The Political Economy of European Security
[Arms, Business and Politics in the 21st century]

Session 3
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Samuel B.H. Faure
Associate Professor of Political Science, Sciences Po Saint-Germain
Outline

• Keynote by General Henri Bentegeat

• Drawing a big picture: Quantitative data to introduce the political economy of European security

• The civilian-military relationships in France: Opening the black box
Keynote: General Henri Bentégeat

https://www.youtube.com/watch?v=tBhKom9n7gs
https://www.youtube.com/watch?v=Am1jj_KR6Y4
https://www.youtube.com/watch?v=tWumVHCsrDA
Questions

KEEP CALM AND ASK ANY QUESTION
Drawing a big picture

• Quantitative data to introduce the political economy of European security:

• I. **Demand**: data on global military expenditures by states (SIPRI, 2017)

• II. **Supply**: data on the world's leading companies (SIPRI, 2016)
II. Supply: What do you know about the world's leading armaments companies?
2002-16 sales of the world's top 100 companies (except China)

Figure 1. Total arms sales of companies in the SIPRI Top 100, 2002–16

Notes: The data in this graph refers to the companies in the SIPRI Top 100 in each year, which means that it refers to a different set of companies each year, as ranked from a consistent set of data. ‘Arms sales’ refers to sales of military equipment and services to armed forces and ministries of defence worldwide. For a full definition see <https://www.sipri.org/databases/armsindustry> or SIPRI Yearbook 2017.
2016 sales of the world's top 100 companies (except China)

$374.8 billion
Who is the world's largest arms seller?
The world's largest arms seller?

+ $40 billion (2016)
Beyond the name of a company, what does an ‘arms seller’ look like?

Lanzmann, de Beauvoir, Sartre
2016 sales of the world's top 100 companies (except China): uneven global distribution and a few players

Remark #1
USA: +50%

Remark #2
EUR4: 23.1%

Remark #3
10 states: +1%

Figure 3. Share of arms sales of companies in the SIPRI Top 100 for 2016, by country
2016 sales of the world's top 10 companies (except China): supremacy of the United States and Western Europe
The nine European companies in the top 11-50 worldwide in 2016

<table>
<thead>
<tr>
<th>Rank</th>
<th>2016</th>
<th>2015</th>
<th>Company</th>
<th>Country</th>
<th>Arms sales (US$ m.)</th>
<th>Total sales, 2015 (US$ m.)</th>
<th>Arms sales as a % of total sales, 2016</th>
<th>Total profit, 2016 (US$ m.)</th>
<th>Total employment, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>14</td>
<td></td>
<td>Rolls-Royce</td>
<td>UK</td>
<td>4 450</td>
<td>4 260</td>
<td>24</td>
<td>.</td>
<td>49 900</td>
</tr>
<tr>
<td>23</td>
<td>23</td>
<td></td>
<td>DCNS</td>
<td>France</td>
<td>3 480</td>
<td>3 327</td>
<td>99</td>
<td>97</td>
<td>12 800</td>
</tr>
<tr>
<td>25</td>
<td>27</td>
<td></td>
<td>MBDA</td>
<td>Trans-European</td>
<td>3 260</td>
<td>3 162</td>
<td>98</td>
<td>7</td>
<td>10 340</td>
</tr>
<tr>
<td>26</td>
<td>30</td>
<td></td>
<td>Rheinmetall</td>
<td>Germany</td>
<td>3 260</td>
<td>2 876</td>
<td>52</td>
<td>238</td>
<td>20 990</td>
</tr>
<tr>
<td>28</td>
<td>21</td>
<td></td>
<td>Babcock International Group</td>
<td>UK</td>
<td>2 950</td>
<td>3 024</td>
<td>48</td>
<td>776</td>
<td>35 000</td>
</tr>
<tr>
<td>30</td>
<td>33</td>
<td></td>
<td>Saab</td>
<td>Sweden</td>
<td>2 770</td>
<td>2 626</td>
<td>83</td>
<td>137</td>
<td>15 470</td>
</tr>
<tr>
<td>33</td>
<td>36</td>
<td></td>
<td>Safran</td>
<td>France</td>
<td>2 600</td>
<td>2 378</td>
<td>14</td>
<td>2 111</td>
<td>66 490</td>
</tr>
<tr>
<td>42</td>
<td>46</td>
<td></td>
<td>CEA</td>
<td>France</td>
<td>2 020</td>
<td>1 948</td>
<td>44</td>
<td>-83</td>
<td>15 620</td>
</tr>
<tr>
<td>47</td>
<td>47</td>
<td></td>
<td>ThyssenKrupp</td>
<td>Germany</td>
<td>1 770</td>
<td>1 894</td>
<td>4</td>
<td>289</td>
<td>156 490</td>
</tr>
</tbody>
</table>
Where are Chinese companies?

