Farnborough International is an arms fair. Even if the booths of weaponry sit side-by-side with civil aerospace stands and the event finishes with an incidental public air display, it is still very much an arms fair. It is a major event on the biennial international arms fair circuit: 47 of the world’s top 100 arms companies will be there from countries including Israel, Russia and Turkey, military missions from 40-plus countries are likely to attend, and the UK Government’s arms export support machine will swing into action behind it.

The public airshow days may make Farnborough appear less dark and dangerous than the Excel Arms Fair (DSEi) in London, but they are fundamentally the same. They both proliferate weapons around the globe, they both have the support of the UK Government to do it, and they both should be stopped.

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What is it?

The ‘Farnborough International Exhibition and Flying Display’ features five days of pure trade, 19-23 July, and then a weekend of flying displays for the public. However, these public days are very much an add-on. Farnborough is ALL about the business: as the organisers state, ‘There’s only one reason to come to Farnborough International: it’s the business... People don’t come to Farnborough International for fun. We’re here for the company. We’re here to work.’ The event is organized by an aerospace industry association - the Society of British Aerospace Companies (SBAC) - which established it at Farnborough in 1948. Initially intended to be a showcase for UK companies, in the 1960s Farnborough International expanded to encompass companies from around the world. This year there are expected to be exhibitors from 38 countries – it has become one of the most important events in the biennial arms trade calendar.

Farnborough International consists of aisle upon aisle of companies in building upon building. There are four enormous halls full of exhibitors plus a fifth, smaller hall and several additional exhibitor buildings; there are rows and rows of business chalets for comfortable deal-making; there are private meeting rooms for the use of exhibitors; there is a media centre with conference rooms for hire; there is a business services and meetings centre (which ‘helps facilitate the electronic and paper transactions to complete the billions of US dollars of sales that will be concluded during the show’); there is ‘static’ outdoor display space for aircraft, radar systems and missiles; and, of course, the main runway for the air displays runs along the edge of the exhibition. The exhibitors themselves are primarily, but by no means only, military and civil aerospace companies; there are stands for government agencies (UK and overseas), trade press, trade associations and other arms fairs. Most exhibitors have stands in the main halls but some have entire buildings to themselves and others exhibit in country or regional ‘pavilions’ with other companies and agencies.

The total number of exhibitors is around 1,300 this year, similar to that of the past two Farnboroughs. However, consistent with the globalization of the industry, there has been a steady increase in the number of countries that the exhibitors are from, with this year’s 38 up from 32 in 2002 and 30 in 2000. Farnborough International sees around 30,000 trade visitors each day (around 150,000 in total over the five trade days in 2002) and official delegations are expected from more than 40 countries, although a list of these countries is not made publicly available.

In 2004, as in most years, contracts worth billions of pounds are expected to be announced. These tend to be the larger deals which have probably been negotiated over months or even years. What aren’t seen are the many liaisons and meetings that lead to smaller, potentially more embarrassing, contracts. In fact, although the value of contracts announced in 2002 ($9 billion) was down significantly from that in 2000 ($52 billion), the organisers managed to look on the bright side and claim there was an actual increase in the amount of smaller transactions that took place.

‘It’s the Business!’… despite the PR

‘How much fun can you have at the Farnborough Airshow?’ asks the 2004 publicity leaflet. Clearly the answer is ‘loads’ judging by the smiling children (free entry for the next generation of aircraft enthusiasts), bouncy castles, face painters and Captain Farnborough (‘your host and showguide’). But the public weekend is incidental at best for the companies who have to be persuaded by SBAC to stay beyond the trade days:

‘Ten reasons you [the exhibitors] need to be here – and in top form – on the public weekend:
1 Because of VIP attendance with families...
2 Because a number of trade visitors will not have been able to attend the first five days...
3 Because the other exhibitors will be there, and may have time to talk...
4 Because of the enhanced and entertaining flying display...
5 Because an additional 150,000 potential investors over two days...
6 Because of the opportunity to recruit...
7 Because of the media who remain on site looking for stories...
8 Because it’s a great PR opportunity for the aerospace industry...
9 Because it’s your time to give something back...
10 Because the show still goes on!’

