



## Article

# Politics, Power, and Influence: Defense Industries in the Post-Cold War

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**Abstract:** The post-Cold War era is placing the defense industry at a crossroads. If, on the one hand, it is under great pressure to guarantee warlike efforts around the world, with tight budgets and uncertain lead-times, on the other hand, it is seen as a central instrument for national sovereignty and foreign policy. The purpose of this research is to report the state-of-the-art of the existing literature and explore the most relevant research areas in order to provide the conceptual basis for further empirical research. To do so, this study uses a preferred reporting items for systematic review and meta-analysis (PRISMA), which is an adequate technique as it allows one to discover concepts, ideas, and debates about the defense industry. The results evidenced three different approaches to the defense industry—integration, autarky, and domination. In that regard, we present several case studies in which the defense industry is used as an instrument of foreign policy or national sovereignty. Future studies may focus on empirical research to validate the theoretical findings or to identify variables that lead some defense industries to seek synergies, resorting to mergers and acquisitions, while other defense companies prefer to obtain State funds.

**Keywords:** politics; defense industry; post-cold war; crisis; war



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## 1. Introduction

In the post-Cold War period, the defense industry had a major influence on the hierarchy of State powers (Neuman 2010); however, the defense sector received little or no attention from scholars and professionals, which justifies this research.

Since the end of the Cold War, the defense industry changed, as the nature of war shifted from large arsenals to highly innovative and highly accurate weapon systems (PwC 2005). Thus, the defense industry had to adapt to survive in order to reduce costs and expand its influence, while, equally importantly, the State reduced its participation in sustaining defense research (Chin 2019). As a result, defense companies began to form multinational corporations and establish transnational networks, expanding beyond State borders and, in some situations, replacing intergovernmental cooperation (Kurç and Neuman 2017). Further analysis showed that this transformation has the potential to influence the international politics, crisis situations, and armed conflicts (Neuman 2006). In other words, the security community seemed to be more interested in collaborating to respond to regional outbreaks of minor conflicts rather than preparing for conventional wars.

Further on, 9/11 brought a new change, as regional conflicts globalized due to the necessary fight against international terrorism (Kellner 2007). Thus, the defense spending had to be adjusted, becoming more flexible in response to unexpected situations, which influenced the entire supply chain of the defense industry. Nowadays, the defense industry is (again) at a crossroads, as it is under great pressure to guarantee the current war efforts

to be carried out within uncertain deadlines and tight budgets, which raises questions about who finances global wars and how to do so.

Although there are few studies about this problem, a notable research by [Neuman \(2010\)](#) discussed the global defense industrial sector in the post-Cold War. In that regard, the author argues that the United States of America (USA) dominated the global defense industrial systems by imposing major restrictions on the political choices of most States, including the other arms-producing countries that remain hostage, as sales and advanced technologies remain dependent on the USA, which increases the latter's political influence. According to [Neuman \(2010\)](#), the defense sector provides USA policymakers with a powerful foreign policy tool to penalize uncooperative behavior, reward cooperation, promote stability, and pursue vital USA foreign policy interest.

Despite the previous contribution, as far as we know, no article thus far has focused on how the nature of war has influenced the defense industry, which is the gap identified in the literature. Moreover, there are questions on how the defense industry is stratifying the political power in the international system. In that regard, [Meijer \(2010\)](#) research shed some light in the attempt to distribute power among other relevant players. While the author argues the transformations of the European Union's defense industry and political initiatives in the post-Cold War era gradually erode the American preeminence, he reinforces the idea that a shift in the market power is moving towards Europe. Apparently, the defense industry and the military technological developments reduce the opportunities for war, for example, the nuclear deterrence; on the other hand, the arms race also generates new opportunities and facilitates new forms of conflict ([Chin 2019](#)), affecting the character of war and the polarization of politics between States with greater and lesser military power. That said, we developed two research questions (RQ), as follows:

RQ1: How is the nature of war influencing the defense industry in the post-Cold War?

RQ2: How can the industrial defense sector contribute to the stratification of political power in the international system as a stabilizer or catalyst for wars and conflicts?

The next section of this article describes the conceptual background, where the main concepts are presented; a description follows of the methodological process, where each phase of the systematic review is explained; the results are divided in (1) a bibliometric analysis, where a series of graphics retrieved from Scopus allow a visual analysis, and (2) a content analysis, where an overview of the state-of-the-art is provided; finally, the conclusion discusses theoretical and practical implications, limitations of the research, and recommendations for future studies.

## 2. Conceptual Background

Although it is a challenge to define such relevant concepts as politics, power, crisis, conflict, or war, our intention is not to present formal definitions but rather to stimulate the discussion in order to familiarize the reader with the conceptual foundations, which will be useful to understand the results of this study.

