

11/2016

February 17, 2016

Juan Alberto Mora Tebas

**Economic Intelligence and
Armed Forces: a necessary
symbiosis?**

[Visit the Website](#)

[Receive Electronic Newsletter](#)

This document has been translated by a Translation and Interpreting Degree student doing work experience, ENRIQUE GARCÍA, under the auspices of the Collaboration Agreement between the Universidad Pontificia Comillas, Madrid, and the Spanish Institute of Strategic Studies.

Economic Intelligence and Armed Forces: a necessary symbiosis?

Abstract:

Modern wars have evolved, since they are no longer fought to conquer territories but for markets. In this context, and following the end of the Cold War, many of the procedures and personnel of the military intelligence services have been reoriented to face the new challenge of the economic war. Countries as USA, France, Canada, and even Russia, have been incorporating their Armed Forces to these new Economic Intelligence fields. But what is happening in Spain?

Keywords:

Economic Intelligence, Spain, Armed Forces.

[A day will come when the only fields of battle will be markets opening up to trade and minds opening up to ideas.”]

Opening Speech of the Peace Congress (Paris, August 21, 1849)

Victor Hugo (1802-1885)

Writer, poet, dramatist, politician, draughtsman. MP and Senator of the French Third Republic.¹

Introduction

Modern wars are no longer “total wars” in the Clausewitzian sense. Armed forces do not try to win “decisive battles” to conquer other territories, but instead try to conquer markets, as Victor Hugo had predicted more than a century and a half ago. The connection between the Armed Forces and the economy dates back to many years, since the armies were the spearhead of the economic empires. World powers are currently working on the interconnections derived from the global economic system, with the aim of triggering hostilities that do not imply the outbreak of conventional wars. Among other measures, which are increasingly employed by states, and are simultaneously trying to increase their level of economic independence to reduce their vulnerability to these dynamics, we can include: sanctions, monetary handling, boycotts and public disinvestment campaigns, the control of migratory flows, and digital and physical infrastructures.²

In this way, economic intelligence and counterintelligence have become even more relevant in the light of the global financial and economic crisis and the growth of competition in the international market. The intelligence services of some Asian countries and Russia are especially active in this area. Information gathering occurs both by open and covert or secret methods, and human sources are still used.

At the same time, the internet plays a prominent role, not only because of the possibilities it offers to analyse open information but also in the context of new attack and intelligence technologies (electronic attacks) against classified information, in other words, the information that needs to be protected.³ Even NATO has acknowledged that intelligence requirements for peacekeeping missions should go

¹ http://www.assemblee-nationale.fr/13/evenements/textes_victor_hugo.asp

² (LEONARD, 2016)

³ <https://www.verfassungsschutz.de/en/fields-of-work/economic-security>

beyond the strictly defined military intelligence network, to also encompass political, social, and economic intelligence aspects.⁴

What could be defined as an economic warfare, is becoming an unquestionable reality in international relations, even though this reality has long been considered as something exotic by the university environment.⁵

The following sections introduce the concept and examine how the Economic Intelligence (IE)-Armed Forces (AF) symbiosis becomes a reality in some countries, spreading to a greater extent in France, since it is both one of the pioneers and one of the countries that has progressed the most in this type of connection. It ends with a few paragraphs that describe Spain's current situation, particularly stressing the aspects related to the training, potential and capabilities of the Spanish Armed Forces in relation to Economic Intelligence.

The origins of the connection between Economic Intelligence and Armed Forces

A classic example is the Netherlands, which, as early as in the seventeenth century, had already laid the foundations of a commercial empire which was rooted in a private context. The Dutch East India Company (VOC),⁶ was a trading company that emerged from the marriage alliances of family and provincial groups, and it built in two centuries a real commercial empire that made it the most influential European enterprise that exploited Asia's riches. However, VOC's private nature made it unable to confront the versatile war power of the Spanish and Portuguese Empire, which sought to control the spice trade from the Indonesian archipelago. It had to incorporate to its business development the armed conquest *modus operandi* inspired on the Portuguese model. In 1699, VOC was the largest private economic force of the world, and held, accordingly, a military force which comprised forty warships and ten thousand soldiers.⁷

⁴ (RUDNER, 2002) p. 556

⁵ HARBULOT, Christian. 2013 *La Inteligencia Económica en un Mundo Globalizado*. CESEDEN Cuaderno de Estrategia nº 162 p.69

⁶ VOC: *Vereenigde Oost-Indische Compagnie*

⁷ (HARBULOT, 2013) op. cit p.74

The large Anglo-Saxon companies are another case that must be pointed out, especially the American and British. Beginning in the late 1950s, they created marketing departments, influenced by the military-tactical methods of reasoning of the Second World War. One of the first examples of transfer of knowledge from the military to the commercial field was “marketing warfare,” —a marketing strategy inspired by the principles of confrontation, troops’ motivation and infiltration into the opponent’s territory, showing that an analogy between a competitive environment and a battlefield can be established—. Since its beginnings, marketing has therefore been described as any activity that includes the most possible scientific understanding of the market, and the definition of the required actions for its conquest.⁸

In the early 1960s, due to the rising competitiveness between the major American enterprises in their own domestic market, Economic Intelligence (EI)⁹ emerged from intelligence practices developed during the Cold War. From the late 1960s onwards, General Motor’s information service had a budget equivalent to the French secret service’s one.

EI continued to grow, especially in the 1970s and 1980s in companies such as Motorola or IBM, and it prevailed in the 1990s. Since then, it has been widely used and is a field of study. This discipline has been limited for a long time to a few large groups, but it has become widespread due to the new context faced by economic agents of: globalisation, multilateralism, an increase in competition intensity and market instability.¹⁰

Germany

Even though Germany’s EI System is similar to that of France, it is the private sector that leads this activity, bringing together the interests of banks, industrial groups and insurance companies; always related and even mentored by the federal and local authorities, (Figure 1).

