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## Conventional Arms Transfers to Developing Nations, 1991-1998

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### **ABSTRACT**

This report is prepared annually to provide unclassified quantitative data on conventional arms transfers to developing nations by the United States and foreign countries for the preceding eight calendar years. This report covers the years from 1991-1998. It also provides some general data on worldwide conventional arms transfers for the same time period, but the principal focus is on data illustrating the levels of such arms transfers by major weapons suppliers to nations in the developing world. Data on deliveries by key suppliers of fourteen categories of conventional weapons systems is also included for 1991-1998. The data in the report show how global patterns of conventional arms transfers have changed in the post-Cold War and post-Persian Gulf War years. Despite world changes since the Cold War's end, the developing nations continue to be the primary focus of foreign transfer activity by conventional weapons suppliers.

# Conventional Arms Transfers to Developing Nations, 1991-1998

## Summary

This report is prepared annually to provide unclassified quantitative data on conventional arms transfers to developing nations by the United States and foreign countries for the preceding eight calendar years. Some general data are provided on worldwide conventional arms transfers, but the principal focus is the level of arms transfers by major weapons suppliers to nations in the developing world.

Developing nations continue to be the primary focus of foreign arms sales activity by weapons suppliers. During the years 1991-1998, the value of arms transfer agreements with developing nations comprised 69.4% of all such agreements worldwide. More recently, arms transfer agreements have declined generally, but those with developing nations still constituted 66.4% of all such agreements globally from 1995-1998.

The value of all arms transfer *agreements* with developing nations in 1998 was \$13.2 billion. This was the lowest total, in real terms, since 1991. In 1998, the value of all arms *deliveries* to developing nations was \$23.2 billion, a notable decrease in deliveries values from the previous year (in constant 1998 dollars).

Recently, from 1995-1998, the United States, Russia, and France have dominated the arms market in the developing world, with the United States and Russia making nearly the same level of arms transfer *agreements*. From 1995-1998, the United States made \$15.6 billion in arms transfer agreements with developing nations, 23.4% of all such agreements. Russia, the second leading supplier during this period, made nearly \$15 billion in arms transfer agreements or 22.5%. France, the third leading supplier, made \$11.1 billion or 16.7% of all such agreements with developing nations during these years.

In 1998, the United States ranked first in arms transfer *agreements* with developing nations at roughly \$4.6 billion, holding 34.7% of such agreements; France was second with \$2.4 billion or 18.2% of such agreements. Germany ranked third with \$2 billion or 15.2% of such agreements. The total value of U.S. arms transfer agreements with developing nations in 1998 was a notable increase, in real terms, from 1997. In 1998, the United States ranked first in the value of arms *deliveries* to developing nations at \$7.8 billion, or 33.6% of all such deliveries. France ranked second at \$6.2 billion or 26.7% of such deliveries.

During the 1995-1998 period, Saudi Arabia ranked first among developing nations in the value of arms transfer *agreements*, concluding \$7.9 billion in such agreements. The United Arab Emirates (U.A.E.) ranked second at \$7.4 billion. China ranked third with \$6.9 billion. Among developing nations weapons purchasers, Saudi Arabia ranked first in the value of arms transfer *agreements* in 1998, concluding \$2.7 billion in such agreements. The United Arab Emirates ranked second at \$2.5 billion. Malaysia ranked third with \$2.1 billion.

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# Conventional Arms Transfers to Developing Nations, 1991-1998

## Introduction

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 1991 through 1998. It also includes some data on world-wide supplier transactions. It updates and revises the report entitled "Conventional Arms Transfers to Developing Nations, 1990-1997," published by the Congressional Research Service (CRS) on July 31, 1998 (CRS Report 98-647F).

The data in the report illustrate how global patterns of conventional arms transfers have changed in the post-Cold War and post-Persian Gulf War years. Relationships between arms suppliers and recipients continue to evolve in reaction to changing political, military, and economic circumstances. 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. During the period of this report, 1991-1998, conventional arms transfers to developing nations have comprised 69.4% of the value of all international arms transfers. In 1998, arms transfer *agreements*, which represent orders for future delivery, with developing nations fell notably from 1997 totals, but still comprised 57.3% of the value of all such agreements globally. The portion of agreements with developing countries constituted 66.4% of all agreements globally from 1995-1998. In the period from 1995-1998, *deliveries* of conventional arms to developing nations represented 76.7% of the value of all international arms deliveries. In 1998, arms deliveries to developing nations constituted over 77.8% of the value of all such arms deliveries worldwide.

The data in this new report completely supersede *all* data published in previous editions. Since these new data for 1991-1998 reflect potentially significant updates to and revisions in the underlying databases utilized for this report, only the data in the most recent edition should be used. The data are expressed in U.S. dollars for the *calendar* years indicated, and adjusted for inflation (see box notes on page 2). U.S. commercially licensed arms exports are noted separately (see box note on page 14). Excluded are arms transfers by any supplier to subnational groups.



### 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 publish data on U.S. arms transfers and deliveries but generally 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 through September 30). As a consequence, there are likely to be distinct differences noted in those published totals using a fiscal year basis and those provided in this report which uses a *calendar* year basis for its figures. Details regarding data used are outlined in footnotes at the bottom of **Tables 1, 2, 8 and 9**.

### CONSTANT 1998 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 1998 dollars. Although this helps to eliminate the distorting effects of U.S. inflation to permit a more accurate comparison of various dollar levels over time, the effects of fluctuating exchange rates are not 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, 2, 8 and 9**. **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 (1991-1994 and 1995-1998), 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 1998 was nearly \$23 billion. This is an increase in arms agreements values over 1997. This total, however, is substantially lower than most years since 1991--the period overlapping the end of the Cold War and the years of post-Persian Gulf war rearmament. **(chart 1)(table 8A)**.

In 1998, the United States led in arms transfer *agreements worldwide*, making agreements valued at \$7.1 billion (30.8% of all such agreements), up from \$5.7 billion in 1997. Germany ranked second with \$5.5 billion in agreements (23.9% of these agreements globally), up significantly from about \$600 million in 1997. France ranked third, as its arms transfer agreements worldwide dropped notably from \$5 billion in 1997 to \$3 billion in 1998. The United States, Germany, and France, collectively, made agreements in 1998 valued at \$15.6 billion, 67.8% of all international arms transfer agreements made by all suppliers **(figure 1)(tables 8A and 8B)**.

For the period 1995-1998, the total value of all international arms transfer agreements (about \$100.3 billion) has been notably less than the worldwide value during 1991-1994 (\$130.6 billion), a decline of 23.2%. As the worldwide arms transfer agreement totals have declined, so have those to the developing world. During the period 1991-1994, developing world nations accounted for 71.7% of the value of all arms transfer agreements made worldwide. During 1995-1998 developing world nations accounted for 66.4% of all arms transfer agreements made globally. In 1998, developing nations accounted for 57.3% of all arms transfer agreements made worldwide **(figure 1)(table 8A)**.

In 1998, the United States ranked first in the value of all international arms *deliveries*, making \$10.5 billion in such deliveries or 35.3%. This is the eighth 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. France ranked second in worldwide arms deliveries in 1998, making \$6.5 billion in such deliveries. The United Kingdom ranked third in 1998, making \$5.3 billion in such deliveries. These top three suppliers of arms in 1998 collectively delivered over \$22.3 billion, 74.9% of all arms delivered worldwide by all suppliers in that year. **(figure 2)(tables 9A and 9B)**.

The value of all international arms deliveries in 1998 was over \$29.8 billion. This is a notable decrease in the total value of arms deliveries from the previous year (\$37.8 billion). The total value of all such arms deliveries worldwide from 1995-1998 (\$131.2 billion) was a notable increase in the value of arms deliveries by all suppliers worldwide from 1991-1995 (about \$120.4 billion). **(figure 2)(tables 9A and 9B)(charts 10 and 11)**.

Developing world nations from 1995-1998 accounted for 76.7% of the value of all international arms deliveries. In the earlier period, 1991-1994, developing world nations accounted for 69.4% of the value of all arms deliveries worldwide. Most

recently, in 1998, developing nations collectively accounted for 77.8% of the value of all international arms deliveries (**figure 2**)(**tables 2A, 9A and 9B**).

Competition for available arms sales continues to intensify among major weapons suppliers. The limited resources of most developing nations to expend on weapons, and the need of many selling nations to secure cash for their weapons, continues to place constraints on significant expansion of the arms trade. Developed nations are likely to continue to seek to protect important elements of their own national military industrial bases, and, consequently, are likely to limit their weapons purchases from one another. In these circumstances, those nations that have effectively restructured and consolidated their defense industries seem most likely to be the key players in the international arms marketplace emerging in the post-Cold War era. Some traditional arms supplying nations may feel compelled to engage in more joint production ventures to maintain their defense industries. A continuing trend is the effort by various weapons exporters to maintain and expand arms sales to nations and regions where they have competitive advantages due to prior political/military ties to the prospective buyers. New arms sales opportunities may develop with some European nations in the new century due to the expansion of NATO, although, to date, marketing efforts have not resulted in major weapons sales to new NATO member states. The cost of new weaponry, and the limited financial resources of these new NATO members have been important impediments to significant new purchases. Such nations, therefore, may focus in the near term on upgrading their existing weapons systems in various ways that require fewer major financial outlays.

It is possible that some significant arms sales may develop in the Near East, Asia and Latin America, as individual countries attempt to replace older military equipment. However, much of the developing world has not recovered from recent major international financial problems. The 1997-1998 fall in the price of crude oil, which has only recently abated, created great financial difficulties for some Persian Gulf states. Saudi Arabia, in particular, has found itself in significant financial straits, given the various obligations it undertook during and after the 1990-1991 Persian Gulf war, domestic spending priorities, and the magnitude of the costs associated with its arms procurement program. Most recently, Saudi Arabia has even had problems meeting its monthly payments to the United States for existing weapons contracts, a situation that would have not seemed possible in the 1980s and early 1990s. Although in 1999 the price of crude oil has risen significantly, this fact does not necessarily mean that major oil producing nations in the developing world, in particular Saudi Arabia, will soon launch new and expensive weapons purchasing programs, given the debts it has accrued. Other Persian Gulf nations, most notably, the United Arab Emirates (U.A.E.), have made measured, but significant, purchases of advanced weapons systems. The sound financial situation of the U.A.E. has made it a key target for major arms suppliers, and has also given that nation significant leverage in bargaining over new arms contracts in the current environment. The Asian financial crisis of 1997 led to a major curtailment of planned weapons purchases by several nations in that region. While the economic situation in Asia appears to have stabilized somewhat, there does not yet appear to be a financial environment that would lead to resumption of most of the arms procurement plans that had been underway in several Asian nations when the financial crisis struck. Despite interest by some Latin American states in modernizing older military equipment, domestic budget constraints have so far curtailed implementation of such plans. The lack of sufficient

national funds and/or the scarcity of financing credits has also led other developing nations to defer or curtail purchases of weapons. This general international economic environment suggests that, in the near term, major weapons purchases will be by the few more affluent developing countries, and that much of the remainder of the weapons trade will be based on the upgrading and maintenance of existing weapons systems and related equipment.

## General Trends in Arms Transfers to Developing Nations

The value of all arms transfer *agreements* with developing nations in 1998 was nearly \$13.2 billion. This was the lowest total, in real terms, since 1991. The total value of new arms transfer agreements with developing nations has generally declined since 1993 (**chart 1)(figure 1)(table 1A**). In 1998, the value of all arms *deliveries* to developing nations (\$23.2 billion) was a substantial decrease from the value of 1997 deliveries values (\$30.3 billion (**charts 10 and 11)(table 2A**).

Recently, from 1995-1998, the United States, Russia and France have dominated the arms market in the developing world, with the United States and Russia making nearly the same level of arms transfer agreements. From 1995-1998, the United States made nearly \$15.6 billion in arms transfer agreements with developing nations, 23.4% of all such agreements. Russia, the second leading supplier during this period, made nearly \$15.6 billion in arms transfer agreements or 23.4%. France, the third leading supplier, made \$11.1 billion or 16.7% of all such agreements with developing nations during these years. In the earlier period,(1991-1994) as the Cold War was ending, the United States ranked first with nearly \$31 billion in arms transfer agreements with developing nations or 33.1%, France made nearly \$26.2 billion in agreements or about 28%. Russia made \$15.2 billion in arms transfer agreements during this period or 16.2% (**table 1A**).

Throughout the 1990s, most arms transfers to developing nations were made by two to three major suppliers in any given year. The United States has ranked either first or second among these suppliers every year from 1991-1998, with the sole exception of 1997. France has been the most consistent competitor for the lead in arms transfer agreements with developing nations, ranking first in 1992, 1994 and 1997. As competition over a shrinking international arms market intensifies, France seems more likely to rank higher in arms deals with developing nations than Russia, a supplying nation with seemingly more significant limitations in its prospective arms client base than other major western suppliers. Major arms suppliers like the United Kingdom and Germany may from time to time conclude significant orders with developing countries. Yet it seems that, at the turn of the new century, the United States is best positioned to lead in new arms agreements with developing nations. At the same time it seems likely that very large weapons orders from individual developing nations will be less frequent in the near term. As a consequence, the overall level of the arms trade is likely to remain fairly static in the foreseeable future, not approaching the sales levels of the Cold War or Persian Gulf war periods.

Nations in the tier of suppliers below the United States, France, Russia, and the United Kingdom—such as Germany, China, other European, and non-European suppliers have been sporadic participants in the arms trade with developing nations. Most of their annual arms transfer agreements totals during 1991-1998 are at

relatively low levels. Few of these countries are likely to be major suppliers of advanced weaponry on a sustained basis. With some exceptions, most of them are much more likely to make sales of less sophisticated and less expensive military equipment (**tables 1A, 1F, 1G, 2A, 2F and 2G**).

### **United States.**

In 1998, the total value, in real terms, of U.S. arms transfer agreements with developing nations rose significantly to about \$4.6 billion from \$2.6 billion in 1997. The U.S. share of the value of all such agreements was 34.7% in 1998, a substantial increase from 15.7% in 1997 (**charts 1, 3 and 4**)(**figure 1**) (**tables 1A and 1B**).

The increase in United States arms transfer agreements with developing nations in 1998 is primarily attributable to a large number of less costly purchases by key U.S. clients in the Near East. U.S. arms transfers to developing nations in 1998 reflect the continuation of established defense support arrangements, including weapons systems upgrades, training and support services, and the purchase of air-to-air, air-to-ground, and anti-ship missile systems, helicopters, spare parts and ammunition. Among such items sold by the United States in 1998 to Saudi Arabia were AIM-9L missile upgrades, 90mm weapons systems for armored vehicles, various support services to upgrade the capabilities of the Saudi Arabia National Guard (SANG), and the Saudi C3 system, among others. Egypt purchased CH-47D Chinook helicopters, support for co-production of M88A2 recovery vehicles, and AGM-84G Harpoon missiles. The Kuwait government ordered 2 Paladin artillery battalions, and a Patriot air defense system. Israel ordered AGM-142D missiles, AIM-120B AMRAAM missiles, and Harpoon missiles. The United Arab Emirates ordered RGM-84G Harpoon missiles. In Asia, South Korea purchased MK-41 vertical launch missiles systems and support, MLRS-ER Rocket Pods, MLRS spare parts, and F-16 aircraft modification kits. Taiwan purchased Harpoon missiles and MK-46 torpedoes. Singapore ordered KC-135 tanker upgrades and support services. Although new arms sales involving major weapons systems may develop for the United States as international economic conditions improve, in the near term it appears likely that an important component of U.S. arms transfers will continue to be upgrades, spare parts, missiles, ammunition, and training related to major weapons systems the United States has previously provided to its clients.

### **Russia.\***

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\* Russia is used throughout the text, tables and charts, although data for *all* years prior (continued...)

The total value of Russia's arms transfer agreements with developing nations fell from about \$3.2 billion in 1997, to \$1.4 billion in 1998, placing it fourth in such agreements with the developing world. Russia's share of all developing world arms transfer agreements decreased as well, falling from 18.9% in 1997 to 10.6% in 1998 (**charts 1 and 3**)(**figure 1**)(**tables 1A, 1B and 1G**).

Russia's arms transfer agreements totals with developing nations declined every year from 1995 until 1998, although during this four-year period it actually ranked second among all major suppliers to developing countries, making \$15 billion in agreements. Its arms agreements values ranged from a high of \$8.3 billion in 1991 to a low of \$1.3 billion in 1993 (in constant 1998 dollars). This decline in arms sales reflects the continuing 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 breakup of the Soviet Union at the end of 1991 terminated that practice. Russia now actively seeks to sell weapons as a means of obtaining hard currency. Some of Russia's former arms clients in the developing world continue to express interest in obtaining additional weaponry from it but have been restricted in this effort by a lack of funds to pay for these armaments.

Russia has confronted significant difficulties in making lucrative new sales of conventional weapons because most potential cash-paying arms purchasers have been longstanding customers of the United States or major West European suppliers. These prospective arms buyers are not likely to replace their weapons inventories with unfamiliar non-Western armaments when newer versions of existing equipment are readily available from traditional suppliers, even in an era of heightened competition. The difficult transition Russia has been making 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 can be reliable suppliers of the spare parts and support services needed to maintain weapons systems they sell.

But because Russia has had a wide range of armaments to sell, from the most basic to the highly sophisticated, and despite the internal problems evident in the Russian defense industrial sector, various developing countries view Russia as a potential source of their military equipment. Accordingly, Russia has made strong efforts to gain arms agreements with developing nations that can pay cash for their purchases, and the figures from 1994 through 1997 suggest Russia has had some success in doing so. During this period, Russia also made small 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, as well as U.S. pressure on Russia, recently has ceased to be a major purchaser of arms from

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\* (...continued)

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 1992-1998 are for *Russia* exclusively.

the Russians. Before the Cold War ended, Iran was a primary purchaser of Russian armaments, receiving such items as MiG-29 fighter aircraft, Su-24 fighter-bombers, T-72 tanks and Kilo class attack submarines. Syria, deeply in debt to Russia for earlier large-scale arms purchases from the former Soviet Union, is seeking newer Russian equipment but may not be able to afford it without financial assistance.

Since 1994, Russia's principal arms clients have been China and India. Among Russia's most notable arms deals during these years were the sale of 40 new Su-30MK fighter aircraft to India, a longstanding arms client. Russia's arms supplying relationship with China has also matured since 1994. By 1996, Russia had sold China at least 72 Su-27 fighter aircraft as well as four Kilo class attack submarines. Subsequently, a licensing agreement was finalized between Russia and China, permitting China to co-produce as many as 200 Su-27 aircraft. Russia also sold China two Sovremenny-class destroyers. Although there were no large new arms agreements with China or India in 1998, others may be in prospect as it appears that China, in particular, is a key component in Russia's arms export calculus for the immediate future (**table 1H**) (**chart 4**).

### **China.**

China emerged as an important arms supplier to developing nations in the 1980s, primarily 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 1997 at \$1.6 billion. From 1991 through 1998 the value of China's arms transfer agreements with developing nations has averaged about \$720 million annually. In 1998, the value of China's arms transfer agreements with developing nations was \$500 million. China has become, more recently, a major purchaser of arms, primarily from Russia.(**tables 1A, 1G and 1H**)(**chart 3**).