### 2.1. Politics, Power, and Influence

[Buchanan and Badham \(2020\)](#) recently argued that power is a "contested concept", thus there is no consensus around its nature and definition. That is true; however, [Russell \(1938, p. 10\)](#) once argued that "the fundamental concept in social science is power, in the same sense in which energy is the fundamental concept in physics", which is quite an interesting thought. A more recent discussion stimulated by [Galinsky et al. \(2003, p. 454\)](#) reinforces that academics when referring to power traditionally emphasizes its determinants, which include "basic human motives; individual-difference variables such as authoritarianism and motivational style; interpersonal variables such as control, dependence and social change; and socio-structural variables such as relative expertise and legitimate authority". In addition, [Galinsky et al. \(2003\)](#) argue that power is the ability to control resources, one's own and others, without social interference and that, when experienced, it has metamorphic effects. In that regard, [Keltner et al. \(2003\)](#) made a

distinction focusing on the actor's intentions and actions, such as domination and social power activities but also highlighting the target's response to the actor, such as power as influence. Therefore, in general terms, power can be identified as the ability to control the intention and the actions of others, while influence can be seen as a reaction of the targets of that power, whose search for zero sum games is frequent in order to avoid domination. Not very different is politics, which is closely related to power. Politics consists of controlling human behavior through voluntary obedience habits in combination with threats or probable coercion (Deutsch 1967). However, in the conceptual horizon, we were able to identify several terms that are not synonymous, such as: policy, politicking, polity, politicization. In that concern, Palonen (2003, p. 171) defines "policy as the regulating aspect of politics, politicking alludes to a performative aspect, polity implies a metaphorical space with specific possibilities and limits, while politicization marks an opening of something as political, as playable". In early 2000, the concept of "depoliticization" also became popular, as Wood (2016, p. 2) argues, "neoliberal policies for privatization, deregulation and labor market discipline gained strength worldwide, leading to discussions about an alleged 'end of politics' and the rise of 'post-democracy'".

## 2.2. Crisis, Conflict, and War

In the mid-90s, Brecher (1996) carried out a research on crisis, conflict, and war; in light of the above, the author commented that the terms are conceptually and empirically interrelated, while all are characterized by mutual mistrust between adversaries, turmoil, tension, and hostility. Consequently, violence as an essential trait of war is not often present in crisis and conflict (Brecher 1996, p. 127). Crises are usually identified as events that seriously disturb the functioning of organizations, sectors, or nations (Laws and Prideaux 2006; Lebow 2020). Conflicts can be seen as situations where there are different perspectives, goals, objectives, or politics that may be irreconcilable between various parties (Azis 2009). A more complex concept is that of war (Dimitriu 2020), where the factual sense of hostilities involves the use of armed forces between States and where the rules of international law exists to regulate it (Greenwood 1987). Although the expressions "war against terrorism" (Greenwood 2002; Sanyal 2020) have led us to believe in a correspondence of terrorism with war, the concept of terrorism has been identified as a crime (Jenkins 1985), or, in Fletcher (2006) understanding, a super-crime, that incorporates some of the characteristics of war, such as violence. Moreover, the International Encyclopedia of the Social and Behavioral Sciences defines terrorism as the "systematic use or threat of violence to communicate a political message, rather than defeat an opponent's military forces" (Crenshaw 2001, p. 15604). Therefore, war and terrorism have different connotations although they are often associated.

## 2.3. Defense Industry in Post-Cold War

Political tensions in the Cold War had two main effects: first, they helped to settle certain conflicts; second, they limited the scope of the UN (United Nations) peacekeeping operations (Brune et al. 2015). Nevertheless, the same authors also argue that the post-Cold War came to unblock this political impasse and resulted in a proliferation of conflicts and an expansion of the role of international organizations such as NATO (North Atlantic Treaty Organization) and the UN. Therefore, the end of the Cold War further stimulated research into the war's declining trend (Sarkees et al. 2003). This was much because of the widespread belief that war in the developed world is intolerably expensive, reckless, futile, and debased (McFaul 2020; Mueller 1990), but also because the bipolarity of the international system decreases frequency and severity of war (Wayman 1984). In other words, developed democracies are less likely to fight each other—known as the "democratic peace" theory (Dülffer 2020; Kutz 2020). However, this perspective is fully not consensual (Altman et al. 2020), as other researchers note an increase in conflicts, particularly after the end of the cold war. For instance, Mearsheimer (1990) argued early on that, if the cold war really ended, the war's numbers would soon return to normal values; moreover, Kaldor

(2013) identified new types of wars based on economic conflict and on the activities of paramilitary actors. Finally, [Huntington \(2000\)](#) argued that ethnic conflicts will replace ideological, political, and economic ones.

Regarding the defense industry in the post-Cold War, [Gregory \(1993\)](#) argued early on that, with the decline of communism and fast victory in the Gulf, there were requests for defense budget cuts, reducing of military personnel, and cuts in technology, which led to a burden on the economy and huge reductions in research and development, harming the defense and commercial industries. Therefore, these may have been the first post-Cold War implications for the defense industry, being in line with the more general view of [Wayman \(1984\)](#) and [Mueller \(1990\)](#).