⁸ (DENECE, 2006)

⁹ También conocida bajo los títulos de Negocios, Competitividad o Inteligencia Corporativa/Empresarial,

¹⁰ (DENECE, 2006)

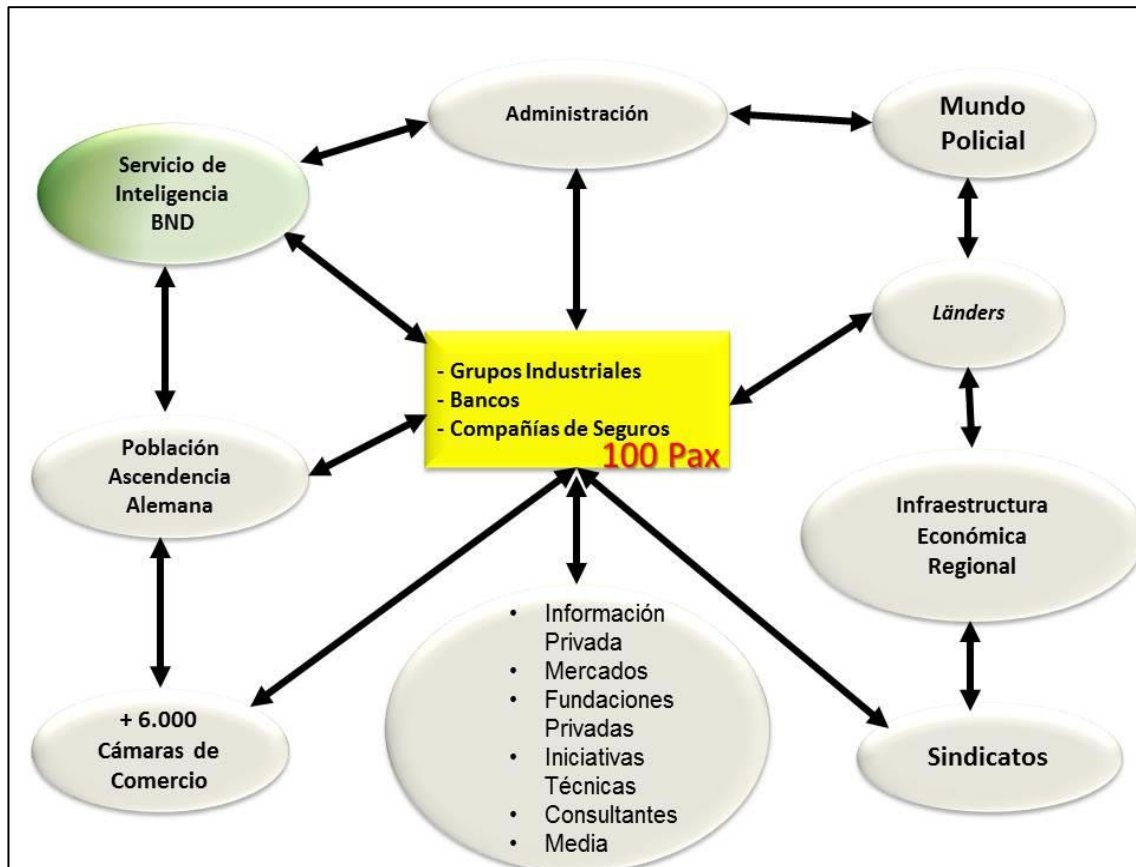


Figure 1: Intelligence System in Germany

[Contenido de Figure 1:

- (cuadro central amarillo) – Industrial groups, banks, Insurance Companies
- (Círculo verde) – Intelligence Service BND
 - Administration
 - Police world
- (del alemán), país/estado/territorio
- Regional economic infrastructures
 - Unions
- Private information, Markets, Private Foundations, Technical initiatives, Consultants, Media
 - More than 6,000 Chambers of Commerce
 - German-Descent Population]

The Inter-Ministerial Committee for the Protection of the Economy has been operating since 2008, and consists of Ministry Departments with competences in Economy and Security as well as other federal security agencies.¹¹

German enterprises invest large sums of money in research and development, and Germany has thus become one of the few countries that has increased its R&D budget

¹¹<http://epoca1.valenciaplaza.com/ver/90079/el-gobierno-refuerza-los-servicios-de-%80inteligencia-economicadel-cni.html>

during the crisis. Such an investment confers an important competitive advantage that makes it the market leader, consequently leading to competitors' and foreign governments' envy. Foreign intelligence services have repeatedly tried to obtain the latest technologies and research results, with the purpose of saving its domestic industry from the cost of conducting its own research and development.

Therefore, it is in the field of counter-espionage where efforts for the protection of German enterprises are made, against espionage and sabotage activities that consequently entail competitive disadvantages.

German economic counter-intelligence is implemented by the Federal Office for the Protection of the Constitution (*Bundesamt für Verfassungsschutz-BfV*), a police intelligence agency belonging to the Federal Government of Germany, which includes in its field of action Economic Security.¹²

In principle, German business and industry are responsible for protecting themselves and their intellectual property. In co-operation with the intelligence services of the federal states, the BfV is a service provider for counter-espionage and for broad protection against industrial espionage. In line with the principle of prevention through information, the BfV seeks to raise awareness among businesses, research institutions and associations, thereby helping establish an adequate security consciousness in trade and industry.¹³

United States

Already during World War I, there was an Economic Intelligence section, within the Army's Military Intelligence Operation, and it was headed by the future U.S. Secretary of State John Foster Dulles. When this war ended, President Wilson was preparing for the Versailles Peace Conference, by consulting a group of experts the "Inquiry,"¹⁴

¹² <https://www.verfassungsschutz.de/en/fields-of-work/economic-security>

¹³ <https://www.verfassungsschutz.de/en/fields-of-work/economic-security>

¹⁴ This was the name of a working group of young expert scholars, who proposed President Wilson different options for the post-war world once Germany fell defeated.
<http://www.cfr.org/about/history/cfr/inquiry.html>

which gathered Economic Intelligence from its headquarters at the American Geographical Society, New York.¹⁵

Economic Intelligence was soon regarded as an essential tool to achieve a privileged position in global economic competition. After the Cold War, the United States' strategy took into account the importance of economic power.

