded and occupied the islands. Britain's response was to despatch a task force on the 13,000-kilometre journey to the South Atlantic. The British war effort proved to be an admirable feat of organisation and logistics, sustained by seaborne air power and surface and submarine naval forces. Eventually about 12,000 troops were landed in the islands and, following a successful but bloody campaign onshore, the Argentinian forces surrendered. The outstanding performance of British forces illustrated the superiority of regular, professional, fit and well-led forces over a largely conscript army.

It was probably the last encounter of its kind. Never again will Britain have such a stage or such a military task to perform. With the massive defence cuts which followed the end of the Cold War, it is also doubtful whether it would still have the arms to perform it.

The Anglo-American Relationship

One of the enduring problems of the Anglo-American Partnership (Britain's 'special' ally, America's 'closest') was caught by Ian McEwan's novel *The Innocent* (1990), with its ironic alternative title 'The Special Relationship'. The Englishman Leonard Marnham and the American Bob Glass are working together on 'Operation Gold' (1955/6), the tunnel under East Berlin, a joint CIA/MI6 venture that was undertaken in real life. The work is fraught with mutual irritation. The British find the Americans exasperating in their self-confidence and ignorance. 'What's worse, they won't learn, they won't be told. It's just how they are.' The Americans, for their part, find the British amateurish and proud of their amateurism. 'They're so busy being gentlemen.'

The real source of irritation, however, is what has dogged the partnership from the first. 'I really don't understand why we let you people in on this,' declares Glass. 'Collaboration leads to errors, security problems, you name it.' Britain simply cannot keep up with the superpowers. Marnham's reply captures one of the enduring themes for the British of their partnership with the United States, their wish to perpetuate the wartime alliance. 'We're in on this because we have the right. No one fought Hitler for as long as we did. We saw the whole war through.' Glass's response is equally telling. 'Don't get me wrong . . . you guys were great in the war, you were formidable. It was your moment. And this is my point . . . that was your moment, now this is ours.'[3]

Judging a historical moment is clearly a delicate matter when two or more countries are involved. How do you get the most out of someone else's historic moment? Clearly, by being useful. With the Lend-Lease programme in 1940

(when it agreed to sell 50 old warships in return for base rights in British colonies in the Caribbean) the United States took part in Britain's moment in history. With the Atlantic Charter in August 1941 Britain served notice that it was about to take part in America's. True to their first principles, the British have always seen the relationship in historical terms. True to their own principles, the Americans have been far more pragmatic. 'The relationship was not particularly special in my day,' reflected Henry Kissinger a few years ago. 'It was normal.' Britain was important because 'it made itself so useful'.[4]

There were those who argued that the special relationship was becoming more symbolic than real with every year, that it encouraged Britain's preoccupation with its past and made it uncertain about its future, that it was, at best, the sole consolation of a nation which found itself increasingly on the margins of history. Others argued that it contributed to much higher defence expenditure than Britain could afford, that it distorted its scientific effort in the direction of research and development and encouraged it to act as a non-European power.

The British establishment, however, also believed it derived much from being what the Americans themselves called their 'closest' ally. In the post-war period the Foreign Office set out with the clear intention of forging an interdependent set of links which would firmly couple the United States and Britain. As one official put it in March 1946, the Soviet Union knew which of its former allies had become its most implacable opponent, not the strongest but the most astute: 'the one quality which most disquiets the Soviet government is the ability which they attribute to us to get others to do our fighting for us. . . . They respect, not us, but our ability to collect friends.'[5]

Twenty years later the British continue to derive unique advantages from the relationship, particularly in defence, including a direct input into American strategic thinking. 'There was no other government', the American Secretary of State Henry Kissinger later recalled, 'which we would have dealt with so openly, exchanged ideas so freely, or in effect permitted to participate in our deliberations.'[6]

Even if the relationship was not quite as exclusive or as wide-ranging as many British officials thought at the time, the close ties engendered by similar historical and cultural bonds, the close relationship between the scientific and military establishments of the two countries, created a special understanding of each other's position. The writer Coral Bell once described the relationship as a capacity, not a construction, 'a capacity to see the elements of common interest in whatever international storms the times may bring'.[7]

It is interesting that in commemorating the special relationship, the former Secretary of State, Henry Kissinger, chose to speak of values rather than interests, reminding those present at a conference in London in 1982 that it was beyond the psychological resources of the United States 'to be the sole, even the principal centre of initiative and response in the non-communist world'. In that respect, it may well have counted for much that Britain was never seen in Washington to have a defence identity incompatible with its membership of NATO; it was important that there was never a British problem, which was not true of France. The fundamental dependability of the United Kingdom remained beyond question for over forty years, as different governments came and went.