A more contemporary discussion seems to revolve around the convergence of European Union (EU) with the USA reforms after the Cold War and in their “Revolution in Military Affairs” or, alternatively, the convergence around its own revolution, in an attempt to emerge from the EU as a potential US military rival ([Dyson 2016](#); [Raska 2020](#)). Despite the discussion around the Revolution of Military Affairs, little is known about how the nature of war is influencing the defense industry in the post-Cold War and how it contributes to the stratification of political power, which we have the opportunity to understand in the findings section of this article.

### 3. Methodology

This article builds on a systematic literature review (SLR) by following the preferred reporting items for systematic reviews and meta-analysis (PRISMA) protocol. The systematic review was selected since it aims to synthesize the existing body of completed and recorded work produced by researchers ([Fink 2005](#)) in a “replicable, scientific and transparent” way ([Tranfield et al. 2003](#)). This strategy is adequate as it allows one to discover concepts, ideas, and debates about the defense industry in the post-Cold War, providing the needed state-of-the-art and conceptual basis to answer the research questions. The alignment with the SLR was achieved through the PRISMA protocol (Table 1), which includes a checklist of 27 items and four-phase flowchart that allows replicability and transparency ([Moher et al. 2009](#)). With regard to the four-phase flowchart, we firstly identified relevant keywords (e.g., “Defense Industry AND “Politics”) to identify the theoretical body of knowledge, which allowed us to understand the phenomenon (identification phase); then, the most appropriate manuscripts were determined through the application of pre-established filters (screening phase). Finally, the next phases focused on the accessibility criteria (eligibility phase) and the inclusion criteria of additional and relevant manuscripts (inclusion phase).

**Table 1.** Four phases of preferred reporting items for systematic reviews and meta-analysis (PRISMA) protocol (source: own authorship).

Scopus	<i>n</i>
Identification	
“Defense Industry” AND “Politics” (All)	1883
Screening	
Title, abstract and keywords (Title-Abs-Key)	45
Language (English)	43
Time (around 1989)	41
Eligibility	
Full-text manuscripts	41
Included	
Included studies	41

The search was performed on 6 November 2020 and started with the inclusion of the keywords “Defense Industry” AND “Politics” in all fields, resulting in the identification of 1883 documents. For a more focused result string, we decided to narrow the search by screening the documents in “title, abstract, and keywords.” In addition, a second and a

third filter were applied to sort manuscripts written in English, avoiding misinterpretation (Rosete et al. 2020), and those published from 1989 onwards to contribute to the post-Cold War academic debate. After the screening phase, there were no further developments, as it was possible to access the full text, and no more relevant documents were included, resulting in a total of 41 manuscripts.

A true SLR generally uses several databases in an attempt to include a larger number of relevant manuscripts; however, we chose to use only one database because we appreciate transparency and ease of replicating the results, which is in agreement with other published articles (Reis et al. 2019; Reis et al. 2020). Within a wide range of databases, Scopus Elsevier was selected since it combines a comprehensive, curated abstract and citation database with enriched data and linked scholarly content to quickly find relevant and trusted research (Scopus 2020), but, foremost, it gives great emphasis on humanities and social sciences when compared with similar databases (e.g., EBSCO, ScienceDirect, or Web of Science) (Harzing and Alakangas 2016; Martín-Martín et al. 2020), while it indexes a larger number of journals (Falagas et al. 2008). Scopus presents less coverage when compared to a general purpose engine, such as Google Scholar, especially in humanities and social sciences; however, it covers peer-reviewed scientific documents, which are often associated with higher quality, but it provides advanced search and filtering functionalities (Martín-Martín et al. 2020).

The results are twofold, as they are presented from a quantitative and a qualitative way. Firstly, the quantitative analysis followed the bibliometric method that is definitely established as a scientific specialty (Ellegaard and Wallin 2015). The bibliometric literature of this study was extracted from Scopus, grouping a series of graphs that were suggested by the database in order to allow a quick and visual analysis by the readers. Secondly, the content analysis technique (Bryman and Burgess 2002) was used to identify, evaluate, and synthesize the existent body of knowledge. Thus, in a first phase, we read the 41 manuscripts to familiarize ourselves with the most relevant concepts (Jesson et al. 2011); in a second phase, we codified similar terms to group them by clusters, namely, in categories and subcategories (Given 2008); in a third phase, we classified those categories to identify patterns, reduce data, and make sense of the information (Petticrew and Roberts 2008). To assist in this complex process, we used a qualitative data analysis software—Nvivo 12 (Edlund and McDougall 2019).

Due to the theoretical nature of this research, the used information was publicly accessible and previously published, thus, it was not required to seek an institutional ethics approval (Suri 2020). Moreover, according to Suri (2020), the Institutional Review Boards for ethical conduct of research do not typically include guidelines for systematic reviews. The issue of ethics in systematic reviews is rarely addressed (Vergnes et al. 2010). As systematic reviews are a synthesis of a multitude of information, an anti-plagiarism tool (Turnitin.com) was used (Wager and Wiffen 2011) to enable the identification and the validation of all the references used in this article. For quality and reliability purposes, the Turnitin report can be sent by email to interested parties.