Since the 70s, countries that were considered friends and/or allies of the U.S. (South Korea, Japan, France, Israel, etc.) have been spying on the Americans. In 1986, for example, Israeli air force intelligence agents tried to steal boxes of corporate information from *Recon/Optical, Inc.*, a company based in Barrington (Illinois). The boxes contained confidential information about the design of optical technology and advanced microchips used in reconnaissance satellite cameras.¹⁶

In 1993, President Clinton reshaped the CIA's work towards economic intelligence.¹⁷ Therefore, it should not surprise us that, that same year, the U.S. Army Command and General Staff College asked one of its students to write a master's thesis on "The Capabilities of the U.S. Government to Collect and Analyse Economic Intelligence," (Erica Ballard Russell, JUN 1993).

Each American intelligence agency specialises in specific fields, but it is the Treasury Department that is involved in obtaining, producing and disseminating economic and financial information.¹⁸ The Defence Intelligence Agency (DIA)¹⁹ provides the Intelligence Community with a powerful ability to analyse and produce Scientific and Technical Intelligence (S&TI)²⁰ reports. S&TI includes research and development, production, and the commercialisation of military and dual-purpose technologies.²¹

Taking into account the North American nation's enormous economic interests, the defence business sector is particularly linked to state institutions and officials. Maurizio Simoncelli, historian and member of the Managing Board of *Istituto di Ricerche*

¹⁵ MANNING, MARTIN J. *Economic Intelligence. Encyclopaedia of Espionage, Intelligence, and Security*. 2004. Encyclopedia.com. 22 Dec. 2015 <http://www.encyclopedia.com/doc/1G2-3403300252.html>

¹⁶ (BALLARD RUSELL, 1994) p. 6

¹⁷ http://bdc.aege.fr/public/Intelligence_Economique_et_strategique_Le_cas_des_Etats_Unis.pdf

¹⁸ (BALLARD RUSELL, 1994) p.12

¹⁹ DIA: *Defense Intelligence Agency*

²⁰ S&TI: *Scientific and Technical Intelligence*

²¹ (BALLARD RUSELL, 1994) p. 45

Internazionali Archivio Disarmo states that “it is a general rule that arms companies, in the broadest sense of the term, provide permanent offices for the Pentagon in their locals. There are private companies where hundreds of employees work, even though they do not relate to the company but to the Ministry of Defence. This interdependence is also visible in the intense exchange of roles and jobs of senior military officers who, once retired, receive positions at the administrative boards of companies in the weapons industry, and managing directors who end up among the ranks of the parliamentarians of the sector. This lobby has a significant effect not only on the country’s economic decisions, but also on the budgetary priorities and even the foreign policy of the United States.”²²

France

France is the burning issue due to its relevance and success in the standardised use of Economic Intelligence. Its development of Economic Intelligence (EI) was based on three key stages:²³

1986-1994: The birth of the concept Economic Intelligence: The Martre Report

The works written by Christian Harbulot “Il nous faut des espions (1990)” and “Techniques offensives et guerre économique (1992),” made it clear that a comparative analysis of the cultures of intelligence was needed. In 1993, General Pichot-Duclos, Former Director of the School of Joint Intelligence (EIREL), examined the concept in the review of national defense done through his article “L’intelligence économique: pour un modèle français.”

This methodological analysis was repeated a few years later in the report on the evaluation of national practices in EI (“Le rapport Martre,” entitled “Intelligence économique et stratégie des entreprises,” 1994).

²² (BONNECARRERE, DUBOIS, & ROLLE, 2011) p. 16

²³ <http://www.intelligence-economique.gouv.fr/sites/default/files/fupload/routard-guide-intelligence-economique.pdf> p. 18



Figure 2: Martre Report (1994-1995)

[Contenido de Figure :

- France: Co. Economic Intel.
- (cuadro superior) “The new information avenues” (Stratco/Intelco)
- (el cuadro Amarillo está traducido abajo)]

1995-1997: Stratco/Intelco Report. Creation of economic warfare schools.

Following the publication of the Martre Report, commissioned by the *Délégation Générale à l'Armement*, the team actively participated in a second report entitled “Les nouvelles avenues de l'information” (Stratco/Intelco). It was directed by General Mermet, from the Directorate of Strategic Affairs (DAS²⁴) of the Ministry of Defence, and it became the starting point for the reflection on offensive aspects of the use of Information and Knowledge Systems. This report completes the Martre Report on the following issues (Figure 2):

²⁴ DAS : *Direction des Affaires Stratégiques du Ministère de la Défense*

- Union of military and civil methodologies.
- Open source and military intelligence management.
- Definition of influence strategies.
- Information warfare problems.

In 1997, General Pichot-Duclos, Former Director of the Joint Intelligence School (EIREL),²⁵ created along with Christian Harbulot, the *Ecole de Guerre Economies (EGE)*.

2003: Carayon Report

In July 2003, the Carayon Report (*Intelligence économique, compétitivité et cohésion sociale*) provided 38 proposals, including the creation of a coordinating framework of both public and private actors. On the basis of this report, France has been the leading country in Economic Intelligence at both the European and international field.

As a consequence of its proposals, the Inter-Ministerial Delegation for Economic Intelligence (D2IE)²⁶ was created in 2009. It is an organisation that develops and coordinates the EI's public policy. It originally belonged to the Ministry of Defence's Delegation of Armament, but since 2013, it has belonged to the Office of the Prime Minister.