Since the end of the Iran-Iraq war, few clients with financial resources have sought to purchase Chinese military equipment, much of which is less advanced and sophisticated than weaponry available from Western suppliers and Russia. China does not appear likely to be a major supplier of conventional weapons in the international arms market in the foreseeable future. Reports have persisted in various publications that China has sold surface-to-surface missiles to a longstanding arms client, Pakistan. Iran and North Korea have also reportedly received Chinese missile technology. Such reports raise important questions about China's expressed commitment to the restrictions on missile transfers set out in the Missile Technology Control Regime (MTCR). With a need for hard currency and products (missiles) that some developing nations would like to obtain, China may pose an important problem for those seeking to stem proliferation of advanced missile systems into volatile areas of the developing world.

### **Major West European Countries.**

The four major West European suppliers (France, United Kingdom, Germany, and Italy), as a group, registered a slight decrease in their collective share of all arms transfer agreements with developing nations between 1997 and 1998. This group's share fell from 36.7% in 1997 to 35.7% in 1998. The collective value of this group's arms transfer agreements with developing nations in 1998 was \$4.7 billion compared with a total of over \$6.1 billion in 1997. Of these four, France was the principal supplier with \$2.4 billion in agreements, a notable decline from \$4.7 billion in 1997. However, in 1994 and 1997, France did rank first among all suppliers to developing nations. The French agreements total in 1998 was primarily based on a contract for the sale to the United Arab Emirates of 30 Mirage 2000-9 fighter aircraft. The United Kingdom registered a notable decline in arms agreements from over \$1 billion in 1997 to \$200 million in 1998. Italy registered a decline from \$300 million in 1997 to \$100 million in 1998. In 1997, Germany's agreements with developing nations were about \$100 million, but in 1998 they rose significantly to \$2 billion, based in part on a contract with Malaysia to build jointly the first six of 27 offshore patrol vessels (**charts 3 and 4**) (**tables 1A and 1B**).

As a group, the major West European suppliers held a 34.5% share of all arms transfer agreements with developing nations during the period from 1991-1998. Since the end of the Cold War, the major West European suppliers have generally maintained a notable share of arms transfer agreements. For the 1995-1998 period, they collectively held 28.6% of all arms transfer agreements with developing nations (over \$19 billion). Individual suppliers within the major West European group have had notable years for arms agreements, especially France in 1992, 1993, 1994 and 1997 (\$9.8 billion, \$4.3 billion, \$8.5 billion and \$4.7 billion respectively). The United Kingdom also had large agreement years in 1993 (\$2.6 billion) and 1996 (\$2.1 billion) (in constant 1998 dollars). For both nations, these totals have reflected the conclusion of a few large arms contracts with one or more major purchasers in a given year (**tables 1A and 1B**).

Major West European suppliers have had their competitive standing in weapons exports enhanced by historically strong government marketing support for foreign arms sales. Because they can produce both advanced and basic air, ground, and naval weapons systems, the four major West European suppliers have proven capable of competing successfully with the United States and Russia for arms sales contracts with developing nations. Nonetheless, a declining global marketplace for conventional weapons may make it more difficult for individual West European suppliers to secure large new weapons contracts with developing nations. Accordingly, some of these suppliers may decide not to compete for sales of some weapons categories, reducing or eliminating some categories they currently produce. Instead, they may seek joint production ventures with other key European weapons suppliers or purchasers in an effort to sustain key elements of their respective defense industrial bases.

## **Regional Arms Transfer Agreements**



In the Near East, 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 Near East nations such as Saudi Arabia, the United Arab Emirates, 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 perceived threats from a potentially hostile Iran. In Asia, efforts focused on upgrading and modernizing defense forces in several countries have led to important new conventional weapons sales in that region. Russia has also developed a significant role as principal supplier of advanced conventional arms to China. Data on regional arms transfer agreements from 1991-1998 continue to reflect the primacy of developing nations in the Near East and Asian regions as consumers of conventional weaponry.

### **Near East.**

The Near East has generally been the largest arms market in the developing world. In 1991-1994 it accounted for 60.8% of the total value of all developing nations arms transfer agreements (\$50.5 billion in current dollars). During 1995-1998, the region accounted for 44.2% of all such agreements (\$28.6 billion in current dollars) (**tables 1C and 1D**).

The United States has dominated arms transfer agreements with the Near East during the 1991-1998 time period with 42.3% of their total value (\$33.5 billion in current dollars). France was second during these years with 27.8% (\$22 billion in current dollars). Recently, from 1995-1998, the United States accounted for 35.1% of arms agreements with this region, (over \$10 billion in current dollars), while France accounted for 31.1% of the region's arms agreements (\$8.9 billion in current dollars), representing most of the arms transfer agreements by the major West European suppliers with the Near East (**chart 5**) (**tables 1C and 1E**).

### **Asia.**

Asia has generally been the second largest developing world arms market. In the earlier period (1991-1994), Asia accounted for 32.5% of the total value of all arms transfer agreements with developing nations (nearly \$27 billion in current dollars). During 1995-1998, the region accounted for 44.4% of all such agreements (\$28.7 billion in current dollars), which was fractionally higher than the 44.2% share (\$28.6 billion) held by Near East region during these same four years (**tables 1C and 1D**).

In the earlier period (1991-1994), France ranked first in the value of arms transfer agreements with Asia with over 35.9%. Russia ranked second with 25.2%. The major West European suppliers, as a group, made 48.5% of this region's agreements in 1991-1994. In the later period (1995-1998), Russia ranked first in Asian agreements with 40% on the strength of major aircraft sales to China and India. The United States ranked second with 15.8%. The major West European suppliers, as a group, made about 23.7% of this region's agreements in 1995-1998 (**chart 6**) (**table 1E**).

## Leading Developing Nations Arms Purchasers

Saudi Arabia has been, by a clear margin, the leading developing world arms purchaser from 1991-1998, making arms transfer *agreements* totaling \$32.2 billion during these years (in *current* dollars). In the 1991-1994 period, the value of its arms transfer agreements was high (\$24.3 billion). From 1995-1998, however, the total value of Saudi Arabia's arms transfer agreements dropped significantly to \$7.9 billion (in *current* dollars). This decline resulted from Saudi debt obligations stemming from the Persian Gulf war era, coupled with a significant fall in Saudi revenues caused by the notable decline in the market price of its oil. The total value of all arms transfer agreements with developing nations from 1991-1998 was about \$147.8 billion (in *current* dollars). Saudi Arabia alone was responsible for over 21.8% of all developing world arms transfer agreements during these eight years. In the most recent period--1995-1998--Saudi Arabia alone accounted for 12.3% of all developing world arms transfer agreements (\$7.9 billion out of \$64.4 billion in *current* dollars) (**chart 9**) (**tables 1, 1H, 1I and 1J**).

The values of the arms transfer *agreements* of the top ten developing world recipient nations in both the 1991-1994 and 1995-1998 time periods accounted for the major portion of the total developing nations arms market. During 1991-1994 the top ten collectively accounted for 91.9% of *all* developing world arms transfer agreements. During 1995-1998 the top ten collectively accounted for 72.4% of all such agreements. Arms transfer *agreements* with the top ten developing world recipients, as a group, totaled \$11.2 billion in 1998 or 85% of all arms transfer agreements with developing nations in that year. This reflects the continued concentration of major arms purchases in a few nations. (**tables 1, 1I and 1J**).

Saudi Arabia ranked first among all developing world recipients in the value of arms transfer *agreements* in 1998, concluding \$2.7 billion in such agreements. The United Arab Emirates (UAE) ranked second in agreements in 1998 at \$2.5 billion. Malaysia ranked third with \$2.1 billion in agreements (**table 1J**).

Saudi Arabia was the leading recipient of arms *deliveries* among developing world recipients in 1998, receiving \$8.7 billion in such deliveries. Saudi Arabia alone received 37.5% of the total value of all arms deliveries to developing nations in 1998. Taiwan ranked second in arms deliveries in 1998 with \$5 billion; Singapore ranked third with \$1.6 billion (**tables 2 and 2J**).

Arms *deliveries* to the top ten developing nation recipients, as a group, constituted \$23 billion, or 99.1% of all arms deliveries to developing nations in 1998. Six of the top ten recipients were in the Near East 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 some non-European suppliers, including China, are capable of being leading suppliers of selected types of conventional armaments to developing nations (**tables 3-7**) (pages 69-73).

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 **1995-1998** from **table 5** (page 71):

**United States.**

- 817 tanks and self-propelled guns
- 69 artillery pieces
- 2,727 APCs and armored cars
- 13 minor surface combatants
- 126 supersonic combat aircraft
- 90 helicopters
- 1,284 surface-to-air missiles (SAMs)
- 287 anti-ship missiles

**Russia.**

- 290 tanks and self-propelled guns
- 610 APCs and armored cars
- 1 submarine
- 10 supersonic combat aircraft
- 90 helicopters
- 140 surface-to-air missiles (SAMs)

**China.**

- 8 guided missile boats
- 10 supersonic combat aircraft
- 120 anti-ship missiles

**Major West European suppliers.**

- 220 tanks and self-propelled guns
- 340 APCs and armored cars
- 2 major surface combatants
- 14 minor surface combatants
- 8 guided missile boats
- 30 supersonic combat aircraft
- 350 surface-to-air missiles (SAMs)
- 20 anti-ship missiles

**All Other European suppliers.**

- 200 tanks and self-propelled guns
- 880 APCs and armored cars
- 2 major surface combatants
- 15 minor surface combatants
- 10 supersonic combat aircraft

**All Other suppliers.**

- 3 minor surface combatants
- 30 surface-to-air-missiles

Large numbers of major combat systems were delivered to the Near East region from 1995-1998, in particular, tanks and self-propelled guns, armored vehicles, minor surface combatants, artillery pieces, supersonic combat aircraft, helicopters, air defense and anti-ship missiles. The United States made significant deliveries of supersonic combat aircraft to the region. Russia, the United States, and European suppliers generally 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 1995-1998 period. The cost of naval combatants is generally high, and suppliers of such systems during this period had their deliveries values totals notably increased due to these transfers. Some of the less expensive weapons systems delivered to the Near East are deadly and can create important security threats within the region. In particular, from 1995-1998, the United States delivered 287 anti-ship missiles; China delivered 120. China also delivered 8 guided missile boats, as did the major West European suppliers collectively.

## 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

U.S. *commercial* sales and deliveries data are *excluded from the main data tables*. This is done because the data maintained on U.S. commercial sales agreements and deliveries are incomplete, and not collected or revised on an on-going basis, making them 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 involving weapons systems. There are no official compilations of *commercial agreement* data comparable to that for the FMS program maintained on an annual basis. Once an exporter receives from the State Department a *commercial license approval*—valid for four years—there is no current requirement that the exporter provide the State Department, on a systematic and on-going basis, with comprehensive details regarding any sales contract that may result from the license approval, including if any such contract is reduced in scope or canceled. 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 also much less systematic and much less timely than that taken by the Department of Defense for government-to-government transactions.

The annual *rank* of the United States in deliveries to *developing* nations in the period from 1991-1998 has possibly been affected—in a couple of prior years—by exclusion of the existing data on U.S. commercial arms *deliveries* to those nations (see **table 2**). Since the total values of all U.S. deliveries are understated by exclusion of commercial arms *deliveries* figures, those commercial data are provided here to complete this element 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 1991-1998, in *current* dollars, according to the State Department, were as follows:

<b>FY 1991</b>	<b>\$1, 644,000,000</b>
<b>FY 1992</b>	<b>\$627,000,000</b>
<b>FY 1993</b>	<b>\$701,000,000</b>
<b>FY 1994</b>	<b>\$818,000,000</b>
<b>FY 1995</b>	<b>\$908,000,000</b>
<b>FY 1996</b>	<b>\$461,000,000</b>
<b>FY 1997</b>	<b>\$276,000,000</b>
<b>FY 1998</b>	<b>\$151,000,000</b>

## Summary of Data Trends, 1991-1998

**Tables 1 through 1J** (pages 44-54) present data on arms transfer *agreements* with *developing* nations by major suppliers from 1991-1998. 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 55-65). **Tables 8, 8A and 8B** (pages 77-79) provide data on *worldwide* arms transfers *agreements* from 1991-1998, while **Tables 9, 9A and 9B** (pages 80-82) 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.

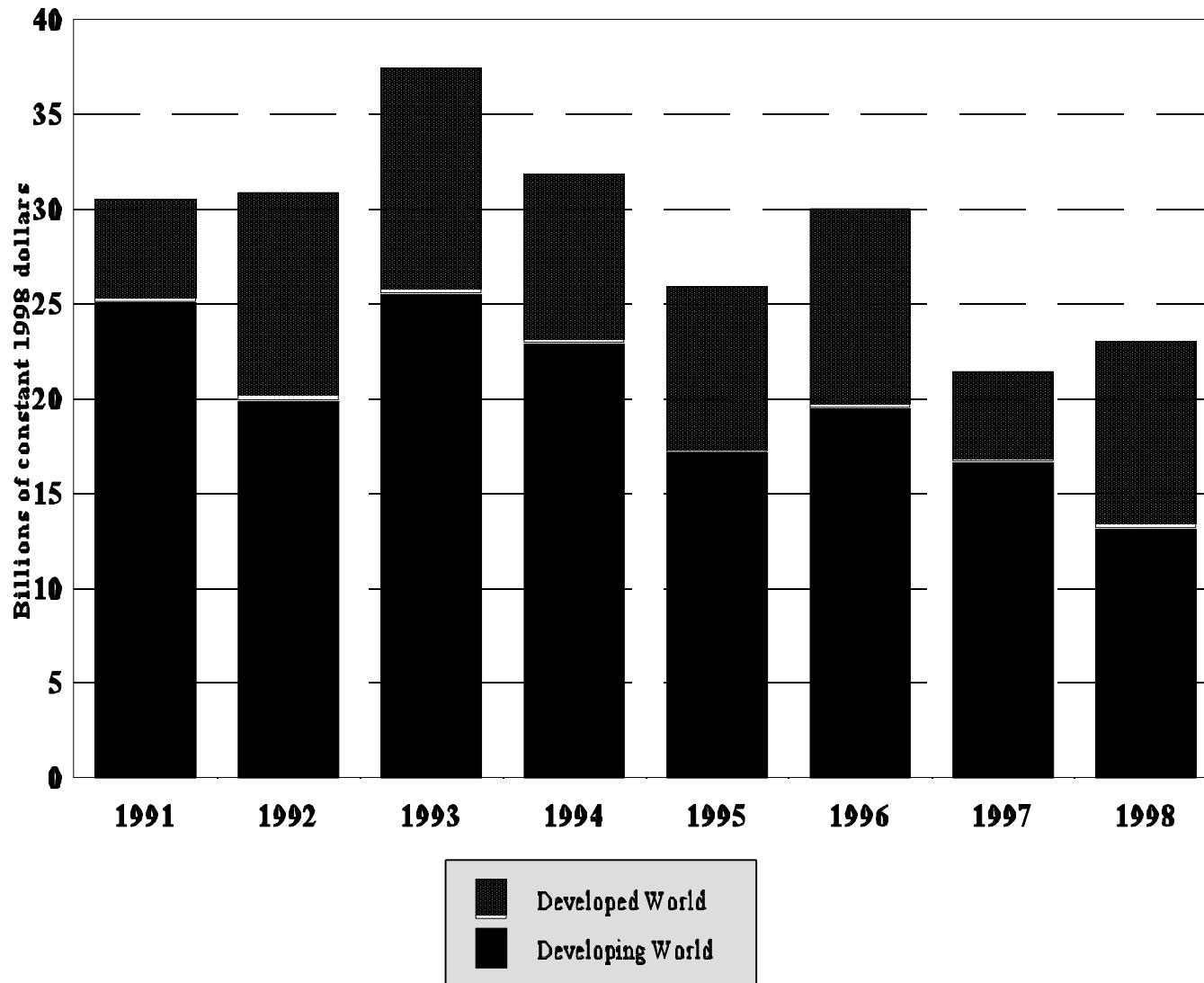
What follows is a detailed summary of data trends from the tables in the report. The summary statements also reference tables and/or charts pertinent to the point(s) noted.

### Total Developing Nations Arms Transfer Agreement Values

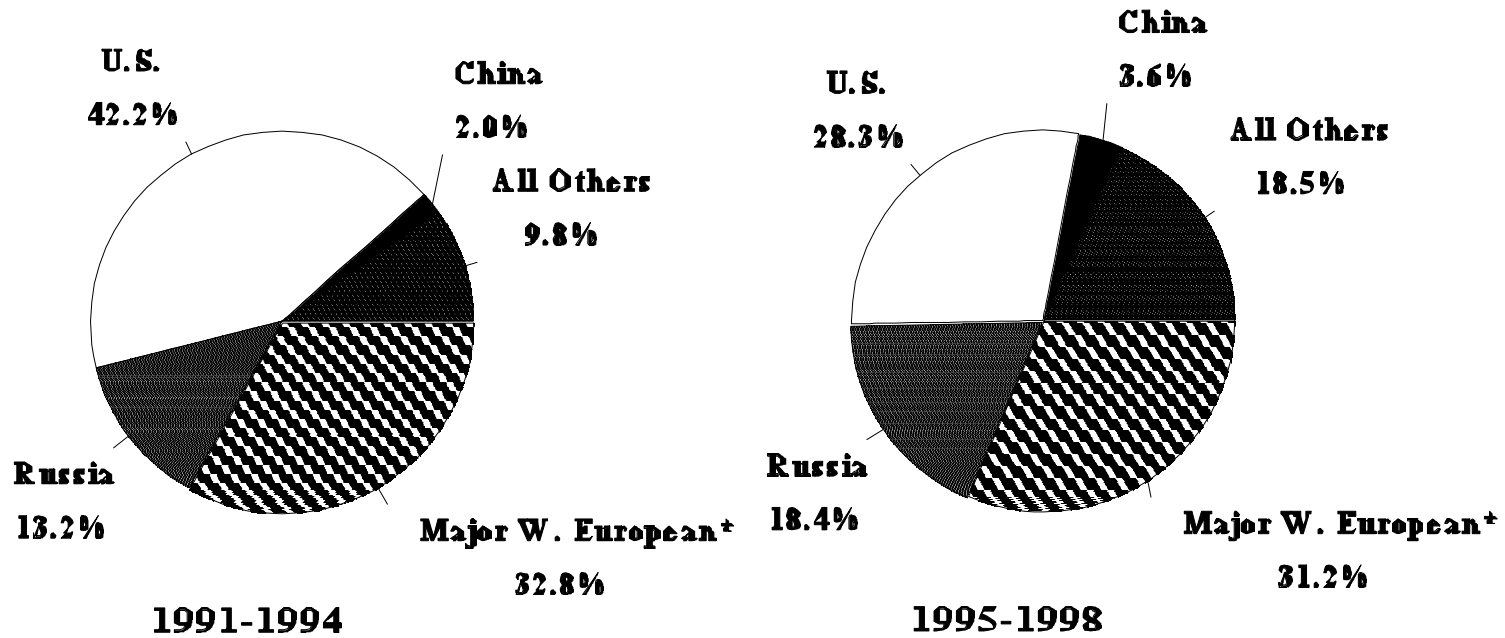
**Table 1** shows the annual *current* dollar values of arms transfer agreements with developing nations. Since these figures do not allow for the effects of inflation, they are, by themselves, of somewhat limited use. They provide, however, the data from which **tables 1A** (constant dollars) **and 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 1998 was nearly \$13.2 billion. This was the lowest total, in real terms, for arms transfer agreements with developing nations since 1991 (**tables 1 and 1A**) (**chart 1**).
- The total value of United States agreements with developing nations rose significantly from \$2.6 billion in 1997, to about \$4.6 billion in 1998. The United States' share of all developing world arms transfer agreements increased from 15.7% in 1997, to 34.7% in 1998 (**tables 1A and 1B**) (**chart 3**).
- In 1998, the total value, in real terms, of Russian arms transfer agreements with developing nations declined from the previous year, falling from about \$3.2 billion in 1997 to \$1.4 billion in 1998. The Russian share of all such agreements fell from 18.9% in 1997 to 10.6% in 1998 (**charts 3 and 4**) (**tables 1A and 1B**).

