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Conventional Arms Transfers to Developing Nations, 1988-1995

Richard F. Grimmett
Specialist in National Defense
Foreign Affairs and National Defense Division
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SUMMARY

Developing nations continue to be the primary focus of foreign arms sales activity by weapons suppliers. During the years 1988-1995, the value of arms transfer agreements with developing nations comprised, on average, 69.4% of all such agreements worldwide. More recently, arms transfer agreements have declined generally, but those with developing nations still constituted 63.4% of all such agreements globally from 1992-1995.

The value of all arms transfer agreements with developing nations in 1995 was $15.4 billion. This was the lowest yearly total, in real terms, for any of the years during the 1988-1995 period.The value of new arms transfer agreements with developing nations has declined for five consecutive years since 1990 when arms agreements rose during the Persian Gulf war. By contrast, in 1995, the value of all arms deliveries to developing nations ($21.6 billion in constant 1995 dollars) was the first increase in deliveries values from the previous year during the 1988-1995 period.

The United States has been the predominant arms supplier to developing nations during the period from 1992-1995. During these years, the United States accounted for 45.3% of the value of all arms transfer agreements with developing nations ($40.6 billion in constant 1995 dollars). France, the second leading supplier during this period, made $18.8 billion in arms transfer agreements (in constant 1995 dollars) or nearly 21% of all developing world agreements.

The total value, in real terms, of U.S. arms transfer agreements with developing nations fell from $6.2 billion in 1994 to $3.8 billion in 1995. This is the lowest level of United States arms transfer agreements with developing nations during the last eight years, and the second consecutive year that the value of U.S. arms transfer agreements with such nations has been lower than the previous year. The U.S. ranked second in such agreements in 1995. The U.S. share of all such agreements was 24.6% in 1995, down from 28.8% in 1994.

In 1995, Russia ranked first in arms transfer agreements with developing nations at $6 billion, holding 39% of such agreements; the United States was second with $3.8 billion and 24.6% of such agreements. France ranked third with $2.4 billion or 15.6% of such agreements.

Among developing nations weapons purchasers, China ranked first in the value of arms transfer agreements in 1995, concluding $4.4 billion in such agreements. Saudi Arabia ranked second at $2.1 billion. India ranked third with $1 billion.

In 1995, the United States ranked first in the value of arms deliveries to developing nations at $9.5 billion, or 44% of all such deliveries. The United Kingdom ranked second at $4.5 billion or 20.8% of such deliveries.

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Conventional Arms Transfers to Developing Nations, 1988-1995

Introduction

The global conventional arms marketplace continues to go through a major adjustment in the post-Cold War, post-Persian Gulf war environment. Relationships between arms suppliers and recipients continue to evolve in reaction to changing political, military and economic circumstances. During the period of this report, 1988-1995, conventional arms transfers to developing nations have comprised, on average, 69.4% of the value of all arms transfers made internationally. More recently, arms transfer agreements with developing nations have declined, but still constituted 63.4% of all such agreements globally from 1992-1995. In the period from 1992-1995, deliveries of conventional arms to developing nations represented 71.4% of the value of all worldwide arms deliveries. In 1995, arms deliveries to developing nations constituted over 76% of the value of all arms deliveries made worldwide. However, in 1995, arms transfer agreements, which represent orders for future delivery, comprised only 53.4% of the value of all such agreements globally.

These facts imply serious difficulties for arms exporters. The reductions in domestic defense spending in recent years by most major arms supplying countries have imposed significant pressures on defense industries to seek arms sales opportunities abroad to help compensate for falling domestic weapons orders. This has led arms sellers to attempt to gain arms purchase agreements with financially wealthy developing countries in regions such as the Near East and in Asia. As major industrial states seek to preserve their domestic defense industrial bases, they resist purchasing conventional weapons from other developed nations, unless they deem it essential to do so.

With options for arms exporters limited in a declining international marketplace, competition for available foreign deals has intensified greatly. Increasingly, defense industries have sought support from their governments in financing weapons sales to nations having an interest in purchasing weapons but with limited resources to do so. Such a program is currently under formulation in the United States in response to legislation establishing it. The U.S. Defense Export Loan Guarantee program, once in place, would permit eligible nations to secure financing support up to the program's overall limit of $15 billion of outstanding guaranteed loans. All applicants for loans under this program, however, would have to put up an exposure fee from their own funds, in advance of receiving a loan in order to cover repayment risk.

While this arms export financing program may assist some prospective arms buyers in making purchases from the United States, it (and other programs comparable to it in other nations) illustrates the limitations that the costs of modern weapons place on prospects for their sale to many developing nations. The fact that many developing nations

must obtain financing for their arms purchases places an inherent restriction on what they will be able to purchase. In these circumstances, there is a continuing likelihood that there will be a concentration of conventional arms sales to a limited number of wealthy developing countries. And, arms sales to these nations seem likely to be made at a lower level than was the case at the beginning of this decade. The significant difficulties faced by Saudi Arabia in servicing its weapons purchases, as well as its other obligations incurred during the Persian Gulf war, demonstrate that even wealthy developing nations have important limitations on their capacity to purchase.

Although American and foreign defense industries placed much attention on making major arms sales to Near East nations in the wake of the Persian Gulf war, governments of the United States and other nations attempted to manage levels of arms sales on a regional and international basis. In May 1991, President Bush initiated an effort, supported by many in Congress, to reach agreement among the five permanent members of the United Nations Security Council to limit the size and character of their arms sales to the Near East region, as well as establish a procedure to notify each other before they made any arms sales to states in the Near East region.

This Bush initiative failed because the U.N. Permanent Five states could not agree on the best way to achieve the overall goal of reducing arms transfers to the Near East. China also accelerated the collapse of the effort when it withdrew from the talks following a major combat fighter aircraft sale by the United States to Taiwan. The end of the Bush initiative did not stop other efforts within Congress and the Executive branch to seek measures directed toward managing and, as possible, controlling conventional arms transfers, particularly to developing nations and "rogue" states such as Iran, Libya, and North Korea.

For example, Congress, in section 1601 of the Defense Department Authorization Act of 1994 (P.L. 103-160) directed the President to conduct a study of the "factors that contribute to the proliferation of strategic and advanced conventional military weapons and related equipment and technologies." as well as the policy options available to the United States to "inhibit such proliferation." A five-person Presidential Advisory Board on Arms Proliferation Policy was established on January 20, 1995 by Executive Order to conduct the study envisioned by Congress.

As this review was being launched, the Clinton Administration released details of the President's Conventional Arms Transfer Policy, embodied in Presidential Decision Directive 34 (PDD-34). As outlined in PDD-34, the Clinton Administration views conventional arms transfers to be a legitimate instrument of United States foreign policy when they enable the United States to help allies and friends deter aggression, promote regional stability and increase interoperability of U.S. and allied military forces. Decisions to sell or not to sell U.S. weapons are to be made on an ad-hoc, case-by-case basis. The policy guidelines in PDD-34 are sufficiently broad so as to permit most sales on the grounds that they support the U.S. national interest.

The Clinton Administration also characterized the establishment of a new post-COCOM regime as the "centerpiece" of its efforts to promote "multilateral restraint" in the area of conventional arms sales and the transfer of sensitive military technologies. A regime was provisionally established to succeed COCOM on December 19, 1995, and

termed the Wassenaar Arrangement. After Russia balked at complying with an arms export notification process central to the regime's operation at the first plenary meeting held in April 1996, the future of the new regime was called into question. However, in mid-July, Russia accepted the operational guidelines of the Wassenaar Arrangement, and the new post-COCOM entity was formally launched on July 12, 1996 with a membership of 33 nations.

Participating states are to control all items set forth by the Arrangement in a list of Dual-Use Goods and Technologies and the Munitions Lists, with the objective of preventing unauthorized transfers or re-transfers of these items. November 1, 1996 was set as the target date for establishment of these lists. How effective Wassenaar will be as a multilateral arms control regime is very much an open question. It has no advance export review mechanism as did COCOM, and the decision to transfer or not transfer any item on the Arrangement's control lists is left solely to the discretion of each participating state. Further, the Wassenaar Arrangement expressly states that it is not directed against any state nor is it to interfere with the rights of states to acquire legitimate means for self-defense.

As this international effort at managing conventional arms transfers proceeds, the debate over policy criteria regarding such transfers continues in the United States. Although the Clinton Administration has stated that its decisions on arms transfers will not be determined by commercial concerns but primarily by the national interest, the President's arms transfer policy holds that supporting a strong, sustainable American defense industrial base is a key national security concern, and not a purely commercial issue. By doing so the Clinton arms transfer policy publicly elevates the significance of domestic economic considerations in the arms transfer decision-making process to a higher level than has formally been the case in previous administrations. It is noteworthy then, that in its final report issued in late June 1996, the President's Advisory Board on Arms Proliferation Policy concluded that the United States' defense industrial base could not be sustained by aggressive arms sales overseas. Such a conclusion strongly suggests that the struggle to reconcile the economic interests of American arms exporting companies with the perspectives of conventional arms control advocates is likely to continue with intensity for the foreseeable future.

This report provides unclassified background data from U.S. government sources on transfers of conventional arms to developing nations by major suppliers for the period 1988 through 1995. It updates and revises the report entitled "Conventional Arms Transfers to Developing Nations, 1987-1994," published by the Congressional Research Service (CRS) on August 4, 1995 (CRS Report 95-862F). The data in this new report completely supersede <u>all</u> data published in previous editions. Since these new data for 1988-1995 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.

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 alike. United States government departments and agencies, such as the Defense Department (DOD) and the Arms Control and Disarmament Agency (ACDA), routinely publish data on U.S. arms transfers and deliveries but use the United States fiscal year as the computational time period for these data. (A U.S. fiscal year covers the period from October 1 until September 30). As a consequence, there are likely to be distinct differences noted in those published totals and those provided in this report which uses a calendar year basis for its figures. Details regarding data included are outlined in footnotes at the bottom of tables 1 and 2.

CONSTANT 1995 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 1995 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 Tables 1 and 2. **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 (1988-1991 and 1992-1995), 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 are expressed in current dollars.

MAJOR FINDINGS

GENERAL TRENDS IN ARMS TRANSFERS WORLDWIDE

The value of all arms transfer agreements worldwide (to both developed and developing nations) in 1995 was $28.8 billion. This is the lowest total of any year during the 1988-1995 period. This is the third consecutive year that total arms transfer agreements have declined from the previous year. The years overlapping the end of the Cold War and the period of post-Persian Gulf war rearmament were the most recent ones when the total value of arms transfer agreements worldwide exceeded $40 billion (chart 1)(table 8A).

In 1995, Russia was the leader in arms transfer agreements worldwide, making agreements valued at $9.1 billion, or 31.6% of all such agreements. The United States ranked second with $8.2 billion agreements or 28.6% of these agreements globally. Russian arms transfer agreements rose significantly from 1994 to 1995, from $3.8 billion in 1994 to $9.1 billion in 1995. United States arms agreements worldwide dropped notably from $12.8 billion in 1994 to $8.2 billion in 1995. This is the third year in a row that United States arms transfer agreements worldwide declined from the previous year. France's arms transfer agreements worldwide also fell significantly from $8.9 billion in 1994 to $2.7 billion in 1995. Russia, the United States and France, the top three arms suppliers to the world in 1995 respectively--ranked by the value of their arms transfer agreements--collectively made agreements in 1995 valued at over $20 billion, 69.5% of all arms transfer agreements made worldwide by all suppliers (in constant 1995 dollars)(chart 2) (figure 1)(table 8A).

The United States, while ranking second in worldwide arms transfer agreements in 1995, nonetheless ranked first among all arms suppliers to the world for the recent 1992-1995 time period, with $69 billion in agreements, or 49.1% of the total.(in constant 1995 dollars). The United States also ranked first in worldwide arms transfer agreements for the 1988-1991 period with $65.9 billion in agreements or 30.5%. By contrast, Russia ranked second in arms transfer agreements worldwide in 1988-1991 with $56.4 billion or 26.1%. But in the most recent period, 1992-1995, Russia ranked third with $17.2 billion or 12.3% of all arms transfer agreements made globally (chart 2) (figure 1)(tables 2A and 8A).

For the period 1992-1995, the total value of all arms transfer agreements with the world ($140.5 billion) has been substantially less than the value of arms transfer agreements made by all suppliers worldwide during 1988-1991 (about $216 billion), a decline of about 35%. As the worldwide arms transfer agreement totals have declined so have those to the developing world. During the period 1988-1991, developing world nations accounted for 75.3% of the value of all arms transfer agreements made worldwide. During 1992-1995 developing world nations accounted for 63.4% of all arms transfer

agreements made globally. In 1995, developing nations accounted for 53.4% of all arms transfer agreements made worldwide. (In constant 1995 dollars)(figure 1)(table 8A).

In 1995, the United States ranked first in the value of arms deliveries made worldwide, making over $12.5 billion in such deliveries. This is the fifth year in a row that the United States has led in global arms deliveries, reflecting, in particular, implementation of arms transfer agreements made during and in the aftermath of the Persian Gulf war. The United Kingdom ranked second in worldwide arms deliveries in 1995, making $4.9 billion in such deliveries. Russia ranked third in 1995, making $3.1 billion in such deliveries. The top three suppliers of arms in 1995 collectively delivered over $20.5 billion, 72.7% of all arms delivered worldwide by all suppliers in that year.(figure 2)(table 9A).

The value of all arms deliveries in 1995 was over $28.2 billion. This is the first increase in the total value of arms deliveries from the previous year for the period from 1988-1995. This increase reflects the impact of implementation of some of the arms transfer agreements associated with the onset and aftermath of the Persian Gulf war. (figure 2)(table 2A)(charts 10 and 11).

The total value of all arms deliveries worldwide from 1992-1995 (nearly $109 billion) was substantially less than the value of arms deliveries by all suppliers worldwide from 1988-1991 ($201.8 billion), a decline of 46%. Developing world nations from 1992-1995 accounted for 71.4% of the value of all arms deliveries globally. In the earlier period, 1988-1991, developing world nations accounted for 78.4% of the value of all arms deliveries worldwide. Most recently, in 1995, developing nations collectively accounted for over 76.6% of the value of all arms deliveries globally. (figure 2)(tables 2A and 9A).

GENERAL TRENDS IN ARMS TRANSFERS TO DEVELOPING NATIONS

The value of all arms transfer agreements with developing nations in 1995 was $15.4 billion. This was the lowest yearly total, in real terms, for arms transfer agreements with developing nations for any of the years during the 1988-1995 period. The value of new arms transfer agreements with developing nations has declined for five consecutive years since 1990 when arms agreements rose during the Persian Gulf war (chart 1)(figure 1) (table 1A).

By contrast, in 1995, the value of all arms deliveries to developing nations ($21.6 billion) was the first increase in deliveries values from the previous year during the 1988-1995 period. Deliveries values in 1995 (in real terms) were the highest for any year since 1991 and reflect the implementation of arms transfer agreements associated with the onset and aftermath of the Persian Gulf war (charts 10, and 11)(table 2A).

In the most recent period, the United States has dominated the arms market in the developing world. From 1992-1995, the United States made $40.6 billion in arms transfer agreements with developing nations, 45.3% of all such agreements. France, the second leading supplier during this period, made $18.8 billion in arms transfer agreements or nearly 21%. In the earlier period before the Cold War had ended (1988-1991), the United States and Russia were much closer in agreement totals and percentage share. The United

States ranked first with $49.6 billion in arms transfer agreements with developing nations or 30.4%, while Russia made $47.6 billion in agreements or 29.1% (in constant 1995 dollars) (table 1A).

Since 1991, most arms transfers to developing nations have continued to be made by two to four major suppliers in a given year. The United States has been one of the top two suppliers each year, while France has been the most consistent competitor for the lead in arms transfer agreements, ranking first in 1994. As competition over a shrinking international arms market intensifies, it is likely that suppliers such as France, Russia and the United Kingdom may routinely shift in their rankings relative to one another and to the United States. It may also prove to be the case that large new arms orders from developing nations will become less common during the rest of this decade, and that no single country will dominate in the total value of arms agreements from year to year as was the case in the 1980s and early 1990s.

Nations in the tier of suppliers below the United States, France, Russia and the United Kingdom--such as China, other European and non-European suppliers have been sporadic participants in the arms trade with developing nations. Most annual totals of arms transfer agreements for them during 1988-1995 reflect decreases, on average, about the turn of the decade. Few of these countries have the ability to be major suppliers of advanced weaponry on a sustained basis. They are much more likely to make sales of less sophisticated and less expensive military equipment (tables 1A, 1F, 1G, 2A, 2F and 2G).

Despite global changes since the Cold War's end, the developing world continues to be the primary focus of foreign arms sales activity by conventional weapons suppliers. From 1992-1995, the value of arms transfer agreements with developing nations comprised, on average, 63.4% of all arms transfer agreements made worldwide. In 1995, the year when the lowest arms transfer agreements total since 1988 was recorded, the value of such agreements with developing nations still constituted 53.4% of the value of all such arms agreements concluded worldwide (figure 1)(tables 1A and 8A).

UNITED STATES

In 1995, the total value, in real terms, of U.S. arms transfer agreements with developing nations decreased from the previous year's total, falling from $6.3 billion in 1994 to $3.8 billion in 1995. This is the lowest level, in real terms, of United States arms transfer agreements with developing nations during the last eight years, and the second consecutive year that the value of U.S. arms transfer agreements with such nations has been lower than the previous year. The U.S. share of the value of all such agreements was 24.6% in 1995, a decline from 28.8% in 1994 (in constant 1995 dollars)(charts 1, 3 and 4)(figure 1) (tables 1A and 1B).

The United States decline in arms transfer agreements with developing nations in 1995 reflects the absence of any large, high cost, arms transfer agreements during that year, comparable to those made during the years 1992-1995. Most of the key United States arms clients have apparently made their major weapons purchases for the foreseeable future, and are now in the process of absorbing the equipment they have already ordered. Saudi Arabia, the largest U.S. arms client in recent years has had significant budget

difficulties due to declines in the price of oil and other debt obligations it undertook during the Persian Gulf war of 1990-1991, although the Saudi economy is now recovering. The Saudis have not placed any major weapons order with the U.S. since they ordered 72 F-15 fighters in 1993. For much of the remainder of this decade there are likely to be fewer major weapons orders for the United States from nations in the developing world comparable to those placed in the four years that witnessed the Cold War's end and a military rearmament period in the Near East following the Persian Gulf war.

RUSSIA*

The total value of Russia's arms agreements with developing nations rose notably from $3.7 billion in 1994, to $6 billion in 1995, placing it first in arms transfer agreements with the developing world. Russia's share of all developing world arms transfer agreements increased as well, rising from 16.7% in 1994, to 39% in 1995 (in constant 1995 dollars) (charts 1 and 3) (figure 1)(tables 1A and 1B).

Russia's arms transfer agreements totals with developing nations declined every year from 1988 until 1994. Its arms agreements values ranged from a high of $15.1 billion in 1988 to a low of $1.3 billion in 1993 (in constant 1995 dollars). This progressive decline in arms sales reflected the effect of the economic and political problems of the former Soviet Union as the Cold War drew to a close. Many of Russia's traditional arms clients have been less wealthy developing nations that were once provided generous grant military assistance and deep discounts on arms purchases. The break up of the Soviet Union at the end of 1991 dramatically ended that practice. Now Russia actively seeks to sell weapons as a means of obtaining hard currency. With Russia now having an emerging market economy, domestic defense industries also have greater freedom to promote the sale of their weaponry. Because it has a wide range of armaments to sell from the most basic to the highly sophisticated, various developing countries view Russia as a potential source of their military equipment (chart 4).

Russia's difficulties in selling its weapons have stemmed, in part, from the fact that most potential cash-paying arms purchasers have been longstanding customers of the United States or other major West European suppliers. These nations are not likely to replace their weapons inventories with non-Western armaments with which they are not familiar when newer versions of existing equipment are readily available from traditional suppliers. Some of Russia's former arms clients in the developing world continue to express interest in obtaining additional weapons from it but are restricted by a lack of funds to pay for the armaments they might wish to obtain. Russia's difficult transition from the state supported and controlled industrial model of the former Soviet Union has also led some prospective arms customers to question whether Russian defense companies

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*Russia is used throughout the text, tables and charts, although data for all years prior to 1992 represent transactions of the former Soviet Union as a whole. Russia was by far the principal arms producer and exporter of all the former Soviet republics, and the political center for decision-making by the former Soviet Union. Data for 1992-1995 are for Russia exclusively.

would be reliable suppliers of spare parts and support services needed to maintain weapons systems that they sell.

Nonetheless, Russia has made significant efforts to gain arms agreements with developing nations that can pay cash for their purchases. As the arms transfer agreement figures for 1994 and 1995 suggest, Russia has had some recent success in doing so. In the post-Cold War era, Russia's principal arms clients have been nations such as Iran and China. Russia has also made smaller arms deals with Kuwait and the United Arab Emirates for armored fighting vehicles and with Malaysia for MiG-29 fighter aircraft. Iran, primarily due to its own economic problems, has fallen away as a major arms purchaser of Russia most recently, after having been a primary purchaser of Russian armaments at the turn of the decade, receiving such items as MiG-29 fighter aircraft, Su-24 fighter-bombers, T-72 tanks and Kilo class attack submarines (table 1H).

Russia's recent and currently most important arms client is China. Beginning in 1994, Russia sold China 26 Su-27 fighter aircraft as well as Kilo class attack submarines. It is the continuation of orders for Su-27 fighters by China that constitutes the larger portion of Russia's arms transfer agreement total with developing nations in 1995 (tables 1A and 1G).

