
TRENDS IN CONVENTIONAL ARMS TRANSFERS TO THE THIRD WORLD
BY MAJOR SUPPLIER, 1977-1984

By

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[The following represents an extract of the major findings of a study of arms transfers to the Third World conducted by Dr. Grimmitt and published on April 19, 1985, under the above title. Copies of the complete study (Report No. 85-86F) are available from the Congressional Research Service, The Library of Congress, Washington DC 20540.]

Major Findings

-- Most arms suppliers registered notable declines between 1983 and 1984 in the value of their arms transfer agreements with the Third World (in constant 1984 dollars).

-- The value of U.S. arms transfer agreements declined to \$7.3 billion in 1984 from \$10.2 billion in 1983 (in constant 1984 dollars). The U.S. share of all agreements was 22.5% in 1984, down from 34.1% in 1983.

-- Both the Soviet Union and France substantially increased their shares of Third World arms transfer agreement values between 1983 and 1984. The Soviet Union's share of agreements increased from 16.2% in 1983 to 32.4% in 1984. France's share of agreements increased from 5.9% in 1983 to 28.2% in 1984. The value of the Soviet Union's agreements with the Third World increased to \$10.4 billion in 1984 from \$4.8 billion in 1983 (in constant 1984 dollars).

-- The Soviet Union, the United States and France have generally been the three predominant arms suppliers to the Third World from 1977-1984, although the real values of their respective arms transfer agreements have fluctuated from year to year (in constant 1984 dollars).

-- The real value of all arms transfers agreements with the Third World in 1984 (\$32.3 billion) was the second lowest total for any year since 1977, and only somewhat higher than 1983, the lowest year of the period from 1977-1984. The real value of all arms transfer agreements with the Third World remains well below the levels reached between 1979 and 1982, when agreements averaged almost \$50 billion per year (in constant 1984 dollars).

-- Although Soviet arms transfer agreements with the Third World increased in 1984, the real value of actual deliveries for the Soviet Union, as well as for the United States, was the lowest for any year since 1977 (in constant 1984 dollars).

-- The Near East and South Asia region has historically been the greatest Third World arms market. In 1981-1984 it accounted for 75% of total Third World arms transfer agreement values.

-- In the Near East and South Asia region between 1981-1984, the United States had the largest share of arms transfer agreements with 27%. The Soviet Union's share during this period was 23%.

-- Arms transfer agreements with Latin America became much more polarized during 1981-1984 than they had been during 1977-1980. The United States and the Soviet Union, which collectively accounted for 24% of the arms transfer agreements with Latin America in the earlier period, were responsible for 53% of these agreements between 1981-1984. The United States' share increased from 3% to 15%, the Soviet Union's share increased from 21% to 38%.

-- The real value of all non-Communist nations' arms transfer agreements with the Third World has exceeded that of such agreements by all Communist nations every year since 1977 (in constant 1984 dollars).

-- The real value of all arms deliveries to the Third World in 1984 was the lowest of any year since 1977 (in constant 1984 dollars).

-- The real value of all non-Communist nations' arms deliveries to the Third World has exceeded that of all such deliveries by all Communist nations for every year since 1977 (with the sole exception of 1979) (in constant 1984 dollars).

Note: The Third World category includes all countries except NATO nations, Warsaw Pact nations, Europe, Japan, Australia, and New Zealand. All data are for the calendar year given, except for the U.S. MAP (Military Assistance Program) and IMET (International Military Education and Training) program data in the agreements table, which are included for the particular fiscal year. U.S. commercial sales and deliveries data are excluded. This is done because the U.S. Foreign Military Sales (FMS) program accounts for the overwhelming amount of U.S. conventional arms transfer agreements and deliveries. Further, the data maintained on U.S. commercial sales agreements and deliveries is much less precise than that for the FMS program. However, all Foreign Military Sales (FMS) construction sales and deliveries are included in the U.S. values totals.

TABLE 1A

ARMS TRANSFER AGREEMENTS WITH THE THIRD WORLD, BY SUPPLIER
(In millions of constant 1984 U.S. dollars)

	1977	1978	1979	1980	1981	1982	1983	1984
Non-Communist of which:								
United States	8,271	8,937	14,605	12,178	8,282	14,544	10,173	7,250
France	5,236	3,240	5,851	10,950	1,968	8,309	1,770	9,085
United Kingdom	2,541	4,135	1,883	2,807	1,750	1,537	853	385
West Germany	2,208	4,118	1,293	1,058	2,192	555	506	220
Italy	1,866	2,297	905	3,825	430	1,330	1,738	700
All Other	2,046	2,363	3,070	5,428	7,410	3,983	6,537	2,545
Total Non-Communist	22,168	25,089	27,606	36,247	22,031	30,259	21,577	20,185
Communist of which:								
U.S.S.R.	18,106	5,923	16,031	22,213	9,602	15,339	4,815	10,445
All Other	1,685	2,248	1,683	3,113	8,869	5,033	3,408	1,625
Total Communist	19,791	8,171	17,715	25,326	18,471	20,371	8,223	12,070
GRAND TOTAL	41,959	33,260	45,321	61,573	40,501	50,631	29,800	32,255

Note: Column figures may not add due to rounding.