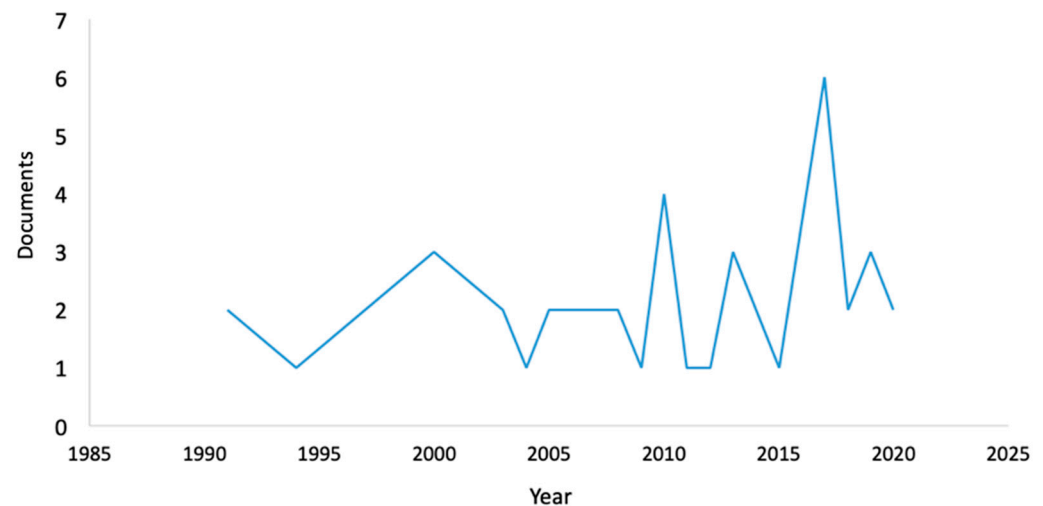
#### 4. Findings and Discussion

This section provides a holistic, theoretical, and conceptual overview of the defense industry in the post-Cold War period. The analysis and the discussion of the results include two analyses, a quantitative (bibliometric) and a qualitative (content analysis), in order to answer the research questions and, at the same time, fill the literature gap.

##### 4.1. Quantitative Analysis

The graphical analysis (Figure 1) highlights a significant peak in 2017 (i.e., six articles). These publications are mainly associated to the European Defense, Technological and Industrial Base (EDTIB) (Maye 2017), the European Defense Agency (EDA) (Calcara 2017), and the EU Directive on intra-Community Transfers of Defense Equipment (Fiott 2017). These manuscripts show that cooperation and interdependence of the European

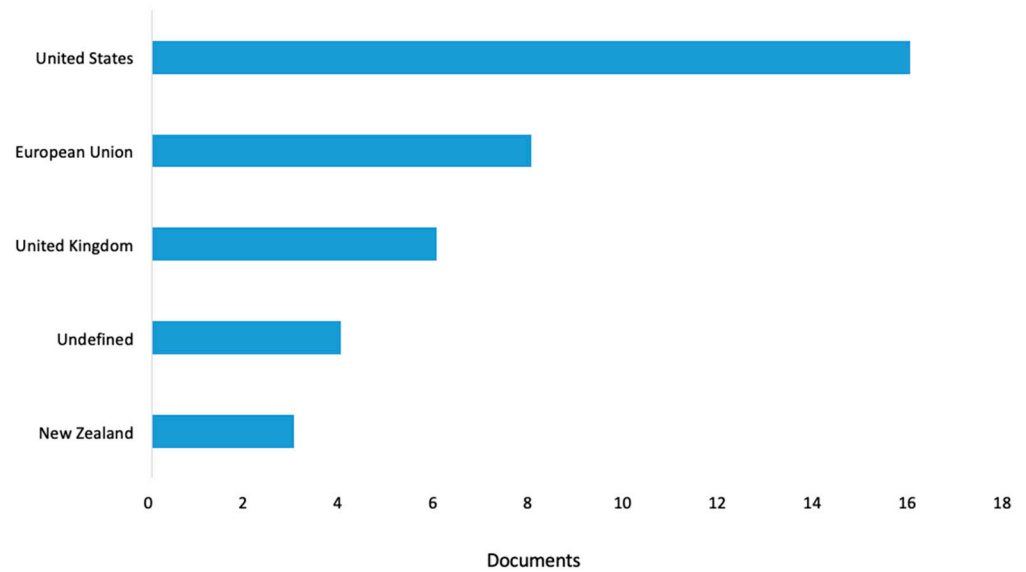
defense industry are central to EU policy, essentially for security and economic reasons. Nevertheless, some EU member States remain reluctant to acquire weapons at regional levels and not so much at national and international levels. On the other hand, the EU policy is encouraging the USA to respond with protectionist measures, as is argued later on in this article.



