

# Arming Big Brother

## The EU's Security Research Programme

### Report Summary

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#### Overview

This Statewatch-TNI report examines the development of the EU Security Research Programme (ESRP) and the growing security-industrial complex in Europe it is being set up to support. With the global market for technologies of repression more lucrative than ever in the wake of 11 September 2001, it is on a healthy expansion course.

The story of the ESRP is one of 'Big Brother' meets market fundamentalism. It was personified by the establishment in 2003 of a 'Group of Personalities' (GoP) comprised of EU officials and Europe's biggest arms and IT companies who argued that European multinationals are losing out to their US competitors because the US government is providing them with a billion dollars a year for security research.

The European Commission responded by giving these companies a seat at the EU table, a proposed budget of up to one billion euros for 'security' research and all but full control over the development and implementation of the programme. In effect, the EU is funding the diversification of these companies into the more legitimate and highly lucrative 'dual use' sector, allowing them to design future EU security policies according to corporate rather than public interests.

The ESRP raises important issues about EU policy-making and the future of Europe. Europe faces serious security challenges: not just terrorism, but disease, climate change, poverty, inequality, environmental

degradation, resource depletion and other sources of insecurity. Rather than being part of a broader strategy to combat these challenges, the ESRP forms part of an EU counter-terrorism strategy focused almost exclusively on the use of military force and new law enforcement technologies. Freedom and democracy are being undermined by the very policies adopted in their name.

#### What is the 'security-industrial complex'?

The idea of a 'security-industrial complex' describes how the boundaries between *internal* and *external* security, *policing* and *military* operations, have been eroded. This process has been accelerated by the development of new technologies for the surveillance of public and private places, of communications, and of groups and individuals – a trend that has been accelerated by the 'war on terror'.

These technologies include myriad local and global surveillance systems; the introduction of biometric identifiers; RFID, electronic tagging and satellite monitoring; 'less-lethal weapons'; paramilitary equipment for public order and crisis management; and the militarization of border controls.

Military organisations dominate research and development in these areas under the banners of 'security research' and 'dual-use' technology, avoiding both the constraints and controversies of the arms trade. Tomorrow's technologies of control quickly become today's political imperative; contentious policies appear increasingly irresistible. There are

strong arguments for regulating, limiting and resisting the development of the security-industrial complex but as yet there has been precious little debate.

### **Europe's strangeloves: the Group of Personalities**

The EU remained a purely civilian organisation until the Amsterdam Treaty in June 1997, which first paved the way for an EU military capability. Since then, a new security agenda has developed rapidly, driven forward by corporate lobbying in Brussels and, in particular, the backroom role that the major arms companies have played in policymaking (for more details, see Frank Slijper, *The Emerging EU Military-Industrial Complex: Arms Industry Lobbying in Brussels*, TNI Briefing 1, May 2005 <http://www.tni.org/reports/militarism/eumilitary.htm>).

The ESRP is the brainchild of the Group of Personalities (GoP), a 25-member advisory body of whom eight had direct roots in major arms-producing companies: BAe Systems, Diehl, EADS, Ericsson Finmeccanica, Indra, Siemens and Thales. Their report on *Research for a Secure Europe*, subsequently published in March 2004, highlighted the 'synergies' between defence technologies and those required for 'non-military security purposes'.<sup>1</sup> In its report, the GoP compared European security research spending with that of the US Department of Homeland Security, concluding that:

A Community-funded ESRP ensuring the involvement of all Member States should be launched as early as 2007. Its minimum funding should be €1 billion per year, additional to existing funding. This spending level should be reached rapidly, with the possibility to progressively increase it further, if appropriate, to bring the combined EU (Community, national and intergovernmental) security research investment level close to that of the US

The GoP's basic demand was that a European security-industrial complex should be developed to compete with that emerging in the USA. Instead of putting forward this and other policy options, the European Commission in its Communication of February 2004 – 'Enhancement of the European industrial potential in the field of security research 2004-2006' – simply announced that a 65 million euro budget line for 'Preparatory Action for Security Research' (2004-06) had *already been established*, paving the way for a full European Security Research programme from 2007.<sup>2</sup>

The Commission used Article 157 of the EC Treaty on the 'competitiveness of the Community's industry' (rather than Article 163(3) on 'research and technological development') to justify retrospectively the 'Preparatory Action on Security Research' budget – a clear breach of the Treaty that was criticised by, amongst others, the European Scrutiny Committee in the UK House of Commons.<sup>3</sup>

### **European Security Research and the 'FP7' programme**

The full European Securities Research Programme (ESRP) gets underway in 2007. The FP7 programme (the EU's seventh framework programme for research and technological development) currently being discussed in the European Parliament allocates € 570 million per year for 'security and space' research (FP7). As ESRP is being developed outside of the normal EC decision-making process, it is so far unclear where the rest of the one billion demanded by the GoP will come from, but it is likely that additional FP7 money will be channelled into it via the ill-defined budget lines on 'ideas', 'people' and 'capacities' (which account for €26 billion of spending from 2007 to 2013). Finally, FP7 will also provide an additional €1.8 billion for research by the European Commission's Joint Research Centre (JRC), one of whose four priorities is 'related to fighting terrorism, organised crime and fraud, border security

<sup>2</sup> <http://www.statewatch.org/news/2004/feb/security-research-com72.pdf>

<sup>3</sup> <http://www.publications.parliament.uk/pa/cm200304/cmselect/cmeuleg/42-xii/42-xii.pdf>.

