Response from the Campaign Against Arms Trade with respect to the consultation on Equipment, Support, and Technology for UK Defence and Security

1. The Campaign Against Arms Trade (CAAT) in the UK works to end the international arms trade. Around 80% of CAAT's funding comes from individual supporters.

2. CAAT will not be addressing the detail of the questions posed in the Consultation Paper, but would like to record here, as it has in earlier submissions to government departments and parliamentary committees, its concerns that there is no correlation between the stated threats to security and the resources allocated to address them. This mismatch may, at least in part, be because of the lack of a rigorous questioning by Government of the vested interests of the arms companies and the military establishment.

3. The commitment to do more to promote military exports is, unsurprisingly, also of concern to CAAT and, not least in view of recent events, should be subject to a major rethink as a Government policy objective.

Meeting the threats

4. The Executive Summary of the Consultation Paper identifies the "most serious potential dangers" as "international terrorism, hostile attacks upon UK cyberspace, a major accident or natural hazard, or an international military crisis." It says that the armed forces, the security community and law enforcement agencies must have the right equipment and training necessary to counter these dangers at a "reasonable cost to the taxpayer."

5. Tackling international terrorism demands, firstly, that the causes of terrorism are seriously addressed. Preventing acts of terrorism in the meantime may need some technological solutions, but care needs to be taken to make sure that the measures taken neither exacerbate terrorism nor alienate the general population. Another danger to be avoided is the capture of the "security agenda" by commercial concerns as examined by Ben Hayes in "The Security-Industrial Complex", Transnational Institute, September 2010.

6. Countering hostile attacks on UK cyberspace will require technological solutions, with care being taken to prevent censorship and preserve democratic freedoms. Being prepared to deal with a major accident or natural hazard requires making sure
equipment is available. Some of it, such as lifting helicopters and temporary bridges, is currently the preserve of the military. Although the Executive Summary does not mention supplying bodies outside the military, security and police forces, other bodies, such as the fire service or coastguard, would likely play a major role in dealing with accidents or natural hazards and their equipment needs should not be excluded from consideration.

7. Currently, much of the UK’s big equipment expenditure such as that on Eurofighters, aircraft carriers and Trident submarines goes towards items that cannot be used to tackle any of these first three of these “most serious potential dangers”. They can be used in an international military crisis, but only if the UK government makes the choice to be drawn in to such a crisis, thus continuing the policy of military intervention overseas. These interventions bring their own risk of increasing the likelihood of international terrorism, as is shown by the experience of Iraq and Afghanistan.

8. If the UK government is seriously committed to tackling the most serious threats, some of the equipment currently bought by the Ministry of Defence (MoD) would continue to be procured by a public body, although the specifications may be different if the equipment is not going to be exposed to battlefield conditions, but many projects would be scrapped. CAAT, however, recognises the huge challenge faced by government in making this change, not least because of the vested interests and political influence of the arms companies and military establishment.

Removing the block of arms company influence

9. Oliver Letwin MP, Minister of State in the Cabinet Office, told the Defence Committee on 9th March 2011 that: "... we have been enormously clear that it is defence requirements that should drive this process and not an industrial requirement. If there is a defence reason for a sovereign capability, we should invest, but we are not allowing ourselves to be driven by the concerns of shareholders, however valid in their own right, or national economic considerations."

10. Even if the commercial considerations are put aside, the idea of "a sovereign capability" is itself a myth. The arms companies that are envisaged as supporting the UK armed forces are global businesses and it is unrealistic to expect their international shareholders to prioritise the UK armed forces over those of another market. The whole idea of sovereign capabilities is no longer relevant in that all major UK capabilities are dependent on overseas suppliers.

11. However, the evidence would seem to show that commercial considerations do play a major role in procurement decisions. The Government, both Ministers and officials, had "numerous discussions" with industry representatives during the Strategic Defence and Security Review process in 2010. This included a full meeting of the National Defence Industries Council, chaired by the Defence Secretary, and various sub-group meetings. There were also many meetings of Ministers or officials with individual companies. Day-to-day links between the Government and the arms industry include procurement relationships, support for military exports, and the “revolving door”.

12. This has resulted in a situation where the companies have acquired power over Government. The terms are now unequal and lead to questionable agreements such
as the contract with BAE Systems to build the aircraft carriers. Questioned by the Defence Committee on 9th February 2011, Permanent MoD Under-Secretary Ursula Brennan said: "We entered into the contracts about the carrier which had absolutely normal termination conditions, but we also entered into their terms of business agreement which is about managing the liability that would fall on Government eventually for the shrinking of the UK ship-building industry. The military ship-building industry in the UK has overcapacity. At some point dealing with that overcapacity is a responsibility that falls on Government." A private company is happy to take the profits, but both BAE and the Government expect the taxpayer to pick up the bill when the industry is no longer needed.

**Arms exports**

13. The close relationships between the arms companies and the Government also lead to the policy commitment to promote arms exports. The Consultation Paper, published in December 2010, says that: ":... we are committed to doing more to promote exports of both defence and security products from the UK to responsible nations ... We will strengthen the machinery to assist companies to export world-class products and ensure that the UK's defence and security requirements are set with exportability in mind." Peter Luff MP, Minister for Defence Equipment, Support and Technology had made the same point in his speech to the Royal Aeronautical Society Corporate Partners Briefing, on 29th November 2010: "... Ministers are proud to support the biggest exports drive we have seen in decades." CAAT hopes that recent events in north Africa and the middle east may lead to a rethinking of this commitment.