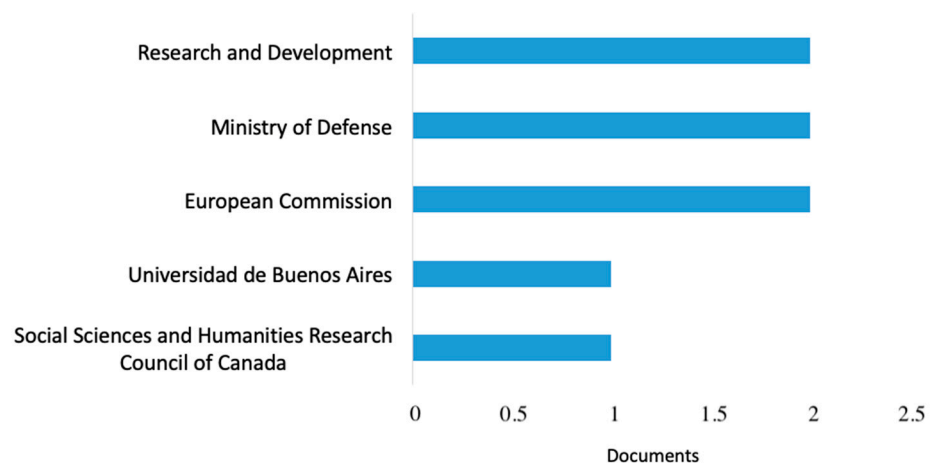
**Figure 1.** Documents by year (source: own authorship).

To our surprise, the People’s Republic of China has no known publications (Figure 2), not because there are no developments in this country but due to the defense industry association with politics and, in this regard, there is some understandable protection of know-how, especially with respect to political support for innovation and military development. In contrast, the USA, the EU, and the United Kingdom (UK) dominate the ranking, given that they clearly announced public measures to support the defense industries but also with special emphasis on the possible different approaches in which the defense industries position themselves in these countries. In the cases of the USA and the UK, they tend to move towards an autarky, while the EU’s defense policy and industry move the path of integration. From a political standpoint, it is interesting to see how the different strategies (i.e., integration, autonomy, and domination) allow the stratification of power and the consequent dynamics of growing conflict. Although the bibliometric section is more informative, we know that, given the amount of articles published, the USA and the EU will provide the necessary knowledge to obtain conclusive answers to the research questions.

The institutions that most financed scientific research were the Argentina’s National Science and Technology Research Council and the European Defense Funds as well as the Ministries of Defense of Brazil and Argentina and, finally, the European Commission with structural funds (Figure 3). In other words, it is easy to see that part of scientific funding comes from the European Union, although it is extremely scarce when compared to other areas of industrial research. In contrast, a quick search in Scopus with “defense industry” in Title-Abs-Key shows that the National Natural Science Foundation of China is the State research center that most funds scientific publications worldwide, demonstrating a clear political support for innovation and development to its defense industry.



**Figure 2.** Documents by country or territory (top five countries/territories) (source: own authorship).



**Figure 3.** Documents by funding sponsor (top five funding sponsors) (source: own authorship).

Although funding for scientific research linking policy to the area of the defense industry is still very low, both at national and supranational levels, we found that most of the published documents are scientific articles (68.3%) from journals with a high impact factor (Figure 4). A more detailed analysis showed that 61% of the articles are placed in quartiles Q1/Q2 and 39% in quartiles Q3/Q4, which indicates the high quality of the scientific research in the context of the defense industry and the interest of editors/publishers in these areas.

Eventually, one would expect to find a strong connection to research in the context of industrial engineering and management, which is actually true if the search terms are “defense industry” in Title-Abs-Key. However, the data showed that a large part of research (58.5%) was carried out within the scope of social sciences and arts and humanities (11.3%) (Figure 5). The results are inevitably related to the applied filter in Scopus, that is, “Politics”, and, therefore, most manuscripts are from the fields of political and military sciences. As we explore the relationship between the defense industry and social and political sciences, we see some interesting results, namely: (1) the contributions of the defense industry to society; and (2) a quadruple helix connection. Starting with the first contribution, [Kurian \(2020\)](#) referred that the technology-intensive defense industries of the People’s Republic of China assumed a crucial significance in the modernization of the economy when they became part of civil and military production. In other words, the defense industry had

a greater social impact due to its dual military–civilian use, generating development in terms of biotechnology, information, and communication systems, to name just a few areas. According to the above finding, it seems evident that the greater the integration between the defense industry and civil society is, the greater the propensity for stability will be, responding to some extent to the RQ2.

