

University of Missouri, St. Louis

IRL @ UMSL

UMSL Global

1-1-1990

Prospects of Third World Arms Transfers - Patterns of Demand and Conflict

Frederic S. Pearson

Follow this and additional works at: <https://irl.umsl.edu/cis>



Part of the [International and Area Studies Commons](#)

Recommended Citation

Pearson, Frederic S., "Prospects of Third World Arms Transfers - Patterns of Demand and Conflict" (1990).

UMSL Global. 290.

Available at: <https://irl.umsl.edu/cis/290>

This Article is brought to you for free and open access by IRL @ UMSL. It has been accepted for inclusion in UMSL Global by an authorized administrator of IRL @ UMSL. For more information, please contact marvinh@umsl.edu.

Occasional Papers

The Center for International Studies of the University of Missouri-St. Louis issues Occasional Papers at irregular intervals from ongoing research projects, thereby providing a viable means for communicating tentative results. Such "informal" publications reduce somewhat the delay between research and publication, offering an opportunity for the investigator to obtain reactions while still engaged in the research. Comments on these papers, therefore, are particularly welcome. Occasional Papers should not be reproduced or quoted at length without the consent of the author or of the Center for International Studies.

Prospects of Third World Arms Transfers:
Patterns of Demand and Conflict

Frederic S. Pearson

**PROSPECTS OF THIRD WORLD ARMS TRANSFERS:
PATTERNS OF DEMAND AND CONFLICT**

**Frederic S. Pearson
Department of Political Science, and
Center for International Studies
University of Missouri-St. Louis
St. Louis, Missouri 63121-4499**

An earlier version of this paper was presented to the Conference on Global Militarization of the Third World, Dallas, Texas, December 2, 1989.

PROSPECTS OF THIRD WORLD ARMS TRANSFERS:
PATTERNS OF DEMAND AND CONFLICT

Frederic S. Pearson
University of Missouri-St. Louis

Introduction

Recent changes in the international security environment are likely to impact considerably upon the flow of arms to the Third World, and therefore, on the prospects for heightened or diminished conflict there. Third World regions have been the scene of most international warfare since 1945, with frequent interventions by both major and regional powers, lately for instance in Panama. However, direct superpower confrontation in such regions was never especially likely, as indicated by the paucity of simultaneous US and USSR military interventions since World War II.¹ Now that prospect, along with the likelihood of warfare in Europe, appear to have receded even further. Bitter Soviet experiences in Afghanistan, outweighing rather successful interventions in Angola and Ethiopia, appear to have figured in the Kremlin's recalculation of costs and benefits of Third World adventurism. Similarly, Washington's Third World disillusionments (e.g., El Salvador, the Philippines, and Korea) could, despite apparent successes in Panama, cause further recalculations.

Serious consideration is being given to dismantling or drastically overhauling NATO and the Warsaw Treaty Organization, both of which have lost meaning and purpose. Pre-positioned military forces could offset the need for forward bases as well. While terrorism, resource access, the spread of lethal weapons, religious politicization, drug traffic, and regional disputes are still major power concerns, the US and USSR appear increasingly preoccupied with the challenges of technological competition and advancement not only vis-à-vis each other, but in relation to Japan, China, and the emerging Europe of 1992. The Soviet government appears determined to join in a "common European home" both to diminish security threats and to build the advanced internationally connected economy which has eluded Moscow since 1945.

There appears, then, even less room for competition in the Third World, which to Moscow after all only presented obstacles to technical cooperation with the West (witness, for example, the negative global reaction to the Afghan intervention). While the long run Soviet purpose might still be to outduel the US or China for global influence, the short to middle term strategy has largely eliminated the old USSR-US hostility.

Yet all is not serene in the industrial, or post-industrial North, as ethnic nationalisms and democratic movements, suppressed for 40 years by the enforced European divisions, now surface once again from Germany eastward, and include Soviet republics themselves. Concomitantly, economic nationalism has increased in western countries, as Europe, America, and Japan (along with partners such as Canada and Australia) adopt measures to force each other's trade concessions. Free trade blocs appear to have found renewed favor, both in Europe and North America, and conceivably in Asia; but if such zones exclude outsiders or require local investment, they too could reinforce nationalistic backlashes. Thus, prospects for stable political cooperation are still uncertain, although appearing, overall, brighter than at any time since 1945.

Naturally, Third World reactions to these events vary, but on the whole there appears to be a certain unease about continued access to advanced northern economies and markets in the absence of cold war divisions. For example, it has been noted that increased West German attention to East Germany not only alarms other European states, such as Poland in the East or Turkey in the West, which have relied on Bonn's investments and/or markets, but also concerns Third World recipients of German aid. There is only so much investment capital to go around, and similar concerns are expressed about continued Third World involvements of the US, other European powers, and the newly emerging primary aid donor, Japan.