The public weekend is, of course, of great interest
to SBAC, the organisers. The two days provide a Public Relations boost for the industry and, through gate receipts and vendor fees, swells ‘SBAC’s coffers substantially’10 - money they can then use for further PR and to lobby politicians. Farnborough International News states that ‘Farnborough energises more people to stand up to unfounded criticism of our industry, and push for further across-the-board support.’11 But the real PR achievement is not that it promotes the industry via the air display, but that the air display is perceived to be the main event as opposed to merely a long, money-making closing ceremony. It would be interesting to know how many of the 140,000 day-trippers know there is an arms fair going on, and whether this would make any difference to them.

**A date on the arms fair circuit**

It is impossible to determine the relative importance of military and civil aerospace at Farnborough, but there are broad indications that the arms industry is, at the very least, the focus of official, government activity around the event. The bulk of UK Government support is explicitly to facilitate arms deals (see page 5), and, from the available evidence, the overseas delegations are primarily military. The Government’s Defence Export Services Organisation stated that it was ‘instrumental, working with the FCO [Foreign & Commonwealth Office], working with the armed forces overseas and with the companies, in bringing in 45 different missions from overseas’12 to Farnborough 1998. DESO would not be instrumental for non-military delegations. That year there were a reported 50 official delegations attending the show,13 indicating that there were only five inward missions in which DESO was not involved. In addition, the 1,000 VIP guests that SBAC will be hosting have a more military than civil industry bent; they include, ‘heads of state, government ministers and officials, senior officers from the international and national armed forces and executive representatives from organisations and airlines across the world.’14

Farnborough is one of 20-30, generally biennial, arms fairs that form an international government-industry love-in (see table 1). It is, in fact, one of the most important ones: ‘Throughout the peaks and troughs of the aerospace and defense markets, Farnborough International continues to provide a crucial forum for the industry. For the majority of industry leaders, the show continues to be one of just two must-attend events on the calendar.’15

The other ‘must-attend’ event is the Paris Airshow, though this was under threat last year following France’s unwillingness to pander to Bush in the Blair manner. While the threat of a US boycott never materialised, the presence of US companies was low-key. But the converse is true of this year’s Farnborough International. As Flight International reports, it ‘will benefit from the Iraq factor. The US department of Defense and its key suppliers will throw their weight behind the event to repay the UK for its support in overthrowing Saddam Hussein and give a clear signal to France that national air shows are ultimately political as much as business occasions.’16

The military side of the aerospace sector has undoubtedly received the greatest attention following the invasion of Iraq, but the shift from civil towards military has been underway since Sept 11th. The much-publicised drop in airline passengers and aircraft orders was in stark contrast with the military spending spree emanating from the White House. Accordingly, the aerospace companies that could, moved to where the money was – not just towards the military in general, but towards the US military. Farnborough 2002 followed the general trend, as CNN reported, ‘In the past it’s always been about who is ordering which civil plane, but this year it is much more about defence spending.’17 While the balance may, to some extent, return with increasing airline bookings, there is no sign of a decrease in US military expenditure.

**Military aircraft on display**

The air displays themselves tend to be evenly balanced between military and civil aircraft. At the 2002 event, 79 aircraft from 14 countries flew. Of these, 39 were military and 40 civil.18 (Although ‘key Russian military aircraft’ were missing due to a Swiss creditor threatening to impound them!)19) This year the flying display will include: an F-16 fighter, a type that has seen a wide range of action with US forces, has been sold to more than 20 armed forces around the world, and has been notoriously used by Israel in the West Bank and Gaza; a US F/A-18F Super Hornet, first used in the recent attack on Iraq; a US AH-64D Apache Longbow attack helicopter, a UK Harrier GR7 and a UK Chinook, all used in Iraq; the new Swedish Gripen fighter, marketed by BAE Systems and sold to South Africa; and an over-flight
These arms fairs are a bonanza of buying and selling between the companies and governments of numerous countries. It is not about supplying the ‘legitimate defence requirements’ of the host or any other country, it is about selling to virtually anyone who is able to buy.

by a US F-117A Nighthawk stealth fighter.20

Arms deals

Farnborough 2002 arms announcements included:

- Boeing announcing tie-ups with BAE Systems, EADS and Alenia Spazio to work on the US’s ‘Son of Star Wars’ project
- The Malaysian Minister of Defence unveiling one of six Super Lynx helicopters destined for the Royal Malaysian Navy21
- Honeywell’s Aerospace business announcing that it had won contracts for avionics for 40 Boeing F-15K fighter-bombers purchased by South Korea22
- Northrop Grumman entering the competition for the UK’s Unmanned Aerial Vehicle programme23
- AgustaWestland and Lockheed signing an agreement to market AgustaWestland helicopters to the US24
- Thales and Gulf Aircraft Maintenance Co announcing the creation of a joint venture company focusing on electronic systems for military and aeronautic projects in the United Arab Emirates25
- The Czech Republic agreeing to buy the Aero Vodochody L-159 jet trainer (which uses Honeywell engines and avionics equipment from UK, Italian and US suppliers)26
- Raytheon announcing that South Korea had signed US Government Letters of Acceptance to buy its Air-to-Air missiles in a deal worth more than $110 million.27

However, these provide only a very partial picture of Farnborough’s military business. Sometimes announced deals have nothing to do with the event other than it providing a high profile opportunity with hordes of media. Other times there will be a public signing ceremony, taking advantage of the presence of company executives. It is the face-to-face contacts and cosy chalet discussions that are the main point of Farnborough, and these only come to fruition at a later date.

The arms trade circuit

In 2000, the Government listed some of the major exhibitions where the UK Ministry of Defence’s Defence Export Services Organisation (DESO, see Government Support for more on DESO) had supported UK arms companies, shown in table 1.28 These arms fairs are a bonanza of buying and selling between the companies and governments of numerous countries. It is not about supplying the ‘legitimate defence requirements’ of the host or any other country, it is about selling to virtually anyone who is able to buy. UK companies and delegations may well rub shoulders with delegations from countries that are under UK arms export embargoes. Even more bizarrely, at Jordan’s SOFEX 2002 (October 2002) Prince Andrew, in his role supporting the UK arms industry, virtually walked into the Iraqi delegation, a country that the UK invaded a few short months later.

Arms fairs are being added to the circuit all the time. Pakistan instituted its IDEAS (International Defence Exhibition and Seminar) arms fair29 in 2000, stating that it had no restrictions on countries it would sell to, though ‘maybe Israel we wouldn’t like to sell weapons to’.30 UK companies attended IDEAS 2000 and 2002 and presumably will do the same in September of this year. Indonesia is about to host its ‘first major international tradeshow for the defence industry – INDO DEFENCE 2004.’31 No doubt the UK, with its record of reliable supply to Indonesian armed forces, will be well represented.

The relationship between Farnborough International and the wider arms trade circuit is emphasised by the following table:

Table 1: Major exhibitions where DESO has supported UK arms companies, 1999 & 2000

<table>
<thead>
<tr>
<th>1999</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia Air Show, Australia</td>
<td>Pacific 2000, Australia</td>
</tr>
<tr>
<td>IDEX, Abu Dhabi International Defence Exhibition</td>
<td>Asian Aerospace, Singapore</td>
</tr>
<tr>
<td>LAD, Brazil Latin America Defentech</td>
<td>TRIDEX, Abu Dhabi Triple International Defence Exhibition</td>
</tr>
<tr>
<td>IDET, Czech Republic International Exhibition of Defence and Security Technologies and Special Information Systems</td>
<td>FIDAE, Chile Feria Internacional del Aire y del Espacio</td>
</tr>
<tr>
<td>IMDEX Asia, Singapore International Maritime Defence Exhibition</td>
<td>DSA, Malaysia Defence Services Asia</td>
</tr>
<tr>
<td>Paris Air Show, France</td>
<td>SOFEX, Jordan Special Operations Forces exhibition</td>
</tr>
<tr>
<td>Aerospace North America, Canada</td>
<td>Eurosatory, France</td>
</tr>
<tr>
<td>DSEI, UK Defence Systems &amp; Equipment International</td>
<td>Farnborough International Air Show, UK</td>
</tr>
<tr>
<td>IDEF, Turkey International Defence Industry, Aerospace and Maritime Fair</td>
<td>Africa Aerospace and Defence, South Africa</td>
</tr>
<tr>
<td>DEFEXPO, India</td>
<td>Defence Asia, Philippines</td>
</tr>
<tr>
<td>Dubai Air Show, Dubai</td>
<td>Defendory, Greece</td>
</tr>
<tr>
<td>UMA, Malaysia Langkawi International Maritime &amp; Aerospace Exhibition</td>
<td>Euronaval, France</td>
</tr>
</tbody>
</table>

Farnborough International is a crucial part of this destructive merry-go-round. To consider it as a normal civil trade fair or as family entertainment is to totally misunderstand the event and its role in spreading weaponry around the world.

