United States Arms Sales: Agreements with and Deliveries to Major Clients, 2001-2008

By
Richard F. Grimmett
Specialist in International Security, December 2, 2009
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[The following are excerpts of the Richard F. Grimmett Report *U.S. Arms Sales: Agreements with and Deliveries to Major Clients*, 2001-2008. The full report is located at the following web site: http://www.fas.org/sgp/crs/weapons/R40959.pdf. Unlike CRS Report R40796, this annual report focuses exclusively on U.S. arms sales and provides the specific names of the major U.S. arms customers, by region, together with the total dollar values of their arms purchases or deliveries. This report will not be updated.]

This report provides background data on U.S. arms sales agreements with and deliveries to its major purchasers during calendar years 2001-2008. It provides the total dollar values of U.S. arms agreements with its top five purchasers in five specific regions of the world for the periods 2001-2004, 2005-2008, and for 2008, and the total dollar values of U.S. arms deliveries to its top five purchasers in five specific regions for those same years. In addition, the report provides a listing of the total dollar values of U.S. arms agreements with and deliveries to its top 10 purchasers for the periods 2001-2004, 2005-2008, and for 2008. The data are official, unclassified, United States Defense Department figures compiled by the Defense Security Cooperation Agency (DSCA), unless otherwise indicated. The data have been restructured for this report by DSCA from a fiscal year format to a calendar year format. Thus a year in this report covers the period from January 1-December 31, and not the fiscal year period from October 1- September 30.[1]

United States Agreements with Leading Purchasers, 2001-2008

The following regional tables (Tables 1-5) provide the total dollar values of all U.S. defense articles and defense services sold to the top five purchasers in each region indicated for the calendar year(s) noted. These values represent the total value of all government-to-government agreements actually concluded between the United States and the foreign purchaser under the Foreign Military Sales (FMS) program during the calendar year(s) indicated.[2] In Table 6, the total dollar values of all U.S. defense articles and defense services sold to the top 10 purchasers worldwide are provided for calendar year period noted. All totals are expressed as current U.S. dollars.

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1. The Defense Security Cooperation Agency (DSCA) publishes an annual volume providing these data in a fiscal year format. This publication is titled *Foreign Military Sales, Foreign Military Construction Sales, and Military Assistance Facts*. It provides detailed U.S. annual transactions with countries and international organizations for the most recent ten fiscal years, as of the date of publication, as well as aggregate data for these transactions since fiscal year 1950. See DSCA web site for this data under *DSCA Facts Book* at http://www.dsca.osd.mil/. For detailed worldwide arms transfer data for U.S. and foreign suppliers and recipients, see CRS Report R40796, *Conventional Arms Transfers to Developing Nations, 2001-2008*, by Richard F. Grimmett.

2. Current U.S. law and regulations do not require U.S. companies to provide, routinely and systematically, data on arms sales agreements actually concluded with foreign purchasers resulting from commercial licenses authorized by the U.S. State Department. Thus, the agreement data in the following tables do not include the values of U.S. licensed commercial sales.

Table 1
Leading Purchasers of United States Defense Articles and Services, Total Values of Africa Agreements Concluded
(in current U.S. dollars, rounded to nearest million)

Africa Agreements 2001-2004	Africa Agreements 2005-2008	Africa Agreements 2008
1 Nigeria $30 million	1 Kenya $30 million	1 Kenya $26 million
2 Kenya $18 million	2 Djibouti $18 million	2 Ethiopia $2 million
3 South Africa $12 million	3 Ethiopia $12 million	3 Djibouti $1 million
4 Djibouti $11 million	4 Senegal $4 million	4 Senegal $1 million
5 Guinea $3 million	5 Botswana $4 million	5 Botswana $1 million

Table 2. Leading Purchasers of U.S. Defense Articles and Services, Total Values of American Republics Agreements Concluded
(in current U.S. dollars, rounded to nearest million)

American Republics Agreements 2001-2004	American Republics Agreements 2005-2008	American Republics Agreements 2008
1 Chile $550 million	1 Canada $2.49 billion	1 Canada $821 million
2 Canada $544 million	2 Brazil $1.13 billion	2 Brazil $388 million
3 Brazil $168 million	3 Colombia $608 million*	3 Colombia $310 million*
4 Colombia $139 million*	4 Chile $145 million	4 Chile $78 million
5 Venezuela $47 million	5 Argentina $102 million	5 Argentina $47 million

*Includes FMS related to international narcotics interdiction programs.

