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Anti-arms trade protestors at the London Book Fair RICHIE ANDREW
The campaign to encourage the global publishing company Reed Elsevier to stop organising arms fairs gained further momentum at the beginning of March. CAAT co-ordinated activity to coincide with the London Book Fair, a big event in the publishing calendar and one which is also organised by Reed Exhibitions, the subsidiary of Reed Elsevier that is responsible for organising arms fairs.

In a public letter published in the Times Literary Supplement on March 2nd, thirteen internationally renowned writers called upon the organisers of the London Book Fair to end their involvement in the global arms trade. The group, which included A.S. Byatt, Ian McEwan and Nick Hornby, wrote of the commerce of bookselling, which the Book Fair helps to facilitate, as tracing “the contours of an international conversation about books across political and geographical divisions”. They compared this to the trade in arms – an “equally global trade that fundamentally undermines peaceful internationalism, fuelling conflict and impoverishment in the world’s poorest regions... and which props up regimes inimical to free expression”. Appalled at Reed Elsevier’s involvement in the arms trade, the writers called on the company “to end its involvement in a dirty and damaging business; and upon our colleagues to encourage Reed Elsevier to take the book trade out of the arms trade”.

The writers’ call follows criticism from Reed Elsevier’s flagship scientific publication, the Lancet. After a critical statement last September issued by public health experts from five continents, the Lancet called upon its owner to end its involvement in the arms trade. The Book Fair was held at the ExCel centre in East London, also the venue where the DSEi arms fair has taken place every two years since 2001, and where ITEC, another of Reed Elsevier’s arms fair, will be held in May (see page 15). The response from people we spoke to was overwhelmingly one of concern about Reed Elsevier’s involvement in the arms trade, and many of them said they would be getting in touch with the company to voice this concern. Our aim was not to disrupt the Book Fair’s activities in any way: CAAT takes no issue with the business of publishing, and in fact we applaud the good work that Reed Elsevier does in providing services for writers as well as teachers, academics, doctors, social workers and other professionals whose work underpins peaceful society.

Reed response
Reed Elsevier has responded to the calls of the writers in a reply to the TLS, essentially by suggesting that they were lying about DSEi. Stephen Cowden, Reed Elsevier’s company secretary, tried to argue that cluster bombs were not on display at the DSEi fair, despite the fact that a journalist from the Independent reported that the manager of one company openly discussed supplying cluster bombs with him at the event. He also denied that the Metropolitan police have raised objections to DSEi, despite the fact that the head of the Met Police’s central operations told the Independent last August that DSEi was “denuding London of policing at a time of unprecedented demand”. Cowden also asserted that DSEi “is not an arms fair, it is a trade exhibition”. If not merely playing with semantics, the idea that DSEi is just somewhere where equipment is displayed is clearly undermined by DSEi’s own brochure which describes DSEi as fulfilling “an important role within the selling process for defence companies”.

CAAT will continue to endeavour to make the true facts known about Reed Elsevier’s arms fairs and to campaign for the end of Reed Elsevier’s involvement in these terrible events. If you’d like to get involved, and particularly if you use any of Reed Elsevier’s products or services, please get in touch.

ANNA JONES

The full text of the writers’ letter published in the TLS can be read at http://tls.timesonline.co.uk/article/0,,25390-2064400,00.html
European Defence Agency support for joint military fund

European Defence Ministers have given their support to a joint fund for military research. Javier Solana, chair of the European Defence Agency’s steering board, said: “we must spend more, spend more together and spend more effectively”.

The fund is not compulsory, and the UK has indicated that it does not intend to contribute. AGENCE EUROPE, 7/3/06

Big spenders on US lobbying

According to the Centre for Public Integrity, UK lobbying of US lawmakers has been higher than for any other country since 1998, and is more than that spent by 35 US states. Big spenders include Rolls Royce, which spent $2.9m on lobbying since 1998 and has received $1.8bn in US military contracts. TIMES, 20/1/06

UK and France share carrier costs

France has agreed to pay the UK up to £140m to design and develop an aircraft carrier based on a design used by the Royal Navy. UK officials had already committed to spending £300m on the development plans and insist that the UK will retain full control of the programme. France plans to build one carrier while the UK plans to build two. TIMES, 25/1/06

Libya to buy Italian helicopters

The Italian company Finmeccanica has agreed to sell ten helicopters to Libya for use by border patrols, concluding a deal that involves a joint Italian-Libyan venture to train Libyan aerospace personnel and update the industry. The contract is the first foothold for a large arms manufacturer in Libya. FINANCIAL TIMES, 18/1/06

Arms dealer trial collapses

A UK arms dealer has walked free after his trial collapsed when FBI agents refused to reveal information. Syed Bukhari was accused of planning to sell £26m worth of missiles and other weaponry to the Colombian group, FARC. An FBI agent posed as a dealer for the group.

Though officials refused to give details of the documents that the FBI had refused to hand over, legal commentators said that the failure of the case highlighted problems for foreign law-enforcement agencies involved in counter-terrorism in the UK. TIMES, 25/2/06

Asia-Pacific

According to UK government statistics, the market in the Asia-Pacific rim will grow from 15 per cent to 25 per cent of the world’s total military spending over the next 15 years. The region will overtake the Middle East to become the third largest military market after the US and Europe. Attendees at this year’s Asian Aerospace arms fair said the increase was spurred by the rise in China’s military power; North Korea’s massive army and missiles; the need to combat trafficking of anything from narcotics to terrorists; and the need for “improved disaster-response capabilities”.

DEFENSE NEWS, 27/2/06

French-Pakistan sub dilemma

Pakistan has expressed interest in buying three French submarines but France is concerned that it may antagonise another of its submarine customers, India, with whom it recently signed a military agreement.