Among other activities, the D2IE carries out the following tasks:

- Foster public-private partnership, both in training and projects.
- Raise the awareness of 80,000 SME entrepreneurs each year, on methodological, equipment and economic security issues; through the *Euclès* program.
- Publish EI guides (*Guide de l'Intelligence Économique pour la Recherche - 2012. Le Guide du Routard de l'Intelligence Économique -2014*).

²⁵ EIREL : Ecole Interarmées du Renseignement et des Etudes Linguistiques, Estrasburgo.

²⁶ D2IE: Délégation Interministérielle à l'Intelligence Économique

- Support private initiatives in this field, such as the Economic Intelligence gala at the *École Militaire* (which together with the Professional Association of Economic Warfare, co-organizes the EGE) and the EI portal, where the great actors of EI (political decision makers, cabinet directors and service managers, etc.) gather, along with the large industrial groups' leaders.

Training

Within the framework of the EI's public policy, fostered by the Inter-Ministerial Delegation for Economic Intelligence (D2IE), the inter-ministerial reference agents of public training in EI are both: the Institute of Advanced Studies of National Defence (IHEDN)²⁷ —the French equivalent to the IISS or CESEDEN—, and the National Institute for Advanced Studies on Security and Justice (INHESJ).²⁸

This public offer intends to meet the public and private actors' needs in the areas of technological surveillance, competitiveness, economic security and the development of France's international influence.

As part of a comprehensive approach, it incorporates not only an operational anticipation logic, but also an international risk foresight and management one. It is widely available and offers: short-term formats of practical and operational training, intensification (IHEDN), and professional competence along with qualified specialisation (INHESJ).²⁹

There is a Committee for Economic Defense within the Young Auditors' National Association (ANAJ), which is in turn part of the Institute of Advanced Studies of National Defence (IHEDN). This latter one is considered one of the main EI actors in France. Its objective is to raise awareness about economic defence problems amongst the ANAJ members and the general civil population

²⁷ IHEDN: *Institut des Hautes Études de Défense Nationale*

²⁸ INHESJ: *Institut National des Hautes Études de la Sécurité et de la Justice*

²⁹ Offre publique de formation en Intelligence économique - IHEDN & INHESJ

Russia

Having been interested in the topic of Economic Intelligence for a long time, in the 1990s, the KGB's Intelligence Officer's Handbook defined "military economic intelligence" as:

"Intelligence activity designed to acquire information on the economic situation and the military economic potential of target countries and to carry out special operations designed to undermine the military economic power of hostile states."³⁰

After creating Russia's economic giants, Vladimir Putin decided to accompany and support them in the economic warfare. For that purpose, he ordered the Russian security services (especially those specialized in political, diplomatic and military intelligence) to reshape their priorities to the economic field.³¹

The economic information obtained by the security services thus supported the strategy and the election of Russian companies' managers. The effort focused particularly on high technologies and computers, which are two areas where Russia falls behind.³²

The executives of large Russian firms periodically meet with the managers of the Internal Security (FSB) and the External Security (SVR) services. The aim is to establish a real public-private partnership, as it happens in other countries such as in the United States, where this goal has already been in place within the Ministry of Trade since the early 1990s. It is in this context that we must understand the designation of Mikhail Fradkov (economist by training), in August 06, 2007, as head of the Foreign Intelligence Service (SVR).³³

The ties between the Russian security services and the Russian businesses' staff should not pose problems, since their connection is already strong. The managers of the main Russian oil companies (*Zaroubejneft*, *Gazprom*, etc.), arms and defense

³⁰ (LAIDI, 2009)

³¹ (LAIDI, 2009)

³² (LAIDI, 2009)

³³ Primer subdirector de la Comisión de Estado para relaciones económicas internacionales y jefe de la delegación rusa en el *General Agreement on Tariffs and Trade* (GATT). Ministro de Comercio de Vladimir Putin (1999-2001). Presidente de Rusia (2004-2007). Condecorado en 1994 como colaborador emérito «de los servicios secretos»

equipment businesses (*Almaz Antei*, *Rosoboronexport*, etc.), or transport firms (*Aeroflot*), amongst others; are all former members of the KGB.

The FSB is the Russian security service responsible for protecting the economic heritage. The Deputy Directorate for Economic Security was headed by General Alexandre Bortnikov, who was named head of the FSB on May 12, 2008, by President Dmitri Medvedev. This nomination reinforced the economic reorientation of the security services.³⁴

In addition to their personnel, security consultants that work for the large companies or for the Russian intelligence communities, are at the disposal of Russian security forces. In fact, Article 15 of the Federal Law on security bodies, allows the military personnel at the FSB to work in public and private businesses (such as banks, insurance companies, press, security or intelligence), while they work for the FSB.³⁵ These informants are integrated in all the economic sectors, and are therefore great sources of information for the State's security services.³⁶

In summary, it can be stated that if Russia has an economic intelligence doctrine and presence, these are mainly composed of the military and security services. Civil development of Russian EI still lacks the importance and autonomy to reach Western standards. Nevertheless, there is no doubt that Russian EI, in its "capitalist interventionist" version, has allowed the country to overcome the difficult economic situation that it experienced since 1989. However, it has not been enough to end its global crisis. Putin knew it, and therefore declared in his opening speech at the Davos Forum (January 28, 2009), that the state is not the best actor to carry out the recovery of the economy.³⁷

Other Countries

Even Argentina (which is not particularly an economic power), through the Intelligence Institute of the Armed Forces (IIFA), has the mission of preparing the Armed Forces'

³⁴ (LAIDI, 2009)

³⁵ Ley de los órganos de seguridad de la Federación Rusa, nº 40-FZ votada por la *Douma* el 22 de febrero de 1995

³⁶ <https://www.erudit.org/revue/ei/2009/v40/n4/038935ar.html>

³⁷ *The Wall Street Journal* de 28 de enero de 2009

military and civilian personnel, as specialists in military intelligence. To this effect, it focuses its educational actions in the civic field through a postgraduate degree on “Specialization in Strategic Intelligence Analysis.” Its syllabus encompasses 18 hours of Competitive Intelligence.³⁸

Another case is Canada, where as a result of its growing commercial interests in the Arctic, its armed forces have reassessed their role in the different Intelligence fields. One of the conclusions is that its Economic Intelligence needs have increased, especially the ones related to international investments and the planned activities at the neighbouring circumpolar regions. Finally, given the fragile environment of the Arctic, it may be wise to monitor such economic activities, to identify possible misappropriations of Canadian sovereignty, along with its interests, maritime routes and threats to environmental security, and more precisely; the exploitation of marine gas and oil fields (and the future underwater mining), and the assurance of maritime traffic.³⁹

What about Spain?