<sup>1</sup> [http://europa.eu.int/comm/enterprise/security/doc/gop\\_en.pdf](http://europa.eu.int/comm/enterprise/security/doc/gop_en.pdf)

and prevention of major risks, in relation with law enforcement agencies and relevant EU services'. It is astonishing that the draft FP7 legislation makes no explicit mention of the ESRP despite the security and space budget line being designed precisely for this purpose.

### **European Security Research Advisory Board**

The European Security Research Advisory Board (ESRAB) was formed from the nucleus of the Group of Personalities to advise the Commission on the strategic goals and priorities for security research (including FP7), the exchange of classified information and intellectual property rights, and the use of these publicly owned research/evaluation infrastructures.

Once again, the formation of this new body lacked any transparency whatsoever, with no consultation of the European or national parliaments. ESRAB's membership was quietly announced in the EU's Official Journal, but with no background information or related documentation explaining who the members represent or why they were selected. Nor is there any detailed information about ESRAB on the Commission's security research website.

According to Statewatch and TNI's research, industry is very well represented on ESRAB, occupying 14 of the 50 seats. Seven of the eight major European defence corporations on the GoP are now represented on ESRAB (BAE Systems is the surprising exclusion). The first ESRAB Chairman was Markus Hellenthal of EADS, followed by Tim Robinson of Thales. The EU, which has only two seats, is represented by the European Defence Agency (EDA) and Europol. There are no seats for either the European Commission or the European Parliament, meaning that ESRAP is only thinly accountable to the EU and not at all accountable to the people of Europe.

The composition of ESRAB means that, in effect, the same arms corporations that stand to benefit the most from ESRP funding are responsible for shaping the strategic priorities – and free to do so in their interests, with precious little democratic accountability.

### **Preparatory Action for Security Research: paving the way to a militarised EU**

The 'Preparatory Action for Security Research' (PASR) represents only a fraction of the funding that the full ESRP is to receive, but already offers an insight into the technologies of control currently under development. For example, it has already awarded funding for a high-level strategic planning project called SeNTRE, led by the European Association of Aerospace and Defence Industries (ASD) – the largest defence industry lobby group. This effectively outsources a key policymaking role to a private interest group. The PASR budget line is also funding ESSTRT (European Security: Threats Responses and Relevant Technologies), a strategic planning project that is being led by the defence giant Thales.

Over two of its three rounds (2004 and 2005), PASR has so far funded 24 projects to the tune of €30 million euros. Military organisations and defence sector contractors are leading 17 out of the 24 projects. Many have received 'seed money', meaning that further, more substantial funding is likely in future. The 'big four' European arms companies represented on the GoP have done particularly well – Thales is participating in at least five projects, with Thales UK leading three of them; the EADS group is also leading three projects; at least seven Finmeccanica companies are participating in three projects, leading two of them; while BAE is participating in at least three projects. TNO, the Dutch military R&D institute, has also done very well, participating in four projects and leading one of them. It is almost certain that these organisations are participating in more of the PASR projects funded so far but at the time of writing only half of the contracts have been published.<sup>4</sup>

The projects funded by the PASR cover five objectives, which include 'situation awareness' (a euphemism for surveillance), protecting against terrorism, network security, crisis

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<sup>4</sup> See [http://europa.eu.int/comm/enterprise/security/articles/article\\_2164\\_en.htm](http://europa.eu.int/comm/enterprise/security/articles/article_2164_en.htm) and <http://europa.eu.int/rapid/pressReleasesAction.do?reference=MEMO/05/277&format=HTML&aged=0&language=EN&guiLanguage=fr> for the results of PASR funding

management, and IT 'interoperability' (including the cross-border sharing of personal data).

Some of the projects funded under the ESRP so far have a legitimate, civil objective – dealing with radio-nuclear fallout and protecting critical infrastructure, for example. The majority, however, deal with surveillance and the development of military technologies of political control that offer little guarantee as far as 'security' is concerned.

