7   Private security companies and the European borderscapes

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- **Actors and dynamics in the European borderscapes**
- **Externalized private security company borderscaping**
- **The neoliberalization of European borderscapes**
- **The financing and political economy of private security company borderscaping**
- **Conclusion**

This chapter examines the implications of the increasing involvement of private security companies (PSCs) on the formulation and practices of European immigration and border control. The rise of private involvement in border control can be seen as a subset of the migration industry, alongside, and sometimes interacting with, other subsets like facilitating or rescue services relating to migratory movement (see Introduction).

At the outset, it is argued that the European borders are not static geographic phenomena, but rather borderscapes—that is, dynamic and multifaceted sites of interventions for public and private actors. These interventions can be conceptualized as processes of borderscaping, whereby the political, epistemological and physical elements of borders are dissolved, redefined and re-territorialized. The notion of borderscape contracts is suggested as a way of highlighting the role played by PSCs in these processes. Some examples of PSC borderscape contracts are examined. These include the UK Border Agency's outsourcing of border enforcement functions to G4S, Finmeccanica's role in the construction of Libyan border control capacities and PSC involvement in the European external border surveillance system (EUROSUR) project's numerous advanced borders projects. It is argued that PSC's role in externalization[1] and their development of new, advanced technologies securitizes and thus transforms the day-to-day governance of the European borders. This, in turn, leads to serious questions regarding the opaqueness of borderscape budgets, lock-in effects making it difficult

for public actors to reverse PSC militarization of borders and the humanitarian consequences of this for migrants.

The chapter conceptualizes this development as cases of neoliberalization[2]—that is, systemic shifts in the logic guiding public–private relations, which result in the inclusion of PSCs into the forums designing the European borderscapes.[3] It is argued that PSC lobbyism through formal and informal forums reinforces a market dynamic where the industrial suppliers of border control technologies create a demand for their products in order to facilitate these systemic shifts. Some examples include the European Organization for Security (EOS), and the Frontex Agency's Research and Development (R&D) Unit's cooperation with PSCs on drones for border control. Moreover, several "blurred" public/private EU forums, like the European Security Research Advisory Board (ESRAB) and the European Security Research and Innovation Forum (ESRIF), have been granted a large influence on the formulation of the European Union's (EU) priorities on security research. One notable outcome, it is ventured, has been increased EU subsidies to PSC research into high-tech borderscapes exemplifying how PSCs are involved in the multileveled governance of the European borderscapes.

The chapter suggests that the financial flows underpinning PSC borderscaping back to powerful financial actors, like the international banking sector, investment management firms and EU member states' export credit agencies (ECAs). The activities of these actors, it is argued, show that the militarization of Europe's borders is grounded not only in a desire to prevent immigration, but also in European politics of supporting military and control exports with public funds, even if this leads to increased debt in especially developing countries. The influence of PSCs and their financial supporters on the European border politics presents severe problems for the democratic transparency and humanitarian standards of European borderscapes.

Actors and dynamics in the European borderscapes

The expansion of European border control in the 2000s raises important questions about the geographic, sociological and political construction of borders and the notion of borderscapes is useful for theorizing this development. Borderscapes can be defined as multidimensional and dynamic abstractions of knowledge and technologies[4] and the European borderscapes thus encompass control practices within Europe, at Europe's external borders as well as the control externalized to third countries. Borderscapes are landscapes of power, in a constant flux and

always in the process of being constructed.[5] Applying the framework of borderscapes opens up the European borders as socio-geographic landscapes in time and space and allows us to distinguish between the different actors and interests in bordering processes. It therefore becomes vital to ask who is involved in this construction and what impact these actors have on the construction of particular borders. While these actors have diverse interests such as border control, facilitating legal migration or conducting search and rescue operations at sea, this chapter focuses on the involvement of PSCs in European border control. This is conceptualized as borderscape contracts and comparing the services provided by two of the world's largest PSCs involved in border control, Finmeccanica and G4S, is a useful entry point for understanding the functionality of such contracts.

Finmeccanica is an Italian group specializing in the space and defense industries with an annual turnover of €11 billion. It employs 72,000 people in 72 countries and its chairman and chief executive officer (CEO), Guiseppe Orsi, who replaced Pier Francesco Guarguaglini as the CEO in December 2011, is a Fellow of the Royal Aeronautical Society and has been honoured with the Commander of the British Empire title in 2010.[6] Finmeccanica has numerous subsidiary companies, specializing themselves along seven distinct markets: aeronautics (for instance Alenia Aeronautica), helicopters (AugustaWestland), space (Thales Alenia Space), defense and security electronics (Selex Sistemi Integrati), defense systems (MBDA), but also energy and transportation.[7] The Finmeccanica Group is, thus, active in a range of markets of relevance to comprehensive border control technologies.