While peace talks have been proposed or begun in most of the long-standing Third World disputes (from Angola to Kampuchea), including input from the major powers and renewed UN impetus, none of these disputes has been settled fully. And as one or both

superpowers begin to restrict Third World commitments, regional powers may increasingly fear the loss of influence, balance, deterrence, or defense against the interference of neighbors or other major powers. From Afghanistan to the Persian Gulf and Lebanon to Southern Africa, Central America, and Southeast Asia, conflicts still simmer, stoked by unrequited grievances and the continued availability of arms. Sometimes such arms supplies, strategically timed, have brought Third World conflicts into stalemate and thus perhaps toward ceasefire (arguably the case in Ethiopia and Afghanistan), and sometimes such armaments merely have fostered killing on the grand scale (as in Lebanon)--and sometimes a bit of both (as in Central America and the Gulf). In addition, with less sustained superpower protection, many Third World leaders will see a greater need for self-defense capabilities; the growing acquisition or development of highly advanced or mass destructive weapons by states such as South Africa, Israel, Iraq, Syria, and Pakistan testifies to this impetus.

We may not fully understand the likely direction of these trends, any more than the likely direction of East European politics, but it appears that since arms supply and acquisition are reactions both to perceived security and welfare needs,² as these needs change so too do the patterns of armament among less developed countries. In this study, some likely implications are explored, both for Third World weapons demand, and for suppliers' willingness to dispatch arms under particular terms.

The Present Pattern of Armament

Superpower competition has been the driving external force behind the bulk of Third World arms transfers, as Washington and Moscow perennially top the arms supply charts both in global and Third World totals, accounting for approximately 60 percent of the latter in the 1980s (with the Soviet Union stressing Third World transfers somewhat more than the US until mid-decade). The "capillary effects," or spread of their mutual competition can be seen, for example in the four decades long India-Pakistan arms race.³

The bulk of superpower arms shipments over the years has gone to favored strategic clients in the cold war competition-- in the Third World to states such as Pakistan, Israel, South Korea, Cuba, Vietnam, Thailand, Taiwan, the Philippines, Iran, Ethiopia, etc. Military base arrangements helped shape the military posture, structure, and arms requirements of host states as well. Wealthier Third World states increasingly have attracted US and Soviet arms exports due to superpower interests in trade balances and hard currency exchange. Such arms recipients also often have had foreign policies compatible with major power interests--Saudi Arabia with the US and Iraq with the USSR, for instance.⁴

Now that cold war blocs may be breaking up and hostilities easing, and now that bases may become highly questionable military assets, traditional regional clients, few of whom have foresworn the sovereign right to arm, can expect more difficulty stimulating superpower military largesse or assistance. They may increasingly have to rely on their own devices or ad hoc arrangements with other suppliers.

It is, of course, well known that numerous other suppliers have entered the arms market with appealing and often simplified weapons designs, suppliers such as Brazil, South Korea, Israel, and China. They have reached rather lofty ranks in supplying Third World weaponry, although jointly accounting for less than 20 percent of LDC arms through the 1980s. West European states supplied another 20-30 percent.⁵ Thus any diminution of US and Soviet interest in military assistance will profoundly affect available supplies, which cannot fully or quickly be compensated for by alternate sources.

For much of the 1980s effective demand for weapons imports declined, with plunging oil revenues, mounting debt levels, completed procurement cycles, armament scandals, and demands for increased domestic production. Along with the increasing number of arms exporting states, this established the proverbial "buyer's market" in weapons, with customers demanding more advanced systems, trade concession "offsets" to costly purchases, and weapons co-production to increase defense self-sufficiency and

domestic employment. The search for technological development through armaments, while conceivably misguided, has been very appealing to LDC governments, sometimes themselves aiming to export defense products.

Patterns of Third World armament vary, partly according to defense doctrines ("forward" as opposed to "territorial" defense, for example, requiring more and different types of ships and aircraft), but partly according to traditional preferences and economic ambitions as well.⁶ Indian armed forces reportedly have preferred advanced major power weapon designs (sometimes purchasing systems simultaneously from Western and Eastern bloc states and neutrals such as Sweden), and until recently Indian domestic designs have not been very widely exported. China, on the other hand, appears intent on developing, adopting, and exporting its domestic arms production, often imitating foreign designs in the process.⁷ Highly sophisticated and complicated weapons systems may be ill-suited to combat conditions or resources available to certain Third World states, and some observers have noted a growing disenchantment with such expensive equipment.⁸ Indeed, access to technologies associated with weapons often may be more valued than use of the specific weapons themselves.

