
Conventional Arms Transfers to Developing Nations, 1987-1994

By

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[The following are extracts from an unclassified report of conventional arms transfers to developing nations as published under the above title by the Library of Congress on 4 August 1995. The selections included herein begin with a discussion of major research findings regarding the dollar value of both arms transfer agreements and arms deliveries to the developing countries from 1987 through 1994. These findings are all cross-referenced to comparative data tables which are presented following the textual material. Special attention is given to the roles of the United States, the former Soviet Union, and China as arms suppliers, and to identification of the leading Third World arms recipient nations. The report concludes with a listing of the type and quantity of weapons delivered to developing nations by major arms suppliers in the 1987-1994 time period. Copies of the complete 92 page study (Report No. 95-862 F) are available from the Foreign Affairs and National Defense Division, Congressional Research Service, The Library of Congress, Washington DC 20540.]

INTRODUCTION

The Cold War's end continues to have a significant effect on the global conventional arms marketplace, including arms transfers to developing nations. Arms supply relationships continue to undergo adjustments as do the arms acquisition levels of many purchasing states. Despite these changes, for the period covered by this report, conventional arms sales to developing nations have comprised, on average, over 72 percent of all arms sales made internationally. And, in 1994 alone, both arms transfer agreements with and arms deliveries to developing countries comprised 71 percent of all such arms trade activity worldwide.

The significance of economic considerations in the arms sales activities of most traditional weapons suppliers is formidable. Reductions in national defense spending by most arms exporting nations have placed considerable pressures on arms industries to seek foreign weapons sales to compensate for declining domestic orders. To this end, the greatest attention has been given to achieving arms sales agreements with wealthy developing nations in the Near East and Asia. Since 1990 the United States has been notably successful in securing new arms sales orders from countries in these regions. A significant factor in stimulating demands for U.S. weapons systems was their performance during the Persian Gulf War and the heightened interest of Gulf states in upgrading their military capabilities in the wake of that war.

As international competition in the foreign conventional arms market intensifies, the limited financial resources of many developing nations places a brake on the overall growth of international arms sales. Few developing nations have large cash reserves with which to pay for major arms purchases. This makes them ever more dependent on securing credit from arms suppliers in order to make new purchases. In a number of cases, such credits will not be forthcoming because some important supplying nations are not prepared to provide arms purchase loans to countries judged unlikely to repay them. As a consequence, there continues to be a concentration of conventional arms sales to a small number of wealthy developing nations.

At the same time, most of the smaller arms suppliers are increasingly only able to compete for sales to developing nations of less expensive weapons at the medium to lower end of the technology spectrum.

For arms suppliers such as Russia, increased international competition for a decreasing number of conventional arms contracts has created difficulties. Most of Russia's historic arms clients have not been wealthy nations. Indeed, many of them until the last years of the former Soviet Union received substantial amounts of arms on a highly subsidized or a grant basis. Russia can no longer afford to provide such subsidies and has found it necessary to seek cash paying arms customers wherever it can. The result has been establishment of an important supplier relationship with countries such as Iran and China, nations that seek Russian advanced weaponry and technological expertise and are willing to pay for it. Russia has also managed to obtain smaller arms contracts with nations such as the United Arab Emirates, Kuwait, and Malaysia. These countries have traditionally obtained most of their weapons from Western nations, but more recently are seeking to diversify their suppliers. Despite such arms contracts, Russia has fallen dramatically from its once preeminent status as the leading arms supplier to developing nations.

Because of the costs associated with purchases of modern conventional weapons systems, an increasing number of developing nations will probably insist, as a condition of purchase, that weapon production knowledge be made a part of any major arms deal in the future. This development may accelerate as more developing nations seek not only more sophisticated weapons but also a means of achieving greater independence from major arms suppliers over the long term. In an era when some arms suppliers are very independent on arms sales to maintain their domestic military industrial base, there is every prospect that they will be willing to agree to many such arms sales arrangements in the future.

In the period since the end of the Persian Gulf War, efforts were undertaken to seek strong measures to prevent massive, destabilizing arms transfers such as Iraq had received in the years prior to its invasion of Kuwait. Beginning in May 1991, President Bush launched an effort, endorsed by many in Congress, to secure agreement among the five permanent members of the United Nations Security Council to limit the nature and size of their weapons sales to the Near East region, and to set in place a procedure for these five nations (the United States, France, the United Kingdom, China and Russia) to notify each other before they made any arms sales to Near Eastern states.

By the fall of 1992, President Bush's initiative had failed due to the inability of the participating countries to agree on how best to achieve the overall goal of reducing arms transfers to the Near East, and to China's withdrawal from the talks following a major combat fighter aircraft sale to Taiwan by the United States. The collapse of the Bush initiative, however, has not deterred other efforts by some Members of Congress to gain support for a variety of measures aimed at curtailing the conventional arms trade, especially with developing nations, and the nature of American participation in it.