DEFENSE NEWS, 27/2/06
In his own words

In an interview in the Times earlier this year, BAE Systems Chief Executive Mike Turner effectively admitted to BAE persuasion on the Defence Industrial Strategy, saying that “we have got what we asked for”. He described as one of the most important business events in his life his attempts in “persuading the Ministry of Defence that it had to change our terms of trade, and as part of that, the Defence Industrial Strategy”.

Turner also revealed his company’s US aspirations: “We have to keep proving to the US Government that we are good citizens”; and speculated on future prospects for the UK military: “Thinking people in the US know it is better to have an ally…The interoperability of our Armed Forces is at stake. If we don’t get it, I think eventually the UK will end up only peacekeeping and not peacemaking.”

Turner assured the Times interviewer that, despite the nature of his company’s products, he had no trouble sleeping at night: “I think of the benefit that we bring to the UK economy and the security we provide around the world. The hospitals and schools we provide from being the UK’s biggest exporter.” TIMES, 27/2/06

QinetiQ controversies

Government links with the investment bank UBS are to come under scrutiny as part of investigations into the privatisation of QinetiQ. Just three years ago, UBS advised ministers on the sale of a 34 per cent stake in QinetiQ to US private equity group the Carlyle Group. The Group’s stake is estimated to have gone up eight times in value.

Former defence procurement minister Lord Gilbert has described the potential gains for QinetiQ’s top executives as a “scandal”, saying that “all the value was built up by public servants using public money”.

Cash back from South African businessman

After a 2005 case in which he was found guilty of corruption and fraud, South African businessman Schaber Shaik has been ordered to pay R34m back to the South African State. Accusing Shaik of having a “generally corrupt relationship” with former deputy president Jacob Zuma, the State also sought control over Shaik’s assets in the arms manufacturing company Thales, which allegedly profited from Shaik’s endeavours. The State also requested that an alleged bribe paid to Zuma by French arms manufacturer Thales should be recovered from Shaik.

SAPA, 31/1/06

More spending

Russia: Russia exceeded its target of $5.1bn in military exports during 2005, shifting $6.126bn worth of equipment. Naval equipment accounted for 42.5 per cent of the sales. JANES DEFENCE INDUSTRY, MARCH 2006

Pakistan: military spending rose by more than 20 per cent for the first quarter of fiscal year 2006 reaching $934.97m – a quarter of government spending for the period. JANES DEFENCE INDUSTRY, FEBRUARY 2006

Singapore: $6.2bn has been allotted for military spending in the financial year to March 2007, up 8.5 per cent from the previous year. DEFENSE NEWS, 20/2/06

US: the State Department has proposed a $4.8bn military aid budget for fiscal year 2007, which includes significant increases to Lebanon and Indonesia. The Department also proposed an increase in “peacekeeping” funds for Africa, from $53.8m in 2006 to $76.9m. JANES DEFENCE WEEKLY, 15/2/06

Shorts in brief

India deal with Burma

India has finalised military transfers to Burma as part of India’s effort to strengthen bilateral relations and counter China’s influence.

JANES DEFENCE WEEKLY, 11/1/06

Norway disinvests from nuclear-related companies

Norway’s state-owned oil pension fund - the world’s second largest investment fund - has sold its shares in seven international military companies because they are involved in producing and developing nuclear weapons.

JANES DEFENCE INDUSTRY, FEBRUARY 2006

Massive repair bill for US Army equipment

The US Army is asking for $9bn to replace and repair its aircraft and vehicles damaged in wars in Afghanistan and Iraq. “If victory was declared in Iraq” said a US Army official, “there is still two years of work to repair tanks… and everything else we’ve left behind.” DEFENSE NEWS, 13/2/06

Russia-Algeria arms deal

Russia is to sell $4bn worth of arms to Algeria in its largest post-Soviet military export deal.

MOSCOW TIMES, 26/1/06

Northrop appoints UK exec

After the UK government’s indication that it is keen to diversify its military suppliers, the US military company Northrop Grumman has appointed an executive of its UK operations with a view to increasing its market share. Other US companies, including General Dynamics and Raytheon, have also acquired UK companies or established manufacturing facilities in the UK.

DAILY TELEGRAPH, 2/2/06
SHUT DESO CAMPAIGN

Shut DESO
Time’s up for the Government’s gunrunners

Wednesday 22nd March marked the launch of CAAT’s Shut DESO campaign. We want to build a strong popular movement of people and groups calling for DESO’s closure. As part of this we are asking organisations and individuals to sign the Close DESO statement.

The statement
The Close DESO statement says: “The Defence Export Services Organisation is the unit of the UK Ministry of Defence which helps UK companies sell their military equipment and services overseas. Through DESO, the UK taxpayer subsidises the export of arms into areas of conflict and to governments that abuse human rights. The trade in military equipment also damages economic development at each of global, regional and local economic levels.

The undersigned call on the UK government to close the Defence Export Services Organisation and not to transfer its functions elsewhere in the public sector or to allocate public funds to enable them to be undertaken in the private sector.”

The Liberal Democrats, Plaid Cymru, the Social Democratic and Labour Party (SDLP), and the Green Party of England and Wales have already signed, as has former Cabinet Minister Clare Short MP who said: “DESO is funded by taxpayers to promote arms sales. British Ministers are briefed to push all such sales when they travel. This dishonours our country, distorts our economy and wastes the talent of our engineers. This must stop, which means DESO must be closed.”

Organisations that have given their support include the Campaign for Nuclear Disarmament, MedAct, One World Action, Progressio (formerly the Catholic Institute for International Relations), Quaker Peace & Social Witness, Scientists for Global Responsibility and War on Want.

Sign up
Sign the statement yourself and encourage organisations you are involved in to do likewise. You can sign, and check whether your organisation has done so, at www.caat.org.uk/campaigns/callthe shots/desopetition.php.

If you don’t have internet access, copy the statement, sign it and send it to the office; call Ann at the CAAT office to find out if your organisation has signed.