TABLE 1B

ARMS TRANSFER AGREEMENTS WITH THE THIRD WORLD, BY SUPPLIER, 1977-1984
(Expressed as a percent of Grand Total, by year)

	1977	1978	1979	1980	1981	1982	1983	1984
Non-Communist								
of which:								
United States	19.71%	26.87%	32.23%	19.78%	20.45%	28.73%	34.14%	22.48%
France	12.48%	9.74%	12.91%	17.78%	4.86%	16.41%	5.94%	28.17%
United Kingdom	6.06%	12.43%	4.16%	4.56%	4.32%	3.04%	2.86%	1.19%
West Germany	5.26%	12.38%	2.85%	1.72%	5.41%	1.10%	1.70%	.68%
Italy	4.45%	6.91%	2.00%	6.21%	1.06%	2.63%	5.83%	2.17%
All Other	4.88%	7.10%	6.77%	8.82%	18.30%	7.87%	21.94%	7.89%
Total Non-Communist	52.83%	75.43%	60.91%	58.87%	54.39%	59.76%	72.41%	62.58%
(Major West European)*	28.24%	41.46%	21.91%	30.27%	15.65%	23.17%	16.33%	32.21%
Communist								
of which:								
U.S.S.R.	43.15%	17.81%	35.37%	36.08%	23.71%	30.30%	16.16%	32.38%
All Other	4.02%	6.76%	3.71%	5.06%	21.90%	9.94%	11.44%	5.04%
Total Communist	47.17%	24.57%	39.09%	41.13%	45.61%	40.24%	27.59%	37.42%
GRAND TOTAL	100.00%							

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

Note: Column figures may not add due to rounding.

TABLE 2A

ARMS DELIVERIES TO THE THIRD WORLD, BY SUPPLIER
(In millions of constant 1984 U.S. dollars)

	1977	1978	1979	1980	1981	1982	1983	1984
Non-Communist of which:								
United States	11,065	11,073	8,701	7,822	8,036	9,769	10,538	6,425
France	2,208	2,863	2,121	3,579	4,922	3,692	4,335	3,285
United Kingdom	1,469	1,870	1,364	2,255	2,973	1,683	1,333	925
West Germany	1,181	1,083	1,120	1,304	1,271	471	1,127	1,815
Italy	622	1,247	927	865	1,265	1,212	880	950
All Other	1,938	2,051	2,506	2,415	3,784	4,763	2,660	3,920
Total Non-Communist	18,482	20,187	16,739	18,240	22,251	21,590	20,873	17,320
Communist of which:								
U.S.S.R.	9,129	11,846	16,973	13,411	11,721	12,135	9,150	8,495
All Other	1,316	1,969	1,535	1,836	3,190	4,466	3,635	4,665
Total Communist	10,445	13,815	18,508	15,247	14,911	16,601	12,784	13,160
GRAND TOTAL	28,928	34,002	35,247	33,487	37,162	38,191	33,658	30,480

Note: Column figures may not add due to rounding.

TABLE 2B

ARMS DELIVERIES TO THE THIRD WORLD, BY SUPPLIER, 1977-1984
(Expressed as a percent of Grand Total, by year)

	1977	1978	1979	1980	1981	1982	1983	1984
Non-Communist of which:								
United States	38.25%	32.57%	24.69%	23.36%	21.62%	25.58%	31.31%	21.08%
France	7.63%	8.42%	6.02%	10.69%	13.24%	9.67%	12.88%	10.78%
United Kingdom	5.08%	5.50%	3.87%	6.73%	8.00%	4.41%	3.96%	3.03%
West Germany	4.08%	3.18%	3.18%	3.89%	3.42%	1.23%	3.35%	5.95%
Italy	2.15%	3.67%	2.63%	2.58%	3.40%	3.17%	2.61%	3.12%
All Other	6.70%	6.03%	7.11%	7.21%	10.18%	12.47%	7.90%	12.86%
Total Non-Communist	63.89%	59.37%	47.49%	54.47%	59.88%	56.53%	62.02%	56.82%
(Major West European)*	18.94%	20.77%	15.69%	23.90%	28.07%	18.48%	22.80%	22.88%
Communist of which:								
U.S.S.R.	31.56%	34.84%	48.16%	40.05%	31.54%	31.78%	27.18%	27.87%
All Other	4.55%	5.79%	4.35%	5.48%	8.59%	11.69%	10.80%	15.31%
Total Communist	36.11%	40.63%	52.51%	45.53%	40.12%	43.47%	37.98%	43.18%
GRAND TOTAL	100.00%							

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

Note: Column figures may not add due to rounding.