CHINA

China emerged as an important arms supplier to developing nations in the 1980s principally due to arms agreements made with both combatants in the Iran- Iraq war. In the period of this report, the value of China's arms transfer agreements with developing nations peaked in 1988 at $3.1 billion. Since 1990, the value of China's arms transfer agreements with developing nations have generally been near $500 million annually. In 1995, the value of China's arms transfer agreements with developing nations had fallen to an eight year low at $200 million. (in constant 1995 dollars) (tables 1A, 1G and 1H). However, China has become a major purchaser of arms, primarily from Russia. In 1995, China ranked first among developing nations in concluding new arms transfer agreements, making agreements valued at $4.4 billion (table 1J).

China does not appear likely to be a major supplier in the international arms market in the foreseeable future. It has few arms clients with financial resources seeking its military equipment, much of which is less advanced and sophisticated than weaponry available from Western suppliers and Russia. Where China could have a significant impact is in the sale of its missiles, which are attractive to some nations in the developing world, such as Iran and Syria. In the past China has demonstrated its readiness to sell such weapons to any state that sought them.

During the 1980s, China sold and delivered CSS-2 Intermediate Range Ballistic Missiles (IRBM) to Saudi Arabia, and Silkworm anti-shipping missiles to Iran. Other anti-aircraft, anti-tank and anti-ship missiles were sold by China to a variety of purchasers in developing countries. More recently, reports persist in various publications that China has sold M-11 surface-to-surface missiles to a longstanding arms client, Pakistan. Such reports and China's official statements on the subject call into question China's willingness to abide by the restrictions on missile transfers set out in the Missile Technology Control Regime

(MTCR). Having a need for hard currency and a product (missiles) that some developing nations would like to obtain, China may pose an important problem for those seeking to stem proliferation of advanced conventional weapons into volatile areas of the developing world.

MAJOR WEST EUROPEAN COUNTRIES

The four major West European suppliers, as a group, (France, United Kingdom, Germany and Italy) registered a significant decrease in their collective share of all arms transfer agreements with developing nations between 1994 and 1995. This group's share fell from 41.6% in 1994 to about 26% in 1995. The collective value of this group's arms transfer agreements with developing nations in 1995 was $4 billion compared with a total of $9.2 billion in 1994. Of these four suppliers, France was the principal supplier with $2.4 billion in agreements. The value of the United Kingdom's agreements declined from $714 million in 1994 to $500 million in 1995. Italy registered an increase from over $200 million in 1994 to $800 million in 1995. In 1994, Germany's agreements with developing nations were effectively nil, but in 1995 were up to $300 million (in constant 1995 dollars) (charts 3 and 4) (tables 1A and 1B).

The major West European suppliers, as a group, averaged 25.7% of all arms transfer agreements with developing nations during the period from 1988-1995. Since the end of the Cold War, the major West European suppliers have generally maintained a notable share of arms transfer agreements. For the 1992-1995 period, they collectively averaged 30.3% of all arms transfer agreements with developing nations. Individual suppliers within the major West European group have had notable years for arms agreements, such as France in 1992, 1993 and 1994 ($4.3 billion, $3.9 billion and $8.3 billion respectively); and the United Kingdom in 1988 ($25.3 billion) (in constant 1995 dollars). Such totals have reflected the conclusion of a few large arms contracts with one or more major purchaser in a given year (tables 1A, 1B, 1C and 1H).

Strong government marketing support for foreign arms sales enhances the competitiveness of weapons produced by these major West European suppliers. Due to their ability to produce both advanced and basic air, ground, 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. Nevertheless, 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 result, some of these suppliers may choose not to compete for sales of some weapons categories, reducing or eliminating some weapons categories actually produced. In an effort to maintain elements of their defense industrial base they may seek joint production ventures with other weapons suppliers.

REGIONAL ARMS TRANSFER AGREEMENT VALUES

The Persian Gulf war from August 1990-February 1991 played a major role in stimulating high levels of arms transfer agreements with nations in that region. The war created new demands by key nations in the Near East such as Saudi Arabia and other

members of the Gulf Cooperation Council (GCC), for a variety of advanced weapons systems. These demands were not only a response to Iraq's aggression against Kuwait, but an effort to address concerns regarding potential threats from a hostile Iran. Efforts aimed at modernizing and 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 1988-1995 reflect the continued primacy of these two regions of the developing world as international arms markets:

Near East

- The Near East continues to be the largest developing world arms market. In 1988-1991 it accounted for 57% of the total value of all developing nations arms transfer agreements ($78.5 billion in current dollars). During 1992-1995, the region accounted for 53.5% of all such agreements ($46.3 billion in current dollars) (tables 1C and 1D).

- The United States has dominated arms transfer agreements with the Near East during the 1992-1995 time period with 56.4% of their total value. France was second during 1992-1995 with 26.6%. In 1988-1991, the United States accounted for 40.3% of arms agreements with this region, while the United Kingdom held 26.6% (chart 5) (table 1E).

Asia

- Asia is the second largest and fastest growing developing world arms market. In the earlier period (1988-1991), Asia accounted for 30.9% of the total value of all arms transfer agreements with developing nations ($42.5 billion in current dollars). During 1992-1995, the region accounted for 39.2% of all such agreements (nearly $34 billion in current dollars) (tables 1C and 1D).

- In the earlier period (1988-1991), Russia ranked first in arms transfer agreements with Asia with 54.8%. During these years, this region included some of Russia's traditionally largest arms clients such as India, Afghanistan and Vietnam, during these years. The United States ranked second with 23.6%. The major West European suppliers, as a group, made 12.2% of this region's agreements in 1988-1991. In the later period (1992-1995), the United States ranked first in Asian agreements with 34.3% on the strength of major aircraft sales to Taiwan and Malaysia. Russia ranked second with 26.2% aided by aircraft sales to China and Malaysia. France ranked third with 16.2%, primarily due to a major aircraft sale to Taiwan. The major West European suppliers, as a group, made 26.8% of this region's agreements in 1992-1995 (chart 6) (table 1E).

LEADING DEVELOPING NATIONS ARMS PURCHASERS

Saudi Arabia has been, by a wide margin, the leading developing world arms purchaser from 1988-1995, making arms transfer agreements totaling $67.1 billion during

these years (in current dollars). In both the 1988-1991 and 1992-1995 periods, the value of its arms transfer agreements was very high ($44.8 billion in 1988-1991 and $22.3 billion in 1992-1995). The total value of all arms transfer agreements with developing nations from 1988-1995 was $225.6 billion (in current dollars). Thus, Saudi Arabia alone was responsible for nearly 30% of all developing world arms transfer agreements during these eight years. In the most recent period--1992-1995--Saudi Arabia alone accounted for 25.8% of all developing world arms transfer agreements ($22.3 billion out of $86.3 billion). China ranked first among all developing world recipients in the value of arms transfer agreements in 1995, concluding $4.4 billion in such agreements, while Saudi Arabia ranked second with $2.1 billion in arms agreements (in current dollars) (chart 9) (tables 1, 1H, 1I and 1J).

Six of the ten leading developing nations arms recipients during the 1988-1995 period registered declines in the value of their arms transfer agreements from the 1988-1991 period to the 1992-1995 period. Decreases by Cuba and Afghanistan reflect the diminished financial support for these countries by Russia in the post-Cold War era. Declines in agreements values of Saudi Arabia, Egypt and Israel, reflect their reductions in weapons purchases in the post Persian Gulf war period. Increases in agreement values by China and Taiwan reflect major combat aircraft purchases by both since 1992 (tables 1H and 1I).

Despite some large decreases in the values of the arms transfer agreements of specific nations from 1988-1991 to 1992-1995, 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 1988-1991 the top ten collectively accounted for 70.9% of all developing world arms transfer agreements. During 1992-1995 the top ten collectively accounted for nearly 75% of all such agreements. Arms transfer agreements with the top ten developing world recipients, as a group, totaled $12.3 billion in 1995 or 79.9% of all arms transfer agreements with developing nations in that year. This reflects a continuing concentration of total developing world arms purchases by relatively few countries (tables 1, 1I and 1J).

China ranked first among all developing world recipients in the value of arms transfer agreements in 1995, concluding $4.4 billion in such agreements. Saudi Arabia, ranked second in agreements in 1995 at $2.1 billion, and India ranked third with $1 billion in agreements (table 1J).

Saudi Arabia was by far the leading recipient of arms deliveries among developing world recipients in 1995, receiving $8.3 billion in such deliveries. Saudi Arabia alone received 38.4% of the total value of all arms deliveries to developing nations in 1995 (tables 2 and 2J).

Arms deliveries to the top ten developing nation recipients, as a group, constituted $16.7 billion, or 77.3% of all arms deliveries to developing nations in 1995. Six of the top ten recipients were in the Asian region (tables 2 and 2J).

WEAPON TYPES RECENTLY DELIVERED TO NEAR EAST 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 (tables 3-7).

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 for the period **1992-1995** from table 5:

United States:

- 1,571 tanks and self-propelled guns
- 191 artillery pieces
- 2,040 APCs and armored cars
- 239 supersonic combat aircraft
- 105 helicopters
- 1,137 surface-to-air missiles (SAMs)
- 296 anti-shipping missiles

Russia:

- 290 tanks and self-propelled guns
- 680 APCs and armored cars
- 2 submarines
- 50 helicopters
- 20 anti-shipping missiles

China:

- 10 guided missile boats
- 30 supersonic combat aircraft
- 70 surface-to-air missiles (SAMs)
- 50 anti-shipping missiles

Major West European suppliers:

- 4,030 artillery pieces
- 33 minor surface combatants
- 1,050 surface-to-air missiles (SAMs)
- 40 anti-shipping missiles

All other European suppliers:

- 260 tanks and self-propelled guns
- 650 artillery pieces
- 610 APCs and armored cars

All other suppliers:

- 140 tanks and self propelled guns
- 20 supersonic combat aircraft
- 90 surface-to-surface missiles

Large quantities of major combat systems were delivered to the Near East region from 1992-1995, 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 1992-1995 are lower than those made during the 1988-1991 period, they still represent significant levels of arms transfers. The United States and China 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 and the United States to the Near East region during the 1992-1995 period. The cost of naval combatants is also significant, and the delivery of two submarines by Russia and thirty-three 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 can create significant security threats within the region. In particular, from 1992-1995, the United States delivered 296 anti-shipping missiles, China delivered 50, Russia delivered 20, and the major West Europeans, collectively, delivered 40. All other non-European suppliers collectively delivered 90 surface-to-surface missiles. China also delivered 10 guided missile boats.

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 1992-1995. European suppliers--excluding the four major West Europeans--delivered 650 artillery pieces and 610 APCs and armored cars, as well as 260 tanks and self-propelled guns. All other non-European suppliers collectively delivered 140 tanks and self-propelled guns and 20 supersonic combat aircraft.

DEFINITION OF THE DEVELOPING NATIONS AND REGIONS

The developing nations category, as used in this report, includes all countries except the United States, Russia, European nations, Canada, Japan, Australia, and New Zealand. A listing of countries located in the regions defined for purpose of this analysis--Asia, Near East, Latin America and Africa--is provided at the end of the report.

UNITED STATES COMMERCIAL ARMS EXPORTS EXCLUDED

U.S. commercial sales and deliveries data are excluded. This is done because the data maintained on U.S. commercial sales agreements and deliveries are incomplete and are significantly less precise than those for the U.S. Foreign Military Sales (FMS) program, which accounts for the overwhelming portion of U.S. conventional arms transfer agreements and deliveries. There are no official compilations of commercial agreement data comparable to that for the FMS program maintained on an annual basis. Annual commercial deliveries data are obtained from shipper's export documents and completed licenses returned from ports of exit by the U.S. Customs Service to the Office of Defense Trade Controls (PM/DTC) of the State Department, which makes the final compilation. This approach to obtaining commercial deliveries data is less systematic than that taken by the Department of Defense for government-to-government transactions.

The annual rank of the United States in the period from 1988-1995 has possibly been affected once--in 1991--by exclusion of the existing data on U.S. commercial arms deliveries to developing nations (see table 2). Since the total values of all U.S. deliveries are understated somewhat by exclusion of commercial arms deliveries figures, those commercial data are provided here to complete this portion of the available record. It should be noted that the U.S. is the only major arms supplier that has two distinct systems for the export of weapons, the government-to-government (FMS) system and the licensed commercial export system. The values of U.S. commercial arms deliveries to developing nations for fiscal years 1988-1995, according to the State Department, were as follows:

FY 1988	**$1,990,899**
FY 1989	**$2,599,204**
FY 1990	**$1,749,002**
FY 1991	**$1,644,152**
FY 1992	**$627,314**
FY 1993	**$545,646**
FY 1994	**$289,111**
FY 1995	**$1,212,954**

(In thousands of current U.S. dollars)

SUMMARY OF DATA TRENDS, 1988-1995

Tables 1 through 1J (pages 45-55) present data on arms transfer agreements with developing nations by major suppliers from 1988-1995. These data show the most recent trends in arms contract activity by major suppliers. Delivery data, which reflect implementation of sales decisions taken earlier, are shown in Tables 2 through 2J (pages 56-66). Tables 8, 8A and 8B (pages 78-80) provide data on worldwide arms transfers agreements from 1988-1995, while Tables 9, 9A and 9B (pages 81-83) provide data on worldwide arms deliveries during this period. To use these data regarding agreements for purposes other than assessing general trends in seller/buyer activity is to risk drawing conclusions that can be readily invalidated by future events--precise values and comparisons, for example, may change due to cancellations or modifications of major arms transfer agreements. These data sets reflect the comparative order of magnitude of arms transactions by arms suppliers with recipient nations expressed in constant dollar terms, unless otherwise noted .

What follows is a detailed summary of data trends from the tables in the report. The summary statements also reference tables and/or charts pertinent to the point(s) noted.

TOTAL DEVELOPING NATIONS ARMS TRANSFER AGREEMENT VALUES

Table 1 shows the annual current dollar values of arms transfer agreements with developing nations. Since these figures do not allow for the effects of inflation, they are, by themselves, of somewhat limited use. They provide, however, the data from which tables 1A (constant dollars) and 1B (supplier percentages) are derived. Some of the more noteworthy facts reflected by these data are summarized below.

- The value of all arms transfer agreements with developing nations in 1995 was $15.4 billion. This was the lowest yearly total, in real terms, for arms transfer agreements with developing nations for any of the years during the 1988-1995 period. (tables 1 and 1A) (chart 1).

- Russia, in 1995, held 39% of all arms transfer agreements with developing nations, up dramatically from 16.7% in 1994 (tables 1A and 1B) (chart 3).

- In 1995, the total value, in real terms, of United States arms transfer agreements with developing nations declined significantly from the previous year, falling from $6.3 billion in 1994 to $3.8 billion in 1995. This is the lowest level, in real terms, of United States arms transfer agreements with developing nations during the last eight years. The U.S. share of all such agreements fell from 28.8% in 1994 to 24.6% in 1995 (charts 3 and 4)(tables 1A and 1B).

Chart 1

Arms Transfer Agreements Worldwide 1988-1995

Developed and Developing Worlds Compared

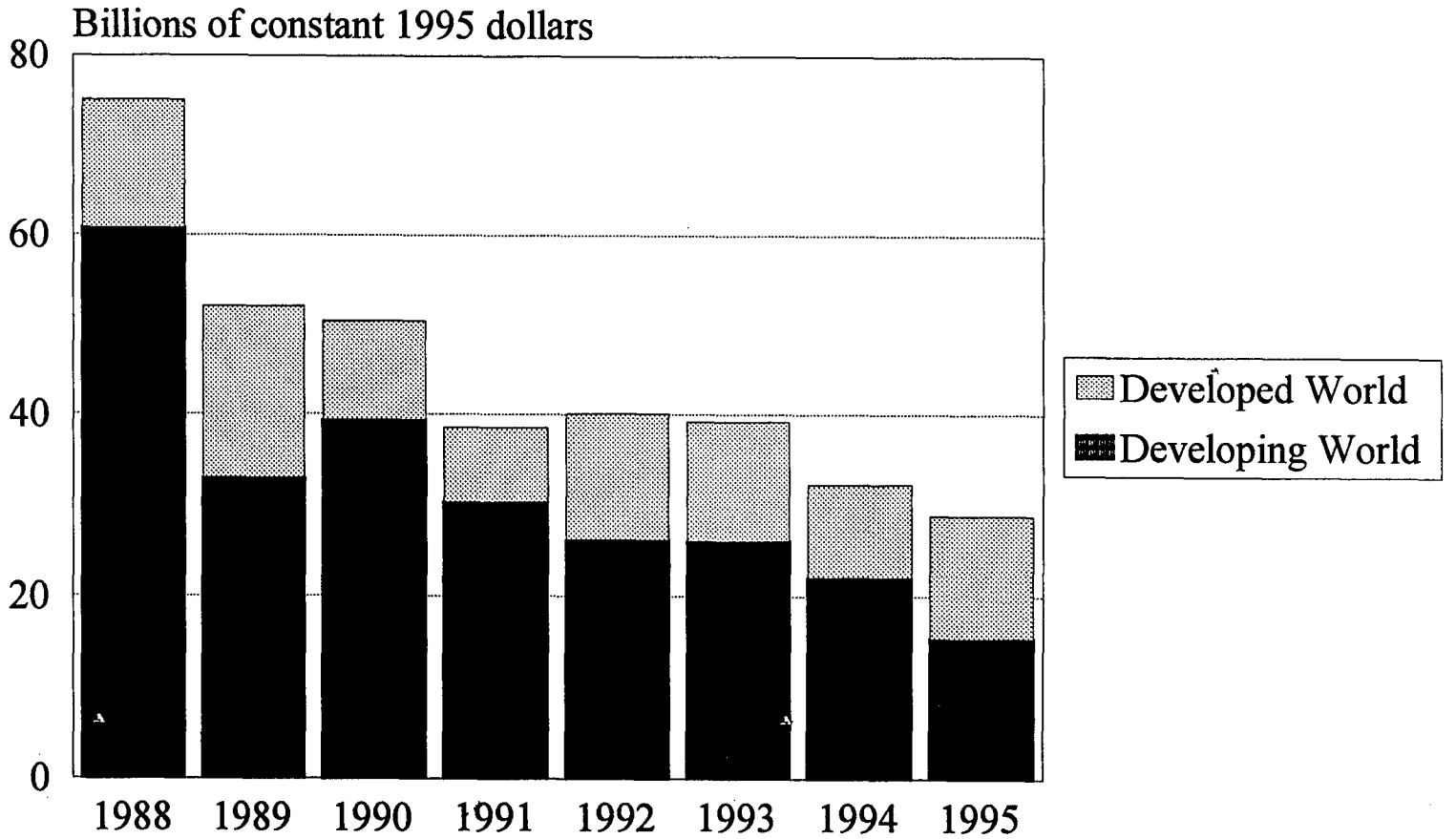
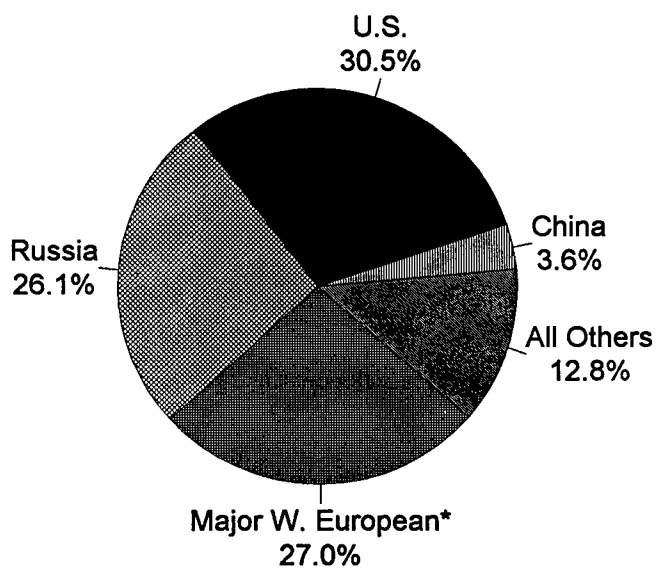
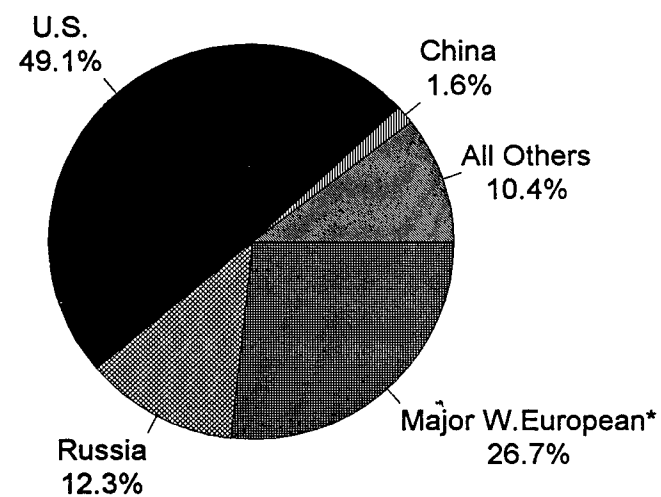


Chart 2

ARMS TRANSFER AGREEMENTS WORLDWIDE
(Supplier Percentage of Value)