Shut DESO action day
Monday 16th October is the most important date in the Shut DESO calendar this year. We need 170 people to take part in this mass action in Central London – please put this date in your diary now and ask people around you to come too. The timetable for the day so far is as follows:
• 11am: Rally and preparation
• 12.30pm: Shut DESO action

Be one of the 170 people needed to make a human chain around the headquarters of DESO. This action will symbolise that we designate the department a ‘global danger zone’. It should gain the attention of passers-by and the media, as well as DESO’s staff.
• From 1.30pm: Engaging the public

Spread the message about DESO by helping us conduct an informal opinion poll in Central London. We will go out in teams and ask people what they think about DESO.
• 3–6pm: Lobbying MPs

Join others and visit your MP at the Houses of Parliament, encouraging them to take a stand on DESO. This lobby will form part of our three-month mass lobby, during which we hope as many MPs as possible will be contacted face-to-face about DESO.

Campaign resources
Please take a few minutes to send off the postcard enclosed in this

CAATnews to your MP and the Treasury. The Shut DESO campaign pack – which includes a briefing, action guide, leaflet and postcard – is now ready to order from the CAAT office (patrick@caat.org.uk).

BECCHIE D’CUNHA

Key dates to target DESO

4th May
BAE Systems Annual General Meeting, London
Join other CAAT supporters and challenge DESO’s main beneficiary about its deadly business. See page 13.

17th–23rd July
Farnborough International Arms Fair, Surrey
Join CAAT’s protests at Farnborough arms fair, which is supported by DESO.

1st Sept–30th Nov
3-month mass lobby of MPs.
Visit your MP in your constituency or come to London on 16th October and lobby them at the Houses of Parliament alongside other CAAT supporters. Either way we need as many MPs as possible to be contacted about the campaign. Order a free Lobby Pack from the CAAT office, available from summer 2006.

16th Oct
Shut DESO action day, London
Take mass action to shut DESO!

To get involved in any of these events please contact Anna or Beccie in the office (action@caat.org.uk or beccie@caat.org.uk).
Stop the Arms Trade Week, 3–11 June 2006

Act locally to shut DESO

Stop the Arms Trade Week, or Stop Week, is a great opportunity for co-ordinated local campaigning. This year’s focus is the Shut DESO campaign, which calls for the government’s arms sales unit to be closed. (See opposite page).

The first step to shutting DESO is to raise awareness around the UK of its existence. Would you or your group pledge to tell as many people as possible about DESO during Stop Week? Some ideas to get you started are:

- Have a stall or ‘campaign day’ in your local high street or other public space. These are a fantastic and easy way to get a message out to a wide audience, whether through giving out leaflets, polling people or asking them to sign a petition or postcard.

- Carry out an informal opinion poll in your local high street, school, college or university. This is an effective way of starting conversations about DESO and for getting local media coverage of the issue. Contact Beccie or check out www.calltheshots.org for advice and some simple questions.

- Distribute DESO postcards and/or leaflets. Would your local library, community centre, church, etc be willing to display some for you? Are there relevant events you could attend to hand out materials?

- Organise a public meeting. This is another great way to raise awareness about the campaign. The most important elements are a central venue, a good speaker and lots of publicity. CAAT can help publicise the event and may also be able to provide a speaker.

- Use the internet. Could you start discussions about DESO on relevant blogs or add the Shut DESO campaign site (www.calltheshots.org) to your email signature?

- Contact your local media. Local media has the potential to provide far more coverage of DESO’s activities than we could hope to get through national media. Local free papers go through every door in the area, and regional and local radio and TV also reach many people. So don’t forget to tell the local papers or stations about any events you are planning. CAAT’s local media guide (www.caat.org.uk/getinvolved/mediaguide.php) explains the mechanics of working with the media. CAAT’s press officer can also help or advise you – email press@caat.org.uk.

Some Stop Week plans so far

Sheffield CAAT is planning to hold a public meeting with a panel of four speakers on 6th June. The group is also organising a street stall in Sheffield town centre and a three-week public display at the local library. Contact Steve Marshall on 0114 243 0867 for more information.

Please do get in touch to let us know what you are planning, to chat over ideas, or to order Shut DESO materials or other resources. And please send in any photos or stories after the event.

BECIE D’CUNHA, LOCAL CAMPAIGNS CO-ORDINATOR
beccie@caat.org.uk

Local campaigners’ news

February saw a huge campaign success for Brighton anti-arms trade campaigners. In an out of court settlement, local arms manufacturer EDO MBM dropped its claim to a blanket anti-protestor injunction under the Protection from Harassment Act. This means that the controversial High Court interim injunction that restricted the right to protest outside the factory will no longer apply. EDO MBM has also agreed to pay the costs of those defendants who have settled, estimated at £200 000.

Campaign spokesperson Andrew Beckett said: “The collapse of the injunction exposes how misguided the attempt by EDO MBM and Sussex Police to stifle legitimate protest has been. We have had to put up with arrests and continual police harassment, and have maintained our presence outside the factory. This is a major victory for civil rights and the peace movement. We will be here until EDO isn’t.”

See www.smashedo.org.uk for more information.

CAAT Christian Network Day of Prayer

On the 11th June, the ninth annual Day of Prayer to end the arms trade will be focussing on raising awareness about DESO. Can you raise the campaign in your church by organising a display, prayer service, or a relevant reading? Order a free Day of Prayer pack (containing background briefing notes and ideas for worship and prayer) from Alun – christian@caat.org.uk
In 2004 global military spending topped $1 trillion for the first time since the Cold War. This extraordinary figure made momentary headlines when it was announced in the run-up to the G8 summit in July last year, but then quickly dropped off the agenda again. What never hit the headlines was the equally extraordinary fact that the USA’s proportion of that spending accounts for nearly half of the $1 trillion total. What’s more, the headline-making return to Cold War spending levels for the world as a whole is largely down to the increases in US military spending under the Bush administration.