Spain’s case is quite different, since the use of Economic Intelligence techniques is still beginning. In addition, unlike its French neighbours, the Spanish State allows companies to go abroad with little information about their foreign environment, competition, regulations, or technological improvements. Naturally, there are many enterprises in the private sector that already have different internal EI mechanisms, especially those that compose the IBEX 35, and the ones related to technological areas.⁴⁰

In the middle of the last decade and beginning of the present one, various initiatives started to spread in Spain, for the implementation of EI organisations, procedures and methodologies. Most of them originated from private entities, often backed by the National Intelligence Centre’s (CNI) support, and driven by the considerable increase

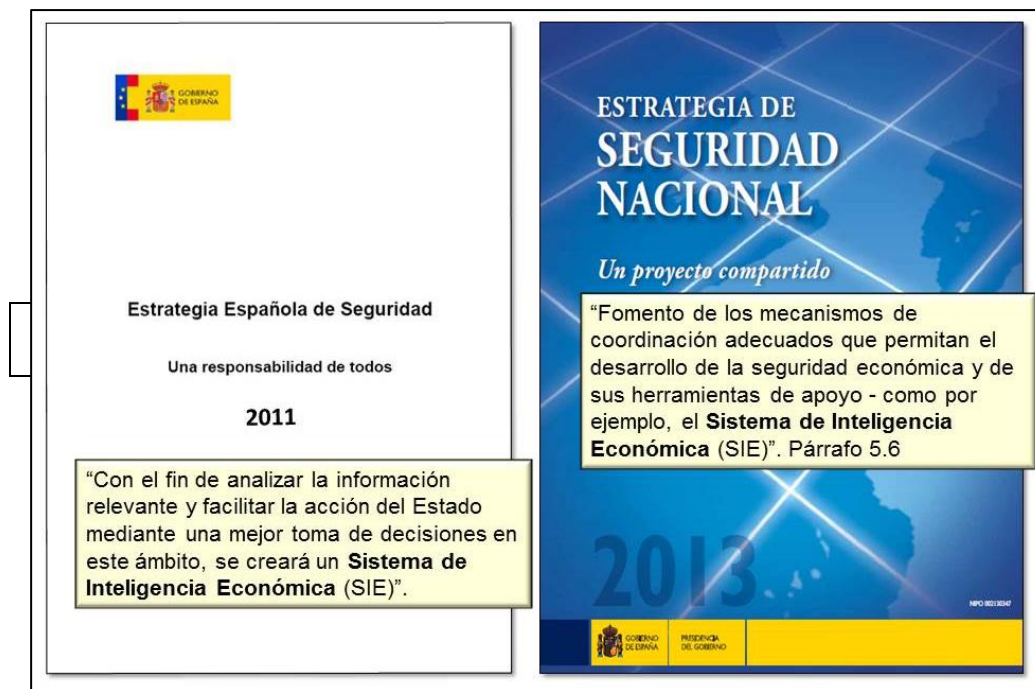
³⁸ <http://www.fuerzas-armadas.mil.ar/iifa/postgrado.html>

³⁹ (RUDNER, 2002) p. 553

⁴⁰ (GOROSPE & ZUNZARREN, 2014)

in technological capabilities (especially in the domain of information processing and analysis).⁴¹

The first official EI boost was the Council of Ministers' approval on June 24, 2011, of the "Spanish Security Strategy," created by a team led and coordinated by Javier Solana.⁴² In May 2013, the Government adopted the new "National Security Strategy,"



which contemplates security as a broader concept, with variables ranging from the State's territorial defence, to economic and financial stability, or the protection of basic infrastructure.

Figure 3: Economic Intelligence in the Spanish "Security Strategies"

[Contenido de Figure 3:
Spanish Security Strategy
Everyone's responsibility
2011

"In order to analyze relevant information and facilitate State action through a better decision making in this area, an Economic Intelligence System (SIE) will be created."

National Security Strategy
A common project

Promotion of adequate coordination mechanisms that allow the development of economic security and its support tools, for example, the Economic Intelligence System (SIE). Paragraph 5.6.]

⁴¹ (DAVARA, 2013) p.5

⁴² Ex Alto Representante de la Unión Europea para la Política Exterior y de Seguridad Común (PESC) y ex secretario general de la OTAN.

Since then, there has been a strong internal debate, to see which ministry (Defense, Economy, Foreign Affairs, etc.) was going to take on the responsibility of the EI. It was finally taken on by the Ministry of the Presidency.

Involvement of the Spanish Armed Forces in EI

Training

In recent years, Spain has experienced a great progress in its intelligence studies. One of the most important milestones has been the creation of an intelligence services chair at the Rey Juan Carlos University, in 2005. It is sponsored by the Spanish intelligence services, and contributes to the development of the Spanish intelligence studies, with various seminars, publications, and the creation of a website that combines everything related to these topics.

