War begins in our minds, in the movies we watch, in the social relationships we establish, in the educational system... We live in a society that commodifies and turns everything into business from personal relationships to war.

This book talks about the business behind the war, and is presented as a tour of all the gears that move around the military economy, ultimately war. It is a text that does not disappoint in its pretensions, since it starts from a clear and precise purpose: the rejection that conflicts should be solved by the use of armed force, when states have many other means to face, transform or solve human conflicts.
The War Economy

Author

Pere Ortega

Centre Delàs d’Estudis per la Pau
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Indeed, war begins here, in our minds, in the films we watch, in the social relations we establish, in the educational system. It is in the values cherished by our society, and endorsed by political parties, and in the positions defended by states. We live in a society that commodifies and makes a business out of every single human activity, from personal relationships to warfare. Though they may happen thousands of kilometers from our homes, the causes can be very close indeed. Even if our own state isn’t a direct party to the conflict, if the preparation and lead-up to the war has been the business of companies located in our country, then there is no doubt that our country shares in the responsibility.

This book talks about the business behind war, a guided tour of the apparatus involved in the military economy, which states like to call the *defense economy* and which we will more clearly call the *war economy*. Let’s stop using euphemisms. Armies and all of the systems surrounding them have only one task – war and preparation for war – whether to deter attacks from remote or neighboring enemies, or to intervene in scenarios outside the borders of the nation. But, their role, ultimately, is to fight wars. It is true that experts in research centres and those on the payroll within the conglomerate of the armed forces call this apparatus the defense economy. In recent years, the addition of the concept of security has further confused matters. Although it is not a synonymous term, state leaders use it as such and see armed forces as the sole providers of security and defense. Whereas, from the perspective of the citizenry, security is linked to other concepts that have nothing to do with armed defence and warfare, but with human
needs linked to life. It is for this last reason that I thought it appropriate to offer a text, or a manual, containing all the elements and issues surrounding the military economy.

With respect to the title, *The War Economy*, the criticism that can be made – rightly – that *war economy* usually refers to the larger economy during wartime when a state dedicates all of its resources and its entire productive capacity towards fighting a war in an attempt to win it. This has often been the case when a state has been involved in total warfare as was the case in the First and Second World Wars, as well as in so many other wars. By contrasting the *war economy* from the *wartime economy*, sometimes called the *permanent war economy*, this book attempts to point out that many states, at least in the industrialized countries, while not currently at total war, dedicate inordinate capital resources to war preparation, and, therefore, it is appropriate to make a distinction and begin speaking of the war economy. Indeed, armies and weapons have no other purpose than to prepare for and enter into warfare.

In the interest of transparency, this text has a clear and precise purpose: a rejection of the use of armed force as a means of conflict resolution. States have many other means at their disposal to confront, transform or resolve human conflicts. Since Aristotle we have known that war is the failure of politics, and the Prussian Marshal Clausevitz clarified this by affirming that *war is merely the continuation of politics by other means*. So, we know quite well that there are other means to deal with human conflicts that are not as painful or destructive as armed violence.

This book describes all of the economic apparatus around war preparations. It is not written by an economist, but by a researcher who has spent the last twenty years investigating the military economic cycle within the Delàs Centre of Studies for Peace. The Centre is named after Josep Manuel Delàs, a commander in the army who joined the Democratic Military Unit during the Franco dictatorship in Spain and who, having been expelled from the armed forces, became a radical pacifist in the etymological sense of the word, going to the roots of the causes of conflicts and reaching the conclusion that it was necessary to move towards disarmament. The same Josep Manuel Delàs who, after his death, inspired us to create the Centre Delàs to work for disarmament and the eradication of war. In that sense, this book can not hide its pacifist character or its goal to contribute in the direction of the perpetual peace that was described by Kant.
If slavery and the death penalty have been abolished, why can’t we dream of abolishing war? To achieve this, the best method to be found is disarmament and a reduction of military expenditures, so that preparing for war is no longer a business from which profits can be made.
I. Militarism

Militarism can be defined as a set of values which justify the use of armed force and the military to address or resolve conflicts, either through deterrence, threats or, the eventual elimination of those perceived as enemies. In this sense, militarism becomes an ideology that seeks to influence every aspect of society, but particularly in the political sphere, so that military values prevail over – or are at least as relevant as – civilian ones. In the past it has also been called “praetorianism”, although here I will use the more modern term: militarism.

This concept also applies to when the armed forces take on an importance beyond the function for which they were created, which is that of the armed defence of a state/nation. It should, indeed, be called militarism when the military command begins to influence the decisions of governments, or worse yet, affect the security and defence policy of a nation. Both internal and international conflicts affect the foreign policy of the state, and prioritizing armed force and military intervention can itself lead to war. Hence, the armed forces acquire knowledge in strategies and tactics to carry out operations, military interventions or even wars, acquire increasingly sophisticated weapons to use them if necessary.

Militarism, thus is a perversion of the military reality, and affects every kind of armed unit, whether armies, paramilitary forces – though they are not armies, they embark on military missions to impose internal order –, intelligence services, or even the police, whose mission is internal public order.

Militarism is an impulse for political and social control on the part of the military. The belief in the use of force as a means of conflict resolution, com-
bined with a sense on the part of military officials that they are not simply in charge of national defence, but that, in addition, they possess values of a civic and moral nature, and a superiority established in accordance with military hierarchy and rules of conduct. This leads them to believe that they should control civic life and society, a belief that leads to a reluctance to submit to civil power. The sense that military commanders possess and defend higher values, when put into practice, results in a coup d’état.

The militarism is also born out of the admiration and inculcation of classic military values, like authority, obedience, discipline, order, hierarchy, bravery, manliness, physical force, courage, patriotism and defense of the homeland. These values correspond to a culture that is distinct from that of civil society and that encourages the military to feel that they are the guarantors of the security of society.

Every year, the Bonn International Center for Conversion (BICC)\(^1\) presents the Global Militarization Index (GMI) which measures the relative weight and importance of a state’s military apparatus in relation to society as a whole. The GMI uses three indicators: a comparison of military expenditures in relation to health expenditures as a share of the GDP; the second takes into account the total number of military and paramilitary forces in relation to the total number of physicians among the overall population; and the third measures the ratio of the amount of heavy weaponry to the total population. Although these indicators are prone to interpretation – as is the case for most indicators – they are a way of measuring the influence of the military in the national affairs. The GMI demonstrates that when militarization is greater, the likelihood of participation in armed conflicts increases, and that resources allocated to social services and health deteriorate.

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1. [https://www.bicc.de/](https://www.bicc.de/)
II. The military economic cycle

The defense and security of the state, in its traditional conception, is based on the armed defense of the country's territory, population, and infrastructure by preventing dangers and threats coming from outside its borders. It must be added that, though, when there have been protests and uprisings among the citizens themselves and the internal security forces (police) have not been able to maintain order, governments have never hesitated to use the army to reimpose it by repressing the population itself. This concept of defence has induced states to devote a significant part of their budget to military spending: training, facilities, equipment and weapons for their armies. This could be called a war economy, and indeed, it has been used as a title for this work, because, in short, the ultimate function of the armed forces is to train themselves to make war, whether it is dissuasive, defensive or offensive. In general, economists prefer the term defense economy, more commonly used, referring to war economy as the temporary situation when a state puts the entire economy of the nation at the service of war. Here, to better describe the war or defence economy, the term military economic cycle will be used, as it is more appropriate to describe the entire economic conglomerate surrounding the defence economy.

The term military economic cycle is more accurate because the concept of cycle describes an itinerary through which the military economy runs, from its birth in the hands of the state with the approval of budgets allocated to the Ministry or Department of Defence for the maintenance of the armed forces; or public spending set aside for research and development (R&D) of new weapons and equipment; or funding for the military industries which pro-
duce them. These companies then end up selling those weapons and equipment to the Ministry of Defence. That is why when we talk about military spending, military R&D, military companies and industries or the arms trade, we should pay attention to the defence budget of the state which finances the entire military economic cycle. This is a self-feeding cycle, because it starts out under the auspices of the state and ends its journey within the same state.

The military economic cycle is a framework that encompasses every aspect of military spending, including state security and defence policies that determine the national defence strategy, defence directives and the armed forces model. Security doctrines assess risks and potential dangers and identify threats. These doctrines, where appropriate, are provided for in laws, decrees and provisions in the legal system to regulate the arms trade, both state acquisitions and exports and their use. Doctrines that also determine the model of armed forces and the type of infrastructure and military installations that will be necessary to adapt the defence of the territory or its projection in interventions abroad. An economic cycle that includes salaries and all the maintenance and services necessary through private companies for the armed forces to become operational. It also includes the training of the military in academies and universities where they are taught military strategies and techniques for use in war. As far as the domestic production of weapons is concerned, those that are not bought in other countries require investment in research and development (R&D), yet another part of the military cycle. There are also other elements of the cycle, such as arms trade and exports. This is a business in which financial entities support military companies, either as shareholders, or by financing the operations of the industry and their sales of arms, both for export and for sale to the state itself, are also involved, also marketing products in investments where the large weapons companies are present (Graph 1).

Estimates of the true size of the defence economy should also take into account the efforts that are made to reduce the momentum of war. This includes all the policies that states and the international community implement to control or minimize the arms race. In this sense, international disarmament agreements, peace conferences that take place after armed conflicts, as well as military peace missions, should all be considered to be military expenditures, since all of them are the consequence of having developed an excess of weapons that, due to their volume and lethal capacity, states decide to reduce or eliminate; or they are the consequence of wars that it has been
agreed to pacify. Studies and implementation of the conversion of military installations, equipment or industries that have been decided to convert to civilian production or close. For if we consider that the great economic effort being made to carry out a military intervention or war to be military expenditure, the effort to reconvert the economic infrastructure that made it possible must also be considered as such.

This entire military cycle, from the perspective of the state, is based on a fundamental logic: one must maintain a sufficient level of intimidation over other countries to prevent threats and attacks from abroad. It is the so-called deterrent effect, in which the state has accumulated a sufficient capacity for force to deter any possible enemy from an attack or invasion. This conception of security is based on the idea that the stockpiling of weapons and having a strongly prepared army guarantees sovereignty. It is a question of showing other countries and their citizens the potential destructive power in order to prevent attacks or internal uprisings. According to this premise, defence has become the states’ main argument for maintaining the army as the backbone of order and security, and to this end, they devote a substantial part
of the budget to military expenditure, with the aim of having well-trained armed forces equipped with facilities, equipment and weapons.

