

Reforging the Arsenal of Democracy

The Ukraine Wake-Up Call

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Abstract

Three decades of post-Cold War complacency left NATO's and Europe's defense-industrial base optimized for peacetime efficiency at the expense of wartime endurance. Russia's 2022 invasion of Ukraine exposed these vulnerabilities, and the shock of the Trump administration's 2025 "Hague Commitment"—requiring Allies to spend 5 percent of GDP on defense—turned belated ambition into an urgent mandate, forcing a pivot from just-in-time logistics to a just-in-case posture. This analysis details how NATO and EU nations are rebuilding strategic stockpiles of munitions, expanding industrial surge capacity, and integrating fragmented arms industries into a cohesive, interoperable transatlantic arsenal. It argues that Washington's now-conditional security guarantees have compelled unprecedented NATO-EU defense-industrial integration and reinforced the strategic necessity of industrial depth. Industrial strength, once an afterthought, has reemerged as the core of deterrence—the decisive factor in dissuading aggression, maintaining the balance of power, and preserving peace through strength.

Europe spent a generation in strategic slumber, convinced that industrial warfare was a relic and that peace had rendered our arsenals secondary. Post-Cold War governments gutted stockpiles and streamlined defense industries for peacetime efficiency, banking on American might to handle any conflict at the fringes of NATO. That illusion shattered when Russia invaded Ukraine in 2022. Within weeks, Western armories began draining at Cold War rates. Artillery shells and air-defense missiles evaporated faster than factories could replace them, exposing the soft underbelly of NATO's readiness. One British study found Russia expended more shells in 48 hours than Britain had in its entire arsenal—a damning indictment of the West's complacency. "Interoperability," long a NATO buzzword, collapsed in the mud of Donbas as incompatible ammunition and spare parts hamstrung Ukraine's efforts. The message was unmistakable: without robust industrial muscle, even the best armies risk running out of ammo before the battle is won.

Ukraine's agony was a bracing tutorial. European nations scrambling to arm Kyiv discovered their "just-in-time" logistics philosophy was a fatal peacetime indulgence. Governments scoured global markets for artillery shells and Soviet-caliber ammunition, paid premium prices for scarce missiles, and set up emergency repair

hubs in Poland and Germany to keep Ukraine's motley mix of Western weapons firing. Each improvised fix highlighted a core truth: industrial capacity is not a backend issue—it is the linchpin of modern warfighting. In a grinding war of attrition, stockpiles and surge production can matter as much as battalions and brigades.

America First and the Five-Percent Ultimatum

The full reckoning, however, did not arrive until 2025 with a new US administration willing to play hardball. President Donald Trump's return to the White House brought a sharp edge to American policy: "The days of the United States propping up the entire world order like Atlas are over. We count among our many allies and partners dozens of wealthy, sophisticated nations that must assume primary responsibility for their regions and contribute far more to our collective defense."¹ Trump's "America First" doctrine translated into an ultimatum at NATO's June 2025 summit in The Hague. There, under intense US pressure, all allies (save Spain) agreed to a new five-percent of GDP defense spending floor by 2035. This *Hague Commitment*—more than doubling the old two-percent guideline—is nothing short of revolutionary. "This is a quantum leap that is ambitious, historic and fundamental to securing our future," declared NATO Secretary-General Mark Rutte.² The pledge earmarks 3.5 percent of GDP for core military needs and another 1.5 percent for related security investments, recognizing that resilience at home (from industrial base upgrades to cyber defenses) underpins frontline strength.

America's message was blunt: *If you want US protection, prove it by rebuilding your arsenal.* Trump openly suggested that while Europe must hit five percent, the United States "shouldn't have to" reach the same level. In other words, Washington expects its allies to catch up and will no longer foot the bill for European under-preparedness. This conditional US posture has been a shock to the system, but a productive one. Europe's leaders have finally been jolted out of complacency. They now face a mandate, not a request, to rearm and restructure. NATO's longstanding problem of free-riders and fragmented defenses is being met with an unprecedented mix of American stick and carrot: meet your commitments (the stick is implicit), and the United States will continue to extend its security umbrella—but under far more *reciprocal* terms.

Crucially, the five-percent pledge is forcing a transformation beyond budgets. It demands European governments actually absorb those funds effectively—which

¹ *National Security Strategy of the United States of America* (Washington: White House, November 2025), 12, <https://www.whitehouse.gov/>.