14. Three months later Foreign Office Minister Lord Howell of Guildford was more nuanced when told the House of Lords "... we see as one task the application of our very strict controls for exports of armaments and the need for friendly and responsible countries to equip themselves in a responsible way rather than resorting to the much lower standards and greater dangers in participating in many of the other arms trades going on around the world, and we see promoting the commercial interests of this country in all responsible areas and ways as quite a separate issue. We do not really elide the two concepts as some people in the media and commentators have done." (Hansard, 22.3.11, col 593)

15. He continued: "Perhaps a year or two ago, many people in this House would have been happy with the number of licences going to Libya, but it turns out that a great many of these - I think 118 of them - have been revoked, and rightly so. All licences for weapons of any kind of concern for Libya have been revoked. .....we are applying the best possible filter and controls, possibly by world standards, that are available to ensure that weapons are not misused, or used for repression in horrible ways."

16. The Consolidated EU and National Arms Export Licensing Criteria and their similar predecessor criteria have been used as a basis for export licensing decisions since 1997. That, unfortunately, has not stopped UK military exports going to countries such as China, Israel, Sri Lanka and Thailand where it is impossible to be sure that they will not contribute to internal repression. Military equipment exported from the UK was used by Israel in Lebanon and Gaza; the sale of fighter jets to Saudi Arabia took precedence over the possibility of effective UK government protests over human rights concerns and a criminal investigation for bribery; and an expensive and useless
military radar system was successfully sold to Tanzania. Once equipment has left the UK there is no control on its use. In March 2011 Saudi Arabia sent scores of UK-made armoured personnel carriers into Bahrain to aid the latter government's bloody suppression of pro-democracy protesters. The system is fundamentally flawed and any export control system will fail until there is political will to restrict arms.

17. However, the policy is that sales always take precedence over the pretence at control as can be seen from the Government's arms sales unit, the UK Trade and Investment Defence and Security Organisation (UKTI DSO), list of priority markets for 2010/11 which includes Algeria, India, Iraq, Kuwait, Libya, Pakistan and Saudi Arabia.

Libya

18. The fact that Libya was a 2010/11 priority market for the UK government for the export of military equipment provides an example of just why the Government's commitment to support the export of arms is so flawed.

19. The arms embargo on Libya was lifted in October 2004. This had nothing to do with any improvement in Libya's human rights record - pressure had been led by Italy which wanted agreements to limit the number of refugees crossing the Mediterranean. Libya was immediately seen as a major marketing opportunity. In June 2005 UKTI DSO's predecessor, the Defence Export Services Organisation (DESO) held a seminar on Libya as an emerging market. According to the Defence Manufacturers Association News in July 2005, Libya was seen as "a relatively sophisticated customer with a political will to procure equipment from the UK". DESO opened an office in Tripoli in January 2006.

20. In May 2007 Prime Minister Tony Blair visited Libya and (in Sirte, which is being bombed as this paper is being written) signed an Accord on a Defence Cooperation and Defence Industrial Partnership as well as agreements with MBDA and General Dynamics (UK). MBDA, in which BAE has a 37.5% stake, was awarded a £147million contract for anti-tank missiles and £122million for a related communications system while GDUK was given a deal worth £85million deal to supply the Libyan army with radios.

21. The support for exports continued. In a speech on 21st May 2009, Richard Paniguian, Head of UKTI DSO, said: "There have been high-level political interventions - often behind the scenes - in places like Libya, Oman, India and Algeria. The key here is consistent support over time, delivered at key points in a campaign. You'd expect us to deliver Whitehall support, and we are doing that."

22. In September 2009 Libya was invited to the Defence Systems and Equipment International, an arms fair co-organised by UKTI DSO. The following month, UKTI DSO exhibited at the Libyan Aviation Exhibition (LAVEX) in Tripoli. The Libyan Airforce was amongst the organisers of LAVEX. In July 2010 Libya was represented at the Farnborough International Airshow and in November 2010 UKTI DSO was back in Tripoli exhibiting at the LibDex arms fair.

23. The Libyan authorities did not begin violating human rights in February 2011. Libya is, unfortunately, far from unique in being a repressive regime and a recipient of UK
arms. However, in this case, the pressure built for action. In March 2011 an arms embargo was, once again, imposed on Libya and the bombing - to "protect" civilians - began.

**There must be a change of policy**

24. The arms companies benefit from supplying arms to repressive regimes, and benefit again when the UK government takes military action against that regime. Repressive regimes benefit from the support and legitimacy given to them by the governments supporting or licensing the sales.

25. Others suffer. Sometimes this is directly, when human rights abuse is overlooked as the arms are promoted or when western bombs fall overhead. International and UK security is threatened. The UK taxpayer suffers as resources are diverted from education or health spending into fuel for jets or purchases of missiles. All suffer from a less peaceful world where tackling the real threats such as climate change and energy insecurity are given a lower priority.

26. A major shift in policy is needed so that the real threats to security are to be given the policy priority and resources they need. To do this a courageous Government must break the long-established political influence of the arms companies and military establishment, bring its spending into line with the effective prevention and tackling of threats, and stop promoting military equipment overseas.

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