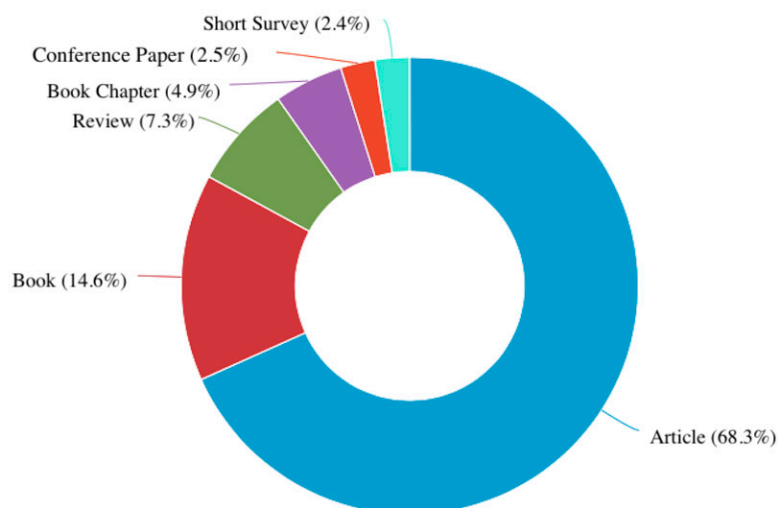


Figure 4. Documents by type (source: own authorship).

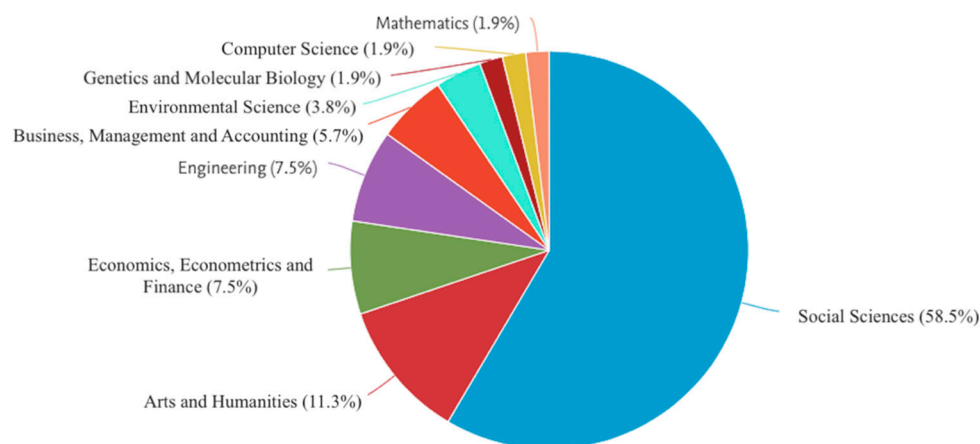


Figure 5. Documents by subject area (source: own authorship).

To a certain extent, the People’s Liberation Army (PLA) has also endeavored to develop its national defense program in an attempt to bring civil society closer to government (Kurian 2020), universities (Genevaz 2019) and, not least, from the defense industry in an approach known in the literature as “quadruple helix” network. Therefore, although the term has never been made explicit in the 41 manuscripts, it is implied that the quadruple helix appears to be contributing to the emergence of a greater number of publications in the context of social and political sciences.

#### 4.2. Qualitative Analysis

This section summarizes the existing body of knowledge and provides answers to the research questions in order to fill the identified gap in the literature and to provide inputs for practitioners in the field.

The manuscripts’ analysis did not reveal evidence of how wars influence the defense industry but of the State’s adaptation to the needs and the demands that currently operate in the pulled systems, e.g., to produce only what is necessary. In other words, there is no



direct relationship with the nature of wars but instead with respect to the relationship with States and their investment intentions. For example, the 9/11 terrorist attacks led to US military intervention in Afghanistan and Iraq in the so-called “Global War on Terror”, and this intervention has reinvigorated the defense industry worldwide with the annual defense budget of USA that approached \$700 billion and with annual profits that almost quadrupled (Maye 2017). According to Maye (2017), after a decade of fighting in Afghanistan and the withdrawal of Iraq’s responsibilities, in 2011, the defense industry slowed again.

Regarding the contributions of the defense industry to the stratification of political power in the international system, we identified three approaches—integration, autarky, and domination—that have been carried out with or without State support. The first case shows how the defense industry has sought survival through mergers, joint ventures, and alliances without or with limited State aid, which, at the same time, has allowed new growth opportunities to arise on the international scene (case of European Defense Industry). The second case shows the possibility of autarky systems where independence or self-sufficiency are sought in relation to other industries and which, in most cases, count on significant State aid (case of Turkey). Finally, the third case presents one in which global or regional domination is sought through industrial and military diplomacy (cases of the People’s Republic of China and the USA).