Military spending, of course, means much more than buying weapons. It includes the wages of a country’s military personnel and all the infrastructure associated with running its armed forces. In the case of the USA, with some kind of presence in at least 130 countries, that infrastructure is enormous, and, despite already being the international arms industry’s biggest customer, the Pentagon continues to represent an expanding market.

Whilst US arms companies were never state-owned like the UK’s were – or Russia’s and France’s partially remain – the USA’s own arms supply needs were traditionally met by US companies, often working with large research subsidies from the Department of Defense. The USA’s huge arms spending, together with the State Department’s policy of arming ‘friendly’ regimes, which was initiated in earnest under President Nixon, has made the US arms industry the biggest in the world. In fact, seven of the world’s ten biggest arms companies are American, and while they still make the vast majority of the USA’s arms, changes have been underway since 2001. Not only has the US recently become the top destination for UK arms exports, but UK-registered companies are buying up US subsidiaries, giving them better access to lucrative Pentagon contracts.

The US military in the world
The Stockholm International Peace Research Institute has calculated that the USA’s military spending in 2004 was $455 billion, or $1533 per person. Military spending now makes up 3.9 per cent of GDP, compared to a 2 per cent average across western Europe. Between 2001 and 2004, the years during which the ‘War on Terror’ has been waged, the USA’s military spending increased by an average of 10 per cent per year in real terms. The major part of this increase has gone towards the invasion and occupation of Iraq and, to a lesser extent, Afghanistan. Yet the USA’s high military spending, and its willingness to use its military might, by no means started recently.

As early as the 19th Century, the Monroe Doctrine asserted the USA’s right to intervene anywhere in Latin America to protect its interests. Latin America was considered its backyard, and European colonial powers were warned to keep out. As US power has grown its principle has been extended, with the country seeking to establish itself as the ruler of last resort throughout the world. The Vietnam War (or the American War as it is known in Vietnam) stuck out in modern history, not least because it was so disastrous for the US. Yet this was just one of many direct interventions, both overt and covert, which US armed forces and the Central Intelligence Agency have made into the affairs of other countries since 1945. This has involved openly bombing other countries in at least 28 separate military interventions.

These operations are complimented by a vast network of military bases. According to the US government’s latest figures, it has 702 bases in around 130 countries. Yet as former CIA consultant Chalmers Johnson points out, this figure fails to account for many of the most important ones, such as those in the Middle East and Central Asia. Johnson estimates the real figure to be in excess of 1000. Quite apart from the threat to national sovereignty that these bases represent, and the geopolitical consequences of a US presence in every part of the world, they also disempower the local population and have widespread environmental and social consequences.

From Republic to Empire?
For most of its history, the justification for US military intervention has been the defence or promotion of freedom and democracy. Noam Chomsky, amongst others, has expertly deconstructed this claim, which in any case is largely rejected across most of the rest of the world. Yet it is not just opponents of US aggression who have labelled it a modern empire – for some neo-conservative thinkers, the concept of empire is one the US should embrace. Think-tanks close to the Bush administration, like the Project for the New American
### The US and international law

**Guantanamo Bay:** This military base is being used to hold prisoners in the ‘War on Terror’. The US has broken numerous provisions of the Geneva Conventions and has been accused of torture by subsequently released prisoners.

**International Criminal Court:** Set up to try people accused of war crimes. The US has refused to sign, and is trying to negotiate immunity from prosecution for its military personnel using bilateral agreements with other states.

**Invasion of Iraq:** In March 2003, the US invaded Iraq without the express authorisation of the UN Security Council. This put it in violation of the UN Charter, the governing document of the United Nations.

Century, talk about American ‘leadership’ being ‘good for the world and good for America’. Translated, this means good for corporations, and particularly good for US corporations.

Perhaps the best summation of this relationship between US economic policy and military might comes from Thomas Friedman, a New York Times columnist and leading advocate of both corporate globalisation and US militarism. In an often-quoted passage he wrote that “the hidden hand of the market will never work without a hidden fist. McDonald’s cannot flourish without McDonnell Douglas [now part of Boeing]... and the hidden fist that keeps the world safe for Silicon Valley’s technologies to flourish is called the U.S. Army, Air Force, Navy, and Marine Corps.”

We can see the consequences of this in Iraq. Immediately he was installed, the US Administrator in Iraq, Paul Bremer, passed a series of ‘orders’ that fundamentally changed the structure of Iraq’s economy. They allowed foreign investors to own 100 per cent of Iraqi companies, laid the ground for privatisation of Iraq’s 200 state-owned companies and changed patent laws to the benefit of agriculture multinationals like Monsanto. Iraq’s oil, which was cited by some opponents of the war as the real motivation for the US invasion, has been pushed towards privatisation with almost no public debate. Even with Iraqis now in government, US forces have committed human rights abuses like those at Abu Ghraib, and have destroyed whole cities, as they did with Fallujah in November 2004.

**Arming the behemoth**

Whilst it is well known that the UK was the lead supporter of the US in its invasion and occupation of Iraq, it is perhaps less well known that companies which were historically ‘British’ are now key suppliers to the US Armed Forces. Rolls Royce has supplied engines for Hercules military transport aircraft and various military helicopters used by the US in Iraq. In 2005, BAE Systems ranked seventh in a list of companies supplying the Pentagon, up from 12th the previous year. It supplies everything from artillery to hi-tech surveillance systems. According to UK government figures, the US has been the number one destination for UK arms deliveries since 2001, excepting only 2003 when exports to Saudi Arabia were slightly higher. For DESO, the government’s arms sales unit, these two countries represent a ‘big league’ of export markets for UK arms, compared to which even other ‘priority markets’ are of less importance.