Who can overestimate the immense importance this had in reconciling different American administrations to the commitments to defend what, from an American perspective, often seemed to be querulous and ungrateful allies? As the alliance became more fractious and discontented in the 1980s the British perhaps played a larger role than they imagined.

The apotheosis of that partnership was the Gulf War. It was Britain's 'finest hour'. For it was able to produce the second largest allied contingent in a war directed by a US commander for the first time since sending a lamentably small and embarrassingly underequipped force to Korea. A comparison of the two campaigns is instructive. In Korea the British contingent was woefully undermanned and underequipped. 27 Brigade had no gear for warfare in either hot or cold climates; no sleeping bags for its troops and only a handful of vehicles. A US signals division in the Commonwealth Division posted a sign outside its camp which read 'Second to None'. A British radio relay station a few hundred yards down the road put up a sign which defiantly stated 'None'.[8] No wonder Dean Acheson, on reading a State Department memo in 1950, insisted on striking out a reference to Britain as a 'partner' of the United States.

In the Gulf War, by contrast, Britain was able to contribute forces as and when it felt able to fill a gap that its other allies could not meet, as well as according to its own perception of what the United States itself would find most useful. It upgraded the naval patrol that was already in the area. Later it despatched an infantry battalion and then an armoured brigade. In the final months of the build-up the British were able to further upgrade that commitment to an armoured division.

In Korea the British were entirely subordinate to American command, despite the misgivings about the quality of American troops whom the British commander-in-chief complained were badly trained, led by inexperienced commanders, would not stand and fight and disliked night combat. Some of these opinions were also expressed by American officers, including MacArthur's replacement General Ridgeway. The British contribution, however, was so small that its government had little if no influence over MacArthur's eventual dismissal or Truman's decision to authorise dummy air runs over China in preparation for a nuclear attack.

In the Gulf the British contribution was large enough for them to carve out an independent command. It provided it with an opportunity to also influence American thinking. The size of the UK's commitment enabled it to fight the war it wanted to fight and in the way it wanted to fight it. It did not have to conform to the plans of a US divisional commander, or to fight under a US divisional command – something which no British government has welcomed since the experience of Korea.

The century ended with continued British support for American actions in the Gulf, this time for keeping on the defensive the defeated but still dangerous Saddam Hussein. In December 1998 the two countries launched a joint air strike against Iraq, 'Operation Desert Fox'. Fifty-five years on from the Second World War Britain and America were still coordinating military policies in an attempt to police regional order. This was something that Roosevelt would not have imagined possible, even when Britain was a member of the Big Three.

Nuclear Policy

Britain's attempt to retain its independent manoeuvre between the nuclear superpowers was predicated, in part, on its becoming a nuclear power itself. Nuclear policy was at the heart of British security thinking throughout the Cold War.

It was the Attlee government which first decided to allow nuclear weapons to be based in the United Kingdom when acceding to America's request to station three groups of B29 bombers, without insisting on a formal treaty. The Americans were so surprised by the informality of the arrangement that their ambassador was instructed to ask Ernest Bevin whether he was fully live to the likely effects on public opinion of the arrival of the first US aircraft. James Forrestal, the US Secretary of Defense at the time, recorded in his diary: 'We have the opportunity now of sending these planes and once they are sent they would become something of an accepted fixture whereas a deterioration of the situation in Europe might lead to a condition of mind under which the British would be compelled to reverse their present attitude.'[9]

A formal agreement was not, in fact, concluded until the last months of the Attlee government, and the first months of the incoming Churchill administration. The Attlee–Churchill Understandings, as they subsequently became known, were bound to invite controversy once the situation in Europe did begin to deteriorate as Forrestal had foreseen, and more to the point, perhaps, once the United States lost its own monopoly of nuclear weapons.