G4S (formerly Group 4 Securicor) is a multinational conglomerate created in 2004 when British Securicor and British-Danish Group 4 Falck merged. It is the world's largest security company, employing 625,000 people in over 120 countries, and had an annual turnover in 2009 of €8 billion. Its Chief Executive, Nick Buckles, is the chairman of the Ligue Internationale des Sociétés de Surveillance (the Ligue), an influential global association of private security organizations. G4S also has numerous subsidiary companies involved in aspects of the security industry, such as defensive and protective services (Armorgroup, Progard Securitas), prisons (Wackenhut Services), electronic surveillance equipment (Group 4 Technology) and outsourced justice services (GSL). G4S companies are involved in border control along the United States–Mexico border, and in UK and Australian detention centers. Moreover, G4S secures several American military bases, provides security at the Baghdad International and Amsterdam Schiphol Airports, and protects Israeli settlements on the West Bank.[8]

The activities of Finmeccanica and G4S illustrate how borderscape contracts involve many of the same companies that figure on the transnational market for military and security service, or in short "the market for force."[9] Borderscape contracts are processes whereby the dissolution, redefinition or re-territorialization of borderscapes is outsourced. PSC borderscaping, then, embeds these border transformations in what we can call the market for borderscape contracts, characterized by the dynamics of supply, demand, loans and competition. Since national governments are behind the initial decision to privatize borderscapes, this subset of the migration industry is therefore intimately connected with state-driven economies (see Introduction and Chapter 5, this volume). Yet, as also supranational institutions like the European Commission or non-governmental organizations (NGOs) outsource functions relating to the management of borders, borderscape contracts vary in character and complexity regarding the services supplied, the companies involved and the kind of public–private partnership resulting from them.

Finmeccanica and G4S illustrate how many PSCs respond to the fluidity of the market for borderscape contracts by pursuing a conglomerate strategy of buying, branching off, merging and sub-contracting with other PSCs, resulting in a number of specialized subsidiary companies. From the PSC perspective, this approach strengthens the likelihood of landing groups of contracts for connected border functions and thus for the maximizing of their profit. From a perspective focusing on the human rights of migrants, however, this conglomerate strategy makes it difficult to keep checks and balances on both the competences and the legal responsibilities of the various actors involved in border control.[10] For governments, the complexity of the market for borderscape contracts offers them a chance to distance themselves from the controversies that surround border control.[11] As such, the European outsourcing of border functions to PSCs has resulted in the re-bordering, or transformation, of the spatiality of Europe's borders in ways that feed into the increasingly restrictive immigration policies of European states. The question is then how this link between complex re-bordering processes and political agendas should be understood.

Here, the model of securitization points out that political actors' framing of immigration as a security concern transfers border control from the sphere of political choices to that of state security.[12] Yet, because discursive variants of securitization seem to assume a centrality of public discourses for security governance, this makes it difficult to address the pivotal roles played by transnational, formal and informal networks in the transformation of European border governance. Also, while it is true that securitizing discourses in general create a threat environment

conducive to the PSCs' military solutions, we also need analytical tools to trace the specific consequences of PSC involvement for the governance of borders. The border solutions promoted and supplied by PSCs rarely feature in public discourses and yet they have pervasive effects for states' administration of inclusion and exclusion at their borders. Jef Huysmans's alternative view on securitization has something to offer in this context because it replaces discursive analyses of securitization with a focus on how security priorities are realized through day-to-day, and less mediatized, technocratic processes.[13]

When it comes to the concrete services provided, some borderscape contracts pertain to the operation of detention and deportation technologies, while others concern the research and development of surveillance functions, hardware supplies or the training of personnel. We should therefore distinguish between contracts for the enforcement of border control and those for the construction of border infrastructures. The development of border infrastructures resembles so-called BTO (build-transfer-operate) contracts, where contractors build a border system, transfer it to the host state and are then given a contract for maintaining or operating it. While Finmeccanica is pursuing contracts for border infrastructures, G4S focuses on contracts outsourcing the operation or expansion of already existing border control functions.

In 2007 the UK Border Agency made a three-year contract with G4S' Transport PLUS Service worth £12 million for the transfer of around 85,000 asylum seekers annually between detention and removal facilities in the United Kingdom. The operation of most UK detention centers has also been outsourced to PSCs. To name a few, the removal centers in Brook House, Dungavel, Oakington and Tinsley House are operated by G4S, while HM Prison Services and Serco manage others.[14] Also, G4S was contracted to conduct deportations out of the United Kingdom. This contract also involved substantial sub-contracting, such as the hiring of security guards for the flights, and of airlines such as British Airways, Czech Airlines and BMI.