Those who criticise or object to this cycle argue that, despite high global military spending – $1.69 trillion,\(^2\) on a planet teeming with armed forces: 19.8 million soldiers\(^3\) – armed conflicts and wars have not subsided in the last 30 years. Quite the opposite, this enormous expense actually increases the possibility of armed confrontations between countries with conflicts over territory, ideology or control of resources. Militarization and the arms race may actually end up provoking armed conflicts. Among the detractors of relying on armies for security are the supporters of disarmament in all its areas: reduction in the number of armed forces, weapons, especially those with a character of massive destruction, such as nuclear, chemical, bacteriological, anti-personnel mines, cluster bombs or depleted uranium projectiles; or who advocate the disappearance of military blocs that incite other states to an unending cycle of militarization leading to new arms races and perhaps new conflicts. Some put their hope in the disappearance of national armies when a future United Nations has its own security corps to guarantee world peace. Some examples already exist, such as Costa Rica, Panama and Iceland, but these are cases that are controversial, as they have signed defensive agreements, Costa Rica and Panama with the U.S. and Iceland with NATO. However, there are also a number of tiny states that due to small size cannot afford an army, so they have had to develop a relationship of friendship and cooperation with the much more powerful states surrounding them. This provides them with just as much security as those that have armies.

There is a widespread perception among the population that military spending is unnecessary and unproductive, and they reject it as wasteful. To counteract this unfavourable public opinion, governments minimize reports of military spending as much as possible and work to camouflage it with different strategies, the most widespread of which is for military spending to be spread out among other ministries or agencies, particularly those related to internal security. This is what happens in many countries, where there is no transparency and military spending is hidden to prevent rival countries or their own people from finding out and criticising such high spending.


Some of the countries known to practice such concealment are the USA,\(^4\) Russia,\(^5\) China,\(^6\) Egypt\(^7\) and Spain, the case that we have studied with special attention in this book.\(^8\)

States entrust armies with the task of safeguarding sovereignty and both internal and external security, and when they feel threatened they do not hesitate to carry out military interventions or preemptive strikes abroad. In addition, they reinforce their security through military alliances with other states, which not only conditions defence policy and models the armed forces, but also obliges them to participate in military missions abroad or to defend another of the member states if it is attacked. Lastly, they act in the face of internal conflicts to suppress protest or uprisings of one’s own citizens.

**What are weapons?**

In terms of productivity, arms can be considered useless artifacts, of no value, because they are not consumer goods, nor do they have any exchange value. Because they do not enter into the market or any of the possible means for exchange, they are only goods of use to states, which are the main receivers of arms.

Production of new weapons requires investment, other manufactured goods, jobs, and of course, salaries. In this way, the production of weapons benefits both labor and capital (worker and employer), and between them interests will coincide; the worker needs a wage, the employer wants to extract surplus value from labor. This description of economics, from a Keynesian perspective, is beneficial to the economy, as is any other form of work, since it entails a salary and thus allows workers to become consumers. As well, it brings income to the state through taxes that generate services or investments, leaving the surplus in the hands of capital. This economic journey, which some (Keynes, 2003) consider to be beneficial to the economy, is not so for others (Melman, 1976), who deny that weapons have a beneficial character, because they are acquired by the state and do not circulate in the market like most products.

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Marx himself, when differentiating between use value and exchange value, argued that a product has use value for the simple fact of its existence, but denied its value as a social good (of exchange) if it did not enter the circuits of exchange and consumption. That meant that it had no value for the human community. In the vast majority of countries in the world, arms do not circulate and cannot be purchased on the market by the population, and are only acquired by the state to supply the armed forces. Of course, there are exceptions, such as the United States or Brazil, or those very unstructured states without the capacity to offer security to their population, where weapons circulate, but only small arms and some light weapons, or those that circulate on the black market or get used in organized crime. But all of this combined (€3.7 billion) still represents less than 1% of the global figure, because due to their high cost, the bulk of weapons, armoured vehicles, warships, airplanes and combat helicopters can only be acquired by states.

This principle, which is functional in the field of the production of civil goods, may not be functional in military production, and it is that, in general, the principle that moves capital is profit, and then, the capitalists, will only increase their investments if they perceive an increase in profits. And for this to be plausible, capital will demand that the state assure a demand for arms and accompany it with investments, usually in R&D&I. In this regard, note that the United States, the world’s largest arms producer, is pressuring allied countries to increase military spending and provide more resources to acquire more weapons. This is a vicious cycle: the state provides investments, companies produce weapons, the state acquires them, the arms workers have more work and can consume more. In the end, both capital and labour are happy, but who pays the cost? In order to sustain this cycle, the state – that is to say, the population – has gone into debt to provide resources, to the detriment of other more productive investments that would have been more beneficial for the economy upon reaching the market.

This situation is closely related to another catch-22: when an aging weapon has to be replaced, the new one will far exceed the cost of the old one, due to the very high costs of new technological discoveries. Suppose that the state defence budget had the good fortune to increase above the expected inflation, say 5% (a rate that does not occur in OECD countries). The new

9. Global arms production in 2015 was $371 billion, Sipri Yearbook 2017
10. The United States accounts for 57% of total world arms production, Sipri Yearbook 2017
weapon would far exceed that 5%, since the growth in military production costs is always much higher than inflation, and drives up the defence budgets of states, which are always, according to military experts, far below the strategic needs of defence. Next, we will look at the paradigmatic example of the United States, the world’s leading military power.

**Case in point: the United States**

Military spending has long been the subject of debate among economists. For example, it is widely accepted among the more orthodox circles of economists that an increase in resources allocated to military expenditure is a productive investment in terms of economic efficiency. Even among critical economists, there are those who believe that military spending is an element that contributes to economic development, such as Marxist economists Paul A. Baran and Paul M. Sweezy. On the other hand, there are well-known left-wing economists who maintain that the opposite is true, such as Kenneth Bouilding and Seymour Melmann, and followers of these who are grouped in the *Institute for Economics & Peace* (USA).

The main argument of pro-military economists focuses on the case of the United States, where the military industry has played an important role in the development of the economy. These economists argue that, like other forms of state spending, military spending can be an important source of demand, bringing a boom in times of low confidence and recession. They hold that investing in new weapons can lead to the development of new technologies, generate new industries, and help increase demand and create jobs. In addition, they argue that the fact that the armed forces are so heavily armed consolidates the role of the United States as the world’s leading military power, and this brings with it control of a large part of the world economy. This current of opinion holds that part of the US economic well-being depends on this enormous military spending, as its economy has very close links with the economic conglomerate that surrounds military industry and arms exports. Almost a third of the country’s economic activity depends directly or indirectly on the military sector, and without this momentum, it is more

11. Influential left-wing economists who created a current of opinion through *Monthly Review* magazine
12. Heterodox economists very critical of the liberal economy in the US.
than likely that the U.S. economy could go into crisis and recession. This is why they put pressure on the rest of the world with constant military projects that force their allies to arm themselves in an ongoing spiral that in the first instance benefits the United States, as the demand for weapons and applied technologies increases.

US leadership across the globe is exerted by means of a very aggressive foreign policy, carrying out military interventions at whim wherever their interests are threatened. Being the world’s leading military power brings with it important advantages. The first is of a political advantage, since it is clear that having more than 700 military bases and installations, with the presence of 300,000 soldiers spread over 100 countries around the world, gives the US tight control over the globe, making most of those countries politically dependent. The second is derived from the first, because this assures the control of many resources, particularly the most valuable resources – hydrocarbons. It should be remembered that the US consumes a quarter of the world’s oil production. And the third advantage, an extension of the previous two, is the control of the economy of many countries. Thus, some of the business elites of the capitalist world believe that the war industry, and the wars themselves drive the growth of the economy.

Those critical of this view of economics argue that military spending, quite the contrary, hinders the growth of the productive economy. On the one hand, it generates public debt, which leads to inflation by preventing income from being generated in the public treasury. On the other hand, armies and weapons production occupies monetary resources, capital goods, technological know-how and labour, incurring significant “opportunity costs”. That is to say, these same resources, if destined for the civil sector, would generate greater economic benefits. To which must be added the dependence and subordination of the military industry to the Ministry of Defence of that nation, which means that the military industries do not develop concern for cost controls, nor do they produce economies of scale. They simply raise the final price of the weapon. Whatever its cost, it will end up being purchased by the state.

Thus, part of the resources that should be allocated to the real economy, the productive one, is spent on a public service toward economic inefficiency instead of one that contributes to development and creates wealth. This is known as a loss in terms of opportunity costs. But it is not only economic, but also social, because no intellectual effort is needed to explain that military spending does not make any contribution to the social sphere, but on the
contrary, it consumes resources that would be more socially beneficial in other spheres of the economy.

A study by the *Institute for Economics & Peace* in 2011,\(^{14}\) states that the US economy has suffered from the effort dedicated to the different wars in which it has participated. This report underlines that during World War II unemployment ended, but adds that this effort was financed through public debt that reached 120% of GDP, to which was added a considerable increase in taxes. This negatively influenced consumption and investment since both decreased during the war period. The study concludes that there can be no assurance that the economic recovery was thanks to the war and that it was perhaps already underway before it. If instead of going to war, the same resources had been used for investment in public works, it would have also boosted the recovery, and that this would have been even greater than the recovery achieved with the war.

A similar thing happened during the Korean War, which was also largely financed by raising taxes. In wartime, investment and consumption stagnated, as in WWII, only to resume when the war ended. The Vietnam War, on the other hand, was different because, due to its long duration (1965-1982), it was financed partly through expansionary monetary policies, i.e. by printing dollars and increasing taxes. A fact that led to inflation with the consequent decline in the purchasing power of the population and an expansion of impoverished social strata. This was also the case with the latest wars in Afghanistan, starting 2001 and in Iraq, starting 2003, which were accompanied, on the one hand, by a monetarist policy and, on the other, by the issuance of public debt.

As a direct consequence of the requirements for financing of wars, the macroeconomic components of GDP during the Second World War and in subsequent conflicts show how maintaining high military expenditures had deficient rates for the US. In each war, the population had to bear the cost of those wars, with limitations on consumption and investment. Other negative effects included an increase in the public debt, higher taxes and higher inflation.