² Quoted in: Tim Martin and Michael Marrow, "NATO allies, besides Spain, set to make 5 percent GDP spending pledge," *Breaking Defense*, 23 June 2025, <https://www.breakingdefense.com/>.

in turn requires consolidating a fragmented defense industry.³ Simply put, no nation can efficiently spend five percent of GDP on defense in isolation; the sums are too vast and the efficiency losses too high if every country goes its own way. Trump's ultimatum has thus become the *de facto* catalyst for structural reform: Europe must integrate its defense-industrial base or waste a historic windfall.

From Just-in-Time to Just-in-Case

The new spending paradigm has raised expectations across the alliance, but as Supreme Allied Commander Europe Gen Alexis G. Grynkewich, USAF, underscores, "The challenge now isn't that commitment. The challenge is taking that commitment and turning it into real capability and capacity on the battlefield."⁴ That observation captures the core strategic problem: money is no substitute for production lines, surge capacity, and integrated logistics. Restructuring Europe's military-industrial ecosystem is now a matter of urgency and strategy, not just economy. The old peacetime paradigm of lean inventories and single-source suppliers has given way to a wartime mindset of redundancy and resilience. NATO and EU initiatives in 2025 reflect this shift. The Alliance approved a new Industrial Capacity Expansion Pledge to coordinate transatlantic arms production, while the EU launched the European Defence Industry Programme (EDIP)—a funding vehicle specifically aimed at breaking bottlenecks in arms manufacturing. Under EDIP, Brussels is pouring €1.5 billion in grants to expand factories for ammunition and critical components.⁵ One outcome: Europe's annual output of 155mm artillery shells is on track to reach two million rounds in the next year, a sixfold jump spurred by the EU's Act in Support of Ammunition Production (ASAP) and urgent national investments.⁶ Dormant production lines for gunpowder and explosives are being revived with EU subsidies. What was once derided as excess capacity is now seen as vital insurance—a "just-in-case" stockpile for the next rainy day of history.

The NATO alliance is likewise enforcing hard lessons on standardization and supply security. Allies have agreed that stockpiles must increase dramatically across all major munition types. Gone are the days when a country held only a few weeks' worth of shells or missiles. NATO's new goal is to ensure months (if not years) of

³ Nan Tian, Lorenzo Scarazzato, and Jade Guiberteau Ricard, "NATO's new spending target: challenges and risks associated with a political signal," SIPRI, 27 June 2025, <https://www.sipri.org/>.

⁴ Quoted in: Stew Magnuson, "JUST IN: U.S., European Defense Firms Should Come Together, New NATO Commander Says," *National Defense*, 17 July 2025, <https://www.nationaldefensemagazine.org/>.

⁵ "EDIP | A Dedicated Programme for Defence" (fact sheet, European Commission, n.d.), <https://defence-industry-space.ec.europa.eu/>.

⁶ "ASAP: EU strengthens ammunition production capacity in Norway," Directorate-General for Defence Industry and Space, 10 November 2025, <https://defence-industry-space.ec.europa.eu/>.

sustainment in high-intensity war, which means large war reserves and *warm* production lines that can surge output at a moment's notice.⁷ What seems like “excess” in peacetime—ammunition factories running below peak capacity, depots filled with missiles that might never be used—is in fact the price of readiness. As one senior NATO commander put it, a half-full munitions plant in peacetime is as prudent as a half-empty fire station in a city that hasn't yet burned. This is deterrence through depth: aggressors must know that the West can fight not just today's battle, but tomorrow's and next year's as well.

Ending the Fragmentation

Europe's greatest handicap has long been the duplication and fragmentation of its defense industries. Dozens of national variants of tanks, aircraft, and ships meant short production runs and incompatible parts—a luxury that a five-percent spending surge can no longer tolerate. In 2025, that reality is finally being confronted head-on. The Hague Commitment's massive funding boost has made Europe's patchwork arsenal fiscally untenable: nations can't efficiently absorb their new budgets by each reinventing the wheel. Thus, the EU and NATO are using financial muscle to force integration. EDIP incentives explicitly reward joint procurement—countries pooling orders for one standard system—and penalize go-it-alone projects. Similarly, NATO is turning long-neglected standardization agreements into binding requirements: for example, any new artillery system *must* fire the common 155mm round and use interoperable software, or it will not get Alliance funding or political support.⁸ The watchword is *interchangeability*, a step beyond interoperability. It is not enough that allied weapons can talk to each other; we need them to swap and share munitions, parts, and maintenance seamlessly. In practical terms, this could mean a US F-35 fighter refuels and rearms at a Polish airbase using European-made missiles, or a German tank gets repaired in a Czech workshop with French spare parts. Such scenarios must become routine if NATO is to present a united front in war. Every procurement decision is now being weighed against a stark question: Does this choice strengthen the alliance's common arsenal or splinter it further?