1988-1991

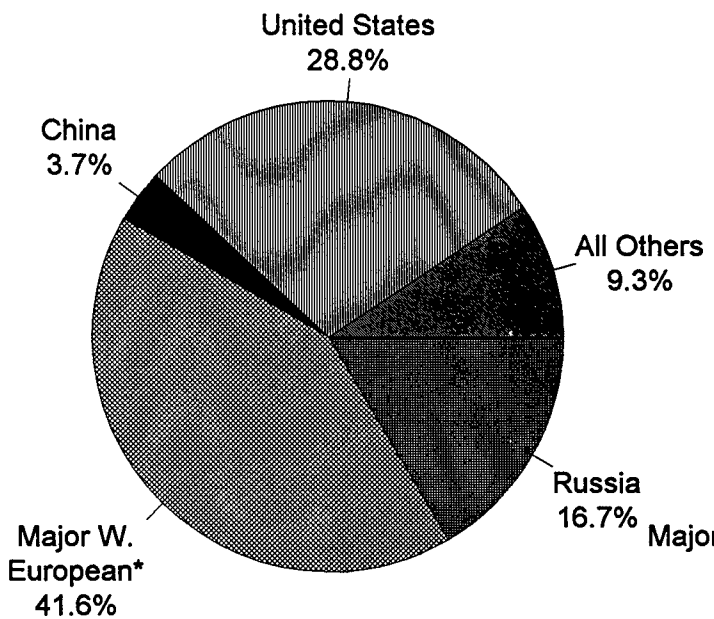


1992-1995

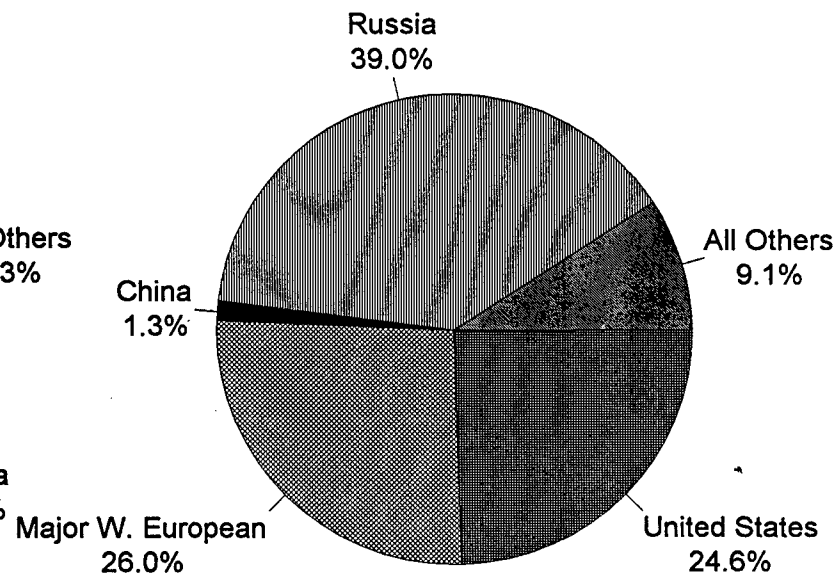
* (France, United Kingdom,Germany, and Italy)

Chart 3

ARMS TRANSFER AGREEMENTS WITH DEVELOPING NATIONS



1994 (supplier % of all agreements)



1995 (supplier % of all agreements)

* (France, United Kingdom,Germany and Italy)

Chart 4
ARMS TRANSFER AGREEMENTS WITH DEVELOPING NATIONS, 1988-1995: BY MAJOR SUPPLIER
(billions of constant 1995 dollars)

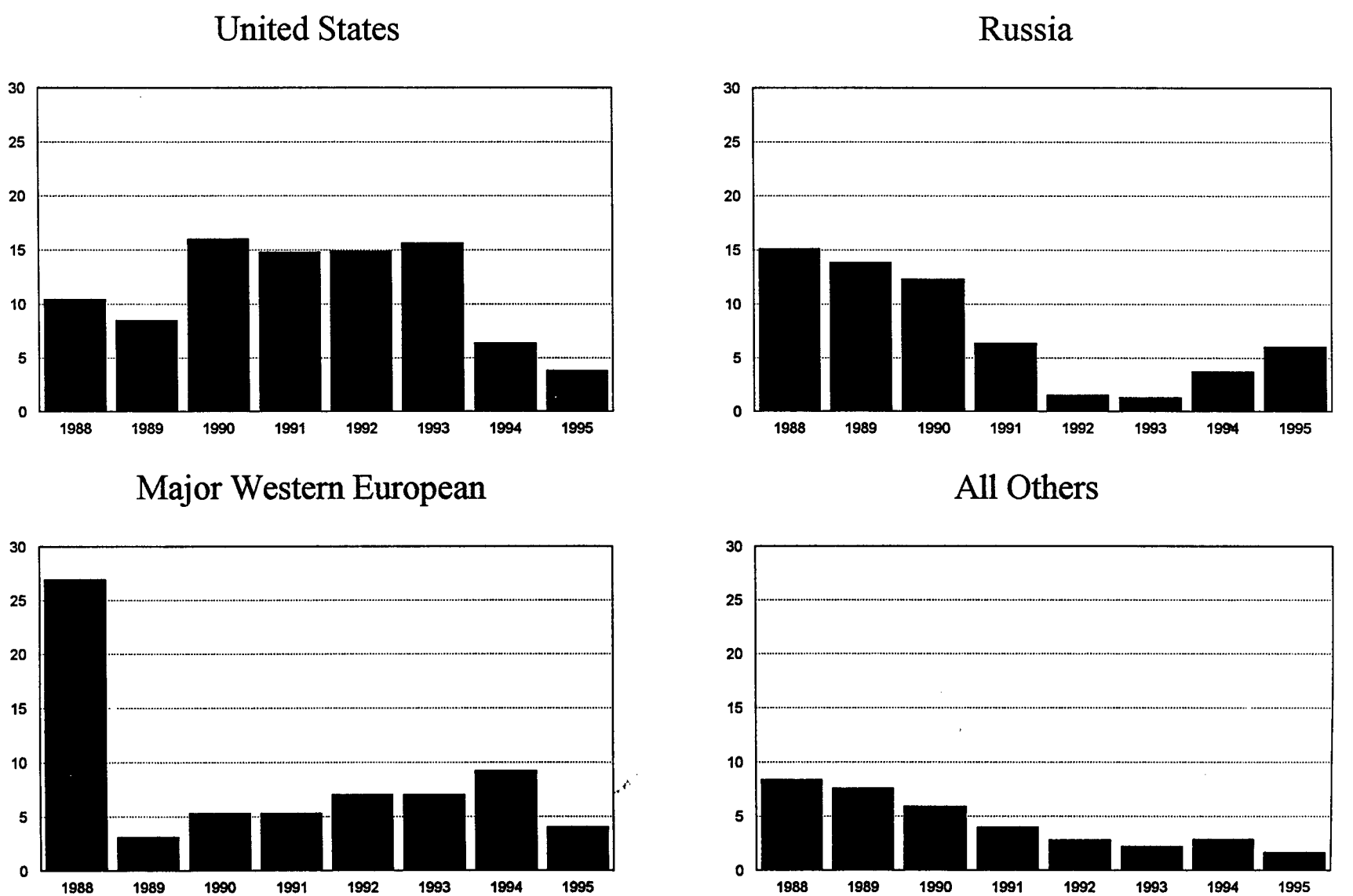


Figure 1.
WORLDWIDE ARMS TRANSFER AGREEMENTS, 1988-1995
and SUPPLIERS' SHARE WITH DEVELOPING WORLD
(in millions of constant 1995 U.S. dollars)

Supplier	Worldwide Agreements Value 1988-1991	% of Total with Developing World
United States	65,915	75.20
Russia	56,377	84.40
France	11,173	75.60
United Kingdom	32,384	87.00
China	7,797	100.00
Germany	12,603	22.40
Italy	2,089	50.50
All Other European	14,250	57.60
All Others	13,365	72.60
TOTAL	**215,953**	**75.30**

Supplier	Worldwide Agreements Value 1992-1995	% of Total with Developing World
United States	69,008	58.90
Russia	17,212	72.20
France	21,319	58.30
United Kingdom	7,936	67.30
China	2,181	95.20
Germany	5,984	19.10
Italy	2,267	81.80
All Other European	5,698	56.40
All Others	8,856	47.00
TOTAL	**140,460**	**63.40**

Supplier	Worldwide Agreements Value 1995	% of Total with Developing World
United States	8,231	46.00
Russia	9,100	65.93
France	2,700	88.88
United Kingdom	1,000	50.00
China	200	100.00
Germany	2,000	15.00
Italy	1,000	80.00
All Other European	1,200	58.33
All Others	3,400	20.59
TOTAL	**28,831**	**53.38**

- The total value of Russia's agreements with developing nations rose notably from $3.7 billion in 1994, to $6 billion in 1995. Russia's share of all developing world arms transfer agreements increased as well, rising from 16.7% in 1994, to 39% in 1995(tables 1A and 1B) (chart 3).

- The four major West European suppliers, as a group (France, United Kingdom, Germany and Italy), registered a significant decline in their collective share of all arms transfer agreements with developing nations between 1994 and 1995. This group's share fell from 41.6% in 1994 to 26% in 1995. The collective value of this group's arms transfer agreements with developing nations in 1994 was $4 billion compared with a total of about $9.2 billion in 1994 (tables 1A and 1B) (charts 3 and 4).

- France registered a significant decline in its share of all arms transfer agreements with developing nations, falling from 37.5% in 1994 to 15.6% in 1995. The value of its agreements with developing nations fell from $8.3 billion in 1994 to $2.4 billion in 1995.

- In 1995 Russia ranked first in arms transfer agreements with developing nations at $6 billion. The United States ranked second at $3.8 billion, while France ranked third at $2.4 billion (charts 3 and 4) (tables 1A, 1B and 1G).

REGIONAL ARMS TRANSFER AGREEMENT VALUES, 1988-1995

Table 1C gives the values of arms transfer agreements between suppliers and individual regions of the developing world for the periods 1988-1991 and 1992-1995. These values are expressed in current U.S. dollars.** Table 1D, derived from table 1C, gives the percentage distribution of each supplier's agreement values within the regions for the two time periods. Table 1E, also derived from table 1C, illustrates what percentage share of each developing world region's total arms transfer agreements was held by specific suppliers during the years 1988-1991 and 1992-1995. Among the facts reflected in these tables are the following:

Near East

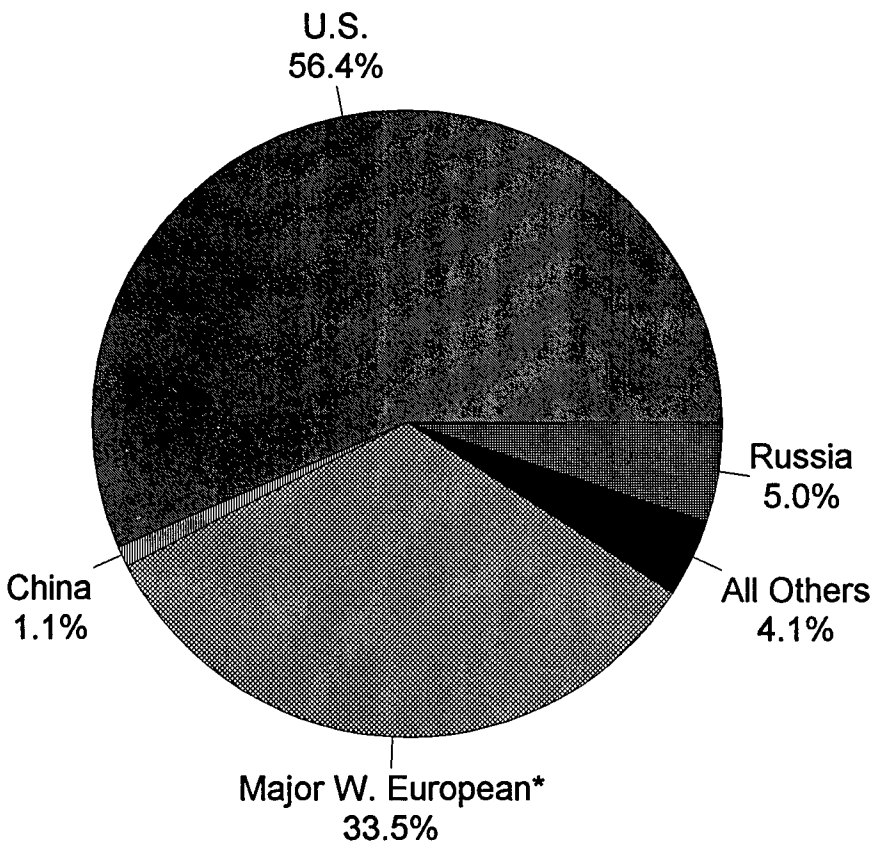
- The Near East is the largest regional arms market in the developing world. In 1988-1991 it accounted for 57% of the total value of all developing nations arms transfer agreements ($78.5 billion in current dollars). During 1992-1995, the region accounted for 53.5% of all such agreements ($46.3 billion in current dollars)(tables 1C and 1D).

- The United States has dominated arms transfer agreements with the Near East during the 1992-1995 time period with 56.4% of their total value. In 1988-1991, the United States and the United Kingdom accounted for over 40.3% and 26.6% of agreements respectively, while Russia held about 10% (chart 5) (table 1E).

**Because regional data are composed of four-year aggregate dollar totals, they must be expressed in current dollar terms.

Chart 5

ARMS TRANSFER AGREEMENTS, 1992-1995 WITH NEAR EAST (SUPPLIER PERCENTAGE OF VALUE)



* (France, United Kingdom, Germany, and Italy)

- For the period 1988-1991, the United States concluded nearly 73.5% of its developing world arms transfer agreements with the Near East. In 1992-1995, the U.S. concluded 67.3% of its arms agreements with this region (table 1D).

- For the period 1988-1991, the four major West European suppliers collectively made 77.2% of their arms transfer agreements with the Near East. In 1992-1995, the major West Europeans made 59.2% of their arms agreements with the Near East (table 1D).

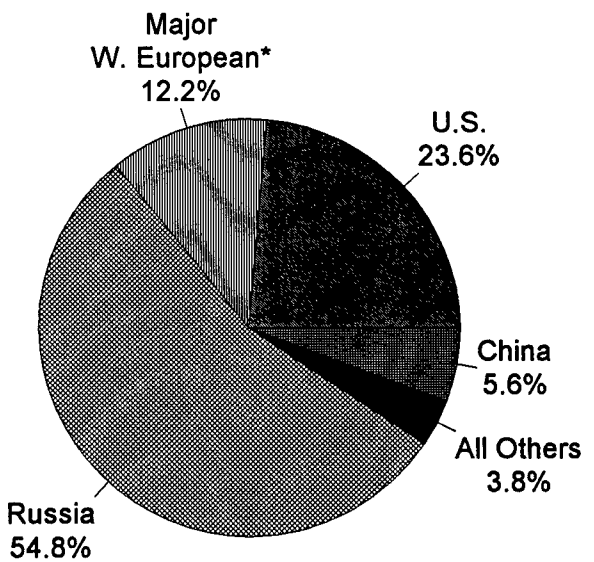
- For the period 1988-1991, China concluded 55.4% of its developing world arms transfer agreements with nations in the Near East. For the more recent period, 1992-1995, China concluded 26.3% of its developing world arms transfer agreements with nations in the Near East (table 1D).

- For the period 1988-1991, Russia concluded 19.3% of its developing world arms transfer agreements with the Near East region. For the period 1992-1995, Russia concluded 18.9% of its developing world arms transfer agreements with the Near East region (table 1D).

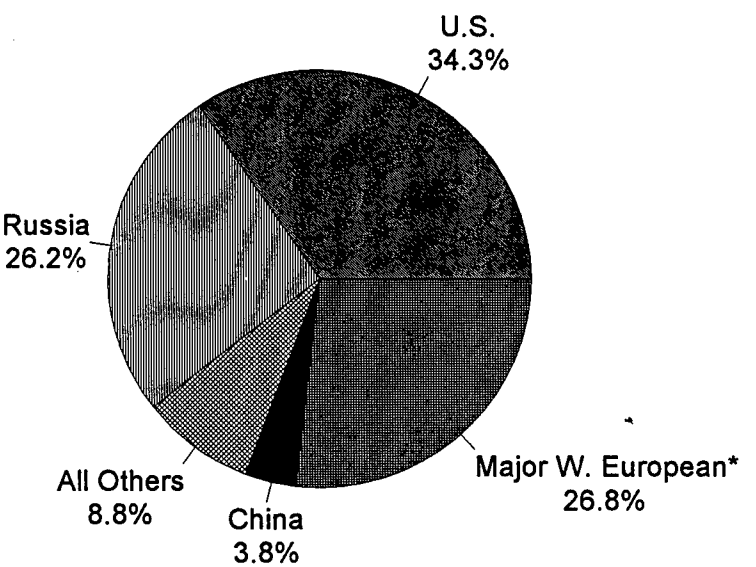
- In the earlier period (1988-1991), the United States ranked first in arms transfer agreements with the Near East with 40.3%. The United Kingdom ranked second with 26.6%. Russia ranked third with about 10%. The major West European suppliers, as a group, made 33.3% of this region's agreements in 1988-1991. In the later period (1992-1995), the United States remained first in Near East agreements with 56.4%. France displaced the United Kingdom to rank second with 26.6%. The United Kingdom ranked third with 5.2%. The major West European suppliers, as a group, made 33.5% of this region's agreements in 1992-1995 (table 1E) (chart 5).

Chart 6

ARMS TRANSFER AGREEMENTS WITH ASIA (SUPPLIER PERCENTAGE OF VALUE)



1988-1991



1992-1995

* (France, United Kingdom,Germany, and Italy)

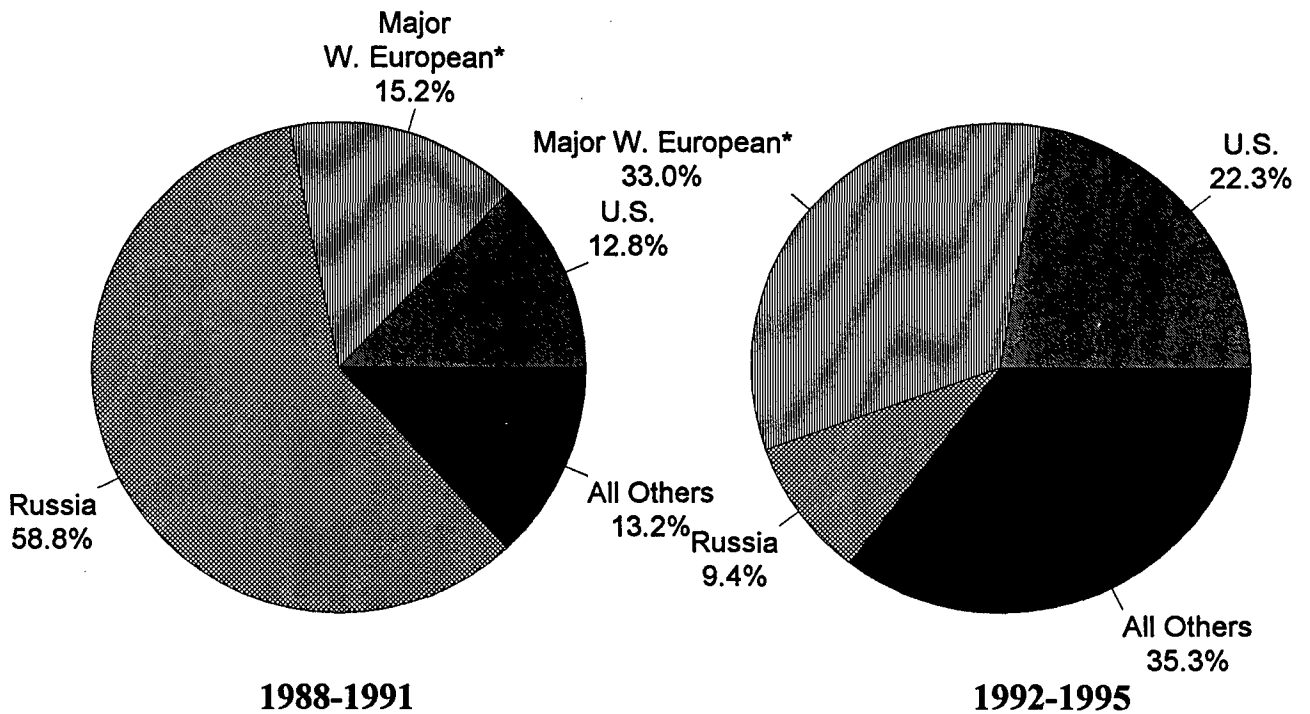
Asia

- Asia is the second largest and fastest growing developing world arms market. In the 1988-1991 period Asia accounted for 30.9% of all arms transfer agreements with developing nations ($42.5 billion in current dollars). In the more recent period, 1992-1995, it accounted for 39.2% of all developing nations arms transfer agreements (nearly $34 billion in current dollars) (tables 1C and 1D).

- In the earlier period (1988-1991), Russia ranked first in arms transfer agreements with Asia with 54.8%. This region includes some of Russia's largest traditional arms clients such as India, Afghanistan and Vietnam. The United States ranked second with 23.6%. The major West European suppliers, as a group, made 12.2% of this region's agreements in 1988-1991. In the later period (1992-1995), the United States ranked first in Asian agreements with 34.3% on the strength of major aircraft sales to Taiwan and Malaysia. Russia ranked second with 26.2%, assisted by major aircraft sales to China and Malaysia. France ranked third with 16.2%, primarily due to a major aircraft sale to Taiwan. The major West European suppliers, as a group, made 26.8% of this region's agreements in 1992-1995 (chart 6) (table 1E).

Chart 7

ARMS TRANSFER AGREEMENTS WITH LATIN AMERICA (SUPPLIER PERCENTAGE OF VALUE)



* (France, United Kingdom,Germany, and Italy)

Latin America

- In the earlier period (1988-1991), Russia ranked first in arms transfer agreements with Latin America with 58.8%; the greatest portion of which were with Cuba. The United States ranked second with 12.8%. The major West European suppliers, as a group, made 15.2% of this region's agreements in 1988-1991. In the later period (1992-1995), the United States ranked first in Latin American agreements with 22.3%. The United Kingdom ranked second with 11.8%.Russia ranked third with 9.4%. The major West European suppliers, as a group, made nearly 33% of this region's agreements in 1992-1995. Latin America also registered a major decline in the total value of its arms transfer agreements from 1988-1991 to 1992-1995, dropping from about $9.9 billion in the earlier period to about $4.3 billion in the latter. The value of Russia's arms agreements with the region fell from $5.8 billion to $400 million (in current dollars) from the earlier to the later period. This decline is attributable to termination of the Soviet military aid program to Cuba, and the end of the Cold War related conflict in Nicaragua (chart 7) (tables 1C and 1E).

