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Heiko Borchert
Future Undersea Markets
The Arab Gulf Region and Beyond

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Regional Dynamics

- Challenging **security environment**
- Active foreign policy role **beyond the region**
- Transformation powered by **techno-nationalism** to legitimize rulers' leadership
- Economic **diversification and development**

The Growing Importance of Naval Capabilities

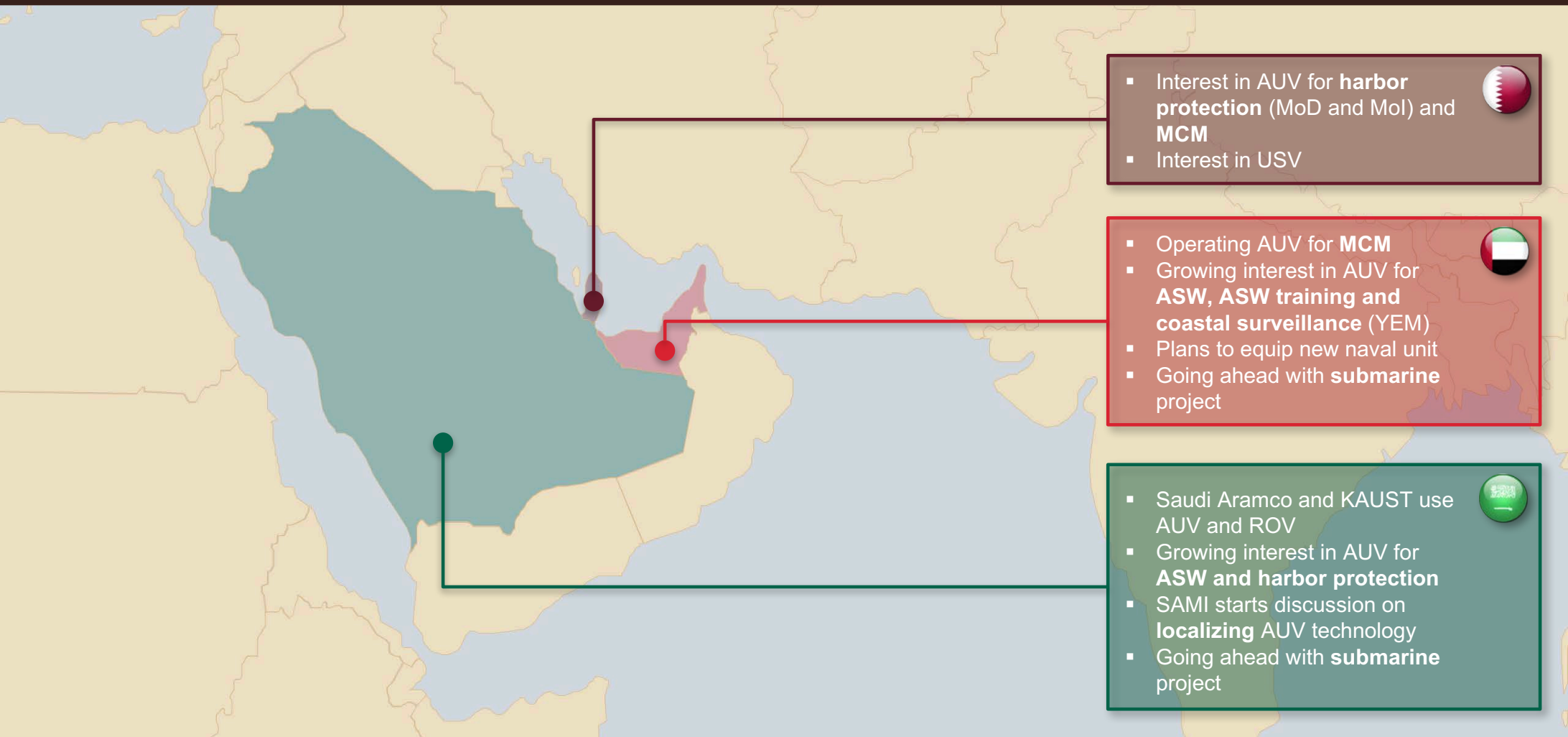
- Naval support from **strategic partners** is no longer granted
- Naval capabilities of **adversarial state and non-state actors** as a source of concern
- **Strategic interests** beyond the Arab Gulf region **drive naval expansion**

Arab Gulf Defense Industrial Ambitions



- **Defense industrial indigenization** to advance
 - Foreign policy clout
 - Military capabilities
 - Economic prosperity
- **“Defense industrial policy”** emphasizes
 - Localization and transfer of technology
 - Strategic investments
 - Defense exports, donation, 3rd party funding

Current Undersea Ambitions (Selection)



New Markets: Drivers for Evolution or Revolution?

- Even challengers are **risk averse**
- Defense exports and transfer of technology **extend existing paradigms**
- Can you leapfrog without **operational experience?**

Managing Commercial-Military Integration Won't Be Easy

- Stop the **tech hype** and refocus on the **soft factors**
- **Commercial** companies are **ambivalent** about defense – scrutinize their **motives**
- Beware of the **tyranny of the commercial supply chain**

Sources

Background pictures (online sources last accessed 19 June 2018)

- Page 1
- Page 2 <http://emirates-business.ae/first-saudi-emirati-coordination-council-meet-held-in-jeddah/>
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References

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- Page 5 Author's research

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Borchert Consulting & Research AG

Bruchmattstrasse 12

CH-6003 Lucerne

T +41 41 312 07 40

F +41 41 312 07 44

www.borchert.ch

hb@borchert.ch

Twitter [@HeikoBorchert](https://twitter.com/HeikoBorchert)