Defence Diversification Agency (DDA) – proposed aims and roles

Aims

- To encourage diversification of the local economy in areas strongly dependent on Defence employers, enabling those areas to become more resilient to changes in the national/ international security situation (which could reduce Defence industrial activity)
- To seek to redeploy skilled professionals from the Defence sector to alternative industrial sectors which provide clear social and/or environmental benefits

Roles

1. To provide or facilitate relocation funding for civilian industries to move into areas with high levels of Defence industry employment, especially those in growth areas such as cleaner energy
2. To provide or facilitate funding for workers in the Defence industry who are considering leaving the industry to start up new businesses in the local area with a civilian focus
3. To provide or facilitate funding for workers in the Defence industry looking to retrain and/or relocate away from the Defence industry
4. To compel Defence industry employers to engage in meaningful collective bargaining over bottom-up proposals for defence diversification
5. To assist in the organisation of regional coalitions of stakeholders including local industry (such as Defence corporations), local government, trade unions, academia and civil society to support workers and affected communities in making decisions for diversification
6. To work across government departments as part of a coherent industrial strategy that addresses areas of multiple economic restructuring as a response to revisions in defence/security policy, climate change, automation and other key areas of technological change

Further background

- Employment in local areas which are heavily dependent on the Defence industry are especially vulnerable to downturns in national military spending or the ending of major defence contracts (whether for the UK military or for export). There are generally sound security and/or human rights arguments behind reductions to military work (especially in the export of arms and the production of weapons of mass destruction), but the local workforce should not suffer when such decisions are taken. Greater economic diversification in a local area – especially in industries which use similar engineering skills – would help to repurpose workers’ jobs which are threatened by any downturn in military contracts. Key growth industries which could especially fulfil this role include wind energy (both offshore and onshore), marine energy (including tidal and wave), and energy efficient/ renewable energy powered shipping.
- The role of the DDA would not simply be to assist Defence manufacturers to find civilian markets for their products. Experience has shown that is often expensive and unproductive, and the Defence industry often abandons such work when there is a prospect of future upturns in military contracts.

Arms Conversion/ Defence Diversification Group, May 2018