### Arms Transfer Agreements Worldwide 1991-1998 Developed and Developing Worlds Compared



# Arms Transfer Agreements Worldwide (Supplier Percentage of Value)

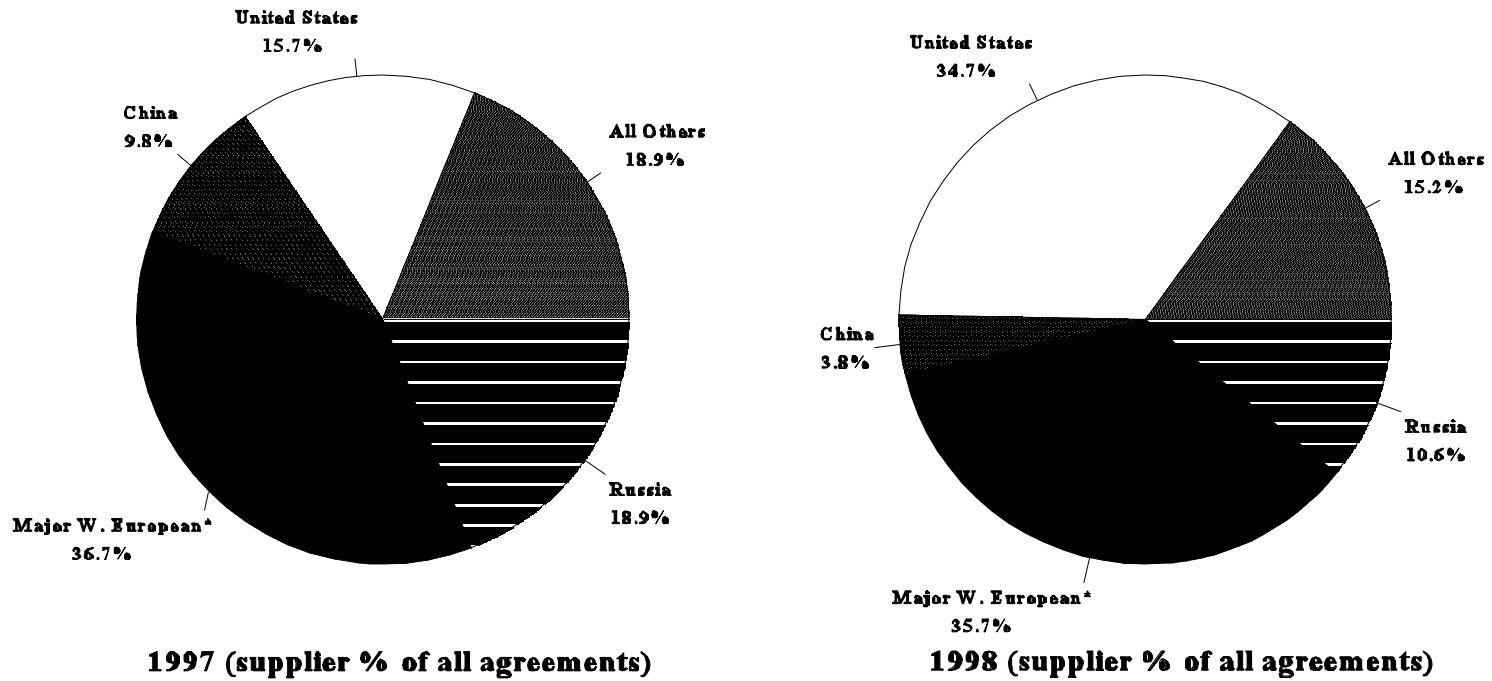


\* (France, United Kingdom, Germany and Italy)



Chart 3

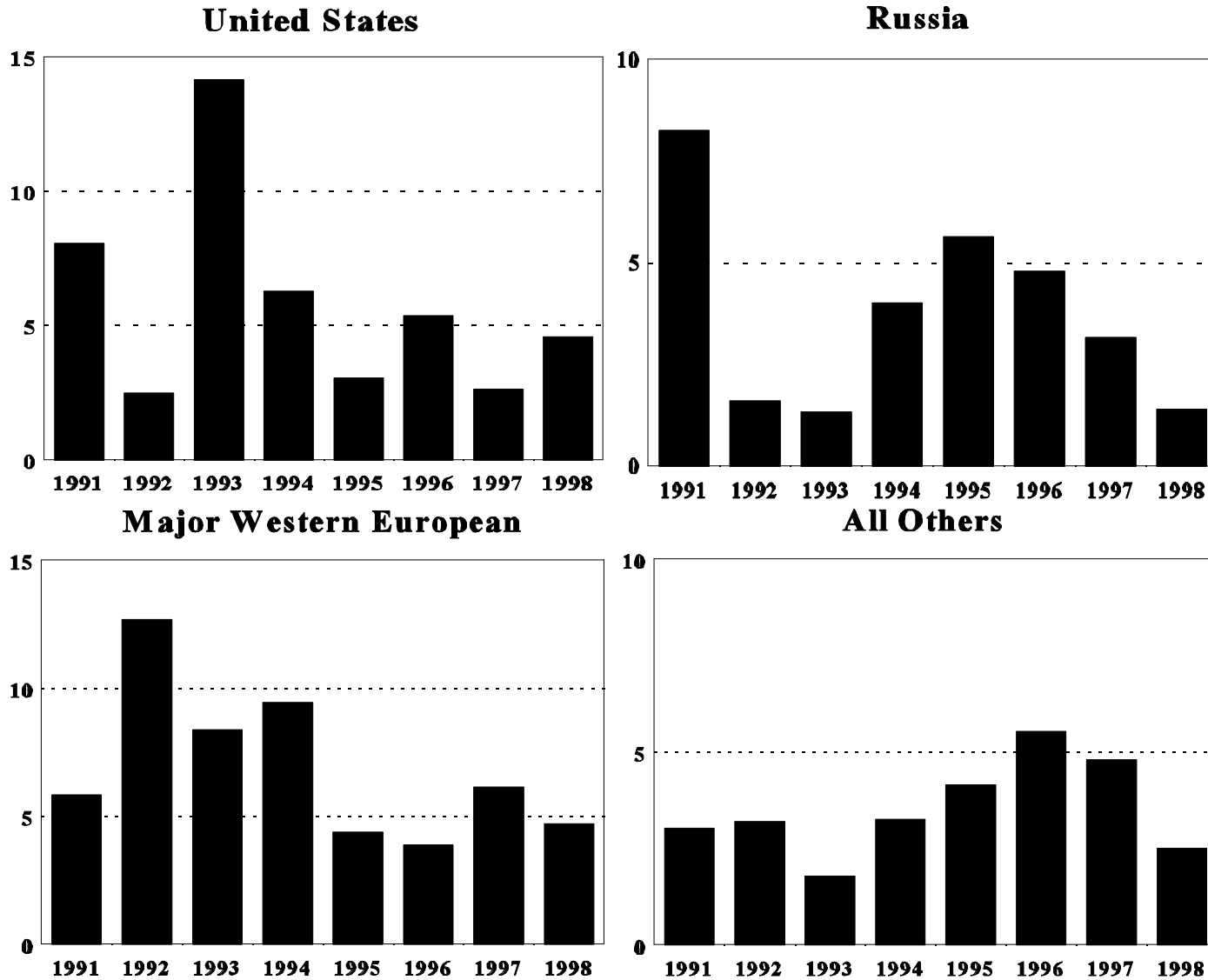
## Arms Transfer Agreements With Developing Nations



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

**Chart 4**  
**Arms Transfer Agreements With Developing Nations, 1991-1998: By Major Supplier**

(billions of constant 1998 dollars)



**Figure 1. Worldwide Arms Transfer Agreements, 1991-1998 and Suppliers' Share With Developing World (in millions of constant 1998 U.S. dollars)**

<b>Supplier</b>	<b>Worldwide Agreements Value 1991-1994</b>	<b>Percentage of Total with Developing World</b>
United States	55,130	56.20
Russia	17,192	88.40
France	28,980	90.40
United Kingdom	6,381	89.50
China	2,580	100.00
Germany	5,968	51.60
Italy	1,579	78.30
All Other European	8,650	65.00
All Others	4,161	73.10
<b>TOTAL</b>	<b>130,621</b>	<b>71.70</b>

<b>Supplier</b>	<b>Worldwide Agreements Value 1995-1998</b>	<b>Percentage of Total with Developing World</b>
United States	28,430	54.90
Russia	18,456	81.20
France	13,678	81.20
United Kingdom	7,964	49.50
China	3,586	88.60
Germany	6,748	35.90
Italy	2,891	54.20
All Other European	10,781	78.90
All Others	7,770	67.90
<b>TOTAL</b>	<b>100,304</b>	<b>66.40</b>

<b>Supplier</b>	<b>Worldwide Agreements Value 1998</b>	<b>Percentage of Total with Developing World</b>
United States	7,081	64.50
Russia	1,700	82.40
France	3,000	80.00
United Kingdom	1,200	16.70
China	700	88.60
Germany	5,500	36.40
Italy	1,000	10.00
All Other European	1,600	62.50
All Others	1,200	83.30
<b>TOTAL</b>	<b>22,981</b>	<b>57.30</b>

- The four major West European suppliers, as a group (France, United Kingdom, Germany and Italy), registered a slight decrease in their collective share of all arms transfer agreements with developing nations between 1997 and 1998. This group's share fell from 36.7% in 1997 to 35.7% in 1998. The collective value of this group's arms transfer agreements with developing nations in 1997 was about \$6.1 billion compared with a total of \$4.7 billion in 1998 (**tables 1A and 1B**) (**charts 3 and 4**).
- France registered a notable decline in its share of all arms transfer agreements with developing nations, falling from 28.1% in 1997 to 18.2% in 1998. The value of its agreements with developing nations fell from \$4.7 billion in 1997 to \$2.4 billion in 1998 (**tables 1A and 1B**).
- In 1998 the United States ranked first in arms transfer agreements with developing nations at \$4.6 billion. France ranked second at \$2.4 billion, while Germany ranked third at \$2 billion (**charts 3 and 4**) (**tables 1A, 1B and 1G**).

### Regional Arms Transfer Agreements, 1991-1998

**Table 1C** gives the values of arms transfer agreements between suppliers and individual regions of the developing world for the periods 1991-1994 and 1995-1998. 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 1991-1994 and 1995-1998. Among the facts reflected in these tables are the following:

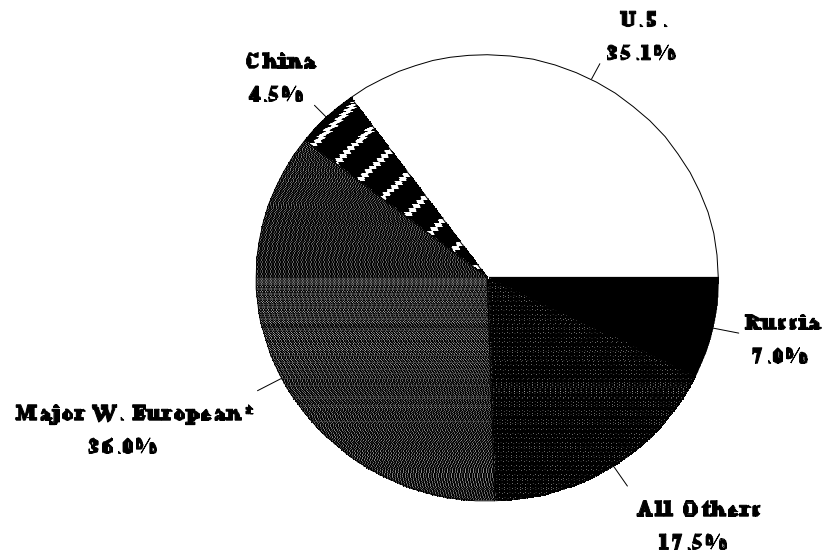
#### Near East.

- The Near East has generally been the largest regional arms market in the developing world. In 1991-1994 it accounted for 60.8% of the total value of all developing nations arms transfer agreements (\$50.5 billion in current dollars). During 1995-1998, the region accounted for 44.2% of all such agreements (\$28.6 billion in current dollars)(**tables 1C and 1D**).
- The United States has dominated arms transfer agreements with the Near East during the 1991-1998 time period with 42.3% of their total value (\$33.5 billion in current dollars). France was second during these eight years with 27.8% (\$22 billion in current dollars). Most recently, from 1995-1998, the United States accounted for 35.1% of all arms transfer agreements with the Near East region (over \$10 billion in current dollars). France accounted for 31.1% of agreements with this region (\$8.9 billion in current dollars). (**chart 5**) (**tables 1C and 1E**).

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

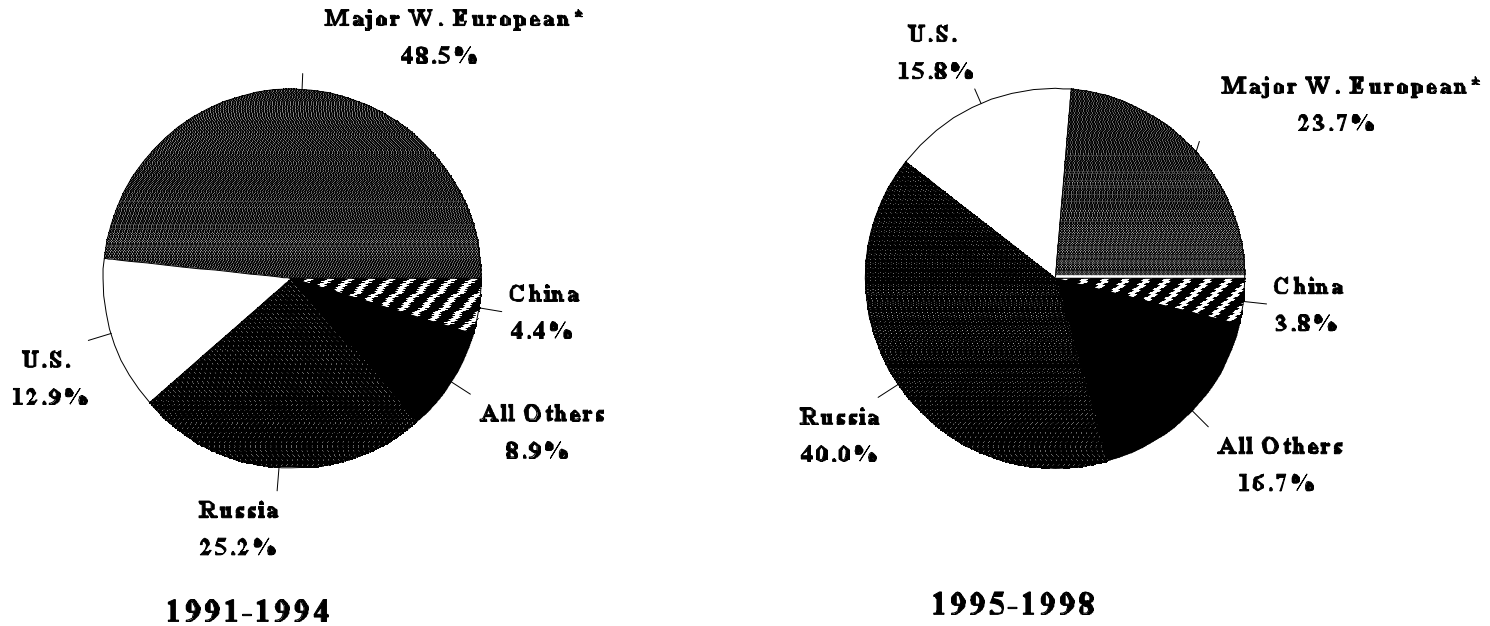
**ARMS TRANSFER AGREEMENTS, 1995-1998  
WITH NEAR EAST**



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

- For the period 1991-1994, the United States concluded 84.6% of its developing world arms transfer agreements with the Near East. In 1995-1998, the U.S. concluded 66.3% of its arms agreements with this region (**table 1D**).
- For the period 1991-1994, the four major West European suppliers collectively made 55.8% of their arms transfer agreements with the Near East. In 1995-1998, the major West Europeans made 54.8% of their arms agreements with the Near East (**table 1D**).
- For the period 1991-1994, France concluded 56.2% of its developing world arms transfer agreements with the Near East. In 1995-1998, France made 81.7% of its developing world agreements with the Near East (**table 1D**).
- For the period 1991-1994, the United Kingdom concluded 51% of its developing world arms transfer agreements with the Near East. In 1995-1998, the United Kingdom concluded 32.4% of its developing world agreements with the Near East (**table 1D**).
- For the period 1991-1994, China concluded 43.5% of its developing world arms transfer agreements with nations in the Near East. For the more recent period, 1995-1998, China concluded 41.9% of its developing world arms transfer agreements with nations in the Near East (**table 1D**).
- For the period 1991-1994, Russia concluded 38.8% of its developing world arms transfer agreements with the Near East region. For the period 1995-1998, Russia concluded 13.9% of its developing world arms transfer agreements with the Near East region (**table 1D**).
- In the earlier period (1991-1994), the United States ranked first in arms transfer agreements with the Near East with 46.4%. France ranked second with 25.9%. Russia ranked third with 10.3%. The major West European suppliers, as a group, made 35.4% of this region's agreements in 1991-1994. In the later period (1995-1998), the United States ranked first in Near East agreements with 35.1%. France ranked second with 31.1%. The major West European suppliers, as a group, made 36% of this region's agreements in 1995-1998 (**table 1E**) (**chart 5**).

