Defence Diversification
Or Arms Conversion?

Why Labour needs a programme for nuclear and conventional disarmament

Steven Schofield
2015
steveschofield@phonecoop.coop
www.lessnet.co.uk
As part of Jeremy Corbyn's successful leadership campaign, Labour has committed itself to setting up a Defence Diversification Agency (DDA), should the party adopt a non-nuclear policy and cancel Trident. Three propositions seem to underpin this proposal. Firstly, that a government carrying out nuclear disarmament has a moral obligation to find alternative work for those people employed in nuclear weapons production; secondly, that the investment in technologies and skills can be redirected to alternative civil production through planning by arms companies in partnership with government, trade unions and local communities; and thirdly, if less overtly, that political reassurances have to be made or risk serious electoral damage.

There is no special responsibility to workers in the nuclear arms industries and a future Labour government should deal with all workers on a fair and equitable basis given limited resources for investment. In the context of any major restructuring, either as a result of public or corporate policy, the government can bring various mechanisms to bear such as temporary support to maintain production, incentives for new industries and retraining. Why communities heavily dependent on, for example, the steel sector and facing serious job losses, should have less public support than those in the arms industries seems problematic to say the least.

A special case is made on the basis that the nuclear weapons infrastructure represents some of the most technologically advanced capacity in the UK and that government assistance in funding through the DDA to apply those technologies in related civil sectors of engineering, electronics and aerospace will enhance the country's manufacturing base. Such a policy seriously underestimates the difficulties in adapting specialist arms production to the very different requirements of the civil sector.

Essentially, the major arms corporations like BAe Systems, responsible for the construction of Trident submarines, integrate a range of advanced equipment that is expected to operate in extreme conditions and in ways that have no civil equivalence. The management culture of these companies is wedded to the specialist demands of the Ministry of Defence (MoD) around complex technical standards for systems integration. It would be no exaggeration to describe these corporations as industrial extensions of the MoD and that diversification for their managements would simply be moving from one form of arms production to another.

Serious questions must be raised about the use of public funding to carry out what would be expensive restructuring of facilities on site for large-scale civil projects, compounded by a corporate culture that has rejected civil work or sees it as a public-relations gloss to mask their almost total dependency on arms production. A more effective use of public resources would be to directly support civil R&D and production that encourages new manufacturing capacity and where the skills of workers from the arms industries can be transferred and utilised.

Opposition from the trade union bureaucracies to the cancelling of Trident, or other major arms projects, is inescapable. Offering the prospect of
potential, future employment against the reality of existing work has not been persuasive, especially in the context of de-industrialisation, and where skilled and reasonably well-paid jobs are at a premium. Trade union leaders see their responsibility as the protection of their members and are active participants in lobby groups led by arms corporations that have powerful influence at government level to guarantee a steady flow of contracts and to support the arms trade.

The Labour movement needs a much more ambitious arms conversion programme to challenge the embedded power of the military-industrial-complex. This can only be achieved by having a broader critique of UK security policy and the subordination to the United States in global power projection to secure oil supplies and other natural resources. Through invasion by ground forces and through air-strikes involving missiles and drones, the US/UK military axis has been responsible for the collapse of societies that has left hundreds of thousand of civilians dead or injured and millions more as refugees.

There is a strong case for an alternative security policy where that capacity for power projection is brought to an end and major conventional programmes cancelled, included the aircraft carrier fleet. For example the JSF fighter aircraft has capabilities that are specifically required to support US-led operations overseas, either from carriers or from forward operational bases. The total cost will be in the range of £15 billion, for a fleet of 100 aircraft, similar to that for the new generation of Trident submarines.

Instead the UK could re-orientate its policy to UN peacekeeping and peacebuilding. Substantial savings could then be made in the arms budget, in turn providing a major source of funding for an ambitious arms conversion programme. Assuming savings of 50-75% in the arms budget, the government could provide at least £10 billion a year to an arms conversion fund that contributes to the new industrial regeneration policy. Employment in these new sectors far exceeds that from arms production - for example the German renewable energy industry employs 380,000 people and this is expected to rise to 600,000 by 2030 as the country increases the proportion of electricity generated from renewable sources.

A combination of publicly-funded, national and regional investment banks for industries in the civil sector like offshore wind and wave power would channel these funds, ensuring an equitable distribution that also benefits the small group of arms-dependent communities, including Barrow-in-Furness, Glasgow, Preston, Aldermaston and Plymouth. Trade union and community participation is an essential element, guaranteeing that the skills of working people are both maintained and enhanced where economic restructuring is taking place. For example, the policy could ensure that any new workplaces benefiting from this investment programme will be required to have full trade union representation.

The impact of job losses from a new security framework will be felt in both the nuclear and conventional arms industries but it is important to put this into context. For decades there has been a haemorrhaging of jobs. Although the MoD no longer provides statistics, industry bodies suggest a total direct
figure of 162,000 workers in 2014, less than half of what it was in the mid 1990s. BAE Systems, alone, has cut 50,000 jobs while still proclaiming itself as the leading UK manufacturing corporation.

The overall pattern of job losses is reflected, even in the arms-dependent communities where both the total number of employees and the importance to their local economies from arms production has declined. Those trends are set to continue because of the capital-intensive nature of production and the global supply base of the major corporations. Employment can only be maintained at anything like its present levels through arms exports.

Cutting employment by 50% over a five-year period would involve the loss of around 15,000-17,500 direct jobs a year, including around 8,000 nuclear-related jobs, a relatively small restructuring in the context of an economy generating other employment. The impact on the supply chain is harder to estimate but the majority of companies provide subcomponents to the civil sector as well as to arms corporations and can benefit from the public investment programme.

There will be massive opposition from the military-industrial complex to a comprehensive arms conversion policy with claims that it represents an economic disaster threatening vital manufacturing capacity and the UK’s ability to defend itself. It is all too easy to envisage a situation where a prospective Labour government carrying out nuclear disarmament is under pressure to maintain overall levels of military spending. It may even increase the arms budget in real terms if it accepts the present policy of matching spending to 2% of GDP.

Diversification will simply mean replacing Trident with a major arms programme of conventional nuclear-powered submarines and surface vessels, while the DDA is limited to small, ‘pilot projects’ that make no difference to the dominant structure of the arms corporations.

This would be a lost opportunity of historic proportions. The Labour movement has a strong and proud record of internationalism and it can offer a different vision of security where the UK has a progressive role in the world, signalled by deep cuts to military spending, and by a comprehensive arms conversion programme that creates new opportunities for socially-useful work.