Figure 1. Top 22 defence companies worldwide, per arms sales in US$bn (2016)

Sources for Chinese companies: company data and secondary sources. Methodology available on request. Sources for other companies: SIPRI arms-industry database.

Some data on a European company: Airbus

French Ministry of Defence, Notebook on International Defence Companies
Questions

KEEP CALM
AND
ASK ANY QUESTION
Compulsory Reading #3

Analysing a scientific article

• How do you analyse a scientific article?

• What’s the difference between a research question and a case study?
Methodological tips

• Asking four questions:
  • What’s the puzzle/question?
  • What’s the case study?
  • What’s the (theoretical) argument/explanation?
  • What’s the (theoretical) contribution?
Compulsory Reading #3: Genieys, Michel, 2005


- Question?

- Case study?

- Argument?

- (Theoretical) Contribution?
Question

• Why did France decide to choose the Leclerc tank?

• Who made this decision?
Case study

- *Leclerc* tank
Assumption: The ‘militaro-industrial complex’?
Assumption: The ‘militaro-industrial complex’?

- **Unitary** (and not pluralistic) conception of power

- **Unified** social group: ‘military, industrial and political’ elites

- Preferred social background, excellent training and acting according to a similar ‘rational behaviour’
Assumption: The ‘militaro-industrial complex’?

• Decision escapes the State, which is under the influence of the 'military-industrial lobby'

• Danger to respect for democracy and political fatality: ‘There is no alternative’ (TINA)
Argument: (1) Actors

• From militari-industrial complex as a whole...

• ... to programmatic actors (*meso* level of analysis): a group of a dozen civil and military actors within the State

• So neither politicians nor private industrialists
Argument: (1) Actors

<table>
<thead>
<tr>
<th>Programmatic Actors</th>
<th>Professional trajectory (inside the state)</th>
<th>Social homogeneity</th>
<th>Case studies</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘Team’</td>
<td>Short</td>
<td>Low</td>
<td>Britain</td>
</tr>
<tr>
<td>‘Elite’</td>
<td>Long</td>
<td>High</td>
<td>France</td>
</tr>
<tr>
<td>‘Coalition’</td>
<td>Long</td>
<td>Low</td>
<td>Germany</td>
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</tbody>
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Argument: (2) Drivers

• Not an economic interest but a political idea: crafting the ‘best tank in the world’

• Dynamic of ‘path dependency’
Argument

• **Actors**: Effect of *(only)* some of the actors of the ‘military-industrial complex’: the programmatic actors

• **Drivers**: Perceptions rather than interests

<table>
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<tr>
<th></th>
<th>Mills</th>
<th>Genieys, Michel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actors?</td>
<td>Militar0-industrial complex</td>
<td>Programmatic actors</td>
</tr>
<tr>
<td>Driver?</td>
<td>Interests</td>
<td>Ideas</td>
</tr>
</tbody>
</table>
Questions

Put your hands up in the air!