10 of the first 24 projects funded by the EU concern surveillance of one kind or another, most of them using technologies that are in no way limited to counter-terrorism. For example, PROBANT, led by French aerospace and defence contractor Satimo, concerns the 'visualisation and tracking of people inside buildings' including 'arrays of sensors, modulated scattering, pulsed signal techniques, advanced data processing, biometric measurements'.

Two projects involve surveillance from space. These can be seen in tandem with the development of the EU's Galileo satellite system (the EU's first major 'public-private partnership' in which the major financiers are EADS, Finmeccanica, Thales and others), Galileo's planned uses include the monitoring of all road travel by satellite – the basis for the 'road pricing scheme' proposed in the UK.

Another EU funded project will see Dassault Aviation, Europe's leading exporter of combat aircraft, funded to coordinate what is basically an EU feasibility study on the use of UAV's (Unmanned Aerial Vehicles) for 'peacetime security' (and more specifically 'border surveillance'). Dassault in fact launched Europe's first 'stealth UAV' in 2000.

According to a report to the US Congress in 2005 the UAV accident rate is 100 times higher than that of manned aircraft. It will be interesting to see what the Dassault-consortium recommends.

Projects concerning 'biometric' identification systems are also being funded, despite civil liberties and privacy concerns about the unregulated storage and circulation of personal data. ISCAPS, coordinated by

fingerprint-identification company Sagem, will develop a system of biometric controls for restricted areas - the example given in the project brief is 'an amusement park!'<sup>5</sup>

The EU Joint Research Centre is also promoting biometrics, stressing the expected 'commercial application' of their use following the introduction of biometric passports across the EU from 2007.

*Arming Big Brother* argues that the creation of a security-industrial complex in Europe must be seen in the context of EU security policies which have placed law enforcement demands ahead of civil liberties concerns.

### **Criticisms and concerns**

There has been precious little debate about the development of these programmes but TNI and Statewatch have serious concerns.

#### *No accountability in policy making*

The European Commission has taken extraordinary steps to prepare a budget line outside the normal framework for EC research. It is particularly disturbing that the establishment of the GoP went almost unchallenged, with no meaningful discussion in the Council, no consultation in the European Parliament, and policy making all but *delegated* to the unaccountable Group of Personalities – on which the military-industrial lobby was heavily over-represented.

The expansion and formalisation of the GoP into the EU Security Research Advisory Board makes permanent this unprecedented polity, but still the idea that private companies, run for profit, should be accorded an official status in the EU goes unchallenged. The result is that the arms industry is shaping not just EU security research, but EU security *policy*.

It must be hoped the European and national parliaments take seriously their obligation to challenge both the costs and the alleged benefits of security research and to review all military expenditure by the EU. The full security research programme is not yet

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<sup>5</sup> <http://www.iscaps.reading.ac.uk/about.htm>.

underway and parliaments could still take meaningful action to restrict or at least bring the ESRP under some form of regulation or democratic control.

#### *Costs and priorities*

A proposed budget of one billion euros per year for security research is almost treble that being made available by the EU for research into the environment, including climate change, and the equivalent of 10 per cent of the entire EU research budget. But it is not just a question of priorities. European arms companies already enjoy healthy subsidies and competitive advantages at the national level. The big four European arms companies have combined annual revenue of around 84 billion dollars, not far off the total EU budget. Why should European citizens be footing the bill for their research?

#### *Technological determinism*

The European Commission has claimed that the EU must match US funding of security research to ensure the competitiveness of its industries in meeting global security threats. Whilst technology can undoubtedly assist in police investigations, there is no evidence to suggest that it *prevents* terrorism or crime because technology can do nothing to address the multifaceted 'root causes' of these social problems.

#### *The threat to civil liberties and privacy*

There is already clear evidence that new law enforcement technologies can have a damaging effect on civil liberties unless there are strict controls on their use and a clear regard for individual human rights. The rushed EU legislation on the introduction of biometrics into passports and travel documents raises serious privacy issues, not to mention concerns about the usefulness, reliability and accuracy of the underlying technology. It is now quite possible to envisage a Europe in which everybody is registered, fingerprinted and profiled; in which all communication and movement is monitored and recorded for law enforcement purposes; and in which we are increasingly policed by military force rather than civilian consent.

#### *Conclusion*

*Arming Big Brother* concludes with a call for civil society to resist the development of the security-industrial complex and the wider militarisation of the EU. Civil liberties groups and anti-militarist campaigners should challenge current developments and explain to the people of Europe what is being done in their name. It is hoped that this report contributes to a broader campaign against EU militarism and that it will be followed-up by systematic monitoring of the development and implementation of the ESRP by independent groups.

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*Copies of the full report, Arming Big Brother: The EU's Security Research Programme (TNI Briefing Series No 2006/1) can be downloaded for free from [www.statewatch.org/news/2006/apr/bigbrother.pdf](http://www.statewatch.org/news/2006/apr/bigbrother.pdf)*

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