Africa

- In the earlier period (1988-1991), Russia ranked an overwhelming first in agreements with Africa with 51.3%. The major West European suppliers, as a group, made 14.7% of this region's agreements in 1988-1991. The United States made 1.8%. In the later period (1992-1995), Russia ranked first, although its share of African agreements significantly declined to 28.7%. The major West European suppliers, as a group, made 9.6% of this region's agreements in 1992-1995. Africa was the largest regional market in the developing world for all other non-European suppliers more recently. This group of suppliers collectively made 33.5% of this region's agreements in 1992-1995. Africa also registered a major decline in the total value of its arms transfer agreements from 1988-1991 to 1992-1995, dropping from $6.8 billion in the earlier period to $2.1 billion in the latter (in current dollars). This decline reflects the ending of major Cold War related conflicts in this region (tables 1C and 1E).

ARMS TRANSFER AGREEMENTS WITH DEVELOPING NATIONS, 1988-1995: LEADING SUPPLIERS COMPARED

Table 1F gives the values of arms transfer agreements with the developing nations from 1988-1995 by the developing world's top eleven suppliers. The table ranks these suppliers on the basis of the total current dollar values of their respective agreements with the developing world for each of three periods--1988-1991, 1992-1995 and 1988-1995. Among the facts reflected in this table are the following:

- The United States ranked first among all suppliers to developing nations in the value of arms transfer agreements from 1992-1995 ($38.8 billion), and first for the entire period from 1988-1995($81.8 billion).

- France ranked second among all suppliers to developing nations in the value of arms transfer agreements from 1992-1995($18.2 billion), and fourth from 1988-1995 ($25.6 billion).

- Russia ranked third among all suppliers to developing nations in the value of arms transfer agreements from 1992-1995 ($12.2 billion), and second from 1988-1995($52.7 billion).

- The United Kingdom ranked fourth among all suppliers to developing nations in the value of arms transfer agreements from 1992-1995 ($5.1 billion), and third from 1988-1995 ($28.2 billion).

- China ranked fifth among all suppliers to developing nations in the value of arms transfer agreements from 1992-1995 ($2 billion), and fifth from 1988-1995 ($8.6 billion).

- Of the top eleven arms suppliers to developing nations from 1988-1995, only two, France and Italy, registered substantial increases in the value of arms transfer agreements with developing nations from the period 1988-1991 to the period 1992-1995. France increased 145.9%, from $7.4 billion to $18.2 billion . Italy registered an increase of 100%, from $900 million to $1.8 billion.

- Most of the top eleven arms suppliers to developing nations registered significant decreases in the value of their arms transfer agreements from the 1988-1991 period to 1992-1995. Of the largest arms suppliers, the United Kingdom registered the largest percentage decline from 1988-1991 to 1992-1995 at 77.9%, while Russia fell 69.9%. China declined 69.7%. Of the lesser suppliers, North Korea registered a 72.2.% decline between these two time periods.

ARMS TRANSFER AGREEMENTS WITH DEVELOPING NATIONS IN 1995: LEADING SUPPLIERS COMPARED

Table 1G ranks and gives the values of 1995 arms transfer agreements with developing nations by the top ten suppliers in current U.S. dollars. Among the facts reflected in this table are the following:

- Russia, the United States, and France, the year's top three arms suppliers to developing nations--ranked by the value of their arms transfer agreements--collectively made agreements in 1995 valued at $12.2 billion, 79.2% of all arms transfer agreements made with developing nations by all suppliers.

- In 1995, Russia was the clear leader in arms transfer agreements with developing nations, making $6 billion in such agreements, or about 39% of them.

- The United States ranked second and France third in arms transfer agreements with developing nations in 1995, making $3.8 billion and $2.4 billion in such agreements respectively.

- Italy ranked a distant fourth in arms transfer agreements with developing nations in 1995, making $800 million in such agreements, while the United Kingdom ranked fifth with $500 million.

ARMS TRANSFER AGREEMENTS WITH NEAR EAST 1988-1995: SUPPLIERS AND RECIPIENTS

Table 1H gives the values of arms transfer agreements with the Near East nations by suppliers or categories of suppliers for the periods 1988-1991 and 1992-1995. These values are expressed in current U.S. dollars. They are a subset of the data contained in table 1 and table 1C. Among the facts reflected by this table are the following:

- For the most recent period, 1992-1995, the principal purchasers of U. S. arms in the Near East region, based on the value of agreements, were: Saudi Arabia ($15.6 billion), Kuwait ($3.5 billion), Israel ($3.1 billion) and Egypt ($2.6 billion). The principal purchasers of Russian arms were: Kuwait ($800 million), and the U.A.E. ($500 million). The principal purchasers of arms from China were: Iran ($200 million), Yemen ($200 million) and Israel ($100 million). The principal purchasers of arms fromthe four major West European suppliers, as a group, were: Saudi Arabia ($6.6 billion), the United Arab Emirates ($3.9 billion), and Qatar ($2 billion). The principal purchaser of arms from all other European suppliers collectively was: Egypt ($200 million). The principal purchasers of arms from all other suppliers, as a group, were Iran ($600 million) and Yemen ($200 million).

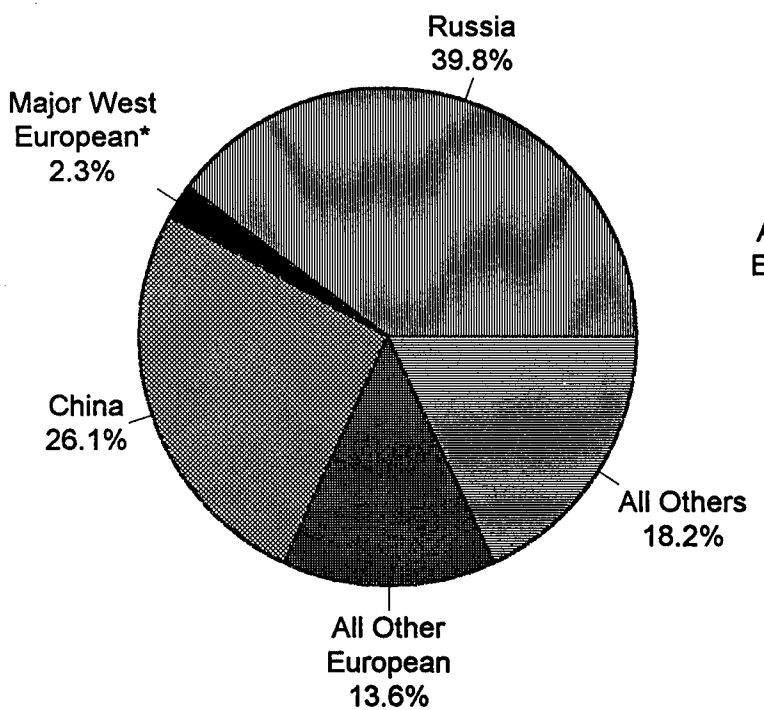
- For the period from 1992-1995, Saudi Arabia made $22.3 billion in arms transfer agreements. Its principal suppliers were: the United States ($15.6 billion) and the four major West European suppliers, as a group, ($6.6 billion). Kuwait made $6.2 billion in arms transfer agreements. Its principal suppliers were the United States ($3.5 billion) and the major West Europeans ($1.8 billion). The United Arab Emirates made $4.8 billion in arms transfer agreements. The major West Europeans were its largest supplier ($3.9 billion). Egypt made $3.2 billion in arms transfer agreements. Its major supplier was the United States ($2.6 billion).

- The value of arms transfer agreements by Russia to major clients in the Near East fell dramatically from the 1988-1991 period to the 1992-1995 period. The largest percentage declines involved arms agreements with Iran, falling from $3.5 billion to $200 million (chart 8) ; Libya falling from $1.5 billion to nil; Syria, falling from $1.1 billion to $200 million.

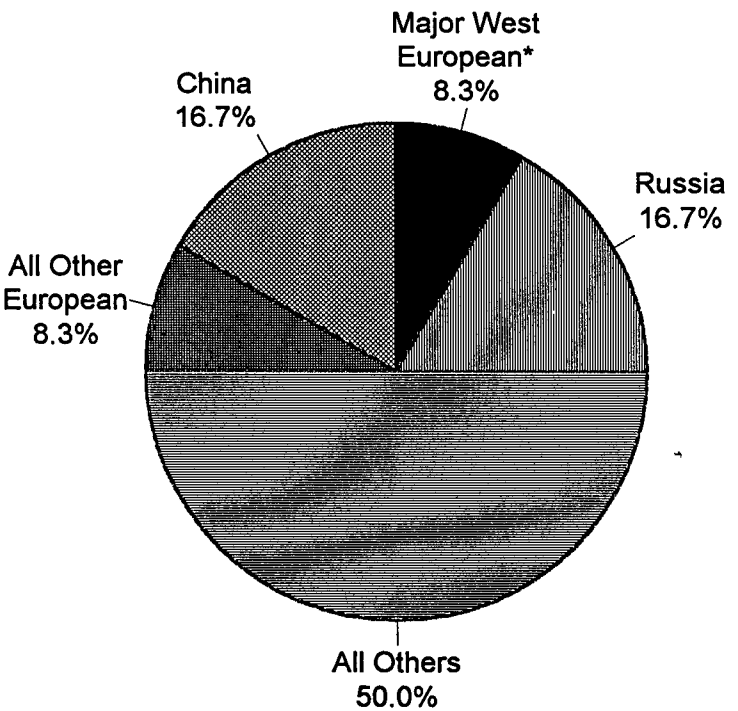
- The value of arms transfer agreements by the United States with Saudi Arabia fell notably from the 1988-1991 period to the 1992-1995 period. Agreements with Saudi Arabia fell from $18.8 billion in the earlier period to $15.6 billion in the later period, a 17% decrease. Nevertheless, Saudi Arabia made nearly 70% of its arms transfer agreements with the United States during 1992-1995 (chart 9) . United States agreements with Kuwait rose from $2.5 billion in the earlier period to $3.5 billion in the later period (a 40% increase)These increases are generally attributable to arms agreements made with Kuwait subsequent to the Persian Gulf war.

Chart 8

ARMS TRANSFER AGREEMENTS WITH IRAN (SUPPLIER PERCENTAGE OF VALUE)



1988-1991

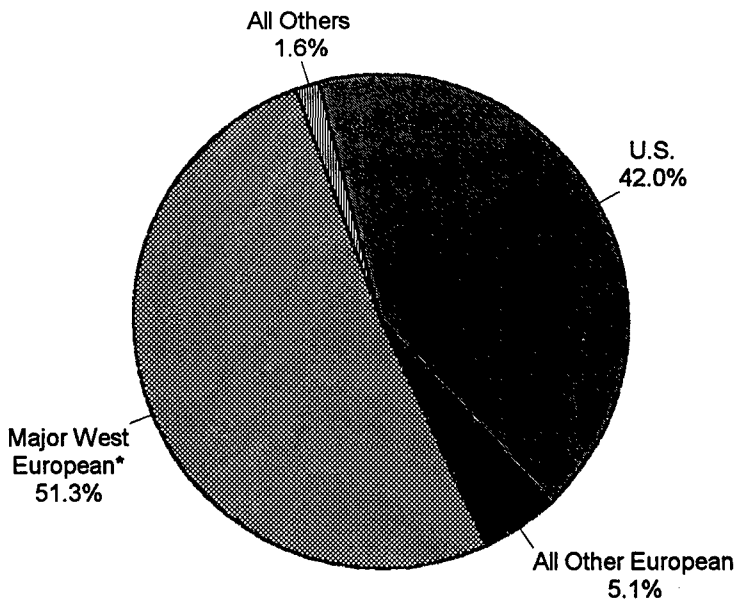


1992-1995

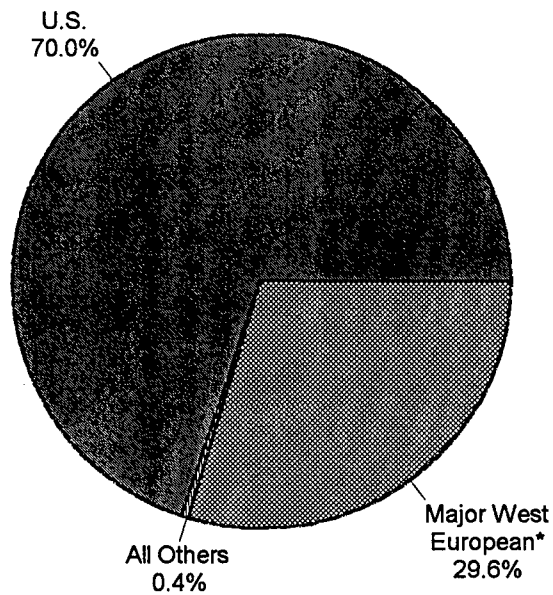
* (France, United Kingdom,Germany, and Italy)

Chart 9

ARMS TRANSFER AGREEMENTS WITH SAUDI ARABIA (SUPPLIER PERCENTAGE OF VALUE)



1988-1991



1992-1995

* (France, United Kingdom,Germany, and Italy)

ARMS TRANSFERS TO DEVELOPING NATIONS, 1988-1995: AGREEMENTS WITH LEADING RECIPIENTS

Table 1I gives the values of arms transfer agreements made by the top ten recipients of arms in the developing world from 1988-1995 with all suppliers collectively. The table ranks recipients on the basis of the total current dollar values of their respective agreements with all suppliers for each of three periods--1988-1991, 1992-1995 and 1988-1995. Among the facts reflected in this table are the following:

- Saudi Arabia has been, by a wide margin, the leading developing world purchaser of arms from 1988-1995, making agreements totaling $67.1 billion during these years. In both the 1988-1991 and 1992-1995 periods, the value of its arms transfer agreements was very high ($44.8 billion in 1988-1991 and $22.3 billion in 1992-1995). The total value of all arms transfer agreements with developing nations from 1988-1995 was $225.6 billion. Thus, Saudi Arabia alone was responsible for nearly 30% of all developing world arms transfer agreements during these eight years. In the most recent period--1992-1995--Saudi Arabia alone accounted for 25.8% of all developing world arms transfer agreements ($22.3 billion out of $86.3 billion). China ranked first among all developing world recipients in the value of arms transfer agreements in 1995, concluding $4.4 billion in such agreements, while Saudi Arabia ranked second with $2.1 billion in arms agreements (tables 1, 1H, 1I and 1J)(chart 9).

- Six of the ten leading developing nations arms recipients during the 1988-1995 period registered declines in the value of their arms transfer agreements from the 1988-1991 period to the 1992-1995 period. Decreases by Cuba and Afghanistan reflect the diminished financial support for these countries by Russia in the post-Cold War era. Declines in agreements values of Saudi Arabia and Egypt, reflect their decisions to reduce weapons purchases in the post Persian Gulf war period. Increases in agreement values by China and Taiwan reflect major combat aircraft purchases by both since 1992 (table 1I).

- Despite some large decreases in the values of the arms transfer agreements of specific nations from 1988-1991 to 1992-1995, 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 1988-1991 the top ten collectively accounted for 70.9% of all developing world arms transfer agreements. During 1992-1995 the top ten collectively accounted for nearly 75% of all such agreements. Arms transfer agreements with the top ten developing world recipients, as a group, totaled $12.3 billion in 1995 or 79.9% of all arms transfer agreements with developing nations in that year (tables 1, 1I and 1J). This reflects a continuing concentration of total developing world arms purchases by relatively few countries (tables 1 and 1I).

ARMS TRANSFERS TO DEVELOPING NATIONS IN 1995: AGREEMENTS WITH LEADING RECIPIENTS

Table 1J names the top ten developing world recipients of arms transfer agreements in 1995. The table ranks these recipients on the basis of the total current dollar values of their respective agreements with all suppliers in 1995. Among the facts reflected in this table are the following:

- Half of the top ten developing world recipients of arms transfer agreements in 1995 were in the Near East. Four were in Asia.
- China ranked first among all developing nations recipients in the value of arms transfer agreements in 1995, concluding $4.4 billion in such agreements.
- Arms transfer agreements with the top ten developing world recipients, as a group, in 1995 totaled $12.3 billion or 79.9% of all such agreements with the developing world.

TOTAL DEVELOPING NATIONS ARMS DELIVERY VALUES

Table 2 shows the annual current dollar values of arms deliveries (items actually transferred) to developing nations by major suppliers from 1988-1995. The utility of these particular data is that they reflect transfers that have occurred. They provide the data from which tables 2A (constant dollars) and 2B (supplier percentages) are derived. Some of the more notable facts illustrated by these data are summarized below.

- In 1995, the value of all arms deliveries to developing nations ($21.6 billion) was the first increase in deliveries values from the previous year of any year during the period from 1988-1995. This increase reflects the impact of implementation of arms transfer agreements that began at the outset of and following the Persian Gulf war (charts 10 and 11)(table 2A).
- The U.S. share of all deliveries to developing nations in 1995 was 44.1%, up from 35.9% in 1994. The United Kingdom's share of all arms deliveries to developing nations in 1995 was 20.8%, down from 27.7% in 1994. In 1995, the United States, for the fourth year in a row, ranked first in the value of arms deliveries to developing nations (in constant 1995 dollars) (tables 2A and 2B).
- The total value of all arms deliveries by all suppliers to developing nations from 1992-1995 ($77.9 billion in constant 1995 dollars) was substantially less than the value of arms deliveries by all suppliers to developing nations from 1988-1991 ($158.1 billion in constant 1995 dollars), a decline of 50.7% (table 2A).
- During the years 1988-1995, arms deliveries to developing nations comprised 74.9% of all arms deliveries worldwide. In 1995, the percentage of arms deliveries to developing nations was 76.6% of all arms deliveries worldwide (tables 2A and 9A).

Chart 10

Arms Deliveries Worldwide 1988-1995

Developed and Developing Worlds Compared

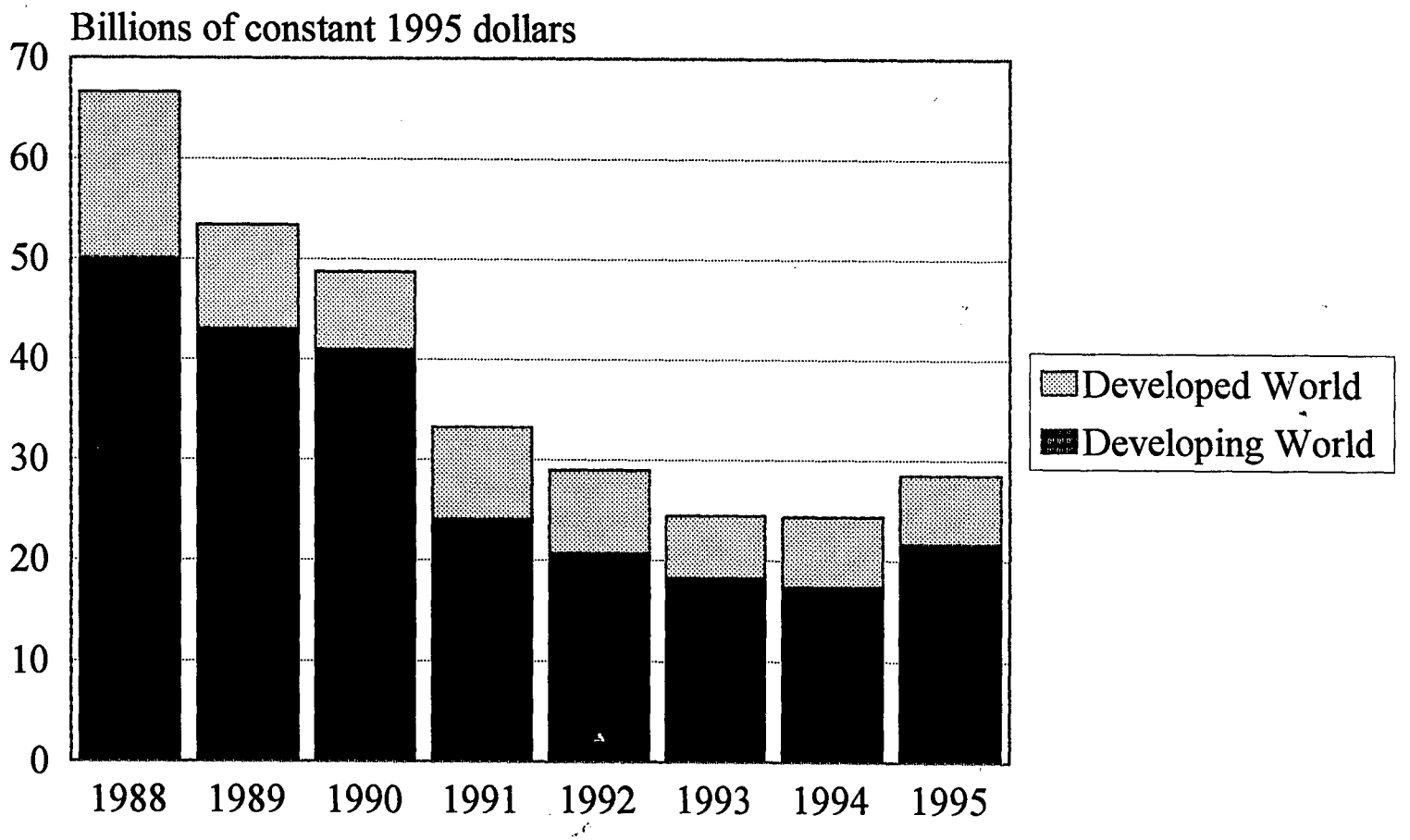


Chart 11
ARMS DELIVERIES TO DEVELOPING NATIONS, 1988-1995: BY MAJOR SUPPLIER
(in Constant 1995 dollars)