# Arms Transfer Agreements With Asia (Supplier Percentage of Value)



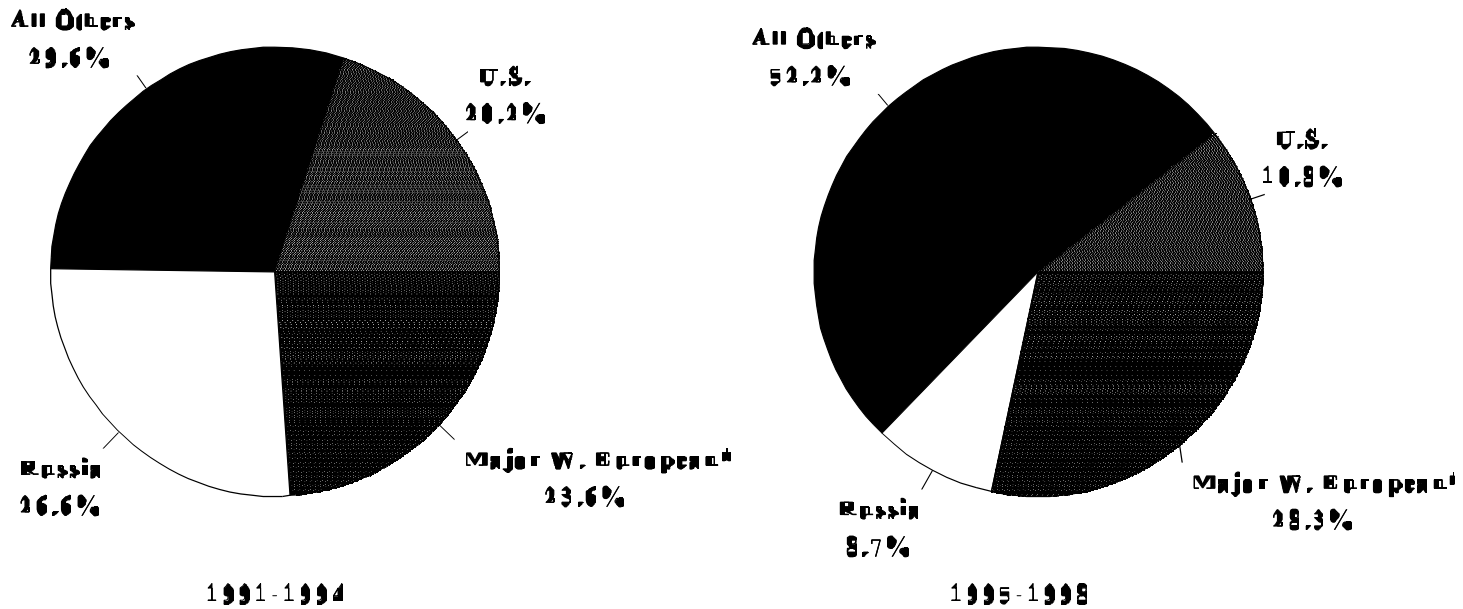
\*(France, United Kingdom, Germany and Italy)

**Asia.**

- Asia has generally been the second largest arms market in the developing world. In the 1991-1994 period Asia accounted for 32.5% of all arms transfer agreements with developing nations (nearly \$27 billion in current dollars). In the more recent period, 1995-1998, it accounted for nearly 44.4% of all developing nations arms transfer agreements (\$28.8 billion in current dollars) (**tables 1C and 1D**).
- In the earlier period (1991-1994), France ranked first in arms transfer agreements with Asia with over 35.9%. Russia ranked second with 25.2%. The major West European suppliers, as a group, made 48.5% of this region's agreements in 1991-1994. In the later period (1995-1998), Russia ranked first in Asian agreements with 40% on the strength of major aircraft and naval vessel sales to China and India. The United States ranked second with 15.8%. The major West European suppliers, as a group, made about 23.7% of this region's agreements in 1995-1998 (**chart 6**) (**table 1E**).



# Arms Transfer Agreements With Latin America (Supplier Percentage Of Value)



\* (Belgium, United Kingdom, Germany and Italy)

### **Latin America.**

- In the earlier period (1991-1994), Russia ranked first in arms transfer agreements with Latin America with 26.6%. The United States ranked second with 20.2%. The major West European suppliers, as a group, made 23.7% of this region's agreements in 1991-1994. In the later period (1995-1998), France and Italy tied for first with 10.9% each. The United States ranked a close second with 10.8%. Russia was third with 8.7%. The major West European suppliers, as a group, made 28.3% of this region's agreements in 1995-1998. Latin America registered an increase in the total value of its arms transfer agreements from 1991-1994 to 1995-1998, rising from about \$3.4 billion in the earlier period to nearly \$4.6 billion in the latter.(**chart 7**) (**tables 1C and 1E**).

### **Africa.**

- In the earlier period (1991-1994), Russia ranked first in agreements with Africa with 23% (\$500 million in current dollars). France was second with 9.2% . The major West European suppliers, as a group, made 13.8% of this region's agreements in 1991-1994. The United States made 3.4%. In the later period (1995-1998), China ranked first with 21.7%. Russia ranked second with 18.1% (\$600 million). The major West European suppliers, as a group, made nearly 14.5% of this region's agreements in 1995-1998. Africa registered an increase in the total value of its arms transfer agreements from 1991-1994 to 1995-1998, rising from about \$2.2 billion in the earlier period to about \$2.8 billion in the latter (in current dollars). This comparatively low level of arms agreements reflects the ending of major Cold War related conflicts in this region (**tables 1C and 1E**).

## **Arms Transfer Agreements With Developing Nations, 1991-1998: Leading Suppliers Compared**

**Table 1F** gives the values of arms transfer agreements with the developing nations from 1991-1998 by the 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—1991-1994, 1995-1998 and 1991-1998. 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 1995-1998 (\$15.1 billion), and first for the entire period from 1991-1998 (\$42.8 billion).
- Russia ranked second among all suppliers to developing nations in the value of arms transfer agreements from 1995-1998 (\$14.4 billion), and third from 1991-1998 (\$27.8 billion).
- France ranked third among all suppliers to developing nations in the value of arms transfer agreements from 1995-1998 (\$10.8 billion), and second from 1991-1998(\$34.2 billion).

- The United Kingdom ranked fourth among all suppliers to developing nations in the value of arms transfer agreements from 1995-1998 (\$3.8 billion), and fourth from 1991-1998 (\$8.9 billion).
- China ranked fifth among all suppliers to developing nations in the value of arms transfer agreements from 1995-1998 (\$3.1 billion), and fifth from 1991-1998 (\$5.4 billion).

### **Arms Transfer Agreements With Developing Nations in 1998: Leading Suppliers Compared**

**Table 1G** ranks and gives the values of 1998 arms transfer agreements with developing nations by the top eleven suppliers in *current* U.S. dollars. Among the facts reflected in this table are the following:

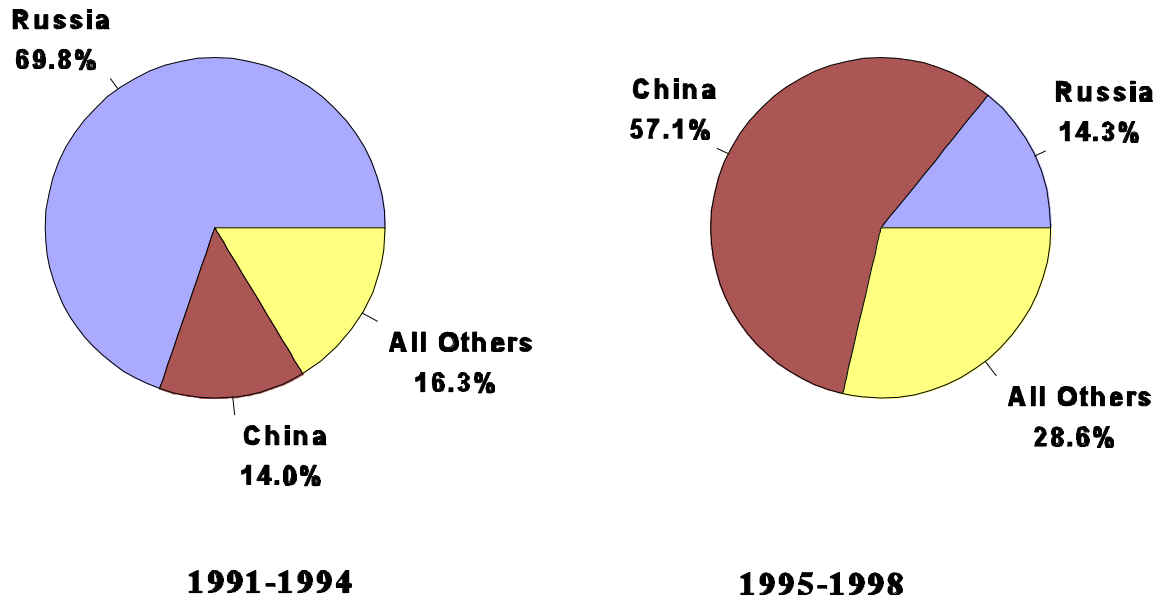
- The United States, France, and Germany, the year's top three arms suppliers to developing nations—ranked by the value of their arms transfer agreements—collectively made agreements in 1998 valued at nearly \$9 billion, 68.1% of all arms transfer agreements made with developing nations by all suppliers.
- In 1998, the United States was the clear leader in arms transfer agreements with developing nations, making \$4.6 billion in such agreements, or 34.7% of them.
- France ranked second and Germany third in arms transfer agreements with developing nations in 1998, making \$2.4 billion and \$2 billion in such agreements respectively.
- Russia ranked fourth in arms transfer agreements with developing nations in 1998, making \$1.4 billion in such agreements, while Israel ranked fifth with \$500 million.

## Arms Transfer Agreements With Near East 1991-1998: 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 1991-1994 and 1995-1998. 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:

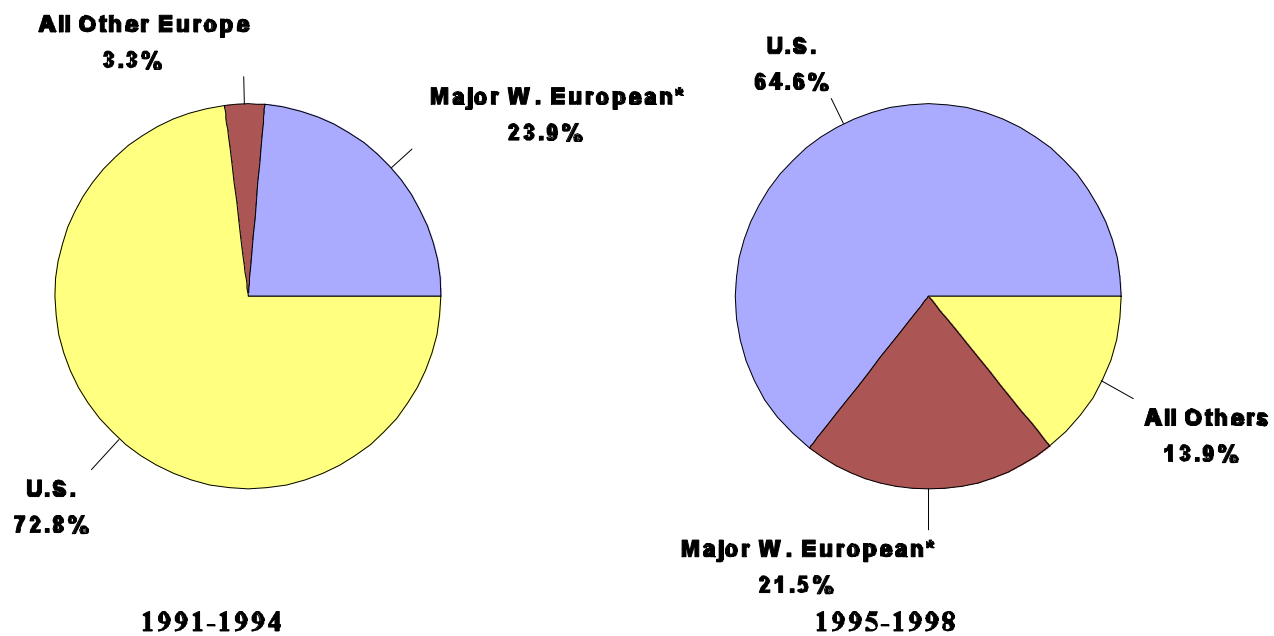
- For the most recent period, 1995-1998, the principal purchasers of U. S. arms in the Near East region, based on the value of agreements, were: Saudi Arabia (\$5.1 billion), Egypt (\$4.5 billion) and Israel (\$2.6 billion). The principal purchasers of Russian arms were: Algeria, Egypt and the U.A.E. (\$400 million each). The principal purchasers of arms from China were: Iran (\$800 million), Algeria and Kuwait (\$200 million each). The principal purchasers of arms from the four major West European suppliers, as a group, were: the United Arab Emirates (\$6 billion), Saudi Arabia (\$1.7 billion), and Qatar (\$900 million). The principal purchasers of arms from all other European suppliers collectively were: Saudi Arabia, Algeria, and the U.A.E. (\$800 million each). The principal purchasers of arms from all other suppliers, as a group, was Saudi Arabia (\$300 million).
- For the period from 1995-1998, Saudi Arabia made \$7.9 billion in arms transfer agreements. Its principal suppliers were: the United States (\$5.1 billion), the four major West European suppliers, as a group, (\$1.7 billion) and all other European suppliers collectively (\$800 million). The United Arab Emirates made \$7.4 billion in arms transfer agreements. The major West Europeans were its largest supplier (\$6 billion). Egypt made \$5 billion in arms transfer agreements. Its major supplier was the United States (\$4.5 billion). Israel made \$2.9 billion in arms transfer agreements. Its principal supplier was the United States (\$2.6 billion).
- The total value of arms transfer agreements by Russia to the Near East fell dramatically from the 1991-1994 period to the 1995-1998 period. The largest decline involved arms agreements with Iran, falling from \$3 billion to \$200 million. China's arms transfer agreements with Iran rose from \$600 million to \$800 million (**chart 8**).
- The value of arms transfer agreements by the United States with Saudi Arabia fell significantly from the 1991-1994 period to the 1995-1998 period, declining from \$17.7 billion in the earlier period to \$5.1 billion in the later period. Saudi Arabia made 64.6% of its arms transfer agreements with the United States during 1995-1998. Meanwhile, arms transfer agreements with Saudi Arabia by the major West European suppliers also decreased significantly from 1991-1994 to 1995-1998, falling from \$5.8 billion to \$1.7 billion in current dollars (**chart 9**).

### Arms Transfer Agreements with Iran (Supplier Percentage of Value)



\*France, United Kingdom, Germany and Italy

### Arms Transfer Agreements with Saudi Arabia (Supplier Percentage of Values)



\*France, United Kingdom, Germany and Italy

## Arms Transfers to Developing Nations, 1991-1998: 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 1991-1998 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—1991-1994, 1995-1998 and 1991-1998. Among the facts reflected in this table are the following:

- Saudi Arabia has been, by a clear margin, the leading developing world purchaser of arms from 1991-1998, making *agreements* totaling \$32.2 billion during these years. The total value of all arms transfer agreements with developing nations from 1991-1998 was \$147.8 billion in *current* dollars. Saudi Arabia alone was responsible for over 21.8% of all developing world arms transfer agreements during these eight years. In the most recent period--1995-1998--Saudi Arabia alone accounted for 12.3% of all developing world arms transfer agreements (\$7.9 billion out of nearly \$64.4 billion in *current* dollars) (**tables 1, 1H, 1I and 1J**)(**chart 9**).
- During 1991-1994, the top ten recipients collectively accounted for 91.9% of *all* developing world arms transfer agreements. During 1995-1998 the top ten collectively accounted for 72.4% of all such agreements. In 1998, the top ten recipients collectively accounted for 85% of all such agreements (**Tables 1, 1I and 1J**).

## Arms Transfers to Developing Nations in 1998: Agreements With Leading Recipients

**Table 1J** names the top ten developing world recipients of arms transfer agreements in 1998. The table ranks these recipients on the basis of the total **current** dollar values of their respective agreements with *all* suppliers in 1998. Among the facts reflected in this table are the following:

- Six of the top ten developing world recipients of arms transfer agreements in 1998 were in the Near East. Three were in Asia.
- Saudi Arabia ranked first among all developing nations recipients in the value of arms transfer agreements in 1998, concluding \$2.7 billion in such agreements. The United Arab Emirates (U.A.E.) was second with \$2.5 billion. Malaysia was third with \$2.1 billion.
- Arms transfer agreements with the top ten developing world recipients, as a group, in 1998 totaled \$11.2 billion or 85% of all such agreements with the developing world. This reflects a continuing concentration of total developing world arms purchases within relatively few countries. (**Tables 1 and 1J**).

## Developing Nations Arms Delivery Values

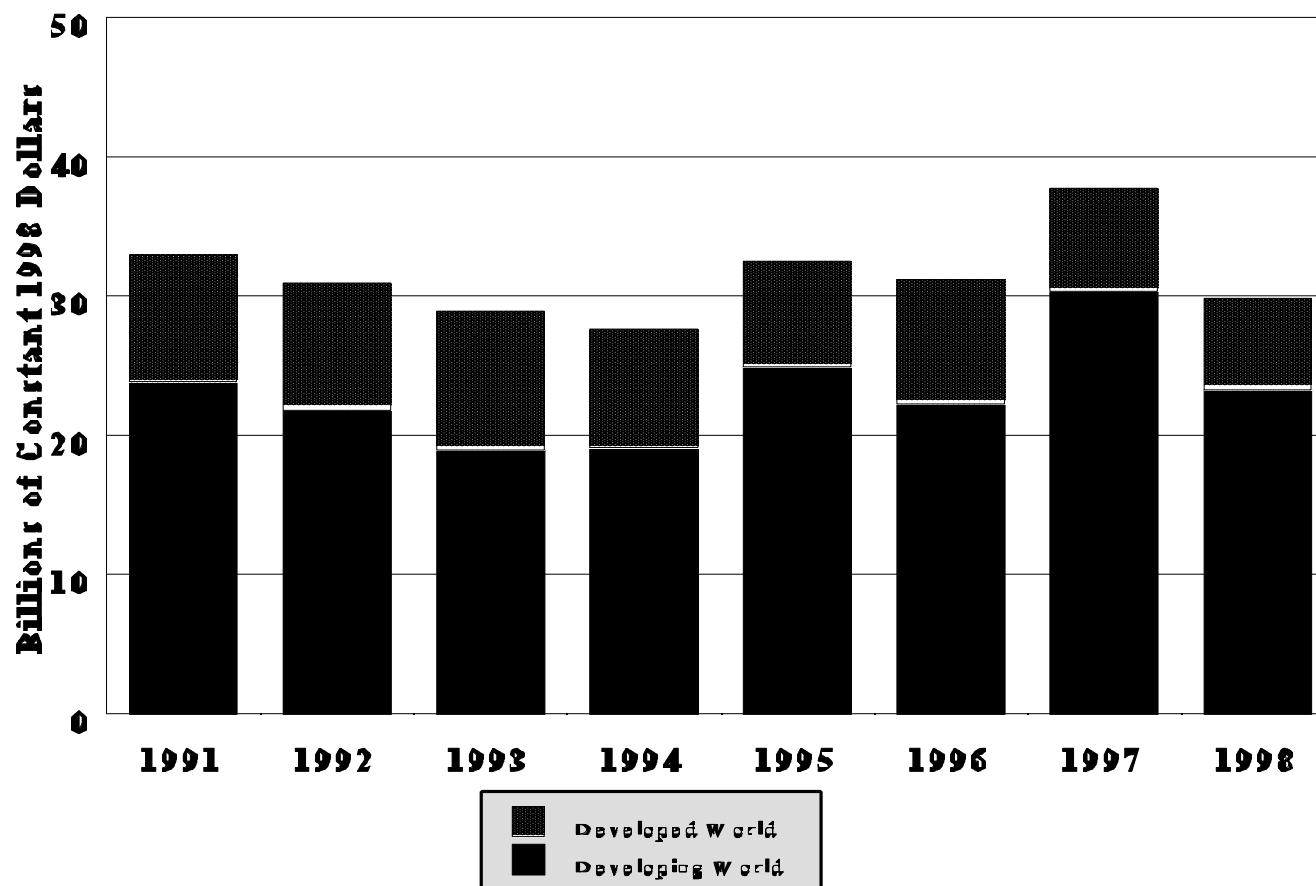
**Table 2** shows the annual *current* dollar values of arms *deliveries* (items actually transferred) to developing nations by major suppliers from 1991-1998. The utility of these particular data is that they reflect transfers that have occurred. They provide the data from which **tables 2A** (constant dollars) **and 2B** (supplier percentages) are derived. Some of the more notable facts illustrated by these data are summarized below.