On February 17, 1995, President Clinton released details of his Conventional Arms Transfer Policy, which are embodied in Presidential Decision Directive 34 (PDD-34). This was the first detailed examination of U.S. conventional arms transfer policy since the Cold War's end. As outlined, by the Clinton Administration, the United States continues to view transfers of conventional arms as a legitimate instrument of U.S. foreign policy when they enable the United States to help friends and allies deter aggression, promote regional security and increase interoperability of U.S. forces and allied forces. [The Spring, 1995, issue of *The DISAM Journal* highlights PDD-34 (pp. 35-43).]

President Clinton's Conventional Arms Transfer Policy represents a public articulation of a policy approach that has governed United States arms transfers at least since the Reagan Administration, if not earlier. Decisions to sell or not to sell American weapons will be made on an ad-hoc, case-by-case basis. The policy guidelines set out in the policy are sufficiently broad so as to permit most U.S. sales on the grounds of advancing the national interest. The policy guidelines do not reflect more tightly drawn criteria for U.S. arms transfers such as the strict "code of conduct" test that potential arms recipients would have to meet under a proposal by some Congressional arms control advocates. The central multilateral arms control element of the policy is itself a continuation of general United States policy in this area. And, as with other efforts of this type undertaken in the past, it is essentially dependent for its success on securing the agreement of other major weapons suppliers to forego activities that might otherwise be to their financial benefit.

Although the Administration has emphasized that its decisions on arms transfers will not be driven by commercial considerations but primarily by national security, the Clinton arms transfer policy holds that supporting a strong sustainable American defense-industrial base is a key national security concern, rather than a purely commercial matter. In doing so, the Clinton policy publicly elevates the significance of domestic economic considerations in the arms transfer decision-making process to a higher degree than has been the case in previous administrations.

The American defense industry continues to seek support in Congress for legislation that would provide loan guarantees to assist them in their efforts to sell American weapons abroad, and the stage is set for further debate over how best to reconcile the economic interests of American defense companies and their employees with the goal of reducing potentially destabilizing weapons transfers to developing nations.

This report provides unclassified background data from government sources on transfers of conventional arms to developing nations by major suppliers for the period 1987 through 1994. It updates and revises the report entitled *Conventional Arms Transfers to the Third World, 1986-1993*, published by the Congressional Research Service (CRS) on July 29, 1994 (CRS Report 94-612F). The data in this new report completely supersede *all* data published in previous editions. Since these new data for 1987-1994 reflect potentially significant updates to and revisions in the underlying databases utilized for this report, only the data in this most recent edition should be used.

Special Notes

1. **Constant 1994 Dollars.** Throughout this report, values of arms transfer agreements and values of arms deliveries for all suppliers are expressed in U.S. dollars. Values for any given year generally reflect the exchange rates that prevailed during that specific year. In many instances, the report converts these dollar amounts (current dollars) into constant 1994 dollars. Although this helps to eliminate the distorting effects of inflation to permit a more accurate comparison of various dollar levels over time, the effects of fluctuating exchange rates are not necessarily neutralized. The deflators used for the constant dollar calculations in this report are those provided by the Department of Defense and are set out at the bottom of Table 1. Unless otherwise noted in the report, all dollar values are stated in constant terms. Because all regional data tables are composed of four-year aggregate dollar totals (1987-1990 and 1991-1994), they must be expressed in current dollar terms. Where tables rank leading arms suppliers to developing nations or leading developing nation recipients using four-year aggregate dollar totals, these values must also be expressed in current dollars.

2. **Calendar Year Data Used.** All arms transfer and arms delivery data in this report are for the *calendar year* or *calendar year period* given. This applies to both U.S. and foreign data

Due to the domestic economic problems in recent years, and to the end of the Cold War, Russia has terminated its grant military assistance program with most of its traditional arms clients in the developing world. It now actively seeks to export weapons as a key means of securing hard currency. To this end, Russia has sought arms deals with countries with the means to pay for their weapons purchases. Iran has been an important client in recent years, acquiring Russian MiG-29 fighter aircraft, Su-24 fighter bombers, T-72 main battle tanks, and Kilo class attack submarines. More recently, Russia has reestablished an important arms supplying relationship with China. In 1994, Russia sold China 26 Su-27 fighter aircraft as well as Kilo class attack submarines. These sales account for a notable portion of Russia's 1994 sales total. Russia continues to explore prospects for new weapons sales to China, a nation that has shown keen interest in obtaining the means to manufacture advanced Russian combat aircraft. While Russia continues to seek additional cash paying clients among other developing nations, the success of this effort appears to be limited. It has sold Malaysia Mig-29 fighter aircraft, and armored fighting vehicles to Kuwait and the United Arab Emirates. Western arms suppliers still maintain an advantage over Russia in the competition for new arms sale agreements because Russia still has the image of a nation in the midst of tremendous internal transition. As such, Russia creates concerns among prospective arms buyers that it may not be a reliable supplier of the spare parts and support services needed to utilize weapons systems it may sell.