Arms producing and exporting states, whether in the First, Second, or Third World, also value the arms trade for technological underpinnings. Economies of scale and the development and maintenance of arms design teams both supposedly are enhanced by extending production line output through foreign as well as domestic sales. Depending on the circumstances, international political leverage also can be enhanced by strategic arms deals.⁹ Whether for political or economic purposes, then, both the US and USSR have become more willing in the past two decades to dispatch advanced equipment to certain Third World customers, in Washington's case beginning with the Shah of Iran, and continuing in its relations with Israel, Egypt, Pakistan, and Saudi Arabia (lately seen in promotions of the M-1 tank to compete with advanced Western European and Soviet designs), and for Moscow in cementing relations with India.

However, countervailing political pressures, at least within major power governments, also continue to restrict foreign sales, especially with military concerns about arms and advanced technologies falling into the "wrong hands." It is a military leader's nightmare to be ordered to a battle zone only to confront an opponent using one's own weapons. Most major powers, therefore, place at least partially effective bureaucratic licensing and review restrictions on arms transfers, although the tendency for these to impede economically desirable sales has been diminishing.¹⁰ Indeed, with diminished European security concerns, both NATO and Warsaw Pact states might be expected further to ease access restrictions to some of their major weapons.

Therefore, private commercial interests slowly have come to prominence, in some cases displacing government-to government sales networks. The US Foreign Military Sales (FMS) machinery has been engaged in only a few major sales in the last decade. Increasingly, companies are left to negotiate and promote their own deals, especially since Third World customers now feel more capable of judging weapons on offer without insisting that major power governments underwrite the sales.¹¹ Indeed, eliminating certain forms of governmental review (e.g., US Congress through FMS) might increase customer access to latest designs and production licenses and lower costs somewhat (depending upon the terms negotiated and presumably eliminating some government fees).¹² This "privatization" of the arms trade is complicated, however, by at least certain customers' continuing need for financing and credit arrangements.

In a number of recent wars, arms originating in major power arsenals have found their way to Third World battlefields through re-transfers by third parties. Of course, some such agents are private dealers, but Third World governments themselves have supplied spare parts and jointly produced weapons, and have re-transferred their own imports--sometimes in violation of end use restrictions. Middle Eastern, East Asian, and Latin states have been particularly involved in this trade.¹³

Looked at by region, although the Middle East has been the largest Third World arms market, Africa has been the most dependent on outside weapons imports (measured as a percentage of military expenditure). Both the Middle East and South Asia continue to rely heavily, though in South Asia's case somewhat decreasingly, on foreign imports, while East Asia has become considerably less reliant on such imports--perhaps for reasons of reduced threat perception and because of greater domestic weapons production or assembly.¹⁴

The Latest Trends and Prospects

The 1980s pattern of Third World military sales appears to be changing, both for reasons exogenous and endogenous to that portion of the globe. After their notable decline in the mid-1980s, the US Arms Control and Disarmament Agency (ACDA) has estimated that arms exports and new transfer agreements to the Third World again apparently began to rise in 1987. Alternate data sources, however, show that arms deliveries and new agreements both declined again in 1988, and remained well below the peak year of 1982.¹⁵ Nevertheless, using new arms agreements as an indicator of future trends, as seen in Table 1, among arms suppliers, the US was back nearly to 1982 levels in 1988, with the USSR cutting back considerably; Western European and other suppliers, after mid-decade declines, held fairly steady. At decade's end, developed states still supplied over 90 percent of the world's annual arms transfers, and developing states themselves supplied nearly 10 percent, with China and Brazil leading the way (most such sales going to the Third World, of course).

As for arms recipients, the Near East and South Asia have remained predominant in the arms imports of both the early and late 1980s, with over 70 percent of the total value of new agreements and deliveries from 1981-84 and two-thirds of the agreements and deliveries from 1985-88. The Middle East alone imported about 38% of the world arms market value in 1987, and although Mid-East totals were not quite as great as during the peak years of the early 1980s, they began to swing upward in 1987 after mid-decade