For each of the periods following these wars, there is a pertinent question: How would the economy have affected people’s lives if these wars had not taken place? It is more than likely that taxes would have been lower, inflation

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\(^{14}\) Institute for Economics & Peace 2011, *Economic consequences of war on the US economy*
would also have been lower and budget deficits would certainly have been lower or would not have occurred. On the other hand, consumption and public investment would have increased, benefiting the population’s well-being. So, regardless of how a war is financed, the overall macroeconomic effect always tends to be negative.
Military spending should be understood to include any and all items in the budget which are destined for the defence and armed security of a state, excluding those forces destined to safeguard internal order, such as police or non-military security corps. Thus, military spending is that which goes to maintenance of the armed forces, salaries, social security, mutual and accident insurance, and civilian personnel in charge of the Ministry of Defense. It also includes the expenses of supplies and provisions that allow the armed forces to be operative, such as clothes, food, transportation and services of all kinds, such as cleaning, laundry and so many others, without which armies would not be operative. In addition to the section devoted to investments (see chapter 6 on military investments) one must consider the costs of construction of infrastructure such as barracks, shooting ranges, military bases, navy docks and airfields for the air forces; special installations and equipment such as computer, communication, radio, telephone or satellite systems. It must also include the acquisition of weapons of all kinds for the armies of land, sea and air.

Another important part of military spending is military R&D, since the resources allocated to it are used to research the development of new technologies for the manufacture of new weapons.

Contributions to international organizations for disarmament agreements should also be counted as military spending. Although these treaties are intended to contribute to peace, or to limit or prohibit the use of ballistic missiles or nuclear, chemical, bacteriological, mine or cluster bombs, their origin and existence and therefore the resources destined for their non-use should
be imputed as military expenses. The same is true of United Nations peace missions where the armed forces of the state intervene, because, although they are intended to implement peace, they are military missions and in that sense, and they should be calculated as military spending. And we must not overlook expenses derived from membership in multilateral military bodies such as the North Atlantic Treaty Organization (NATO) or the Inter-American Treaty of Reciprocal Assistance (TIAR).

Military spending begins with the approval of the state budgets, which dedicate some portion to the Ministry of Defence. The budget is approved at the opening of the financial year and in most countries coincides with the calendar year. There may be notable discrepancies in the liquidated costs at the end of the financial year, as more resources have been incorporated. In budgetary terms, it is understandable that unforeseen events should arise that require extraordinary enlargements, such as the political decision to participate in a military mission abroad. However, in some states it happens that this discrepancy is both regular and significant, as is the case of Spain. Expenses are regularly underestimated despite the certainty that they will be higher. This is the case of the items intended to cover the costs of military missions abroad, which each year must be supplemented by some 600 million to 1 billion euros. This is also the case for the costs for special armaments programmes which, despite being contracts with annual payment commitments, are recorded with zero euros and then, by means of an extraordinary appropriation, are given the millions necessary to meet the commitments made. This is undoubtedly a deceptive manoeuvre to hide the true costs of military spending from public scrutiny.

**Deficiencies in the calculations of military expenditures**

Military expenses can be measured in many ways, and in general each state organizes its own methodology according to its political interests. Most countries define their military expenditures as only that portion that corresponds to the Ministry of Defence, excluding items that are military but which, for technical or political reasons, are included in other ministries or departments. This recourse, common in states as significant as the USA, Russia, China, Egypt, Iran, Syria, Spain, etc, means in different centres, the final calculations of world military expenditure do not coincide. To carry
out an analysis of real military spending, the starting point is always the state budget for maintaining the armed forces. But despite this, there may be many security expenditures in military or defence that are not within the budget of the department or ministry in charge of defence, and may be spread across other ministries or departments. Therefore, calculations of military expenditure should seek to follow a rational criterion, which is to consider all of the expenditures that go to maintain any armed forces which have the military defense of the state as their goal.

In this regard, NATO describes the criteria for all of its member states to include all defence-related credits as military expenditure. These are the same criteria that the Stockholm International Peace Research Institute uses in the SIPRI Yearbook, an analysis of world military spending. Nevertheless, the measurement of military expenditure can be carried out in a variety of ways, and in general, each state applies a method that corresponds to its interests in this matter. The measurements done by various analysts and research centres around the world never coincide when compared, as can be seen by observing what NATO, SIPRI, Military Balance, ACDA, the European Defence Agency or the World Bank report.

And so, there continue to be great differences among NATO member countries in measuring military spending. The US heads and directs NATO, but in the US own Department of Defense budget, it does not take into account the National Guard, a paramilitary corps; pensions and social security for the military; maintenance and research on nuclear weapons; a large share of the military missions abroad (those in Afghanistan and Iraq), war veterans’ pensions, nor some other items. Although these expenses are known, because the US federal budget is transparent, American centres like the War Resisters League analyzing US military spending show it to be over twice that of the budget for the Department of Defense. From Russia and China, the expenditures of the armed forces are not known with exactitude and the SIPRI can only estimate them. This is because they fake real spending on the grounds

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of “national security” to prevent rival powers or internal public opinion from knowing how many resources get allocated to defense. In Spain, in 2016, for example, the government’s official calculation of defence spending was 0.9% of GDP; while SIPRI placed it at 1.2%; and according to the Delàs Centre of Studies for Peace it was 1.5% of GDP.

### Table 1
NATO Criteria for Military Expenditure

1. Salaries of the armed forces
2. Salaries of civilian or military personnel working for the Ministry of Defence
3. Operating and capital expenditure of military programmes including military space programmes
4. Expenditure on paramilitary organizations
5. Expenditure on R&D and investment into arms, infrastructure and military installations
6. War pensions and social security for civilian or military personnel working for the Ministry of Defence
7. Medical expenses of the armed forces or civilian personnel working for the Ministry of Defence
8. Overseas military intervention for natural disaster relief or peace missions
9. Contributions to international military bodies
10. Military aid to other countries
11. Costs for financing military programmes and projects
12. Training in the use of heavy weapons or military strategy to paramilitary bodies

In my research at the Delàs Centre of Studies for Peace in Barcelona, the NATO criterion is used as a starting point in regards to the specific case of measuring Spanish military expenditure. But more criteria are also added, expenditures that are not included in the budget of the Spanish Ministry of Defence, and which should be accounted for as military expenditures, such as the following:

- Autonomous bodies or departments dedicated to defence but which are external to the Ministry of Defence
- Academies, institutes or university courses exclusively for the military and which do not depend on the Ministry of Defence.
- Paramilitary corps (such as the Spanish Civil Guard, the Italian Carabinieri, the French Gendarmerie, or the US National Guard) which, although they are not armies, wield a military defence of the territory, or are governed by military law or are led by military personnel.
Medical insurance and pensions for inactive member of military corps or civilian personnel serving in the Ministry of Defence
Mutual funds, charitable funds, and war pensions for soldiers and militias.
Credits, R&D or aid from other ministries for the production of weapons for the armed forces
Contributions to international military bodies (NATO), or peace missions (UN), or international disarmament agreements due to their military character.
Intelligence and information centers affecting state security and defense
Interest on public debt proportional to state military spending
The discrepancies between the initial budgeted costs and final liquidated expenditures

These criteria may vary from one country to another, but in the case of Spain they are unequivocally military expenditures. Let’s see why:

The regular budget is approved at the beginning of the year, but then during the year there are extraordinary appropriations and contributions that were not included in the initial budget. In this sense, it is insufficient to start from the initial approved budget. One must know the budget liquidated at the end of the year, which is always higher than the budget approved at the beginning of the year;
The existence in Spain of autonomous military bodies, expenditures of which are not part of the budget of the Ministry of Defence;
Paramilitary bodies, which although they are not an army, have the task of defending the territory militarily, are governed by military law, and are led by military personnel, as is the case with the Civil Guard in Spain;
Military pensioners receiving social security payments;
Mutuals such as the Instituto Social de las Fuerzas Armadas (ISFAS), which in Spain provides health coverage to the military. Or war pensions, which in Spain are paid to ex-combatants and their widows from the Spanish Civil War of 1936-1939;
Credits from other ministries to cover armed forces expenses, as is the case with R&D aid provided by the Spanish Ministry of Industry to military industries for the manufacture of new weapons for the armed forces;
Academies, institutes or university courses which are exclusively for military personnel but are not dependent on the Ministry of Defence;
Contributions to international bodies such as the UN, as a result of the signing of disarmament agreements on mines, cluster bombs, chemical, bacteriological
and nuclear weapons, or to military organisations such as NATO, which in Spain is calculated within the Ministry of Foreign Affairs;

Centres dedicated to collecting information affecting the security and defence of the state, such as the Spanish Centro Nacional de Inteligencia, made up of 50% military members and led by a general;

The Spanish public debt has risen to nearly eclipse the GDP, so the amount of interest on the debt proportional to military spending should be calculated, as the state takes on debt to make large investments in arms, military installations and infrastructure, as is the case in Spain, it is correct to apply the interest that this debt generates, especially if the public debt is around 100% of the GDP.

Finally, in order to be able to determine the real military expenditure of any country under study, it is essential that each researcher or centre that wishes to make an analysis of military expenditure know the particularities of the budget, as details can vary considerably from one state to the next.

In regards to Spain's military expenditure, a significant change was incorporated in the 2016 Report prepared by SIPRI. In the publication, which reports values from the 2015 fiscal year, SIPRI incorporated new criteria to evaluate Spanish military spending. In current values, it increased by €3.7 billion, a 38% increase from 2014, from €9.596 billion to €13.296 billion in 2015. This new method of computing Spain's military spending, after sustained dialogue with the Delàs Center for Peace Studies, led SIPRI to incorporate various military expenditures that had not been included up to that time. These were military pensioners receiving Social Security benefits; the ISFAS military mutual fund which was an expense within other ministries; R&D aid to military projects arising from the Ministry of Industry; and the difference between the initial budget of the Ministry of Defence and the budget liquidated at the end of the year.

As a result of these incorporations, military expenditure went from being seen as only 0.6% of Spanish GDP to 1.2% of GDP. Of course, these are not all the items indicated in the previous section that the Delàs Centre had included in their own analysis, but it was a qualitative leap forward in terms of making a realistic analysis of military expenditure in Spain.