- In 1998, the value of all arms deliveries to developing nations ( \$23.2 billion) was a substantial decrease in deliveries values from the previous year, (\$30.3 billion) when measured in constant 1998 dollars (**charts 10 and 11**)(**table 2A**).
- The U.S. share of all deliveries to developing nations in 1998 was 33.6%, down from 36.3% in 1997. In 1998, the United States, for the second year in a row, ranked first in the value of arms deliveries to developing nations (in constant 1998 dollars), reflecting continuing implementation of Persian Gulf war era arms transfer agreements. France's share of all arms deliveries to developing nations in 1998 was 26.7%, up from 18.9% in 1997. The share of major West European suppliers deliveries to developing nations in 1998 was 49.6%, up from 40.8% in 1997 (**tables 2A and 2B**).
- The total value of all arms deliveries by all suppliers to developing nations from 1995-1998 (over \$100.6 billion in constant 1998 dollars) was significantly higher than the value of arms deliveries by all suppliers to developing nations from 1991-1994 (nearly \$83.6 billion in constant 1998 dollars), an increase of 20.4% (**table 2A**).
- During the years 1991-1998, arms deliveries to developing nations comprised 73.2% of all arms deliveries worldwide. In 1998, the percentage of arms deliveries to developing nations was 77.8% of all arms deliveries worldwide (**tables 2A and 9A**) (**figure 2**).

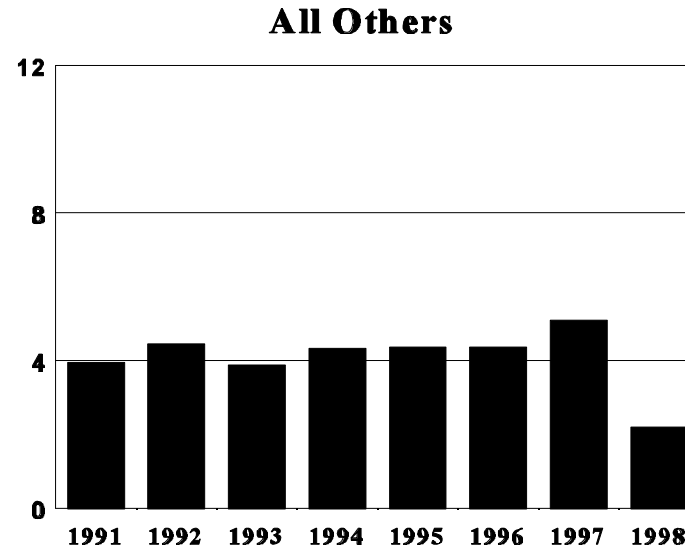
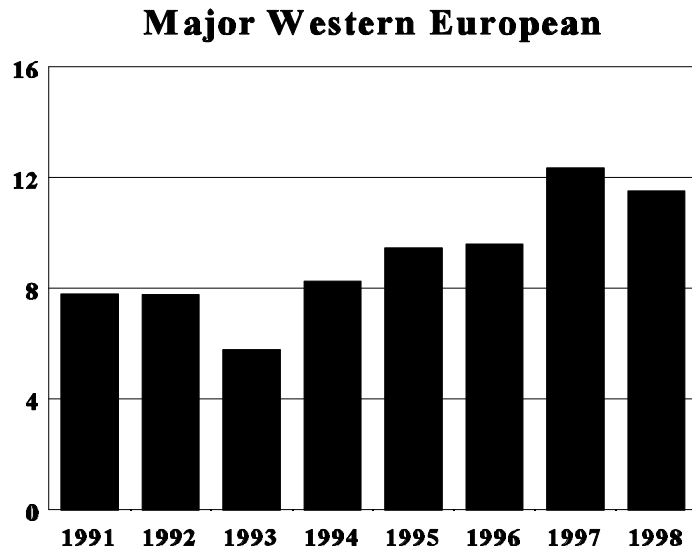
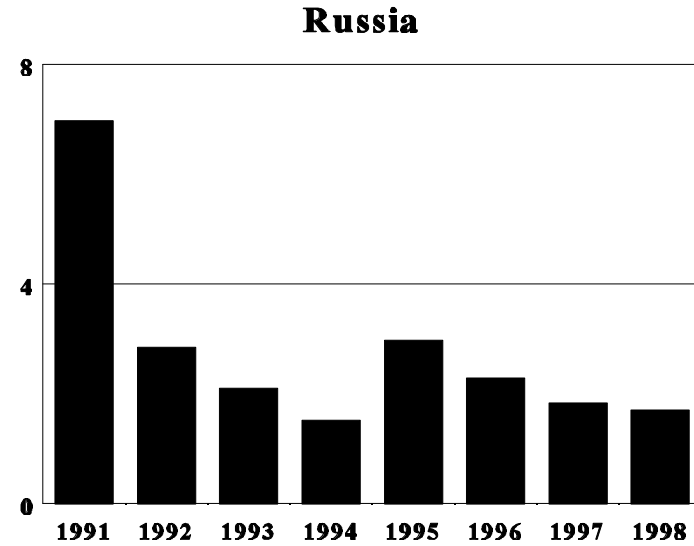
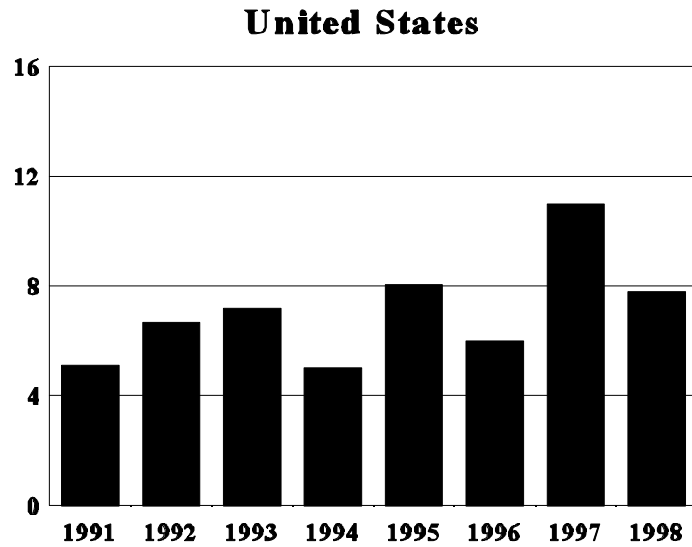


# Arms Deliveries Worldwide 1991-1998

## Developed and Developing Worlds Compared



**Chart 11**  
**Arms Deliveries To Developing Nations By Major Supplier, 1991-1998**  
(billions of constant 1998 dollars)



**Figure 2. Worldwide Arms Deliveries, 1991-1998 and Suppliers' Share with Developing World (in millions of constant 1998 U.S. dollars)**

<b>Supplier</b>	<b>Worldwide Deliveries Value 1991-1994</b>	<b>Percentage of Total to Developing World</b>
United States	35,930	66.70
Russia	15,446	87.00
France	9,317	65.00
United Kingdom	23,387	85.50
China	4,857	97.70
Germany	7,776	40.60
Italy	1,579	21.40
All Other European	13,458	52.30
All Others	8,630	69.40
<b>TOTAL</b>	<b>120,380</b>	<b>69.40</b>

<b>Supplier</b>	<b>Worldwide Deliveries Value 1995-1998</b>	<b>Percentage of Total to Developing World</b>
United States	44,774	73.44
Russia	11,192	78.70
France	20,204	89.70
United Kingdom	24,022	91.40
China	2,989	96.70
Germany	6,099	30.60
Italy	1,131	82.10
All Other European	13,561	69.40
All Others	7,240	51.50
<b>TOTAL</b>	<b>131,212</b>	<b>76.70</b>

<b>Supplier</b>	<b>Worldwide Deliveries Value 1998</b>	<b>Percentage of Total to Developing World</b>
United States	10,531	74.10
Russia	2,000	85.00
France	6,500	95.40
United Kingdom	5,300	90.60
China	600	83.30
Germany	1,600	31.30
Italy	100	0.00
All Other European	1,800	61.10
All Others	1,400	42.90
<b>TOTAL</b>	<b>29,831</b>	<b>77.80</b>

## Regional Arms Delivery Values, 1991-1998

**Table 2C** gives the values of arms deliveries by suppliers to individual *regions* of the developing world for the periods 1991-1994, and 1995-1998. 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 1991-1994 and 1995-1998. Among the facts reflected in these tables are the following:

### Near East.

- The Near East region has generally led in the value of arms deliveries received by the developing world. In 1991-1994, it accounted for 63.7% of the total value of all developing world arms deliveries (\$43.3 billion in current dollars). During 1995-1998, the Near East region accounted for 48.2% of all such deliveries (\$38.6 billion in current dollars)(**tables 2C and 2D**).
- For the period 1991-1994, the United States made 75.9% of its developing world arms deliveries to the Near East region. In 1995-1998, the U.S. made 62.7% of such arms deliveries to the Near East region (**table 2D**).
- For the period 1991-1994, the United Kingdom made 53.1% of its developing world deliveries to the Near East region. In 1995-1998, the United Kingdom made 36.4% of such deliveries to the Near East region (**table 2D**).
- For the period 1991-1994, 91.6% of France's arms deliveries to the developing world were to nations in the Near East region. In the more recent period, 1995-1998, 47.9% of France's developing world deliveries were to nations of this region (**table 2D**).
- For the period 1991-1994, Russia made 40.9% of its developing world arms deliveries to the Near East region. In 1995-1998, Russia made 25.6% of such deliveries to the Near East (**table 2D**).
- In the earlier period (1991-1994), the United States ranked first in the value of arms deliveries to the Near East with 37.4% (\$16.2 billion in current dollars). France ranked second with 30.3% (\$13.1 billion in current dollars). Russia ranked third with 12% (\$5.2 billion in current dollars). The major West European suppliers, as a group, held 41.3% of this region's delivery values in 1991-1994. In the later period (1995-1998), the United States ranked first in Near East delivery values with 51.9% (over \$20 billion). France ranked second with 23% (\$8.9 billion). The major West European suppliers, as a group, held 26.7% of this region's delivery values in 1995-1998(**table 2E**).

### Asia.

- The Asia region has generally ranked second in the value of arms deliveries from most suppliers in both time periods. In the earlier period, 1991-1994, about 28% of all arms deliveries to developing nations were to those in Asia (over \$19 billion in current dollars). In the later period, 1995-1998, Asia accounted for 42.4% of such arms deliveries (nearly \$34 billion in current dollars). For the period 1995-1998, Germany made 76.5% of its developing world deliveries to Asia. Russia made 62.8% of its developing world deliveries to Asia. The United Kingdom made 57.6%, while Italy made 50% (**tables 2C and 2D**).
- In the period from 1991-1994, Russia ranked first in the value of arms deliveries to Asia with 32.1%. The United States ranked second with 22.7%. The major West European suppliers, as a group, held 21.6% of this region's delivery values in 1991-1994. In the later period (1995-1998), the United States ranked first in Asian delivery values with 32.9%. France ranked second with 26.8%. Russia ranked third with 14.4%. The major West European suppliers, as a group, held 38.3% of this region's delivery values in 1995-1998 (**table 2E**).

### Latin America.

- In the earlier period (1991-1994), the value of all arms deliveries to Latin America was \$3.4 billion. Russia ranked first in the value of arms deliveries to Latin America with 26.2% (\$900 million). The United States ranked second with 21.5% (\$740 million). The major West European suppliers, as a group, held 23.3% of this region's delivery values in 1991-1994. In the later period (1995-1998), the United States ranked first in Latin American delivery values with 13.9% (\$662 million). France and Italy tied for second rank with 10.5% each. The major West European suppliers, as a group, held 27.3% of this region's delivery values in 1995-1998. During the later period, the value of all arms deliveries to Latin America was nearly \$4.8 billion, a notable increase from the \$3.4 billion deliveries total for 1991-1994 (**tables 2C and 2E**).

### Africa.

- In the earlier period (1991-1994), the value of all arms deliveries to Africa was about \$2.2 billion. Russia ranked first in the value of arms deliveries to Africa with nearly 23% (\$500 million). The major West European suppliers, as a group, held 13.8% of this region's delivery values in 1991-1994. France made 9.2% of these arms deliveries. The United States made 3.6%. In the later period (1995-1998), China ranked first in African delivery values with 21.6% (\$600 million). Russia ranked second with 18%. The major West European suppliers, as a group, held 14.4%. The other European suppliers as a group collectively held 25.2% of this region's delivery values in 1995-1998. The United States held 2.6%. During this later period, the value of all arms deliveries to Africa increased to about \$2.8 billion (**tables 2C and 2E**).

## **Arms Deliveries to Developing Nations, 1991-1998: Leading Suppliers Compared**

**Table 2F** gives the values of arms deliveries to developing nations from 1991-1998 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—1991-1994, 1995-1998 and 1991-1998. Among the facts reflected in this table are the following:

- The United States ranked first among all suppliers to developing nations in deliveries values from 1995-1998 (\$31.9 billion in *current* dollars).
- The United Kingdom ranked second in the value of deliveries to developing nations from 1995-1998 (\$21.3 billion in *current* dollars).
- France ranked third in the value of deliveries to developing nations from 1995-1998 (\$17.7 billion in *current* dollars).

## **Arms Deliveries to Developing Nations in 1998: Leading Suppliers Compared**

**Table 2G** gives the values of arms deliveries to developing nations in 1998 by the top eleven suppliers. The table ranks these suppliers on the basis of the total dollar values of their respective deliveries to developing nations in 1998. Among the facts reflected in this table are the following:

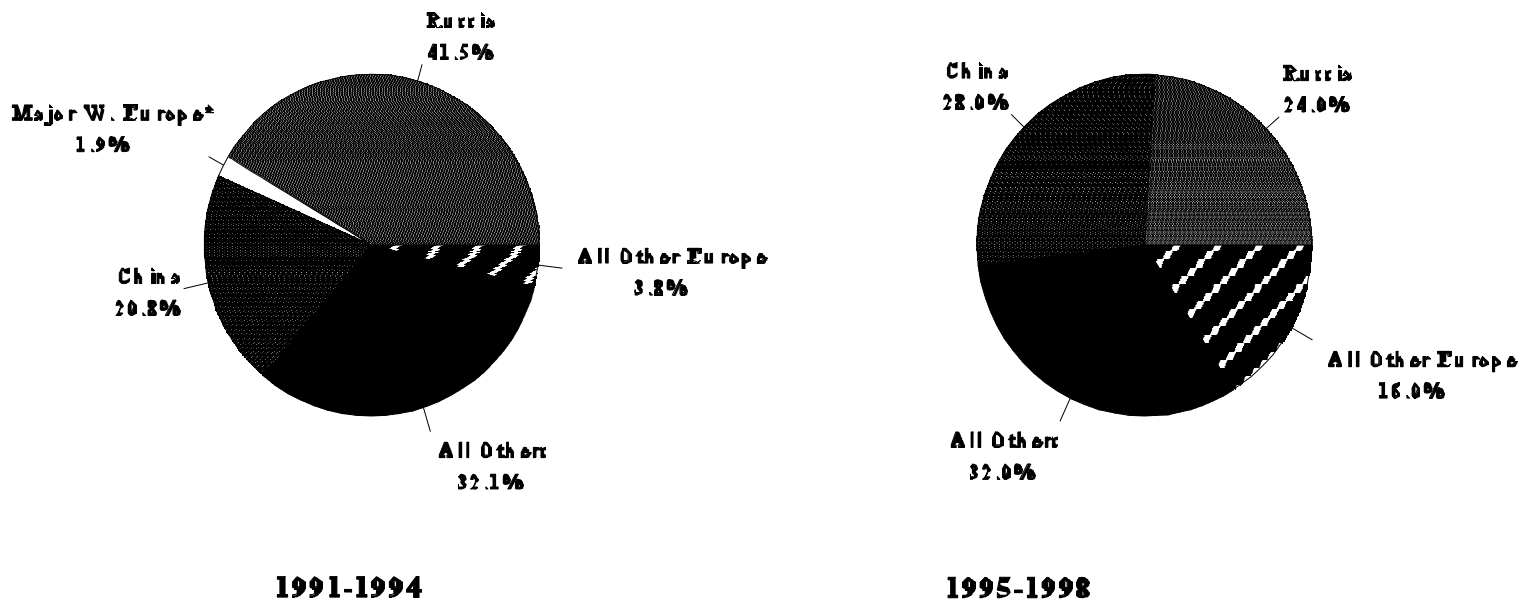
- The top three suppliers of arms to the developing nations in 1998 collectively delivered \$18.8 billion in arms to developing countries in that year, or 81% of all arms deliveries made to developing nations by all suppliers.
- In 1998 the United States ranked first in the value of arms deliveries to developing nations, making over \$7.8 billion in such deliveries. This is the second year in a row the United States has led in such deliveries.
- France ranked second in arms deliveries to developing nations in 1998, making \$6.2 billion in such deliveries.
- The United Kingdom ranked third in arms deliveries to developing nations in 1998, making \$4.8 billion in such deliveries.