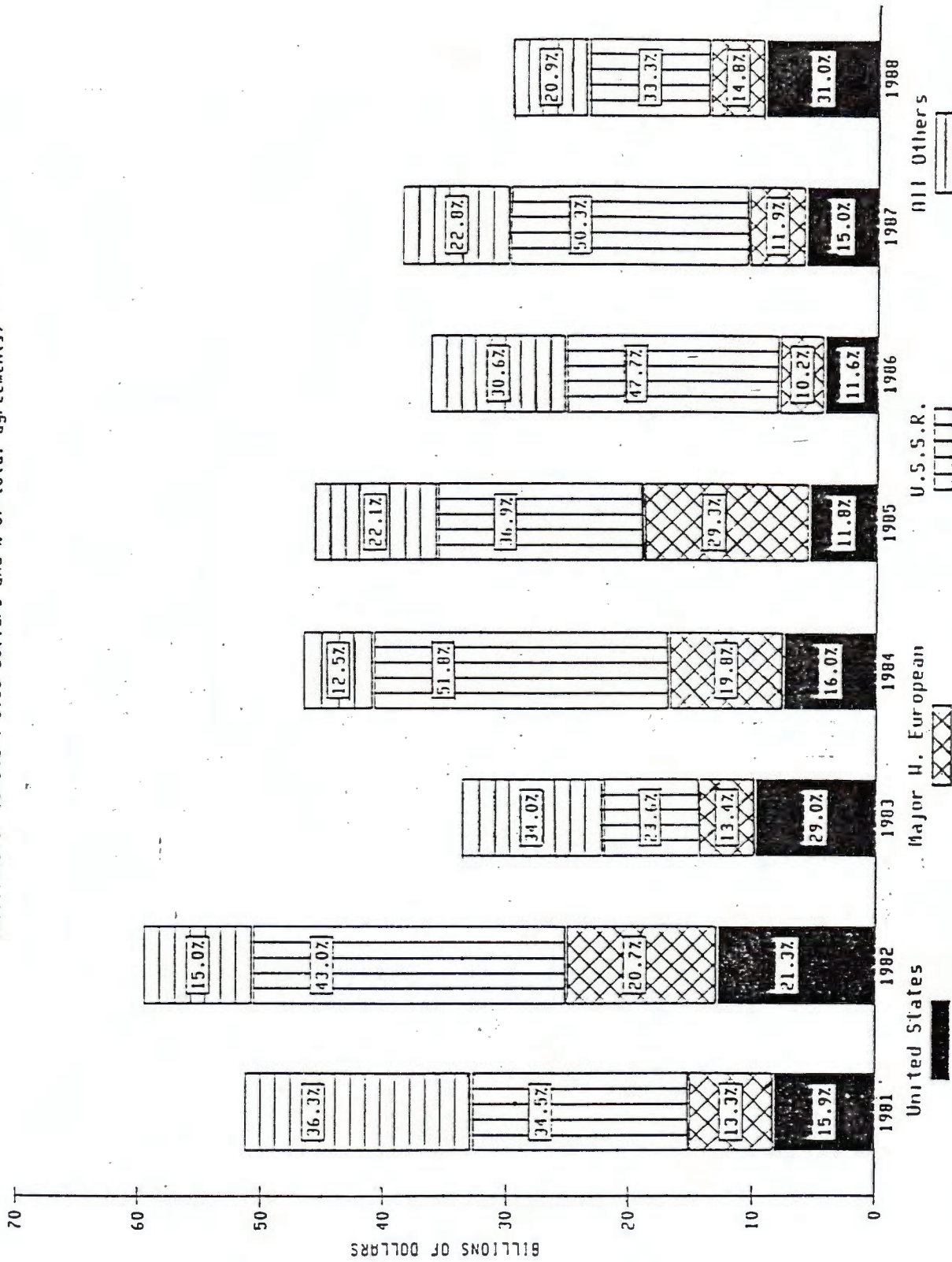
lows. Most recently, East Asia, Latin America, and Africa have maintained rather steady import levels, and in the former two cases even increased new orders slightly in the last part of the decade as compared to the first.¹⁶

Allowing for the well known vagaries of arms import data quality, one can speculate that natural cycles, attrition, debt levels, and financial resources accounted for both the peaks and valleys of arms import demand during the 1980s. Acquisition of latest weapon models has been a continuing quest, at least for those states able to afford them, spurred on by the demand for high technology transfers. Presumably, recent uncertainties over future superpower defense commitments and the possibility of continuing domestic or international warfare enter into the slight increases in defense orders already seen. War has raged in and around the Persian Gulf, the Hindu Kush, and the Indian Ocean, and these are particularly prominent targets for weapons sales. Reluctance by some suppliers, notably the US, to provide high technology weapons to certain regions, such as Arabia, has spurred a determined search for alternate supplies, mainly from Europe, China, and evidently to a diminishing extent, the USSR. Major deals involving British sales to Saudi Arabia, Chinese exports to Iran, French sales to Arab states, and Swedish deals with India have grabbed headlines and affected political outcomes ranging from wars to government succession. Considerable business and financial interest, for buyers, sellers, and agents, resides in promoting such purchases.

