

Special Report **National Security**

**Geopolitics**

## Munitions put into focus as stockpiles dwindle

War in Ukraine, a fragile industrial base and slow procurement hamper supply



Supply strain: The Scranton Army Ammunition Plant in Pennsylvania is a supplier of US artillery shells for Ukraine, whose need for armoury to fight Russia is depleting western stockpiles © Hannah Beier/Getty Images

**Steff Chávez** in Chicago 6 HOURS AGO

Just as Russia's full-scale invasion of Ukraine has awoken western defence officials to the reality of hot war, so has it also exposed the need to recalibrate weapons procurement priorities — to ensure that their militaries are prepared for combat.

War games have identified munitions — everything from bombs to bullets — as an area of risk that needs urgent attention. They found, for example, that the US could use some munitions, such as anti-ship missiles, faster than they are produced. And there could be scenarios where it does not have enough of some missiles to sustain a war — for instance, in the Indo-Pacific region.

Experts have also identified a disconnect between the US and European defence industrial bases, when instead they could be complementing and bolstering each other in times of need.

This partly stems from the western defence apparatus spending decades prioritising efficiency and lower costs, adopting the same sort of just-in-time supply chain used by the auto industry. That suited a period of relative peace but, say observers, has cut the slack in the system necessary to expand weapons production quickly.

Tensions between [Ukraine and its western backers](#), which have spent a combined

\$170bn on defence and financial aid for Kyiv since Russia's invasion last year, have now begun to emerge as Ukrainian president Volodymyr Zelenskyy continues to ask for more and more weaponry.

The war in Ukraine “reminds us about the risks of being slow” to produce weaponry, says Cynthia Cook, director of the Defense-Industrial Initiatives Group at US think-tank the Center for Strategic and International Studies. CSIS calculated in its Taiwan war games this year that the US would use its entire stock of long-range anti-ship missiles — approximately 450 — within a week of conflict. LRASMs would be valuable for striking “Chinese naval forces and directly [reducing] Chinese invasion capabilities”, it says.

Western nations supplying weapons to Ukraine have recently had to [replenish their armament stockpiles](#) and recommit to military spending. But the defence industrial base has struggled to increase production, leaving experts concerned about the west's preparedness for a potential conflict — for instance, with China over Taiwan.

“The defence industry is so consolidated that it can't very quickly expand to support a greater demand,” warns Stacie Pettyjohn, director of the defence programme at the Center for a New American Security, a think-tank. “So we're slow and behind and don't have enough of anything” in munitions.

The US defence industrial base has consolidated significantly since the 1990s — the number of prime contractors at the Pentagon has fallen from 51 to five. As some parts are made by only one or two suppliers, there is typically no way to replicate production elsewhere.

Plagued by cost overruns and delivery delays, the notion of reforming the US acquisition process is perpetual, but the challenges in doing so are “hard baked into the system”, says Cook, with the Pentagon, White House, and Congress all having input on procurement.

The Pentagon tends to prioritise big, expensive items such as ships, aircraft and vehicles, “leaving missiles and munitions with inadequate funding”, according to a recent CNAS report.

Michael O’Hanlon, director of foreign policy research at the Brookings Institution think-tank, says Washington is facing the “conundrum” of how to be “best prepared for a war that comes out of nowhere, that you need to fight — and fight well — on day one”.

The CNAS report says existing inventory is “too small to blunt an initial invasion, let alone prevail in a protracted conflict against China”, adding: “To deter and — if deterrence fails — defeat China, the [Pentagon] needs large stockpiles of stand-off missiles, maritime strike weapons, and layered air and missile defences.” Buying more long- and medium-range missiles is essential.

“We can’t keep chasing shiny things,” says Richard Spencer, a former secretary of the navy under Donald Trump.

The US defence department has signalled its intention to refocus on munitions after years of under-investment. In its 2024 budget, it asked for \$1.1bn to fund 118 LRASMs, up from \$550mn for the 83 it requested the year before. It is also seeking more than \$30bn for munitions, up 23 per cent from the previous year, and \$315bn overall to fund new weapons.

Unlike fighter jets and ships, which are purchased through multiyear commitments, munitions are bought via annual contracts and requirements vary. But this volatility in Pentagon munitions purchases means US defence companies are reluctant to expand production capacity — because capital investments for new factory lines can be hard to justify to shareholders without multiyear contracts.

However, the Pentagon has recently sought multiyear contracts for five precision-guided missiles — key munitions that include the LRASM and the SM-6 anti-ship missile. Congress appropriators appear less convinced, though, threatening the viability of the revised approach as they hesitate on approval.

US production capacity is under strain from parts and labour shortages, too. And Max Bergmann, director of the Europe, Russia and Eurasia programme at CSIS, dismisses the notion that European defence groups can fill the gap. With 27 member countries, the EU has a “really fractured defence industrial base where the big European

countries like Germany, France [and] Italy are usually focused on selling to themselves”, he says.

Despite close US intelligence ties with about 10 countries including the UK, Australia and Canada, such co-operation is absent in the defence industrial complex, says Jerry McGinn, executive director of the government contracting centre at George Mason University’s business school.

The Pentagon has historically focused on buying American for its own defence capabilities, but McGinn argues that increasing international industrial collaboration, as part of a “build allied” approach, should be at the centre of its weapons acquisition strategy in order to boost production.

### **Existing inventory is ‘too small to blunt an initial invasion, let alone prevail in a protracted conflict’**

The US has also sought to maintain its dominance in weapons production by frequently telling its Nato partners that their Article 5, which stipulates a collective defence, is strengthened when other countries buy American-made weapons, says Bergmann.

“It’s good for our companies” when Europe buys US weapons, he says, “but what does that mean for our larger interests” if the European defence landscape is weaker?

Bergmann suggests that the US must make clear to its allies “that a strong European defence industrial base is important”, and take the “foot off the gas a little bit when it comes to our aggressive advocacy of some of our sales abroad, particularly if there’s strong European competitors”.

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