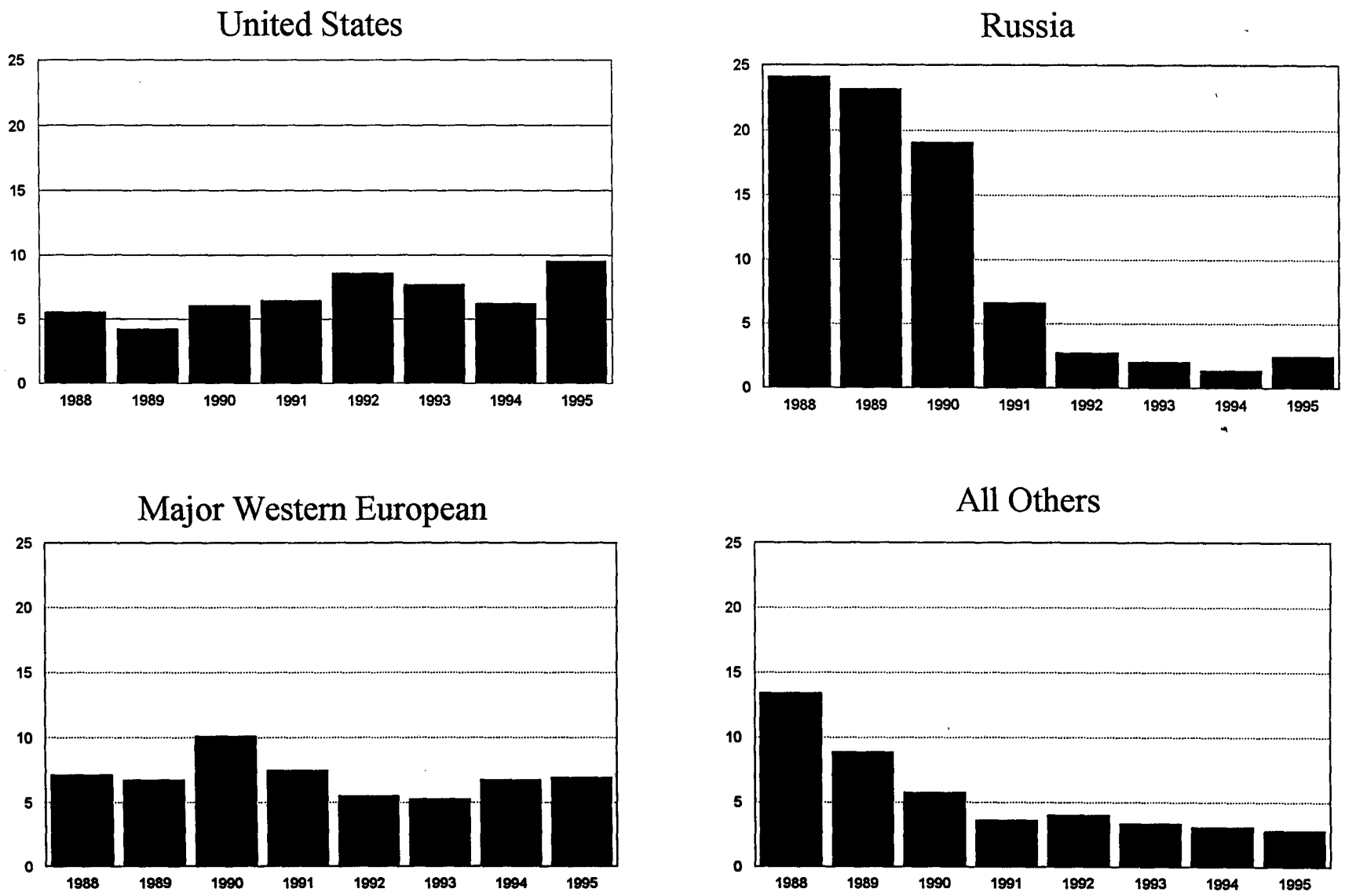


Figure 2.

WORLDWIDE ARMS DELIVERIES, 1988-1995 and SUPPLIER'S SHARE WITH DEVELOPING WORLD

(in millions of constant 1995 U.S. dollars)

Supplier	Worldwide Deliveries Value 1988-1991	% of Total to Developing World
United States	39,793	55.97
Russia	73,358	99.31
France	13,671	74.29
United Kingdom	22,236	78.93
China	10,703	100.00
Germany	8,212	34.99
Italy	1,409	58.84
All Other European	18,378	60.22
All Others	14,043	70.01
TOTAL	**201,803**	**78.36**

Supplier	Worldwide Deliveries Value 1992-1995	% of Total to Developing World
United States	45,270	70.70
Russia	10,557	79.56
France	6,713	61.19
United Kingdom	20,063	87.55
China	3,643	97.14
Germany	5,586	44.00
Italy	950	10.74
All Other European	7,120	55.80
All Others	9,066	62.55
TOTAL	**108,968**	**71.42**

Supplier	Worldwide Deliveries Value 1995	% of Total to Developing World
United States	12,549	75.99
Russia	3,100	77.42
France	2,200	72.73
United Kingdom	4,900	91.84
China	600	100.00
Germany	1,200	66.67
Italy	0	0.00
All Other European	1,000	60.00
All Others	2,700	59.26
TOTAL	**28,249**	**76.59**

REGIONAL ARMS DELIVERY VALUES, 1988-1995

Table 2C gives the values of arms deliveries between suppliers and individual regions of the developing world for the periods 1988-1991, and 1992-1995. These values are expressed in current U.S. dollars. Table 2D, derived from table 2C, gives the percentage distribution of each supplier's delivery values within the regions for the two time periods. Table 2E, also derived from table 2C, illustrates what percentage share of each developing world region's total arms delivery values was held by specific suppliers during the years 1988-1991 and 1992-1995. Among the facts reflected in these tables are the following:

Near East

- The Near East region has historically been dominant in the value of arms deliveries received by the developing world. In 1988-1991, it accounted for 53.2% of the total value of all developing world arms deliveries ($68.1 billion in current dollars). During 1992-1995, the Near East region accounted for 65.6% of all such deliveries($49.4 billion in current dollars) (tables 2C and 2D).

- For the period 1988-1991, the United States made 61.3% of its developing world arms deliveries to the Near East region. In 1992-1995, the U.S. made 77.3% of such arms deliveries to the Near East region (table 2D).

- For the period 1988-1991, the United Kingdom made 91.6% of its developing world deliveries to the Near East region. In 1992-1995, the United Kingdom made 87.1% of such deliveries to the Near East region (table 2D).

- For the period 1988-1991, nearly 83% of France's arms deliveries to the developing world were to nations in the Near East region. In the more recent period, 1992-1995, 61.5% of France's developing world deliveries were to nations of this region (table 2D).

- For the period 1988-1991, Russia made 29.6% of its developing world arms deliveries to the Near East region. In 1992-1995, Russia made 32.1% of such deliveries to the Near East (table 2D).

- In the earlier period (1988-1991), Russia ranked first in the value of arms deliveries to the Near East with 23.8%. The United Kingdom ranked second with 20.9%. The United States ranked third with 17.3%. The major West European suppliers, as a group, held 33.3% of this region's delivery values in 1988-1991. In the later period (1992-1995), the United States ranked first in Near East delivery values with 48.5%. The United Kingdom ranked second with 30.2%. Russia ranked third with 5.3%. The major West European suppliers, as a group, held 35.9% of this region's delivery values in 1992-1995 (table 2E).

Asia

- The Asia region ranked second in the value of arms deliveries from most suppliers in both time periods. In the earlier period, 1988-1991, nearly 31% of all arms deliveries to developing nations were to those in Asia ($39.6 billion in current dollars). In the later period, 1992-1995, Asia accounted for 26% of such arms deliveries ($19.6 billion in current dollars). For the period 1992-1995, Germany made 70.8% of its developing world deliveries to Asia. China made 58.8% while Russia made 58%. (tables 2C and 2D).

- In the period from 1988-1991, Russia ranked first in the value of arms deliveries to Asia with 66.9%. The United States ranked second with 15.2%. The major West European suppliers, as a group, held 5.3% of this region's delivery values in 1988-1991. In the later period (1992-1995), the United States ranked first in Asian delivery values with 31%. Russia ranked second with 24%. China ranked third with 10.2%. The major West European suppliers, as a group, held 23.5% of this region's delivery values in 1992-1995 (table 2E).

Latin America

- In the earlier period (1988-1991), the value of all arms deliveries to Latin America was $10 billion. Russia ranked first in the value of arms deliveries to Latin America with 57.9%. The United States ranked second with 11.1% ($1.1 billion). The major West European suppliers, as a group, held nearly 18% of this region's delivery values in 1988-1991. In the later period (1992-1995), the United States ranked first in Latin American delivery values with 26.3% ($857 million). Russia, France and Germany tied for second with 9.2% each. The major West European suppliers, as a group, held 24.6% of this region's delivery values in 1992-1995. During the later period, the value of all arms deliveries to Latin America was nearly $3.3 billion (tables 2C and 2E).

Africa

- In the earlier period (1988-1991), the value of all arms deliveries to Africa was $10.3 billion. Russia ranked an overwhelming first in the value of arms deliveries to Africa with 60.2% ($6.2 billion). The major West European suppliers, as a group, held 8.7% of this region's delivery values in 1988-1991. The United States made 2.9% of these arms deliveries. In the later period (1992-1995), Russia still ranked first in African delivery values, but with a much lower percentage of 16.2%. France ranked second with 9.7%. The other non-European suppliers as a group collectively held 48.5% of this region's delivery values in 1992-1995. The major West European suppliers, as a group, held 16.2%. The United States held 3%. During this later period, the value of all arms deliveries to Africa declined to $3.1 billion (tables 2C and 2E).

ARMS DELIVERIES TO DEVELOPING NATIONS, 1988-1995: LEADING SUPPLIERS COMPARED

Table 2F gives the values of arms deliveries to developing nations from 1988-1995 by their top eleven suppliers. The table ranks these suppliers on the basis of the total current dollar values of their respective deliveries to developing nations for each of three periods--1988-1991, 1992-1995, and 1988-1995. Among the facts reflected in this table are the following:

- Nine of the eleven leading suppliers of arms to developing nations during 1988-1995 registered moderate to substantial declines in the values of their deliveries from 1988-1991 to 1992-1995 (in current dollars). Only the United States and the United Kingdom registered increases, rising by 60.8% and 9.7% respectively.

- Russia was the leading supplier of arms to developing nations from 1988-1995. The value of its deliveries to developing nations fell from $59.9 billion in 1988-1991 to $8.1 billion in 1992-1995, an 86.5% decrease (in current dollars). The United States ranked second during 1988-1995. The value of its arms deliveries to developing nations increased from nearly $19.3 billion in 1988-1991 to nearly $31 billion in 1992-1995 (in current dollars).

- The United Kingdom, the third leading supplier, registered a slight increase (9.7%) in the value of its deliveries to developing nations, rising from $15.5 billion in 1988-1991 to $17 billion in 1992-1995 (in current dollars).

- Of the leading arms suppliers to developing nations from 1988-1995, Poland registered the greatest percentage decline (92.3%) in the value of its arms deliveries to developing nations from the period 1988-1991 to the period 1992-1995. Russia registered the second greatest percentage decline (86.5%) in the value of its arms deliveries to developing nations between the two time periods.

ARMS DELIVERIES TO DEVELOPING NATIONS IN 1995: LEADING SUPPLIERS COMPARED

Table 2G gives the values of arms deliveries to developing nations in 1995 by the top ten suppliers. The table ranks these suppliers on the basis of the total dollar values of their respective deliveries to developing nations in 1995. Among the facts reflected in this table are the following:

- The top three suppliers of arms to the developing nations in 1995 collectively delivered over $16.4 billion in arms to developing countries in 1995, nearly 76% of all arms deliveries made to developing nations by all suppliers.

- In 1995, the United States ranked first in the value of arms deliveries to developing nations, making over $9.5 billion in such deliveries. This is the fourth year in a row the United States has led in such deliveries during the 1988-1995 period (and possibly the fifth year if commercial arms deliveries during fiscal year 1991 are included in U.S. totals).

- The United Kingdom ranked second in arms deliveries to developing nations in 1995, making $4.5 billion in such deliveries.

- Russia ranked a distant third in arms deliveries to developing nations in 1995, making $2.4 billion in such deliveries.

ARMS DELIVERIES TO NEAR EAST, 1988-1995: SUPPLIERS AND RECIPIENTS

Table 2H gives the values of arms delivered to Near East nations by suppliers or categories of suppliers for the periods 1988-1991 and 1992-1995. These values are expressed in current U.S. dollars. They are a subset of the data contained in table 2 and table 2C. Among the facts reflected by this table are the following:

- For the most recent period, 1992-1995, the principal arms recipients of the United States in the Near East region, based on the value of their arms deliveries were: Saudi Arabia ($12.4 billion), Egypt ($5.4 billion), Kuwait $2.4 billion) and Israel ($2.3). The principal arms recipients of Russia were Iran ($1.4 billion), Syria ($300 million), Algeria ($300 million) and the U.A.E. ($300 million). The principal arms recipients of China were: Iran ($700 billion), Saudi Arabia ($200 million) and Yemen ($200 million). The principal arms recipient of the four major West European suppliers, as a group, was Saudi Arabia ($15.6 billion). The principal arms recipient of all other European suppliers collectively was Saudi Arabia ($1.7 billion). The principal arms recipients of

all other suppliers, as a group, were: U.A.E. ($400 million), Iran ($300 million) and Syria ($300 million).

- For the period from 1992-1995, Saudi Arabia received $30 billion in arms deliveries. Its principal suppliers were the four major West Europeans, as a group, ($15.6 billion) and the United States ($12.4 billion). Egypt received $5.7 billion in arms deliveries. Its principal supplier was the United States ($5.4 billion). Kuwait received $3.1 billion in arms deliveries. Its principal supplier was the United States ($2.4 billion). Israel received $2.7 billion in arms deliveries. Its principal suppliers were the United States ($2.3 billion) and the four major West Europeans collectively ($300 million). Iran received $2.6 billion in arms deliveries. Russia was its principal supplier ($1.4 billion) followed by China ($700 million). The U.A.E. received $1.8 billion in arms deliveries. Its principal supplier was the United States ($700 million).

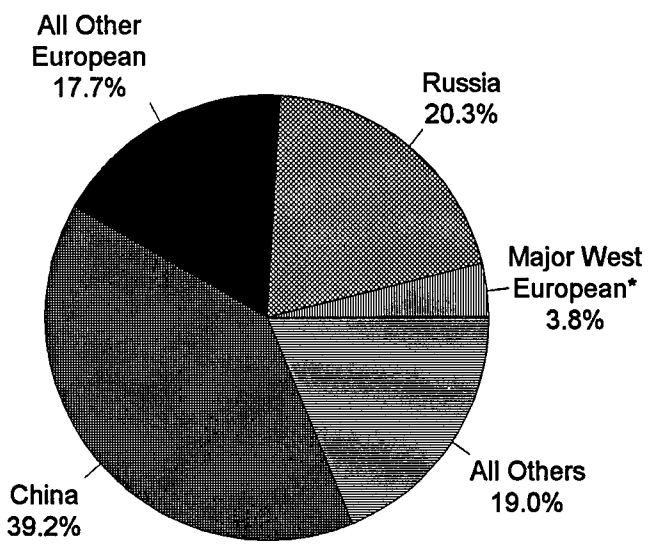
- The value of arms deliveries by most suppliers to the majority of their clients in the Near East region fell notably from the 1988-1991 period to the 1992-1995 period. A substantial decline in the value of arms deliveries by China to Iran occurred, falling from $3.1 billion to $700 million. An equally dramatic decline in the value of Russia's arms deliveries to Iraq occurred, falling from $4.1 billion to nil, as sanctions on trade with Iraq took effect after the onset of the Persian Gulf war.

- The value of arms deliveries by Russia to Iran decreased somewhat during the period from 1988-1991 and the 1992-1995 period, falling from $1.6 billion in the earlier period to $1.4 billion in the later period. In the most recent period (1992-1995), Russia ranked first in the value of arms deliveries to Iran. China ranked second in 1992-1995 with $700 million in deliveries. Russia and China together delivered nearly 80.8% of Iran's arms during 1992-1995.

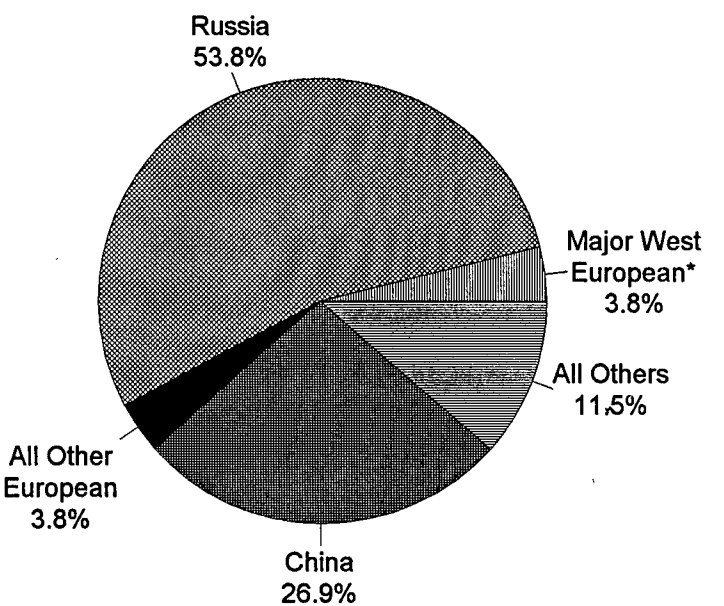
- The group of all other non-European suppliers registered a substantial decline in the total value of its arms deliveries to Iran from 1988-1991 to 1992-1995, falling from $1.5 billion in the earlier period to $300 million in 1992-1995. Likewise, the other European suppliers collectively saw the value of their deliveries to Iran fall from $1.4 billion in 1988-1991 to $100 million in 1992-1995.

Chart 12

ARMS DELIVERIES TO IRAN (SUPPLIER PERCENTAGE OF VALUE)



1988-1991

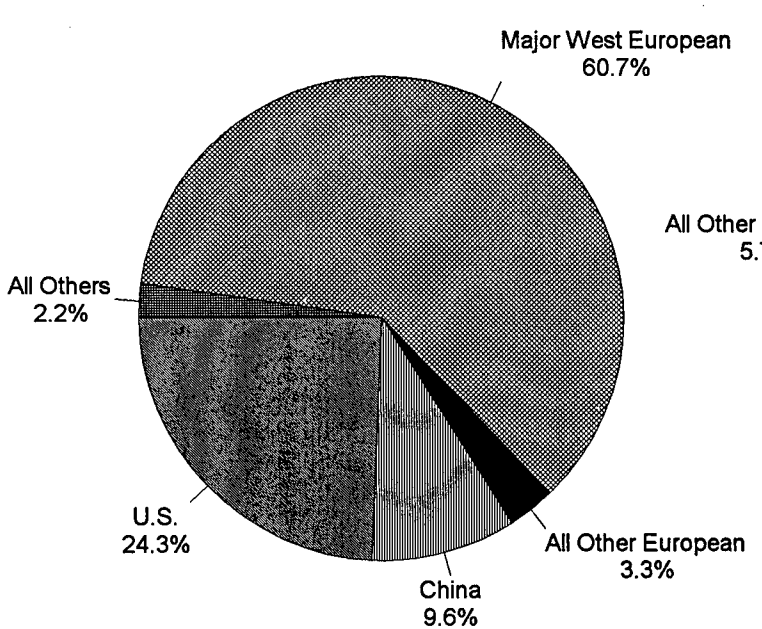


1992-1995

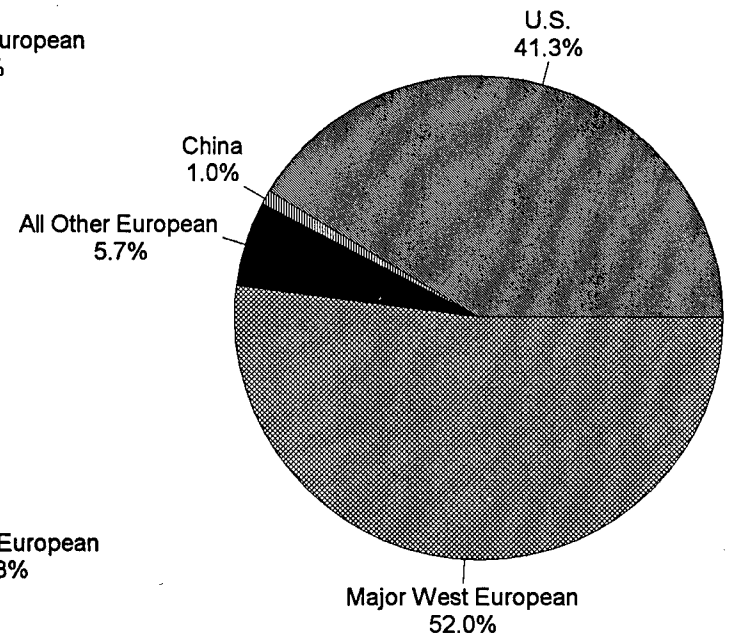
* (France, United Kingdom,Germany, and Italy)

Chart 13

ARMS DELIVERIES TO SAUDI ARABIA (SUPPLIER PERCENTAGE OF VALUE)



1988-1991



1992-1995

* (France, United Kingdom,Germany, and Italy)

ARMS DELIVERIES TO DEVELOPING NATIONS, 1988-1995: THE LEADING RECIPIENTS

Table 2I gives the values of arms deliveries made to the top ten recipients of arms in the developing world from 1988-1995 by all suppliers collectively. The table ranks these recipients on the basis of the total current dollar values of their respective deliveries from all suppliers for each of three periods--1988-1991, 1992-1995 and 1988-1995. Among the facts reflected in this table are the following:

- Saudi Arabia and Afghanistan were the top two developing world arms recipients from 1988-1995, receiving deliveries valued at $57.2 billion and $11.8 billion, respectively, during these years. The total value of all arms deliveries to developing nations from 1988-1995 was $203.7 billion (in current dollars) (see table 2). Thus, Saudi Arabia and Afghanistan were responsible for 28.1% and 5.8%, respectively, of all developing world arms deliveries during the 1988-1995 time period--one-third of the total. Afghanistan's figures reflect the magnitude of Russian military assistance it received during the Afghan civil war.