China

During the 1980s, China emerged as an important supplier of arms to developing nations, primarily due to agreements with Iran and Iraq during their war. The value of China's agreements with developing nations peaked at \$5.9 billion in 1987. Since 1990, the value of Chinese arms transfer agreements with developing nations has fallen dramatically and remained at a low level for the last four years. China registered only \$500 million in arms transfer agreements in 1994 compared with \$2.6 billion in 1990. China ranked fifth among all suppliers to developing nations in 1994, and for the entire period 1987-1994 (in constant 1994 dollars) (Table 1A).

China's arms transfer agreements with developing nations fell sharply after 1990 because Russia displaced China as Iran's preferred arms supplier. Iraq, another important Chinese client, was barred from arms purchases by the U.N. embargo after August 1990. Outside the Near East region, China has had few arms clients with large financial resources or major weapons purchasing programs. China seems ill-placed to sustain a high level of arms sales to the Near East region with stiff competition from suppliers such as Russia and other Western nations that can provide more modern and sophisticated weaponry.

Nevertheless, China's missiles have been of continuing interest to certain developing nations. It is in this area that China is likely to continue to be an important factor in arms sales to developing countries. In the 1980s, China sold and delivered CSS-2 Intermediate Range Ballistic Missiles to Saudi Arabia, Silkworm anti-shiping missiles to Iran, and anti-tank and other surface-to-surface missiles to various purchasers in developing nations. Published reports persist that China has transferred M-11 medium-range surface-to-surface missiles to traditional client Pakistan. Such reports and China's official statements on the subject suggest that that China's willingness to abide by the guidelines on missile transfers set out in the Missile Technology Control Regime (MTCR) is ambiguous at best. China is especially sensitive to measures that it perceives infringe on its rights as a sovereign nation. With a need to obtain hard currency, China's seems prepared to pursue arms sales opportunities it deems appropriate wherever they present themselves. China appears most reluctant to commit itself to an arms control regime that would undermine its ability to market military items or technology that are especially attractive to its prospective buyers in developing nations.

Major West Europeans

The four major West European suppliers, (France, United Kingdom, Germany, and Italy) as a group, registered a significant increase in their collective share of all arms transfer agreements with developing nations between 1993 and 1994. This group's share rose from 28.6 percent in 1993 to 48 percent in 1994. The collective value of this group's arms transfer agreements with developing nations in 1994 was \$12.2 billion compared with a total of \$7.2 billion in 1993. Of these four suppliers, France was primarily responsible for this substantial increase. France posted a tremendous rise in the value of its agreements to \$11.4 billion in 1994. Of these four suppliers, France was primarily responsible for this substantial increase. France posted a tremendous rise in the value of its agreements to \$11.4 billion in 1994 from \$3.8 billion in 1993, boosted by orders for Agosta 90 class submarines from Pakistan, Mirage 2000-5 fighter aircraft from Qatar, and La Fayette class frigates from Saudi Arabia. The value of France's arms transfer agreements with developing nations was nearly double that of the United States. The value of the United Kingdom's agreements in 1994, by contrast, decreased significantly from \$2.4 billion in 1993 to \$600 million in 1994. Italy registered a decrease from over \$300 million in 1993 to \$200 million in 1994. Germany's agreements with developing nations in 1994 were effectively nil, down from over \$700 million in 1993 (in constant 1994 dollars) (Tables 1A and 1B).

During the period 1987-1994, the major West European suppliers, as a group, averaged 25.8 percent of all arms transfer agreements with developing nations. Despite the end of the Cold War, the major West European suppliers have generally maintained a notable share of arms transfer agreements. For the 1991-1994 period, they collectively averaged 29.8 percent of all arms transfer agreements with developing nations. Individual suppliers within the major West European group have had exceptional years for arms agreements, such as France in 1989, 1992, and 1994 (\$4.6 billion, \$4.2 billion, and \$11.4 billion respectively); and the United Kingdom in 1988 (\$25 billion) (in constant 1994 dollars). Such totals have reflected the conclusion of a few large arms contracts with one or more major purchaser (Tables 1A and 1B).

Due to their ability to produce both advanced and basic ground, air, and naval weapons systems, the four major West European suppliers have proven quite capable of competing successfully with the United States and Russia for arms sales contracts with developing nations. Since major West European suppliers, such as France and the United Kingdom, do not often tie their arms sales decisions to foreign policy considerations but rather to economic ones, they provide a viable alternative source of arms for some nations to whom the United States will not sell for policy reasons. Strong government marketing support for foreign arms sales enhances the competitiveness of weapons produced by these major West European suppliers. At the same time, with a shrinking global marketplace for conventional weapons, individual West European suppliers may be hard pressed to secure large new arms contracts with developing nations as was the case in the past. As a consequence, some of these suppliers may choose not to compete for sales of some weapons categories, reducing or eliminating some weapons categories actually produced. They may also seek to engage in joint production ventures with other weapons suppliers in order to maintain some elements of their defense industrial base.