As mentioned earlier, the post-Cold War spread beliefs that war is unbearably expensive, reckless, futile, and degraded (Mueller 1990). The systematic review evidenced this phenomenon through Pernica (2020), who stressed that, in the Czech Republic, the government linked a partnership to the Czech Defense and Security Industry Association (DSIA) but, since its creation in 2000, the DSIA lost market position. Neither the decision of the political parties nor of the governments were able to support the national defense industry due to the end of the conscription armed forces. Only a few national members of the DSIA were able to compete internationally with its cutting-edge products. There is, however, a dichotomy: (1) with regard to the EU, which has been active in the field of international security and defense, the defense industries have been somewhat removed from the central power of Brussels. This distancing is due to the fact that national defense industries have traditionally played a fundamental role in the survival of European nation-states, thus making them reluctant to share this “sovereign instrument” with the European Union (Barrinha 2010); (2) but also in relation to recent developments in the economic field, with a large number of acquisitions and mergers within the European defense industry (Maye 2017) and European policies with a focus on EU integration and defense. Both of these strategies (mergers and policies) contributed to building new opportunities for defense and security industries (Kenny 2006). To cite an example, the merger in 2000 of the German Daimler Chrysler Aerospace with the Spanish aeronautical company, Construcciones Aeronauticas SA, and later with the French Aerospatiale-Matra created the European Aeronautic Defense and Space Company (EADS), later called Airbus, the third largest aircraft company in the world (Maye 2017). Thus, the coordination of European defense policy and arms procurement through the European Defense Industry (EDA) aims to make the defense industry better structured and organized, and, in theory, this would lead to long-term coordination, cooperation, and integration between member States (Kenny 2006), not to mention the various benefits of collective action, such as gains in specialization for comparative advantage in the development of military technologies, economies of scale and scope in large-scale operations, etc. (Hartley 2003).

In South America, Brazil seems to follow a very similar path by choosing to strengthen the defense industry to stimulate its deterrent capacity and project an image of regional leader, although its defense capacity has not yet been sufficiently developed to promote desired results and because its effectiveness depends on actions in other dimensions of power (Rezende et al. 2018). According to Rezende et al. (2018), the restructuring of the defense industrial base seems far from successful in the development of sustainable companies and products. If, on the one hand, there is still a great dependence on industrial-based defense programs for government financing, on the other hand, most defense

programs are still under development and, therefore, it is too early to realize their effects (e.g., sale of KC-390 transport aircrafts). Thus, Brazil has accepted the establishment of international partnerships, integrating its efforts in a global production chain in order to concentrate its limited resources in niche markets (Bitzinger 2003).

A different scenario is that of the Turkish defense industries, which have significantly improved their production capacity since 1980, reaching a production level of 54% in 2011 and expecting to reach the defense industrial autarky in 2023 (Kurç 2017). However, Kurç (2017) also states that the Turkish defense industry remains inefficient due to weak institutions and civil-military rivalry. Although foreign partnerships have accelerated the development of defense companies, they continue to suffer from weak investments in research and development.

In Asia, the People's Republic of China assumes itself as a player in international politics by assuming regional dominance, using arms transfers as an instrument of foreign policy. A clear example of this is the sale of arms from the People's Republic of China to countries such as Bangladesh, Iran, Myanmar, Pakistan, Sri Lanka, and Thailand, which aims to promote military diplomacy, extending its external influence by arming its neighbors and establishing strong military ties with them in an attempt to reduce India's influence (Sachar 2004). The policy of the People's Republic of China is somewhat similar to the USA, since its dominance of industrial defense systems globally imposes major restrictions on the political choices of most States; as we mentioned earlier, it includes other arms-producing countries that remain hostage as sales and advanced technologies remain dependent on the USA, which increases the latter's political influence. A very clear example is provided by Maye (2017), who argue that, while in the EU, regulated contracting rules are standardized across the European defense market, foreign defense companies operating in the USA are required to follow an ever-changing series of rules as well as protectionist purchasing practices. Thus, arms sales are not always a straightforward task, as is the case for Canada-Saudi Arabia military equipment. The dichotomy involves the subordination of Canadian foreign policy and international peace and security to commercial aspirations and the questionable importance of the Canadian defense industrial base that underpins the arguments in favor of the contract (Gutterman and Lane 2017). If, on the one hand, Canada's involvement in the international arms market through this sale is seen as an increase in violence and corruption in the international arms trade (Gutterman and Lane 2017), on the other hand, the sale contributes to the necessary self-sufficiency by encouraging the necessary military. Additionally, by promoting Canadian national security (Perry 2016), it also serves as an important milestone that places Canada as a global player in the international arms trade. Thus, the commercial activity of the defense industry can develop greater or lesser acceptance depending on the internal political system of each State.