The situation arose in 1957 with the deployment of a new generation of American intermediate-range ballistic missiles. To the cynically minded it now appeared possible for the Americans to pre-empt an attack upon the continental United States by what was called at the time 'a diversified means of delivery'. By launching a nuclear strike from Britain they could confine a nuclear exchange to Europe. The same questions were to arise much later in 1983 when a new, updated generation of theatre nuclear missiles arrived in Britain. By then, however, the issue had become subsumed in a much broader debate about the ethical and economic costs of maintaining Britain's own deterrent.

A second feature of Attlee's nuclear programme was the decision to develop an independent nuclear force. For Attlee, as for every other Prime Minister who succeeded him, an independent deterrent represented a necessary investment in Britain's future as a great power. When the Americans suspended nuclear co-operation in 1948 (when the US Congress passed the MacMahon Act) the British government was forced to press ahead on its own. It did not consider this a desirable option. Even at the eleventh hour it offered to transfer all weapons production to the United States in exchange for a small stock of bombs under British control, a concession the Americans rejected.

One of the ironies of the Cold War was that despite immediate post-war attempts to stifle Britain's nuclear programme, the United States eventually ended up underwriting it. In May 1959 Britain was able to buy component parts for its nuclear weapon systems. Soon this understanding extended to delivery systems. When Prime Minister Harold Macmillan offered the United

States a forward base for its new Polaris submarine fleet, Eisenhower reciprocated with an offer to sell the land-based Skybolt missile. After Skybolt was cancelled, the United States agreed to sell Polaris submarines instead.

During the 1960s that support was extended. America provided Britain with a launching system, the critical components of a system of inertial navigation and even the high-stress steel for the submarine hulls of the Polaris fleet. Much of this was kept secret at the time to spare the government political embarrassment at home. A case in point was the agreement to pool nuclear research and development; another was the arrangement to waive the research costs charged to the United Kingdom in the agreement reached in Nassau in 1962 between John F. Kennedy and Harold Macmillan.

As Defence Minister Francis Pym admitted in the 1980s, eight successive governments (both Labour and Conservative) 'declined to make public their nuclear targeting policy and plans, or to define precisely what minimum level of destructive capability they judged necessary for deterrence'. During the last Labour government of the Cold War era secrecy was taken to excessive lengths. In 1974 the party had promised the British people that it had 'renounced any intention of moving towards a new generation of strategic nuclear weapons', a manifesto pledge later repeated in the 1975 Defence White Paper. Yet the government decided to opt for the development of the Chevaline Programme, an update of Polaris, within days of its return to office. It also resumed nuclear testing. The Chevaline programme went ahead as planned, despite its expense. Indeed, the Americans were informed that the British government was not particularly concerned about its rapidly rising costs since they were hidden in the defence budget and did not need to be publicly justified.

At Nassau Britain agreed to build the submarines itself and to provide the warheads but to use US test-base facilities and expertise. It was mainly these advantages which persuaded Mrs Thatcher to opt for the next-generation American submarine, Trident, and an agreement that Britain would buy the system was reached during her first visit to Washington in December 1979. Until the very end of the Cold War the United States continued to underwrite the British nuclear deterrent. And for Britain the system was cheap. Even when the United Kingdom discovered halfway through the 1980s that it had to buy the more expensive Trident 2 system, the costs still seemed reasonable, 3 per cent of the defence budget over 20 years, 6 per cent of the equipment budget overall.

As a counterforce system, however (i.e. a system designed to take out military targets and bases), Trident was less convincing. In the highly unlikely event that all the missiles would have been at sea, the British would only have been able to have taken out 9 per cent or less of the Soviet land-based missile force. Even before the Cold War came to an end there were questions whether Britain should remain in the nuclear business at all. At the heart of the Trident issue lay the suspicion that it was still play-acting, in the hope not of deterring the Soviet Union so much as bluffing the world that it was still a power of importance, playing its hand well, indeed with confidence, without quite convincing itself.

As the twentieth century drew to a close, however, the terms of the debate changed. Russian nuclear weapons were no longer targeted on the British Isles. What concerned the government most was the threat of nuclear proliferation,

the threat that 'rogue' states like Libya or Iraq might gain nuclear forces in the future, and thus be able to strike at the United Kingdom for the first time. It is a challenge which is likely to be viewed with concern well into the twenty-first century.