On the other hand, it is normal to find many members of the Armed Forces among the variety of professors teaching masters and postgraduate degrees in Economic Intelligence, which started to expand at the beginning of this decade.⁴³

Due to its early creation, the Intelligence Department of the Army War School should be pointed out. It has organized specific EI seminars (such as “*Competition Intelligence*,” during the 23rd and 24th of May, 2012; or “*Economic Intelligence*,” during the 1st and 3rd of April, 2014). The Intelligence Centre of the Armed Forces (CIFAS), seems to want to take over.⁴⁴ Almost 10 years after its creation, it has started to participate in conferences and seminars about EI. These include: “*Economic Intelligence: Implementation and Development in the business environment*,” in collaboration with the Chamber of Commerce and industry of Zaragoza (during the 6th, 7th, 20th, and 21st of November 2014); and “*Economic Intelligence: the foundations for international business success*,” on November 26, 2014. This latter one is organised

⁴³ Such as the Strategic and International Studies Fundation (FESEI) and the Universitat Abat Oliba-CEU (since 2008), the ESIC Business & Marketing School (since 2010), the Atenea Group and the Universidad Francisco de Vitoria (since 2010), MAS Consulting, and the Universidad Pontificia de Comillas-ICADE (since 2012), the Universidad Autónoma de Madrid-UAM (since 2014), etc.

⁴⁴ The CIFAS has a specific unit of Economic Intelligence, where specialized economists and experts in international law work. Conference of the Director of CIFAS at the Universidad de Comillas. Article written by Guillermo Olmo. Diario ABC del 14/09/2014.

by the Entrepreneurs Association of Alcobendas (AICA), the Institutional Relations Professionals Association (APRI) and the Business Confederation of Madrid (CEIM).

Specific Publications



Figure 4: Articles on Economic Intelligence related to Security and National defence.

Professionals of the Armed Forces have also written articles on this subject. This is the case of the Head of the Department of Intelligence and Security of the Army War School of the Spanish Army,⁴⁵ who published an article entitled “*Economic and Competitive Intelligence: military experience at the service of business competitiveness, (May, 2012),*” in the first issue of the collection “Papeles de Liderazgo.”⁴⁶ We can find another article in the same collection written by the General

⁴⁵ Coronel Antonio Viamonte Artajona,

⁴⁶ <http://www.masconsulting.es/inteligenciaeconomica/docs/20120514-Papeles-de-Liderazgo.pdf>

Fernando Davara Rodríguez (one of the pioneers of Economic Intelligence in Spain) entitled “*Economic Intelligence and National Security*,” (December 2013).⁴⁷ (Figure 4)

In recent years, CESEDEN, through the Spanish Institute of Strategic Studies (IEEE), has made a considerable editorial effort by publishing:

- *Economic Intelligence in a globalized world*, Strategic Dossier 162 (June 2013).
- *Economics and Geopolitics in a globalized world*, Strategic Dossier 174 (October 2015).
- *The Economic Intelligence System (EIS)*. (Forthcoming Dossier scheduled for October 2016).



Figure 5: Economic Intelligence Publications related to National Security and Defense

We should finally emphasise some papers on Economic Intelligence written by official members of the Armed Forces, such as the aforementioned General Fernando Davara

⁴⁷<http://es.scribd.com/doc/192685985/Papeles-de-Liderazgo-nº-6-Inteligencia-economica-y-seguridad-nacional.pdf>

⁴⁸http://www.ieeee.es/Galerias/fichero/cuadernos/CE_162_La_inteligencia_economica_en_un_mundo_globalizado.pdf

⁴⁹http://www.ieeee.es/Galerias/fichero/docs_marco/2015/DIEEEM11-2015_EstudiosSeguridadEspana_JMBlanco-GustavoDiaz.pdf

Rodríguez's *Economic and Competitive Intelligence "Shared Evidences and Confidences"* (ISBN: 978-84-931269-6-4), or the Marine Infantry Commander Vicente Gonzalvo Navarro's *Economic Intelligence and National Security* (ISBN: 9788492656332, Editorial: Difusión Jurídica).⁵⁰

Useful abilities of the Spanish Armed Forces for EI

Since the late 1990s, overseas Missions/Operations have revolutionised the Spanish Armed Forces, both in their structure and procedures, and in the mentality and training of their personnel. It has led, among other aspects, to a great effort in language learning, (Figure 6).

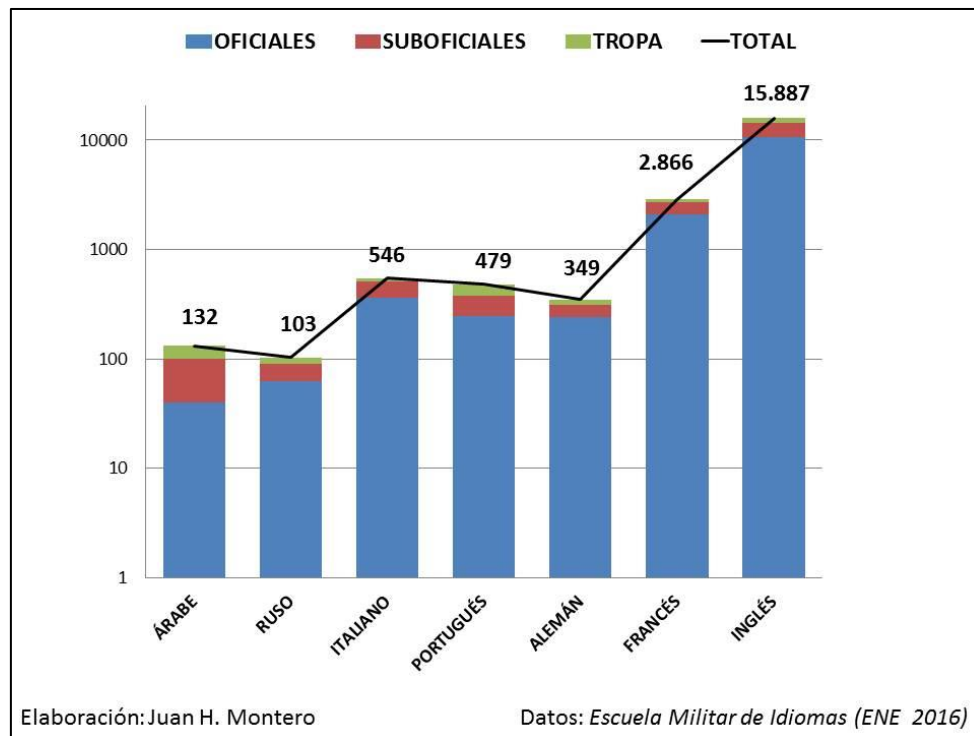


Figure 6: Language Levels in the Spanish Armed Forces.