Interchangeability is not a technocratic tweak; it is a strategic imperative born of Ukraine's harsh lessons. When Ukrainian gunners found that technically

⁷ “NATO releases Updated Defence Production Action Plan, Commercial Space Strategy and Rapid Adoption Action Plan,” NATO, 24 June 2025, <https://www.nato.int/>; and “Summary of NATO's Rapid Adoption Action Plan,” NATO, 25 June 2025, <https://www.nato.int/>.

⁸ Eric Johnson, “Guns and Ammo: The Ukraine War and NATO's Ammunition Interoperability Problem,” Modern War Institute, 7 November 2025, <https://mwi.westpoint.edu/>.

“NATO-standard” shells from different nations did not shoot to the same accuracy, or that an American fuse setter did not recognize a European artillery fuse, it became clear that mere common standards on paper were insufficient. NATO is responding by tightening the enforcement of standards and updating them to account for software and safety nuances.⁹ The era of *national exceptions*—each country tweaking a design to suit parochial preferences—must give way to a culture of *coherence*. That means Europeans jointly develop major systems wherever possible, and even integrate US and European production for key capabilities. The logic is simple: 27 separate supply chains cannot win a sustained war with a peer adversary. A single, integrated supply chain with 27 nodes can.¹⁰

An Alliance Arsenal in the Making

Signs of a *transatlantic defense-industrial renaissance* are already evident. Major European defense firms like Germany’s Rheinmetall are expanding at a pace unseen in decades—acquiring smaller companies, opening new ammunition plants, and churning out armored vehicles. In November 2025, Rheinmetall broke ground in Baisogala, Lithuania, on a 155mm artillery ammunition plant. This is not merely an industrial expansion; it is a geopolitical statement. On NATO’s eastern flank—where the alliance’s promises are tested against geography and history—the plant embodies Europe’s determination to anchor its security in steel and powder, not just in words.¹¹ The war in Ukraine has elevated defense production from a sleepy sector to a strategic national priority across Europe. Defense spending in Europe has transformed defense production from a sleepy sector into a strategic national priority across the continent. Spending for the EU-27 jumped 10 percent in 2023 to reach a then-record of approximately €288 billion. This surge accelerated dramatically, with 2024 expenditure hitting €343 billion, a 19-percent increase over the previous year. This unprecedented growth is expected to continue through 2025, reaching nearly €392 billion as countries rush to meet interim targets on the way to the new long-term NATO commitment.¹² More importantly, those billions are being steered into cooperative projects. Joint acquisitions—once rare—are becoming the norm. Two dozen European nations banded together in

⁹ Johnson, “Guns and Ammo.”

¹⁰ Leighann Martin, “Modernizing Defense Logistics: Converging Kill Chains and Supply Chains” (white paper, Defense Logistics Agency, 1 April 2025), <https://www.dla.mil/>.

¹¹ Laura Alviz and Oliver Crook, “Rheinmetall Sees Extended Boom Regardless of Ukraine Peace,” *Bloomberg*, 5 December 2025, <https://www.bloomberg.com/>.

¹² “EU defence spending hits 343 billion in 2024, targets 381 in 2025,” European Defence Agency, 2 September 2025, <https://www.eunews.it/>; and Sebastian Clapp, “EU defence funding,” European Parliament, 8 October 2025, <https://epthinktank.eu/>.