## **Arms Deliveries to Near East, 1991-1998: Suppliers And Recipients**

**Table 2H** gives the values of arms delivered to Near East nations by suppliers or categories of suppliers for the periods 1991-1991 and 1995-1998. 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, 1995-1998 the principal arms recipients of the United States in the Near East region, based on the value of their arms deliveries were: Saudi Arabia (\$16.4 billion), Egypt (\$4 billion), Kuwait (\$2.7 billion), and Israel (\$2.4 billion). The principal arms recipients of Russia were Kuwait (\$800 million), Iran (\$600 million), and Egypt (\$500 million). The principal arms recipient of China was Iran (\$700 million). The principal arms recipients of the four major West European suppliers, as a group, were Saudi Arabia (\$18.5 billion), the U.A.E. (\$3.1 billion), Kuwait (\$3 billion), and Qatar (\$1.7 billion). The principal arms recipient of all other European suppliers collectively was Saudi Arabia (\$3.1 billion). The principal arms recipients of all other suppliers, as a group, were: Iran (\$800 million) and Israel (\$300 million).
- For the period from 1995-1998, Saudi Arabia received \$38 billion in arms deliveries. Its principal suppliers were the four major West Europeans, as a group, (\$18.5 billion) and the United States (\$16.4 billion). Kuwait received \$6.6 billion in arms deliveries. Its principal suppliers were the United States (\$2.7 billion) and the major West Europeans collectively (\$3 billion). Egypt received \$5 billion in arms deliveries. Its principal supplier was the United States (\$4 billion). The U.A.E. received \$4.6 billion in arms deliveries. Its principal suppliers were: the four major West Europeans collectively (\$3.1 billion). Israel received \$2.8 billion in arms deliveries. Its principal supplier was the United States (\$2.4 billion). Iran received \$2.5 billion in arms deliveries. China was its principal individual supplier (\$700 million) followed by Russia (\$600 million).
- A dramatic decline in the value of arms deliveries by Russia to Iran occurred from the 1991-1994 period, these deliveries fell from \$2.2 billion to \$600 million in 1995-1998. A notable decline in the value of China's arms deliveries to Iran also occurred, falling from \$1.1 billion in 1991-1994 to \$700 million in 1995-1998.
- The value of arms deliveries by the United States to Saudi Arabia increased substantially from \$10.5 billion in 1991-1994 to \$16.4 billion in 1995-1998.
- Russia and China together delivered 52% of Iran's arms during the 1995-1998 period.
- Arms deliveries to Iran dropped significantly from 1991-1994 to 1995-1998, falling from \$5.2 billion in 1991-1994 to \$2.5 billion in 1995-1998 (in *current* dollars).

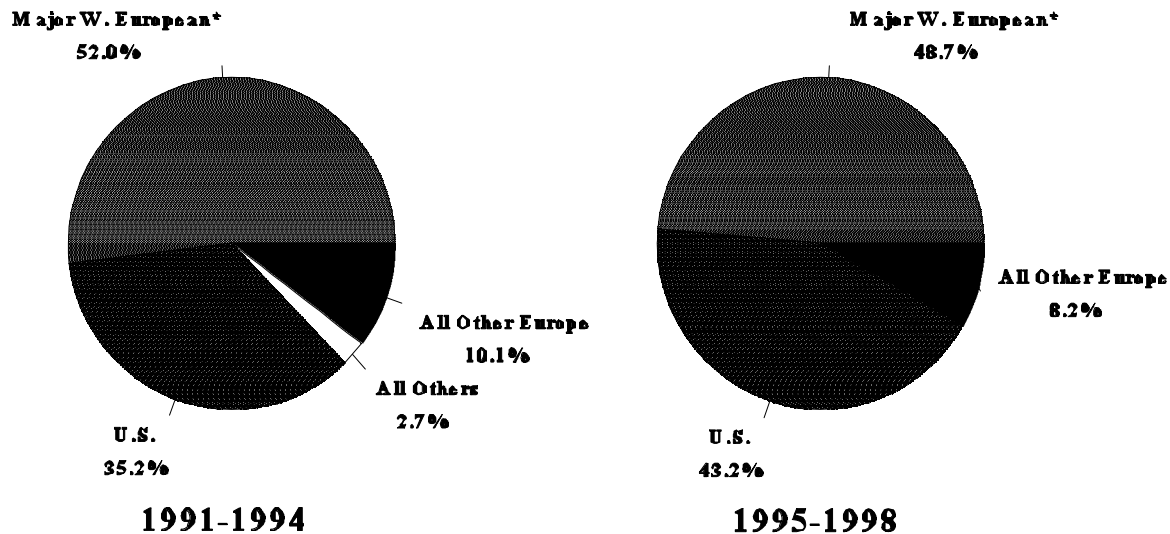
# Arms Deliveries to Iran (Supplier Percentage of Value)



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



# Arms Deliveries To Saudi Arabia (Supplier Percentage of Value)



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

## Arms Deliveries to Developing Nations, 1991-1998: The Leading Recipients

**Table 2I** gives the values of arms deliveries made to the top ten recipients of arms in the developing world from 1991-1998 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—1991-1994, 1995-1998 and 1991-1998. Among the facts reflected in this table are the following:

- Saudi Arabia and Taiwan were the top two developing world arms recipients from 1991-1998, receiving deliveries valued at \$67.8 billion and \$20 billion, respectively, during these years. The total value of all arms deliveries to developing nations from 1991-1998 was \$171.9 billion (in *current* dollars) (see **table 2**). Thus, Saudi Arabia and Taiwan were responsible for 39.4% and 11.6%, respectively, of all developing world arms deliveries during the 1991-1998 time period—together 51% of the total.
- For the 1995-1998 period, Saudi Arabia alone received \$38 billion in arms deliveries (in *current* dollars), or 38.9% of all deliveries to developing nations during this period.

## Arms Deliveries to Developing Nations in 1998: The Leading Recipients

**Table 2J** gives the names of the top ten developing world recipients of arms *delivered* in 1998. The table ranks these recipients on the basis of the total *current* dollar values of their respective deliveries from *all* suppliers in 1998. Among the facts reflected in this table are the following:

- Saudi Arabia was the leading recipient of arms deliveries among developing nations in 1998, receiving \$8.7 billion in such deliveries. Saudi Arabia alone received 37.5% of the total value of all arms deliveries to the developing nations in 1998. Taiwan ranked second with \$5 billion in deliveries (21.5%) in 1998 (**tables 2 and 2J**).
- Arms deliveries to the top ten developing nation recipients, as a group, constituted \$23 billion, or 99.1% of all arms deliveries to developing nations in 1998. Six of the top ten recipients in 1998 were in the Near East region, four were in Asia (**tables 2 and 2J**).

**Table 1. Arms Transfer Agreements With Developing Nations, by Supplier, 1991-1998**  
(in millions of current U.S. dollars)

	1991	1992	1993	1994	1995	1996	1997	1998	TOTAL 1991-1998
United States	6,927	2,183	12,761	5,795	2,867	5,153	2,569	4,569	42,824
Russia*	7,100	1,400	1,200	3,700	5,300	4,600	3,100	1,400	27,800
France	3,100	8,600	3,900	7,800	2,400	1,400	4,600	2,400	34,200
United Kingdom	300	1,800	2,300	700	600	2,000	1,000	200	8,900
China	600	500	500	700	200	800	1,600	500	5,400
Germany	1,500	200	1,000	0	300	0	100	2,000	5,100
Italy	100	500	300	200	800	300	300	100	2,600
All Other European	1,500	1,200	500	1,800	2,400	2,800	2,000	1,000	13,200
All Others	500	1,100	600	500	1,300	1,700	1,100	1,000	7,800
<b>TOTAL</b>	<b>21,627</b>	<b>17,483</b>	<b>23,061</b>	<b>21,195</b>	<b>16,167</b>	<b>18,753</b>	<b>16,369</b>	<b>13,169</b>	<b>147,824</b>

\*\*Dollar inflation

index: (1998=1.00)	0.8604	0.8768	0.9021	0.9227	0.9407	0.9604	0.9801	1.0000
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**Source:** U.S. Government.

**Note:** Developing nations category excludes the U.S., former U.S.S.R., Europe, Canada, Japan, Australia and New Zealand. All data are for the calendar year given except for U.S. MAP (Military Assistance Program) and IMET (International Military Education and Training) data which are included for the particular fiscal year. All amounts given include the values of weapons, spare parts, construction, all associated services, military assistance and training programs. Statistics for foreign countries are based upon estimated selling prices. U.S. commercial sales contract values are excluded. All foreign data are rounded to the nearest \$100 million. \*Prior to 1992 reflects data for the former Soviet Union. \*\*Based on Department of Defense Price Deflator.

**Table 1A. Arms Transfer Agreements with Developing Nations, by Supplier, 1991-1998**  
(in millions of constant 1998 U.S. dollars)

	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>TOTAL 1991-1998</b>
United States	8,051	2,490	14,146	6,280	3,048	5,365	2,621	4,569	46,570
Russia	8,252	1,597	1,330	4,010	5,634	4,790	3,163	1,400	30,176
France	3,603	9,808	4,323	8,453	2,551	1,458	4,693	2,400	37,290
United Kingdom	349	2,053	2,550	759	638	2,082	1,020	200	9,650
China	697	570	554	759	213	833	1,632	500	5,759
Germany	1,743	228	1,109	0	319	0	102	2,000	5,501
Italy	116	570	333	217	850	312	306	100	2,805
All Other European	1,743	1,369	554	1,951	2,551	2,915	2,041	1,000	14,124
All Others	581	1,255	665	542	1,382	1,770	1,122	1,000	8,317
<b>TOTAL</b>	<b>25,136</b>	<b>19,940</b>	<b>25,564</b>	<b>22,971</b>	<b>17,186</b>	<b>19,526</b>	<b>16,701</b>	<b>13,169</b>	<b>160,193</b>

**Table 1B. Arms Transfer Agreements with Developing Nations, by Supplier, 1991-1998**  
**(expressed as a percent of total, by year)**

	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>
United States	32.03%	12.49%	55.34%	27.34%	17.73%	27.48%	15.69%	34.70%
Russia	32.83%	8.01%	5.20%	17.46%	32.78%	24.53%	18.94%	10.63%
France	14.33%	49.19%	16.91%	36.80%	14.85%	7.47%	28.10%	18.22%
United Kingdom	1.39%	10.30%	9.97%	3.30%	3.71%	10.66%	6.11%	1.52%
China	2.77%	2.86%	2.17%	3.30%	1.24%	4.27%	9.77%	3.80%
Germany	6.94%	1.14%	4.34%	0.00%	1.86%	0.00%	0.61%	15.19%
Italy	0.46%	2.86%	1.30%	0.94%	4.95%	1.60%	1.83%	0.76%
All Other European	6.94%	6.86%	2.17%	8.49%	14.85%	14.93%	12.22%	7.59%
All Others	2.31%	6.29%	2.60%	2.36%	8.04%	9.07%	6.72%	7.59%
<i>[ Major West European*</i>	<i>23.12%</i>	<i>63.49%</i>	<i>32.52%</i>	<i>41.05%</i>	<i>25.36%</i>	<i>19.73%</i>	<i>36.65%</i>	<i>35.69%</i>
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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

**Table 1C. Regional Arms Transfer Agreements, By Supplier, 1991-1998**  
(in millions of current U.S. dollars)

	Asia		Near East		Latin America		Africa	
	1991-94	1995-98	1991-94	1995-98	1991-94	1995-98	1991-94	1995-98
United States	3,492	4,550	23,418	10,048	683	496	74	65
Russia*	6,800	11,500	5,200	2,000	900	400	500	500
France	9,700	1,400	13,100	8,900	300	500	200	100
United Kingdom	2,000	2,300	2,600	1,200	500	0	0	200
China	1,200	1,100	1,000	1,300	0	100	100	600
Germany	1,100	2,200	1,500	100	0	300	0	0
Italy	300	900	700	100	0	500	100	100
All Other European	1,700	2,300	2,300	3,700	500	1,600	500	700
All Others	700	2,500	700	1,300	500	700	700	500
<i>[ Major West European**</i>	<i>13,100</i>	<i>6,800</i>	<i>17,900</i>	<i>10,300</i>	<i>800</i>	<i>1,300</i>	<i>300</i>	<i>400</i>
<b>TOTAL</b>	<b>26,992</b>	<b>28,750</b>	<b>50,518</b>	<b>28,648</b>	<b>3,383</b>	<b>4,596</b>	<b>2,174</b>	<b>2,765</b>

Source: U.S. Government

Note: 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.

**Table 1D. Percentage of Each Supplier's Agreements Value by Region, 1991-1998**

	Asia		Near East		Latin America		Africa		TOTAL	TOTAL
	1991-94	1995-98	1991-94	1995-98	1991-94	1995-98	1991-94	1995-98	1991-94	1995-98
United States	12.62%	30.02%	84.64%	66.28%	2.47%	3.27%	0.27%	0.43%	100.00%	100.00%
Russia	50.75%	79.86%	38.81%	13.89%	6.72%	2.78%	3.73%	3.47%	100.00%	100.00%
France	41.63%	12.84%	56.22%	81.65%	1.29%	4.59%	0.86%	0.92%	100.00%	100.00%
United Kingdom	39.22%	62.16%	50.98%	32.43%	9.80%	0.00%	0.00%	5.41%	100.00%	100.00%
China	52.17%	35.48%	43.48%	41.94%	0.00%	3.23%	4.35%	19.35%	100.00%	100.00%
Germany	42.31%	84.62%	57.69%	3.85%	0.00%	11.54%	0.00%	0.00%	100.00%	100.00%
Italy	27.27%	56.25%	63.64%	6.25%	0.00%	31.25%	9.09%	6.25%	100.00%	100.00%
All Other European	34.00%	27.71%	46.00%	44.58%	10.00%	19.28%	10.00%	8.43%	100.00%	100.00%
All Others	26.92%	50.00%	26.92%	26.00%	19.23%	14.00%	26.92%	10.00%	100.00%	100.00%
<i>[ Major West European*</i>	<i>40.81%</i>	<i>36.17%</i>	<i>55.76%</i>	<i>54.79%</i>	<i>2.49%</i>	<i>6.91%</i>	<i>0.93%</i>	<i>2.13%</i>	<i>100.00%</i>	<i>100.00%</i>
<b>TOTAL</b>	<b>32.49%</b>	<b>44.40%</b>	<b>60.82%</b>	<b>44.24%</b>	<b>4.07%</b>	<b>7.10%</b>	<b>2.62%</b>	<b>4.27%</b>	<b>100.00%</b>	<b>100.00%</b>

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

**Table 1E. Percentage of Total Agreements Value by Supplier to Regions, 1991-1998**

	Asia		Near East		Latin America		Africa	
	1991-94	1995-98	1991-94	1995-98	1991-94	1995-98	1991-94	1995-98
United States	12.94%	15.83%	46.36%	35.07%	20.19%	10.79%	3.40%	2.35%
Russia	25.19%	40.00%	10.29%	6.98%	26.60%	8.70%	23.00%	18.08%
France	35.94%	4.87%	25.93%	31.07%	8.87%	10.88%	9.20%	3.62%
United Kingdom	7.41%	8.00%	5.15%	4.19%	14.78%	0.00%	0.00%	7.23%
China	4.45%	3.83%	1.98%	4.54%	0.00%	2.18%	4.60%	21.70%
Germany	4.08%	7.65%	2.97%	0.35%	0.00%	6.53%	0.00%	0.00%
Italy	1.11%	3.13%	1.39%	0.35%	0.00%	10.88%	4.60%	3.62%
All Other European	6.30%	8.00%	4.55%	12.92%	14.78%	34.81%	23.00%	25.32%
All Others	2.59%	8.70%	1.39%	4.54%	14.78%	15.23%	32.20%	18.08%
<i>[ Major West European*</i>	<i>48.53%</i>	<i>23.65%</i>	<i>35.43%</i>	<i>35.95%</i>	<i>23.65%</i>	<i>28.29%</i>	<i>13.80%</i>	<i>14.47% ]</i>
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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



**Table 1F. Arms Transfer Agreements with Developing Nations, 1991-1998: Leading Suppliers Compared (in millions of current U.S. dollars)**

<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 1991-1994</b>
1	U.S.	27,666
2	France	23,400
3	USSR/Russia	13,400
4	U.K.	5,100
5	Germany	2,700
6	China	2,300
7	Italy	1,100
8	Spain	900
9	Netherlands	700
10	Israel	700
11	Czech Republic	500

<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 1995-1998</b>
1	U.S.	15,148
2	Russia	14,400
3	France	10,800
4	U.K.	3,800
5	China	3,100
6	Germany	2,400
7	Israel	1,700
8	Ukraine	1,600
9	Italy	1,500
10	Belarus	1,500
11	South Africa	1,200

<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 1991-1998</b>
1	U.S.	42,824
2	France	34,200
3	Russia	27,800
4	U.K.	8,900
5	China	5,400
6	Germany	5,100
7	Italy	2,600
8	Israel	2,400
9	Ukraine	1,700
10	Belarus	1,500
11	South Africa	1,400

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

**Table 1G. Arms Transfer Agreements with  
Developing Nations in 1998:  
Leading Suppliers Compared  
(in millions of current U.S. dollars)**

<b>Rank</b>	<b>Supplier</b>	<b>Agreements Value 1998</b>
1	U.S.	4,569
2	France	2,400
3	Germany	2,000
4	Russia	1,400
5	Israel	500
6	China	500
7	Belarus	500
8	U.K.	200
9	Bulgaria	200
10	Italy	100
11	Ukraine	100

**Source:** U.S. Government

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

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

Recipient Country	U.S.	Russia	China	Major West European*	All Other European	All Others	Total
<b>1991-1994</b>							
Algeria	0	300	0	0	100	0	400
Bahrain	200	0	0	0	0	0	200
Egypt	3,600	300	0	200	400	0	4,500
Iran	0	3,000	600	100	200	400	4,300
Iraq	0	0	0	0	0	0	0
Israel	2,700	0	100	1,100	0	0	3,900
Jordan	100	0	0	0	0	0	100
Kuwait	3,800	800	0	1,200	0	0	5,800
Lebanon	0	0	0	0	0	0	0
Libya	0	0	100	0	100	100	300
Morocco	100	0	0	400	0	0	500
Oman	0	0	0	800	0	0	800
Qatar	0	0	0	2,000	0	0	2,000
Saudi Arabia	17,700	0	0	5,800	800	0	24,300
Syria	0	500	0	0	400	100	1,000
Tunisia	100	0	0	0	100	0	200
U.A.E.	800	400	0	6,300	0	100	7,600
Yemen	0	0	200	0	200	0	400
<b>1995-1998</b>							
Algeria	0	400	200	0	800	0	1,400
Bahrain	500	0	0	0	0	0	500
Egypt	4,500	400	0	100	0	0	5,000
Iran	0	200	800	0	300	100	1,400
Iraq	0	0	0	0	0	0	0
Israel	2,600	0	0	100	0	200	2,900
Jordan	300	300	0	0	0	100	700
Kuwait	900	0	200	700	100	0	1,900
Lebanon	100	0	0	100	0	0	200
Libya	0	0	0	0	0	0	0
Morocco	0	0	0	200	300	100	600
Oman	0	0	0	300	100	100	500
Qatar	0	0	0	900	0	0	900
Saudi Arabia	5,100	0	0	1,700	800	300	7,900
Syria	0	200	0	0	100	0	300
Tunisia	0	0	0	0	0	0	0
U.A.E.	100	400	0	6,000	800	100	7,400
Yemen	0	0	0	200	300	100	500