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IV. The business of war and arms

Violence is not only an act of will, but it needs instruments: weapons. Aggressive tendencies alone are not enough to make war. Economic and material resources need to be allocated to prepare for warfare. In other words, resources need to be invested in preparing an army and equipping it with weapons; investments need to be made and military research encouraged to design new weapons, update others and then manufacture them.

The industrial, political, military and financial fabric surrounding the production and trade in arms has made preparing for war one of the most profitable businesses of our time. In view of this statement, it is worth reflecting on the special characteristics of weapons, as their goal – as we are often told by representatives of the state – is to serve to defend ourselves and dissuade attacks, or if necessary, to use them to attack alleged enemies. Thus, when weapons are manufactured, they are based on the premise that they produce security, not on the premise that they are goods that produce wealth for the economy. And in that sense, arms are not productive goods because they do not provide goods or services to the community for consumption. Thus they waste resources, and if they are used they will cause people’s deaths and the destruction of more goods. Their production and trade, therefore, have a perverse and distorting impact on the economy.

Weapons are not considered productive goods, since they cannot satisfy basic needs for people (education, food, health, clothing, etc.), nor are they an instrument for producing or manufacturing consumer products or services (a computer, a crane, a tractor, etc.). Weapons are not consumer goods, and the vast majority are not governed by the laws of the market. In other words,
they are not bought and sold in shops, they do not enter into networks for exchange and do not reach the hands of the people, and, even if they do so, they can not cover or help cover material needs. This is the argument for not considering them as productive goods, since they have no social value. Let us note that the vast majority of times, weapons will never be used, they will only be stored with expensive security measures, and when their useful life ends they become obsolete objects, which without ever having been used at all, will have to be destroyed.

If weapons, once manufactured, are used, we already know what the consequences will be: deaths and the destruction of infrastructure. If they are not used, they are a waste of knowledge, research, natural resources, money, people, and facilities. The economy in which we live is based on producing to consume. Instead, we produce artifacts that we trust will never be used because they supposedly provide security.

Arms represent a decrease in productive public investment, since these same resources destined for the civilian goods industry would be more productive and would generate more jobs. This is due to the fact that arms require a sizeable investment in technologies (R&D), which later have few if any applications in civilian production. And with respect to the economies of non-industrialized countries, they are detrimental as they will subtract resources that are needed for human and social development of the population.

The production of weapons is based on a perverse logic, because war constantly requires the mass production of weapons. The traditional concept of a security based on the protection of borders and state integrity. From this viewpoint, there is a consensus that this argument is refutable: if you want peace, prepare for war. However, history and reality show that total security does not exist and seeking it through weapons is impossible: no empire has achieved total security and all have succumbed to their own excesses.
V. Military investments and R&D

These are the resources allocated by the state to the development and acquisition of infrastructure, facilities, equipment and weapons, including R&D, for the armed forces and defence.

Among military investments, the largest share is that of resources which are allocated to the acquisition of new weapons. These investments are in two major categories: The first is for the acquisition of weapons and equipment for operational and logistical maintenance and modernization, according to the needs of the armed forces. The second is aimed at carrying out the development of special armaments programs (as they are called in Spain) which are designed with long-term development in mind in order to modernise the armed forces by providing state-of-the-art equipment and weapons. These latter investments are particularly relevant because they ensure that the country’s armed forces are compatible with other armies in the international missions they must share in multilateral organisations such as NATO, the European Union or the United Nations.

Special armament programmes are notorious for their high costs, which is why their design and production is spread over long periods of time, between five and thirty years. In the case of Spain and Europe, the most well-known of these are the EF-2000 fighter planes, also known as Eurofighter, the A400M military transport planes, the Tigre and NH-90 helicopters, which have been carried out in joint production between various European countries. This type of programs also take place in other countries, especially among the most developed within the OECD.
Military research and development (R&D) plays a key role in the production of all weapons systems, whether conventional or non-conventional. When we talk about R&D, an “i” is sometimes added for innovation, making the acronym R&D&I. The aim is to provide military R&D with the added value of a commitment to technological development, a term used in both civilian and military settings.

In arms production, there is an initial phase which is indispensable, the effort needed to research, devise, design, prototype, and develop the desired weapon, all of which must precede either production or commercialization. Thus, military R&D is the resource that both state and private military companies devote to scientific research to produce or innovate new weapons, equipment, facilities or military-type infrastructures.

Military R&D was the driving force behind the arms race during the Cold War, which between 1946 and 1991 pitted the two major blocs, the United States and its allied countries within the western bloc of the NATO military organisation against the Soviet Union and its allies within the Warsaw Pact military organisation. In the early years after the end of the Cold War in 1989, investments in military R&D decreased, but at the beginning of the 2000s, they were relaunched in all developed countries, largely due to the so-called “war on terrorism”, through strong investments aimed at strengthening the internal security policies of the states. Thus, R&D continues to play the role of a driving force in the manufacture of new and sophisticated security systems, but also weapons, which are carried out by the same military companies (Font, 2013).

Around military R&D, a great debate has developed between its supporters and detractors. Some economists and politicians support the positive effects it brings to industrial development through the so-called Spin-off or transfer of technologies to the civil sector. This positive factor is questioned by another part of the scientific and political community. While the former maintain that spin-offs from the military to the civil sector favour double-use and have been decisive in the development of innumerable technologies in the field of electronics or aerospace, with concrete examples such as computers or the Internet. Its detractors argue that the capital and human resources consumed by military R&D would be better exploited in the civilian sphere. They add that, while the computer and the Internet emerged in the military sphere in the United States, the Pentagon delayed their exploitation in the civilian sphere. They had already done the same with another great
discovery, the transistor, developed in the 1950s by the electronics company ATT, which was also hijacked by the Pentagon to extract applications in the military field and was not allowed to develop and be commercialized until a decade later.

On the alleged benefits of military R&D, its detractors cite the examples of Germany and Japan during the 1950s and 1960s. These countries that began the Second World War were punished after the war by not having an army and consequently an arms industry, which prevented resources from being allocated to military R+D. This factor was so influential for the development of civil industry that in a few years they both became among the most competitive in the world market. The “economic miracles” of German and Japanese industrial development of the 1960s in the absence of military R&D are clear example that refute the supposed virtues of spin-off.

Spin-off continues to be the main argument of defenders of military R&D because, they say, it has an enormous influence on applications in the civilian sphere. While it is true that this may happen in some area of electronics, it is not so much in the rest of R&D. To prove it, their defenders should provide evidence of it. They typically argue that great numbers of newly invented technologies have been registered in the Patent Office. However, they do not show how they will later be used in the production of civil goods, nor do they at least show how those discoveries are likely to be applicable outside the military field. As long as this is not proven, it could well be, that on the contrary, that many of the new technologies that emerge from the civilian sphere are later put to use in weaponry.
VI. The military industry

This is the economic activity dedicated to producing defence material, weapons and their components, but also services, electronics and technologies intended for military use or manufacture for the armed forces. Services are those without which a weapon is not operational, e.g. communication services, flight systems, missile guidance or maintenance of a combat aircraft. A distinction should be made between industries that supply weapons and components and those that provide services for the maintenance of military personnel and their installations, such as energy, food and other domestic supplies without which these personnel would not be operational.

The military industries are given different names, defence, military, security or war industries (Boulding, 1987), but this last – war industry – is preferable, since it rightly dismisses other names which are euphemisms. The production of weapons has no other task than to prepare for war.

Military industries, in most countries, but especially in Spain, are directly dependent on the state through the Ministry of Defence. As they are protected by the state, this in turn means that these industries are not governed by the economic criterion of cost and benefit, and, in this sense, do not develop controls on production costs. In the Spanish case, this is due to the lack of competition in the market, since the military industry has the state itself as its main client, and sometimes the only client. This leads to the situation that some of the major military projects during their development stage each year increase in cost. This was the case with the EF-2000 combat aircraft, the A-400M military transport aircraft, the Leopard tank, the S-80 submarine and the Tiger and NH-90 helicopters (Ortega, 2017).
Another aspect to bear in mind is that the state bodies do not draw up balance sheets, nor do they have profit and loss accounts, nor are there any studies on costs and benefits at the end of the annual financial year. This is because the final products they develop, weaponry, is not a material good, but a service that supposedly results in welfare for the entire community. This extends to military companies, especially if they are public companies, where the price of the product is measured by its final cost, and if there has been no control of costs or if there has been overpricing, or worse yet, conflicts of interest in client-management relationships with respect to civil servants, politicians or the military who are responsible for reporting on the suitability of the weapon.

The military industries can only be justified either by arguments for state security or for the jobs they generate. But such generation is of dubious productivity, because those same resources in the civil industry would probably generate more jobs. The war industry is a very peculiar business subsector, surrounded by very strict security measures, secrecy, and confidentiality enforced by the state itself, such as the special laws governing the sector (Spanish Law 53/2007 and Decree-Law 19/2012), which devote public resources to security and surveillance, when it does not enable special installation and communication infrastructures (industrial complexes, munitions dumps, ports and roads). In this sense, large Spanish military companies are very dependent on the Ministry of Defence and enjoy preferential treatment from the state. In the case of warship production, the Navantia shipyards are 100% owned by the Spanish State; the State owns 4% of the shares of Airbus group, producing military aircraft; in the case of Santa Bárbara Sistemas, producing armoured vehicles, cannons, explosives and projectiles, it is a private company in the hands of US-based General Dynamics; and the Spanish State is the main shareholder of Indra, the manufacturer of the electronics technologies that are used in the majority of weapons produced by the previous companies, with 20% of its shares.

In the definition of military industry, there is a critical consideration, relating to the dual-use materials and components that these companies can manufacture. That is to say, those products that can have a military use or, on the contrary, have a civilian use. The technologies that are used in the development of a weapon should be considered as part of the weapon. An example could be the software used in a weapon or a flight simulator which is used for train combat pilots. On the other hand, the same technology can
be applied in the civil field. Thus, the line dividing a product, technology or service between military and civil is its final use. For example, the communication infrastructure of a military base should not be catalogued as a military expense unless it is exclusively part of a military system.

