

EUROPEAN DEFENCE INDUSTRY IN TIMES OF AUSTERITY

ABSTRACT

The end of the Cold War has marked the shift in bipolar world order. Changing geopolitical, economic and social environments, as well as rapid technological progress, have led to deep restructure of defence entities in Europe. The process of gradual national defence industries restructure and consolidation has been spreading across European borders, affecting every defence industrial sector. Thereof, this thesis aims to analyse the process of European Defence Industry's restructuring and integration process. It scrutinizes the process in terms of the European Defence Industrial Base on the one side and international integration efforts on the other. It investigates drivers of change for the defence industry, particularly: decreasing budgets, changing relationship between state and defence industry, advancement of technological innovations, importance of civil sector and internationalization of national defence companies. Regarding the restructuring process, the thesis examines National Defence Policies of Germany, France and the United Kingdom towards their respective National Defence Technology Industrial Bases along with the applications of these policies on the defence integration process within the EU.

Key words: Defence industry, European Defence Industrial Base, Defence Integration, Restructuring, Germany, France, the United Kingdom.