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

**Table 1I. Arms Transfer Agreements of Developing Nations, 1991-1998**  
**Agreements by the Leading Recipients**  
(in millions of current U.S. dollars)

<b>Rank</b>	<b>Recipient</b>	<b>Agreements Value 1991-1994</b>
1	Saudi Arabia	24,300
2	Taiwan	15,800
3	U.A.E.	7,600
4	Kuwait	5,800
5	South Korea	4,800
6	Egypt	4,500
7	Iran	4,300
8	Israel	3,900
9	China	3,100
10	Malaysia	2,500
<b>Rank</b>	<b>Recipient</b>	<b>Agreements Value 1995-1998</b>
1	Saudi Arabia	7,900
2	U.A.E.	7,300
3	China	6,900
4	India	6,300
5	Egypt	5,000
6	South Korea	3,600
7	Malaysia	3,200
8	Israel	2,900
9	Kuwait	1,900
10	Indonesia	1,700
<b>Rank</b>	<b>Recipient</b>	<b>Agreements Value 1991-1998</b>
1	Saudi Arabia	32,200
2	Taiwan	17,300
3	U.A.E.	15,000
4	China	10,000
5	Egypt	9,500
6	South Korea	8,400
7	Kuwait	7,700
8	India	7,500
9	Israel	6,800
10	Malaysia	5,700

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

**Table 1J. Arms Transfer Agreements of Developing Nations  
in 1998:  
Agreements by Leading Recipients  
(in millions of current U.S. dollars)**

<b>Rank</b>	<b>Recipient</b>	<b>Agreements Value 1998</b>
1	Saudi Arabia	2,700
2	U.A.E.	2,500
3	Malaysia	2,100
4	Egypt	1,200
5	Algeria	500
6	Israel	500
7	Kuwait	500
8	Ethiopia	400
9	India	400
10	South Korea	400

**Source:** U.S. Government

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

**Table 2. Arms Deliveries to Developing Nations, by Supplier, 1991-1998**  
(in millions of current U.S. dollars)

	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>TOTAL 1991-1998</b>
United States	4,395	5,854	6,474	4,618	7,584	5,769	10,787	7,805	53,286
Russia*	6,000	2,500	1,900	1,400	2,800	2,200	1,800	1,700	20,300
France	1,500	1,100	800	2,000	3,000	2,900	5,600	6,200	23,100
United Kingdom	3,900	5,400	3,800	4,700	4,900	5,800	5,800	4,800	39,100
China	1,400	1,000	1,100	700	700	600	1,000	500	7,000
Germany	1,200	200	600	800	800	400	100	500	4,600
Italy	100	100	0	100	200	100	600	0	1,200
All Other European	1,000	1,800	1,300	2,200	2,300	2,500	3,200	1,100	15,400
All Others	1,000	1,100	1,100	1,100	1,100	1,100	800	600	7,900
<b>TOTAL</b>	<b>20,495</b>	<b>19,054</b>	<b>17,074</b>	<b>17,618</b>	<b>23,384</b>	<b>21,369</b>	<b>29,687</b>	<b>23,205</b>	<b>171,886</b>
Dollar inflation index (1998=100.00)**	0.8604	0.8768	0.9021	0.9227	0.9407	0.9604	0.9801	1	

**Source:** U.S. Government.

**Note:** 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. 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.

**Table 2A. Arms Deliveries to Developing Nations, by Supplier, 1990-1997**  
(in millions of constant 1998 dollars)

	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>TOTAL 1991-1998</b>
United States	5,108	6,677	7,177	5,005	8,062	6,007	11,006	7,805	56,847
Russia	6,974	2,851	2,106	1,517	2,977	2,291	1,837	1,700	22,253
France	1,743	1,255	887	2,168	3,189	3,020	5,714	6,200	24,176
United Kingdom	4,533	6,159	4,212	5,094	5,209	6,039	5,918	4,800	41,964
China	1,627	1,141	1,219	759	744	625	1,020	500	7,635
Germany	1,395	228	665	867	850	416	102	500	5,023
Italy	116	114	0	108	213	104	612	0	1,267
All Other European	1,162	2,053	1,441	2,384	2,445	2,603	3,265	1,100	16,453
All Others	1,162	1,255	1,219	1,192	1,169	1,145	816	600	8,558
<b>TOTAL</b>	<b>23,820</b>	<b>21,733</b>	<b>18,926</b>	<b>19,094</b>	<b>24,858</b>	<b>22,250</b>	<b>30,290</b>	<b>23,205</b>	<b>184,176</b>

**Table 2B. Arms Deliveries to Developing Nations, by Supplier, 1991-1998**  
(expressed as a percent of total, by year)

	1991	1992	1993	1994	1995	1996	1997	1998
United States	21.44%	30.72%	37.92%	26.21%	32.43%	27.00%	36.34%	33.63%
Russia	29.28%	13.12%	11.13%	7.95%	11.97%	10.30%	6.06%	7.33%
France	7.32%	5.77%	4.69%	11.35%	12.83%	13.57%	18.86%	26.72%
United Kingdom	19.03%	28.34%	22.26%	26.68%	20.95%	27.14%	19.54%	20.69%
China	6.83%	5.25%	6.44%	3.97%	2.99%	2.81%	3.37%	2.15%
Germany	5.86%	1.05%	3.51%	4.54%	3.42%	1.87%	0.34%	2.15%
Italy	0.49%	0.52%	0.00%	0.57%	0.86%	0.47%	2.02%	0.00%
All Other European	4.88%	9.45%	7.61%	12.49%	9.84%	11.70%	10.78%	4.74%
All Others	4.88%	5.77%	6.44%	6.24%	4.70%	5.15%	2.69%	2.59%
<hr/>								
<i>[ Major West European*</i>	32.69%	35.69%	30.46%	43.14%	38.06%	43.05%	40.76%	49.56%
<hr/>								
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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



**Table 2C. Regional Arms Deliveries by Supplier, 1991-1998**  
(in millions of current U.S. dollars)

	Asia		Near East		Latin America		Africa	
	1991-94	1995-98	1991-94	1995-98	1991-94	1995-98	1991-94	1995-98
United States	4,315	11,175	16,207	20,035	740	662	79	73
Russia*	6,100	4,900	5,200	2,000	900	400	500	500
France	700	9,100	13,100	8,900	300	500	200	100
United Kingdom	1,800	1,900	2,600	1,200	500	0	0	200
China	2,300	1,300	1,000	1,300	0	100	100	600
Germany	1,400	1,300	1,500	100	0	300	0	0
Italy	200	700	700	100	0	500	100	100
All Other European	1,300	1,900	2,300	3,700	500	1,600	500	700
All Others	900	1,700	700	1,300	500	700	700	500
<hr/>								
<i>[ Major West European**</i>	<i>4,100</i>	<i>13,000</i>	<i>17,900</i>	<i>10,300</i>	<i>800</i>	<i>1,300</i>	<i>300</i>	<i>400</i>
<hr/>								
<b>TOTAL</b>	<b>19,015</b>	<b>33,975</b>	<b>43,307</b>	<b>38,635</b>	<b>3,440</b>	<b>4,762</b>	<b>2,179</b>	<b>2,773</b>

**Source:** U.S. Government

**Note:** 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.

**Table 2D. Percentage of Supplier Deliveries Value by Region, 1991-1998**

	<b>Asia</b>		<b>Near East</b>		<b>Latin America</b>		<b>Africa</b>		<b>TOTAL</b>	<b>TOTAL</b>
	<b>1991-94</b>	<b>1995-98</b>	<b>1991-94</b>	<b>1995-98</b>	<b>1991-94</b>	<b>1995-98</b>	<b>1991-94</b>	<b>1995-98</b>	<b>1990-93</b>	<b>1994-97</b>
United States	20.22%	34.98%	75.94%	62.72%	3.47%	2.07%	0.37%	0.23%	100.00%	100.00%
Russia	48.03%	62.82%	40.94%	25.64%	7.09%	5.13%	3.94%	6.41%	100.00%	100.00%
France	4.90%	48.92%	91.61%	47.85%	2.10%	2.69%	1.40%	0.54%	100.00%	100.00%
United Kingdom	36.73%	57.58%	53.06%	36.36%	10.20%	0.00%	0.00%	6.06%	100.00%	100.00%
China	67.65%	39.39%	29.41%	39.39%	0.00%	3.03%	2.94%	18.18%	100.00%	100.00%
Germany	48.28%	76.47%	51.72%	5.88%	0.00%	17.65%	0.00%	0.00%	100.00%	100.00%
Italy	20.00%	50.00%	70.00%	7.14%	0.00%	35.71%	10.00%	7.14%	100.00%	100.00%
All Other European	28.26%	24.05%	50.00%	46.84%	10.87%	20.25%	10.87%	8.86%	100.00%	100.00%
All Others	32.14%	40.48%	25.00%	30.95%	17.86%	16.67%	25.00%	11.90%	100.00%	100.00%
<hr/>										
<i>[ Major West European*</i>	<i>17.75%</i>	<i>52.00%</i>	<i>77.49%</i>	<i>41.20%</i>	<i>3.46%</i>	<i>5.20%</i>	<i>1.30%</i>	<i>1.60%</i>	<i>100.00%</i>	<i>100.00%</i>
<hr/>										
<b>TOTAL</b>	<b>27.99%</b>	<b>42.39%</b>	<b>63.74%</b>	<b>48.21%</b>	<b>5.06%</b>	<b>5.94%</b>	<b>3.21%</b>	<b>3.46%</b>	<b>100.00%</b>	<b>100.00%</b>

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

**Table 2E. Percentage of Total Deliveries Value by Supplier to Regions, 1991-1998**

	Asia		Near East		Latin America		Africa	
	1991-94	1995-98	1991-94	1995-98	1991-94	1995-98	1991-94	1995-98
United States	22.69%	32.89%	37.42%	51.86%	21.51%	13.90%	3.63%	2.63%
Russia	32.08%	14.42%	12.01%	5.18%	26.16%	8.40%	22.95%	18.03%
France	3.68%	26.78%	30.25%	23.04%	8.72%	10.50%	9.18%	3.61%
United Kingdom	9.47%	5.59%	6.00%	3.11%	14.53%	0.00%	0.00%	7.21%
China	12.10%	3.83%	2.31%	3.36%	0.00%	2.10%	4.59%	21.64%
Germany	7.36%	3.83%	3.46%	0.26%	0.00%	6.30%	0.00%	0.00%
Italy	1.05%	2.06%	1.62%	0.26%	0.00%	10.50%	4.59%	3.61%
All Other European	6.84%	5.59%	5.31%	9.58%	14.53%	33.60%	22.95%	25.24%
All Others	4.73%	5.00%	1.62%	3.36%	14.53%	14.70%	32.12%	18.03%
<hr/>								
<i>[ Major West European*</i>	<i>21.56%</i>	<i>38.26%</i>	<i>41.33%</i>	<i>26.66%</i>	<i>23.26%</i>	<i>27.30%</i>	<i>13.77%</i>	<i>14.42%</i>
<hr/>								
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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

**Table 2F. Arms Deliveries to Developing Nations, 1991-1998:  
Leading Suppliers Compared (in millions of current U.S. dollars)**

Rank	Supplier	Deliveries Value 1991-1994
1	U.S.	21,341
2	U.K.	17,800
3	U.S.S.R./Russia.	11,800
4	France	5,400
5	China	4,200
6	Germany	2,800
7	Israel	1,900
8	Sweden	1,500
9	Canada	700
10	North Korea	600
11	Spain	600

Rank	Supplier	Deliveries Value 1995-1998
1	U.S.	31,945
2	U.K.	21,300
3	France	17,700
4	Russia	8,500
5	China	2,800
6	Sweden	2,200
7	Germany	1,800
8	Israel	1,500
9	Ukraine	1,300
10	Netherlands	1,000
11	South Africa	900

Rank	Supplier	Deliveries Value 1991-1998
1	U.S.	53,286
2	U.K.	39,100
3	France	23,100
4	U.S.S.R./Russia	20,300
5	China	7,000
6	Germany	4,600
7	Sweden	3,700
8	Israel	3,400
9	Canada	1,500
10	South Africa	1,500
11	Ukraine	1,300

**Source:** U.S. Government.

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

**Table 2G. Arms Deliveries to Developing Nations in 1998:  
Leading Suppliers Compared**  
(in millions of current U.S. dollars)

<b>Rank</b>	<b>Supplier</b>	<b>Deliveries Value 1998</b>
1	U.S.	7,805
2	France	6,200
3	United Kingdom	4,800
4	Russia	1,700
5	Germany	500
6	China	500
7	Ukraine	400
8	Israel	200
9	Bulgaria	200
10	Netherlands	200
11	South Africa	100

**Source:** U.S. Government

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

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

Recipient Country	U.S.	Russia	China	Major West European*	All Other European	All Others	Total
<b>1991-1994</b>							
Algeria	0	200	0	0	100	0	300
Bahrain	300	0	0	0	0	0	300
Egypt	4,500	100	0	0	300	0	4,900
Iran	0	2,200	1,100	100	200	1,600	5,200
Iraq	0	0	0	0	0	0	0
Israel	2,200	0	100	400	0	100	2,800
Jordan	100	0	0	0	0	0	100
Kuwait	2,100	0	0	200	100	100	2,500
Lebanon	0	0	0	0	0	0	0
Libya	0	400	100	0	0	100	600
Morocco	100	0	0	100	0	0	200
Oman	100	0	0	400	0	0	500
Qatar	0	0	0	2,700	0	0	2,700
Saudi Arabia	10,500	100	300	15,500	3,000	400	29,800
Syria	0	1,000	0	0	400	200	1,600
Tunisia	100	0	0	0	0	0	100
U.A.E.	600	300	0	900	0	400	2,200
Yemen	0	0	100	0	200	100	400
<b>1995-1998</b>							
Algeria	0	300	0	0	500	100	900
Bahrain	200	0	0	0	0	0	200
Egypt	4,000	500	0	200	200	100	5,000
Iran	0	600	700	0	400	800	2,500
Iraq	0	0	0	0	0	0	0
Israel	2,400	0	0	100	0	300	2,800
Jordan	200	0	0	0	0	100	300
Kuwait	2,700	800	0	3,000	100	0	6,600
Lebanon	100	0	0	0	0	0	100
Libya	0	0	0	0	0	0	0
Morocco	100	0	0	100	100	0	300
Oman	0	0	0	700	0	100	800
Qatar	0	0	0	1,700	100	0	1,800
Saudi Arabia	16,400	0	0	18,500	3,100	0	38,000
Syria	0	100	0	0	100	100	300
Tunisia	100	0	0	0	100	0	200
U.A.E.	600	300	0	3,100	600	0	4,600
Yemen	0	0	100	0	200	100	400

**Source:** U.S. Government.

**Note:** 0=data less than \$50 million or nil. All data are rounded to nearest \$100 million. \*Major West European includes France, United Kingdom, Germany, and Italy totals as an aggregate figure.

**Table 2I. Arms Deliveries to Developing Nations, 1991-1998:  
The Leading Recipients**  
(in millions of current U.S. dollars)

<b>Rank</b>	<b>Recipient</b>	<b>Deliveries Value 1991-1994</b>
1	Saudi Arabia	29,800
2	Iran	5,200
3	Egypt	4,900
4	South Korea	3,200
5	Taiwan	3,000
6	Israel	2,800
7	Qatar	2,700
8	Kuwait	2,500
9	China	2,500
10	U.A.E.	2,200

<b>Rank</b>	<b>Recipient</b>	<b>Deliveries Value 1995-1998</b>
1	Saudi Arabia	38,000
2	Taiwan	17,000
3	Kuwait	6,600
4	Egypt	5,000
5	U.A.E.	4,600
6	South Korea	3,800
7	China	3,200
8	Israel	2,800
9	Iran	2,500
10	Pakistan	2,400

<b>Rank</b>	<b>Recipient</b>	<b>Deliveries Value 1991-1998</b>
1	Saudi Arabia	67,800
2	Taiwan	20,000
3	Egypt	9,900
4	Kuwait	9,100
5	Iran	7,700
6	South Korea	7,000
7	U.A.E.	6,800
8	China	5,700
9	Israel	5,600
10	Qatar	4,500

**Source:** U.S. Government

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

**Table 2J. Arms Deliveries to Developing Nations in 1998:  
The Leading Recipients**  
(in millions of current U.S. dollars)

<b>Rank</b>	<b>Recipient</b>	<b>Deliveries Value 1998</b>
1	Saudi Arabia	8,700
2	Taiwan	5,000
3	Singapore	1,600
4	South Korea	1,400
5	Israel	1,300
6	Pakistan	1,200
7	U.A.E.	1,100
8	Qatar	1,000
9	Egypt	900
10	Kuwait	800

**Source:** U.S. Government.

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



## Selected Weapons Deliveries to Developing Nations, 1991-1998

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 1991-1998 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 (**tables 3-7**).

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 weaponry provided.

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, 1995-1998

- 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 1995-1998. 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 1995-1998, 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, 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 **1995-1998** include the following:

### **Asia.**

**Russia** delivered 4 minor surface combatants, 4 submarines, 80 supersonic combat aircraft, 60 helicopters, 580 surface-to-air missiles and 70 anti-ship missiles. The **United States** delivered 385 tanks and self-propelled guns, 239 supersonic combat aircraft, 51 helicopters, 181 surface-to-air missiles and 103 anti-ship missiles. **China** delivered 150 tanks and self-propelled guns, 160 APCs and armored cars, 150 artillery pieces, 4 major surface combatants, 13 minor surface combatants, 6 guided missile boats, 80 supersonic combat aircraft, 210 surface-to-air missiles and 30 anti-ship missiles. The four **major West European suppliers** collectively delivered 230 APCs and armored cars, 23 major surface combatants, 7 minor surface combatants, 4 submarines, 70 supersonic combat aircraft, 1,130 surface-to-air missiles and 10 anti-ship missiles. **All other European suppliers** as a group delivered 300 tanks and self-propelled guns, 1 major surface combatant, 8 minor surface combatants, 30 supersonic combat aircraft, 40 helicopters, and 50 surface-to-air missiles. **All other non-European suppliers** collectively delivered 14 minor surface combatants, 2 submarines, 30 supersonic aircraft, 100 surface-to-air missiles, and 10 surface-to-surface missiles.

### **Near East.**

**Russia** delivered 290 tanks and self-propelled guns, 610 APCs and armored cars, 1 submarine, 10 supersonic combat aircraft, 90 helicopters and 140 surface-to-air missiles. The **United States** delivered 817 tanks and self-propelled guns, 2,727 APCs and armored cars, 69 artillery pieces, 13 minor surface combatants, 126 supersonic combat aircraft, 90 helicopters, 1,284 surface-to-air missiles and 287 anti-ship missiles. **China** delivered 8 guided missile boats, 10 supersonic combat aircraft and 120 anti-ship missiles. The four **major West European suppliers** collectively delivered 220 tanks and self-propelled guns, 340 APCs and armored cars, 2 major surface combatants, 14 minor surface combatants, 8 guided missile boats, 30 supersonic combat aircraft, 350 surface-to-air missiles, and 20 anti-ship missiles. **All other European suppliers** as a group delivered 200 tanks and self-propelled guns, 880 APCs and armored cars, 2 major surface combatants, 15 minor surface combatants, and 10 supersonic combat aircraft. **All other suppliers** collectively delivered 3 minor surface combatants and 30 surface-to-air missiles.