Yet, for all this, it is the fact that UK-registered companies such as BAE Systems, Rolls Royce, Cobham and QinetiQ have been buying up US subsidiaries that really gives them access to the US market. BAE Systems North America, which includes fourteen major acquisitions since 2000, now accounts for 37 per cent of the corporation’s overall turnover, whilst the figure for Cobham is 40 per cent (see page 11). Though they call themselves UK companies when trying to secure MoD contracts, in reality they are international big businesses eager to cash in on the US administration’s ‘war on terror’.

**Tackling US aggression**

The issue of arms sales to the US is relatively new, and not one that’s easy to tackle. Yet here is a country whose involvement in conflict is second to none. Its human rights record, from Guantanamo Bay to the execution of minors, is abysmal, and though it is the richest country in the world, around 40 per cent of the population doesn’t have access to healthcare. If these factors are relevant when opposing arms exports to the global South, then they apply here too.

Of course, if we were to stop arms exports to the US, its own arms industry would have little trouble plugging the gap, but there are some practical things we can do. We can demand the closure of DESO, which spends public money to help arm the world’s only superpower. We can also work to highlight the link between arms manufacture and the role of the US military machine in undermining autonomy and human rights. Global disarmament may still be a distant dream, but reigning in the US is an urgent priority for anyone who believes in social justice.
CAAT is currently in the third year of its second Three Year Plan. This may sound very bureaucratic, but, in fact, producing and working to the Plans is helpful in deciding priorities in the work to end the arms trade and keeping a focus on them. We are now about to draw up the third Three Year Plan, covering the years 2007 to 2009, and need you to feed in your ideas about what CAAT should be working on during this period.

The background
The first Plan, covering the years 2001 to 2003, laid an equal emphasis on persuading the Government both to control and reduce arms exports and to stop the subsidies for them. This was rethought for the second Plan. It was realised that even though the Consolidated EU National Arms Export Licensing Criteria were in place, there was little change in the reality of UK arms exports and the Government’s promotion of and subsidy for them continued. Thinking about this led to the current emphasis on exposing and challenging the links between the arms companies and the Government, which we see as the main reason for the latter’s continuing support for the former.

This overarching theme includes the Call the Shots popular campaign highlighting the ‘revolving door’, the role of DESO – the Government’s arms sales unit, and the proliferation of advisory bodies. It also currently encompasses the campaigns to stop the Al Yamamah 3 deal with Saudi Arabia; to end the DSEI arms fair; and to end arms export subsidies, particularly through the Export Credits Guarantee Department. In the current Plan, too, is the Clean Investment campaign. This is making headway in the universities (see page 13) and, more tentatively, within local authorities. Other sections of the Plans address the recruitment of supporters, local campaigning, and the profile of the arms trade and CAAT.

Each year during its life, the Three Year Plan is looked at anew and a plan for the particular year is produced. This has lots more detail about the work to be done and which staff member is responsible for it. The staff report back on progress under each section of the Plan to the quarterly meetings of the Steering Committee, CAAT’s ultimate decision-making body.

Time for new ideas
Now, as we start to put the 2007–9 Plan together, it is the time for new ideas and we would like to hear from you. What do you think CAAT should be doing more, or less, of? Is there a great campaigning idea that has been overlooked? How can CAAT as an organisation use its resources more effectively to end the arms trade?

Your ideas will be considered by the Steering Committee at a meeting in June when a draft Plan will be drawn up. We can’t promise to incorporate every suggestion as the Steering Committee also needs to think about available resources and what is actually possible. Also, not everything can be changed – some current work is scheduled to go beyond the end of 2006. There is, however, plenty of scope for incorporating fresh strands of work into the campaign so please let us know what you think. The questions are for guidance – you do not have to answer all of them. You can either send your answers to the CAAT office or fill in the on-line form at www.caat.org.uk/about/consultation.php.

We’ll be reporting back on progress on the Plan, which should be finalised in October, in future issues of CAATnews.

• Which arms trade issues are you most concerned/passionate about?
• Which aspects of CAAT’s current work are most effective?
• What new campaigns should CAAT be running? What new work should it be doing? And what do you hope would be achieved by this?
• What additional resources do you need to make your anti-arms trade campaigning more effective?
• What work currently undertaken by CAAT should stop or be scaled back? Why do you think this?
• Do you have any other comments to make?
• Please also let us know your name; whether you have been involved with CAAT for less than a year, oneto four years, or five or more years; and add any other comments about your involvement which you feel are relevant, including where you live or campaign.
In search of the dollar

Government support for arms companies not only raises ethical issues: the changing nature of some ‘UK’ companies has raised grave doubts over economic and ‘defence’ justifications for such funding. Dominic Riley examines the UK credentials of some of these companies.

Five companies taken together are the focus of the UK’s ‘defence industrial base’. These are BAE Systems, Europe’s largest arms company; Rolls Royce (RR), the world’s second largest aero-engine manufacturer; Smiths, a multi-sector engineering group which is a major supplier of military aerospace components; Cobham, an aerospace services and components supplier; and QinetiQ, formed in July 2001 from the UK government’s Defence Evaluations and Research Agency.

But do these companies see themselves as UK entities or feel they owe the UK anything? Their steady movement away from the UK and, more specifically, their scramble towards establishing an industrial footprint in the US, particularly since 9/11, is clearly illustrated by a number of indicators: turnover by geographic origin, employment figures, patterns of acquisitions, and shareholder profile.

Turnover
37 per cent of RR’s sales came from operations outside of the UK in 2004, up from 10 per cent a decade before. Cobham’s US turnover reached 40 per cent of overall turnover by early 2005, whereas its UK turnover dipped below 24 per cent. While it was negligible in 1999, 37 per cent of BAE’s turnover is now from its US operations, with the company’s Chair aiming to raise that to the “high forties”. Conversely, under 40 per cent of BAE Systems’ sales now come from the UK. UK turnover now makes up less than 25 per cent of Smiths’ overall turnover. Finally, from nothing in 2003 to eight per cent in early 2005, QinetiQ’s Chief Executive has forecast that, in five years, sales from US operations could equal those from the UK.