- Eight of the top ten developing world arms recipients registered declines in the values of their arms deliveries from 1988-1991 to 1992-1995, and most of these were traditional customers of Russia and the former Soviet Union. Nearly all of these declines were substantial and some were enormous. Iraq fell from $11.1 billion to nil. Vietnam fell from $4.0 billion to $300 million; Cuba fell from $4.7 billion to $200 million; Angola fell from $3.8 billion to $1 billion; Afghanistan fell from $11.8 billion to nil; India fell from $8.7 billion to $1.5 billion. Syria fell from $4 billion to $700 million; Iran fell from $7.9 billion to $2.6 billion.

- Two developing countries that registered an increase in the value of arms delivered to them were Saudi Arabia (+8.1%) from 1988-1991 to 1992-1995, a rise from $27.2 billion to $30 billion, and Egypt, increasing 9.7% from $2.9 billion to $5.7 billion. Both nations have been close associates of the United States.

ARMS DELIVERIES TO DEVELOPING NATIONS IN 1995: THE LEADING RECIPIENTS

Table 2J gives the names of the top ten developing world recipients of arms delivered in 1995. The table ranks these recipients on the basis of the total current dollar values of their respective deliveries from all suppliers in 1995. Among the facts reflected in this table are the following:

- Saudi Arabia was by far the leading recipient of arms deliveries among developing nations in 1995, receiving $8.3 billion in such deliveries. Saudi Arabia alone received 38.4% of the total value of all arms deliveries to the developing nations in 1995 (tables 2 and 2J).

- Arms deliveries to the top ten developing nation recipients, as a group, constituted $16.7 billion, or 77.2% of all arms deliveries to developing nations in 1995. Six of the top ten recipients in 1995 were in the Asian region (tables 2 and 2J)

- Some developing nations, other than Saudi Arabia, received significant arms deliveries in 1995. Egypt received $1.9 billion; Taiwan $1.2 billion; South Korea $1.1 billion and Kuwait $1 billion in arms deliveries (in current dollars).

Table 1
ARMS TRANSFER AGREEMENTS WITH DEVELOPING NATIONS, BY SUPPLIER, 1988-1995*
(in millions of current U.S. dollars)

	1988	1989	1990	1991	1992	1993	1994	1995	TOTAL 1988-1995
United States	8,478	7,159	13,911	13,459	13,823	14,952	6,218	3,789	81,789
Russia**	12,300	11,700	10,700	5,800	1,400	1,200	3,600	6,000	52,700
France	900	1,100	2,500	2,900	4,000	3,700	8,100	2,400	25,600
United Kingdom	20,600	800	1,400	300	1,800	2,100	700	500	28,200
China	2,500	1,400	2,200	500	500	500	800	200	8,600
Germany	200	400	400	1,500	200	600	0	300	3,600
Italy	200	300	300	100	500	300	200	800	2,700
All Other European	1,900	2,600	1,300	1,200	1,000	300	1,100	700	10,100
All Others	2,400	2,400	1,600	1,900	1,100	1,300	900	700	12,300
TOTAL	**49,478**	**27,859**	**34,311**	**27,659**	**24,323**	**24,952**	**21,618**	**15,389**	**225,589**
Dollar inflation index (1995=1.00)***	0.8143	0.8464	0.8713	0.9124	0.9296	0.9575	0.9805	1.0000	

All foreign data are rounded to the nearest $100 million.

*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.
**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, 1988-1995
(in millions of constant 1995 U.S. dollars)

	1988	1989	1990	1991	1992	1993	1994	1995	TOTAL 1988-1995
United States	10,411	8,458	15,966	14,751	14,870	15,616	6,342	3,789	90,203
Russia	15,105	13,823	12,281	6,357	1,506	1,253	3,672	6,000	59,996
France	1,105	1,300	2,869	3,178	4,303	3,864	8,261	2,400	27,281
United Kingdom	25,298	945	1,607	329	1,936	2,193	714	500	33,522
China	3,070	1,654	2,525	548	538	522	816	200	9,873
Germany	246	473	459	1,644	215	627	0	300	3,963
Italy	246	354	344	110	538	313	204	800	2,909
All Other European	2,333	3,072	1,492	1,315	1,076	313	1,122	700	11,423
All Others	2,947	2,836	1,836	2,082	1,183	1,358	918	700	13,861
TOTAL	**60,761**	**32,915**	**39,379**	**30,315**	**26,165**	**26,060**	**22,048**	**15,389**	**253,031**

Table 1B
ARMS TRANSFER AGREEMENTS WITH DEVELOPING NATIONS, BY SUPPLIER, 1988-1995
(expressed as a percent of total, by year)

	1988	1989	1990	1991	1992	1993	1994	1995
United States	17.13%	25.70%	40.54%	48.66%	56.83%	59.92%	28.76%	24.62%
Russia	24.86%	42.00%	31.19%	20.97%	5.76%	4.81%	16.65%	38.99%
France	1.82%	3.95%	7.29%	10.48%	16.45%	14.83%	37.47%	15.60%
United Kingdom	41.63%	2.87%	4.08%	1.08%	7.40%	8.42%	3.24%	3.25%
China	5.05%	5.03%	6.41%	1.81%	2.06%	2.00%	3.70%	1.30%
Germany	0.40%	1.44%	1.17%	5.42%	0.82%	2.40%	0.00%	1.95%
Italy	0.40%	1.08%	0.87%	0.36%	2.06%	1.20%	0.93%	5.20%
All Other European	3.84%	9.33%	3.79%	4.34%	4.11%	1.20%	5.09%	4.55%
All Others	4.85%	8.61%	4.66%	6.87%	4.52%	5.21%	4.16%	4.55%
*[Major West European**	*44.26%*	*9.33%*	*13.41%*	*17.35%*	*26.72%*	*26.85%*	*41.64%*	*25.99%]*
TOTAL	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

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

Table 1C
REGIONAL ARMS TRANSFER AGREEMENTS, BY SUPPLIER, 1988-1995*
(in millions of current U.S. dollars)

	Asia		Near East		Latin America		Africa	
	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95
United States	10,018	11,664	31,604	26,083	1,262	946	123	88
Russia**	23,300	8,900	7,800	2,300	5,800	400	3,500	600
France	3,000	5,500	3,200	12,300	700	300	500	200
United Kingdom	1,700	2,100	20,900	2,400	200	500	300	0
China	2,400	1,300	3,600	500	0	0	500	100
Germany	300	700	1,800	100	300	300	0	0
Italy	200	800	200	700	300	300	200	0
All Other European	1,000	1,300	5,000	800	600	600	400	400
All Others	600	1,700	4,400	1,100	700	900	1,300	700
[Major West European	*5,200*	*9,100*	*26,100*	*15,500*	*1,500*	*1,400*	*1,000*	*200]*
TOTAL	**42,518**	**33,964**	**78,504**	**46,283**	**9,862**	**4,246**	**6,823**	**2,088**

* All foreign data are rounded to the nearest $100 million.
**Prior to 1992 reflects data for the former Soviet Union.
***(Major West European category includes France, United Kingdom, Germany, Italy.)

Source: U.S. Government

Table 1D

PERCENTAGE OF EACH SUPPLIER'S AGREEMENTS VALUE BY REGION, 1988-1995

	Asia		Near East		Latin America		Africa		TOTAL	TOTAL
	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95
United States	23.29%	30.08%	73.49%	67.26%	2.93%	2.44%	0.29%	0.23%	100.00%	100.00%
Russia	57.67%	72.95%	19.31%	18.85%	14.36%	3.28%	8.66%	4.92%	100.00%	100.00%
France	40.54%	30.05%	43.24%	67.21%	9.46%	1.64%	6.76%	1.09%	100.00%	100.00%
United Kingdom	7.36%	42.00%	90.48%	48.00%	0.87%	10.00%	1.30%	0.00%	100.00%	100.00%
China	36.92%	68.42%	55.38%	26.32%	0.00%	0.00%	7.69%	5.26%	100.00%	100.00%
United States	12.50%	63.64%	75.00%	9.09%	12.50%	27.27%	0.00%	0.00%	100.00%	100.00%
Italy	22.22%	44.44%	22.22%	38.89%	33.33%	16.67%	22.22%	0.00%	100.00%	100.00%
All Other European	14.29%	41.94%	71.43%	25.81%	8.57%	19.35%	5.71%	12.90%	100.00%	100.00%
All Others	8.57%	38.64%	62.86%	25.00%	10.00%	20.45%	18.57%	15.91%	100.00%	100.00%
*[Major West European**	*15.38%*	*34.73%*	*77.22%*	*59.16%*	*4.44%*	*5.34%*	*2.96%*	*0.76%*	*100.00%*	*100.00%]*
TOTAL	**30.88%**	**39.23%**	**57.01%**	**53.46%**	**7.16%**	**4.90%**	**4.95%**	**2.41%**	**100.00%**	**100.00%**

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

Table 1E

PERCENTAGE OF TOTAL AGREEMENTS VALUE BY SUPPLIER TO REGIONS, 1988-1995

	Asia		Near East		Latin America		Africa	
	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95	1988-91	1991-95
United States	23.56%	34.34%	40.26%	56.36%	12.80%	22.28%	1.80%	4.21%
Russia	54.80%	26.20%	9.94%	4.97%	58.81%	9.42%	51.30%	28.74%
France	7.06%	16.19%	4.08%	26.58%	7.10%	7.07%	7.33%	9.58%
United Kingdom	4.00%	6.18%	26.62%	5.19%	2.03%	11.78%	4.40%	0.00%
China	5.64%	3.83%	4.59%	1.08%	0.00%	0.00%	7.33%	4.79%
United States	0.71%	2.06%	2.29%	0.22%	3.04%	7.07%	0.00%	0.00%
Italy	0.47%	2.36%	0.25%	1.51%	3.04%	7.07%	2.93%	0.00%
All Other European	2.35%	3.83%	6.37%	1.73%	6.08%	14.13%	5.86%	19.16%
All Others	1.41%	5.01%	5.60%	2.38%	7.10%	21.20%	19.05%	33.52%
*[Major West European**	*12.23%*	*26.79%*	*33.25%*	*33.49%*	*15.21%*	*32.97%*	*14.66%*	*9.58%]*
TOTAL	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

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

TABLE 1F. Arms Transfer Agreements with Developing Nations, 1988-1995: Leading Suppliers Compared (in millions of current U.S. dollars)*

Rank	Supplier	Agreements Value 1988-1991
1	U.S.	43,007
2	U.S.S.R/Russia	40,500
3	U.K.	23,100
4	France	7,400
5	China	6,600
6	Germany (FRG)	2,500
7	North Korea	1,800
8	Canada	1,100
9	Spain	1,000
10	South Korea	900
11	Italy	900

Rank	Supplier	Agreements Value 1992-1995
1	U.S.	38,782
2	France	18,200
3	Russia	12,200
4	U.K.	5,100
5	China	2,000
6	Italy	1,800
7	Germany	1,100
8	Spain	800
9	Israel	800
10	North Korea	500
11	Netherlands	400

Rank	Supplier	Agreements Value 1988-1995
1	U.S.	81,789
2	Russia	52,700
3	U.K.	28,200
4	France	25,600
5	China	8,600
6	Germany	3,600
7	Italy	2,700
8	North Korea	2,300
9	Spain	1,800
10	Czechoslovakia (unified)	1,500
11	Israel	1,500

*All foreign data are rounded to the nearest $100 million. Where data totals are the same, the actual rank order is maintained. Source: U.S. Government

TABLE 1G. Arms Transfer Agreements with Developing Nations in 1995: Leading Suppliers Compared (in millions of current U.S. dollars)*

Rank	Supplier	Agreements Value 1995
1	Russia	6,000
2	U.S.	3,789
3	France	2,400
4	Italy	800
5	U.K.	500
6	Germany	300
7	Belarus	200
8	Israel	200
9	China	200
10	Bulgaria	200
11	Indonesia	100

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

Source: U.S. Government

Table 1H
Arms Transfer Agreements with Near East, by Supplier 1/
(in millions of current U.S. dollars)

Recipient Country	U.S.	Russia	China	Maj. West European 2/	All Other European	All Others	Total
1988-1991							
Algeria	0	600	0	0	100	0	700
Bahrain	300	0	0	0	0	0	300
Egypt	6,500	200	0	0	100	200	7,000
Iran	0	3,500	2,300	200	1,200	1,600	8,800
Iraq	0	300	700	500	500	1,000	3,000
Israel	2,300	0	0	1,100	0	0	3,400
Jordan	100	100	100	100	0	100	500
Kuwait	2,500	200	0	200	200	200	3,300
Lebanon	0	0	0	0	0	0	0
Libya	0	1,500	100	0	200	200	2,000
Morocco	100	0	0	100	300	0	500
Oman	100	0	0	600	0	0	700
Qatar	0	0	0	0	0	0	0
Saudi Arabia	18,800	200	300	23,000	2,300	200	44,800
Syria	0	1,100	0	0	100	400	1,600
Tunisia	100	0	0	0	0	0	100
U.A.E.	700	0	0	200	0	500	1,400
Yemen	0	100	0	0	0	0	100
1992-1995							
Algeria	0	300	0	0	100	0	400
Bahrain	200	0	0	0	0	0	200
Egypt	2,600	300	0	100	200	0	3,200
Iran	0	200	200	100	100	600	1,200
Iraq	0	0	0	0	0	0	0
Israel	3,100	0	100	0	0	0	3,200
Jordan	100	0	0	0	0	0	100
Kuwait	3,500	800	0	1,800	0	100	6,200
Lebanon	100	0	0	0	0	0	100
Libya	0	0	0	0	0	0	0
Morocco	100	0	0	400	0	0	500
Oman	0	0	0	500	0	100	600
Qatar	0	0	0	2,000	0	0	2,000
Saudi Arabia	15,600	0	0	6,600	100	0	22,300
Syria	0	200	0	0	100	0	300
Tunisia	100	0	0	0	0	100	200
U.A.E.	300	500	0	3,900	100	0	4,800
Yemen	0	0	200	0	100	200	500

0= less than $50 million or nil. **1/** All data are rounded to nearest $100 million.
2/ Major West European includes France, United Kingdom, Germany, and Italy totals as an aggregate figure.
Source: U.S. Government

TABLE 1I. Arms Transfer Agreements of Developing Nations, 1988-1995
Agreements by the Leading Recipients
(in millions of current U.S. dollars)*

Rank	Recipient	Agreements Value 1988-1991
1	Saudi Arabia	44,800
2	Afghanistan	11,500
3	Iran	8,900
4	Egypt	7,000
5	South Korea	4,800
6	Cuba	4,700
7	Taiwan	4,600
8	India	4,600
9	Vietnam	4,000
10	Pakistan	3,800

Rank	Recipient	Agreements Value 1992-1995
1	Saudi Arabia	22,300
2	Taiwan	10,800
3	China	6,400
4	Kuwait	6,100
5	U.A.E.	4,800
6	Egypt	3,200
7	Israel	3,200
8	Malaysia	3,200
9	South Korea	2,400
10	Pakistan	2,300

Rank	Recipient	Agreements Value 1988-1995
1	Saudi Arabia	67,100
2	Taiwan	15,400
3	Afghanistan	11,500
4	Egypt	10,200
5	Iran	10,000
6	Kuwait	9,500
7	China	6,900
8	Israel	6,600
9	U.A.E.	6,200
10	Cuba	4,900

*All foreign data are rounded to the nearest $100 million. Where data totals are the same, the rank order is maintained.
Source: U.S. Government

TABLE 1J. Arms Transfer Agreements of Developing Nations in 1995: Agreements by Leading Recipients (in millions of current U.S. dollars)*

Rank	Recipient	Agreements Value 1995
1	China	4,400
2	Saudi Arabia	2,100
3	India	1,000
4	Egypt	1,000
5	Brazil	800
6	Kuwait	800
7	Malaysia	700
8	South Korea	600
9	Israel	500
10	U.A.E.	400

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

Source: U.S. Government

Table 2

ARMS DELIVERIES TO DEVELOPING NATIONS, BY SUPPLIER, 1988-1995*
(in millions of current U.S. dollars)

	1988	1989	1990	1991	1992	1993	1994	1995	TOTAL 1988-1995
United States	4,516	3,579	5,279	5,875	7,974	7,354	6,091	9,537	50,205
Russia**	19,600	16,600	12,700	6,000	2,500	1,900	1,300	2,400	63,000
France	1,100	1,500	4,600	1,600	800	600	1,000	1,600	12,800
United Kingdom	3,700	4,100	3,800	3,900	4,000	3,800	4,700	4,500	32,500
China	3,000	2,700	2,000	1,400	1,000	1,100	700	600	12,500
Germany	700	300	300	1,200	200	600	800	800	4,900
Italy	300	200	100	100	100	0	100	0	900
All Other European	4,400	2,400	1,700	800	1,600	800	800	600	13,100
All Others	3,500	2,400	1,300	1,100	1,100	1,300	1,500	1,600	13,800
TOTAL	**40,816**	**33,779**	**31,779**	**21,975**	**19,274**	**17,454**	**16,991**	**21,637**	**203,705**
Dollar inflation index (1995=100.00)***	0.8143	0.8464	0.8713	0.9124	0.9296	0.9575	0.9805	1	

All foreign data are rounded to the nearest $100 million.
*Developing nations category excludes the U.S., Russia, former U.S.S.R., Europe, Canada, Japan, Australia and New Zealand. All data are for the calendar year given. 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 delivery values are excluded.
**Prior to 1992 reflects data for the former Soviet Union.
***Based on Department of Defense Price Deflator.
Source: U.S. Government

Table 2A

ARMS DELIVERIES TO DEVELOPING NATIONS, BY SUPPLIER, 1988-1995
(in millions of constant 1995 dollars)

	1988	1989	1990	1991	1992	1993	1994	1995	TOTAL 1988-1995
United States	5,546	4,228	6,059	6,439	8,578	7,680	6,212	9,537	54,280
Russia	24,070	23,157	19,052	6,576	2,689	1,984	1,326	2,400	81,254
France	1,351	1,772	5,279	1,754	861	627	1,020	1,600	14,263
United Kingdom	4,544	4,371	4,361	4,274	4,303	3,969	4,793	4,500	35,116
China	3,684	3,190	2,295	1,534	1,076	1,149	714	600	14,242
Germany	860	354	344	1,315	215	627	816	800	5,331
Italy	368	236	115	110	108	0	102	0	1,039
All Other European	5,403	2,836	1,951	877	1,721	836	816	600	15,039
All Others	4,298	2,836	1,492	1,206	1,183	1,358	1,530	1,600	15,502
TOTAL	**50,124**	**42,981**	**40,949**	**24,085**	**20,734**	**18,229**	**17,329**	**21,637**	**236,067**

Table 2B

ARMS DELIVERIES TO DEVELOPING NATIONS, BY SUPPLIER, 1988-1995
(expressed as a percent of total, by year)

	1988	1989	1990	1991	1992	1993	1994	1995
United States	11.06%	10.60%	16.61%	26.73%	41.37%	42.13%	35.85%	44.08%
Russia	48.02%	49.14%	39.96%	27.30%	12.97%	10.89%	7.65%	11.09%
France	2.70%	4.44%	14.47%	7.28%	4.15%	3.44%	5.89%	7.39%
United Kingdom	9.07%	12.14%	11.96%	17.75%	20.75%	21.77%	27.66%	20.80%
China	7.35%	7.99%	6.29%	6.37%	5.19%	6.30%	4.12%	2.77%
Germany	1.72%	0.89%	0.94%	5.46%	1.04%	3.44%	4.71%	3.70%
Italy	0.74%	0.59%	0.31%	0.46%	0.52%	0.00%	0.59%	0.00%
All Other European	10.78%	7.11%	5.35%	3.64%	8.30%	4.58%	4.71%	2.77%
All Others	8.58%	7.11%	4.09%	5.01%	5.71%	7.45%	8.83%	7.39%
*[Major West European**	*14.21%*	*18.06%*	*27.69%*	*30.94%*	*26.46%*	*28.65%*	*38.84%*	*31.89%]*
TOTAL	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

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

Table 2C

REGIONAL ARMS DELIVERIES, BY SUPPLIER, 1988-1995*
(in millions of current U.S. dollars)

	Asia		Near East		Latin America		Africa	
	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95
United States	6,042	6,068	11,804	23,937	1,111	857	293	93
Russia**	26,500	4,700	16,200	2,600	5,800	300	6,200	500
France	400	900	7,300	2,400	700	300	400	300
United Kingdom	800	1,900	14,200	14,900	200	200	300	100
China	1,500	2,000	7,200	1,200	0	0	400	200
Germany	700	1,700	1,000	400	700	300	0	0
Italy	200	100	200	0	200	0	200	100
All Other European	2,300	700	6,000	2,300	500	400	500	300
All Others	1,200	1,500	4,200	1,600	800	900	2,000	1,500
*[Major West European****	*2,100*	*4,600*	*22,700*	*17,700*	*1,800*	*800*	*900*	*500]*
TOTAL	**39,642**	**19,568**	**68,104**	**49,337**	**10,011**	**3,257**	**10,293**	**3,093**

*All foreign data are rounded to the nearest $100 million.
**Prior to 1992 reflects data for the former Soviet Union.
***(Major West European category includes France, United Kingdom, Germany, Italy.)