In short, while some countries are reducing their spending on the military industry, others still see this sector as an instrument of national sovereignty, strengthening it through acquisitions and mergers, seeking greater integration, and establishing long-term relations, as has been the case of the European Union. Thus, the EU is a remarkable case of integration and stabilization (Besch 2019) with limited power stratification and, therefore, it is unlikely to become a catalyst for war or conflict. On the other hand, power becomes domination when it is articulated in stable and lasting structures of control of one agent or set of agents over another (Scott 2007). To reach the stage of domination, it is often necessary to promote government-funded programs so that the defense industry strengthens itself to leverage its States to become players on the international arena. The most notable case of domination is the People's Republic of China, which seeks to assume regional dominance through military diplomacy, in particular, in strengthening military relations with its regional partners in order to weaken its opponents. In that regard, the Chinese defense industry allows the stratification of regional political actors according to the degree of importance that the People's Republic of China attributes to them. If, under certain circumstances, the stratification of power cannot induce regional conflict, at the very least, it can cause instability in the in-

ternational context (Zhang 2020). An example of the aforementioned argument is the South China Sea (SCS) disputes, although there is still no consensus that the People's Republic of China is succeeding in military and geostrategic domains (Pasandideh 2020; Castro 2020). The evidence leads us to believe that the different strategies enable an increasing stratification of power (e.g., integration<autonomy<domination) and consequent increase in the dynamics of the conflict. In other words, if, on the one hand, we find examples of integration and stabilization (e.g., EU case), on the other hand, domination is more subject to stratification and consequent political–military instability (e.g., People's Republic of China). A more cautious approach of the phenomenon shows that there is no clear relationship between the defense industry as a catalyst for wars, the importance of its influence in strengthening military relations between States is evident, enabling those with greater industrial power to become players in the regional and international political system.

## 5. Conclusions

This article examines the defense industries in the post-Cold War period and presents two important research questions. The first question investigates how the nature of war influences the defense industry in the post-Cold War period, while the second question focuses on how the industrial defense sector can contribute to the stratification of political power in the international system, either as a stabilizer or a catalyst for war and conflict.

To better organize the conclusion, this section discusses theoretical and practical implications of the research, presenting the key study findings. Moreover, it presents the research limitations and the way in which the researchers mitigated its effects. Finally, some recommendations for future studies are revealed.

### 5.1. Contributions to Theory

This research presents several key findings. First, the existing literature does not reveal evidence about the nature of war and the evolution of the defense industry in the post-Cold War, however, with respect to the relationship with States and their intentions to invest, there is a clear link. Second, we find that the defense industry contributes to the stratification of political power, since it can be used as an instrument of international policy or as means of national sovereignty. In this regard, we identified three distinct approaches of the defense industry—integration, autarky, and domination. The integration is related to acquisitions and mergers between several defense companies with the objective of establishing long-term relationships to obtain specialization gains and gains of scale, among other benefits. In the scope of the autarky, the defense industries seek independence or self-sufficiency in relation to other industries, counting in most cases with significant help from the State. In the situation of domination, the defense industry is used by the State as a political instrument to obtain gains in power or influence in the international political system. Third, the defense industry and its relationship with politics, conflicts, and war has increasingly aroused the interest of the academic community, as evidenced by the quality of scientific publications from PRISMA. The number of scientific publications is closely related to the evolution of the political relationship between the State and the defense industry, as it is through politics that innovation and development programs as well as industrial production are financed.

### 5.2. Contributions to Practice

Regarding the managerial contributions, this article reveals possible relationships to be explored with regard to the quadruple helix model, where close relationships are established not only between the defense industry and the government but also with universities and the civil society. In addition, as we mentioned earlier, there are several approaches of the defense industry (i.e., integration, autarky, and domination); the previous classification can serve as a guide for defense industrial managers and policy makers on the existence of various approaches that can eventually be explored in the long run. From the policy perspective, it may be interesting to understand how the different strategies (i.e.,

integration, autonomy, and domination) increasingly allow the stratification of power and the consequent dynamics of growing conflict. The results made it possible to establish a relationship between integration and stabilization, whose domination is close to stratification and consequent political–military instability.

### 5.3. Research Limitations

The results of this research have known limitations for the use of systematic literature reviews. When using a scientific database, it is known that it is constantly updated with new peer-reviewed research, therefore, our sample presents a snapshot in time. By restricting research to the post-Cold War period, we at first excluded manuscripts that could be relevant but, for reasons of rigor, defined the time string to better delimit our object of study, which increased the probability of obtaining more accurate results. The selected keywords can also present different results, however, after having performed several simulations with synonymous words, we found that the keywords used in this study were the ones with the highest number of search results. Recognizing the aforementioned limitations, we still believe in the value of this systematic review, as it presents the state-of-the-art of the defense industry in the post-Cold War in a few pages at the same time as it stimulates the discussion for future empirical studies.

### 5.4. Recommendations for Future Research

Future studies may focus on empirical research to validate the theoretical findings or to provide suitable rebuttals for the comments presented in this research. A possible empirical research would be to find the variables that lead some defense industries to seek synergies with each other (integration), resorting to mergers and acquisitions, while others prefer to seek State funds (autarky). Other empirical research may include an understanding of how to promote closer relations between the defense industry and States. In this context, the possibility of applying concepts developed by the production industry to the defense sector, such as servitization models, should not be disregarded. As far as we know, the orientation towards service-based business models allows for closer commercial relations with the States, in contrast to the product-orientated ones; however, little is known about this possibility in the scope of the defense industry and, therefore, further studies are needed.

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