With diminished European threat perception, and increased emphasis on conventional rather than nuclear defense, the incentive heightens further for states such as France, Britain, and the Federal Republic to step up arms transfers to the Third World. The relatively assured, if highly US dominated NATO arms market seems to be narrowing. Few European states appear willing markedly to increase their defense procurement budgets, even with a diminished US role. Yet the major West European states all have geared highly toward defense production as a key to technological development and national security defined in both military and economic terms.¹⁷ These

TABLE 1

ARMS TRANSFER AGREEMENTS WITH THE THIRD WORLD, 1981-1988
 UNITED STATES, MAJOR H. EUROPEAN, U.S.S.R., ALL OTHERS COMPARED
 (billions of constant 1988 dollars and % of total agreements)



SOURCE: Richard F. Grimmett, Trends in Conventional Arms Transfers to the Third World by Major Supplier, 1981-1988. Washington, D.C.: Congressional Research Service, The Library of Congress. August 4, 1989 (89-434F).

governments remain determined to maintain design and production capabilities in a variety of land, sea, and air systems, albeit with consolidated and conglomerated defense firms and in international consortia. Extending production runs and deriving returns on research and development through exports are part of a strategy to keep up such capabilities.

Europe's need for foreign arms sales could be offset somewhat if coordinated security policy were brought more fully into the purview of the strengthened European Community of 1992. Yet there are numerous impediments to such an EC role, partly due to the divergent memberships and missions of the EC and NATO, and partly because of anti-defense sentiments in a variety of European countries.¹⁸ To these difficulties have been added the new uncertainties of Eastern European political and economic developments, and their consequences for the Europe of 1992 and particularly for the role of Germany.

Thus, the impetus for greater and more coordinated Euro-defense production and marketing creeps ahead as economies of scale and R&D requirements become apparent, along with the American and Japanese challenges. Presently, efforts applauded by Socialist parties are underway to find a non-military means of competing technologically-- as in the multi-national EUREKA research and development project. It is difficult to see, however, how in areas such as optics, robotics, electronics, aerospace, plastics and metallurgy, military applications can be precluded. Therefore, pressures will mount not only to produce military hardware jointly, but to coordinate security policy at least to the extent of predictable weapons procurement, export, and overseas licensed manufacture.¹⁹

Aside from the Third World, and particularly wealthier LDCs or those traditionally aligned with European powers, the only possibly comparable market outlets could be Eastern Europe or a North America suddenly opened to greater weapons importation. But even in such First World weapons markets, considerable impetus for Third World sales will be generated. Until now, the Soviets have enjoyed a military sales monopoly in the

East. But as military production increasingly is based on a redefined notion of security, premised on the development of advanced technological capabilities, military co-production and joint weapons procurement have become conceivable even across the East-West divide. Prior to the wall's opening, the German Democratic Republic already was participating in EUREKA, French cosmonauts flew joint missions with their Soviet counterparts, and Soviet MiGs were displayed at British air shows. In the post-cold war setting, more Euro-wide defense production appears quite likely, even though Eastern and Western military models and traditions have been quite disparate. Since the Soviets most closely approximate the West in military as opposed to other forms of technology, and since certain European countries enjoy successful marketing access to various Third World buyers, one should not be surprised shortly to find jointly designed and produced East-West weapons being marketed in the Third World.

US arms producers are likely to follow many of the Third World paths noted above, sometimes conceivably in tandem with European or Japanese partners. The American government retains considerable residual interest in arming favored Third World clients, but as in other respects, the weapons business is becoming ever more a business--less hindered by traditionally defined national security concerns or by national military service priorities. Impending cuts in American defense spending will throw more companies either out of the weapons business (especially those deriving only a portion of their income from defense) or onto their own resources and devices for finding necessary investment capital and market outlets to stay in the business. This too dictates deeper corporate involvements in the Third World, perhaps particularly in areas where the US has enjoyed past advantages, such as Latin America.

Third World customers have been joining the Europeans in the increased identification of security with military technology. Brazil, for example, which has no immediate neighbor menacing its borders, identifies long term security with increased military self-sufficiency both for deterrence and as a ticket to the tables at which

international political settlements are determined. Although economic gains were very important, the Brazilian government was willing to take risky economic gambles by investing in military production probably for the main purpose of increased international influence.²⁰ Similar calculations apparently have been made in South Korea, China, India, Pakistan, Israel, South Africa, Chile, Yugoslavia, and Argentina. Others, such as Indonesia and Malaysia, will be joining them. Few of these states will rival the major arms producers, but they are likely to join them and each other in ever more extensive arms production and marketing networks.