The arms companies

All the largest aerospace producers in the world will be at Farnborough, and many others besides. As of 11 July 2004 there were 1319 exhibitors registered, made up of 585 primary exhibitors and separately-exhibiting divisions or subsidiaries of those exhibitors. The event will be dominated by the likes of the US-based Lockheed Martin, Boeing and Raytheon and the European-based BAE Systems, Finmeccanica, EADS and Thales. In fact, all of the ‘top ten’ arms companies in the world will be present, and 47 of the top 100 (see table 2). Of these 47, 17 are from the US, nine are from the UK, eight are from the rest of Europe, five are from Israel, three each from Japan and Russia, and one from each of Canada and Singapore.

It is not clear how many companies will be exhibiting military equipment. It is, however, clear that the ‘aerospace’ brief stretches a long way: any manufacturer whose weaponry is fitted to aircraft or any missile producer could turn up. FN Herstal, best known as one of the world’s largest small arms producers will be in the Belgium Aerospace-Walloon pavilion, presumably as it also produces guns and rocket launchers for aircraft. Israel Military Industries, a major producer of small arms, ammunition, tank upgrades and missiles, will be there. General Dynamics, which traditionally produces warships and armoured vehicles, will have stands.

The Russian and Israeli presences are perhaps the most striking as, in addition to the major arms companies in table 2, they have large numbers of smaller companies and representations. The sizeable presence lends a legitimacy to the military actions of the countries in Chechnya and the West Bank and Gaza, respectively, that is distasteful at best.

• The main Israeli presence is provided by SIBAT ‘the government organization responsible for promoting Israel’s defense export activities and providing assistance to foreign governments interested in defense-industrial cooperation.’