The creation of the EUROSUR database is an example of outsourced research and development in border control systems, which involve a substantial amount of sub-contracting. At the beginning of 2009, the EU's Directorate General for Justice, Freedom and Security called for a technical study to be finished by 2013 into a European border control system. The goal of the border system is to provide full situational awareness of cross-border movement through a "common pre-frontier intelligence picture" gathering information about migrant mobility in third countries by aerial and satellite images. This R&D project was outsourced to the German conglomerate ESG, which then subcontracted

the Finmeccanica subsidiary SELEX-SI, French Thales, US-based AGIS and the European conglomerate EADS.

The EUROSUR sub-projects receive substantial subsidies from several financial EU instruments, such as the External Borders Fund, the Schengen Facility, and the EU Framework Research Programme (FP7). To mention only a few, the TALOS project (Transport Autonomous Patrol for Land Border Surveillance system, subsidized with €12.9 million out of €19.9 million) is developing unmanned aerial vehicles (UAVs), or drones, capable of tracking smugglers and "illegal migrants." Its project participants include the Turkish electronic and military company Aselsan and the Hellenic and Israeli aerospace industries. The I2C project (Integrated System for Interoperable sensors and Information sources for Common abnormal vessel behaviour detection and Collaborative identification of threat) (subsidized with €9.9 million out of €15.9 million) purports to identify "early threats" through sensors registering uncooperative or abnormal vessel behavior, which may indicate that it transports migrants. It involves defense and aviation companies like Sofresud and Airshipvision International. Finally, the seaBILLA project (Sea Border Surveillance) (subsidized with €9.8 million out of €15.5 million) focuses on fighting illegal immigration, that is, boat migration in the Atlantic and south Mediterranean through unmanned air systems and passive sensors. It involves Eurocopter, EADS, Thales Defense, BAE Systems, and Finmeccanica subsidiary Aleania Aeronautica.[15]

The growth of the market for borderscapes during the 2000s has reconfigured the processes behind Europe's border control in ways that facilitate restrictive immigration policies. Moreover, borderscape contracts, such as the plethora of EUROSUR subprojects or G4S' escorted deportations out of the United Kingdom, all have a more pervasive impact on the governance of borders than mediatized political discourses categorizing immigration as a security threat. PSCs' influence on the European borders can therefore be seen as vital for realizing the specific technocratic governance of insecurity of Europe's borders. The relations between the EU, Libya, Italy and Finmeccanica provide a telling example of this and of how securitization processes can be intimately linked to bilateral and common-European interests in preempting migration.

Externalized private security company borderscaping

The expansion of borderscape contracts should be seen in direct correlation with the externalization of European migration control to involve evermore cooperation with third countries, and the borderscape contracts involving Libya are a prime example.

Thus, during the 2000s, Libya had become a prime transit route for Europe-bound migrants, creating business opportunities for smugglers willing to sail migrants across the Mediterranean. The European Commission perceived this industry of facilitating migrant mobility as gangs exploiting both migrants and European borders and calls for "fighting" and "combating" smuggling and illegal migration began proliferating in EU policy documents.[16] In the following years, the possibility of externalizing migration control to Libya was pursued with evermore fervor. Thus, under the Danish Presidency, the European Council's November 2002 conclusions argued that cooperation with Libya on illegal migration was not only desirable, but also "essential" and "urgent."[17] The year after, Italy requested that the EU arms embargo towards Libya be partially lifted, thereby allowing Libya to purchase "necessary equipment for border control in the framework of illegal immigration control" from European companies.[18]

On 11 October 2004 the European Council decided to lift the arms embargo on Libya and the same year a technical EU mission was sent to engage the country in a cooperative agreement on migration control. Another technical mission to Libya was conducted by Frontex in 2007 and in October 2010 the Justice and Home Affairs Commissioner, Cecilia Malmström, signed a €60 million agreement with the Libyan regime which included an agreement to continue establishing "an integrated surveillance system along the Libyan land borders, with focus on the areas prone to irregular migration flows."[19]

The decision to lift the arms embargo was followed by massive sales of weapons from companies in EU member states to Libya. Thus, French, British, German, Maltese, and Russian PSCs all landed lucrative contracts with the Gaddafi regime.[20] This surge in European military exports to Libya was facilitated by European export credit agencies (ECAs), which provided guarantees for the PSC exports. Thus, the ECAs from Germany, France, Italy and the United Kingdom all rushed to provide loans, which allowed Libya to purchase the European equipment. As the European ECAs have also provided guarantees for the export of border control equipment to countries like Israel, Turkey, Greece, Romania, Bulgaria, Morocco, Egypt and Algeria, we can say that ECAs have been crucial for the creation of Europe's externalized borderscapes.