Confounding these prospects of increased Third World arms traffic, however, are two sets of factors, one strategic and the other economic. The former entails increasing major power alarm at the rapid spread of highly sophisticated weapons of mass destruction, including chemical and nuclear weapons and ballistic missile delivery systems. Included here as well are rather more simple weapons useful in destroying other highly advanced systems, such as portable anti-aircraft and anti-tank devices, anti-ship missiles, and weapons which could fall into the hands of terrorist or non-governmental organizations. Even European arms supplying states, normally classified as highly economically motivated, have imposed restrictions on the release of lethal technologies to certain conflict zones and states judged guilty of supporting international terrorism. An EC arms embargo of Syria and Libya has remained quietly in effect through the end of the 1980s.²¹ Increasingly, as well, the pressures of regional arms races could give pause to arms importers and ambitious regional powers. Therefore, the logic of conventional arms control agreements, until now conspicuously unappealing to Third World states and to economically motivated suppliers, can be expected to dawn.²²

On the economic side, the problem of heavy foreign indebtedness has not yet been solved, especially as it affects larger Third World states which traditionally have bought considerable weaponry. Third World oil wealth and technological aspirations have been the main stimulants for high arms imports in the past, more important even than overall

wartime experiences.²³ Petroleum revenues are likely to rise precipitously again for at least one more spurt within the next two decades. Thus, at least one group of Third World customers will have the means and interests, and probably the procurement needs to increase defense spending. Yet those states with large populations and many graduate engineers to employ are likely to demand increasing shares in the design and manufacture of weapons, and it is these states which also have amassed heavy debts. India already has begun to promote weapons exports in order to generate foreign exchange for the purchase of more sophisticated major power systems.²⁴

For reasons of persistent debt and economic dislocation, then, the Third World arms market is likely to remain relatively narrow in scope even as the demand for arms becomes more robust again. Throughout the 1980s, major arms suppliers tended to have a relatively small group of major customers--in the US and Soviet case a few key strategic partners; in the European case approximately ten important clients for each supplier (over half of French arms going to Iraq and Saudi Arabia in the first half of the 80s; nearly half of British sales going to six Middle Eastern countries; and almost half of German sales going to Argentina, Turkey, Iraq, and Colombia). Significant disposable budgetary funds for arms acquisition were available to only a relatively few governments in the 1980s; only 40 Third World governments could spend over \$100-million annually on arms.²⁵ There is no reason to think the 1990s will be much different.

Unless debt relief strategies are extended, therefore, significant portions of the Third World arms market will be confined to the wealthier states, or those able to parlay arms importation into increased arms production and export to cover the cost. There will be less available outright military assistance from big powers interested in balancing off major power rivals. The search for cheaper, simpler or even second hand weapons will preoccupy the poorer states or those desperate to carry on local wars. For these reasons, as well as the quest for technology transfers, demands for offsets, co-production, and re-export options will increase.

Naturally, local conflict patterns also affect arms demand, especially in specific regions such as Africa.²⁶ Even in light of growing superpower cooperation and progress toward settlement of nettlesome regional wars, arms diplomacy and military assistance will remain a politically inexpensive substitute for, and in some cases a prelude to more direct major power interventions. Most recent Third World fighting has concerned border disputes, insurrection, and cross border attacks on rebel sanctuaries.²⁷ Customers can be expected, therefore, to demand equipment suited for remote and difficult terrain, for area defense, surveillance, and rapid mobility (as in Malaysia, where the military pre-tests equipment in jungle warfare settings).²⁸

Conclusions

All of this means that pressures will mount both to extend and to control, both qualitatively and quantitatively, the Third World arms trade. Major arms producers with fewer arms outlets in Europe and North America are likely to compensate through Third World marketing. However, major power governments also have an interest in limiting the pace of new weapons developments in troubled Third World regions. And while the customers may buy in greater quantities again, their qualms about neighbors' armaments as well as demands for technological transfer, production partnerships, and generous financing will temper the export bonanza. More arrangements will be completed by corporate managers interested in cheaper production and guaranteed markets, and willing to settle for licensing arrangements and for relocating much manufacturing out of the developed North.

Thus, the time may be right for a renewal of the aborted superpower Conventional Arms Transfer (CAT) Talks of the 1970s. Clearly the climate of US-Soviet-European relations would allow for greater trust in arriving at shared perspectives on global arms distribution. The prior talks broke down over superpowers' inability to agree on which regions should be restricted in arms access due to competing ambitions for Third World influence.²⁹

Such ambitions now have receded, at least in the Soviet case, so that new priorities emerge: restricting access to or configuration of weapon delivery systems (e.g., ballistic missiles); promoting broad-based bans on certain types of weaponry (e.g., chemical); establishing agreed quantitative and/or qualitative ceilings on regional weapons technology; providing reasonable client defense capabilities without promoting regional warfare, what the Soviets have come to term "reasonable defensive sufficiency" in their dealings with Syria; cooperating to keep arms away from non-governmental organizations, even rebel organizations; and establishing a global arms trade register (long proposed by Britain, Malta, Japan, and others) to better monitor and verify such an agreement.³⁰