**Private Military Security Companies**

Among the companies that offer services, special mention should be made of those that have appeared in the last two decades called Private Military Security Companies (PMSCs). This is an alarming phenomenon, as some of these companies have become armies for hire acting under contract or on behalf of states or other non-state actors in armed conflicts and in situations where rulers are unwilling to assume political or legal responsibility for the consequences of certain military actions.

Private companies providing military and security services are contracted by governments, opposition groups, transnationals, international agencies or non-governmental organizations. Somehow it is a question of transferring the use of force that was in the hands of the state and ceding it to private companies. This fact has favoured the appearance of human rights violations against the civilian population in the geographical areas where these companies have been contracted to carry out actions, which in most cases have been carried out with the utmost secrecy.

One of the fundamental pillars underlying the rule of law is that the use of force is the exclusive heritage of the state. If human rights violations are committed in a democratic state, its rulers can be held accountable. But the rule of law is weakened if there is impunity for private parties’ use of force, and such arbitrary acts can lead to human rights violations among the population.

The privatisation of military tasks appeared after the end of the Cold War in a context of global change in geopolitics, following the defeat and collapse of the USSR and the entire bloc of states under its influence. A change imposed by the globalization of a capitalism that adopted neoliberal economic policies. The same current of thought that drove the privatization of all public activities also reached defense and security. In this context of privatization, some governments left tasks that until then had been performed by the military or by the state security services in the hands of the market. This
privatization reached the military industry itself when it was state-owned\(^\text{23}\) (Perlo-Freeman, Skons, 2008). This process accelerated after the attacks of 11 September 2001, which led to the emergence of a new industrial sector dedicated to internal security, driven by the doctrine of *homeland security* in the United States and which also spread to Europe. In this sector, military industries discovered new business prospects and diversified production to include these new security technologies.

Thus, during the 1990s, new companies appeared, many of them linked to the arms industry, offering maintenance services, supplies, equipment modernisation, logistical support, training, military and police training, construction and maintenance of military bases, intelligence, counterintelligence, special operations, strategic and technical advice, translation services, protection for people, facilities, or infrastructure, humanitarian aid, support for peace operations, weapons destruction, conflict management, and negotiations for peace and political transitions. Services that were offered anywhere in the world, whether to governments, companies or NGOs. The PMSCs were staffed with specialized personnel, in general ex-military and also with all kinds of conventional, light and heavy weapons. In short, companies with the capacity to act in combat actions or in post-war situations and which included facilities management services, military bases, prisons, supply systems, military training and education, intelligence or counterintelligence services, as well as domestic services such as barracks cleaning, laundry, catering, nursing and field hospitals.

These companies are effectively private armies with great offensive capacity. Some could even compete with or offer more services than the states’ own military forces. The emergence of these PMSCs should lead us to raise another very important issue, that of democratic control over the use of violence. In states governed by the rule of law, it is only the state that has the legitimacy of the exclusive exercise of violence. The presence of companies like these exercising violence breaks this state monopoly, and introduces a private actor that profits from the use of force, with the aggravating circumstance that they are only accountable to those who hire them and not necessarily to the states where they act. This brings with it a loss of any democratic control over the activity they carry out, the accountability that can be demanded of a government when the armed forces commit an infraction or crime.

\(^{23}\) In Spain, Santa Bárbara Sistemas was privatised and handed over from General Dynamics and Construcciones Aeronáuticas to the EADS group (now Airbus).
The so-called military-industrial complex (MIC) is made up of organizations and individuals with direct interests in the production of arms and services for the armed forces. This includes executives and shareholders in military industries, senior military commanders in and around the departments or ministries of defence with a desire to influence military policy decisions related to arms acquisitions, and some politicians who have held senior positions in defence ministries.

The group of organizations and people making up the MIC:

- Executives and major shareholders in the military industries.
- Financial corporations with strong interests in military companies, either as shareholders or as financiers of business operations.
- Politicians and government departments which in turn are linked to military companies.
- High commanders of the armed forces, many of whom also have close links with the arms industries and exert pressure to increase the arsenals of arms and equipment and thus their ability to influence national and international policy.
- Companies providing inputs and services to the armed forces, such as maintenance, cleaning, catering, etc.
- Strategic sectors such as hydrocarbon producers or others that may influence political decisions on military interventions in order to control resources.
- Multilateral military bodies where the interests of all the organisations listed above also converge, e.g. NATO.
All of them are directly beneficiaries of decisions taken by governments to increase military spending, to acquire weapons or to initiate military interventions or wars outside their states that will lead to increased arms production.

The word *military-industrial complex* arose from Eisenhower’s farewell speech in 1961 as president of the United States, with which he named the group that exerted the most influence over the White House, warning his successor John F. Kennedy that it was the lobby that had carried out the greatest pressure over military and foreign policy. The term has stuck, and refers to the group of people and organizations that surround militarism understood as a pernicious influence that limits the political decisions of governments.

All the states, but especially the industrialized ones that have their own military industry, are the ones that contain an industrial military complex. One proof of its existence is to see how often military companies recruit former politicians who have been linked to the Ministry of Defence or high-ranking military members of the armed forces as as executives. This is practice is common in many countries, as companies are well aware of the benefits they can obtain from hiring personnel with relationships, knowledge and privileged information on the military policies of governments.

### Corruption and revolving doors

Transparency International (TI),\(^{24}\) publishes an annual Corruption Perceptions Index,\(^{25}\) and ranks countries in the world affected by this social ill. The work carried out by TI prompted the United Nations to get involved in the fight against corruption and to convene a Convention against Corruption\(^{26}\) in 2004, which articulated the measures that states should take to combat corruption. In the reports arising from this Convention, it was pointed out that bribes on government public policies, corporate fraud, cartels, corruption in supply chains and in international transactions - including financial transactions - challenges relating to carbon credit markets and sovereign

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\(^{24}\) [www.transparency.org](https://www.transparency.org)


wealth funds and investment play a key role in global corruption. It is in this multidimensional framework that the corruption linked to the military industry, which has a direct relationship with armed conflicts and the causes that provoke them, including the production and trade of arms, must be situated. TI itself estimates the global cost of corruption in the defence sector to be at least US$20 billion a year.\textsuperscript{27} That same report noted that only 10% of arms companies have information about their own internal anti-corruption systems. That is to say, there is no corporate interest in the weapons companies themselves, nor on the part of the states where they are located, in controlling or combating corruption.

It is in this context that the aforementioned military industrial complex plays a role, made up by a group of organizations and business people, politicians and high military command that surround the ministries of defense, with the desire to influence decisions on military policy related to the acquisition of weapons. Members of this network are the direct beneficiaries of decisions taken by governments on state military budgets, the weapons industry and the arms trade, as well as influencing decisions on military interventions or wars outside their borders, interventions that will inevitably lead to the consumption of weapons and increased production in companies.

Spain and the military industrial complex

In Spain there is also a military industry \textit{lobby} that exerts pressure on the decisions of the politicians who govern. Good evidence of this can be seen in the interest military companies show to recruit high-ranking members of the armed forces and politicians linked to the Ministry of Defence. This is a common state of affairs in many countries due to the benefits that companies obtain from personnel with relationships, knowledge and privileged information on the military policies of governments. In the United States, as of 2016, 80% of generals who had left active duty in the armed forces had joined the military industries as advisers (Fontana, 2016). Spain is no different, and in recent years former military and politicians have abounded among the executives in arms companies.

\textsuperscript{27} Ibid.
Among the top military commanders who have passed through this revolving door, leaving the army to become advisors or managers in different weapons companies:

In the **INDRA** group, a manufacturer of electronics and high tech:
- Manuel García Berrio, Commander in Chief of the Air Operations Centre, joined Indra in 2007 as an executive.
- Miguel Lens Astray, Air Lieutenant General, in 2009 he was Head of Central Air Command, he was advisor and vice-president of Xtreme Communication, a company 100% controlled by Indra.
- Francisco Boyero Delgado, a Lieutenant General in the army, Director of the R&D Master Plan until 2006, was appointed advisor to Indra in 2007.
- Leonardo Larios Aracama (deceased), Major General, 1996 Director General of Infrastructure, Ministry of Defence. In 2001 he was appointed director of Indra.

In the company **EXPAL**, a manufacturer of explosives:
- Navy admiral Francisco Torrente Sánchez who, in June 2006, held the post of Secretary General for Defence Policy, moved to the reserves and was appointed president of Expal, and in 2009, was elected president of the association of military companies, Spanish Association of Arms Manufacturers, (AFARMADA), later dissolved to become TEDAE.
- General Jesús del Olmo Pastor, who was deputy director at CESID, now CNI, the Spanish intelligence services. He joined EXPAL as a director and director in 2006. Jesus del Olmo, known in the Ministry of Defense as “Jesus of the Great Power” for his rapid ascent and influence within the Ministry.

In the **Santa Barbara Systems / General Dynamics** corporation:
- General Carlos Villar Turrau, who until July 2008 had been the Army Chief of Staff, was hired in February 2009 as Vice President of Business Strategy.

In the military shipyards of the public company **Navantia**:
- Admiral Sebastián Zaragoza Soto who, after his resignation in November 2008, joined the company as an advisor in commercial exports.

**Airbus Defence and Space** of the Airbus group in which the Spanish State holds 4% of the shares:
- Carlos Gómez Arruche, General-in-Chief of Air Command, left office in May 2014 and joined Airbus in July 2014.
José Manuel Gracia Sieiro, former Director General of the Instituto Nacional de Técnica Aeroespacial (INTA) and former Director General of Armament, left the service in November 2013 and joined Airbus in July 2014.

In Hisdesat, a satellite communications company running operations of all of the military satellites of the Ministry of Defence:
- Juan Antonio del Castillo, a Lieutenant General of the Air Force, was appointed president of Hisdesat

In TRC, a military engineering company
- Rafael Comas Abad, Lieutenant General of Air Force and Head of the Headquarters for Rapid Infantry Deployment. He left in February 2016 and joined TRC in May 2016.

In DEFEX, a state-controlled company (with 51% of the shares) dedicated exclusively to arms exports which was closed by the Spanish government in 2017 for a serious corruption scandal in which several of its directors were accused:
- Juan Carlos Villamía, Lieutenant General of the Army, was appointed president of Defex in 2015.
- Ángel María Larumbe, colonel of the Army and director of Defex

The incorporation of senior military officers into the management of arms companies casts doubt on the professional ethics of the military, who, like all public officials, are supposed to abide by principles of exemplarity, objectivity, honesty and confidentiality. These principles are called into question when they are incorporated into private companies that in turn are contractors of the Ministry of Defence. These incorporations into the private sector are a clear violation of interests that are protected by the Law that regulates the High Offices of the State Administration.

