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Institut de Recherche et de Communication sur l'Europe

Une autre vision de l'Europe

European Defence Cooperation : convergence and diversity

Part 2 : Which pain ? which gain ?

According to some assessments, no European country alone will have all capabilities necessary to meet all potential conflicts or threats in the future, concluding that capabilities and competences have to be shared in one way or another. Taking national interests, pre-conditions and positions into consideration, there should be benefits and positive outcomes from European defence cooperation and arrangements. Such benefits are related to industrial competitiveness with the necessity to uphold strategic critical competences

Q 1 : which cooperative areas could be regarded as having the highest potential in a European context and which areas should be discarded ? Are there best practices to be found ?

Q2 : Which are the pre-conditions for a deeper French/Swedish future research and industrial cooperation ? Can possible cooperative areas be identified based on mutual interest and common requirements ? If so, how should these pre-conditions be defined, and are other countries impacted ? Regarding complex ownership relations in industry, should Europe instead prioritize operational cooperation within the EU framework at the current level ?

Thanks for this event, for your invitation and these very good and pertinent questions !

About myself : Formerly in charge of industrial strategy, cooperation, offset policy and subsequently of MRO strategy at the French DGA; President of I.R.C.E. French but European - independent – Think Tank in many fields in the spirit of what is good for European general interest - And now professional in the management domain, including psychology and fundamental methods

Beside the specific relations between France and Sweden, I will select a few statements among our 78 proposals in Defence, Security and international



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relations, including governance, operational aspects, industrial marketing, research and innovation

I naturally agree to your preamble. However

- 1) we have to consider a balanced approach in one hand between military and civilian realities and in the other hand between states and industry. One of the conclusions of our study about the best cooperation models, regarding cost and identity realities, is, as notably say M. Trappier, that the Rafale is perhaps not the last French program without cooperation even if it could be comfortable to have many contractors at the beginning in a common and not a government founded then commercial program. There is a difference between civilian programs with a permanent struggle to exist for many customers – companies “make the war every day” - and military programs but solutions exist and especially between France and Sweden
- 2) we cannot say that we are European on one hand and take non-European decisions with the policy of “chacun pour soi” (everyone for themselves) on another hand. We have to recognize and consider that there should be a mix between bilateral and multilateral approach
- 3) before trying to work on output and to find technical solutions for the customers, we have to understand first the identity, the culture, the history and the sovereignty (France with nuclear, Sweden with the choice to keep freedom for selection), united and not divided in diversity, but it's not because we did like that since a long time, that it's not possible to change and to share
- 4) it's possible to establish a European identity and interest inside NATO, vector of European integration and interoperability. The point is today that Sweden is not inside even if now as heard “non neutral since the entry into UE”, and France don't reach her right place inside..
- 5) the solution will be through segmentation or specialization in products or in management between prime and sub-contractor or will be not
- 6) Trust means interdependency, like win-win, but not obliged 50/50
- 7) a good cooperation means a strong prime contractor, sharing concession of 50% and the less specificities as much as possible to maintain configuration management

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8) Juncker Plan about « investment of defense » with, that we call in coaching, gentle violence and certain obligations, is a dream but why not a reality with a pinch of management and perhaps a magic wand, but programs are existing

Q 1 : which cooperative areas could be regarded as the most potential in a European context and which areas should be avoided ?

In this question, I understood “Europe in general”

We have to make the difference between cooperation and alliance for outside Europe

It not a “Père Noël” list

Most potential because deficiencies in :

- Security,
- Maintenance Repair and Overhaul (we always speak about UK and German model but why not the Swedish model ?)
- Drônes (RPAS, F, Germany Italy Spain... and why not Nordic countries),
- Ammunitions,
- Space,
- Navy for coasts security and protection and aircraft carrier,
- Electronics
- Radar (an other solution // E-2C)
- New products for emergent countries

To be avoided because sensitive :

Aeronautic and navy with nuclear propulsion and for Nuclear weapon (France and UK...)

To develop particular models on Aircraft and helicopters or armoured vehicles like NEXTER/KMW, I call the “PSA model” (Peugeot Citroën) with a common R&D structure but keeping separated identities and customers

To develop commercial (non government financed) program like A400M in which governments don't participate to the funding but not with a one way vision of the prime contractor, notably on MRO.



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To develop cooperation about offset outside Europe with a “juste retour”. It must exist at a certain level inside with a balanced Buy European Act to imagine.

To develop trust through cross purchases like in 90's

To develop cooperation through operational simulation to better understand each product, to rationalize the choices of capabilities and develop interdependencies and interoperabilities

Q2 : What are the pre-conditions for a deeper French/Swedish future research and industrial cooperation can be possible cooperative areas be identified based on mutual interest and common requirements ? If so, how should these pre-conditions be defined, and are other countries affected ? regarding complex ownership relations in industry, should Europe instead prioritize operational cooperation within the EU framework at the current level ?

France and Sweden have to forget their rivalry. In the 90th, we already considered that Sweden was a strong “Nordic” country notably through SAAB, quasi single actor beside a few other companies, more protected than BAé in UK, in many fields like aeronautics, naval platforms, missiles systems, electronic warfare, C4ISR, simulation.. with now exceptional results, notably in support & services MRO and the JAS39 Gripen program for the Swedish market and export (60% Turnover) with submarines and torpedoes, with new products (radar, ISR, maritime warfare...) a new organization, new partnerships, many acquisitions and 15% invested in R&D. We see existing cooperation with Thales on Gripen, with Dassault on NEURON, with MBDA on Meteor and Taurus...

May I come back on the former franco-swedish solution rather to buy E-2C plane for aircraft carriers (with connection problems)

Then in front of these realities, if France can make concessions, Sweden must give guarantees, must reassure and both have to recognize first the complementarity of products without complex for the national and international markets. Both have to understand themselves and have to recognize the capabilities, the know how and the knowledge. Each one has to be able to say “we can't or we will not do that” as we heard in our working groups about “forces interdependencies”



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To work into a project is a good way but why not imagine and devising a “PSA project” I mentioned before between Dassault Aviation and SAAB ?

In a certain marketing and selling intelligence, they have to recognize that a Gripen is not a Rafale, but that they are European planes which can fight together and can be promoted together in a stronger offer inside and outside Europe even if, and not “simply speaking”, the customers are not necessarily and normally (...) not the same.

It could be a good work to identify clearly BCG, SWOT, GROW and SMART approaches between the two countries before they go outside the hit parade facing emerging countries

About the second part of the questions, UK and Germany, with existing cooperation, must be consulted. Cooperation with NATO countries and not only UE countries is essential for the defense of Europe but with an US interdependency notably with the F-35 plane.

To conclude for future cooperation, I always say that, if before I know how to cooperate to build an engine, I learned that the winner is always the one that got the hot part and it must be known since the beginning to avoid surprise and deception.

Thanks for your attention

François CHARLES

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