

Commercial Confidentiality

It is possible that a public monitoring system would be open to “mischief making” and would hamper the bidding process by interfering with the right of both suppliers and purchasers to keep transactions confidential.

Economic Implications

Many technological breakthroughs which have benefited civilian industry have come about as a result of high technology research that has only been possible because of investment in defence technologies. If a register is to be the first step towards reduction in arms exports, this benefit would be threatened.

The Views of Other Governments

The United States

In 1968 the US Congress created the Foreign Military Sales Act. This legislation requires the Secretary of State to provide a semiannual report of all exports of significant defence articles listed on the US Munitions List. This legislation provided a degree of accountability unequaled at that time in other western countries.

President Carter re-evaluated US policy on arms transfers and issued Presidential Directive-13 (PD-13) which established a policy making arms transfers a special case in US foreign policy. Arms transfers were to be carried out only when they contributed to national security. A ceiling on arms sales was established and there was a limit on the degree of sophistication of arms exported. Most of these controls were ended under President Reagan who has established more general guidelines to deal with arms sales on a case-by-case basis. There is no specific mention in the new guidelines of human rights.

Sweden

Statistics on Swedish exports of military equipment are published by the Swedish Central Bureau of Statistics. A Military Inspection Board also provides annual figures and the aggregate value of export licenses issued during the year is listed in the Swedish Budget.

Under guidelines established in 1971, the Swedish government will not grant export licenses for exports to a state involved in armed conflict or a state in which there are armed internal disturbances. However, the