There are countless politicians who have passed through the revolving door between government positions and private enterprise. In the sector of military companies, we will mention a few that have held positions in the Ministry of Defence:
- Pedro Morenés, the Minister of Defence between 2011 and 2016. Previously, he had held executive and advisory positions with various security and military companies. Up to June 2010, he had been president of MBDA Spain, a European company owned by three of the main European military industries (Airbus Group and BAE Systems in 37.5% each and Finmeccanica/Leonardo in 25%) dedicated exclusively to the
Pedro Morenés was also an advisor between 2005 and 2007 of Instalaza, a Zaragoza-based manufacturer of explosives and grenades, in a former manufacturer of anti-personnel mines and cluster bombs, both of which are now banned in Spain. He had also directed Segur Ibérica, Spain’s largest private security company. And lastly, Morenés had also been a director of SAPA, a Basque company entirely dedicated to the manufacture of heavy and light weapons, as well as explosives and ammunition.

- **Pedro Argüelles**, Secretary of State for Defence during the period that Pedro Morenés was Minister. Prior to his election, he had since 2002 presided over the subsidiary of Boeing (United States) for Spain and Portugal, a company that has supplied the Spanish armed forces with EF-18 Homet, Boeing 747, AV8V Harrier and Chinook helicopters.

- **Julián García Vargas**, who was Minister of Defence during the PSOE government (1991-1995), was appointed President of the Spanish Association of Defence, Aeronautics and Space Technology Companies (TEDAE), the employers’ association that brings together the majority and most important military companies in Spain. In addition, García Vargas had been part of the USDAN association, in charge of mediating in favor of the interests of the military industries in arms exports before the Interministerial Board of Defense Material and Dual Use (JIMDDU) that approves or denies this type of exports. At the same time, he was vice-president of the Spanish Atlantic Association, a civil entity supporting NATO.

- **Adolfo Menéndez** was Undersecretary of Defense when Pedro Morenés had been Secretary of Defense in the government of José María Aznar. In June 2014, he replaced Julián García Vargas at the head of TEDAE. Menéndez is also a member of the Board of Directors of Indra, a company that supplies most of the electronics required by arms manufacturers in Spain.

- **Eduardo Serra**, with a career of constant ascent within the Ministry of Defence, was appointed Undersecretary by the UCD government in 1982. Later, with the arrival of the PSOE government, the then Minister Narcís Serra, kept him in his post and later elevated him to Secretary of Defence. Finally, the government of José María Aznar appointed him Minister of Defence (1996-2000). He is president of Ever-
is, a consulting and aeronautical services company, which is associated with Everis Aerospace and Defense dedicated to the military sector. Eduardo Serra was also president of the Spanish Atlantic Association, an entity created to support NATO.

This military industrial complex has essential allies in the armed forces, especially due to the fact that they are governed by a very rigid structure. In general, the armed forces are a very corporate, inbred and self-contained establishment, which helps to hide corruption and inequality. In this establishment, everything is decided internally and great efforts are made around secrecy, particularly with the media, to avoid criticism. On the other hand, the military establishment is very patriarchal and hierarchical, subordinates can only obey and their opinion is worth little or nothing if it contradicts the authority of a superior command. In Spain, we must add a very troublesome issue. Unlike in other democratic countries, the Armed Forces are governed by their own military legal corps, special and separate from civil jurisdiction, which allows for bias in sentencing, as it is not the ordinary courts that prosecute crimes. This prevents many cases of internal abuse, harassment, gender-based violence or corruption from being adequately addressed (Gisbert, Amorós, Bagur, 2014).
VIII. The arms trade

The term arms trade refers to commercial transactions that take place between companies and industries that sell arms or their components either to states or to companies and individuals.

In the arms trade, exports and imports, a distinction must be made between weapons of mass destruction (nuclear, chemical and bacteriological), their chemical components or agents and conventional weapons. Conventional weapons refer to heavy weapons (armoured weapons, artillery, machine guns, missiles, warships or military aircraft); small arms or light weapons, which are defined as those that can be transported manually (rifles, sub-machine guns, pistols, grenade launchers); and finally dual-use weapons, with reference to those technologies or components that can have a use in both the military and civil applications.

Arms exports tend to go from the north to the south, i.e. industrialised countries are producers and developing countries are importers. This dynamic can be seen in the world rankings of arms exporting and importing countries. At the top of the list of the countries selling weapons are always the United States, Russia, the United Kingdom, Germany, France, Italy, Israel, China and Spain, while the leading importers are India, China, Saudi Arabia, the United Arab Emirates, Pakistan and Egypt.

The global arms trade is one of the major concerns of both the United Nations and non-governmental organizations (NGOs) and they condemn it for promoting arms races between rival countries in a perverse spiral. Arms races can fuel existing armed conflicts and favor the emergence of new conflicts, in addition to generating a negative impact on the economies of recipient states,
because resources get spent on weapons that could be devoted to development in the country. In this sense, both the UN and NGOs work to reduce the volume of the arms trade, prohibit it in countries in armed conflict or with serious violations of human rights, and try to regulate it at a global level.

The International Arms Trade Treaty

The United Nations adopted an International Arms Trade Treaty (ATT) in March 2013. After being ratified by 54 countries, in December 2014 it entered into force. The Treaty was a first step towards regulating the arms trade and incorporating a level of transparency at the international level that did not exist to date, and in this sense, it is positive, but on the other hand the Treaty does not ensure that there will be a decrease in the arms trade since it is left to the discretion of the states to implement it.

The aim of the ATT is to establish the highest possible common international standards to regulate or improve the regulation of the international trade in conventional arms and to prevent and eradicate illicit trafficking in arms and prevent their diversion to third parties. In this regard, the ATT is presented as a preventive instrument and seeks to eliminate illicit trafficking in conventional arms and prevent diversion to unauthorized end-users and uses.

**What it regulates:** certain weapons such as battle tanks, armoured vehicles, large calibre artillery systems, combat aircraft, attack helicopters, warships, missiles and missile launchers, and small arms and light weapons; and ammunition, parts, and components for such weapons.

**Who does it regulate?** Every state that signs the ATT. To implement the provisions of the treaty, each signatory state must establish a national arms export control system and provide its checklist to the other member states of the treaty.

**What does it prohibit?** Each State Party to the ATT shall not authorize a transfer of arms if it involves a violation of an embargo decreed by the United Nations Security Council; if it involves a violation of other international agreements (to which it is a party); if the State at the time of the authorization has knowledge that such transfer may be used to commit genocide, crimes against humanity, grave breaches of the Geneva Conventions of 1949, attacks directed against civilian objects or protected civilian persons, or other war crimes as defined in the international agreements to which it is a party.
Even if an export is not prohibited under the above assumptions, the state, before authorizing an export should assess whether the arms may contribute to or undermine peace; whether it may facilitate a serious violation of international humanitarian law or international law; whether it may facilitate an act constituting a crime of terrorism or organized crime, or serious acts of violence against women.

In addition, the ATT adopted other obligations, such as that each state will take measures to prevent the diversion of weapons for uses inconsistent with the Treaty and will inform the other states parties of the measures it has taken in this regard. Each state will also keep records of export authorizations and such records are encouraged to include information on the quantity, value and model or type of weapon transferred.

At the same time, the European Union also has a Common Position 2008/944/CFSP, which regulates the arms trade at community level, and which in Spain has been translated into Law 53/2007 on Foreign Trade in Defence Material and Dual Use. The Common Position and the corresponding Spanish Law have a series of much stricter criteria than those developed in the ATT, and should deny exports to countries that are sanctioned or embargoed, countries that are in armed conflict, suffer from internal instability, violate human rights, do not demonstrate firmness in the face of terrorism, or have an elevated poverty rate.28

From an objective reading of the criteria that govern the Common Position, many of the authorised exports from EU member countries and Spain are contradictory, as they are destined for many countries that do not comply with the aforementioned criteria. Among them, exports to various countries in the Middle East, such as Saudi Arabia, United Arab Emirates, Qatar, Iraq involved in the wars in Syria or Yemen, have been particularly bloody.

A Critical look at the International Arms Trade Treaty

The weapons regulated by the ATT are limited to conventional heavy offensive weapons, i.e. attack weapons, but most conventional military weapons are excluded, such as anti-tank weapon systems, portable missile launchers and anti-aircraft systems. Another shortcoming of the ATT is that it does not

include chemical components and agents for the manufacture of conventional weapons. The ATT also leaves it to the internal discretion of each state to report on exports of the type of ammunition regardless of its caliber, and in this regard, does not express any limitation on the amount of ammunition exported. This is an important omission, the ATT only contemplates the weapon, but not the ammunition it fires.

On the other hand, the inclusion of small arms and light weapons in the ATT is a positive development, as they represent the largest volume of weapons used by insurgent groups and the ones that cause the most victims.

One of the most negative aspects of the ATT is that it can provide legal cover for so-called “humanitarian” exports. Under Article 7(1)(a) the state can, before authorizing an export, assess whether such an export can: contribute to peace or undermine it. It is a paradox that arms can be supplied for humanitarian purposes to countries or armed groups that violate human rights. In practice, arms exports for humanitarian purposes have been used as yet another form of military interference in armed conflicts. For example, during the Libyan war in 2011, the French government supplied arms to the Libyan rebels, justifying it with humanitarian arguments.

The ATT does not determine whether states should take into account their political and economic interests when authorizing arms exports, which is permitted by Spanish law and the European Union’s Common Position (CP). This, in practice, allows EU states to ignore the CP. The preamble does expressly recognize “the legitimate political, economic, commercial and security interests of states in relation to the international trade in conventional arms. However, the articles of the ATT do not refer to these interests. This should not prevent them from being taken into account, as the ATT gives states a wide margin of interpretation when applying the criteria. The article does not expressly prohibit taking into account political and economic interests and, as is already known, what is not prohibited is allowed, therefore, governments can put their geostrategic, political or economic interests before the interests of peace or human rights.