[Contenido de Figure 6:

- Officials, Non-commissioned Officers (NCOs), Troop, Total
- Arab, Russian, Italian, Portuguese, German, French, English
- Made by: Juan H. Montero
- Data: Military Language School]

⁵⁰ Outline available at:

http://www.ieeee.es/Galerias/fichero/OtrasPublicaciones/Nacional/2015/Resena_SeguridadNacional.VGonzalvo.pdf

Since then, more than 120,000 Spanish military personnel have carried out their duties, both in overseas missions, and as part of Military Headquarters, Defence Attaché Offices, Liaison Officers, etc. (Figure 7)

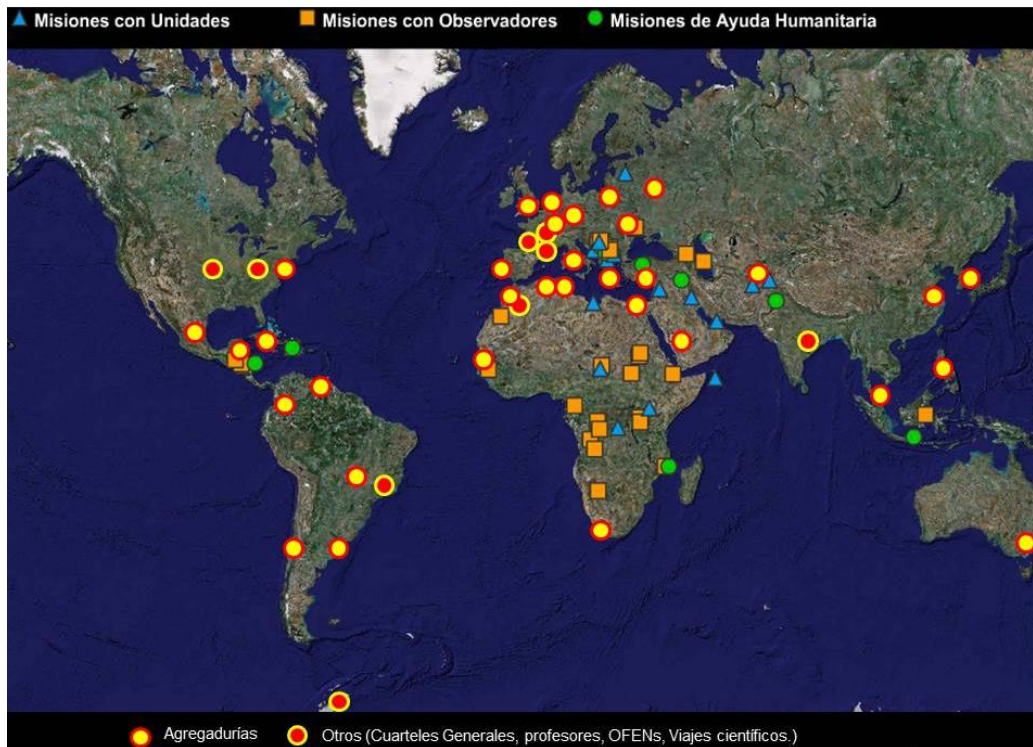


Figure 7: International presence of members of the Spanish Armed Forces

[Contenido de Figure 7:

- Missions with formed units, Missions with observers, Missions with Humanitarian Aid.
- Office of Attachés, Other (General Headquarters, Professors, **OFENs (no se encuentra traducción)**, Scientific Travels]

Influence

The personnel of the Armed Forces play a role in the unarmed confrontations between states. As a matter of fact, they will be at the forefront of the settings of operations, where non-defence companies subsequently intervene (stabilisation and normalisation processes). Thanks to their knowledge of the surroundings, and their probable close contacts with the local authorities, the military could become a crucial facilitator, to cooperate in certain economic markets' penetration. Several states would

consequently be in competition to access these markets, including countries who did not even partake in the multinational force deployed in the area.⁵¹

Thus, after an adequate training, some commanding military officers could act as mediators with the local authorities. They could then pave the way for other civil servants from different ministries, who would be in charge of initiating and concluding the economic contract signatures. The development of this course of action inevitably goes through the mental preparation to take on the role of influence as a national power tool.⁵²

Conclusions

Having started later in the field of EI, means that it will be a little harder for Spain to catch up. Nevertheless, in a global market where everyone competes with the Economic Intelligence weapon, there is no other choice than to take it on to survive. Let us hope that specific terms (such as economic security, protection of tangible or intangible assets, influence generation, foreign investment monitoring, etc.) will become more familiar to us. More importantly, let us hope that we learn to take advantage of these, as others already do.⁵³



Figure 8: Article of the economic newspaper *Cinco Días* of December 4, 2014.

[*Título del artículo en Figure 8:*
Economic Intelligence: it took a Little, but it arrived]

⁵¹ (CHARVIEUX, 2014)

⁵² (CHARVIEUX, 2014)

⁵³ (GOROSPE & ZUNZARREN, 2014)

We must therefore take advantage of the potential and know-how of the Armed Forces' personnel, who have achieved extensive international experience both in peacekeeping mission/operations and in multinational military headquarters (such as NATO, EU, EUROCORPS, EUROMARFOR, etc.).

But what can the Spanish Armed Forces offer?