Regional Arms Transfer Agreement Values

The Persian Gulf crisis from August 1990-February 1991, and the Iran-Iraq War before it, played a major role in stimulating high levels of arms transfer agreements with nations in that region. The Persian Gulf war, in particular, created new demand by key nations such as Saudi Arabia and other members of the Gulf Cooperation Council (GCC), for a variety of advanced weapons systems, not only in response to Iraq's aggression against Kuwait, but also to address concerns regarding potential threats from a hostile Iran. Efforts aimed at upgrading defense forces in several countries in Asia have led to important new conventional weapons sales in that

region. Data on regional arms transfer agreements from 1987-1994 reflect the continuing importance of these two regions of the developing world as international arms markets:

Near East

- The Near East is the largest developing world arms market. In 1987-1990 it accounted for 58.3 percent of the total value of all developing nations arms transfer agreements. During 1991-1994, the region accounted for 55.7 percent of all such agreements.
- The United States has dominated arms transfer agreements with the Near East during the 1991-1994 time period with 56 percent of their total value. France was second during 1991-1994 with 23.8 percent. In 1987-1990, the United States and the United Kingdom collectively accounted for over 50 percent of agreements, while Russia held 18 percent.

Asia

- Asia is the second largest developing world arms market. In the earlier period (1987-1990), Asia accounted for 26.3 percent of the total value of all arms transfer agreements with developing nations. During 1991-1994, the region accounted for 39 percent of all such agreements.
- In the earlier period (1987-1990), Russia ranked first in arms transfer agreements with Asia with 59.9 percent. This region includes some of Russia's traditionally largest arms clients such as India, Afghanistan, and Vietnam. The United States ranked second with 17.3 percent. The major West European suppliers, as a group, made 11.7 percent of this region's agreements in 1987-1990. In the later period (1991-1994), the United States ranked first in Asian agreements with 43 percent on the strength of major aircraft sales to Taiwan and South Korea. Russia ranked second with 20.9 percent. France ranked third with 18.9 percent, primarily due to a major aircraft sale to Taiwan. The major West European suppliers, as a group, made 26.3 percent of this region's agreements in 1991-1994.

Leading Third World Arms Purchasers

Saudi Arabia has been, by a wide margin, the leading developing world arms purchaser from 1987-1994, making arms transfer *agreements* totaling \$75.9 billion during these years (in *current* dollars). In both the 1987-1990 and 1991-1994 periods, the value of its arms transfer agreements was very high (\$45.7 billion in 1987-1990 and \$30.2 billion in 1991-1994). The total value of all arms transfer agreements with developing nations from 1987-1994 was \$261 billion (in *current* dollars). Thus, Saudi Arabia alone was responsible for over 29 percent of all developing world arms transfer agreements during these eight years. In the most recent period—1991-1994—Saudi Arabia alone accounted for 29.6 percent of all developing world arms transfer agreements (\$30.2 billion out of \$102.1 billion). Saudi Arabia ranked first among all developing world recipients in the value of arms transfer agreements in 1994, concluding \$9.5 billion in such agreements (in *current* dollars) (Table 1).

Nine of the ten leading developing nations arms recipients during the 1987-1994 period registered declines in the value of their arms transfer *agreements* from the 1987-1990 period to the 1991-1994 period. Six of these were traditional customers of Russia. Iraq, which purchased \$10.5 billion in 1987-1990, bought nothing in the next four years, reflecting the cutoff of its arms supplies after its invasion of Kuwait in August 1990; Cuba declined 88.3 percent. Afghanistan 85.3 percent, Syria 83.9 percent, Angola 82.8 percent, and India by 68.5 percent. These figures

reflect the diminished financial support for these countries by Russia in the post-Cold War era. One major U.S. customer registered an increase in the value of its arms transfer agreements from 1987-1990 to 1991-1994. Taiwan rose by a very dramatic amount (252.2 percent) due to a major aircraft purchase in 1992. Egypt, by contrast, fell 26.2 percent (Tables 1H and 1I).

Despite some large decreases in the values of the arms transfer *agreements* of specific nations from 1987-1990 to 1991-1994, the top ten developing world recipient nations in both time periods still accounted for the major portion of the total developing nations arms market. During 1987-1990 the top ten collectively accounted for 70.7 percent of *all* developing world arms transfer agreements. During 1991-1994 the top ten collectively accounted for 66.1 percent of all such agreements. Arms transfer *agreements* with the top ten developing world recipients, as a group, totaled \$20.8 billion in 1994 or 81.9 percent of all arms transfer agreements with developing nations in that year (Tables 1, 1I, and 1J). This reflects a growing concentration of total developing world arms purchases by relatively few countries. Between 1987-1994 the top ten nations collectively made 68.9 percent of all arms transfer agreements in the developing world (\$179.8 billion out of \$261 billion) (in *current* dollars) (Tables 1 and 1I).

