

market. Only \$104 million was exported directly to the Third World or other developed states. But many Canadian-produced components end up in American weapons that are then exported to the Third World. Since the United States exports roughly ten percent of its production, if we assume that ten percent of the material flowing from Canada to the United States is in turn exported, then the total volume of Canadian exports to the Third World could reach \$260 million. This makes Canada a minor second-tier supplier.

Canada is one of the second-tier suppliers that could be most affected by a constricted arms market. Although it is not a major player, its domestic demand is too small to maintain a high-tech defence industrial base without some exports. In addition, Canada does not have a policy of pursuing exports aggressively, although there has been some pressure from the defence industry for increased export assistance. The "insulation" that protects Canada to some extent is its close relationship with its main customer, the United States. Closer continental economic ties may give Canada a privileged position vis-à-vis producers such as Britain, France or West Germany.

### THE POSSIBILITIES FOR CONTROLLING THE ARMS TRADE

Against this increasingly competitive backdrop the potential for international control of the arms trade remains limited and the problems more complex than a first glance might suggest. The various political, military and economic benefits that different suppliers pursue mean that, first, difficult trade-offs must be made and, second, control requires more than the application of political will or international negotiation. Second- and third-tier suppliers would especially have to sacrifice important national goals (such as an independent, high-technology, defence industry) in order to accept restraints on their arms trade.

The history of international efforts to control the arms trade extends back to World War I. The Covenant of the League of Nations that emerged after the war included the provision that "the manufacture by private enterprise of munitions and implements of war is open to grave objections." Conferences and negotiations were held towards prohibiting arms exports except under specific circumstances and with public licenses. All that resulted, however, was a voluntary register of arms exports that was extremely inaccurate and that failed to reduce the arms traffic in any way.

More recent experiments have so far been no more successful. Proposals were put forward in the United Nations in 1965 by Malta, and in 1967 and 1968 by Denmark and the Nordic states, for an international register of the arms trade, but no negotiations occurred at the international level for actual control. The subject has been raised at various forums since then, but no international action has been taken. Under President Carter, the United States in

1977 initiated a programme of unilateral restraints that were coupled with attempted multilateral negotiations with the Soviet Union and Western European exporters. The six unilateral commitments of the Carter programme were to:

1. reduce the dollar volume of transfers;
2. forswear the development of weapons designed explicitly for export;
3. prohibit co-production agreements;
4. refuse to introduce new technologies into a region;
5. abstain from government promotion abroad for sales;
6. tighten regulation on the retransfer of weapons.

Negotiations began with the Soviet Union, after Britain and France made it clear that their participation was contingent on a prior superpower agreement. Many observers suspected that the British and French secretly hoped for the talks to fail. In the event, the talks collapsed within two years. As long as general global reduction were being discussed, some progress could be made; as soon as specific regions and specific restraints (dealing with Latin America and the Middle East) came on the agenda, the loose consensus on restraint in the United States collapsed. Simultaneously, the unilateral elements of the policy ran into trouble, and by the end of Carter's presidency the possibilities for control of the arms trade looked bleak.

In recent years, however, the possibility of an international arms transfer register based in the United Nations has again received consideration, particularly in Canada, as a result of the 1986 Simard-Hockin report on Canada's international relations. It recommended that Canada should seek support for the establishment of an international arms trade register. Proponents of a register see it as a "spotlight" on governments that could, through the pressure of international and domestic public opinion, bring them to reduce wasteful or extravagant purchases. But without near-total international cooperation, compulsory disclosure of information, or a massive and difficult "detective" effort that would inevitably be politically sensitive, it is difficult to imagine such a register being successful. Only about twenty states now comply with the analogous United Nations voluntary register of military expenditures.

There are, however, some brighter spots on the horizon, although none is as comprehensive as either President Carter's or the United Nations' efforts. First, both the Americans and the Soviets have expressed interest in restrictions on the transfer of specific technologies. Technologies that can contribute to the spread of nuclear weapons head the list, but restrictions on advanced missile technology or chemical weapons capabilities have also been proposed. Both the Soviets and the Americans have taken note of the destabilizing results of Iraq's use of chemical weapons and long-range surface-to-surface missiles in the Iran-Iraq war. The Soviets cut off their supply of the latter to Iraq after the bombing of Iranian cities in 1985, and in 1987 seven Western powers agreed to controls on the transfer of missile technology.