The country that entered into arguably the closest cooperation with Libya, however, was Italy. Thus, in 2008, Italy and Libya signed a so-called Friendship Pact, where Italy agreed to pay Libya US$5 billion over 20 years.[21] The treaty required that the funding was to be channeled exclusively to Italian companies buying crude oil or doing infrastructure projects in Libya. Many of these funds were earmarked to boost the

scale of the borderscape by constructing advanced control and surveillance infrastructure in Libya and one of the prime beneficiaries of the treaty was Finmeccanica.

In 2006 the Finmeccanica subsidiary AugustaWestland, Italy and Libya formed the joint venture LIATEC (Libyan Italian Advanced Technology Company) resulting in a contract for 10 AW109 helicopters worth €80 million.[22] In 2008 this was followed by the Libyan purchase of an ATR-42MP maritime patrol aircraft from the subsidiary Alenia Aeronautica worth €31 million. In 2009 the Finmeccanica subsidiary SELEX Galileo announced plans to sell up to 50 drones to Libya to patrol its southern borders. The same year the subsidiary SELEX-SI Sistemi Integrati announced a €300 million contract for the design, installment and integration of a C3 (command, control and communication) Border Security System covering Libya's borders with Chad and Niger. The lifting of the EU arms embargo and the Pact between Italy and Libya were thus crucial events in the externalization of European control priorities to Libya, and they had a big impact on the socio-geographic character of the border control.

As both the externalization to Libya and the EUROSUR projects illustrate, the specific kind of re-bordering of Europe's borders which occurs through PSCs is premised on the application of military hardware and surveillance software to achieve objectives such as the real-time detection and prevention of "illegal migration." This comes at the expense of other, protection-sensitive approaches to Europe-bound migration. PSC outsourcing therefore has the effect of militarizing the European borderscapes with detrimental effects for migrants' rights.

The involvement of PSCs in European border control leads to another important point, namely the risk of lock-in effects (see Chapter 5, this volume). This means that the dynamics of PSC borderscaping become self-perpetuating. We can distinguish between two related lock-in effects, both of which reify the European border politics towards militarized and externalized border control. First, as governments and supranational institutions grant PSCs long-term contracts for fundamental border services, these companies gain a role as unrivalled experts in advanced border control. It therefore becomes difficult for public actors to reverse the trend of outsourcing. Second, as a result of this, it also becomes more difficult to question the way PSC solutions facilitate the externalization agenda, even if PSCs are accused of violating migrants' rights within or beyond European territory (see also Chapter 6, this volume).

One reason for the massive involvement of Finmeccanica in externalization to Libya could be that the involvement of private companies as intermediaries to the conduct of European control on Libyan

territory has been perceived as avoiding issues like state conflicts over sovereignty and debates about overlapping enforcement jurisdiction.[23] Given the Gaddafi regime's heavy emphasis on Italy's colonial occupation in Libya, the involvement of Finmeccanica in the extraterritorial European control therefore catered to the Libyan need to frame the resulting control as less intrusive, politically and legally speaking, than the direct placement of European police or military units on Libyan soil.

The Finmeccanica contracts, then, seem to have the triple role of depending on, realizing and reifying the European political agenda of militarizing the "combat" against irregular migration on third country territory. This leads to the question of how we can conceptualize the processes facilitating PSCs' radical transformation of the European borderscapes.

The neoliberalization of European borderscapes

One approach for examining how PSCs have increasingly come to be seen as the most effective suppliers of safety against "the threat of immigration" is to ask how PSCs and their military solutions are introduced into borderscapes. This introduction can be viewed as a process of neoliberalization.

Different views exist on the character of neoliberalism. One approach, which is not fruitful, is to see neoliberalism as an all-encompassing private force "out there" intruding on a public body. The reasons for its lacking usefulness, however, are illustrative. Such a monolithic account is insensitive to the "messy actualities" of particular neoliberal projects[24] and fails to embed privatization discourses in their particular institutional contexts and interests. While overall trends of neoliberal governance are discernible, such as the extension of market relationships to state functions, the privatization of state assets or public subsidizing of private actors,[25] these take different forms in different contexts. Consequently, it is more accurate to talk of neoliberalization as contextual and contingent processes.[26]

This impels our analysis to focus on those shifts in the systemic logic that reconfigure the interactions between public and private actors. Here, it has been noted that the way neoliberal discourses inscribe the social world in market dynamics grants their prescriptions a self-actualizing quality.[27] Anna Leander's point about this dynamic in relation to private military contractors (PMCs) is relevant here:

