The UK arms industry – ethical issues and alternatives

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Presentation given at the 33rd National Justice and Peace conference, Swanwick, Derbyshire, 16 July 2011
We will discuss...

- UK arms industry: the basics
- Ethical concerns
- Alternatives
  - Security strategies
  - Industries
- Libya: a case study
- Action/Campaigning
UK arms industry: the basics
UK is major military power

• UK military budget is world’s 3rd largest
  — Up 22% since 2001
• UK is one of 5 ‘official’ nuclear weapons states
• UK forces active in recent major conflicts
  — e.g. Afghanistan, Iraq, Libya
• UK is 5th largest arms exporter
  — Recent recipients include Algeria, Bahrain, Libya, Saudi Arabia, Tunisia, Yemen
• Central to all this is the UK arms industry

• UK military budget was £38.6 bn ($59.6 bn) in 2010 – world’s 3rd largest behind USA and China; ahead of Russia
• UK military spending per person: more than 2 times that of Russia; more than 10 times that of China
• UK spending per person/ per unit GDP is much larger than EU average
• UK is 5th largest arms exporter behind USA, Russia, Germany and France

Current strategy in USA, UK and elsewhere is based on concept known as Revolution in Military Affairs (RMA)

Approach to national security

- Government military/defence strategy based on:
  - High technology, especially ‘networked’ technologies
  - Prominent role for military force/weapons
- Major role of arms companies
  - Often monopoly suppliers
- Involvement of scientists/engineers essential
  - Large budgets for Research and Development
Arms companies in the UK

- Many large UK-based arms companies
- Major subsidiaries of US and European arms companies also based in UK

<table>
<thead>
<tr>
<th>UK ranking</th>
<th>Company</th>
<th>Global military sales (2009)</th>
<th>Global ranking</th>
<th>% military sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>BAE Systems</td>
<td>$33.4 bn</td>
<td>2</td>
<td>95%</td>
</tr>
<tr>
<td>2.</td>
<td>Rolls-Royce</td>
<td>$3.1 bn</td>
<td>23</td>
<td>19%</td>
</tr>
<tr>
<td>3.</td>
<td>Cobham</td>
<td>$2.3 bn</td>
<td>35</td>
<td>77%</td>
</tr>
<tr>
<td>4.</td>
<td>Babcock International Group</td>
<td>$2.1 bn</td>
<td>37</td>
<td>71%</td>
</tr>
<tr>
<td>5.</td>
<td>QinetiQ Group</td>
<td>$1.8 bn</td>
<td>44</td>
<td>69%</td>
</tr>
</tbody>
</table>

Source: Defense News (2010)
Top UK arms companies: examples

• BAE Systems
  — designs and manufactures military aircraft, warships and submarines; guided weapons; radar; space systems; surveillance equipment; military simulation systems etc

• Rolls-Royce
  — engines for military ships/ aircraft

• BAE Systems, Rolls-Royce, Babcock all have key role in UK nuclear weapons system
Ethical concerns
Main ethical concerns

1. Fuelling the cycle of violence
2. Competition with civilian spending
3. Employment issues
1. Fuelling the cycle of violence

- Reinforces UK government’s willingness to use military force rather than alternatives
- Exports fuel international arms races and increase risk of war
- Exports strengthen oppressive regimes and lead to human rights abuses
- Civilian casualties are high
  – e.g. Iraq war: 80% of casualties are civilian

- For examples, see slide 4 and Libyan case study later: especially note the situation where 50 arms export licenses for Bahrain and Libya were revoked in February (BBC News online, 2011a)
- Related concern of a shift from ‘threat-driven’ defence to ‘capability-based’ defence, as military corporations increasingly influence agenda for defence policy based on what technologies can be developed rather a broader assessment of security threats
Nuclear weapons

- Weapons of Mass Destruction
  - 1 UK warhead is 7x power of Hiroshima bomb
- Threat or use is generally ‘unlawful’
- International treaty requires strategy for complete disarmament
  - Lack of progress undermines efforts to prevent proliferation
- UK has cut warhead numbers, but still plans to replace current Trident system
  - total cost of about £100 billion

- In 1996, International Court of Justice gave an ‘advisory opinion’ stating that the threat or use of nuclear weapons would generally be against the principles of international humanitarian law.
- Commitment to developing a strategy for complete disarmament first stated in Nuclear Non-Proliferation Treaty (NPT) agreed in 1968, and restated in review conferences since.
- UK nuclear arsenal is being reduced to 180 warheads: still equivalent to over 1000 Hiroshimas
- Main reference/ further discussion at: WMD Awareness Project (2010)
- Estimate of total cost of Trident replacement system: Greenpeace UK (2009)
Armed drones

• Robotic aircraft or UAV (unmanned aerial vehicle)
• Technology is spreading very rapidly
• Claimed to allow ‘more precise’ targeting
• But use is ‘expanding the battlespace’
  – ‘Illegal’ CIA use in civilian areas (e.g. Pakistan)
  – Pilots not in combat zone so temptation to deploy more frequently
  – High risk of civilian casualties
• Industry is developing the potential for them to act autonomously

