



NeoConOpticon: The EU Security-Industrial Complex

Executive Summary

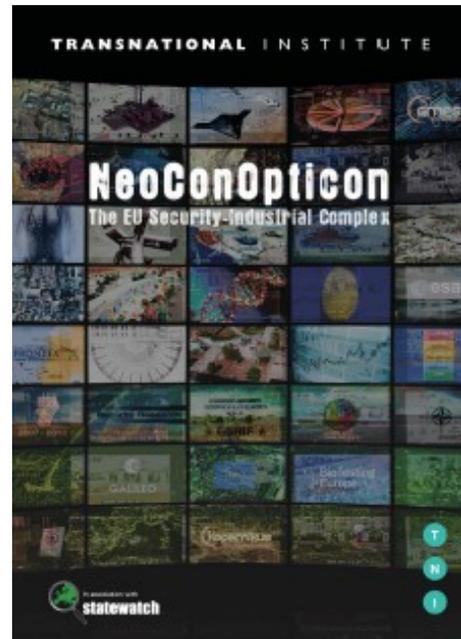
The *NeoConOpticon* is a new report from the Transnational Institute (TNI) and Statewatch by Ben Hayes. It examines the development and implementation of the European Security Research Programme (ESRP), a €1.4 billion EU 'R&D' budget line focused predominantly on surveillance and other law enforcement technologies. It reveals the extent to which the design of the programme has been outsourced to some of the corporations that have most to gain from its implementation.

The research examined all 85 of the projects funded under the EU security research programme to the end of 2008, together with several thousand related EU-funded R&D projects from other thematic programmes. What also emerges from the bewildering array of contracts, acronyms and EU policies is the development of a powerful new 'interoperable' European surveillance system that will be used for civilian, commercial, police, security and defence purposes alike.

Defence giants including *Thales*, *Finmeccanica*, *EADS*, *Saab* and *Sagem Défense Sécurité* are amongst a host of corporations to which the European Commission has turned to help set the agenda for security research, develop Homeland Security strategies for Europe, and bring the relevant security technologies 'to market'. The report also reveals the full extent of Israel's participation in a rapidly developing EU security-industrial complex, which is controversial in the light of widespread criticism of Israel's security policies and human rights record.

This comprehensive audit of the ESRP shows that there has been only minimal democratic scrutiny of the programme and even less monitoring of its implementation. *Ad hoc* bodies created outside the formal EU decision-making structure like the "Group of Personalities", "Security Research Advisory Board" and "Security Research and Innovation Forum" have instituted a 'revolving door' between multinational defence and IT contractors and government officials tasked with developing security policies at national and EU level.

The explicit aim of these bodies has been the integration of the 'supply' and 'demand' sides of 'Homeland Security'. Despite the stated commitment of the ESRP to the protection of privacy and civil liberties, critical civil society organisations, including privacy and civil liberties advocates, have been conspicuous by their absence. This framework of governance has promoted a range of security technologies that could engender systematic violations of fundamental rights.



The *NeoConOpticon* is a follow-up to *Arming Big Brother*, a briefing paper on the European Security Research Programme published in 2006. The (ESRP) is a seven year programme predicated on the need to deliver new security enhancing technologies to the Union's member states in order to protect EU citizens from every conceivable threat to their security. It runs from 2007 to 2013 as part of the EU's 'FP7' 'framework programme' for European research.

Arming Big Brother set out a number of concerns about the then pending ESRP, including the implicit threat posed to civil liberties and fundamental rights by EU 'research' into surveillance and other security technologies. The report was also highly critical of the corporate influence on the EU security research programme and warned of various dangers in actively pursuing a 'security-industrial complex' in Europe.

The *NeoConOpticon* revisits the ESRP and examines its development and implementation to date. The title is a play on Jeremy Bentham's "panopticon" design for an all-seeing prison (used by French philosopher Michel Foucault as a metaphor for the way in which surveillance acts to discipline and control society) and the right to limitless profit-making at the heart of increasingly neo-conservative EU homeland security and defence policies.

The first part of the report examines the development of the European Security Research Programme. It shows the way in which design of the ESRP has been largely outsourced to corporations and other private interests that have much to gain from its implementation. It also shows the extent to which key actors within the arms industry are repositioning themselves as "Homeland Security" providers, and the EU's efforts to support this transition.

The second part of the report focuses on the implementation of the ESRP and the broader consolidation of the EU security-industrial complex. It examines specific security technologies and vendors and their relationship to EU research projects and EU policy measures.