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Company</th>
<th>Country</th>
<th>% Military</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lockheed Martin Corp.</td>
<td>U.S.</td>
<td>88</td>
</tr>
<tr>
<td>2</td>
<td>Boeing Co.</td>
<td>U.S.</td>
<td>41</td>
</tr>
<tr>
<td>3</td>
<td>Raytheon Co.</td>
<td>U.S.</td>
<td>91</td>
</tr>
<tr>
<td>4</td>
<td>BAE SYSTEMS plc</td>
<td>U.K.</td>
<td>77</td>
</tr>
<tr>
<td>5</td>
<td>Northrop Grumman Corp.</td>
<td>U.S.</td>
<td>71</td>
</tr>
<tr>
<td>6</td>
<td>General Dynamics Corp.</td>
<td>U.S.</td>
<td>71</td>
</tr>
<tr>
<td>7</td>
<td>Thales</td>
<td>France</td>
<td>66</td>
</tr>
<tr>
<td>8</td>
<td>European Aeronautic, Defence &amp; Space Co. NV</td>
<td>Netherlands</td>
<td>20</td>
</tr>
<tr>
<td>9</td>
<td>Finmeccanica SpA</td>
<td>Italy</td>
<td>48</td>
</tr>
<tr>
<td>10</td>
<td>Honeywell Inc.</td>
<td>U.S.</td>
<td>16</td>
</tr>
<tr>
<td>11</td>
<td>United Technologies Corp.</td>
<td>U.S.</td>
<td>13</td>
</tr>
<tr>
<td>12</td>
<td>L-3 Communications Corp.</td>
<td>U.S.</td>
<td>89</td>
</tr>
<tr>
<td>13</td>
<td>Mitsubishi Heavy Industries Ltd.</td>
<td>Japan</td>
<td>13</td>
</tr>
<tr>
<td>14</td>
<td>General Electric Co.</td>
<td>U.S.</td>
<td>2</td>
</tr>
<tr>
<td>15</td>
<td>Rolls-Royce plc</td>
<td>U.K.</td>
<td>24</td>
</tr>
<tr>
<td>16</td>
<td>OHM Group</td>
<td>U.K.</td>
<td>30</td>
</tr>
<tr>
<td>17</td>
<td>Teledyne Inc.</td>
<td>U.S.</td>
<td>15</td>
</tr>
<tr>
<td>18</td>
<td>ITT Industries</td>
<td>U.S.</td>
<td>30</td>
</tr>
<tr>
<td>19</td>
<td>Saab AB</td>
<td>Sweden</td>
<td>75</td>
</tr>
<tr>
<td>20</td>
<td>Sncma</td>
<td>France</td>
<td>19</td>
</tr>
<tr>
<td>21</td>
<td>Dassault Aviation SA</td>
<td>France</td>
<td>35</td>
</tr>
<tr>
<td>22</td>
<td>Israeli Aircraft Industries Ltd.</td>
<td>Israel</td>
<td>61</td>
</tr>
<tr>
<td>23</td>
<td>Smiths Industries plc</td>
<td>U.K.</td>
<td>25</td>
</tr>
<tr>
<td>24</td>
<td>Rockwell Collins</td>
<td>U.S.</td>
<td>45</td>
</tr>
<tr>
<td>25</td>
<td>QinetIQ</td>
<td>U.K.</td>
<td>80</td>
</tr>
<tr>
<td>26</td>
<td>Aviation Holding Company Sukhoi</td>
<td>Russia</td>
<td>95</td>
</tr>
<tr>
<td>27</td>
<td>Kawasaki Heavy Industries Ltd</td>
<td>Japan</td>
<td>9</td>
</tr>
<tr>
<td>28</td>
<td>Singapore Technologies Engineering Ltd.</td>
<td>Singapore</td>
<td>57</td>
</tr>
<tr>
<td>29</td>
<td>Elbit Systems Ltd.</td>
<td>Israel</td>
<td>94</td>
</tr>
<tr>
<td>30</td>
<td>Rafael Armament Development Authority</td>
<td>Israel</td>
<td>100</td>
</tr>
<tr>
<td>31</td>
<td>DRS Technologies Inc.</td>
<td>U.S.</td>
<td>90</td>
</tr>
<tr>
<td>32</td>
<td>Cobham plc</td>
<td>U.K.</td>
<td>49</td>
</tr>
<tr>
<td>33</td>
<td>Ruag Suisse</td>
<td>Switzerland</td>
<td>75</td>
</tr>
<tr>
<td>34</td>
<td>NPK Irkut</td>
<td>Russia</td>
<td>90</td>
</tr>
<tr>
<td>35</td>
<td>Babcock International Group plc</td>
<td>U.K.</td>
<td>73</td>
</tr>
<tr>
<td>36</td>
<td>Ishikawajima-Harima Heavy Industries Co. Ltd.</td>
<td>Japan</td>
<td>5</td>
</tr>
<tr>
<td>37</td>
<td>CAE Inc.</td>
<td>Canada</td>
<td>54</td>
</tr>
<tr>
<td>38</td>
<td>Israel Military Industries Ltd.</td>
<td>Israel</td>
<td>100</td>
</tr>
<tr>
<td>39</td>
<td>Ares</td>
<td>U.S.</td>
<td>61</td>
</tr>
<tr>
<td>40</td>
<td>Elitra Group</td>
<td>Israel</td>
<td>96</td>
</tr>
<tr>
<td>41</td>
<td>Ultra Electronic Holdings plc</td>
<td>U.K.</td>
<td>81</td>
</tr>
<tr>
<td>42</td>
<td>Ericsson</td>
<td>Sweden</td>
<td>2</td>
</tr>
<tr>
<td>43</td>
<td>Cubic Corp.</td>
<td>U.S.</td>
<td>56</td>
</tr>
<tr>
<td>44</td>
<td>EDO Corp.</td>
<td>U.S.</td>
<td>90</td>
</tr>
<tr>
<td>45</td>
<td>Kaman Corp.</td>
<td>U.S.</td>
<td>31</td>
</tr>
<tr>
<td>46</td>
<td>Russian Aircraft-building Corporation MiG</td>
<td>Russia</td>
<td>95</td>
</tr>
<tr>
<td>47</td>
<td>Meggitt plc</td>
<td>U.K.</td>
<td>36</td>
</tr>
</tbody>
</table>

There are 26 exhibitors under this banner including Israel Military Industries and Tadiran Communications. Elbit Systems, Elitra, Israel Aircraft Industries and Rafael – Armament Development Authority, are exhibiting as part of SIBAT but also have their own stands.