Employment
As would be expected, a parallel shift is taking place in employment figures. BAE Systems’ North American workforce has increased from five per cent in 1999 to 37 per cent, whilst its UK workforce has decreased by around sixteen thousand in the last five years. In just over a decade, RR has almost doubled overseas employment, whilst virtually halving its UK workforce. Similarly Smith’s has halved UK employment in the last five years, without any such reduction overseas. Whilst Cobham and QinetiQ have increased their UK employment, such a rise has not matched their overseas growth.

Acquisitions
Much of this shift has been brought about through the strategy of acquiring overseas, particularly US, subsidiaries. Fourteen of BAE Systems’ sixteen major acquisitions since the millennium have been in North America. Since 2001, Cobham has made 38 acquisitions, with only eight of these being in the UK; whilst QinetiQ has made four acquisitions in the US and one in the UK. Furthermore, none of Smith’s last nineteen acquisitions have been in the UK, whilst sixteen have been in the US.

Ownership
The movement towards the US and overseas generally is also critically reflected in the ownership of these groups. Mark Rowland, head of BAE Systems’ North American division has candidly stated that “forty per cent of our shareholders are here in America, we are as American as any other publicly traded company that does business here”. Furthermore, US interests hold approximately 35 per cent of RR’s shares, and more than half of both of these companies’ shares are now held in foreign hands. Additionally, when QinetiQ was partly privatised in 2003 it was a US firm that acquired a 31 per cent stake and stands to make a massive profit from the recent flotation.

“Do these companies see themselves as UK entities or feel they owe the UK anything?”

With such a shift taking place, it is important to highlight US restrictions imposed on the operations of these companies. BAE Systems’ Chief Executive Mike Turner pointed out that they must operate in a “parallel universe” to comply with US security regulations. Turner said that: “nothing can float to the UK without full approval”, and stressed: “it is right to ask whether this parallel universe delivers what is best for our armed forces”. He candidly added: “the answer is no”. It is the same story throughout, with QinetiQ not even allowed board representation on its US subsidiaries.

These companies are dictated to by the demands of global shareholders and, as such, are intent on a move to the US. As Turner stated: “if you were starting from scratch and you were looking at the two markets (Europe/US) it would be a no brainer, if you look at it from pure shareholder returns; you’d be in the US, wouldn’t you”. Such a policy undermines the myth of a UK ‘defence industrial base’ – a myth used to justify government subsidies for these companies – and casts doubt on the commitment of these companies to UK employment and defence.

References available on request.
Defence Industrial Strategy

The Government’s Defence Industrial Strategy (DIS) was published just before Christmas. Its production was overseen by the new Defence Procurement Minister, Lord Drayson, but the paper was also signed by Trade and Industry and Treasury ministers. Just two of the DIS’s 145 pages are specifically devoted to exports. These argue that they support “defence diplomacy”, enhance inter-operability, spread fixed overhead costs and help maintain the UK’s domestic capabilities. Interestingly, the DIS accepts that there are no “wider economic benefits for the UK” from military exports so this should not be used as a reason to support them.

The Commons’ Defence Committee has held witness sessions on the DIS at which the arms company bosses, the heads of their trade associations and academics have been questioned. The DIS has been largely welcomed by the industry, which likes the move from competition to projects being a collaboration between a chosen industrial partner and the Ministry of Defence.

BAE Systems was identified as the main beneficiary of this, and some MPs and witnesses questioned how the Government could ensure it got value for money if there was a monopolistic supplier. Mike Turner, Chief Executive of BAE Systems, was asked whether the DIS conflated the interests of the UK with those of his company. He did not answer the question, but made it clear that if the UK was not an attractive place for BAE Systems, it would leave the country.

There were complaints though from industry about the lack of Government (i.e., taxpayer) spending on research and technology (R&T). The general theme was the need to keep up with the United States. Depressingly, but perhaps not surprisingly given those involved in the discussion, this premise was not questioned. Lord Drayson made no promises to spend more, but said the issue would be addressed in a ‘Technology Strategy’ to be announced later this year.

ANN FELTHAM

Clean Investment: launch of new information about your Local Authority

The Freedom of Information Act transformed the Universities Clean Investment campaign last October, leading a number of universities to sell their arms company shares (see opposite page). This spring’s release of information about Local Authority holdings will be similarly revamped. Prior to the Act we were only able to obtain information relating to UK plc’s, and often incomplete information at that. Now we can ask Local Authorities about any shares they hold. As a result we have information on a wide range of arms company investments, including the dominant US and European weapons manufacturers.

This is a major step forward in transparency but perhaps the most significant impact will be in terms of the debate around holding arms company shares. It has often been argued that holding these shares supports UK jobs and assists UK ‘defence’. Though the arguments are weak, they continue to be widely used and accepted by the media and much of the public. However, when it comes to the holding of foreign arms company shares, it is hard to imagine the arguments washing with anyone but arms company lobbyists.

Visit www.caat.org.uk/campaigns/clean-investment.php from the 24th of April to see which, if any, arms companies your Local Authority invests in. Figures will also be available for the shareholdings of charities, religious organisations and other bodies. New university figures will be released in a separate launch in October.

IAN PRICHARD

Local elections

As well as being the BAE Systems AGM, 4th May is local election day in many parts of England. You can find out if it is in your area on www.aboutmyvote.co.uk

Local elections are a great opportunity to talk to the candidates about CAAT’s Clean Investment campaign. To date, CAAT does not know of any Councils that have disinvested for ethical reasons, but the issue is increasingly on agendas. It has been discussed by Islington and Southwark pensions committees, as well as by the Local Authority Pension Fund Forum.