Key findings:

- 1) **A system designed by lobbyists, for lobbyists:** In addition to enhancing European 'security', the ESRP also has the explicit aim of fostering the growth of a lucrative and globally competitive 'homeland security' industry in Europe. This has engendered a structural conflict of interests at the heart of the ESRP arising from a failure to separate the development and implementation of the security research programme. By creating various "stakeholder platforms" of the "supply-and-demand sides" of security technology (respectively: corporations and state agencies), the EU has effectively outsourced the design of the security research agenda, inviting Europe's largest defence and IT contractors and other private interests to shape the priorities of the ESRP and the annual calls for proposals, and then apply for the money on offer.
- 2) **Defence giants and military research institutes in key advisory positions:** The European Security Research and Innovation Forum (ESRIF) is the current "multi-stakeholder" platform to bring together the demand and supply sides of the homeland security market to develop the blueprint for future security technologies. It is due to present its final report on 29 September 2009 in Stockholm. ESRIF is comprised of 11 working

groups, a plenary committee and some 660 consultants, two-thirds of whom are drawn from the private security sector. A core group of multinational defence contractors including *EADS*, *Finmeccanica*, *Thales*, *Sagem* and the lobby group *ASD* (the *AeroSpace and Defence Industries Association of Europe*), together with military research institutes including TNO (Netherlands) and FOI (Sweden), has supplied a great deal of time and expertise to the European Commission and occupies key seats in the ESRIF structure.

- 3) **Defence industry profiting from security research contracts:** Of 85 EU security research contracts awarded to the end of 2008 and worth some €210 million, 40 projects (47%) were led by companies that primarily service the defence sector.

- 4) **Five core missions, one high-tech agenda:** The current framework for security research under FP7 was set out by ESRIF's predecessor, ESRAB (the European Security Research Advisory Board), which identified five core 'mission areas' for EU R&D: 'border security', 'protection against terrorism and organised crime', 'critical infrastructure protection', 'restoring security in case of crisis' and 'integration, connectivity and interoperability'. For each of these apparently distinct topics, the EU R&D agenda is strikingly similar: introduce surveillance capacities using every viable surveillance technology on the market; institute identity checks and authentication protocols based on biometric ID systems; deploy a range of detection technologies and techniques at all ID control points; use high-tech communications systems to ensure that law enforcement agents have total information awareness; use profiling, data mining and behavioural analysis to identify suspicious people; use risk assessment and modelling to predict (and mitigate) human behaviour; ensure rapid 'incident response'; then intervene to neutralise the threat, automatically where possible. Finally, ensure all systems are fully interoperable so that technological applications being used for one mission can easily be used for all the others.

- 5) **Securitising research, expanding the ESRP:** The objectives of the European Security Research Programme reflect the over-representation of private interests in the governance of the ESRP. Annual calls for proposals favouring the pursuit of high-tech, high-cost homeland security solutions over critical research and social justice based responses to security 'threats'. The FP7 programme has allotted an additional €200 million per year for space research, which includes a significant security component, and established further budget lines for critical infrastructure protection, so-called 'migration management', IT security and counter-terrorism research. 'Security research' also crops up in other thematic areas of the FP7 programme – food, energy, transport, information and communications technology, nanotechnology and the environment, for example, inevitably includes food security, energy security, transport security and so on.

- 6) **ESRP-supported technologies could engender systematic violations of fundamental rights:** The ESRP is promoting the development of a range of technologies that implicitly favour the demands of government over the rights of individuals, and could engender systematic violations of fundamental rights. These systems include surveillance and profiling technologies, an apparently infinite desire to collect and analyse personal data for law enforcement purposes, automated targeting systems and satellite and space-based

surveillance. The use of these high-tech surveillance systems is seen as potentially ubiquitous, for everything from law enforcement to environmental monitoring to earth observation; from border control to crowd control to traffic control.

- 7) **Obsession with surveillance and border control:** The ESRP is predicated around an obsession with surveillance and high-tech border control systems. The €20 million TALOS project, for example, will develop and field test “a mobile, modular, scalable, autonomous and adaptive system for protecting European borders” using both aerial and ground unmanned vehicles, supervised by a command and control centre”. According to the TALOS project contract, these specially adapted combat robots “will undertake the proper measures to stop the illegal action almost autonomously with supervision of border guard officers”. A further €30 million has been spent on R&D projects into high-tech border surveillance, including STABORSEC (Standards for Border Security Enhancement), which recommended no less than 20 detection, surveillance and biometric technologies for standardisation at the EU level; the OPERAMAR project on the “interoperability of European and national maritime surveillance assets”; the WIMA2 project on “Wide Maritime Area Airborne Surveillance”; and EFFISEC, on “Efficient Integrated Security Checkpoints for land, border and port security”. Among the key beneficiaries are *Sagem*, the *Thales Group* and *Finmeccanica* companies.