A detailed description of the kinds of weapons regulated by the ATT is markedly insufficient compared to the EU CP. Since its approval in December 2008, the CP has provided a list of categories and types of weapons with a fairly precise level of detail that was subsequently extended (Council of 9 February 2015), which included an exhaustive and detailed detail that extends over 32 pages. By comparison, the TCA listing is reduced to two pages. It is
urgent that the signatory states of the ATT hold a conference where a list of weapons is precisely detailed, allowing the regulation of which types of weapons are excluded from export. States should also be prevented from carrying out exports that contravene the spirit of the ATT.

Neither the ATT nor the CP include police and riot control material in their categories, even though this material can be used to violate the human rights of the population, something that the ATT is supposed to avoid. Nor does the ATT include aspects of financing or transport of exported arms. Finally, and worse still, it does not provide a sanctioning mechanism for anyone who violates its provisions.
Economic conversion, or arms conversion, refers to the process of redirecting human resources, capital, and technological skills from arms manufacturing towards production of civilian goods, and the associated reorganization of teams and infrastructure. In Spain, the concept of conversion – or reconversión, as it was called – has a pejorative connotation, as it is associated with the closure of industry and the subsequent loss of jobs. The first round of reorganisation of public companies in Spain took place in 1981, and the second in 1983, leading to an industrial conversion in productive sectors that were generating heavy losses, especially in the iron and steel industry and mining. For this reason, many of these companies were submitted to hard cuts that put many workers out of a job and onto the dole. Among workers and unions, but also among a good part of the populace, a strong distrust, associating reconversión with the destruction of jobs and the depression of cities and counties. This was the case in cities such as Sagunto and Bilbao, or on the left bank of the river Nervión or in the mining basin of Asturias, which underwent a major transformation. For this reason, the concept of conversion instead of reconversión is useful in the Spanish context. Although they are synonyms, reconversión has strong negative connotations directly associated with the loss of labor; on the other hand, conversion highlights the positive action of a subject in the process of transformation or change from one state to another, thus acquiring a different meaning and value.

There is another misleading concept associated with conversion: diversification. Diversifying, in the industrial business world, refers to the transfor-
mation of product manufacture, with the hope of entering into new markets, and thereby distributing the risk across more than a single class of products.

Industrial conversion, on the other hand, means the complete transformation of production in a factory to another type of production. Diversification, therefore, does not necessarily mean a radical change with respect to production, but simply a tactical change, assuming different production lines, either in new production chains or adapting part of the existing ones to produce other types of products, but without abandoning the main product line. Sometimes this will be done under the roof of the same factory, in the case of small or medium-sized enterprises, and in separate factories in the case of large business groups. In the case of the arms industry, diversification can therefore be a simple manoeuvre to combine both military and civilian production and thus find a balance between the two sectors that allows them to minimise risks in periods of crisis and not have to close the weapons division. In addition, there is a risk, that there are many connections between the production of components and materials in civilian and military fields, especially in fields such as electronics, new technologies, aeronautics and space. Both productions can be strongly intertwined, making it difficult to distinguish between them.

When facing the issue of the conversion of the military industry, it is necessary to consider the social impact of the proposal. Otherwise, there is a danger that what may be correct from the point of view of economic profitability, in a sector that is producing significant losses, will not be correct from the point of view of work and social ethics, leaving many employees without job prospects and many families, cities and counties in serious difficulties. Therefore, arms conversion must be approached from a global perspective, encompassing the political, economic and social aspects surrounding the change of production in a given territorial demarcation. The main obstacle to a potential conversion of an arms industry to a civilian one is reluctance among workers themselves, due to the social costs that its application may cause them. Cities, or even entire regions, may depend on military installations and industries, and their closure may cause an economic decline of those communities and unemployment for many workers. In the absence of a global perspective that deals with industrial conversion in all of its magnitude, it therefore it quite logical that social aspects should take precedence when proposals for conversion are put forth and that the workers themselves should be the first to oppose it. In view of this, trade unions should take two
considerations into account when addressing the issue of the conversion of the military industry. The first is ethical, a refusal to produce artifacts that destroy lives, the environment, or material goods, and therefore contribute to the suffering and misery of people elsewhere. The second is the emergence of class-consciousness, a sense of belonging to the working class, and consequently a desire for solidarity with other workers of the planet in the pursuit of greater welfare for all. By following these principles, unions themselves would become the strongest proponents for carrying out a conversion of the arms industry. They could join forces in a larger struggle, that of world social justice, peace and defence of human rights, and the rejection of both wars and war profiteering.

In order to avoid the negative effects of a conversion, proposals should always take a global approach, by including local, regional and state administrations, and a maximum of social support should be sought among the diverse associations, such as trade unions, social entities, development aid, neighbourhood and professional associations that can provide very valuable technical assistance when carrying out conversion studies, and that can achieve a unitary framework of social commitment that can make the conversion of the military industry possible.

Obviously, it is not a simple matter, and many times, despite the best intentions, achieving conversion is not going to be possible, and industry closure is going to be inevitable. A conversion project should aspire for the greatest number of allies to carry out a comprehensive development plan for the area affected by the closure of the industry, including a business strategy for the implementation of industries and services that allows the recovery of the productive fabric of the area, with a planning policy that contemplates all its magnitudes and possibilities.

Examples of Conversion

If a weapons manufacturer has stopped making profits, whether due to obsolescence or because of readjustments to the global arms market, conversion is going to take place regardless of whether the workers are in favor of it. In a capitalist society, companies are not governed by principles of social justice, but by a balance sheet, and if this is in the red and future prospects are not promising, little hope of survival remains for the company. This has been the
case of most of the arms industry, whether in private or public hands, which after the end of the Cold War saw greatly reduced profits. Throughout the 1990s, it languished, which led to readjustments and reduction of personnel, conversion processes and diversification into civilian production lines. It also led to mergers, with the hope that a concentration into large holding companies would better address the crises, and provide a better ability to deal with the globalization of the economy.

Of all the European countries, it was the German territories that had suffered the worst effects of the confrontation between the two military blocs after World War II, as it was divided and had to endure the presence of huge contingents from either army.29 The two states reunified in 1992 and both had to implement major military conversion programs, because a Wall had divided the entire German territory from north to south. These areas needed to be reconditioned as they most of the military installations of the two superpowers had been stationed there. As well, the arms industries30 operating in the German Democratic Republic were obsolete. It is understandable that the then European Economic Community (EEC), from 1990 onward, arbitrated industrial conversion plans, called Konver programmes that were prolonged until 1999, in order to prevent the regions and their inhabitants from suffering an economic depression that the disappearance of industries and military installations could cause in the local economies. Konver programs affected all of the member countries of the then EEC, including Spain, although with a much smaller impact (Ortega, 2000).

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29. In the Federal Republic of Germany in 1989 there were 251,000 US soldiers, which by 1997 had been reduced to 70,000, while in East Germany, the GDR, there were 380,000 Warsaw Pact troops. Military Balance 1998
30. In the GDR in 1989, the military sector accounted for 1% of industrial production. Renner, M, 1993, p. 139.
X. Causes of Wars

A conflict occurs in a situation of disagreement between individuals, groups or institutions when each group or institution sets itself divergent or incompatible objectives whether tangible or cultural patterns), then we are faced with a conflict.

Most conflicts are resolved through dialogue, negotiation and agreement. Only a few are resolved through the use of violence. We use the term war to define a conflict that uses organized violence collectively, massively and with a political intent.

The causes of wars are multiple and it is always complex undertaking an analysis of a conflict. For an armed conflict to exist, there must be a real motive for a clash of interests, a controversy and a matter in dispute. Cultural conditioning, perceptions, traditions or group identity will help people to group themselves differently according to their perception of the problem. When the problem is perceived as a threat by different groups, and over the years it is not resolved, tangible and intangible grievances and antagonisms are generated among the groups in dispute, and the probability that it will evolve violently increases as each of these situations increases.

At this point, it is important to bear in mind that war is a human creation, that it is part of the millenary traditions of every culture and that multiple causes and factors are responsible for each outbreak.

The following is a classification according to the most outstanding or characteristic problems or disputes; despite this, it must be emphasized that conflicts are complex and that the following is only one of the possible ways of organizing the underlying causes of warfare.
a) Economic causes. Examples include disputes over control or access to energy and natural resources (oil, gas, water...), diverse minerals (gold, diamonds, gems, phosphates, coltan, copper...), precious tropical hardwoods, or crops such as opium or coca.

b) Struggles between rival groups for control of political power within a state.

c) Religious, national or ethnic issues may be added to or intertwined with other factors and may aggravate an armed conflict. Beginning in the 1990s, both old and recent armed conflicts came to be discussed in the media as conflicts pitting communities against each other: Sunnis against Shiites, Hutus against Tutsis, Bosnians against Serbs or Croats, and so on. However, this should not make us think that current conflicts are ethnic, religious or cultural conflicts; ethnicity or religion have become a unifying element in the opposing parties, but they are not the cause of the confrontation, but an additional factor.

d) Historical factors of the past, such as old rivalries, grievances or unresolved conflicts, are also factors of potential conflict.

e) Struggles for autonomy or independence within the same state by a community, group, ethnicity or minority claiming greater political autonomy or secession from its territory and confronting government forces to achieve it.

f) Territorial issues may also give rise to disputes over the control of areas within another state, over resources that are shared, or over the desire to incorporate a new territory within the boundaries of the state.

g) An unequal distribution of wealth or arable land, often appropriated by a minority of the population.

h) Corruption, as a prominent element in the functioning of the economy.

i) A deterioration of the environment with increased desertification, deforestation, soil erosion and water scarcity leading to reduced food production.

j) An increase in certain demographics can destabilize a country, since the increase in the number of young people, without prospects of work and studies, can generate a great deal of frustration and become a source of conflict.

k) Systematic violation of human rights. If public freedoms, the freedom of association, or the freedom of expression are curtailed, a situation is created that can lead to internal conflicts.
I) Militarism, understood as excessive military expenditure; oversized armed forces and disproportionate armament are also negative factors that can destabilize a region by increasing the rivalry and resulting in an explosion of conflicts between countries.

m) Demonstrations of international or world hegemonic power by superpowers, in order to demonstrate their power to impose a certain order. For example, the war against Serbia in 1999 by the USA; in Libya in 2011 by France; in Syria by Saudi Arabia, Iran, USA, Russia.
XI. Human security

The classic concept of national security aims at preventing or warding off military threats and therefore defending the sovereignty, independence and territoriality of the state against possible aggressors by military means. In this way the state seeks its own security by increasing its power through its military capability.