Saudi Arabia ranked first among all developing world recipients in the value of arms transfer *agreements* in 1994, concluding \$9.5 billion in such agreements. China, ranked a distant second in agreements in 1994 at \$2.5 billion, and Israel ranked third with \$2.4 billion in agreements.

Saudi Arabia was by far the leading recipient of arms *deliveries* among developing world recipients in 1994, receiving \$5.2 billion in such deliveries. Saudi Arabia alone received 36.1 percent of the total value of all arms deliveries to developing nations in 1994.

Arms *deliveries* to the top ten developing nation recipients, as a group, constituted \$11.4 billion, or 79.2 percent of all arms deliveries to developing nations in 1994. Five of the top ten recipients were in the Asian region.

Weapon Types Recently Delivered to Developing Nations

Regional *weapons delivery* data reflect the diverse sources of supply of conventional weaponry available to developing nations. Even though Russia, the United States and the four major West European suppliers dominate in the delivery of the fourteen classes of weapons examined, it is also evident that the other European suppliers, and non-European suppliers, including China, are capable of being leading suppliers of selected types of conventional armaments to developing nations.

Weapons deliveries to the **Near East**, the largest purchasing region in the developing world, reflect the substantial quantities and types delivered by both major and lesser suppliers. The following is an illustrative summary of weapons deliveries to this region by supplier for the period 1991-1994.

Russia:

- 450 tanks and self-propelled guns
- 120 artillery pieces
- 420 APCs and armored cars
- 1 major surface combatant
- 2 submarines
- 30 supersonic combat aircraft
- 20 helicopters
- 150 surface-to-air missiles (SAMs)
- 20 anti-shiping missiles

United States:

- 1.281 tanks and self-propelled guns
- 1.320 APCs and armored cars
- 201 supersonic combat aircraft
- 97 helicopters
- 1.040 surface-to-air missiles (SAMs)

China:

- 190 artillery pieces
- 60 supersonic combat aircraft
- 80 surface-to-surface missiles
- 50 anti-shipping missiles

Major West European suppliers:

- 190 artillery pieces
- 35 minor surface combatants
- 20 supersonic combat aircraft
- 900 surface-to-air missiles (SAMs)
- 30 anti-shipping missiles

All other European suppliers:

- 190 tanks and self-propelled guns
- 750 artillery pieces
- 610 APCs and armored cars

All other suppliers:

- 290 tanks and self-propelled guns
- 120 supersonic combat aircraft
- 90 surface-to-surface missiles

Large quantities of major combat systems were delivered to the Near East region from 1991-1994, in particular, tanks and self-propelled guns, armored vehicles, artillery pieces, supersonic combat aircraft, and air defense missiles. While a number of the deliveries totals to the Near East in certain categories during 1991-1994 are lower than those made during the 1987-1990 period—at a time when the Iran-Iraq War and the Cold War were critical factors in precipitating them—they still represent significant levels of arms transfers. The United States, the major West Europeans, Russia, China, and all other non-European suppliers collectively, made significant deliveries of supersonic combat aircraft to the region. Russia, the United States, and all European suppliers collectively, other than the four major West Europeans, were the principal suppliers of tanks and self-propelled guns. These two weapons categories—supersonic combat aircraft and tanks and self-propelled guns—are especially costly and are an important part of the dollar values of arms deliveries of Russia, the United States, and the major West European suppliers to the Near East region during the 1991-1994 period. The cost of naval combatants is also significant, and the delivery of two submarines and one major surface combatant by Russia and thirty-five minor surface combatants by the major West European suppliers during this period also contributed notably to the total value of their respective deliveries to the Near East for these years.

It should be noted that some of the less expensive weapons systems delivered to the Near East are deadly and create significant security threats within the region. In particular, from 1991-1994, China delivered 50 anti-shipping missiles, Russia delivered 20, and the major West Europeans, collectively, delivered 30. China also delivered 80 surface-to-surface missiles, while all other non-European suppliers collectively delivered 90.

These data further indicate that a number of suppliers, other than the dominant ones, delivered large quantities of weapons such as artillery pieces and armored vehicles to the Near East from 1991-1994. China delivered 190 artillery pieces, European suppliers—excluding the four major West Europeans—delivered 750 artillery pieces and 610 APCs and armored cars, as well as 190 tanks and self-propelled guns. All other non-European suppliers collectively delivered 290 tanks and self-propelled guns, 120 supersonic combat aircraft, and 90 surface-to-surface missiles.