Councillors have a duty to obtain maximum returns from their investments for their pensioners, but this does not need to conflict with an ethical investment policy. For more see www.caat.org.uk/campaigns/clean-investment.php including a briefing for councillors, which includes the legalities. If you don’t have access to the internet, phone Ann on 020 7281 0297.

• If your area has elections, please raise the issue with canvassers, or write to the candidates at the addresses on election leaflets.
Clean Investment update

January and February saw a great upsurge of interest in the Universities Clean Investment campaign, with CAAT’s University Network coordinators being invited to give talks at universities across the UK. After early success last November when SOAS divested, we thought we might have to wait a while before further good news would arrive. However, due to high levels of student activism and broad media interest, the campaign has received growing support. In the past two months real and sustained pressure (in the form of petitions, demonstrations and die-ins) has been put on the finance directors of Exeter, King’s College London, London Metropolitan, Bristol, Aberystwyth, York, Oxford and Lancaster universities. We are calling on these universities to stop investing in arms company shares and to adopt an ethical investment policy.

Elsewhere, an unprecedented 300 students attended a meeting at Manchester University Students’ Union leading to a clean investment motion being passed. Meanwhile, the combined forces of the Bangor University Liberal Democrat Society, Amnesty Student group and UN Youth and Student Association led to Bangor University’s finance department selling its shares in Cobham and GKN. Furthermore, Goldsmiths College recently revealed that “it is negotiating the sale of its shares in Smiths Group” following lobbying from the student-led Peace Campaign. Such spirited opposition means that clean investment will stay on the political agenda at these colleges for the foreseeable future so that students and staff can at last have a say in where university funds are spent.

For more information contact universities@caat.org.uk.

Manchester students highlight their university’s arms investments

MANCHESTER UNIVERSITY NETWORK STUDENTS

Speaker’s training

Are you part of CAAT’s Speaker’s Network? Do you give talks about the arms trade in your area? Would you like the confidence and skills to be able to speak publicly about the arms trade? Would you like to learn more about CAAT’s new Shut DESO campaign and how to present it succinctly to others?

CAAT receives regular requests for speakers from schools, universities, peace groups and other campaigning or social justice groups. The demand is steadily increasing, particularly as people realise the impact the arms trade has on issues such as poverty, conflict and human rights. It is vital that we keep highlighting these links and raise the profile of the campaign wherever possible.

CAAT is offering one-day public speaking workshops for existing or future CAAT speakers.

Whether you are new to public speaking or an already experienced speaker, this training will be an opportunity to enhance your skills, increase your confidence and get tips and practice in preparing and delivering an effective presentation.

Provisional dates

Saturday 20th May – London
Saturday 24th June – Leeds
For more information, please contact Beccie or Anna in the CAAT office (beccie@caat.org.uk or anna@caat.org.uk).

BAE AGM

BAE Systems is the fourth biggest arms company in the world. Each year it sells around £11bn worth of arms around the globe. Without help from the British taxpayer, it wouldn’t be able to make such a killing.

DESO, the Government’s arms sales unit, provides financial and political support to the company. BAE Systems enjoys a significant proportion of the estimated £900m of public money used to subsidise the private arms companies that export weapons.

BAE Systems’ Annual General Meeting will be held on Thursday 4th May in central London. It is the one time in the year when board directors face shareholders to discuss the company’s business. Once again, CAAT supporters will be attending the meeting as ‘token shareholders’ in order to challenge BAE Systems about its deadly trade. We will also be protesting outside the AGM.

If you would like to be part of the protest outside or attend the AGM as a ‘token shareholder’ and help us expose this company for what it really is, please get in touch with Anna at the office or email action@caat.org.uk.
In this issue I’d like to feature four of the easiest ways in which you can support CAAT’s work.

Help the campaign to grow
Introducing people to the campaign is one of the most valuable ways of supporting CAAT. We have a recruitment postcard that is designed especially for this purpose, with five provocative questions about the arms trade on the front and a form to fill in and return on the back. If there is somewhere in your local area that you could hand out some of these cards, or leave a few for people to pick up, please do get in touch.

Join the Phone Co-op
In the December/January edition of CAATnews, you may have noticed a leaflet about CAAT’s partnership with the Phone Co-op, the ethical, environmentally responsible and low cost telephone provider. By signing up with them, you will save money and help us to raise funds, as CAAT will receive six per cent of your bill as commission. Eighteen people have signed up so far, why not join them? For further details about the scheme and how to join, please visit www.caat.org.uk/fundraising/schemes.php or give me a call.

Order some CAAT materials
Inside the next issue of CAATnews you will find an up-to-date publications and materials list. This will include details of badges and t-shirts you can wear to spread the word; all the campaigning materials you need to run a stall; posters to display and inform the people around you; the latest CAAT reports to read and pass on; and CDs that would make a great gift for friends and family. If you don’t want to wait until the next issue of CAATnews, please visit www.caat.org.uk/resources/order.php or call the office for a materials list and order form.

Come to ArtMusicPolitic
On Friday 21st April, the ArtMusicPolitic (AMP) co-operative will be holding an awareness-raising event for CAAT at Macbeth’s on Hoxton Street in London. The group provides a platform through live music and art for organisations that have something to say about the world. For more on AMP, please visit www.artmusicpolitic.com.

A legacy for peace
Since it was founded in 1974, CAAT has worked persistently to build opposition to the arms trade and increase awareness of the devastating effect it has on the lives of millions of people.

Some of our most striking achievements over the years have resulted from the Clean Investment campaign, such as the Church of England’s decision to disinvest from the arms companies in which it held shares. CAAT was also part of the successful campaign for the 1997 Ottawa Treaty, which introduced an international ban on landmines.