• Similarly, Rosoboronexport, the Russian Government’s arms export and import agency, is exhibiting. It ‘recognises international defence exhibitions as one of the most important marketing tools.’ Rosoboronexport is providing stands for 23 exhibitors including Kazan helicopters and MiG Russian Aircraft Corporation. Separately, there are stands for Aviaexport which exports cargo aircraft and is
exhibiting with the Russian Air Force, amongst others; for the military aircraft manufacturers Irkut and Sukhoi; and Rostvertol which produces military helicopters.

However, maybe the focus should be equally on companies closer to home? Clearly the largest presences are provided by UK and US companies and the use of BAE Systems’ and Raytheon’s weapons in Iraq is as illegitimate and damaging as those of Sukhoi in Chechnya or Israel Military Industries in Gaza. Some exhibitors or delegations may be more emotive than others, but fundamentally the business of arms fairs is the same whoever turns up. Weapons are sold/pushed around the world and there are few restrictions. Company or Government talk of ‘international security’ or ‘allies’ is naïve at best, but more likely pure manipulation.

UK Government support and subsidies

Ministers and MPs

Government support for Farnborough International starts at the top. Tony Blair went along to the first Farnborough following his 1997 victory and his support has continued through to his enthusiastic foreword to this year’s Exhibitors’ Guide: ‘I am delighted to offer my good wishes to Farnborough International 2004. The UK looks forward to hosting the cream of the world’s aerospace industry. Farnborough International offers a superb business platform and is an excellent environment in which to take advantage of the opportunities presented by the global aerospace market.’

Normal marketing support to United Kingdom exhibitors is provided by the Defence Export Services Organisation, and other assistance ranges from providing the exhibition site, airfield support services and facilities, through to helping the organisers ensure the maximum exposure of UK products to potential customers by supporting official inward missions.’

(MoD)

But Ministers aren’t just there to show ‘moral’ support for industry. They actually do business on behalf of industry. In one of the few examples to come to light, Geoff Hoon held a formal meeting with the Czech Defence Minister at Farnborough 2002 where the sale of Gripen fighter aircraft was discussed. The parliamentary involvement continues at less rarified levels. SBAC boasted in their post-2002 event publicity that ‘The show regularly attracts more MPs than probably any other non-political event. The SBAC alone hosted more than 70 Ministers and MPs from all sides of the house and all corners of the country. Other private and company sponsored visits will have pushed the attendance of MPs into triple figures.’

Government departments

Aside from the activities of their political masters, individual Government departments also provide support for Farnborough. The lead role is taken by the Ministry of Defence (MoD), in particular the Defence Export Services Organisation (DESO) which is entirely dedicated to the export of arms, though the Department of Trade and Industry also provides financial support ‘to enable overseas visitors to attend the Airshow.’ (these visitors are rarely identified, though in 2000 £29,500 was offered to SBAC to assist delegations from Brazil, Canada and the Czech Republic.)

A useful breakdown of the MoD’s assistance for Farnborough International was provided in answer to a parliamentary question regarding the 2000 event: it ‘undertakes a broad range of activities in support of The Society of British Aerospace Companies’ organisation of this prestigious show to help ensure its continued position as one of the
world’s premier business aerospace exhibition. Normal marketing support to United Kingdom exhibitors is provided by the Defence Export Services Organisation, and other assistance ranges from providing the exhibition site, airfield support services and facilities, through to helping the organisers ensure the maximum exposure of UK products to potential customers by supporting official inward missions.\(^{44}\) (In 1998, DESO, working with the FCO and armed forces, brought in 45 of these missions.\(^{45}\)) Similar answers to questions were received prior to both the 2002 and 2004 events.\(^{46}\)