Conceivably in a CAT agreement, traditional arms suppliers could be given primary responsibility for providing weapons under specified terms to certain regions or client states, so as to "rationalize" the market. Perhaps suppliers could jointly supply certain key arms customers (such as the Gulf Cooperation Council states of Arabia), with specialization in land, sea, or air systems. Such arrangements could not, of course, simply be dictated by the superpowers, but would have to result from a multi-national conference of major and minor arms exporters and importers. Negotiations also probably would have to entail major powers' agreements to limit their own conventional as well as nuclear armaments production and deployments, and to provide security guarantees to states in regional conflicts, as well as other forms of technological transfer.³¹

Clearly, much of the basis for such agreements could crumble if events in Eastern Europe, the Balkans, and the USSR exceed the Soviet or Western governments' inclination or ability to cope, or if tensions were to mount along the Soviet-Chinese, Soviet-Japanese, or Soviet-Middle Eastern borders. Latin states also share heightened concern about the frequency and ease of US intervention in their affairs, especially if arms supplies are to be limited. Nevertheless, part of the traditional Third World premise for arms control participation now is being fulfilled, namely reduction in superpower arms competition and tension.

States which suspect superpower connivance to retain hegemony, such as China and France, could be reluctant to participate fully in arms transfer limitations. Third World arms recipients also could see them as a means to restrict a competitive market in arms and to limit defense and security autonomy. They may not be anxious to confine their arms or spare parts sources to one or a few suppliers, thereby increasing dependencies and accepting possibly higher costs. Few states have been anxious for accurate arms transfer data to be published or registered with a world authority either, for fear that enemies would make use of such intelligence.

However, arms importers already have primary and secondary arms supply relations with relatively few states. One might expect the less wealthy or more debt-ridden Third World governments to welcome the chance for guaranteed access to arms supplies if reasonable financing and security guarantees could be worked out, perhaps for specified periods of time. Wealthier states might insist on choice among suppliers, but might accept overall spending or technological limits in return for agreed regional military balances and security assurances, as well as guaranteed access to new military and civilian technology.

As for arms suppliers, with more exporters competing for a relatively fixed and limited group of customers, it would appear logical to assure market shares where possible, especially in light of potential economic and technological losses if arms factories were to close. Most arms suppliers already have recognized certain qualitative limits in the export of lethal technologies (e.g., nuclear), and could conceivably be induced to extend such restraints if political/economic advantages were offered. Thus, the time has never seemed more propitious for a concerted international effort to rationalize the global arms market, and to increase the predictability and stability of regional arms balances.

REFERENCES

1. Frederic S. Pearson, "U.S.-Soviet Competitive Intervention: Retrospect and Prospect," Occasional Papers, no. 8704 (St. Louis: Center for International Studies, University of Missouri-St. Louis, April 1987).
2. See Edward A. Kolodziej and Frederic S. Pearson, "The Political Economy of Making and Marketing Arms: A Test for the Systemic Imperatives of Order and Welfare," paper presented to the Annual Meeting of the International Studies Association, London (March-April 1989). See also, Kolodziej, "National Security and Modernization: Drive Wheels of Militarization," in Third World Militarization: A Challenge to Third World Diplomacy, ed. by J.S. Mehta (Austin: University of Texas, L.B. Johnson School, 1985), pp. 43-70.
3. Istvan Kende, "The Arms Race, the Arms Trade, and Technology Transfer in the Developing Countries," in UNESCO Yearbook on Peace and Conflict Studies, 1987 (New York: Greenwood Press/UNESCO, 1989), pp. 177-193. See also, Christian Catrina, Arms Transfers and Dependence (New York: Taylor and Francis/UNIDIR, 1988), pp. 45-59.
4. See William D. Bajusz and David J. Louscher, Arms Sales and the U.S. Economy: The Impact of Restricting Military Exports (Boulder: Westview, 1988), pp. 14-15 and 38-47.
5. Catrina, ibid., p. 55. See also, Lewis W. Snider, "Arms Transfers and the Diffusion of Power: Implications for Foreign Policy," ed. by Craig M. Brandt (Wright-Patterson Air Force Base, Ohio: Air University/Dept. of U.S. Air Force, 1989), p. 37; and Bajusz and Louscher, op. cit., p. 10.
6. Pearson, "The Priorities of Arms Importing States Reviewed," Arms Control, 9 (September 1988), pp. 170-185.
7. See Raju G.C. Thomas, Indian Security Policy (Princeton: Princeton University Press, 1987), pp. 195-274; Sanjoy Hazarika, "India Plans to Increase Arms Imports and Exports," New York Times (February 5, 1989); and Robert M. Cutler, Laure Depres, and Aaron Karp, "The Political Economy of East-South Military Transfers," International Studies Quarterly, 41 (September 1987), pp. 273-299, esp., p. 291.