TABLE 1

ARMS TRANSFER AGREEMENTS WITH DEVELOPING NATIONS,
BY SUPPLIER, 1987-1994*
(In millions of current U.S. dollars)

	1987	1988	1989	1990	1991	1992	1993	1994	TOTAL 1987-1994
United States	4,956	8,473	7,154	14,094	13,498	13,790	15,002	6,113	83,080
Russia**	21,700	13,800	11,700	11,100	5,900	1,400	1,200	4,600	71,400
France	2,800	900	3,900	2,500	2,800	4,000	3,700	11,400	32,000
United Kingdom	500	20,600	800	1,300	300	1,900	2,300	600	28,300
China	4,700	2,500	1,600	2,300	600	500	500	500	13,200
Germany	2,100	200	300	400	1,100	800	700	0	5,600
Italy	200	200	300	200	100	500	300	200	2,000
All Other European	2,500	1,900	3,100	1,300	1,200	1,000	200	1,000	12,200
All Others	2,500	2,800	1,700	1,800	1,200	1,300	900	1,000	13,200
TOTAL	41,956	51,373	30,554	34,994	26,698	25,190	24,802	25,413	260,980
DoD dollar inflation index (1994=1.00)***	0.7950	0.8243	0.8571	0.8825	0.9250	0.9436	0.9737	1.0000	

* Developing nations category excludes the U.S., former U.S.S.R., Europe, Canada, Japan, Australia, and New Zealand. All Data are for the calendar year given except for U.S. MAP (Military Assistance Program) and IMET (International Military Education and Training) data which are included for the particular fiscal year. All amounts given include the values of weapons, spare parts, construction, all associated services, military assistance and training programs. Statistics for foreign countries are based upon estimated selling prices. U.S. commercial sales contract values are excluded. All foreign data are rounded to the nearest \$100 million.

** Prior to 1992 reflects data for the former Soviet Union.

*** Based on Department of Defense Price Deflator.

Source: U.S. Government

TABLE 1A

ARMS TRANSFER AGREEMENTS WITH DEVELOPING NATIONS,
BY SUPPLIER, 1987-1994
(In millions of constant 1994 U.S. dollars)

	1987	1988	1989	1990	1991	1992	1993	1994	TOTAL 1987-1994
United States	6,234	10,279	8,347	15,971	14,592	14,614	15,407	6,113	91,557
Russia	27,296	16,741	13,651	12,578	6,378	1,484	1,232	4,600	83,960
France	3,522	1,092	4,550	2,833	3,027	4,239	3,800	11,400	34,463
United Kingdom	629	24,991	933	1,473	324	2,014	2,362	600	33,326
China	5,912	3,033	1,867	2,606	649	530	514	500	15,610
Germany	2,642	243	350	453	1,189	848	719	0	6,443
Italy	252	243	350	227	108	530	308	200	2,217
All Other European	3,145	2,305	3,617	1,473	1,297	1,060	205	1,000	14,102
All Others	3,145	3,397	1,983	2,040	1,297	1,378	924	1,000	15,164
TOTAL	52,775	62,323	35,648	39,653	28,863	26,696	25,472	25,413	296,843

TABLE 1B

ARMS TRANSFER AGREEMENTS WITH DEVELOPING NATIONS,
BY SUPPLIER, 1987-1994
(Expressed as a percent of total, by year)

	1987	1988	1989	1990	1991	1992	1993	1994
United States	11.81%	16.49%	23.41%	40.28%	50.56%	54.74%	60.49%	24.05%
Russia	51.72%	26.86%	38.29%	31.72%	22.10%	5.56%	4.84%	18.10%
France	6.67%	1.75%	12.76%	7.14%	10.49%	15.88%	14.92%	44.86%
United Kingdom	1.19%	40.10%	2.62%	3.71%	1.12%	7.54%	9.27%	2.36%
China	11.20%	4.87%	5.24%	6.57%	2.25%	1.98%	2.02%	1.97%
Germany	5.01%	0.39%	0.98%	1.14%	4.12%	3.18%	2.82%	0.00%
Italy	0.48%	0.39%	0.98%	0.57%	0.37%	1.98%	1.21%	0.79%
All Other European	5.96%	3.70%	10.15%	3.71%	4.49%	3.97%	0.81%	3.93%
All Others	5.96%	5.45%	5.56%	5.14%	4.49%	5.16%	3.63%	3.93%
<i>[Major West European*</i>	<i>13.35%</i>	<i>42.63%</i>	<i>17.35%</i>	<i>12.57%</i>	<i>16.11%</i>	<i>28.58%</i>	<i>28.22%</i>	<i>48.01%]</i>
TOTAL	100.00%							

* Major West European category includes France, United Kingdom, Germany, and Italy.