Table 3. Leading Purchasers of U.S. Defense Articles and Services, Total Values of Asia Agreements Concluded
(in current U.S. dollars, rounded to nearest 10 million or 10th of a billion)

Asia Agreements 2001-2004	Asia Agreements 2005-2008	Asia Agreements 2008
1 South Korea $2.9 billion	1 Australia $6.4 billion	1 Taiwan $1.3 billion
2 Japan $2.1 billion	2 South Korea $3.1 billion	2 South Korea $1.2 million
3 Taiwan $1.2 billion	3 Japan $3.0 billion	3 Australia $720 million
4 Australia $1.0 billion	4 Taiwan $1.0 billion	4 Japan $310 million
5 Singapore $1.0 billion	5 Singapore $970 million	5 Singapore $280 million

Table 4. Leading Purchasers of U.S. Defense Articles and Services, Total Values of Near East Agreements Concluded (in current U.S. dollars, rounded to nearest 10 million or 10th of a billion)

Near East Agreements 2001-2004	Near East Agreements 2005-2008	Near East Agreements 2008
1 Egypt $5.2 billion	1 Saudi Arabia $11.2 billion	1 U.A.E. $8.9 billion
2 Saudi Arabia $4.1 billion	2 U.A.E. $10.0 billion	2 Saudi Arabia $7.8 billion
3 Israel $3.2 billion	3 Egypt $5.2 billion	3 Morocco $2.4 billion
4 Kuwait $1.7 billion	4 Pakistan $4.5 billion	4 Iraq $2.0 billion
5 Oman $850 million	5 Iraq $3.5 billion	5 Egypt $1.3 billion

Table 5. Leading Purchasers of U.S. Defense Articles and Services, Total Values of Europe Agreements Concluded (in current U.S. dollars, rounded to nearest 10 million or 10th of a billion)

Europe Agreements 2001-2004	Europe Agreements 2005-2008	Europe Agreements 2008
1 Poland $4.0 billion	1 U.K. $1.8 billion	1 U.K. $740 million
2 U.K. $1.9 billion	2 Norway $1.0 billion	2 Finland $440 million
3 Greece $1.4 billion	3 Netherlands $1.0 billion	3 Turkey $420 million
4 Italy $1.2 billion	4 Germany $920 million	4 Switzerland $320 million
5 Turkey $970 million	5 Spain $870 million	5 Netherlands $250 million

Table 6. Leading Purchasers of U.S. Defense Articles and Services, Total Values of Worldwide Agreements Concluded (in current U.S. dollars, rounded to nearest 10 million or 10th of a billion)

Worldwide Agreements 2001-2004	Worldwide Agreements 2005-2008	Worldwide Agreements 2008
1 Egypt $5.2 billion	1 Saudi Arabia $11.2 billion	1 U.A.E. $8.9 billion
2 Saudi Arabia $4.1 billion	2 U.A.E. $10.0 billion	2 Saudi Arabia $7.8 billion
3 Poland $4.0 billion	3 Australia $6.4 billion	3 Morocco $2.4 billion
4 Israel $3.2 billion	4 Egypt $5.2 billion	4 Iraq $2.0 billion
5 South Korea $2.9 billion	5 Pakistan $4.5 billion	5 Egypt $1.3 billion
6 Japan $2.1 billion	6 Iraq $3.5 billion	6 Taiwan $1.3 billion
7 U.K. $1.9 billion	7 South Korea $3.1 billion	7 South Korea $1.2 million
8 Kuwait $1.7 billion	8 Japan $3.0 billion	8 India $1.0 billion
9 Greece $1.4 billion	9 Israel $2.7 billion	9 Israel $1.0 billion
10 Italy $1.2 billion	10 Morocco $2.5 billion	10 Canada $820 million

United States Deliveries to Leading Purchasers, 2001-2008

The following regional tables (Tables 7-11) provide the total dollar values of all U.S. defense articles and defense services delivered to the top five purchasers in each region indicated for the calendar year(s) noted for all deliveries under the U.S. Foreign Military Sales (FMS) program. These values represent the total value of all government-to-government deliveries actually concluded

between the United States and the foreign purchaser under the FMS program during the calendar year(s) indicated. Commercial licensed deliveries totals are excluded, due to concerns regarding the accuracy of existing data.