In the 1980s, critiques emerged to this narrow vision of security. Criticism centred on the fact that this concept only referred to the security of the state, ignoring the citizens, and by only considering the military threats posed from external states, it was overlooking other sources of insecurity, whether global or internal, economic or environmental. The first critical approach emerged with the spread of globalization, in which it became clear that the state is no longer the only international actor, as new risks and threats (economic crises, environmental disasters, organized crime, etc.) appeared, with dimensions transcending borders. It became clear that solutions could not be sought at the national level, but had to be sought through international cooperation.

A second critical approach focused on criticising the vision of development or underdevelopment, emphasizing its structural causes. This vision was intended to break with the idea that people’s safety was equivalent to the safety of the country, that is, if the state was safe people were safe. Indeed, to the state, national security was nothing more than the security of the elites wielding power.

These criticisms of national security have become more pronounced in the wake of the changes brought about by the end of the Cold War. Security has taken on a multidimensional perspective, in which it is assumed that in
addition to military threats there are other threats (economic, environmental, migratory, etc.), and that they are transcend borders and are global. We live in an interdependent world and that therefore the strategies to deal with this new reality cannot be strictly military and that it is necessary to introduce diplomatic, civil, police, development cooperation strategies... This new vision has developed since the late 1980s and culminated in the new security doctrines of the 2000s.

These debates laid the foundation for a new concept, that of human security, in which security was intrinsically linked to human well-being and implied that all people should be able to meet their basic needs in a safe and sustainable environment (Pérez Armiño, 2000).

Changes in security

The end of the Cold War meant the defeat of the communist bloc and the victory of the capitalist bloc, which meant the end of the support that each bloc offered to governments, opposition or insurgent groups that defended the political interests of each of the blocs. This meant that the conflicts ceased to be framed within the East/West confrontation and became internal conflicts. Many of these conflicts were aggravated by an end to the political, economic, or military support or arms which each bloc had provided separately to each side. Due to the lack of support given by the powers to the warring parties, each of them had to look for sources of income in order to be able to continue their armed struggle. Thus, conflicts ceased to be ideological and, especially in the case of Africa, became conflicts over control of the territory’s wealth. The continuity of a conflict depended on the groups’ capacity to finance and sustain it. There were many ways to obtain economic resources, such as the sale of resources in the market: oil, drugs, weapons, diamonds, gold, or coltan, or the practice looting, theft, extortion, taking hostages, or the appropriation of land or goods after the expulsion of a population from a territory.

The end of the East-West confrontation meant a drop in global tension, which led to a reduction in military spending, which in turn led to a decrease in arms production and in the number of troops in the armed forces. During the 1990s there was what could be called a surplus of military personnel,

31. Military Balance 2017, the numbers of soldiers in the world has fallen from 26 to 19.8 million.
and some six million soldiers were demobilised. As for the weapons arsenal, part of what came from the Soviet bloc went to the second hand market and part to the illegal arms market; in Western countries, orders for weapons and projects to develop new weapons were cancelled.

The second contextual element to bear in mind is the framework of globalization, which is causing important changes in the nation-state, both in the North and in the South. This neoliberalist ideology led states to cede important political decisions about their economy to supranational instances or to the “market”. Globalization eroded important state functions in both industrialized and developing countries. Thus, the state grew weaker and in many places lost, totally or partially, the instruments of control and monopoly of the use of violence. The result is what is termed “failed states”. States that cannot provide security to the population, guard natural resources, nor even protect domestic or foreign companies operating in their territory, because the military and security forces of the state itself can not be relied upon to offer protection. In short, the end of the Cold War and the subsequent boom in neoliberal globalization led to the emergence of a demand for security that facilitated the emergence of companies offering their military and security services to governments, banks, diplomatic corps, multinationals, mining companies, oil companies, United Nations agencies, international institutions and non-governmental organizations. These companies are called Private Military and Security Companies (PMSCs), already discussed above, and their expanded presence corresponds to a growing demand for security from these actors.

The demand for human security

The events following 9/11 in 2001 and the U.S. government’s launch of the so-called global war on terrorism prompted a new approach to security. The US reformulated the field of security under the malaise of terrorism and coined the concept of homeland security (2002), with a strategy combining police, military and security implication in all areas of national life, both public and private. This included the creation of various agencies dedicated to exercising intensive surveillance in airports, transport, communications, financial transactions and the Internet, with the implication of state security agencies, the military, private security companies and arms manufacturers.
In Europe, in coordination with the US, the EU presented the European Security Strategy (ESS) in 2003.\(^{32}\) In this document, the EU placed significant emphasis on the countries surrounding it, in Eastern Europe and Southern Mediterranean, without ruling out insecurities or threats from distant places. But the vision was multidimensional. The ESS had a broader idea of security than the traditional concept, and it took into account threats such as natural disasters, poor governance, access to resources, and protected values such as economic development or health. As for the instruments from the classical conception that military deterrence provided, on the other hand, the new strategy now proposed a combination of military, political and civilian instruments that included, for the first time, cooperation towards development.

The risk of linking security with development issues is that it contributes to a growing subordination of development cooperation and humanitarian action to the donor’s geopolitical and national security criteria. This converts cooperation and humanitarian action into an instrument at the service of the strategic agenda of OECD states. Continuing with this reasoning, the multidimensional security presented by the ESS in Europe, just as is the case with its analogue with the USA,\(^ {33}\) can be used to carry out military interventions in peripheral countries as “humanitarian interventions”. Military interventions that can be justified on humanitarian grounds such as a need to curb human rights violations or guarantee the passage of humanitarian aid.

It is in this new context that the classic concept of security as understood in strictly military terms, is being abandoned with a move towards a new concept of human security. This process is still maturing and there are many approaches. One narrow approach sees security as protection from personal violence and prosecution of crime by the police and army, often referred to as *securitization*; versus a much broader approach that addresses security in terms of food security, health security, educational and vocational security, housing security, and environmental security.

It is from this new approach that the 1994 United Nations Development Programme (UNDP) was born, which coined the new concept of human security, displacing the old approach of a security focused on protecting states, and began to put people as the central subject of security. This approach,

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\(^{32}\) The European Council adopted the *European Security Strategy (ESS), A secure Europe in a better world*, Brussels 12 December 2003. It set out for the first time principles and objectives to promote EU security interests based on values considered essential to the Western community.

\(^{33}\) *Quadriennial Defence Review* [https://www.defense.gov/News/Special-Reports/QDR/]
displaces the threat of personal violence, and puts threats to people’s subsistence in conditions of dignity in the foreground. This concept broadens the term security to include economic, food, health, environmental, personal, political and community security. The human security paradigm shows that all human beings are deeply interconnected. In a global scenario, the threats affecting most people arise from a lack of human development, education, health, economic inequalities and lack of respect for human rights. This new concept responds to two new ideas: one in which security must focus on people; and the second, that people’s security is threatened not only by physical violence, but by other threats such as subsistence or conditions that prevent one from leading a life with dignity. This concept has two dimensions, one quantitative, the satisfaction of basic material needs that ensure the continuity of life, and another qualitative, linked to dignity, which requires progress in the satisfaction provided by human rights.

In addition, human security is associated with another concept, that of development, which evolves from a classic concept of development understood as mere macroeconomic growth, to what can be understood as a process of widening people’s capacities and freedoms.

As has been explained, this approach to human security is formulated on the basis of two reflections: whose security is being assured, replacing the concern for the state and its elites by the citizens themselves; and the other question refers to what kind of security, ie: what the threats consist of. Thus, the contribution is to go beyond personal violence and contemplate other factors such as socio-economic wellbeing or to recognize that environmental factors are essential to human survival and dignity.

**Human security as a new paradigm**

The attacks perpetrated in the US on September 11, 2001, the 11 March 2004 Madrid train bombings, the 7 July 2005 London bombings, the November 2015 Paris attacks, and the 2017 Barcelona attacks, and many others elsewhere put security policies on the political agenda for implementation in the US and Europe. The EU and the US responded with palliative measures, stepping up police and military surveillance, which meant a corresponding loss of freedoms and rights for European and US citizens. But if we want to find solutions to the underlying causes of the terrorist attacks in the United
States and Europe, we will need preventive policies of another kind. These policies must be aimed at establishing confidence-building measures between the US, Europe and the countries of the Middle East, for example: by putting an end to military interventions and replacing them with diplomatic actions that defuse conflicts, in particular the Palestinian-Israeli conflict; by putting an end to support for corrupt regimes and instead promoting democracy, respect for human rights and practising cooperation and development with the Arab and Muslim world. In short, the global war on terrorism is only reviving the political discourse of a narrow interpretation of security in strictly military terms.

In this sense, a paradigm shift is needed, one that articulates security strategies that place human beings at the centre of public and international policies, with the aim of resolving the needs of millions of human beings affected by the political, economic, social, cultural and environmental insecurities caused by globalization. A genuine human security policy must be addressed so that individuals and peoples can live free from need and free from fear, while promoting democratic governance, growth with equity and a way of overcoming extreme poverty.

Putting efforts into this new concept will require multidisciplinary analyses capable of bringing together the multiple and complex causes determining the conditions underlying people’s insecurity. Human security is no longer the exclusive realm of experts in international relations or geopolitical strategists. Human security must integrate viewpoints from economics, politics, environmentalism, anthropology, gender studies... At the same time it requires the creation of new approaches to public policy. In the same way that national security developed a military strategy and built an entire military-industrial complex; the human security approach requires national and international policies that can guarantee all peoples the ability to take part in their own development.

As long as the bulk of resources are devoted to increasing military and police capabilities in an attempt to protect the first-world from external threats, we will continue to move away from peace and justice, which is, in short, what a human security policy should aspire to.
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The War Economy

War begins in our minds, in the movies we watch, in the social relationships we establish, in the educational system... We live in a society that commodifies and turns everything into business from personal relationships to war.

This book talks about the business behind the war, and is presented as a tour of all the gears that move around the military economy, ultimately war. It is a text that does not disappoint in its pretensions, since it starts from a clear and precise purpose: the rejection that conflicts should be solved by the use of armed force, when states have many other means to face, transform or solve human conflicts.