Source: U.S. Government

Table 2D

PERCENTAGE OF SUPPLIER DELIVERIES VALUE BY REGION, 1988-1995

	Asia		Near East		Latin America		Africa		TOTAL	TOTAL
	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95
United States	31.39%	19.60%	61.32%	77.33%	5.77%	2.77%	1.52%	0.30%	100.00%	100.00%
Russia	48.45%	58.02%	29.62%	32.10%	10.60%	3.70%	11.33%	6.17%	100.00%	100.00%
France	4.55%	23.08%	82.95%	61.54%	7.95%	7.69%	4.55%	7.69%	100.00%	100.00%
United Kingdom	5.16%	11.11%	91.61%	87.13%	1.29%	1.17%	1.94%	0.58%	100.00%	100.00%
China	16.48%	58.82%	79.12%	35.29%	0.00%	0.00%	4.40%	5.88%	100.00%	100.00%
Germany	29.17%	70.83%	41.67%	16.67%	29.17%	12.50%	0.00%	0.00%	100.00%	100.00%
Italy	25.00%	50.00%	25.00%	0.00%	25.00%	0.00%	25.00%	50.00%	100.00%	100.00%
All Other European	24.73%	18.92%	64.52%	62.16%	5.38%	10.81%	5.38%	8.11%	100.00%	100.00%
All Others	14.63%	27.27%	51.22%	29.09%	9.76%	16.36%	24.39%	27.27%	100.00%	100.00%
*[Major West European**	*7.64%*	*19.49%*	*82.55%*	*75.00%*	*6.55%*	*3.39%*	*3.27%*	*2.12%*	*100.00%*	*100.00%]*
TOTAL	**30.96%**	**26.00%**	**53.19%**	**65.56%**	**7.82%**	**4.33%**	**8.04%**	**4.11%**	**100.00%**	**100.00%**

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

Table 2E

PERCENTAGE OF TOTAL DELIVERIES VALUE BY SUPPLIER TO REGIONS, 1988-1995

	Asia		Near East		Latin America		Africa	
	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95	1988-91	1992-95
United States	15.24%	31.01%	17.33%	48.52%	11.10%	26.31%	2.85%	3.01%
Russia	66.85%	24.02%	23.79%	5.27%	57.94%	9.21%	60.24%	16.17%
France	1.01%	4.60%	10.72%	4.86%	6.99%	9.21%	3.89%	9.70%
United Kingdom	2.02%	9.71%	20.85%	30.20%	2.00%	6.14%	2.91%	3.23%
China	3.78%	10.22%	10.57%	2.43%	0.00%	0.00%	3.89%	6.47%
Germany	1.77%	8.69%	1.47%	0.81%	6.99%	9.21%	0.00%	0.00%
Italy	0.50%	0.51%	0.29%	0.00%	2.00%	0.00%	1.94%	3.23%
All Other European	5.80%	3.58%	8.81%	4.66%	4.99%	12.28%	4.86%	9.70%
All Others	3.03%	7.67%	6.17%	3.24%	7.99%	27.63%	19.43%	48.50%
*[Major West European**	*5.30%*	*23.51%*	*33.33%*	*35.88%*	*17.98%*	*24.56%*	*8.74%*	*16.17%]*
TOTAL	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

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

TABLE 2F. Arms Deliveries to Developing Nations, 1988-1995: Leading Suppliers Compared (in millions of current U.S. dollars)*

Rank	Supplier	Deliveries Value 1988-1991
1	U.S.S.R./Russia	59,900
2	U.S.	19,249
3	U.K.	15,500
4	China	9,100
5	France	8,800
6	Germany (FRG)	2,500
7	Israel	2,100
8	North Korea	1,500
9	Poland	1,300
10	Czechoslovakia	1,200
11	Spain	1,100

Rank	Supplier	Deliveries Value 1992-1995
1	U.S.	30,956
2	U.K.	17,000
3	Russia	8,100
4	France	4,000
5	China	3,400
6	Germany	2,400
7	Israel	2,000
8	Canada	1,000
9	Spain	600
10	Belgium	500
11	South Africa	500

Rank	Supplier	Deliveries Value 1988-1995
1	Russia/U.S.S.R.	63,000
2	U.S.	50,205
3	U.K.	32,500
4	France	12,800
5	China	12,500
6	Germany	4,900
7	Israel	4,100
8	North Korea	2,000
9	Czechoslovakia (unified)	1,900
10	Spain	1,700
11	Poland	1,400

* All foreign data are rounded to the nearest $100 million. Where data totals are the same, the actual rank order is maintained. Source: U.S. Government

TABLE 2G. Arms Deliveries to Developing Nations in 1995: Leading Suppliers Compared (in millions of current U.S. dollars)*

Rank	Supplier	Deliveries Value 1995
1	U.S.	9,537
2	United Kingdom	4,500
3	Russia	2,400
4	France	1,600
5	Germany	800
6	Israel	700
7	China	600
8	Belarus	200
9	Ukraine	200
10	South Africa	100
11	Netherlands	100

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

Source: U.S. Government

Table 2H
Arms Deliveries to Near East , by Supplier 1/
(in millions of current U.S. dollars)

Recipient Country	US	Russia	China	Maj. West European 2/	All Other European	All Others	Total
1988-1991							
Algeria	0	1,400	0	0	400	0	1,800
Bahrain	400	0	0	100	0	0	500
Egypt	1,900	500	100	100	100	200	2,900
Iran	0	1,600	3,100	300	1,400	1,500	7,900
Iraq	0	4,100	1,200	2,700	2,000	1,100	11,100
Israel	1,300	0	0	0	0	0	1,300
Jordan	200	300	100	200	100	100	1,000
Kuwait	500	200	0	200	200	100	1,200
Lebanon	0	0	0	0	0	0	0
Libya	0	2,100	0	0	400	400	2,900
Morocco	200	0	0	100	300	0	600
Oman	100	0	0	100	0	0	200
Qatar	0	0	0	300	0	0	300
Saudi Arabia	6,600	200	2,600	16,500	900	400	27,200
Syria	0	3,800	0	0	100	100	4,000
Tunisia	100	0	0	0	0	0	100
U.A.E.	500	0	0	2,100	0	100	2,700
Yemen	0	2,100	0	0	0	0	2,100
1992-1995							
Algeria	0	300	0	0	100	0	400
Bahrain	300	0	0	0	0	0	300
Egypt	5,400	0	0	100	0	200	5,700
Iran	0	1,400	700	100	100	300	2,600
Iraq	0	0	0	0	0	0	0
Israel	2,300	0	100	300	0	0	2,700
Jordan	100	0	0	0	0	0	100
Kuwait	2,400	200	0	300	100	100	3,100
Lebanon	100	0	0	0	0	0	100
Libya	0	0	0	0	0	0	0
Morocco	100	0	0	100	0	0	200
Oman	0	0	0	800	0	0	800
Qatar	0	0	0	100	0	0	100
Saudi Arabia	12,400	0	200	15,600	1,700	100	30,000
Syria	0	300	0	0	100	300	700
Tunisia	100	0	0	0	0	0	100
U.A.E.	700	300	0	300	100	400	1,800
Yemen	0	0	200	0	100	200	500

0= less than $50 million or nil. **1/** All data are rounded to nearest 100 million
2/ Major West European includes France, United Kingdom, Germany, and Italy totals as an aggregate figure.
Source: U.S. Government

TABLE 2I. Arms Deliveries to Developing Nations, 1988-1995: The Leading Recipients (in millions of current U.S. dollars)*

Rank	Recipient	Deliveries Value 1988-1991
1	Saudi Arabia	27,200
2	Afghanistan	11,800
3	Iraq	11,100
4	India	8,700
5	Iran	7,900
6	Cuba	4,700
7	Syria	4,000
8	Vietnam	4,000
9	Angola	3,800
10	Egypt	2,900

Rank	Recipient	Deliveries Value 1992-1995
1	Saudi Arabia	30,000
2	Egypt	5,700
3	South Korea	3,700
4	Taiwan	3,200
5	Kuwait	3,100
6	China	2,800
7	Israel	2,700
8	Iran	2,600
9	Malaysia	2,000
10	Pakistan	1,700

Rank	Recipient	Deliveries Value 1988-1995
1	Saudi Arabia	57,200
2	Afghanistan	11,800
3	Iraq	11,100
4	Iran	10,500
5	India	10,200
6	Egypt	8,600
7	Cuba	4,900
8	Angola	4,800
9	Syria	4,700
10	Vietnam	4,300

*All foreign data are rounded to the nearest $100 million. Where data totals are the same, the actual rank order is maintained.
Source: U.S. Government

TABLE 2J. Arms Deliveries to Developing Nations in 1995: The Leading Recipients (in millions of current U.S. dollars)*

Rank	Recipient	Deliveries Value 1995
1	Saudi Arabia	8,300
2	Egypt	1,900
3	Taiwan	1,200
4	South Korea	1,100
5	Kuwait	1,000
6	Singapore	800
7	Malaysia	800
8	U.A.E.	600
9	Thailand	500
10	Pakistan	500

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

Source: U.S. Government

SELECTED WEAPONS DELIVERIES TO DEVELOPING NATIONS, 1988-1995

Other useful data for assessing arms transfers are those that indicate who has actually delivered specific numbers of specific classes of military items to a region. These data are relatively "hard" in that they reflect actual transfers of specific items of military equipment. They have the limitation of not giving detailed information regarding either the sophistication or the specific name of the equipment delivered. However, these data show relative trends in the delivery of important classes of military equipment and indicate who the leading suppliers are from region to region over time. Data in the following tables set out actual deliveries of fourteen categories of weaponry to developing nations from 1988-1995 by the United States, Russia, China, the four major West European suppliers as a group, all other European suppliers as a group, and all other suppliers as a group.

A cautionary note is warranted regarding the quantitative data within these specific tables. Aggregate data on weapons categories delivered by suppliers do not provide precise indices of the quality and/or capability of the weaponry delivered. The history of recent conventional conflicts suggests, quality and/or sophistication of weapons can offset quantitative advantage. Another important factor, not indicated here, is the reliability of follow-on support by an arms supplier, including spares and replacement parts. The fact that the United States, for example, has not delivered the largest numbers of weapons in a category to a region does not necessarily mean that the weaponry it has transferred cannot compensate, for larger quantities of less capable weapons systems delivered by Russia, the major West Europeans or other suppliers. U.S. arms deals historically have included significant amounts of follow-on support, in addition to the basic finished items of equipment.

Further, these data do not provide an indication of the relative capabilities of the recipient nations to use effectively the weapons delivered to them. Superior training--coupled with good equipment--may, in the last analysis, be a more important factor in a nation's ability to engage successfully in conventional warfare than the size of its weapons inventory.

REGIONAL WEAPONS DELIVERIES SUMMARY, 1992-1995

- The regional weapons delivery data collectively show that the United States was the leading supplier to developing nations of several major classes of conventional weaponry from 1992-1995. Russia transferred substantial quantities of many weapons classes, delivering more than the United States in some regions.

- The major West European suppliers were serious competitors in weapons deliveries from 1992-1995, making notable deliveries of certain categories of armaments to every region of the developing world--most particularly to the Near East and to Latin America. In Africa, the major Western European suppliers, and all other non-European suppliers were principal competitors for Russia in arms deliveries.

- 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 tend to 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 fully capable of providing specific classes of conventional armaments, such as missiles, tanks, armored vehicles, aircraft and artillery pieces, to developing nations should they choose to do so.

- Noteworthy deliveries of specific categories of weapons to regions of the developing world by specific suppliers from **1992-1995** include the following:

Asia

Russia delivered 110 tanks and self-propelled guns; 330 artillery pieces; 100 APCs and armored cars; nine minor surface combatants; two submarines; 70 supersonic combat aircraft; 70 helicopters; and 660 surface-to-air missiles (SAMs); The **United States** delivered 54 tanks and self-propelled guns; 26 supersonic combat aircraft; 38 helicopters; 306 surface-to-air missiles (SAMs) and 75 anti-shipping missiles. **China** delivered 310 tanks and self-propelled guns; 430 artillery pieces; five major surface combatants; nine minor surface combatants; four guided missile boats; 80 supersonic combat aircraft; 190 surface-to-air missiles (SAMs) and 40 anti-shipping missiles. The four **major West European suppliers** collectively delivered 170 APCs and armored cars; 38 major surface combatants; 12 minor surface combatants; six submarines, 50 helicopters, and 2110 surface-to-air missiles (SAMs). **All other European suppliers** as a group delivered one minor surface combatant; 10 helicopters, and 50 surface-to-air missiles (SAMs). **All other non-European suppliers** collectively delivered 220 tanks and self-propelled guns; 260 APCs and armored cars; 19 minor surface combatants; 50 supersonic aircraft and 260 surface-to-air missiles (SAMs).

Near East

Russia delivered 290 tanks and self-propelled guns; 680 APCs and armored cars; two submarines; 50 helicopters; and 20 anti-shipping missiles. The **United States** delivered 1,571 tanks and self-propelled guns; 2,040 APCs and armored cars; 191 artillery pieces; three minor surface combatants; 239 supersonic combat aircraft; 105 helicopters, 1,137 surface-to-air missiles (SAMs); and 296 anti-shipping missiles. **China** delivered three minor surface combatants; 10 guided missile boats; 30 supersonic combat aircraft; 70 surface-to-air missiles(SAMs) and 50 anti-shipping missiles. The four **major West European suppliers** collectively delivered 4,030 artillery pieces; 33 minor surface combatants; 1,050 surface-to-air missiles (SAMs) and 40 anti-shipping missiles. **All other European suppliers** as a group delivered 260 tanks and self-propelled guns, 650 artillery pieces and 610 APCs and armored cars. **All other suppliers** collectively delivered 140 tanks and self-propelled guns; 20 supersonic combat aircraft; 50 surface-to-air missiles (SAMs) and 90 surface-to-surface missiles.

Latin America

Russia delivered 70 tanks and self-propelled guns; 90 artillery pieces; 120 APCs and armored cars; one submarine; 30 helicopters; and 180 surface-to-air missiles (SAMs). The **United States** delivered 14 subsonic combat aircraft and 60 helicopters. The four **major West European suppliers** collectively delivered 270 tanks and self-propelled guns; 20 APCs and armored cars; five major surface combatants; one submarine; 20 subsonic combat aircraft, 40 helicopters and 10 anti-shipping missiles. **All other European suppliers** collectively delivered 260 APCs and armored cars; 30 supersonic combat aircraft; 10 helicopters and 590 surface-to-air missiles (SAMs). **All other non-European suppliers** as a group delivered 70 artillery pieces; 120 APCs and armored cars; four minor surface combatants; 2 guided missile boats; 10 supersonic combat aircraft; 30 helicopters; and 410 surface-to-air missiles (SAMs).

Africa

Russia delivered 70 tanks and self-propelled guns; 60 artillery pieces; 500 APCs and armored cars; and 30 helicopters. **China** delivered 670 artillery pieces. The four **major West European suppliers** collectively delivered 30 tanks and self-propelled guns; 70 APCs and armored cars; 30 helicopters and 20 surface-to-air missiles (SAMs). **All other European suppliers** collectively delivered 110 APCs and armored cars and 10 helicopters. **All other non-European suppliers** as a group delivered 30 tanks and self-propelled guns; 60 artillery pieces; 50 APCs and armored cars; 15 minor surface combatants, 10 supersonic combat aircraft and 10 helicopters.

Table 3

Numbers of Weapons Delivered by Major Suppliers to Developing Nations 1/

Weapons Category	U.S.	Russia	China	Major West European 2/	All Other European	All Others
1988-1991						
Tanks and Self-Propelled Guns	615	3710	330	120	470	560
Artillery	316	3330	2090	3800	850	1000
APCs and Armored Cars	777	5490	390	340	980	490
Major Surface Combatants	0	8	3	7	4	6
Minor Surface Combatants	7	47	33	73	43	135
Guided Missile Boats	0	0	4	3	0	2
Submarines	0	8	0	3	1	1
Supersonic Combat Aircraft	272	380	180	110	10	290
Subsonic Combat Aircraft	82	80	0	70	0	20
Other Aircraft	135	190	70	90	240	190
Helicopters	121	470	0	320	80	50
Surface-to-Air Missiles	2092	6560	440	1120	450	1500
Surface-to-Surface Missiles	0	1780	240	0	0	290
Anti-Shipping Missiles	61	480	170	200	0	10
1992-1995						
Tanks and Self-Propelled Guns	1625	540	310	320	260	390
Artillery	261	530	1170	4150	670	330
APCs and Armored Cars	2091	1400	40	400	1000	490
Major Surface Combatants	0	0	5	43	0	0
Minor Surface Combatants	4	11	12	47	26	42
Guided Missile Boats	0	0	14	0	0	2
Submarines	0	5	0	7	0	0
Supersonic Combat Aircraft	265	70	110	0	30	90
Subsonic Combat Aircraft	53	0	0	80	0	0
Other Aircraft	42	30	60	70	100	220
Helicopters	203	180	0	130	40	50
Surface-to-Air Missiles	1443	840	330	3180	640	720
Surface-to-Surface Missiles	0	0	0	0	0	90
Anti-Shipping Missiles	371	20	90	50	0	0

1/ 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.

2/ 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

Table 4

Numbers of Weapons Delivered by Major Suppliers to Asia and the Pacific 1/

Weapons Category	U.S.	Russia	China	Major West European 2/	All Other European	All Others
1988-1991						
Tanks and Self-Propelled Guns	200	2090	330	0	40	10
Artillery	208	2160	250	30	540	180
APCs and Armored Cars	145	4530	350	30	0	0
Major Surface Combatants	0	5	3	2	4	6
Minor Surface Combatants	0	17	20	5	11	46
Guided Missile Boats	0	0	4	0	0	0
Submarines	0	7	0	2	1	0
Supersonic Combat Aircraft	146	200	120	0	0	120
Subsonic Combat Aircraft	15	50	0	20	0	0
Other Aircraft	54	130	40	20	50	0
Helicopters	57	240	0	60	30	20
Surface-to-Air Missiles	919	4410	210	540	340	0
Surface-to-Surface Missiles	0	1660	0	0	0	0
Anti-Shipping Missiles	59	260	20	20	0	0
1992-1995						
Tanks and Self-Propelled Guns	54	110	310	0	0	220
Artillery	59	330	430	40	20	100
APCs and Armored Cars	46	100	40	170	20	260
Major Surface Combatants	0	0	5	38	0	0
Minor Surface Combatants	0	9	9	12	1	19
Guided Missile Boats	0	0	4	0	0	0
Submarines	0	2	0	6	0	0
Supersonic Combat Aircraft	26	70	80	0	0	50
Subsonic Combat Aircraft	39	0	0	30	0	0
Other Aircraft	16	20	40	40	30	80
Helicopters	38	70	0	50	10	10
Surface-to-Air Missiles	306	660	190	2110	50	260
Surface-to-Surface Missiles	0	0	0	0	0	0
Anti-Shipping Missiles	75	0	40	0	0	0

1/ Excludes Japan, Australia and New Zealand. All data are for calendar years given.

