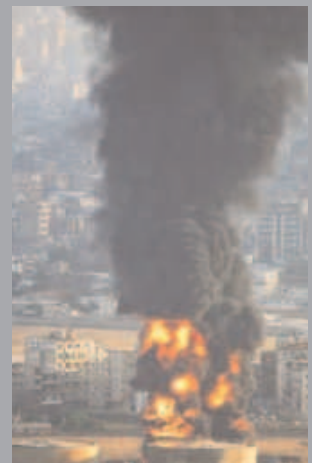


UK TRADE & INVESTMENT, DEFENCE & SECURITY ORGANISATION

PERFORMANCE REPORT



CLOSE DOWN UKTI DSO

OUR MISSION

End the Uncivil Service

“The UKTI Defence & Security Organisation (UKTI DSO) is a government unit within UK Trade & Investment which helps private companies sell military equipment and services overseas. Through UKTI DSO the taxpayer is supporting the sale of arms into areas of conflict, and to countries that abuse human rights. The trade in military equipment damages both economic development and human security, yet military exports are given support which is vastly disproportionate to that given to other sectors. The UK government should close down UKTI DSO and stop its functions.”

Campaign Against Arms Trade

BAD VALUE

UKTI helps arms companies sell to countries involved in conflict, increasing international instability.

UKTI helps arms companies export to countries with records of sustained human rights abuses, legitimising repressive regimes and their actions.

UKTI devotes a disproportionate amount of resources to supporting a heavily subsidised and damaging industry.



A POOR INVESTMENT

The arms industry is a small part of the UK economy, contributing less than 1.5% of total exports each year. Ministry of Defence estimates show that only 55,000 jobs are sustained by them, just 0.2% of the national labour force.

Military export employment comprises only a small proportion – 2% – of UK manufacturing employment, yet the sector is extremely heavily subsidised, to the tune of hundreds of millions of pounds. Far from benefiting financially from the arms trade, the UK taxpayer is helping to finance it. This support skews economic activity towards arms production, at the expense of other sectors that could be more efficient and innovative, and certainly would be more useful.



A 2001 report, co-written by MoD economists, concluded that halving military exports over a two-year period would lead to the loss of almost 49,000 jobs, but that a greater number of jobs would be created in non-military sectors over the following five years.

Military exports continue to be justified in reference to the myth of maintaining sovereign production capacity, despite the

fundamental changes that have occurred in the arms industry since the 1980s. Many of the largest producers of arms in the UK are European and US-headquartered companies, while many UK headquartered companies are increasingly focused on producing in and for the US.

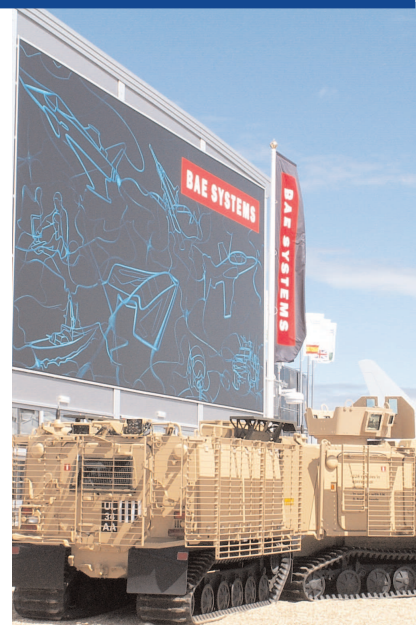
UKTI DSO devotes more staff to promoting military exports than UKTI employs in all the other sector groups combined.

THREATENING THE UK'S REPUTATION AS THE INTERNATIONAL BUSINESS PARTNER OF CHOICE

The UK government's support for the arms trade has undermined its anti-corruption policies, leaving it open to accusations of hypocrisy when it speaks of tackling corruption overseas. As recently as October 2008, the Working Group on Bribery of Organisation for Economic Co-operation and Development delivered a scathing report on the UK

government's December 2006 decision to stop the Serious Fraud Office inquiry into BAE's Al Yamamah arms deal with Saudi Arabia.

The SFO is still investigating other BAE deals, yet a member of BAE staff sits on UKTI's Defence Advisory Group and UKTI DSO is helping BAE promote its sales.



"Britain seen as corrupt since BAE decision"

Daily Telegraph headline, 23 September 2008

AN ETHICAL APPROACH?

UK arms exports offer legitimacy to some of the most repressive regimes in the world, allowing these countries to restrict the freedom of their citizens, and building capacity to create insecurity around the world.

In UKTI DSO's first six months, its staff met with Saudi Arabian officials on at least four occasions, and the UK continued to approve a large number of export licences to the country. Saudi Arabia is listed as one of the Foreign and Commonwealth Office's "major countries of concern" on human rights. The UK's continued promotion of military exports legitimises both the regime and its actions.

"The human rights situation in Saudi Arabia remains poor. The UK has particular concerns over the use of the death penalty, corporal punishment, and the quality of judicial procedure. There has been limited progress since the last human rights report, including on judicial reform and the level of freedom afforded to the local media." **Foreign and Commonwealth Office, Human Rights Annual Report 2007**

"Hundreds of people suspected of terrorism were arrested and detained in virtual secrecy, and thousands of people arrested in previous years remained in prison. Those arrested included prisoners of conscience, among them peaceful advocates of political reform. Women continued to suffer severe discrimination in law and practice. Torture and other ill-treatment of detainees were common and prisoners were sentenced to flogging and amputation. At least 158 people were executed, including a child offender." **Amnesty International Report 2008**



INSECURITY & INSTABILITY

The UKTI-supported UK delegation was one of the largest foreign contingents at Aero India in February 2009.

Indian civil society groups organised three days of meetings, demonstrations and a conference as an alternative to the arms fair. They aimed to highlight “the way military spending is prioritised over the wellbeing of people”, and offered strong criticism of the arms companies and Western governments attending the fair in the hope of drumming up business.

“In a country where poverty is rampant and where there is a great deal to be done in the fields of health and education, we cannot be spending so much on defence. Our battle is against starvation and deprivation, which cannot be fought with guns and missiles.”

Prof. Arvind Radhakrishnan of the School of Law, at Bangalore's Christ University



GO FURTHER. AWAY.

**WE DO NOT
WANT YOUR
ARMS HERE UKTI**

"War was a defining symbol of the 20th century, with tens of millions dead. Today conflicts still blight large parts of Africa and Asia. We have seen the fighting in Georgia, on Europe's doorstep. Are we destined to repeat the last century's mistakes?"

Foreign Secretary David Miliband In September 2008, in an article for The Independent as part of a relaunch of the Arms Trade Treaty.

The UK supplied arms to both Georgia and Russia in each of the first three quarters of 2008.

The conflict between India and Pakistan makes South Asia one of the most volatile regions of the world, yet the UK supplies weapons and weapon parts to both.

Despite the frequent use of arms by Israel against Palestinian civilians and southern Lebanon, the UK government continues to licence the export of military equipment to Israel, both directly and via the United States as components to be incorporated in US supplied weaponry.

APRIL 2008: UKTI DSO START AS THEY MEAN TO GO ON...

UKTI DSO HOST:

- **OFFICIALS FROM THE DEFENCE MINISTRY AND ARMED FORCES OF THE DEMOCRATIC REPUBLIC OF CONGO**

- **DEFENCE OFFICIALS FROM THE PHILIPPINES**

- **TURKISH ARMY ATTACHÉ AND DEFENCE MINISTRY**



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