A Canadian Agenda into the 1990's

Surplus Arms: The Danger of Diversion

A possible unintended consequence of progress in East-West arms control and disarmament is the danger that demobilized weaponry and military equipment, if not destroyed, will become available for sales and transfers to armies and armed groups in other parts of the world. Similarly, unless the military production capabilities of countries in East and West are dismantled or decisively cut back under new agreements, they will have even greater incentives than in the past to direct their products to other markets. Such "market development" has always been pursued in part to maintain efficient production lines and adequate returns, and there will be even more pronounced tendencies to the predatory competition, corrupt sales practices and shocking diversion of scarce resources from other key needs in importing countries that have long characterized the international arms business.

The corruptive potential of the arms business was vividly illustrated by a comment of the losing contender for a major arms contract in India which played such a part in the defeat of the Congress (I) government. The former managing director of the Austrian armaments firm said "It is absolutely normal in this business to pay generals and politicians if you want to win the contract. [We lost] because Bofors offered to pay more than we did." ¹

Significantly, this very large and scandal-ridden arms deal was made by a Swedish firm, a reminder that this trade is by no means restricted to superpower exporters. Solid superpower agreements against the diversion of demobilized weaponry will be insufficient to ensure that East-West disarmament provides benefits, rather than negative fallout, to other parts of the world. The prominence in the arms trade of countries such as France, China, Britain, FRG, Italy, Brazil, Israel, Czechoslovakia, and Sweden as arms exporters is ample evidence that this traffic respects neither ideological nor geographical lines, and that broad and effective multilateral agreement will be necessary to reduce it and its pernicious effects. For the first time, serious action on disarmament by the major alliances places them in a legitimate position to press others to join in limiting the spread of weapons.

In the past, the two superpowers were prepared to consider reciprocal limitations on conventional arms transfers even at times when their mutual relations were poor and their competition intense in Third World arenas. Now that they are actively cooperating to quell some regional conflicts, and cutting back on arms flows into some others, there