

Is nuclear deterrence a way to save money on conventional defence budgets?



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Since the end of the Cold War, nuclear deterrence has held a special place in European strategic debate. A legacy of the bipolar era, it is often seen as the ultimate insurance policy, guaranteeing that no major aggression could be attempted against a state possessing nuclear weapons. From this belief flows an implicit but structuring idea: if the existential risk is deterred, conventional defence efforts can be reduced without serious consequence. Thirty years after the fall of the Soviet bloc, this conviction deserves to be seriously reexamined.

The French doctrine of nuclear deterrence is built on a clear principle: the protection of the Nation's vital interests. These interests are deliberately not defined exhaustively, in order to maintain strategic ambiguity, but their nature is fundamentally national. Unlike the American model, French deterrence does not explicitly provide extended security guarantees to allies. Its primary purpose is to prevent any challenge to the very existence of the French state.



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Against an adversary that also possesses nuclear weapons, this deterrence is, by nature, sacrificial. Any use of French nuclear weapons can only be conceived as a threat of mutually assured destruction. The image is stark but telling: a soldier cornered, pulling the pin from the grenade he carries when, with nothing left to lose, his enemies throw themselves upon him. It is difficult to imagine that a French nuclear strike against a nuclear state would not trigger an immediate and massive retaliation, leading de facto to the destruction of France as a sovereign territory. Deterrence therefore does not protect against war, it merely sets the ultimate price.

At the conceptual level, a semantic clarification is necessary. The use of nuclear forces means that deterrence has failed. The use of nuclear weapons marks the failure of deterrence, in the literal sense of the term. As long as it deters, it remains invisible and untested. It cannot therefore be assessed as a conventional operational instrument, but rather as an ultimate political threat, whose credibility rests precisely on the fact that it is never used.

These intrinsic features explain the structural limits of nuclear deterrence, particularly when it comes to protecting interests outside national territory. The central question is therefore eminently political: which head of state would accept sacrificing the very existence of their country in response to an attack on third-party territory, especially if that territory is small and geographically distant? As long as territorial integrity, and even more so the integrity of the metropolitan territory, is not directly threatened, the credibility of a nuclear response appears extremely weak.

Nuclear deterrence also proves largely ineffective against so called “sub-threshold” strategies. Hybrid conflicts, limited conventional invasions, proxy actions or indirect pressure all escape by nature the all or nothing logic of nuclear weapons. Ukraine offers an empirical demonstration of this. Russia’s possession of nuclear weapons did not prevent a high intensity conventional war, nor did it deter Western supporters from providing significant military assistance to the state under attack. Nuclear deterrence sets a ceiling on violence, but it protects neither against strategic erosion nor against the gradual unravelling of security balances.

Yet, in the aftermath of the Cold War, French and British force military models were largely built on the illusion of sufficient nuclear protection. Force levels were cut, troop numbers reduced, stockpiles streamlined. Armies became “sample-based”: technologically excellent, but limited in terms of mass and endurance. Nuclear weapons thus served, often implicitly, as a justification for shrinking conventional capabilities, in the name of a risk deemed unlikely.

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Today's strategic reality calls for a profound readjustment. Conventional deterrence aims to make any aggression costly, risky and uncertain, without crossing the threshold of mutual annihilation. It relies on the ability to fight, to hold out over time, and to inflict unacceptable losses on a potential adversary. This form of deterrence requires rebuilding credible land forces with scale, artillery and reserves; air forces capable of ensuring superiority and deep-strike capabilities; and naval forces able to control maritime spaces and protect strategic flows.

It also involves a massive effort in the areas of intelligence, cyber and electronic warfare, as well as across the entire space spectrum, whether in terms of observation, navigation or satellite protection. New forms of conflict, including drones, loitering munitions and conventional ballistic capabilities, are now central elements of any credible deterrence posture.

This conventional deterrence must be considered at both the national and European levels. The national level remains essential, as it guarantees political credibility and democratic accountability, as well as rapid and responsive decision-making and operational capabilities. The European level, meanwhile, makes it possible to achieve critical mass, pool certain investments, and enhance interoperability. Together, they can form the basis for genuine European strategic autonomy.

Finally, rebuilding credible conventional deterrence represents a major strategic and industrial opportunity for Europe. It supports technological sovereignty, stimulates innovation, and creates skilled jobs. Players such as Dassault Aviation, Leonardo, Rheinmetall, Thales, and Saab are at the heart of this dynamic.

Nuclear deterrence remains an indispensable component of national security. But it only deters existential annihilation. European security cannot be based in the long term on an implicit suicidal threat. It requires a credible, visible, and responsive conventional capability. Moving away from the comfortable illusion of an all-nuclear approach and reinvesting in conventional capabilities is now a strategic necessity.

The "Mission Europa" strategy recently launched by Edmond de Rothschild AM fits precisely into this logic of reinvestment in conventional defence. Defence expenditure should no longer be seen as a cost incurred, but as a structural investment.

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Our positions are focused both on large, iconic European defence companies such as Rheinmetall and Airbus, whose market capitalizations are close to or exceed €100 billion, and on small- and mid-cap players that are key suppliers to the European defence industrial and technological base, such as Exosens, the specialist in light-amplifying tubes for night vision goggles, and Austria's Steyr, a designer of high-performance engines, particularly for military applications.

More broadly, our strategy is structured around four pillars: Security, Competitiveness, Innovation, and Financing. It aims to support the continent's long-term transformation by financing companies and infrastructure that contribute to Europe's defence, security, and energy, technological, and industrial sovereignty.

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January 2026. This is a marketing communication.

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Société anonyme governed by an executive board and a supervisory board with capital of 11.033.769 euros

AMF Registration number GP 04000015

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