In Table 12, the total dollar values of all U.S. defense articles and defense services actually delivered to the top ten purchasers worldwide is provided. The delivery totals are for FMS deliveries concluded for the calendar year(s) noted.

Table 7. Leading Purchasers of U.S. Defense Articles and Services, Total Values of Africa Deliveries Concluded (in current U.S. dollars, rounded to nearest million)

Africa Deliveries 2001-2004	Africa Deliveries 2005-2008	Africa Deliveries 2008
1 Nigeria $15 million	1 Kenya $18 million	1 Djibouti $5 million
2 Kenya $7 million	2 Djibouti $16 million	2 Kenya $4 million
3 South Africa $5 million	3 Nigeria $12 million	3 Nigeria $4 million
4 Ethiopia $4 million	4 Ethiopia $11 million	4 Ethiopia $3 million
5 Benin $3 million	5 Uganda $7 million	5 Madagascar $2 million

Table 8. Leading Purchasers of U.S. Defense Articles and Services, Total Values of American Republics Deliveries Concluded (in current U.S. dollars, rounded to nearest million)

American Republics Deliveries 2001-2004	American Republics Deliveries 2005-2008	American Republics Deliveries 2008
1 Canada $453 million	1 Canada $1.1 billion	1 Canada $452 million
2 Colombia $232 million*	2 Chile $495 million	2 Colombia $122 million*
3 Brazil $100 million	3 Colombia $483 million*	3 Brazil $40 million
4 Venezuela $50 million	4 Brazil $154 million	4 Chile $28 million
5 Argentina $26 million	5 Argentina $33 million	5 Argentina $13 million

*Includes deliveries of defense articles and services previously sold that are related to international narcotics programs.

Table 9. Leading Purchasers of U.S. Defense Articles and Services, Total Values of Asia Deliveries Concluded (in current U.S. dollars, rounded to nearest 10 million or 10th of a billion)

Asia Deliveries 2001-2004	Asia Deliveries 2005-2008	Asia Deliveries 2008
1 Taiwan $3.7 billion	1 Taiwan $3.9 billion	1 Australia $900 million
2 South Korea $2.1 billion	2 South Korea $2.7 billion	2 South Korea $800 million
3 Japan $1.5 billion	3 Japan $2.4 billion	3 Taiwan $600 million
4 Singapore $800 million	4 Australia $2.4 billion	4 Japan $400 million
5 Thailand $600 million	5 Singapore $900 million	5 Singapore $200 million

Table 10. Leading Purchasers of U.S. Defense Articles and Services, Total Values of Near East Deliveries Concluded (in current U.S. dollars, rounded to nearest 10 million or 10th of a billion)

Near East Deliveries 2001-2004	Near East Deliveries 2005-2008	Near East Deliveries 2008
1 Egypt $5.0 billion	1 Israel $5.6 billion	1 Saudi Arabia $1.2 billion
2 Saudi Arabia $4.3 billion	2 Egypt $4.8 billion	2 Israel $1.2 billion
3 Israel $3.4 billion	3 Saudi Arabia $4.4 billion	3 Egypt $1.0 billion
4 Kuwait $800 million	4 Kuwait $1.6 billion	4 Iraq $800 million
5 Bahrain $300 million	5 Iraq $900 million	5 Kuwait $300 million

Table 11. Leading Purchasers of U.S. Defense Articles and Services, Total Values of Europe Deliveries Concluded (in current U.S. dollars, rounded to nearest 10 million or 10th of a billion)

Europe Deliveries 2001-2004	Europe Deliveries 2005-2008	Europe Deliveries 2008
1 Greece $3.3 billion	1 Poland $2.6 billion	1 Poland $760 million
2 U.K. $1.6 billion	2 U.K. $1.6 billion	2 U.K. $430 million
3 Netherlands $1.2 billion	3 Turkey $1.1 billion	3 Turkey $360 million
4 Spain $1.1 billion	4 Greece $990 million	4 Netherlands $180 million
5 Turkey $1.1 billion	5 Netherlands $970 million	5 Germany $160 million

Table 12. Leading Purchasers of U.S. Defense Articles and Services, Total Values of Worldwide Deliveries Concluded (in current U.S. dollars, rounded to nearest 10 million or 10th of a billion)