Context of Decline

Throughout the post-war years the majority of commentators looked at Britain's foreign and security policies in the context of its economic decline. There was one school of thought that the United Kingdom had declined because it pursued a role which was clearly beyond its resources. The historians of decline in these years spoke of the 'collapse of British power', the 'long recessional', the 'descent from power' (to cite the title of three books), terms which conjured up the ghosts of opportunities lost and choices avoided.[10]

Many critics argued that a whole generation of civil servants and politicians had preferred to parade a series of commitments which could not be honoured and to issue a series of promissory notes which could not be cashed. Sir Richard Clark, one of the Foreign Office 'mandarins' concerned, who was involved in overseas financial policy in the late 1940s when Attlee decided that Britain would remain a great power whatever the cost, appeared to confirm this diagnosis in his own reminiscences: 'Thirty years later, when one sees the relative success of Germany, Japan and France, which were forced to make great social and economic changes, one cannot be absolutely sure that our right long-term cause was to display remarkable ingenuity and to retain the status quo.'[11] Over the years critics pursued this line of argument with remarkable consistency, charting the various turning points when choices might have been made, such as the aftermath of Suez, or the decision of Britain's partners in Europe to forge a Common Market in 1957.[12]

The other point of view, put equally cogently, argued that in real terms Britain did not decline in this period; that manpower cuts were dictated by defence inflation and structural disarmament which the country was not alone in fighting; that the British armed forces were more professional and better equipped than at any time in their history. One only has to compare the success of 1982 with the military shambles of Suez to see the improvements actually made. Instead of declining, Britain's armed forces were merely restructured in these years.

More recently still, some historians have begin to argue that the management of Britain's decline was an exemplary lesson in how to retain political influence as long as possible by evading radical choices, and electing politicians who preferred continuity to discontinuity, soft rather than hard-nosed men who were singularly adept in not taking tough decisions. As the historian Paul Kennedy remarks, 'Keeping a declining British . . . omnibus going along the road for such a long time is a fair art, and not one that should be entrusted to persons who are liable to shoot the passengers, who don't know how to service and oil the machine, and who have the nasty habit of trying to crash into oncoming vehicles.'[13]

It does indeed seem that even in the 1950s the best the out-and-out reformers could have done was to have introduced piecemeal administrative reforms

making choices within roles rather than choosing between them, an endeavour which, while worthy in itself, would have altered attitudes in the services in Whitehall very little, and in the nation at large even less. A number of more radical measures, if applied in happier circumstances, might have yielded better results. If implemented, however, radical measures might have wrought greater damage on the services than any they were designed to repair. There is little evidence, anyway, that British society was ready to act on them.

Setting an example by unilaterally disarming or revising the transatlantic bargain, or entering Europe in 1957 at the expense of other commitments, might only have brought the decline to a head much faster than carrying on as Britain did. The Left would doubtless have welcomed such an outcome, seeing it as an emancipation from the dead weight of the past, perhaps more imagined than real. The Right might have seen it as a relatively painless adjustment to a Little England posture, painful only if carried out too abruptly, inevitable in the context of a much wider development, the marginalisation of Europe in an age of the superpowers. As it was, the bipartisan consensus with which I began this chapter was not so bad, looking back. Britain emerged from the Cold War one of the victors. Only a preoccupation with our uncertain and insecure times obscures the importance of that victory.

One of the ironies, of course, is that since the mid-1980s the debate on decline has largely come to an end. Rightly or wrongly, the British seem to have arrested, and perhaps even reversed it. The economy ended the 1990s one of the strongest in Europe, with one of the lowest rates of inflation and unemployment, and an apparently strong entrepreneurial culture. Britain ended the twentieth century the fifth richest country in the world. The question is, was Britain still holding on to many of the myths that had been necessary to cushion its long recessional, its retreat from great-power status?

Was it ready for new thinking at a time when its national identity was being questioned from within the United Kingdom itself, as the Celtic fringe sought greater autonomy, with perhaps, one day, independence? Was Britain any more reconciled to its European future at a time when the pace of integration had quickened? If British foreign and security policy in the post-war years can be considered a much greater success than it was seen at the time, had that very success delayed coming to terms with a new post-Cold War environment?

The issues before Britain in the next century: its complicated relationship with Europe; a special relationship with the country that looks less to Europe than at any other time than in recent years; a world in which Asia will play an important part; a world of proliferating nuclear powers, the most dangerous on the outskirts of Europe: these are all new problems requiring new solutions. But they were not part of the British foreign policy agenda during the Cold War; it is only now that they have become part of the post-Cold War debate.