8. Michael Klare, "New Merchants in the Arms Bazaar," Bulletin of the Atomic Scientists, 41 (January 1985), p. 17.
9. For careful discussion of the limits of such influence, see Snider, op. cit., pp. 34-35; and Andrew Pierre, The Global Politics of Arms Sales (Princeton: Princeton University Press, 1982).
10. See, for example, Pearson, "'Necessary Evil:' Perspectives on West German Arms Transfer Policies," Armed Forces and Society, 12 (Summer 1986), pp. 525-552; and Michael Brzoska, "The Erosion of Restraint in West German Arms Transfer Policy," Journal of Peace Research, 26 (May 1989), pp. 165-178.
11. See Brzoska and Thomas Ohlson, "The Trade in Major Conventional Weapons," in World Armaments and Disarmament, SIPRI Yearbook 1986 (Oxford: Oxford University Press, 1986), pp. 323-351.
12. On commercial vs. FMS sales costs and trends, see Catrina, op. cit., pp. 84-85; and Bajusz and Louscher, op. cit., ch. 3.
13. Catrina, op. cit., pp. 120-122.
14. Ibid., pp. 60-63, and 185.
15. U.S. Arms Control and Disarmament Agency, "Arms Transfers," in World Military Expenditures and Arms Transfers 1988 (Washington, DC: U.S. Government Printing Office/ACDA, June 1989); and Richard F. Grimmett, Trends in Conventional Arms Transfers to the Third World by Major Supplier, 1981-1988 (Washington, DC: Library of Congress, Congressional Research Service, August 1989).
16. Ibid., especially USACDA, pp. 6-7, and Grimmett, Tables 1-C and 2-C.
17. See Kolodziej, Making and Marketing Arms: The French Experience and its Implications for the International System (Princeton: Princeton University Press, 1987); and Kolodziej and Pearson, op. cit.
18. Smaller European states, such as Denmark and Ireland, tend to distrust the dominance of military-industrial complexes associated with their larger neighbors. See

Pearson, "European Security and the Single European Act," Occasional Papers, no. 8902 (St. Louis: Center for International Studies, University of Missouri-St. Louis, 1989).

19. The Federal Republic of Germany already leads the world in such arrangements. See Pearson, "Necessary Evil," op. cit.; and "Of Leopards and Cheetahs: West Germany's Role as a Mid-Sized Arms Supplier," Orbis, 29 (Spring 1985), pp. 165-181.

20. See William Perry and Juan Carlos Weiss, "Brazil," in The Implications of Third World Military Industrialization, ed. by James E. Katz (Lexington, MA: Lexington Books, 1986).

21. Howard La Franchi, "European and Arab Nations Strengthen Ties," Christian Science Monitor (December 22, 1989), p. 4.

22. Jagat S. Mehta, "Third World Militarization: A Challenge to Third World Diplomacy," in Mehta, op. cit., p. 15.

23. Pearson, "The Correlates of Arms Importation," Journal of Peace Research, 26 (May 1989), pp. 153-163.

24. See Hazarika, op. cit.

25. Bajusz and Louscher, op. cit., pp. 18-35, assuming 25 percent of defense budget available for arms procurement.

26. Pearson, Robert A. Baumann, and Gordon N. Bardos, "Arms Transfers: Effects on African Interstate Wars and Interventions," in Brandt, op. cit., pp. 59-83.

27. Pearson and Baumann, "Final Report, International Intervention Data in the DDIR Project," paper presented to the Annual Meeting of the American Political Science Association, Atlanta (September 1989).

28. Pearson, "Priorities," op. cit.

29. See Barry M. Blechman, Janne E. Nolan, and Alan Platt, "Negotiated Limitations on Arms Transfers: First Steps Toward Crisis Prevention?" in Managing U.S.-Soviet Rivalry: Problems of Crisis Prevention, ed. by Alexander L. George (Boulder: Westview, 1983), pp.

255-284; Paul Y. Hammond, David J. Louscher, Michael D. Salomone, and Norman A. Graham, *The Reluctant Supplier: U.S. Decisionmaking for Arms Sales* (Cambridge, MA: Oelgeschlager, Gunn, and Hain, 1983); Graham Kearns, "CAT and Dogma: The Future of Multilateral Arms Transfer Restraint," *Arms Control*, 2, no. 1, pp. 3-24.

30. Catrina, *op. cit.*, pp. 134-138.

31. *Ibid.*, pp. 139-140.