Apart from providing information about the operation areas where they are deployed, the FAS (Spanish Armed Forces) can provide:

- Training in the various stages of Intelligence Analysis.
- Experts to teach EI related topics (such as analysis, cybersecurity, information protection, etc.).
- Company advice on information protection.
- Inclusion of experts in geographical and/or specific areas. The target audience would mainly be the SMEs, through the Chambers of Commerce.
- Through SAPROMIL,⁵⁴ the provision of databases of personnel qualified in languages and certain knowledge about geographical areas.
- Civic-military training in the form of Advanced Defense Studies, which would include specific modules or courses about Economic Intelligence, starting with the National Defense Course.

Finally, in order to confront the challenges posed by the current international situation, going beyond Economic Intelligence, the Spanish Intelligence Community needs to both unify concepts, definitions and lexicon; as well as strongly coordinate itself in the field of Intelligence. Mutual knowledge among the middle managers involved is required; they should sit together and get to know each other. A good starting point would be the implementation of specific courses similar to the Advanced Defence Studies taught at CESEDEN. Nevertheless, the medium-term goal should be the creation of a National Intelligence School (ENI in Spanish), interdepartmental and multidisciplinary, which would obviously have an Economic Intelligence Department.

⁵⁴ SAPROMIL a program of Spain's Defence Ministry, processes career opportunities for military personnel that voluntarily apply, belonging to any army, forces, scale, specialty and work.

Let us hope that both the *Economic Intelligence System* (EIS) and the *Defence Intelligence System* (part of the *Defence Intelligence Directive*),⁵⁵ take into account and regulate the contribution of the Armed Forces to the so-called Civil Society, through Economic Intelligence.

“The Armed Forces should take very seriously this new dimension of the conflicts of globalisation, which are not armed but are decisive.”

Eduardo Olier

*Economic Intelligence Expert. Director of the Chair of Geo-economics at the Universidad CEU San Pablo.*⁵⁶

Juan Alberto Mora Tebas
COR.ET.DEM.
IEEE Analyst

⁵⁵ Annual National Security Report, 2014 p.52, last paragraph.

http://www.lamoncloa.gob.es/espana/eh15/defensa/Documents/150424_Informe%20Anual%20de%20Seguridad%20Nacional_14.pdf

⁵⁶ *La Inteligencia Económica en un Mundo Globalizado*. CESEDEN-Cuaderno de Estrategia nº 162 p.32

BIBLIOGRAFÍA

- GOROSPE, B., & ZUNZARREN, H. (2 de diciembre de 2014). Inteligencia económica: tarde, pero llegando. *Cinco Días*.
- BALLARD RUSELL, E. (1994). *The Capabilities of the U.S. Government to Collect and Analyze Economic Intelligence*. Fort Leavenworth-Kansas: U.S. Army Command and General Staff College.
- BLANCO, J., & DIAZ MATEY, G. (1 de mayo de 2015). *Documento Marco 11/2015 :Presente y Futuro de los Estudios de Inteligencia en España*. Recuperado el 26 de enero de 2016, de Instituto Español de Estudios estratégicos: http://www.ieeee.es/Galerias/fichero/docs_marco/2015/DIEEEM11-2015_EstudiosSeguridadEspana_JMBlanco-GustavoDiaz.pdf
- BONNECARRERE, T., DUBOIS, N., & ROLLE, F. (marzo de 2011). *Intelligence Economique et Strategique: Le cas des Etats Unis*. Obtenido de Base de Connaissance (BdC) de la AEGE: http://bdc.aege.fr/public/Intelligence_Economique_et_strategique_Le_cas_des_Etats_Unis.pdf
- CHARVIEUX, G. (27 de junio de 2014). L'influence : un outil de puissance à développer au sein des forces armées . *Portail de l'IE* . Paris, Francia: AEGE (Amicale des Anciens de l'Ecole de Guerre Economique).
- DAVARA, F. (2013). Inteligencia económica y seguridad nacional. *MAS Consulting*. *Papeles de Liderazgo* nº 6, 1-9.
- DENECE, E. (1 de mayo de 2006). *L'INTELLIGENCE ÉCONOMIQUE : UNE NOUVELLE DÉMARCHE-CLÉ DE LA COMPÉTITION COMMERCIALE*. Recuperado el 25 de enero de 2016, de CENTRE FRANÇAIS DE RECHERCHE SUR LE RENSEIGNEMENT (CF2R): <http://www.cf2r.org/fr/cf2r/presentation.php>
- FERRER RODRIGUEZ, J. (5 de diciembre de 2011). *Seguridad Eonómica e Inteligencia Estratégica en España*. Recuperado el 26 de enero de Í016, de IEEE- Documento de Opinión 85/2011:

http://www.ieeee.es/Galerias/fichero/docs_opinion/2011/DIEEEO85-2011SeguridadEconomicalntEstEspana_JFerrer.pdf

- HARBULOT, C. (2013). Estudio de la guerra económica y de las problemáticas... En *La Inteligencia Económica en un Mundo Globalizado (Cuaderno de Estrategia núm. 162)* (págs. 69-102). Madrid: Instituto Español de Estudios Estratégicos, Ministerio de Defensa, Secretaría General Técnica.
- LAIDI, A. (2009). L'intelligence économique russe sous Poutine. *Études internationales Volume 40, numéro 4, Décembre 2009*, 631-646.
- LEONARD, M. (2016). *Connectivity Wars: Why migration, finance and trade are the geo-economic battlegrounds of the future*. Londres - R.U.: European Council on Foreign Relations ecfr.com.
- MITROKHIN, V. (2002). *KGB Lexicon: The Soviet Intelligence Officers Handbook*. London: Frank Cass & CO LTD.
- MORAN, C. (2016). Note on Teaching Intelligence. En *Intelligence and National Security Volume 31, Issue 1* (págs. 118-130). Routledge.Taylor & Francis Group.
- RUDNER, M. (2002). The Future of Canada's Defence Intelligence. *International Journal of Intelligence and CounterIntelligence*, 15:, 540-546.