• Shifting of risk from ‘our’ soldiers to others: Increased risk of civilian casualties
• Main references/ further discussion at: International Committee for Robot Arms Control (2011); Drone Wars UK (2011)
2. Competition with civilian spending

• Global comparison:
  – Military spending: $1,630,000,000,000
  – More than 5 times that estimated to meet Millennium Development Goals

• Major industrialised countries:

<table>
<thead>
<tr>
<th>Country</th>
<th>Military spending (2010)</th>
<th>% GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>$698 bn</td>
<td>4.8</td>
</tr>
<tr>
<td>UK</td>
<td>$60 bn</td>
<td>2.7</td>
</tr>
<tr>
<td>Japan</td>
<td>$55 bn</td>
<td>1.0</td>
</tr>
<tr>
<td>Germany</td>
<td>$45 bn</td>
<td>1.3</td>
</tr>
</tbody>
</table>

• Ample scope for cutting military budgets
• All figures are for 2010
• Sources: Stockholm International Peace Research Institute (2011); GDAMS (2011)
3. Employment issues

• Some argue that military spending should not be cut as many jobs depend on it

• Flaws in this argument:
  – If there is a strong ethical case against an activity, it should be stopped
  – As in any area experiencing job losses, regeneration funding can be used to aid a transition
  – Military industrial sector is small and expensive (as follows...)
Employment in military industrial sector

<table>
<thead>
<tr>
<th></th>
<th>UK employees (including supply chain)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Defence equipment spending</td>
<td>150,000</td>
</tr>
<tr>
<td>Arms exports</td>
<td>65,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>215,000</strong></td>
</tr>
</tbody>
</table>

Source: MoD (2009)

- Only approx. 0.7% of total UK employment; 7% of manufacturing sector
- Most jobs in regions of high employment (e.g. South East England)

- Figures include direct and indirect (supply chain) employment (roughly 50:50)

Data from: Defence Analytical Services and Advice (2009), Table 1.10; Office of National Statistics (2009)
Military v civilian job creation

• Military industry is capital-intensive
  — Expensive
  — Low job creation for investment
  — Highly specialised jobs
  — High use of materials and energy

• Civilian sectors
  — Generally more labour-intensive, including many ‘green’ sectors
### Job creation potential

*Overall Employment Effects of Spending $1 Billion for Alternative Spending Targets in U.S. Economy, 2005*

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of jobs created</th>
<th>Number of jobs relative to defence/military spending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defence/ Military</td>
<td>8,600</td>
<td>-</td>
</tr>
<tr>
<td>Tax cuts</td>
<td>10,800</td>
<td>+26%</td>
</tr>
<tr>
<td>Health care</td>
<td>12,900</td>
<td>+50%</td>
</tr>
<tr>
<td>Education</td>
<td>17,700</td>
<td>+107%</td>
</tr>
<tr>
<td>Public transport</td>
<td>19,800</td>
<td>+131%</td>
</tr>
<tr>
<td>House construction &amp; efficiency improvements</td>
<td>12,800</td>
<td>+50%</td>
</tr>
</tbody>
</table>

Source: University of Massachusetts (2007)

- Figures for number of jobs created rounded to nearest 100

Main shifts from military to civilian industry in UK

- Post-conflict demobilisation
  - e.g. After World Wars
- Closure of (US) military bases
- As Cold War drew to a close
  - 215,000 jobs in military/defence sector lost in 10y from 1985/86

➤ Broader shifts in economy successful
➤ Similar shift is starting now
➤ Could be much larger
  ➤ with decommissioning (e.g. Trident) providing some jobs during the transition period

- Jobs in military/defence sector fell from 625,000 in 1985/86 to 410,000 in 1995/96
- Employment figures include MoD non-equipment spending

Employment figures from: Defence Analytical Services and Advice (1998)
Alternative security strategies for the UK
Non-Offensive Defence

• Focus military forces on narrowly-defined defence
• Cut the ‘offensive’ arsenal, especially:
  – Nuclear weapons
  – Long-range bombers, missiles etc
  – Long-range military ships and submarines
• Minimise arms exports
• Shrink the military industry
• Peace-keeping activities would be retained

• Under a Non-defensive defence policy, the armed forces retain the capability to defend national territory (and contribute to peacekeeping), but not to invade or mount a major attack
• The case for Non-offensive defence (although known under a variety of titles) has been made since at least 1982.

Reference: Civilisation 3000 (2010)
Sustainable Security

• More substantial shift
• Focus on tackling the roots causes of major security threats:
  – Competition over resources
  – Global militarisation
  – Marginalisation of the majority world
  – Climate change

Some policies are changing...