- 8) **ESRP support for the implementation of biometric ID systems:** EU legislation mandating the collection, storage and inclusion of biometric data in travel documents is also supported by a number of security ‘research’ projects. Having taken the decision to introduce compulsory fingerprinting in identity documents, the development of the framework for the implementation of biometric identification systems is effectively being outsourced to the companies and lobby groups promoting the technological infrastructure. Among the main beneficiaries of numerous EU R&D projects on the implementation of biometric identification systems is the *European Biometrics Forum*, an umbrella group of suppliers “whose overall vision is to establish the European Union as the World Leader in Biometrics Excellence by addressing barriers to adoption and fragmentation in the marketplace”.

- 9) **Funding the EU’s space race: Galileo and Kopernikus:** Prominent multinational corporations have also played a central role in the development of Galileo (the EU’s GPS and satellite tracking system) and Kopernikus (the EU’s earth observation system). Galileo was once lauded as the world’s first would-be civilian GPS system, but military objectives are now central to its development and deployment. Kopernikus began life as the EU’s GMES (global monitoring environmental security) system but its scope has also recently been extended to cover law enforcement and military applications. Among the main beneficiaries of the EU’s space programme are two of the largest European space-industrial actors: *EADS* and *Thales Alenia Space*.

- 10) **Covert programme for unmanned aerial vehicles or ‘drones’:** The EU has also funded what amounts to a covert programme favouring the introduction of UAVs (unmanned aerial vehicles or ‘drones’) for military, law enforcement and civilian purposes. More than a dozen research projects and studies championing the development and implementation of UAV systems have been commissioned by the EU, despite the current ban on their use in European airspace and the absence of public debate about the legitimacy or desirability of subsidising their introduction. Among the primary contractors are world-leading suppliers of combat UAVs like *Israel Aerospace Industries, Dassault Aviation, Thales, EADS* and *Boeing*.

- 11) **Prevalence of Israeli security experts in ESRP:** Israel, which participates in the EU framework research programmes under the terms of a 2000 Cooperation Agreement, also features prominently in the ESRP. Of 46 security research contracts awarded in the first year of the FP7, Israeli actors or entities are participating in ten of the projects, leading four of them. The Counter Terrorism Bureau (CTB) of the National Security Council of the State of Israel has a seat on the ESRIF plenary, while the Israeli Defence Force (IDF), University of Tel Aviv and the Israeli emergency services are among the security experts advising the ESRIF.

- 12) **From terrorism to climate change - expanding the concept of security:** The ‘Homeland Securitisation’ of European policies across the justice and home affairs and security fields is linked to an expanding concept of national security, one that now encompasses everything from counter-terrorism to the ‘threat’ posed by climate change, organised crime and pandemics. The report examines the similarities between the recent national security strategies of France, Germany and the United Kingdom and the EU Security Strategies of 2003 and 2008, and notes how quickly these all encompassing definitions of homeland security have come to dominate western policy-making circles. This is likely to be a permanent legacy of the ‘war on terror’.

- 13) **Integration of EU security and defence bodies:** The high-tech strategies developed to facilitate counter-terrorism, border controls and surveillance, crisis management, peacekeeping and other new techniques of government are increasingly linked to the strategies and technologies of war. This shift is linked to the increasing use of military technology and personnel for law enforcement and security purposes; the increasing diversification of the military-industrial complex into Homeland Security; and the expanded remits given to security and defence agencies in the 21st century. The report foresees an increasing integration of the activities of the European Defence Agency and the ESRP and a wider convergence of powers in the form of integrated EU security and defence bodies.

- 14) **Full Spectrum Dominance – a new model for European security?** The report concludes that despite the often benign intent behind collaborative European ‘research’ into integrated land, air, maritime, space and cyber-surveillance systems, the EU’s security and R&D policy is coalescing around a high-tech blueprint for a new kind of security. It envisages a future world of red zones and green zones; external borders controlled by military force and internally by a sprawling network of physical and virtual security checkpoints; public spaces, micro-states and ‘mega events’ policed by high-tech

surveillance systems and rapid reaction forces; and the increasing integration of defence and security functions at home and abroad.

- 15) **Wide ranging review of the ESRP urgently needed:** The report calls for a full audit of the development and implementation of the ESRP; a redefinition of its priorities to put human rights and social justice at the heart of the programme; reorganisation of the current governance structure to ensure independent scrutiny and democratic control of the ESRP; a freeze on EU surveillance-enabling legislation; regulation of Homeland Security exports; and a programme of measures to bring law enforcement technology and related police powers under democratic and judicial control.