Defence Estimates and White Papers

One of the best ways to gauge the strength of British forces after the Second World War is to look at the numerous defence reviews which followed the

Duncan Sandys exercise of 1957. Most of the reviews were the residual reflex of people who, with the end of the war, felt that history had in some puzzling way delivered far less than it had promised.

It was probably inevitable that significant cuts would be made throughout the post-war period. The extraordinary effort Britain made to rearm during the Korean War which dwarfed its efforts in the inter-war years had claimed no less than two years' real economic growth. It was largely for this reason that the Labour Minister for Health, Aneurin Bevan, chose to resign in 1951 from Attlee's Cabinet. He did not object in principle to rearmament being granted a prior claim on national output; he resigned because he objected to the scale of the defence increases. He thought them 'unrealisable', which they were.

As early as 1952 the new Conservative government had announced the need to 'adjust' the Labour government's rearmament programme by spreading planned expenditure over a much longer period than three years. After they came to power in 1951, they put forward a review, the first of many, but by far the most radical, and the most substantial change ever made in peacetime. It reduced the strength of the British Army of the Rhine (BAOR) from 77,000 to 64,000 men, and then again to 50,000 a few years later, at which it remained pegged for the next 30 years. The second Tactical Air Force in Germany was cut by half. The decision was taken to abandon conscription in the early 1960s and revert to an all-professional force.

The cuts may have been substantial but they were not enough. The 1965 Defence White Paper criticised the previous government for making no real attempts to match political commitments to military resources, still less to relate the resources made available for defence to the economic circumstances of the nation. When it came to the crunch, of course, the Labour government found the exercise equally difficult. Course corrections were made, but British forces still found themselves ill-equipped and sometimes overextended. The story of the 1966–7 Defence Reviews, which were important for permanently reducing Britain's commitments east of Suez, is that of a government desperately trying to ensure that Britain remained a great power in all but name. The cuts were presented as a decision over force levels rather than a fundamental change of policy. Only the devaluation of sterling in 1967 forced the government's hand.

The 1975 Defence Review followed the same pattern. On this occasion the Wilson government preferred to cut costs, often by stealth. The Chevaline Nuclear Programme was absorbed into the defence budget, in order to avoid a debate on whether Britain still needed an independent nuclear deterrent. Cooperation with allies in programmes such as the Tornado multi-purpose aircraft spread the cost of procurement while allowing Britain to avoid having to specialise in certain roles. The country's amphibious capability had to be confined to the defence of NATO's northern flank, not its southern. In 1978 the Royal Navy pulled out of the Mediterranean for the first time in 300 years.

The final review of the Cold War years by the Defence Secretary John Nott in 1981 was conducted in the same atmosphere of short-term financial crisis. It tackled the problem of costs from three different angles. First the government expressed a perhaps unfounded hope that technological developments in the field of electronics might reduce costs substantially. It also saw ways of

maintaining its many commitments with a less sophisticated mix of assets, such as fewer aircraft types for the air force. Finally, it also proposed a greater degree of specialisation by working with its NATO allies. What it proposed to do, however, was to cut the strength of the Royal Navy substantially. Perhaps what is most interesting about the debate is that it was very short in duration. It was a measure of the declining importance of defence in government thinking that the 1981 Review was completed in 12 weeks and involved only one three-hour meeting of the Cabinet. The 1967 Review, by comparison, had taken 12 months to prepare and involved 30 separate full Cabinet meetings.

In short, during the Cold War the British maintained a deterrent posture and spent more than any other NATO ally, Turkey and the United States excepted, but did so at the same time as substantially reducing its capabilities. The normal response of government in these years was to go for cuts which stretched Britain's forces to breaking point, followed by major retrenchment in its strategic responsibilities, followed by another bout of cuts – a debilitating progress which left the country and possibly the Alliance weaker with every cycle. The increasing contraction of Britain's force strength also brought an end to certain features of its role as a military power: it lost the capacity to maintain a large standing army in 1959, an independent strategic missile deployment in 1960, an independent tactical missile development two years later, and, in 1965, an indigenous military aircraft procurement. The following year also saw the end of a fully capable blue-water navy, and later still an amphibious capability outside Europe (1975).