• Strategic Defence and Security Review
  – Largest cuts to UK military since end of Cold War
    • 8% spending cut over next 4y
    • Including reductions in nuclear warheads, warships, fighter planes, tanks …
  – Greater military co-operation with allies, especially USA, France

• National Security Strategy
  – Acknowledgement that security problems need a broader approach
    • Threats from environmental problems, disease, accidents

Ministry of Defence (2010); Cameron (2010); HM Government (2010)
Alternative strategies for UK industry
‘Green collar’ sector

• Low carbon and environmental goods and services (LCEGS) sector:
  a. Environmental
  b. Renewable energy
  c. Emerging low carbon

• Activities:
  • Maintain clean water, air and land
  • Tackle climate change
  • Improve energy security
  • Protect ecology

➢ Human society needs healthy environment

• Environmental sector - including environmental consultancy, air pollution control, environmental monitoring, marine pollution control, waste management, recovery and recycling; as well as the service industries that support environmental management.

• Renewable energy sector - including wind, wave and tidal, biomass, geothermal, hydro and photovoltaic energy generation and the services that support them, including renewables consultancy.

• Emerging low carbon sector - including alternative fuels such as nuclear, and alternative fuels for vehicles, carbon capture and storage, building technologies, energy management and carbon finance.

• Many security benefits of tackling action to curb climate change and protect environment
‘Green collar’ security benefits

• Specific security benefits:
  – Reduced oil and gas imports from oppressive regimes
    • Increased energy security
    • Reduced support for governments which threaten security of own people and other countries
  – Reduced fossil fuel use
    • Reduced contribution to climate change

• But nuclear power raises security problems of its own...
Rise of the ‘green collar’ sector

• LCEGS sector is large and growing rapidly
• 100,000’s new jobs expected over next few years

<table>
<thead>
<tr>
<th>Sub-sector</th>
<th>UK employees (including supply chain)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental</td>
<td>198,000</td>
</tr>
<tr>
<td>Renewable energy</td>
<td>266,000</td>
</tr>
<tr>
<td>Emerging low carbon</td>
<td>446,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>910,000</strong></td>
</tr>
</tbody>
</table>

Source: Innovas (2010)

• Figures are estimated by a government commissioned study. As the sector is new and not well-defined, estimates are less certain. Some argue that these estimates are too high.
• UK LCEGS sector is estimated to be worth over £100 billion
• Global market for LCEGS estimated at ~£3,200,000,000,000 and growing fast

Libya: a case study
Libyan oil

• Proven crude oil reserves: 46 billion barrels
  – 8th largest in world
• Oil exports earnings in 2009: $31 bn
  – 95% of total export earnings
  – 75% exported to Europe
  – UK companies have oil exploration contracts
• Corruption widely believed to high

Figures from OPEC (2010)
Arms exports to Libya

• EU military exports to Libya
  – Licenses granted for €763m from 2005-09
  – Included €278m for military aircraft
• UK military exports to Libya
  – Licenses granted for €119m from 2005-09
  – Exports included armoured vehicles, tear gas etc allegedly used against protestors

Sources:
UK arms exports (description): The Guardian (2011a)
Figures from the Official Journal of the European Union summarised in The Guardian (2011c)
EU arms embargo to Libya ended in October 2004.

Libyan human rights

- Amnesty International’s 2010 assessment:
  - Political freedoms ‘severely curtailed’
  - Internal Security Agency continues to operate ‘with impunity’
  - Hundreds of past disappearances remain unresolved
  - Death penalty in use
  - But some progress on reform

UK military and ‘controlled’ export licenses granted in the year to Sept 2010: The Guardian (2011b)
Arms trade questions for David Cameron on Gulf trip

By James Landale
BBC News deputy political editor, in Kuwait

How can you sell democracy and arms at the same time?

That is the question that has dogged David Cameron on the latest stage of his trip to the Gulf.

In his delegation of 26 businessmen, eight work for companies in the defence and aerospace industry.

Some - particularly those who read the Guardian newspaper closely - have suggested that this is somehow incompatible with his new foreign policy of promoting political and economic reform.

Mr Cameron's thesis is that it is no longer enough simply to form alliances with 'highly controlling' regimes here to protect Britain's security and economic interest, and that the time has come for a new approach to international business.

Mr Cameron visited Kuwait as part of his tour

Egypt's Revolution
Second chance? Dismantling Egypt state security

BBC News online (2011b)
A cycle of violence...

- Large reserves of valuable natural resources...
- ...sold to fund imports of major military hardware from industrialised nations...
- ...allowing powerful oppressive regimes to remain in power...
- ...becoming a wider threat

➢ We need to break this cycle
Action/ Campaigning

• Arms industry workers
  – Investigate ethical issues associated with your job
  – Look for civilian alternatives within company
  – Work with union representatives to raise ethical issues with management
  – Look for alternatives elsewhere

• Public
  – Join/ support campaigns on nuclear weapons, arms exports, armed drones etc
  – Support expansion of ‘green’ sectors
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