2/ 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

Table 5

Numbers of Weapons Delivered by Major Suppliers to Near East 1/

Weapons Category	U.S.	Russia	China	Major West European 2/	All Other European	All Others
1988-1991						
Tanks and Self-Propelled Guns	415	930	0	20	340	290
Artillery	64	630	1160	3690	300	320
APCs and Armored Cars	598	610	0	10	870	250
Major Surface Combatants	0	1	0	0	0	0
Minor Surface Combatants	0	6	7	58	16	63
Guided Missile Boats	0	0	0	3	0	0
Submarines	0	1	0	0	0	1
Supersonic Combat Aircraft	88	130	40	110	0	130
Subsonic Combat Aircraft	0	20	0	20	0	10
Other Aircraft	18	20	20	40	110	140
Helicopters	16	140	0	60	30	10
Surface-to-Air Missiles	1061	1480	200	580	110	1240
Surface-to-Surface Missiles	0	120	240	0	0	290
Anti-Shipping Missiles	2	170	150	120	0	10
1992-1995						
Tanks and Self-Propelled Guns	1571	290	0	20	260	140
Artillery	191	50	20	4030	650	100
APCs and Armored Cars	2040	680	0	140	610	60
Major Surface Combatants	0	0	0	0	0	0
Minor Surface Combatants	3	0	3	33	10	4
Guided Missile Boats	0	0	10	0	0	0
Submarines	0	2	0	0	0	0
Supersonic Combat Aircraft	239	0	30	0	0	20
Subsonic Combat Aircraft	0	0	0	20	0	0
Other Aircraft	1	10	0	20	0	70
Helicopters	105	50	0	10	10	0
Surface-to-Air Missiles	1137	0	70	1050	0	50
Surface-to-Surface Missiles	0	0	0	0	0	90
Anti-Shipping Missiles	296	20	50	40	0	0

1/ All data are for calendar years given.
2/ 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

Table 6

Numbers of Weapons Delivered by Major Suppliers to Latin America 1/

Weapons Category	U.S.	Russia	China	Major West European 2/	All Other European	All Others
1988-1991						
Tanks and Self-Propelled Guns	0	260	0	40	0	40
Artillery	44	230	0	80	10	30
APCs and Armored Cars	0	140	0	80	0	10
Major Surface Combatants	0	1	0	5	0	0
Minor Surface Combatants	7	11	0	4	0	14
Guided Missile Boats	0	0	0	0	0	2
Submarines	0	0	0	1	0	0
Supersonic Combat Aircraft	38	10	0	0	10	10
Subsonic Combat Aircraft	67	0	0	20	0	10
Other Aircraft	52	20	0	20	50	30
Helicopters	48	50	0	150	20	10
Surface-to-Air Missiles	0	520	0	0	0	0
Surface-to-Surface Missiles	0	0	0	0	0	0
Anti-Shipping Missiles	0	30	0	60	0	0
1992-1995						
Tanks and Self-Propelled Guns	0	70	0	270	0	0
Artillery	10	90	50	40	0	70
APCs and Armored Cars	0	120	0	20	260	120
Major Surface Combatants	0	0	0	5	0	0
Minor Surface Combatants	1	2	0	2	10	4
Guided Missile Boats	0	0	0	0	0	2
Submarines	0	1	0	1	0	0
Supersonic Combat Aircraft	0	0	0	0	30	10
Subsonic Combat Aircraft	14	0	0	20	0	0
Other Aircraft	16	0	10	0	20	50
Helicopters	60	30	0	40	10	30
Surface-to-Air Missiles	0	180	70	0	590	410
Surface-to-Surface Missiles	0	0	0	0	0	0
Anti-Shipping Missiles	0	0	0	10	0	0

1/ All data are for calendar years given.
2/ 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

Table 7

Numbers of Weapons Delivered by Major Suppliers to Africa 1/

Weapons Category	U.S.	Russia	China	Major West European 2/	All Other European	All Others
1988-1991						
Tanks and Self-Propelled Guns	0	430	0	60	90	220
Artillery	0	310	680	0	0	470
APCs and Armored Cars	34	210	40	220	110	230
Major Surface Combatants	0	1	0	0	0	0
Minor Surface Combatants	0	13	6	6	16	12
Guided Missile Boats	0	0	0	0	0	0
Submarines	0	0	0	0	0	0
Supersonic Combat Aircraft	0	40	20	0	0	30
Subsonic Combat Aircraft	0	10	0	10	0	0
Other Aircraft	11	20	10	10	30	20
Helicopters	0	40	0	50	0	10
Surface-to-Air Missiles	112	150	30	0	0	260
Surface-to-Surface Missiles	0	0	0	0	0	0
Anti-Shipping Missiles	0	20	0	0	0	0
1992-1995						
Tanks and Self-Propelled Guns	0	70	0	30	0	30
Artillery	1	60	670	40	0	60
APCs and Armored Cars	5	500	0	70	110	50
Major Surface Combatants	0	0	0	0	0	0
Minor Surface Combatants	0	0	0	0	5	15
Guided Missile Boats	0	0	0	0	0	0
Submarines	0	0	0	0	0	0
Supersonic Combat Aircraft	0	0	0	0	0	10
Subsonic Combat Aircraft	0	0	0	10	0	0
Other Aircraft	9	0	10	10	50	20
Helicopters	0	30	0	30	10	10
Surface-to-Air Missiles	0	0	0	20	0	0
Surface-to-Surface Missiles	0	0	0	0	0	0
Anti-Shipping Missiles	0	0	0	0	0	0

1/ All data are for calendar years given.
2/ 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

WORLDWIDE ARMS TRANSFER AGREEMENTS AND DELIVERIES VALUES, 1988-1995

The six tables below provide the total dollar values of arms transfer agreements and arms deliveries worldwide in the same format and detail as tables 1, 1A and 1B and tables 2, 2A and 2B do for arms transfer agreements and arms deliveries to developing nations.

TOTAL WORLDWIDE ARMS TRANSFER AGREEMENTS VALUES, 1988-1995

Table 8 shows the annual current dollar values of arms transfer agreements worldwide. Since these figures do not allow for the effects of inflation, they are, by themselves, of limited use. They provide, however, the data from which tables 8A (constant dollars) and 8B (supplier percentages) are derived. Some of the more notable facts reflected by these data are summarized below. Unless otherwise noted the dollar values noted are expressed in constant 1995 dollars.

- The United States ranked first among all suppliers to the world in the value of arms transfer agreements from 1992-1995, and first for the entire period from 1988-1995.

- France ranked second among all suppliers to the world in the value of arms transfer agreements from 1992-1995, and fourth from 1988-1995.

- Russia ranked third among all suppliers to the world in the value of arms transfer agreements from 1992-1995, and second from 1988-1995.

- The United Kingdom ranked fourth among all suppliers to the world in the value of arms transfer agreements from 1992-1995, and third from 1988-1995.

- In 1995, the value of all arms transfer agreements worldwide ($28.8 billion) was the lowest of any year during the 1988-1995 period. This is the third consecutive year that total arms transfer agreement values have declined from the previous year.

- Of the named arms suppliers and supplying groups to the world from 1988-1995, only France registered a substantial increase in the value of arms transfer agreements with the world from the period 1988-1991 to the period 1992-1995 (France increased 90.8%)(figure 1).

- Other named arms suppliers registered significant decreases in the value of their arms transfer agreements worldwide from the 1988-1991period to 1992-1995. The United Kingdom registered the largest percentage decline from 1988-1991 to 1992-1995 at 75.5%, while China fell 72%. Russia fell 69.5%. Germany declined 52.5% (figure 1).

- In 1995, Russia was the leader in arms transfer agreements with the world, making $9.1 billion in such agreements, or 31.6% of all arms transfer agreements. The United States ranked second with $8.2 billion in arms transfer agreements, or 28.6% of all such agreements. Russian arms transfer agreements rose significantly from 1994 to 1995, from $3.8 billion to $9.1 billion respectively. United States agreements dropped notably from $12.8 billion in 1994 to $8.2 billion in 1995. This is the third year in a row that United States arms agreements worldwide declined from the previous year. French arms agreements also fell significantly from nearly $8.9 billion in 1994 to $2.7 billion in 1995.

- Russia, the United States and France, the top three arms suppliers to the world in 1995 respectively--ranked by the value of their arms transfer agreements--collectively made agreements in 1995 valued at over $20 billion, 69.5% of all arms transfer agreements made with the world by all suppliers.

- France ranked third and Germany fourth in arms transfer agreements with the world in 1995, making $2.7 billion and $2 billion in such agreements respectively.

- The total value of all arms transfer agreements worldwide from 1992-1995 ($140.5 billion) was substantially less than the value of arms transfer agreements by all suppliers worldwide from 1988-1991 (about $216 billion, a decline of about 35% (figure 1).

- During the period from 1988-1991, developing world nations accounted for 75.3% of all arms transfer agreements made worldwide. During 1992-1995, developing world nations accounted for 63.4% of all arms transfer agreements made worldwide (figure 1).

- In 1995, developing nations were recipients of 53.4% of all arms transfer agreements made worldwide.(figure 1).

TOTAL WORLDWIDE ARMS DELIVERY VALUES, 1988-1995

Table 9 shows the annual current dollar values of arms deliveries (items actually transferred) worldwide by major suppliers from 1988-1995. The utility of these data is that they reflect transfers that have occurred. They provide the data from which tables 9A (constant dollars) and 9B (supplier percentages) are derived. Some of the more notable facts illustrated by these data are summarized below. Unless otherwise noted the dollar values noted are expressed in constant 1995 dollars.

- In 1995, the United States ranked first in the value of arms deliveries worldwide, making over $12.5 billion in such deliveries. This is the fifth year in a row the United States has led in such deliveries, largely reflecting implementation of arms agreements concluded during and immediately after the Persian Gulf war.

- The United Kingdom ranked second in arms deliveries to worldwide in 1995, making $4.9 billion in such deliveries.

- Russia ranked third in arms deliveries worldwide in 1995, making $3.1 billion in such deliveries.

- The top three suppliers of arms to the world in 1995 collectively delivered over $20.5 billion, 72.7% of all arms deliveries made worldwide by all suppliers.

- The U.S. share of all arms deliveries worldwide in 1995 was 44.4%, slightly more than its 41.3% share in 1994. The United Kingdom's share was 17.4%, down from 21.8% in 1994. Russia's share of all arms deliveries to the world in 1995 was about 11%, up from 6.3% in 1994 (table 9B).

- In 1995 the value of all arms deliveries worldwide was over $28.2 billion. This is the first increase in the total value of arms deliveries from the previous year during 1988-1995, reversing a seven year trend of declines. This increase in worldwide deliveries in 1995, reflects the impact of implementation of some major arms transfer agreements associated with the onset and aftermath of the Persian Gulf war (charts 10 and 11) (table 9A).

- During the period from 1988-1991, developing world nations accounted for nearly 78.4% of all arms deliveries worldwide. During 1992-1995, developing world nations accounted for 71.4% of all arms deliveries worldwide. (Figure 2).

- In 1995, developing nations as recipients of arms accounted for 76.6% of all arms deliveries worldwide. (Figure 2).

- The total value of all arms deliveries by all suppliers worldwide from 1992-1995 (nearly $109 billion) was substantially less than the value of arms deliveries by all suppliers worldwide from 1988-1991 ($201.8 billion)(in constant 1995 dollars), a decline of 46% (figure 2)(table 9A).

Table 8

ARMS TRANSFER AGREEMENTS WITH THE WORLD BY SUPPLIER, 1988-1995*

(in millions of current U.S. dollars)

	1988	1989	1990	1991	1992	1993	1994	1995	TOTAL 1988-1995
United States	11,218	9,804	18,093	18,056	22,565	22,736	12,509	8,231	123,212
Russia	14,800	15,500	11,600	6,000	1,800	2,300	3,700	9,100	64,800
France	2,000	1,500	2,900	3,300	4,400	4,800	8,700	2,700	30,300
United Kingdom	21,600	1,800	2,200	1,100	2,300	3,100	1,200	1,000	34,300
China	2,500	1,400	2,200	500	500	600	800	200	6,200
Germany	1,200	5,900	2,000	1,700	1,500	1,000	1,300	2,000	15,400
Italy	300	600	500	400	600	400	200	1,000	3,700
All Other European	4,000	4,300	1,800	2,000	1,700	700	1,900	1,200	13,600
All Others	3,500	3,200	2,600	2,100	1,900	1,900	1,400	3,400	16,500
TOTAL	**61,118**	**44,004**	**43,893**	**35,156**	**37,265**	**37,536**	**31,709**	**28,831**	**308,012**
Dollar Definition index (1995=1.00)***	0.8143	0.8464	0.8713	0.9124	0.9296	0.9575	0.9805	1	

*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 8A

ARMS TRANSFER AGREEMENTS WITH THE WORLD BY SUPPLIER, 1988-1995*

(in millions of constant 1995 U.S. dollars)

	1988	1989	1990	1991	1992	1993	1994	1995	TOTAL 1988-1995
United States	13,776	11,583	20,766	19,790	24,274	23,745	12,758	8,231	134,923
Russia	18,175	18,313	13,313	6,576	1,936	2,402	3,774	9,100	73,589
France	2,456	1,772	3,328	3,617	4,733	5,013	8,873	2,700	32,492
United Kingdom	26,526	2,127	2,525	1,206	2,474	3,238	1,224	1,000	40,320
China	3,070	1,654	2,525	548	538	627	816	200	9,978
Germany	1,474	6,971	2,295	1,863	1,614	1,044	1,326	2,000	18,587
Italy	368	709	574	438	645	418	204	1,000	4,356
All Other European	4,912	5,080	2,066	2,192	1,829	731	1,938	1,200	19,948
All Others	4,298	3,781	2,984	2,302	2,044	1,984	1,428	3,400	22,221
TOTAL	**75,055**	**51,990**	**50,376**	**38,532**	**40,087**	**39,202**	**32,341**	**28,831**	**356,414**

Table 8B

ARMS TRANSFER AGREEMENTS WITH THE WORLD BY SUPPLIER, 1988-1995*

(expressed as a percent of total, by year)

	1988	1989	1990	1991	1992	1993	1994	1995
United States	18.35%	22.28%	41.22%	51.36%	60.55%	60.57%	39.45%	28.55%
Russia	24.22%	35.22%	26.43%	17.07%	4.83%	6.13%	11.67%	31.56%
France	3.27%	3.41%	6.61%	9.39%	11.81%	12.79%	27.44%	9.36%
United Kingdom	35.34%	4.09%	5.01%	3.13%	6.17%	8.26%	3.78%	3.47%
China	4.09%	3.18%	5.01%	1.42%	1.34%	1.60%	2.52%	0.69%
Germany	1.96%	13.41%	4.56%	4.84%	4.03%	2.66%	4.10%	6.94%
Italy	0.49%	1.36%	1.14%	1.14%	1.61%	1.07%	0.63%	3.47%
All Other European	6.54%	9.77%	4.10%	5.69%	4.56%	1.86%	5.99%	4.16%
All Others	5.73%	7.27%	5.92%	5.97%	5.10%	5.06%	4.42%	11.79%
[Major West European	*41.07%*	*22.27%*	*17.31%*	*18.49%*	*23.61%*	*24.78%*	*35.95%*	*23.24%]*
TOTAL	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

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

Table 9

ARMS DELIVERIES TO THE WORLD, BY SUPPLIER, 1988-1995

(in millions of current U.S. dollars)

	1988	1989	1990	1991	1992	1993	1994	1995	TOTAL 1988-1995
United States	8,600	7,378	8,936	9,360	10,713	10,685	9,842	12,549	78,063
Russia**	22,000	18,900	15,000	6,200	2,500	3,100	1,500	3,100	72,300
France	2,000	2,400	5,200	2,200	1,800	1,100	1,400	2,200	18,300
United Kingdom	4,900	4,900	4,600	4,700	4,700	4,600	5,200	4,900	38,500
China	3,000	2,700	2,000	1,400	1,000	1,200	700	600	12,600
Germany	1,800	1,300	1,600	2,400	1,100	1,700	1,400	1,200	12,500
Italy	500	200	200	300	400	400	100	0	2,100
All Other European	6,800	4,000	2,900	1,800	3,000	1,500	1,300	1,000	22,300
All Others	4,600	3,400	2,000	1,900	1,700	2,000	2,400	2,700	20,700
TOTAL	**54,200**	**45,178**	**42,436**	**30,260**	**26,913**	**26,285**	**23,842**	**28,249**	**277,363**
Dollar Definition index (1995=1.00)***	0.8143	0.8464	0.8713	0.9124	0.9296	0.9575	0.9805	1	

All foreign data are rounded to the nearest $100 million.
*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 deliveries 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 9A

ARMS DELIVERIES TO THE WORLD, BY SUPPLIER, 1988-1995

(in millions of constant 1995 U.S. dollars)

	1988	1989	1990	1991	1992	1993	1994	1995	TOTAL 1988-1995
United States	10,561	8,717	10,256	10,259	11,524	11,159	10,038	12,549	85,063
Russia	27,017	22,330	17,216	6,795	2,689	3,238	1,530	3,100	83,915
France	2,456	2,836	5,968	2,411	1,936	1,149	1,428	2,200	20,384
United Kingdom	6,017	5,789	5,279	5,151	5,056	4,804	5,303	4,900	42,299
China	3,684	3,190	2,295	1,534	1,076	1,253	714	600	14,346
Germany	2,210	1,536	1,836	2,630	1,183	1,775	1,428	1,200	13,798
Italy	614	236	230	329	430	418	102	0	2,359
All Other European	8,351	4,726	3,328	1,973	3,227	1,567	1,326	1,000	25,498
All Others	5,649	4,017	2,295	2,082	1,829	2,089	2,448	2,700	23,109
TOTAL	**66,559**	**53,377**	**48,703**	**33,164**	**28,950**	**27,452**	**24,317**	**28,249**	**310,771**

Table 9B

ARMS DELIVERIES TO THE WORLD, BY SUPPLIER, 1988-1995

(expressed as a percent of total, by year)

	1988	1989	1990	1991	1992	1993	1994	1995
United States	15.87%	16.33%	21.06%	30.93%	39.81%	40.65%	41.28%	44.42%
Russia	40.59%	41.83%	35.35%	20.49%	9.29%	11.79%	6.29%	10.97%
France	3.69%	5.31%	12.25%	7.27%	6.69%	4.18%	5.87%	7.79%
United Kingdom	9.04%	10.85%	10.84%	15.53%	17.46%	17.50%	21.81%	17.35%
China	5.54%	5.98%	4.71%	4.63%	3.72%	4.57%	2.94%	2.12%
Germany	3.32%	2.88%	3.77%	7.93%	4.09%	6.47%	5.87%	4.25%
Italy	0.92%	0.44%	0.47%	0.99%	1.49%	1.52%	0.42%	0.00%
All Other European	12.55%	8.85%	6.83%	5.95%	11.15%	5.71%	5.45%	4.25%
All Others	8.49%	7.53%	4.71%	6.28%	6.32%	7.61%	10.07%	9.56%
[Major West European	*16.97%*	*19.48%*	*23.34%*	*31.73%*	*29.73%*	*29.67%*	*33.97%*	*29.38%]*
TOTAL	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

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

DESCRIPTION OF ITEMS COUNTED IN WEAPONS CATEGORIES, 1988-1995

TANKS AND SELF-PROPELLED GUNS: This category includes light, medium, and heavy tanks; self-propelled artillery; self-propelled assault guns.

ARTILLERY: This category includes field and air defense artillery, mortars, rocket launchers and recoilless rifles--100 mm and over; FROG launchers--100 mm and over.

ARMORED PERSONNEL CARRIERS (APCs) AND ARMORED CARS: This category includes personnel carriers, armored and amphibious; armored infantry fighting vehicles; armored reconnaissance and command vehicles.

MAJOR SURFACE COMBATANTS: This category includes aircraft carriers, cruisers, destroyers, frigates.

MINOR SURFACE COMBATANTS: This category includes minesweepers, subchasers, motor torpedo boats, patrol craft, motor gunboats.

SUBMARINES: This category includes all submarines, including midget submarines.

GUIDED MISSILE PATROL BOATS: This category includes all boats in this class.

SUPERSONIC COMBAT AIRCRAFT: This category includes all fighters and bombers designed to function operationally at speeds above Mach 1.

SUBSONIC COMBAT AIRCRAFT: This category includes all fighters and bombers, including propeller driven, designed to function operationally at speeds below Mach 1.

OTHER AIRCRAFT: This category includes all other fixed-wing aircraft, including trainers, transports, reconnaissance aircraft, and communications/utility aircraft.

HELICOPTERS: This category includes all helicopters, including combat and transport.

SURFACE-TO-AIR MISSILES (SAMs): This category includes all air defense missiles.

SURFACE-T0-SURFACE MISSILES: This category includes all surface-to-surface missiles without regard to range, such as SCUDs and CSS-2s. It excludes all anti-tank missiles and all anti-shipping missiles.

ANTI-SHIPPING MISSILES: This category includes all missiles in this class such as the Harpoon, Silkworm, Styx and Exocet.

REGIONS IDENTIFIED IN ARMS TRANSFER TABLES AND CHARTS

ASIA	NEAR EAST	EUROPE
Afghanistan	Algeria	Albania
Australia	Bahrain	Armenia
Bangladesh	Egypt	Austria
Brunei	Iran	Azerbaijan
Burma (Myanmar)	Iraq	Belarus
China	Israel	Bulgaria
Fiji	Jordan	Belgium
French Polynesia	Kuwait	Canada
Gilbert Islands	Lebanon	Czechoslovakia/Czech
Hong Kong	Libya	Republic
India	Morocco	Cyprus
Indonesia	Oman	Denmark
Japan	Qatar	Estonia
Kampuchea (Cambodia)	Saudi Arabia	Finland
Kazakhstan	Syria	France
Kyrgyzistan	Tunisia	Georgia
Laos	United Arab Emirates	Germany
Macao	Yemen	Greece
Malaysia		Hungary
Mongolia		Iceland
Nauru		Ireland
Nepal		Italy
New Caledonia		Latvia
New Hebrides		Liechtenstein
New Zealand		Lithuania
Norfolk Islands		Luxembourg
North Korea		Malta
Pakistan		Moldova
Papua New Guinea		Netherlands
Philippines		Norway
Pitcairn		Poland
Singapore		Portugal
Solomon Islands		Romania
South Korea		Russia
Sri Lanka		Slovak Republic
Taiwan		Spain
Tajikistan		Sweden
Thailand		Switzerland
Turkmenistan		Turkey
Uzbekistan		Ukraine
Vietnam		United Kingdom
Western Samoa		Yugoslavia/(former)

REGIONS IDENTIFIED IN ARMS TRANSFER TABLES AND CHARTS (cont.)

AFRICA

Angola
Benin
Botswana
Burkina Faso
Burundi
Cameroon
Cape Verde
Central African Republic
Chad
Congo
Côte d'Ivoire
Djibouti
Equatorial Guinea
Ethiopia
Gabon
Gambia
Ghana
Guinea
Guinea-Bissau
Kenya
Lesotho
Liberia
Madagascar
Malawi
Mali
Mauritania
Mauritius
Mozambique
Namibia
Niger
Nigeria
Réunion
Rwanda
Senegal
Seychelles
Sierra Leone
Somalia
South Africa
Sudan
Swaziland
Tanzania
Togo
Uganda
Zaire
Zambia
Zimbabwe

LATIN AMERICA

Antigua
Argentina
Bahamas
Barbados
Belize
Bermuda
Bolivia
Brazil
British Virgin Islands
Cayman Islands
Chile
Colombia
Costa Rica
Cuba
Dominica
Dominican Republic
Ecuador
El Salvador
French Guiana
Grenada
Guadeloupe
Guatemala
Guyana
Haiti
Honduras
Jamaica
Martinique
Mexico
Montserrat
Netherlands Antilles
Nicaragua
Panama
Paraguay
Peru
St. Kitts & Nevis
St. Lucia
St. Pierre & Miquelon
St. Vincent
Suriname
Trinidad
Turks & Caicos
Venezuela