TABLE 1F
ARMS TRANSFER AGREEMENTS WITH DEVELOPING NATIONS, 1987-1994:
LEADING SUPPLIERS COMPARED
(In millions of current U.S. dollars)

Rank	Supplier	Agreements Value 1987-1990
1	U.S.S.R.	58,000
2	U.S.	34,677
3	U.K.	23,300
4	China	11,100
5	France	10,100
6	Germany (FRG)	3,000
7	North Korea	2,100
8	Spain	1,400
9	Yugoslavia	1,400
10	Canada	1,000
11	Italy	1,000

Rank	Supplier	Agreements Value 1991-1994
1	U.S.	48,402
2	France	21,900
3	Russia/U.S.S.R.	13,000
4	U.K.	5,200
5	Germany (FRG & Unified)	2,600
6	China	2,100
7	Italy	1,000
8	Spain	1,000
9	Yugoslavia	900
10	North Korea	600
11	Israel	500

Rank	Supplier	Agreements Value 1987-1994
1	U.S.	83,080
2	Russia/U.S.S.R.	71,400
3	France	32,000
4	U.K.	28,500
5	China	13,200
6	Germany	5,600
7	North Korea	2,700
8	Spain	2,400
9	Yugoslavia	2,300
10	Italy	2,000
11	Israel	1,500

* All foreign data are rounded to the nearest \$100 million. Where foreign data totals are the same, the actual rank order is maintained.

Source: U.S. Government

TABLE II
ARMS TRANSFERS OF DEVELOPING NATIONS, 1987-1994:
AGREEMENTS WITH THE LEADING RECIPIENTS
(In millions of current U.S. dollars)

Rank	Recipient	Agreements Value 1987-1990
1	Saudi Arabia	45.700
2	Afghanistan	10.900
3	Iraq	10.500
4	Iran	10.200
5	Egypt	6,500
6	Cuba	6,000
7	Angola	5.800
8	Vietnam	5.700
9	Syria	5.600
10	India	5,400

Rank	Recipient	Agreements Value 1991-1994
1	Saudi Arabia	30.200
2	Taiwan	8,100
3	Kuwait	5,700
4	Egypt	4,800
5	South Korea	4.800
6	China	4,500
7	Malaysia	2,800
8	Iran	2.700
9	Pakistan	2.200
10	Singapore	1,700

Rank	Recipient	Agreements Value 1987-1994
1	Saudi Arabia	75,900
2	Iran	12.900
3	Afghanistan	12,500
4	Egypt	11,300
5	Iraq	10,400
6	Taiwan	10.400
7	India	7.100
8	Angola	6.800
9	Cuba	6.700
10	Syria	6,500

* All foreign data are rounded to the nearest \$100 million. Where foreign data totals are the same, the actual rank order is maintained.

Source: U.S. Government

TABLE 2A

ARMS DELIVERIES TO DEVELOPING NATIONS, BY SUPPLIER, 1987-1994
(In millions of constant 1994 dollars)

	1987	1988	1989	1990	1991	1992	1993	1994	1987-94
United States	8,376	5,534	4,193	5,942	6,464	8,558	7,670	6,696	53,433
Russia	24,403	23,535	22,751	14,618	7,135	2,331	1,951	1,200	97,924
France	2,767	1,334	1,750	5,099	1,405	636	411	600	14,003
United Kingdom	4,906	4,731	4,784	4,306	4,216	4,133	3,800	3,000	33,876
China	2,642	3,639	2,800	1,700	1,622	954	1,027	800	15,183
Germany	755	849	350	340	1,189	530	822	600	5,435
Italy	629	364	233	113	108	106	0	0	1,554
All Other European	5,786	5,217	2,567	1,700	757	1,590	719	600	18,935
All Others	2,893	4,003	2,683	1,133	865	848	822	900	14,147
TOTAL	53,156	49,208	42,112	34,951	23,761	19,685	17,221	14,396	254,490

TABLE 2B

ARMS DELIVERIES TO DEVELOPING NATIONS, BY SUPPLIER, 1987-1994
(Expressed as a percent of total, by year)

	1987	1988	1989	1990	1991	1992	1993	1994
United States	15.76%	11.30%	10.83%	17.00%	27.20%	43.47%	44.54%	46.51%
Russia	45.91%	48.31%	50.01%	41.82%	30.03%	11.84%	11.33%	8.34%
France	5.21%	2.73%	4.52%	14.59%	5.91%	3.23%	2.39%	4.17%
United Kingdom	9.23%	8.92%	12.35%	12.32%	17.74%	21.00%	22.07%	20.84%
China	4.97%	7.43%	7.23%	4.86%	6.82%	4.85%	5.96%	5.56%
Germany	1.42%	1.73%	0.90%	0.97%	5.00%	2.69%	4.77%	4.17%
Italy	1.18%	0.74%	0.60%	0.32%	0.45%	0.54%	0.00%	0.00%
All Other European	10.89%	10.65%	6.63%	4.86%	3.18%	8.08%	4.17%	4.17%
All Others	5.44%	8.18%	6.93%	3.24%	3.64%	4.31%	4.77%	6.25%
[(Major West European)*	17.04%	14.12%	18.38%	28.21%	29.12%	27.46%	29.22%	29.17%]
TOTAL	100.00%							

* (Major West European category includes France, United Kingdom, Germany, and Italy.)