> PMCs can no longer content themselves with being mere technical experts. They become security experts shaping understandings of

and decisions about security. The competition for market shares pushes PMCs to become lobbyists, security advisers and public-opinion-makers … They create a demand for the services they offer by making clients aware of the many threats they need protection against … The point is that market logic pushes PMCs to establish themselves not only as providers of security services but as security experts defining which services are needed.[28]

By the same market logic, PSCs seek to create platforms for themselves where they can influence the policies relevant to the demand for their products. The successful marketing of PSC products thus relies on the inscription of existential insecurities in market dynamics to facilitate a mode of governance, which is based on their products. The risk of this process is that the technologies PSCs propose are not necessary, but "greedy,"[29] in that they can be driven by PSCs' desire for profit, rather than concrete problems facing governments. As Virginie Guiraudon[30] has pointed out it, this reconfigures the decision-making processes in European immigration politics, so that expensive and high-tech PSC border solutions are developed, even before problems corresponding to the technological capacities have been identified. Since PSCs need buyers for these expensive and advanced products, a real risk exists that they may use their role as security experts to frame an ever-larger sphere of grave security concerns in need of solutions. European borderscapes may in other words come to function according to a dynamic where the technological supply creates its own demand.

When privatization becomes part of the governing process, the relation between public and private actors is reconfigured. This, however, does not mean less governance, or in the case of borders, less border control. By framing immigration flows as a mounting threat to Europe against which only the defense and security industry can supply the technological solutions, the PSCs are effectively making insecure audiences of governments and EU institutions. This then legitimizes the transformation of border governance towards more advanced control. If successful, the neoliberal governance of insecurity therefore transforms both the political process and the resulting governance of borderscapes. According to Thomas Lemke:

[The] so-called "retreat of the state" is in fact a prolongation of government, neo-liberalism is not the end but a transformation of politics, that restructures the power relations in society. What we observe today is not a diminishment or a reduction of state sovereignty and planning capacities but a displacement from formal to

informal techniques of government and the appearance of new actors on the scene of government.[31]

We can say that the outsourcing of European borderscapes to PSCs may result in the "retreat of the state," but that this does not amount to the "defeat of the state." Instead, the governance of borders is restructured and proliferated to new actors. Put differently, "less government" does not mean "less governance" and the neoliberalization of borders can thus lead to the expansion of techniques of control. Lobbyism efforts are central for PSC attempts to displace governance from formal to informal structures by expanding the degree of PSC access to the EU decision-making processes.[32] PSC lobbyism can thus be seen as multilevel governance manifested through non-hierarchical processes.[33]

G4S follows a strategy of lobbyism that involves memberships in various groups and consortia, such as EOS and, through EOS, the STRAW Consortium (Security Technology Active Watch). EOS was created in 2007 and has 25 members from the European PSC industry, including BAE, Thales and the Finmeccanica subsidiary Fincantieri. The main objective of EOS is "the development of a consistent European Security Market sustaining the interests of its Members."[34] It claims that it works closely together with the Commission, has extensive contacts with several Commission Directorate Generals and participates in several EU Task Forces. To accomplish this, EOS has created seven working groups, dealing with issues such as "green" and "blue" borders, surveillance, security and safety. In general, EOS working groups and discourses mirror those of central EU institutions in order to appropriate EU agendas according to EOS members' interests.

EOS argues that the most effective counter-measures to immigration require more common European, as opposed to national, border initiatives.[35] For instance, it recommends the implementation of innovative surveillance technologies and the creation of EU-funded programs to develop and implement an integrated management system for regulated borders. This, it is said, should be based on suggestions from a public–private "EU Border Checks Task Force."[36] EOS also stresses that Frontex should "be a relevant interlocutor for the supply industry" by "coordinating the definition, test and validation of elements of a common architecture, such as EUROSUR."[37] EOS is, in other words, a comprehensive tool with which PSCs seek to influence the common European border politics so as to create a demand for their products. G4S' membership of EOS shows how one strategy for PSC lobbyism is to enter into consortia capable of concerted political pressure by producing discourses mirroring those of the public actors and institutions.

PSC borderscaping is a very specific process of neoliberalization both embedded within and shifting the systemic logic of European immigration politics. These systemic shifts transform borderscapes into immensely profitable sites of multileveled governance, ripe for PSC interventions. G4S' and Finmeccanica's membership in lobby groups like STRAW and EOS illustrate how PSCs establish themselves as experts on border security, and use this position to frame immigration to Europe as leading to evermore security threats in need of evermore advanced PSC products. Moreover, the EOS members' active support for Frontex and other common European venues functions as a strategy by means of which PSCs sustain their interests in developing a European market for security and borderscape contracts.