2023 to order ammunition in bulk, a move that cut unit costs and signaled industry to scale up production long-term. NATO's Support and Procurement Agency is coordinating multinational buys of everything from air defenses to fuel supplies, leveraging the alliance's collective clout to bolster inventory.¹³

On NATO's front lines, a new reality is taking shape: the Eastern allies are no longer junior partners living under Western Europe's security blanket—they are emerging as arsenals in their own right. Poland, in particular, has surged to more than four percent of GDP on defense, the highest in NATO, and is aiming for 4.7 percent by next year, essentially meeting the five-percent goal a decade early.¹⁴ Warsaw has undertaken a colossal rearmament program, ordering American F-35 fighters and M1 tanks *alongside* South Korean K2 tanks and K9 howitzers.¹⁵ The choice of Korean weapons raised eyebrows in Brussels, but Poland's logic was unassailable: the Korean kit was available immediately and in quantity, while European programs were tied up in endless development. Within months of signing deals, Korean tanks and howitzers began arriving in Poland—a speed that put many Western procurement efforts to shame. Crucially, these deals include technology transfer and local production, meaning Poland will soon be building advanced weaponry at home. In effect, Poland is becoming a regional manufacturing hub, expanding NATO's overall capacity. This eastern drive is a wake-up call to the rest of Europe: if the traditional arms suppliers do not step up, frontline states will find partners who will—and integrate them into NATO standards later. Fortunately, South Korea designed its systems with NATO calibers and communications in mind, minimizing interoperability issues. NATO is wisely moving to formalize this by certifying that new Korean-origin equipment in allied hands meets alliance requirements from the outset.¹⁶ In a broader sense, incorporating “arsenal partners” like South Korea—fellow democracies with robust industries—could become a strength, giving the West additional production lines *outside* the immediate theater. An alliance that can source high-end weapons from Detroit and Seoul and Warsaw is far more resilient than one dependent on a few defense contractors clustered in one country.

¹³ Federico Santopinto and Francesco Rosazza Boneitin, “The Increase in Defence Spending, the Role of the NSPA and the European Strategic Autonomy,” Institute for International and Strategic Affairs (IRIS), November 2025, <https://www.iris-france.org/>.

¹⁴ Kateryna Kvasha, “Security, Europe!': Poland's Rise as NATO's Defense Spending Leader,” Wilson Center, 6 March 2025, <https://www.wilsoncenter.org/>.

¹⁵ Peter Suci, “South Korea's K2 Black Panther Tanks to Be Built in Poland,” *The Buzz* (blog), 1 August 2025, <https://nationalinterest.org/>.

¹⁶ “Korea's Defence Ambitions and Cutting-Edge Tech Take Centre Stage in NATO Parliamentary Visit” (press release, NATO, 5 December 2025), <https://www.nato-pa.int/>; and Felix Kim, “South Korea emerging as strategic defense partner as NATO spending surges,” Indo-Pacific Defense Forum, 9 August 2025, <https://ipdefenseforum.com/>.

The United States, for its part, has recognized that a more self-sufficient Europe is in America's interest. US officials are now encouraging Europeans to buy from each other and even develop systems without American involvement when it makes sense. This is not altruism; it is strategic necessity. In a world where Washington faces simultaneous pressures in the Indo-Pacific, a stronger European pillar of NATO means the United States can concentrate on deterring China without fearing a collapse in Europe. That said, some tensions remain. New EU initiatives like the EDIP and a proposed €150 billion European "SAFE" defense loan program prioritize European suppliers.¹⁷ American officials grumble that this smacks of protectionism, aiming to edge US firms out of the European market.¹⁸ Such concerns are real, but manageable—past transatlantic spats over defense trade pale in comparison to the nightmare of a weak Europe in a world of renewed great-power threats. The bottom line is that a Europe capable of equipping itself is a far more credible ally. As long as interoperability is preserved, whether a drone or missile comes from a factory in Alabama or Bavaria is of secondary importance to NATO's strength. Washington has learned that insisting allies buy American at all costs can backfire. Sometimes, co-producing or buying European actually yields faster delivery, lower sustainment costs, and supply chains closer to the potential fight.¹⁹ The United States is thus reviving a Cold War practice: allowing and assisting allies to produce American-designed weapons under license (or vice versa). We see this with initiatives for joint 155mm shell production in Europe and discussions about European assembly lines for American missiles. Such co-production spreads capacity and insures NATO against any single point of failure—a transatlantic arsenal of democracy in the truest sense.

Industrial Strength as Deterrence

In an era of emboldened autocracies, Western leaders have rediscovered a timeless truth: economic and industrial power are the backbone of strategic power. It is no longer sufficient to have well-trained troops or advanced jets on paper; the question is whether you can keep them fighting next month, next year, for as long as it takes. Deterrence now hinges on visible, credible staying power. As US Secretary of War Pete Hegseth observed, the war in Ukraine laid bare a critical vulnerability: "the underinvestment that both the European continent and America has had,

¹⁷ "European defence readiness" (fact sheet, European Council, 2025), <https://www.consilium.europa.eu/>.