TABLE 2F
ARMS DELIVERIES TO DEVELOPING NATIONS, 1987-1994:
LEADING SUPPLIERS COMPARED
(In millions of current U.S. dollars)*

Rank	Supplier	Deliveries Value 1987-1990
1	U.S.S.R.	68,400
2	U.S.	20,059
3	U.K.	15,500
4	France	9,200
5	China	9,000
6	Germany (FRG)	2,400
7	North Korea	1,700
8	Spain	1,600
9	Poland	1,600
10	Czechoslovakia	1,500
11	Brazil	1,400

Rank	Supplier	Deliveries Value 1991-1994
1	U.S.	28,218
2	U.K.	14,200
3	Russia/U.S.S.R.	11,900
4	China	4,300
5	Germany (Unified & FRG)	3,300
6	France	2,700
7	Canada	800
8	Czechoslovakia (Unified & Separate)	800
9	Israel	700
10	Spain	500
11	North Korea	400

Rank	Supplier	Deliveries Value 1987-1994
1	Russia/U.S.S.R.	80,300
2	U.S.	48,277
3	U.K.	29,900
4	China	13,100
5	France	12,100
6	Germany	5,400
7	North Korea	2,100
8	Spain	2,100
9	Israel	1,900
10	Brazil	1,700
11	Poland	1,700

* All foreign data are rounded to the nearest \$100 million. Where foreign data totals are the same, the actual rank order is maintained.

Source: U.S. Government

TABLE 3
Number of Weapons Delivered by Major Suppliers to Developing Nations *

<u>Weapons Category</u>	<u>U.S.</u>	<u>Russia</u>	<u>China</u>	<u>Major West European**</u>	<u>All Other European</u>	<u>All Others</u>
1987-1990						
Tanks and Self-Propelled Guns	442	3860	230	70	600	400
Artillery	443	3820	2340	260	790	1220
APCs and Armored Cars	588	6150	500	370	1290	430
Major Surface Combatants	0	8	1	9	6	6
Minor Surface Combatants	7	60	29	63	47	115
Guided Missile Boats	0	0	4	4	0	2
Submarines	0	9	0	5	2	1
Supersonic Combat Aircraft	383	440	140	130	10	170
Subsonic Combat Aircraft	27	90	0	70	0	0
Other Aircraft	171	230	50	100	320	190
Helicopters	141	610	0	260	50	30
Surface-to-Air Missiles	1916	9910	530	1430	190	1520
Surface-to-Surface Missiles	0	1860	160	0	0	250
Anti-Shipping Missiles	92	530	210	240	0	10
1991-1994						
Tanks and Self-Propelled Guns	1367	970	470	130	240	400
Artillery	260	830	1110	260	910	150
APCs and Armored Cars	1369	1960	20	180	860	270
Major Surface Combatants	0	2	5	25	0	0
Minor Surface Combatants	3	12	15	51	17	41
Guided Missile Boats	0	0	9	0	0	2
Submarines	0	4	0	1	0	0
Supersonic Combat Aircraft	230	70	150	30	0	180
Subsonic Combat Aircraft	104	0	0	50	0	20
Other Aircraft	86	2050	80	70	130	190
Helicopters	174	150	0	110	50	20
Surface-to-Air Missiles	1391	940	100	1330	300	220
Surface-to-Surface Missiles	0	150	80	0	0	90
Anti-Shipping Missiles	76	60	90	30	0	0
1987-1994						
Tanks and Self-Propelled Guns	1809	4830	700	200	840	800
Artillery	703	4650	3450	520	1700	1370
APCs and Armored Cars	1957	8110	520	550	2150	700
Major Surface Combatants	0	10	6	34	6	6
Minor Surface Combatants	10	72	44	114	64	156
Guided Missile Boats	0	0	13	4	0	4
Submarines	0	13	0	6	2	1
Supersonic Combat Aircraft	613	510	290	160	10	350
Subsonic Combat Aircraft	131	90	0	120	0	20
Other Aircraft	257	2280	130	170	450	380
Helicopters	315	760	0	370	100	50
Surface-to-Air Missiles	3307	10850	630	2760	490	1740
Surface-to-Surface Missiles	0	2010	240	0	0	340
Anti-Shipping Missiles	168	590	300	270	0	10

* Developing nations category excludes the U.S., Russia, former U.S.S.R., Europe, Canada, Japan, Australia, and New Zealand. All data are for calendar years given.

** Major West European includes France, United Kingdom, Germany, and Italy totals as an aggregate figure.

NOTE: Data relating to surface-to-surface and anti-shipping missiles by foreign suppliers are estimates based on a variety of sources having a wide range of accuracy. As such, individual data entries in these two weapons delivery categories are not necessarily definitive.

Source: U.S. Government