Perhaps most significantly, CAAT’s work has had considerable influence in changing awareness of, and attitudes towards, the arms trade in the UK. Thirty years ago, there was little public knowledge of the arms trade and its effects, but today it is an important issue on both the public and political agenda. Criticism of the arms trade and demands for government accountability are greater than ever, as people make the connection between the proliferation of weapons and the resulting war and oppression.

But there is so much more to be done
Every year millions of pounds worth of weapons are bought and sold worldwide, with arms companies such as BAE Systems, Lockheed Martin and QinetiQ making immense profits from their deadly business.

In the United Kingdom, arms exporters continue to receive massive political and financial support from the government, bolstering a trade that raises tensions in volatile regions, exacerbates and sustains existing conflicts and provides the means by which horrifying human rights violations are carried out.

It will take sustained, long-term work, but CAAT is determined to continue campaigning until we have achieved our vision – not only of stopping UK arms exports, but of a complete and permanent end to the arms trade.

Leaving a legacy for a more peaceful future
Last year, nearly 10 per cent of CAAT’s income came from legacies, with gifts ranging from £500 to over £20,000. Together, these donations were equivalent to the cost of employing one CAAT campaigner for a year, a hugely valuable contribution to our work.

By leaving CAAT a gift in your will, you could help us to continue building a more just and peaceful world in the years to come. So if and when the time is right for you to put a voluntary organisation into your will, please remember us.

Thank you.
Campaign Against Arms Trade thrives on your participation

For more information on all of these contact the CAAT office on 020 7281 0297 or if you have any enquiries not covered below contact enquiries@caat.org.uk

Subscribe to a CAAT email list
Sign up to receive the monthly CAAT bulletin with the latest news and events; to receive press releases; to join the list for the CAAT Action Network and find out about nonviolent direct action to stop the arms trade; or to find out when the latest CAATnews is on the website.
Contact enquiries@caat.org.uk or visit www.caat.org.uk/lists

Make a donation
The donations of our supporters enable CAAT to struggle for a world without arms trading; without your help there would be no campaign. Support CAAT by sending us a cheque, setting up a regular standing order donation, or by taking part in a fundraising event.
Contact Kathryn at kathryn@caat.org.uk

Contact your MP
It is estimated that every letter written to a politician represents about 80 people who care but haven’t got around to writing. If you would like to visit or write to your MP, contact the CAAT office to find out if your MP has shown an interest in arms trade issues.
On some issues it is also worth contacting your MEP. If you live in Northern Ireland, Scotland or Wales, you can also raise issues that have an impact on employment or the economy with your national representatives.
Contact Ann at ann@caat.org.uk

Campaign locally
CAAT has a network of local contacts and groups around the UK who take responsibility for promoting anti-arms trade activity and the work of CAAT in their area. Get in contact if you would like to know what is happening in your area or if you are interested in becoming a local contact or setting up a group. All that’s needed is a willingness to raise awareness of arms trade issues in any way that you feel is appropriate.
Contact Beccie at beccie@caat.org.uk for info, including the Local Campaigns Pack.

Raise awareness
Organising a public meeting, using the local media and running a street stall have proved effective ways for CAAT groups to raise awareness of arms trade issues. CAAT can provide speakers for public meetings, materials for stalls and can also help with publicity.

Contact Anna at action@caat.org.uk or Beccie beccie@caat.org.uk
For media info contact Mike at press@caat.org.uk

Research the arms companies
CAAT has produced a range of research on the UK’s main arms companies. However, staff at the CAAT office are not able to track all arms company developments and would appreciate receiving any information you find. This can include anything from watching out for information in your local press, to undertaking basic research in your local library, to approaching a company directly for information.
Contact Ian at ian@caat.org.uk

Protest against the arms trade
A protest can confront the arms trade and illustrate that many people do not think that the arms trade is an ordinary, acceptable business. In addition, a protest can generate a lot of publicity, which will raise awareness about the company and the arms trade in general. CAAT is a non-violent organisation and any protest organised under the name of CAAT needs to be non-violent (contact the office for the CAAT guidelines).
Contact Anna at action@caat.org.uk

Join the CAAT Christian Network
The Network raises arms trade issues within national church structures and local churches.
Contact Beccie at beccie@caat.org.uk

Order a CAAT publication
CAAT produces briefings, reports and leaflets on a range of issues.
Contact Patrick at patrick@caat.org.uk

ITEC arms fair factsheet
16th–18th May will see military training and simulation arms fair ITEC come to London. The equipment at ITEC ranges from simulators for training individual pilots to fly fighter jets and attack helicopters, to Command and Control systems for modelling full war scenarios, to equipment for high-tech target practice. ITEC’s main backers include the UK’s trade association for the arms industry, the Defence Manufacturers Association.
Like DSEi, ITEC is run by Reed Elsevier and held at the ExCeL London conference centre.
A two-page factsheet on the ITEC Fair is available to download from www.caat.org.uk/armsfairs/itec.php or on paper from the CAAT office.
21 April
ArtMusicPolitic live music and art event. See page 14

24 April
Figures released for shareholdings in arms companies of Local Authorities, charities, religious organisations and other bodies. See page 12

4 May
BAE Systems AGM. See page 13

16–18 May
ITEC arms fair, London. See page 15

3–11 June
Stop the Arms Trade Week. See page 7

11 June
Day of Prayer to end the arms trade. See page 7

17–23 July
Farnborough International arms fair. More details on CAAT actions nearer the time.

29 July
March against the DSEi arms fair in Newham, London. More info nearer the time.

1–30 November
As part of Shut DESO campaign, visit your MP in your local constituency or come along to Parliament on the 16th October. See page 6

16 October
Shut DESO Action Day. See page 6

25 November
CAAT National Gathering. 10am–6pm, London. A day of talks, discussions and workshops to find out more about the issues, improve your campaigning skills and meet other CAAT supporters. More details nearer the time.

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