¹⁸ Victor Jack, "Top US official berates Europe over cutting American industry out of defense buildup," *Politico*, 3 December 2025, <https://www.politico.eu/>.

¹⁹ "Strategic Co-Production as Europe's Response to Industrial Capacity Pressure," *Defence Finance Monitor*, 20 November 2025, <https://defencefinancemonitor.substack.com/>.

unfortunately, in the defense industrial base, the ability to produce munitions, emerging technologies rapidly and field them was a blind spot exposed through the aggression against Ukraine.”²⁰

That blind spot must now be erased. The challenge is nothing less than to achieve “Peace through Strength” by correcting a historical error of complacency. The principle cannot be parochial; it must extend across the Alliance. The hard power of the West must be undeniable, not theoretical.

For any adversary contemplating aggression, the calculus must be stark: NATO’s immediate forces on the frontier, backed by the revitalized, latent capacity of hundreds of transatlantic factories and the combined weight of Western GDP—an arsenal capable of grinding any aggressor into defeat.

The steps taken in 2025—the five-percent spending mandate, NATO–EU industrial cooperation, massive expansion of munitions output, and strict integration of standards—are all oriented toward one end: to make NATO an alliance that can fight a long war and thus deter any war from starting. We are, in effect, restoring the arsenal of democracy for a new age. Factories and shipyards may not be glamorous, but they are as critical to freedom’s defense as carriers and tanks. In the 1940s, American factories famously outproduced the Axis; today, Western unity of production can ensure no revisionist power ever miscalculates that it could outlast the free world in conflict. Morally, this endeavor carries no apologetic tone—nor should it. Building the capacity to defend our societies is not *militarism*, it is prudence. Stockpiling missiles or running assembly lines overtime in peacetime does not provoke war; it prevents war by raising the costs of aggression to prohibitive levels. *Peace through strength* is more than a slogan; it is a moral obligation to future generations. A secure Europe and America, free from coercion or conquest, requires investment in resilience, redundancy, and reach. Security purchased through resources expended today prevents payment in blood tomorrow.

The credibility of a security alliance rests on its worst-day scenario: whether guns, fuel, and unity endure if conflict grinds on. Following the awakening of 2022–2025, NATO increasingly answers in the affirmative. Factories across allied nations are once again producing with that knowledge in mind. The arsenal of democracy, once neglected, is being reforged—sharper, stronger, and shared. Any tyrant who tests it will encounter not a patchwork of weak links, but a steel chain of capacity and will.

Industrial power and alliance integration now stand as ultimate guarantors of Western deterrence—a silent but potent message that a war of exhaustion against

²⁰ “Secretary of Defense Pete Hegseth Press Conference Following NATO Ministers of Defense Meeting in Brussels, Belgium” (press conference, US Department of War, 13 February 2025), <https://www.war.gov/>.

the West cannot be won. The free world, having been caught unprepared once, will not be caught twice. The arsenal is being rebuilt not for its own sake, but to ensure that the lessons of Ukraine deter repetition before it occurs. Should deterrence fail, the means—moral and material—will exist to prevail.

Peace is secured not only by the courage of soldiers but by the foresight of nations to arm in time. That lesson, hard-earned, now drives policy in Washington, Brussels, and every NATO capital. Sustained effort will yield an Alliance capable of keeping the peace by preparing, collectively, for the worst.

Peace through strength, backed by unassailable industrial might and unity of purpose, is peace made real. As SACEUR Grynkewich reminds the alliance, “These are consequential times. The threats we face are only becoming more intertwined, but they are no match for the unity, the resolve and the shared purpose that I see gathered on this field today. We stand ready in defense of our nations, and we’re only going to get better.”²¹ This affirmation underscores the essential point: industrial rearmament is not merely a matter of capacity, but of collective will—the political and strategic cohesion that turns factories, budgets, and stockpiles into credible deterrence. The credibility of a security alliance rests on its worstday scenario: whether guns, fuel, and unity endure if conflict grinds on. 🦅

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²¹ Quoted in: Sabine Siebold and Andrew Gray, “New NATO commander stresses unity at handover ceremony,” *Reuters*, 4 July 2025, <https://www.reuters.com/>.