Private gain, public pain
The case for ending the Government’s arms selling

Summary

The policy and price of selling arms

Government rhetoric speaks of arms control, but its policy and practice is to promote arms sales with little or no regard for the damage they might cause or the wider implications of supplying them. Most countries where major conflicts are taking place are recipients of UK arms. Human rights abusing governments and authoritarian regimes rank among the UK’s most important markets. Development concerns are irrelevant as long as a country is willing to pay for weaponry. And potential corruption is a side issue at best.

The Government’s arms sales unit

Arms receive official assistance far in excess of other industrial sectors, and from several UK Government departments. The most obvious manifestation of this support is the arms sales unit – the Defence & Security Organisation – within UK Trade & Investment (UKTI DSO). This unit has 180 staff dedicated to arms sales. The specific support provided to ALL non-arms sectors amounts to 142 staff. Arms sales account for 56% of sector specific staff resources despite arms being only 1.5% of total exports.

UKTI DSO coordinates arms selling activities by:

~ Constant liaison with the companies they are selling arms for: while supporting BAE Systems forms a major part of UKTI DSO’s activity, it is as happy to sell arms for overseas-headquartered companies such as Thales and Finmeccanica. UKTI DSO only requires that a company has an active UK trading address.

~ Building relationships with government and military officials from overseas countries: arms buyers like to know that the ‘home’ Government supports the deal. UKTI DSO meets with military officials and the armed forces of potential buyers to provide this reassurance and facilitate sales. It has a list of 19 “Priority Markets” where activity is focussed but is also supporting arms sales campaigns in another 33 countries.

~ Encouraging political intervention in support of arms sales: direct UKTI DSO sales support is important, but often higher level political support is required to push deals through. Delivering Whitehall, including Prime Ministerial, support is a routine part of UKTI DSO work.

~ Ensuring that the UK armed forces are on hand to help arms companies in their sales efforts: UKTI DSO has its own embedded specialist military officers and an army demonstration team. Its military staff help coordinate the support of the wider armed forces and their equipment for arms export campaigns.

~ Attending and helping companies attend overseas arms fairs, and organising arms fairs in the UK: UKTI DSO organises stands and VIP delegations to arms fairs around the world. Staff become colleagues in arms trading with militaries from countries under international arms embargoes, such as Burma and Sudan, as well as thousands of business visitors who could be working for anyone or anything. In the UK, UKTI DSO are an integral and essential part of the arms fairs themselves. They coordinate official invitations to military delegations and provide logistical, political and financial support.

Justifications for promoting arms sales

The Government’s active role in promoting the arms trade appears so out of step with normal values that its justifications need to be considered. Its main arguments fit into three categories: arms exports are important for national security; they are vital to the UK economy and jobs; and they are stringently regulated. All are false.

The official argument
National security is the Government’s main official argument. It focuses on the proposal that arms exports can guarantee the supply of arms for the UK armed forces, but the argument is also applied much more generally, tapping into deep-rooted assumptions about defence and sovereignty.

There are two main problems with the official argument. First, there is no “security of supply” to guarantee. Arms production takes place across the globe and all significant Ministry of Defence purchases include an abundance of overseas components and sub-systems. The arms companies that are supposed to provide the guarantee of supply are international businesses. It is entirely unrealistic to expect these
companies and their international shareholders to prioritise any one country’s armed forces over those of other markets.

And second, the Government’s arms promotional unit, UKTI DSO, is concerned with company profits and not the needs of the UK armed forces. The prime interest in the armed forces appears to be how the military can help UKTI DSO help companies make money.

However, the most important argument around national security is more fundamental: the extent to which national security is undermined by being viewed through an almost exclusively military lens. This perspective includes both the predilection for arms exports and the presumption of military solutions to problems. It marginalises security threats, including major “drivers of insecurity” such as climate change and inequality, that are acknowledged by Government but absent in terms of meaningful policies and resource allocation.

The emotive argument
Jobs and economic arguments are not the Government’s official justifications for its arms sales activities as it knows the argument doesn’t stand up to scrutiny. But the Government repeats and encourages the myths because it realises ‘jobs’ is one justification that the UK public will accept when faced with indiscriminate arms selling.

In contrast to the impression provided by arms industry apologists, arms export jobs comprise only 0.2% of the UK workforce and the exports themselves are only 1.5% of the UK total. Even the entire arms industry (bringing in production for the Ministry of Defence) is an unexceptional sector by any normal economic indicator. What is more, arms exports and the arms companies in general receive support from the taxpayer that is far beyond that available to comparable civil sectors. It is this support that provides the arms companies with their research & development resources and ability to attract skilled workers.

Because it is taxpayers’ money that supports arms exports and production, the Government can choose to reallocate the resources to more socially-useful and productive activities which could generate more jobs. The renewable energy sector, for one, has similar skill sets to arms production and enormous market potential.

The argument of last resort
The existence of official arms export controls are often cited by the Government in defence of indefensible arms exports. But the UK’s arms exports speak for themselves, as do the tiny proportion of arms export licence applications that are refused.

There are some technical reasons that contribute to the ineffectiveness of the UK’s arms export controls, but the overwhelming reason is that it is Government policy and practice to actively promote and support arms sales. Within this policy context, the main effect of the licensing process is to legitimise arms exports.

The case for ending arms export promotion
The UK is one of the main players in the destructive international arms trade. Far from seeking to control or restrain arms sales, the Government actively promotes them, dedicating resources to arms sales promotion far beyond that available to other industries.

If arms export promotion across Government departments was to end, the most immediate result would be that the Government’s own arms export guidelines could be meaningfully implemented and the worst of UK arms sales stopped.

But the implications would be far broader than this. An end to arms export promotion and the mind-set that goes with it would allow national security to be assessed far more objectively. The security and well-being of the population, rather than military and arms company interests, could be the basis for national security policy. As a result, serious, imminent threats such as climate change could be allocated appropriate resources, including significant funding for renewable energy technologies. The benefits of such a reallocation would extend beyond national security, providing a vital boost to sectors that have vast earning and employment potential.

Security is being threatened and economic opportunities missed because of the prioritisation of private international arms company interests over those of the UK public. A significant first step towards correcting the imbalance would be to end the Government’s extensive arms selling activities and shut UKTI DSO.

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Full report available at www.caat.org.uk