Yet, the promotion of PSC interests does not only occur through such informal forums, but can also take other forms where the boundaries between public and private actors are much less clear. Not only states, but also other powerful actors in the international financial sector have interests in facilitating PSC involvement in Europe's border politics.

The financing and political economy of private security company borderscaping

Discourses facilitating a threat environment conducive for PSC contracts can also be produced by hybrid, public–private structures[38] and the multi-level governance of "actually existing" neoliberalisms often occurs through structures where the boundaries between public and private actors are blurred.[39] This is also the case when it comes to PSC borderscaping.

In the following this analytical approach to neoliberalization is applied by considering three concrete processes, which have led to PSCs being included in Europe's borderscapes. The first process concerns the creation of several blurred EU forums tasked with developing the priorities of the EU's Security Research Programme (ESRP). The second process is the increasing cooperation between PSCs and the Frontex Agency's R&D Unit, and the third process concerns how the European and international financial sector supports and amplifies PSC borderscaping.

An example of blurred boundaries between public and private actors in the European borderscapes is the evolution of the ESRP. In 2003 the Commission announced its plans to establish this program in order to boost the competitiveness of the European security industry. This was welcomed by the military-industrial European sector since it opened up the possibility of EU subsidies for developing their products.

Several of the EU forums set up to develop this program granted PSCs an influential role in the processes determining its priorities. One

implication was that border control was framed as a security issue in need of subsidized research. For instance, the Commission invited the heads of EADS, BAE Systems, Thales and Finmeccanica, representatives from the North Atlantic Treaty Organization (NATO), the Western European Armament Association and the EU Military Committee to participate in the "Group of Personalities" (GoP) tasked with determining the future path of European security research.[40] As the Commission only invited four members of the European Parliament, the presence of the defense and security industry overshadowed that of democratic EU representatives and the findings of the forum also reflected this. Thus, the GoP warned that "time is of the essence. Europe needs to act quickly if it is to remain at the forefront of technology research, and if industry is to be able to exploit the results competitively in response to the rapidly emerging needs for sophisticated security-related products."[41] Already in February 2004, before the GoP recommendations were published, the Commission decided to grant €65 million to the Preparatory Action for Security Research subsidizing 39 projects between 2004 and 2006, several of which pertained to border control. One was the SOBCAH project (Surveillance of Border Coastlines and Harbours), coordinated by the Finmeccanica company Galileo Avionica. It was subsidized with €2 million out of €3 million.[42]

In 2005 the Commission also established ESRAB (European Security Research Advisory Board) to flesh out the strategic lines of action and user involvement for European security research. The Board should also "identify critical technology areas where Europe should aim for an indigenous competitive capability."[43] Again, a range of PSCs, including Finmeccanica, were invited to join two working groups, concerned, respectively, with "technology" and "technology supply chain." The Board's final report mirrored the GoP recommendations. It stressed the need to establish new funding of the military industrial sector[44] and "to bring together at a European level the 'demand' and 'supply' sides in order to jointly define commonly agreed strategic lines of action for European security research."[45] The Board listed as crucial numerous highly advanced technologies as crucial for fighting illegal immigration, such as surveillance and navigation satellites, drones, authentication technologies, smart dust technologies, digital fingerprint recognition and motion sensor systems.[46] In 2007 the ESRP was finally established with a €1.4 billion budget from 2007–13 through the FP7 program, including the subsidizing of 35 projects in 2008 and 78 projects in 2009. Its inception was coupled with the Commission's creation of an European Security Research Innovation Forum (ESRIF) to develop "public–private dialogue" within the research program. Once again, however, the

extent of public–private dialogue was questionable, since, out of its 65 working group members, only three were members of the European Parliament.[47] The Forum's third working group on border security recommended investment in research and development and stressed that "authorities involved in border surveillance activities" needed a technical framework capable of "considerably improv[ing] their situational awareness," and that this could require deployment of drones, new technology radars and satellites.[48]

Another forum of value for PSCs is Frontex's R&D Unit. It was set up to facilitate "information exchange between border guard authorities, research institutes, universities and industry,"[49] along the themes of border checks and border surveillance. This function of the Unit is realized through its participation in research projects under the EUROSUR umbrella as well as ESRIF's working group on borders. In the latter, Finmeccanica functioned as rapporteur, and the Unit described this forum as doing "policy-development."[50] This seems to confirm that the Unit sees the boundaries between itself and PSCs as blurred, allowing PSCs to participate in the multileveled governance of Europe's borders. Such activities of the Unit therefore feed into PSCs' desire to market their sophisticated border control technologies. By comparison, NGOs and other civil society actors do not figure as prominently in the Unit's activities, to the effect that few alternative views challenge the PSC militarization of European border control.