While the costs associated with this wide range of support have not been provided by the MoD, those relevant to DESO have been estimated. Its role at arms exhibitions such as Farnborough ‘centres on the handling of official delegations and providing a presence to support UK industry in its dealings with potential customers.’ In 1998 these costs were estimated to be £1.1 million (with industry paying around third).\(^{47}\) [It should be noted that DESO provides support for UK companies at arms fairs around the world as well as in the UK. Some information has been provided regarding this cost for 12 overseas arms exhibitions in 2002. Though information on the full range of costs incurred in support of these events ‘could only be provided at disproportionate cost’, the MoD was able to identify costs of £2.1 million which included the reservation of exhibition space and construction.\(^{48}\)]

**Stands, Sponsorship and Exhibitor Events**

Government agencies taking stands at Farnborough provide a further official seal of approval for the event and, presumably, a significant amount of cash. The cost of a basic stand is around £5,000, though the average booth cost is reported to be in excess of £10,000.\(^{51}\) Government stands include:

- British National Space Centre
- Defence Aviation Repair Agency
- Defence Diversification Agency
- Defence Export Services Organisation
- Disposal Services Agency
- Met Office
- MOD Defence Contracts Bulletin
- UK Trade & Investment

In addition there is Wales Trade International which has been established to improve central export services in Wales and operates under the direct control of the Welsh Assembly.\(^{52}\)

UK Trade & Investment is also one of 16 major sponsors\(^{53}\) profiled on the Farnborough International website.\(^{54}\) A separate list of the ‘Global Aerospace All-star Team’ who’ve taken advantage of the ‘high-profile commercial branding opportunities’ also includes Scottish Enterprise and the British National Space Centre.\(^{55}\) Government involvement in the high-profile Exhibitor Events is also apparent. The following are taken from the events list provided on the Farnborough International website\(^{56}\) unless otherwise indicated:

- 16th July – DTI seminar on compliance with UK export rules
- 19th July – Aerospace Innovation and Growth Team (AeIGT) Conference – contact address at the DTI
- 19th July – Her Majesty’s Government Reception – contact address at the DTI
- 20th July – UK Trade & Investment, ‘Meet the Buyers’
- 20th July – AeIGT Sustainability VIP Day Trip/Tour
- 20th July – Farnborough International Dinner\(^{57}\)
- 21st July – South East DDA (Defence Diversification Agency) Technology Transfer Event
- 21st July – UK Trade & Investment, ‘Anglo-Italian Partnership Event’ – contact address at the FCO
- 21st July – AeIGT Regional Reception – contact address at the DTI
- 21st July – AeIGT Technology Seminar
- 23rd July – AeIGT CIA Conference
- 23rd July – Unmanned Aerial Vehicle Forum\(^{58}\) (confirmed speakers include the Welsh National Assembly Minister for Economic Development and the DTI Director of Aerospace\(^{59}\))

**Arms export subsidies**

Although the 600 weapons-selling civil servants of DESO provide the focus of the Government’s assistance for UK arms exporters, additional support goes far beyond that indicated above. Embassies and Defence Attachés around the world promote UK arms exports, Ministers, senior civil servants and sometimes Royals act as travelling sales people, and the armed forces have export support teams that exist to demonstrate equipment for arms companies. In addition to these promotional activities there is direct financial support through the Export Credits Guarantee Department, which effectively provides cheap insurance, through subsidies for Research and Development and through the MoD’s purchase of equipment being
skewed in order to promote the export of that equipment. While there are some savings to the MoD resulting from longer production runs, these are massively outweighed by the above, and other, subsidies.

Some of these subsidies are a matter of record but the information needed to calculate others has not been made available by the Government. CAAT has estimated that the total subsidy is nearly £900 million. This equates to over £13,000 for each of the 65,000 arms export jobs, each year. Given that nearly half of these jobs are in the South East which has nearly full employment, a vast amount of money could be made available for investment in sustainable, productive, alternative work in other regions. However, this would require political will, which is, sadly, completely absent.

Arms companies at Farnborough will benefit not just from the support of the UK Government in bringing customers to them, from Ministers acting as their sales people, and from infrastructure support, but through financial support for the deals themselves. Perhaps more fundamentally, they benefit from a general Government enthusiasm for arms sales, an enthusiasm that means it will help overcome almost any export barrier, including the Government’s own arms export control guidelines!

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The Campaign Against Arms Trade (CAAT) is working for the reduction and ultimate abolition of the international arms trade, together with progressive demilitarisation within arms-producing countries.

For more information about CAAT’s work and how you can be involved, contact:

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