

## **Kaija Schilde, *The Political Economy of European Security***

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*The Political Economy of European Security* is an analysis of the development of European Union (EU) powers in two policy areas, defence and immigration, looking at industry lobbying as the main explanatory factor. The research's starting point is the different pace and depth of EU integration for external and internal security policies.

These two sovereign policy areas have experienced contrasted trends, from the perspective of legal versus practical integration. The EU had a limited legal basis for intervention in the defence sector until 2009, yet EU-based initiatives for defence cooperation – in particular at the industrial level – developed decades earlier. In contrast, in the immigration affairs realm, supranational competences have existed formally since 1997, but there has been little policy implementation since the early 2010s. Furthermore, immigration policy started as a low-politics domain (asylum discussions) but moved in recent years into a high-politics one (border security); while the defence policy started from a high-politics area (military cooperation) to progress into a low-politics one (industrial cooperation).

To solve this puzzle, Kaija Schilde presents an innovative analytical framework, grounded in both theories of European integration and political economy theories. The author's lens focuses on the role of industry lobbying groups. Here, the main factor that explains variations in the speed and extent of EU integration is the involvement of lobby groups in decision-making circles in Brussels. The presence and activity of industry groups has enabled an expansion of the effective action role of EU institutions to take place via two causal mechanisms: the development of informal institutions at the margin of the formal centres of power; and the provision of external resources, in terms of time, energy, policy ideas, that EU-institutions actors can then take support from to develop formal bases for policy-making. This provides legitimacy, and autonomy from member-states, to EU actors.

A key concept is the notion of 'governing capacity', as distinct from that of formal authority for decision-making. Governing capacity is the 'ability to effectively set and implement policy agendas' (p.9). Formal authority *per se* does not necessarily generate this ability. Schilde argues that governing capacity is strongly influenced by informal factors, such as interest group mobilisation and messaging. Building on Ernst Haas (1958), this framework generates the claim that the link between bottom-up mobilisation and EU integration is the EU's relative governing capacity. Here,

the source of authority for the EU comes not only from member states, but also from interest groups. The expansion of effective governing capacity increases the EU's legitimacy, which in turn confers more authority.

In this framework, interest groups' influence stems not only from shaping the policy agenda, but also emerges via informal institutions created to compensate for the absence of EU formal institutions. The author argues convincingly that in the case of defence policy, defence industry lobbies (such as the AeroSpace and Defence Industries Association of Europe, ASD) established informal institutions to promote the consolidation of markets and defence-R&D, ten years before formal EU efforts appeared. These informal institutions enhanced EU governing capacity, which then allowed for the acceleration of defence policies. In turn, the entry of the EU into the defence realm in a formal sense then weakened those informal institutions, which were no longer needed to the same extent.

Overall, *The Political Economy of European Security* addresses some key issues such as the influence of interest groups in policy-making in Brussels, and more broadly that of (supranational) state-society relations. The narrative of the bottom-up mobilisation of industry actors in EU defence policy is a fascinating one, with the setting up of lobbying offices as early as the late 1980s and the beginning of the 1990s. It also shows that some ideas and topics take decades to come to fruition. Today's debates, about how to further the European defence technological and industrial base through industrial consolidation and market integration, rehearse the same arguments made some thirty years ago. The idea of a 'Buy European Act' was already mentioned in the 1990s. An interesting notion that one can draw from Schilde's work on defence lobbying in Brussels is that interest groups were actually further ahead of public actors in identifying the benefits of EU consolidation. While it is often considered that private actors are reluctant to further EU bureaucratic involvement and regulation, defence industry groups were actually willing to accept more regulation in exchange for a more unified market at the European level.

The focus on informal relations and networks, as opposed to the formal aspects of policy developments, is a significant contribution. However, the author's primary angle of analysis has led to the neglect of other aspects which, for a comprehensive narrative of the EU's defence policy development, are unavoidable. In this book, 'defence policy' is actually 'defence-industrial policy'. However, the military and operational aspects of defence are equally, if not more critical when seen from a security perspective. The approach taken raises several questions: why were EU policies more developed in the industry sector than in the military one? And is Schilde's framework the most adequate to answer this question?

From the interest group lobbying angle that the author has taken, one could argue that there has been less development in the operational aspects of defence policy than in the industrial one, and this because there is no pan-European interest group composed of military actors, who would campaign for more EU policy involvement in this field. Or should we rather expand the scope of analysis and look at more actors beyond industry groups: is it because the Commission had more tools and opportunities to invest in an industrial-policy area that its representatives concentrated upon this type of policy? Or was it because member states were more willing to delegate powers to the supranational level on defence-industry aspects than the hard-military power ones? Or because there was already a continental

multinational organisation, NATO, which was precisely set up to deal with military operations and also has had more legitimacy in this field?

This shows that solely focusing on industry interest groups narrows the picture too much. In the defence sector, in particular, this angle leaves member states in ‘the backseat’ of analysis. Other studies have shown, however, that not only does industry lobbying occur at the domestic level as much as in Brussels, but over defence industrial issues, the role of member states cannot be disputed. Moreover, at least formally, in many countries governments have retained entire or partial ownership of defence companies. Of course, each government’s interest in the development of their defence industry cannot be understated, given the strategic and economic implications. But a related consequence is that, in the book, industry lobbying groups are perceived as a unique actor (see, Faure, Joltreau and Smith’s article in this issue), whereas a contribution of this specific analytical lens could have been to show precisely divergences or difference between different groups based on their countries of origin or on their size, for instance.

EU institutions’ agency also suffers from the angle taken by Schilde in the book. As has been shown in the defence realm previously, the extension of EU institution’s power in the defence-industrial realm comes from active work by Commission actors to extend their competencies. This was shown by Blauberger & Weiss (2013) regarding the adoption of the defence procurements directive in 2009, and again by Haroche (2018) with the recent adoption of the European Defence Fund. At a broader level, Jabko (2012) has shown just how strategic the Commission’s work could be to expand its formal authority. The author does mention the Commission’s self-interests in developing its competencies, because in their view the Commission in essence is a trade-minded and regulatory power, and hence prioritised the industrial aspect of defence to be able to extend their competencies. But in the political economic framework of the book, how this agenda of the Commission interacts with industry’s informal groups is not properly explained: what is most important in explaining the development of EU-defence industrial policies, industry mobilisation or the Commission’s own work and interests – or both?

Finally, analytically, the industry-only lens ignores theoretical contributions from the public policy literature, such as the trend of “Europeanisation without integration” developed by Irondelle (2011) and later on taken up by Hoeffler & Faure (2015) with a specific focus on defence policies. Here also, it shows how informal developments can expand and impact on policy implementation in European member states, even without further EU formal integration.

Nonetheless, Kaija Schilde’s work is invaluable in shedding light on the current developments of external and internal security policies at the EU-level today. There has recently been an acceleration of EU actor’s involvement in the defence industrial sector in particular, and this requires a fine-grained understanding of private actors’ role in the way that Schilde undertook, as regards the initial steps taken along this long policy road. How can we explain today both the growth of the European Defence Agency’s role in defence-R&D, but at the same time the Commission’s taking over of defence capability development programmes? What has been the role and interest of industry groups in the possible creation of a Directorate General on Defence? There is no doubt that these new policy developments would all benefit from explanations derived from Schilde’s political economy framework of European security.

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