The current controversy regarding the use of drones for border control illustrates the close relationship between Frontex and PSCs. While civil society actors claim that drones represent a deeply worrying militarization of EU border control, PSCs argue that drones are necessary to obtain intelligence on migration patterns at the borders. However, even though the Justice and Home Affairs Commissioner, Cecilie Malmström, has said that "absolutely no decisions" have been made on the use of drones,[51] Frontex's R&D Unit has placed itself in the center of this debate by arranging several drone workshops where PSCs like Thales, Finmeccanica subsidiary SELEX Galileo and EADS get the opportunities to test and promote their products for policy makers. For instance, in October 2010 a workshop in Bulgaria was billed as presenting "industry with the chance to demonstrate the capabilities of currently available technical solutions," since drones could "play an important role in further enhancing border surveillance in the future."[52] The way PSC products are granted legitimacy as viable policy options by the Frontex R&D Unit's workshop can be seen as blurring the boundaries between industry and public actors.

In July 2011 Frontex's mandate was amended, potentially blurring the boundaries between the Agency and PSC interests further. While

Frontex's previous mandate stated that the Agency should "follow up" on research into border control, the new mandate says that it "shall proactively monitor and contribute to the developments in research relevant for the control and surveillance of the external borders." Also, Frontex can now acquire or lease technical equipment itself and build a permanent pool of equipment, rather than borrowing equipment from member states as before.[53] This change thus transforms the Agency into an end user of PSC products and consolidates the close relations between it and the suppliers of border control technologies.

The inclusion of PSCs into the forums designing the priorities of the ESRP, the way in which border control was included into the area of security research, the resulting subsidies for PSC projects and the increasing cooperation between Frontex and PSCs make it credible that these processes function as the neoliberalization of Europe's borderscapes through blurred boundaries. Public actors like the Commission and Frontex seem to actively facilitate the PSCs' privileged access to EU policy-making forums, and the multileveled governance resulting from this access is used by PSCs to boost the EU's funding of their products. A systemic shift towards more blurred boundaries is thus discernible in the EU's border politics. The result is the proliferation of subsidized PSC border projects, which, in turn, accelerate the advanced militarization of the European borderscapes. At the same time, the minimal roles of the European Parliament and civil society actors raise serious questions concerning the democratic legitimacy and transparency of these processes.

Yet, to grasp the political economy underpinning PSC involvement in Europe's borderscapes, it is necessary to elevate the scale of the inquiry to include also investment firms, banks and states' export policies. Here we find that influential financial actors are heavily involved in the marketization of borderscapes. Thus, while Finmeccanica's three largest stockholders are the Italian state (32.45 percent), Tradewinds Global (5.38 percent) and Libya (2.01 percent),[54] others include Blackrock, JP Morgan and Landesbank Berlin. Similarly, G4S' three largest stockholders are Prudential (6.33 percent), M&G Investment Management (5.48 percent) and Harris Associates (4.93 percent),[55] while others include Blackrock, Skagen Stichting, Goldman Sachs and BNP Paribas.

On the common European level, the Commission and the European Investment Bank (EIB) jointly granted the Finmeccanica subsidiary Alenia Aeronautica a €500 million loan in 2009 at a very favorable interest rate.[56] Also, the international banking sector provides billions of euros in credit lines for PSCs. For instance, in 2010 Finmeccanica signed a five-year revolving credit line of €2.4 billion guaranteed by 24

credit institutions. This was coordinated by BNP Paribas and included actors like the Royal Bank of Scotland, Bank of America, Unicredit, Barclays, Citigroup, HSBC, JP Morgan and Goldman Sachs.[57] Many of the same credit institutions are also involved in similar arrangements with PSCs like Thales, G4S and BAE Systems. Through the granting of loans or credit lines, major financial actors are therefore essential economic supporters for the PSC industry. Since they hold stocks in PSCs, they stand to profit from the expansion of PSC involvement in the European borderscapes.

