

billion)--were the world's top exporters of major weapons to all countries.⁸ China followed West Germany with 1987 transfers valued at US \$1.04 billion. However, China's sales were made exclusively to the Third World. The Soviet Union continued to lead as the main exporter of major arms to the Third World, while US arms transfers were divided almost equally between the developing countries (US \$5.8 billion) and the industrialized world (US \$5.7 billion).⁹ In 1987, the US ranked first among exporters of major weapons to industrialized countries. The remaining market was divided among a large number of smaller suppliers, including increasingly large numbers of Third World manufacturers.¹⁰

Significant growth occurred in 1987 in the "gray" and "black" markets in weapons, marked publicly by the US "Iran-Contra" affair and the Swedish "Bofors" arms sales to Iran. "Gray market" sales, defined as "officially approved exports from governments which do not want to be associated with their actions," were approximately US \$2 billion in 1987.¹¹ In the smaller area of illegally acquired arms technology, the "black market," "consisting mostly of small transactions that violate the laws of the nation from which they originate," has begun to thrive in the Third World.¹²

Arms transfer controls by exporters, whether through regulation, creation of a world arms register, or any other means, have often been considered but never effectively enacted by members of the United Nations. In 1977, US President Carter imposed unilateral restrictions on American arms exports. This action was followed by the Conventional Arms Transfers (CAT) talks with the Soviet Union. These talks, however, soon broke down.¹³

CURRENT CANADIAN POSITION

Canada continues to be a minor player in the global conventional arms market. In 1987, Canada ranked fifteenth as a major weapons exporter with global deliveries valued at US \$139 million. The greater portion (US \$102 million) of these deliveries was made to the industrialized world. In the same year, Canada imported weapons from industrialized countries in the amount of US \$677 million.¹⁴

8 *Ibid.*

9 *Ibid.*, pp. 176-77.

10 *Ibid.*, p. 177.

11 *Ibid.*, p. 190. See also: pp. 175 and 190-95.

12 *Ibid.*, p. 192.

13 Keith Krause, *The International Trade in Arms*. Ottawa: Canadian Institute for International Peace and Security, *Background Paper* No. 28 (March 1988), pp. 7-8.

14 SIPRI, *supra* note 1, pp. 177 and 179.