Worldwide Deliveries 2001-2004	Worldwide Deliveries 2005-2008	Worldwide Deliveries 2008
1 Egypt $5.0 billion	1 Israel $5.6 billion	1 Saudi Arabia $1.2 billion
2 Saudi Arabia $4.3 billion	2 Egypt $4.8 billion	2 Israel $1.2 billion
3 Taiwan $3.7 billion	3 Saudi Arabia $4.4 billion	3 Egypt $1.0 billion
4 Israel $3.4 billion	4 Taiwan $3.9 billion	4 Australia $900 million
5 Greece $3.3 billion	5 South Korea $2.7 billion	5 South Korea $800 million
6 South Korea $2.1 billion	6 Poland $2.6 billion	6 Iraq $800 million
7 U.K. $1.6 billion	7 Japan $2.4 billion	7 Poland $760 million
8 Japan $1.5 billion	8 Australia $2.4 billion	8 Taiwan $600 million
9 Netherlands $1.2 billion	9 U.K. $1.6 billion	9 U.K. $430 million
10 Spain $1.1 billion	10 Turkey $1.1 billion	10 Japan $400 million

Fiscal Year 2011 International Affairs Budget

[The following is a Press Release by the United States House of Representatives Committee on Foreign Affairs.]

Howard L. Berman (Democrat-California), Chairman of the House Foreign Affairs Committee, today [9 December 2009] sent a bipartisan letter to President Obama signed by 189 members of Congress requesting a robust International Affairs budget, which includes funding for bilateral diplomacy; international broadcasting; contributions to the United Nations; and humanitarian, development, and security assistance.

The following is the text of the letter:

The President
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President:

As you prepare your Fiscal Year (FY) 2011 budget, we are writing to express our strong support for a robust International Affairs budget. The critical programs funded in the International Affairs budget invest in the tools of development and diplomacy; foster economic and political stability on a global scale; strengthen our allies; and fight the spread of poverty, disease, terrorism, and weapons of mass destruction. These investments are essential to strengthening our national security, building economic prosperity, and protecting the health and safety of all Americans, while demonstrating our moral values and humanitarian principles.

National Security: National security and foreign policy experts across the political spectrum support an increase in the International Affairs budget as an essential component of our national security. As Defense Secretary Robert Gates has stated, "It has become clear that America's civilian institutions of diplomacy and development have been chronically undermanned and under-funded for far too long—relative to what we traditionally spend on the military, and more important, relative to the responsibilities and challenges our nation has around the world."

Secretary Gates and other military leaders argue that our national security is dependent not only on a strong military force but also on increased investments in the full range of diplomatic, development, and humanitarian tools funded through the International Affairs budget. These investments improve our ability to track down terrorists and weapons, help reduce poverty and hunger, promote the security of key allies, and assist in the stabilization of fragile states that often provide quarter and safe haven to terrorists and others who seek to do us harm. A strengthened International Affairs budget will also improve the capacity of the Department of State and associated agencies to partner with the military in pursuit of our national security objectives.

Economic Security: By helping to create new and stable global markets for American goods and services, international affairs programs create jobs at home and opportunities for economic expansion abroad for American companies. Our export promotion agencies and overseas missions advocate for U.S. commercial interests overseas and promote U.S. exports, which account for one out of every seven U.S. jobs. Additionally, programs funded in the International Affairs budget foster the development of sound economic policies in poor countries, protect intellectual property rights, build vibrant trade relationships, and encourage public-private partnerships.

Humanitarian Values and Human Security: Programs funded within the International Affairs budget demonstrate America's moral values and our compassion for those in need around the world. They also protect the health and safety of our own citizens by preventing the spread of infectious disease, conserving the natural environment, and reducing the flow of refugees and

contraband. Americans, both through our government and through private organizations, have a proud history of bringing hope to millions of people who live under oppressive poverty; face starvation; battle HIV/AIDS, malaria, and other diseases; and suffer the consequences of conflict and insecurity. Strong support for these life-saving interventions helps leverage significant private contributions that together promote a healthier, more peaceful, and stable world.

Even with small increases in recent years supported by both Democratic and Republican Administrations and Congresses, the International Affairs budget totals less than 1.5 percent of the federal budget—a level that is inadequate to respond to the challenges of the 21st century. That is why we urge you, in addition to modernizing and enhancing the effectiveness of our foreign assistance programs, to request a robust FY 2011 International Affairs budget that will reflect the importance of diplomacy and development—alongside defense—as key pillars of our national security.