At the financial level we also find other actors supporting PSC borderscaping, namely ECAs. Some of these agencies, like the United Kingdom's Export Credits Guarantee Department (ECGD), are public institutions, but most are private corporations. Thus, Hermes is a company mandated by the German government, French Coface is owned by a commercial bank, and Italian Sace was privatized in 2005. ECAs are prime examples of blurred boundaries between public and private interests: states channel public funds to ECAs, which then use them to cover banks' or corporations' export risks. This is done either by providing guarantees for the debt incurred by banks loaning money to importing countries or by granting loans directly to these countries.[58] ECAs thus support bank loans and industrial exports by creating debt in importing countries and represent the largest flow of public funds from the global North to the global South.[59] PSCs also benefit from ECAs. After the end of the Cold War, the European arms industry faced a dwindling demand for their products. However, instead of asking the industry to adjust their supply of advanced military technology, European states have instead used ECAs to sustain and even enhance the export markets for their military and security industries, as illustrated by the ECA-subsidized exports to Libya after the lifted arms embargo. ECAs are thus heavily involved in supporting PSCs' export of border control equipment to developing—but also Southern European—countries,[60] and their guarantees have therefore been vital for the boosting border control at the EU's external borders or in third countries. As such, ECAs occupy an important systemic role in the multilevel governance of European border politics, and show how this is linked to other policy issues, such as domestic job creation, export relations, and industrial competitiveness.

Tracing the flows of funds which support PSC involvement in Europe's borderscapes reveals how powerful actors in the European financial system provide crucial support for the militarization of Europe's borderscapes. Moreover, the involvement of ECAs, investment management firms and the international banking sector in the European

borderscapes reinforces the worries about lacking transparency and inscrutability. ECAs have been criticized severely for their opaque relations to industrial and commercial actors and for systemic corruption.[61] Banks' stock holdings in the arms industry have been notoriously shrouded in secrecy and controversy.

As PSCs are granted a more dominant role in border functions, the notoriously opaque relations between banks, firms and suppliers of military and control equipment are transferred to the political economy of borderscapes. The PSC militarization of the EU borders does not only transform the spatiality of the border, but also its underlying political economy regarding public–private interaction and the financing of borderscapes. The PSC transformation of Europe's borderscapes, therefore, has vast implications for the political processes in the EU, the financial flows guiding the borders, and for the human rights of migrants on whom the militarized border control is enforced.

Conclusion

To conclude, this chapter has sketched the increasing involvement of PSCs in border control and the implications this has on European border control. Migration industries depend on the policies of national or supranational actors in different ways. Thus, PSC borderscape contracts serve as a direct counter-measure to a number of other subsets of the migration industry, such as travel agencies, visa facilitation or boat migration.

It was argued that the concept of borderscape contracts highlights the dynamic and constructed character of borders, since it captures the multidimensional abstractions of knowledge and technologies that characterize the public–private relations witnessed on the European borders. G4S contracts for border enforcement, Frontex's deportation program, the numerous EUROSUR projects and Finmeccanica's integral role in externalization to Libya show the multifaceted and dynamic character of public–private relations regarding border control. These range from the outsourcing of detention, transportation and deportation, over multiple contracts for deportation flights, to contracts for supplying helicopters, drones or, indeed, entire border control infrastructures. This involvement of PSCs has resulted in the securitized transformation of Europe's borderscapes with clear consequences for the ability of migrants and refugees to access asylum and other human rights. Moreover, the introduction of PSCs into the processes of border construction has also led to complex practices of sub-contracting, spiraling budgets and the risk of lock-in effects to a degree where PSCs are increasingly in the driver's seat of the still-developing EU borderscapes.

Viewing PSCs' growing connections to border functions as processes of neoliberalization allowed the analysis to trace the production of knowledge by embedding them in a dynamic where the suppliers of advanced border technologies recast themselves as security experts and created a demand for their products. This conceptualization also emphasized how PSCs participate in the design and governance of European border politics through multilevel governance. This can be done either through traditional lobby efforts, like the European Organization for Security, or through forums where the boundaries between public and PSC interests are blurred.

Thus, when the Frontex Agency's R&D Unit arranges workshops where PSCs can market drones for border control, the Agency aligns itself with the PSCs' interests, effectively legitimizing this particular border technology despite the immense controversy surrounding it. Similarly, the European Commission's invitation to major PSCs to join the GoP, ESRAB and ESRIF means that millions of euros in public funds are being channeled to PSC research in advanced border control. These hybrid structures therefore show how public actors like Frontex and the Commission are crucial in facilitating the systemic shifts behind the increased PSC militarization of Europe's borders.

Finally, it was pointed out that the rise of a European military-industrial border complex cannot be adequately understood without tracing the links to powerful European and international financial actors. Thus, through activities like loans, credit lines or stock holdings, the international banking sector, investment management firms and member states' export credit agencies provide absolutely vital support for the PSCs' development and sale of advanced border control technologies. Consequently, PSC borderscaping does not only transform the spatiality and humanitarian conditions of borders. It also reconfigures their underlying political economy along the lines of the arms industry, creating debt for importing countries and opaque relations between public and private interests in its wake.

Notes

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