On the other hand, Britain's armed forces were more professional than they had been in the 1950s, as both the Falklands War and the Gulf War were to show. The Royal Air Force was much better equipped, and defence budgets, far from shrinking, actually increased – they merely bought less.

With the end of the Cold War the situation changed dramatically. In pursuit of an illusive 'peace dividend' (a significant reduction in defence spending made possible by the disappearance of the Soviet threat), the British reduced their forces significantly. An exercise called 'Options for Change' was adopted in 1991. By the end of the 1990s the services had been cut by 25 per cent. As a percentage of GNP, spending on defence was reduced from 5 per cent to 2 per cent. Perhaps the most significant aspect was the cut in manpower levels. The armed forces were reduced to a size that had not been seen since 1938. The army was reduced to a little over 100,000 men (small enough to fit into Wembley Stadium); the navy was cut back to just over thirty ships; the air force was substantially reduced. By the end of the 1990s the British were spending on defence, in per capita terms, only three times more than the nation spent on the National Lottery, or about what it spent on package holidays in the sun.

The consequences of this reduction in force strengths, the largest since the 1920s, came home in the Kosovo War in 1999. In a 78-day campaign NATO was able to defeat Serbia and occupy the province. But it was essentially a US-led and financed war. Even before the firing began the British found that, even in partnership with the French, their combined air forces were not large enough to deny the Serb air force control of its own airspace. And once Kosovo was occupied the British forces (the spearhead of NATO's forces on the ground) had

to be substantially cut back before winter because of severe manpower problems. Britain's forces were simply undermanned and overstretched to maintain the force commitments required in the post-Cold War era. The conclusion reached by the Blair government was to coordinate defence with its European partners, a decision taken at the NATO summit meeting in April 1999. It was a radical break with 40 years of British policy by Labour and Conservative governments alike. It was a seminal moment in the country's foreign policy debate, a significant break with Cold War thinking.

Notes

1 Harold Macmillan, *The Blast of War, 1939–45*, London, 1969, p. 269.
2 Cited in *The Times*, 22 March 1991.
3 Ian McEwan, *The Innocent*, London, 1990.
4 *The Times*, 13 March 1995.
5 The *Guardian*, 12 February 1986.
6 *The Times*, 22 March 1991.
7 Coral Bell, 'The Special Relationship', in Michael Leifer (ed.), *Constraints and Adjustments in British Foreign Policy*, London, 1972, p. 119.
8 Max Hastings, *The Korean War*, London, 1988, p. 167.
9 Cited in John Baylis, *Anglo-American Defence Relations: The Special Relationship*, London, 1981, p. 34.
10 Correlli Barnett, *The Collapse of British Power*, London, 1984; Fred Northedge, *Descent from Power*, London, 1973; Laurence Martin, 'British Defence Policy: The Long Recessional', Adelphi Paper 61, London, 1969.
11 Cited in Malcolm Chalmers, *Paying for Defence: Military Spending and Britain's Decline*, London, 1985, p. 40.
12 For a discussion of Britain's relationship with Europe, see chapter 4 in this volume.
13 Paul Kennedy, 'Why Did the British Empire Last So Long?', in *Strategy and Diplomacy 1870–1945*, London, 1983, p. 218.

Further Reading

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Chronology

1947	Dunkirk Treaty.
1948	Brussels Pact.
1949	NATO Treaty.
1952	UK becomes a nuclear power.
1954	Collapse of European Defence Community.
1955	Formation of Western European Union.
1956	Suez crisis.
1957	UK does not enter European Common Market.
1962	Nassau Conference (UK gets Polaris programme).
1963	De Gaulle rejects UK membership of EEC.
1967	Devaluation of sterling and decision to withdraw east of Suez.
1967	UK rejected for second time for membership of EEC.
1973	UK enters EC.
1978	Chevaline update of Polaris programme.
1982	Falklands War.
1987	UK joins the EC's single market.
1989	Collapse of Berlin Wall and end of Cold War.
1990–1	Gulf Crisis and War – Operation Desert Shield and Operation Desert Storm.
1992	Maastricht Treaty.
1993	UK leaves European Exchange Rate Mechanism.
1998	Operation Desert Fox.
1999	UK decides not to join European Monetary Union.