

**War in Ukraine**

# **Military briefing: Ukraine war exposes 'hard reality' of west's weapons capacity**



Nations have been slow to sign contracts companies need to boost supply to Kyiv

**John Paul Rathbone** and **Sylvia Pfeifer** in London and **Steff Chávez** in Chicago 9 HOURS AGO

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Nearly 10 months into Russia's full-scale invasion of Ukraine, the allies that have backed Kyiv's war effort are increasingly concerned by the struggle to increase ammunition production as the conflict chews through their stockpiles.

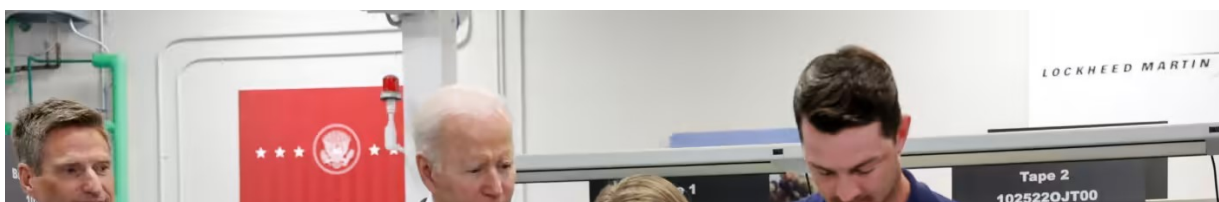
At stake is not only the west's ability to continue supplying [Ukraine](#) with the weapons it needs but also allies' capacity to show adversaries such as China that they have an industrial base that can produce sufficient weaponry to mount a credible defence against possible attack.

"Ukraine has focused us . . . on what really matters," William LaPlante, the Pentagon's chief weapons buyer, told a recent [conference](#) at George Mason University. "What matters is production. Production really matters."

After sending more than \$40bn of military support to Ukraine, mostly from existing stocks, Nato members' defence ministries are discovering that [dormant weapons production lines](#) cannot be switched on overnight. Increasing capacity requires investment which, in turn, depends on securing long-term production contracts.

The US has sent about a third of its stock of Javelin anti-tank missiles to Ukraine and a third of its stockpile of anti-aircraft Stinger missiles. But it has little prospect of being able to replace these quickly. "There's no question that . . . [supplying Ukraine] has put pressure on our defence industrial base," Colin Kahl, US under-secretary of defence for policy, said last month.

The UK has turned to a third party, which it has declined to identify, to restock its depleted stores of NLAW anti-tank missiles. "There are some really hard realities that we have been forced to learn," James Heapey, armed forces minister, said in October.





US president Joe Biden looks at an assembly line for Javelin anti-tank missiles during a visit to a Lockheed Martin factory in Alabama in May © Jonathan Ernst/Reuters

Weapons stocks in many European countries are even skimpier. When France sent six Caesar self-propelled howitzers to Ukraine in October, it could only do so by diverting a Danish order for the high-tech artillery.

There are two main reasons western nations are struggling to source fresh military supplies, said defence officials and corporate executives.

The first is structural. Since the end of the cold war, these countries have [reaped a peace dividend](#) by slashing military spending, downsizing defence industries and moving to lean, “just-in-time” production and low inventories of equipment such as munitions. That is because combating insurgents and terrorists did not require the same kind of heavy weaponry needed in high-intensity land conflicts.

Ukraine has changed that assumption. During intense fighting in the eastern Donbas region this summer, Russia used more ammunition in two days than the British military has in stock. Under Ukrainian rates of artillery consumption, British stockpiles might last a week and the UK’s European allies are in no better position, according to a [report](#) by the Royal United Services Institute think-tank in London.

“The west has a problem with constrained defence industrial capacity,” said Mick Ryan, a former major general in the Australian army. “A major industrial expansion programme will be required if the nations of the west are to rebuild the capacity to design, produce and stockpile . . . large quantities of munitions.”

The second factor is bureaucracy. Governments say they are committed to bigger defence budgets. Yet, amid so much economic uncertainty, they have been slow to

science budgets. Yet, amid so much economic uncertainty, they have been slow to write the multiyear procurement contracts that defence groups need to accelerate production.

“It’s a corporate finance problem,” said a senior European defence official. “No company wants to invest in a second factory line to boost production without long-term, contractual certainty. Will Russia still be a threat in five years and, if it’s not, will governments still be buying arms from the companies then?”



A Nexter weapons factory in France © Guillaume Souvant/AFP/Getty Images

This lack of certainty holds on both sides of the Atlantic, say corporate executives. Saab, the Swedish defence and aerospace company which makes NLAWs and Gripen fighter jets, says it has been in talks with several governments about new orders but progress on signing contracts has been slow.

“When it comes to order intake directly connected to Ukraine . . . very little has really emerged or happened,” said Saab’s chief executive Micael Johansson. “I am sure it will come . . . but the contracting procedures are still quite slow.”

Britain’s BAE Systems also says it is “in talks” with the UK government about ramping up output of a number of munitions, while US defence companies have similar complaints about the lack of a clear “demand signal” from Washington.

“They are in a situation of ‘show me the money’,” said Mark Cancian, senior adviser at the Center for Strategic and International Studies in Washington. “What they [the defence companies] are worried about is that they will expand capacity, then the war will end and the defence department will cut the contracts.”

Kathy Warden, chief executive of Northrop Grumman, said the Pentagon’s procurement procedures — which give a “very choppy demand signal” to build up stockpiles but only after a conflict rapidly depletes them — are not a model that is “going to make sense” if the aim is sustained investment in production.

Some defence manufacturers are already producing at full capacity, with shifts running 24 hours a day.

“When we have a clear understanding of what the demand signal is going to be . . . we are willing to fund expansion of capacity,” said Frank St John, chief operating officer of Lockheed Martin, which makes [Himar artillery rocket systems](#) and Javelins.

Western officials say supplying Ukraine has not jeopardised their own countries’ military readiness, while Russian military shortages are far worse. Moscow is having to source weapons such as artillery shells and drones from North Korea and Iran.

Yet, while there is a near-consensus across Nato, especially its European members, on the need to bulk up their militaries and defence industries, companies can only proceed once they have more contractual certainty.

“Contracts matter. Money . . . matters,” said the Pentagon’s LaPlante. “Once [defence companies] see that we’re going to put money [into orders] . . . they’ll get it, that’s their job.”

*Additional reporting by Felicia Schwartz in Washington*