**Latin America.**

**Russia** delivered 70 helicopters and 750 surface-to-air missiles. The **United States** delivered 57 APCs and armored cars, 2 major surface combatants, 24 minor surface combatants, 39 subsonic combat aircraft and 46 helicopters. **China** delivered 120 surface-to-air missiles. The four **major West European suppliers** collectively delivered, 60 tanks and self-propelled guns, 140 APCs and armored cars, 7 major surface combatants, 4 guided missile boats, 20 helicopters, 60 surface-to-air missiles and 20 anti-ship missiles. **All other European suppliers** collectively delivered 60 tanks and self-propelled guns, 270 APCs and armored cars, 2 minor surface combatants, 40 supersonic combat aircraft, 10 helicopters and 1,200 surface-to-air missiles. **All other non-European suppliers** as a group delivered 20 tanks and self-propelled guns, 7 minor surface combatants, 2 guided missile boats, 10 helicopters, 30 surface-to-air missiles, and 10 anti-ship missiles.

**Africa.**

**Russia** delivered 10 supersonic combat aircraft and 40 helicopters. **China** delivered 130 tanks and self-propelled guns and 3 minor surface combatants and 10 supersonic combat aircraft. The four **major West European suppliers** collectively delivered 160 APCs and armored cars, 2 minor surface combatants, and 10 helicopters. **All other European suppliers** collectively delivered 440 tanks and self-propelled guns, 3 minor surface combatants, 10 supersonic combat aircraft, 30 helicopters and 1,080 surface-to-air missiles. **All other non-European suppliers** as a group delivered 30 tanks and self-propelled guns, 60 artillery pieces, 5 minor surface combatants, 1 guided missile boat and 10 helicopters.

**Table 3. Numbers of Weapons Delivered by Major Suppliers to Developing Nations**

<b>Weapons Category</b>	<b>U.S.</b>	<b>Russia</b>	<b>China</b>	<b>Major West European</b>	<b>All Other European</b>	<b>All Others</b>
<b>1991-1994</b>						
Tanks and Self-Propelled Guns	1429	1040	470	130	520	240
Artillery	257	650	880	7760	1290	270
APCs and Armored Cars	1334	1050	20	270	700	350
Major Surface Combatants	0	2	4	28		5
Minor Surface Combatants	34	14	16	68	23	47
Guided Missile Boats	0	0	9	4	0	2
Submarines	0	3	0	6	0	0
Supersonic Combat Aircraft	224	80	90	20	10	170
Subsonic Combat Aircraft	104	0	60	80	0	20
Other Aircraft	87	50	90	80	170	100
Helicopters	180	200	0	200	70	30
Surface-to-Air Missiles	1467	1030	310	2230	490	330
Surface-to-Surface Missiles	0	150	110	0	0	150
Anti-Ship Missiles	87	60	90	40	0	0
<b>1995-1998</b>						
Tanks and Self-Propelled Guns	1202	320	280	290	1000	50
Artillery	178	40	180	160	150	180
APCs and Armored Cars	2843	680	160	870	1260	70
Major Surface Combatants	3	0	0	32	3	0
Minor Surface Combatants	48	4	16	23	28	29
Guided Missile Boats	0	0	14	12	0	3
Submarines	0	5	0	5	0	2
Supersonic Combat Aircraft	365	100	100	100	90	30
Subsonic Combat Aircraft	43	0	0	60	30	30
Other Aircraft	24	40	60	70	160	60
Helicopters	187	260		40	100	20
Surface-to-Air Missiles	1465	1470	330	1740	2330	160
Surface-to-Surface Missiles	0	0	0	0	0	10
Anti-Ship Missiles	390	70	160	50	0	10

**Source:** U.S. Government.

**Note:** Developing nations category excludes the U.S., Russia, former U.S.S.R., Europe, Canada, Japan, Australia and New Zealand. All data are for calendar years given. Major West European includes France, United Kingdom, Germany, and Italy totals as an aggregate figure.

Data relating to surface-to-surface and anti-ship 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.

**Table 4. Number of Weapons Delivered by Major Suppliers to Asia and the Pacific**

Weapons Category	U.S.	Russia	China	Major West European	All Other European	All Others
<b>1991-1994</b>						
Tanks and Self-Propelled Guns	86	400	470	0	70	150
Artillery	25	400	350	40	430	20
APCs and Armored Cars	46	560	20	90	0	140
Major Surface Combatants	0	0	4	25	0	5
Minor Surface Combatants	12	10	8	11	1	28
Guided Missile Boats	0	0	2	0	0	0
Submarines	0	1	0	5	0	0
Supersonic Combat Aircraft	29	40	70	0	0	40
Subsonic Combat Aircraft	50	0	0	50	0	0
Other Aircraft	36	40	60	50	60	10
Helicopters	32	140	0	70	40	0
Surface-to-Air Missiles	427	790	140	1300	300	20
Surface-to-Surface Missiles	0	150	30	0	0	0
Anti-Ship Missiles	87	40	40	0	0	0
<b>1995-1998</b>						
Tanks and Self-Propelled Guns	385	30	150	0	300	0
Artillery	89	10	150	60	40	30
APCs and Armored Cars	54	70	160	230	80	50
Major Surface Combatants	1	0	4	23	1	0
Minor Surface Combatants	8	4	13	7	8	14
Guided Missile Boats	0	0	6	0	0	0
Submarines	0	4	0	4	0	2
Supersonic Combat Aircraft	239	80	80	70	30	30
Subsonic Combat Aircraft	4	0	0	30	10	0
Other Aircraft	20	10	40	10	30	50
Helicopters	51	60	0	0	40	0
Surface-to-Air Missiles	181	580	210	1330	50	100
Surface-to-Surface Missiles	0	0	0	0	0	10
Anti-Ship Missiles	103	70	30	10	0	0

**Source:** U.S. Government.

**Note:** Asia and Pacific category *excludes* Japan, Australia and New Zealand. All data are for calendar years given. Major West European includes France, United Kingdom, Germany, and Italy totals as an aggregate figure.

Data relating to surface-to-surface and anti-ship 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.

**Table 5. Numbers of Weapons Delivered by Major Suppliers to Near East**

<b>Weapons Category</b>	<b>U.S.</b>	<b>Russia</b>	<b>China</b>	<b>Major West European</b>	<b>All Other European</b>	<b>All Others</b>
<b>1991-1994</b>				<b>European</b>		
Tanks and Self-Propelled Guns	1343	450	0	20	440	40
Artillery	213	70	200	7690	750	130
APCs and Armored Cars	1285	320	0	40	230	50
Major Surface Combatants	0	1	0	0	0	0
Minor Surface Combatants	15	1	5	51	0	4
Guided Missile Boats	0	0	7	4	0	0
Submarines	0	2	0	0	0	0
Supersonic Combat Aircraft	195	30	0	20	10	120
Subsonic Combat Aircraft	0	0	60	20	0	10
Other Aircraft	17	10	0	20	50	40
Helicopters	86	20	0	0	10	0
Surface-to-Air Missiles	1040	180	70	890	0	40
Surface-to-Surface Missiles	0	0	80	0	0	150
Anti-Ship Missiles	0	20	50	30	0	0
<b>1995-1998</b>						
Tanks and Self-Propelled Guns	817	290	0	220	200	0
Artillery	69	30	30	10	40	20
APCs and Armored Cars	2727	610	0	340	880	0
Major Surface Combatants	0	0	0	2	2	0
Minor Surface Combatants	13	0	0	14	15	3
Guided Missile Boats	0	0	8	8	0	0
Submarines	0	1	0	0	0	0
Supersonic Combat Aircraft	126	10	10	30	10	0
Subsonic Combat Aircraft	0	0	0	30	0	0
Other Aircraft	2	10	10	50	60	10
Helicopters	90	90	0	10	20	0
Surface-to-Air Missiles	1284	140	0	350	0	30
Surface-to-Surface Missiles	0	0	0	0	0	0
Anti-Ship Missiles	287	0	120	20	0	0

**Source:** U.S. Government

**Note:** All data are for calendar years given. Major West European includes France, United Kingdom, Germany, and Italy totals as an aggregate figure.

Data relating to surface-to-surface and anti-ship 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.

**Table 6. Numbers of Weapons Delivered by Major Suppliers to Latin America**

Weapons Category	U.S.	Russia	China	Major West European	All Other European	All Others
<b>1991-1994</b>				<b>European</b>		
Tanks and Self-Propelled Guns	0	120	0	40	0	0
Artillery	19	130	50	20	0	70
APCs and Armored Cars	0	130	0	70	260	40
Major Surface Combatants	0	0	0	3	0	0
Minor Surface Combatants	6	2	0	6	14	0
Guided Missile Boats	0	0	0	0	0	2
Submarines	0	0	0	1	0	0
Supersonic Combat Aircraft	0	10	0	0	0	0
Subsonic Combat Aircraft	54	0	0	0	0	10
Other Aircraft	19	0	10	0	40	40
Helicopters	62	20	0	80	10	20
Surface-to-Air Missiles	0	60	70	0	190	270
Surface-to-Surface Missiles	0	0	0	0	0	0
Anti-Ship Missiles	0	0	0	10	0	0
<b>1995-1998</b>						
Tanks and Self-Propelled Guns	0	0	0	60	60	20
Artillery	16	0	0	80	20	60
APCs and Armored Cars	57	0	0	140	270	0
Major Surface Combatants	2	0	0	7	0	0
Minor Surface Combatants	24	0	0	0	2	7
Guided Missile Boats	0	0	0	4	0	2
Submarines	0	0	0	1	0	0
Supersonic Combat Aircraft	0	0	0	0	40	0
Subsonic Combat Aircraft	39	0	0	0	20	20
Other Aircraft	0	20	0	0	10	0
Helicopters	46	70	0	20	10	10
Surface-to-Air Missiles	0	750	120	60	1200	30
Surface-to-Surface Missiles	0	0	0	0	0	0
Anti-Ship Missiles	0	0	0	20	0	10

**Source:** U.S. Government.

**Note:** All data are for calendar years given. Major West European includes France, United Kingdom, Germany, and Italy totals as an aggregate figure.

Data relating to surface-to-surface and anti-ship 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.

**Table 7. Number of Weapons Delivered by Major Suppliers to Africa**

<b>Weapons Category</b>	<b>U.S.</b>	<b>Russia</b>	<b>China</b>	<b>Major West European</b>	<b>All Other European</b>	<b>All Others</b>
<b>1991-1994</b>						
Tanks and Self-Propelled Guns	0	70	0	70	10	50
Artillery	0	50	280	10	110	50
APCs and Armored Cars	3	40	0	70	210	120
Major Surface Combatants	0	1	0	0	0	0
Minor Surface Combatants	1	1	3	0	8	15
Guided Missile Boats	0	0	0	0	0	0
Submarines	0	0	0	0	0	0
Supersonic Combat Aircraft	0	0	20	0	0	10
Subsonic Combat Aircraft	0	0	0	10	0	0
Other Aircraft	15	0	20	10	20	10
Helicopters	0	20	0	50	10	10
Surface-to-Air Missiles	0	0	30	40	0	0
Surface-to-Surface Missiles	0	0	0	0	0	0
Anti-Ship Missiles	0	0	0	0	0	0
<b>1995-1998</b>						
Tanks and Self-Propelled Guns	0	0	130	10	440	30
Artillery	1	0	0	10	50	60
APCs and Armored Cars	5	0	0	160	30	20
Major Surface Combatants	0	0	0	0	0	0
Minor Surface Combatants	3	0	3	2	3	5
Guided Missile Boats	0	0	0	0	0	1
Submarines	0	0	0	0	0	0
Supersonic Combat Aircraft	0	10	10	0	10	0
Subsonic Combat Aircraft	0	0	0	0	0	10
Other Aircraft	2	0	10	10	60	0
Helicopters	0	40	0	10	30	10
Surface-to-Air Missiles	0	0	0	0	1080	0
Surface-to-Surface Missiles	0	0	0	0	0	0
Anti-Ship Missiles	0	0	0	0	0	0

**Source:** U.S. Government.

All data are for calendar years given. Major West European includes France, United Kingdom, Germany, and Italy totals as an aggregate figure.

Data relating to surface-to-surface and anti-ship 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.



## Worldwide Arms Transfer Agreements and Deliveries Values, 1991-1998

The six tables below, **tables 8, 8A and 8B** and **tables 9, 9A and 9B**, provide the total dollar values of arms transfer agreements and arms deliveries *worldwide* in the same format and detail as do **tables 1, 1A and 1B** and **tables 2, 2A and 2B** for arms transfer agreements with and arms deliveries to developing nations.

### Total Worldwide Arms Transfer Agreements Values, 1991-1998

**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 dollar values are expressed in *constant* 1998 dollars.

- The United States ranked first among all suppliers to the world in the value of arms transfer agreements from 1995-1998, and first for the entire period from 1991-1998 (**figure 1**).
- Russia ranked second among all suppliers to the world in the value of arms transfer agreements from 1995-1998, and third from 1991-1998.
- France ranked third among all suppliers to the world in the value of arms transfer agreements from 1995-1998, and second from 1991-1998.
- The United Kingdom ranked fourth among all suppliers to the world in the value of arms transfer agreements from 1995-1998, and fourth from 1991-1998.
- In 1998, the value of all arms transfer agreements worldwide was nearly \$23 billion. This is the second lowest total for arms transfer agreements in any year since 1991, although an increase over the lowest total in 1997 of \$21.4 billion.
- In 1998, the United States was the leader in arms transfer agreements with the world, making about \$7.1 billion in such agreements, or 30.8% of all arms transfer agreements. Germany ranked second with \$5.5 billion in arms transfer agreements, or 23.9% of all such agreements. France ranked third with \$3 billion or 13.1%. United States agreements increased notably from about \$5.7 billion in 1997 to about \$7.1 billion in 1998. France's arms transfer agreements fell significantly from about \$5 billion in 1997 to \$3 billion in 1998.
- The United States, Germany and France, the top three arms suppliers to the world in 1998 respectively—ranked by the value of their arms transfer agreements—collectively made agreements in 1998 valued at nearly \$15.6 billion, 67.8% of all arms transfer agreements made with the world by all suppliers.

- The total value of all arms transfer agreements worldwide from 1995-1998 (\$100.3 billion) was notably less than the value of arms transfer agreements by all suppliers worldwide from 1991-1994 (\$130.6 billion), a decline of 23.2% (**figure 1**).
- During the period from 1991-1994, developing world nations accounted for 71.7% of all arms transfer agreements made worldwide. During 1995-1998, developing world nations accounted for 66.4% of all arms transfer agreements made worldwide (**figure 1**).
- In 1998, developing nations were recipients of 57.3% of all arms transfer agreements made worldwide (**figure 1**).

### Total Worldwide Arms Delivery Values, 1991-1998

**Table 9** shows the annual *current* dollar values of arms deliveries (items actually transferred) worldwide by major suppliers from 1991-1998. 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* 1998 dollars.

- In 1998, the United States ranked first in the value of arms deliveries worldwide, making over \$10.5 billion in such deliveries. This is the eighth 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 (**figure 2**).
- France ranked second in arms deliveries worldwide in 1998, making \$6.5 billion in such deliveries.
- The United Kingdom ranked third in arms deliveries worldwide in 1998, making \$5.3 billion each in such deliveries.
- In 1998, the top three suppliers of arms to the world, the United States, France and the United Kingdom, collectively delivered over \$22.3 billion, 74.9% of all arms deliveries made worldwide by all suppliers.
- The U.S. share of all arms deliveries worldwide in 1998 was 35.3%, down from its 38.7% share in 1997. France's share in 1998 was 21.8%, its highest percentage of deliveries in any year from 1991-1998. Russia's share of all arms deliveries to the world in 1998 was 6.7%, up from 6.2% in 1997 (**table 9B**).
- In 1998 the value of all arms deliveries worldwide was over \$29.8 billion. This is a significant decline in the total value of arms deliveries from the previous year (nearly \$37.8 billion), measured in constant 1998 dollars (**chart 10**) (**table 9A**).
- During the period from 1991-1994, developing world nations accounted for 69.4% of all arms deliveries received worldwide. During 1995-1998,

developing world nations accounted for 76.7% of all arms deliveries worldwide (**Figure 2**).

- In 1998, developing nations as recipients of arms accounted for 77.8% of all arms deliveries received worldwide (**Figure 2**).
- The total value of all arms deliveries by all suppliers worldwide from 1995-1998 (\$131.2 billion) was a notable increase from the value of arms deliveries by all suppliers worldwide from 1991-1994 (nearly \$120.4 billion)(in constant 1998 dollars), an increase of 9% (**figure 2**)(**table 9A**).

**Table 8. Arms Transfer Agreements with the World, by Supplier, 1991-1998**  
(in millions of current U.S. dollars)

	1991	1992	1993	1994	1995	1996	1997	1998	TOTAL 1991-1998
United States	10,150	8,753	19,363	10,967	6,771	8,117	5,586	7,081	76,788
Russia*	7,100	1,800	2,400	3,900	7,600	5,100	3,300	1,700	32,900
France	3,500	9,000	5,000	8,400	2,600	2,800	4,900	3,000	39,200
United Kingdom	400	1,800	2,800	700	800	4,700	1,000	1,200	13,400
China	600	500	500	700	200	1,000	1,600	700	5,800
Germany	1,500	1,300	1,300	1,200	500	100	600	5,500	12,000
Italy	300	500	400	200	1,100	400	300	1,000	4,200
All Other European	2,000	2,200	900	2,600	2,900	3,700	2,200	1,600	18,100
All Others	700	1,200	1,100	700	1,900	2,900	1,500	1,200	11,200
<b>TOTAL</b>	<b>26,250</b>	<b>27,053</b>	<b>33,763</b>	<b>29,367</b>	<b>24,371</b>	<b>28,817</b>	<b>20,986</b>	<b>22,981</b>	<b>213,588</b>
Dollar inflation index (1998=1.00)**	0.8604	0.8768	0.9021	0.9227	0.9407	0.9604	0.9801	1	

**Source:** U.S. Government.

**Note:** 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.

**Table 8A. Arms Transfer Agreements with the World, 1991-1998**  
(in millions of constant 1998 dollars)

	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>TOTAL 1991-1998</b>
United States	11,797	9,983	21,464	11,886	7,198	8,452	5,699	7,081	83,560
Russia	8,252	2,053	2,660	4,227	8,079	5,310	3,367	1,700	35,648
France	4,068	10,265	5,543	9,104	2,764	2,915	4,999	3,000	42,658
United Kingdom	465	2,053	3,104	759	850	4,894	1,020	1,200	14,345
China	697	570	554	759	213	1,041	1,632	700	6,167
Germany	1,743	1,483	1,441	1,301	532	104	612	5,500	12,715
Italy	349	570	443	217	1,169	416	306	1,000	4,471
All Other European	2,325	2,509	998	2,818	3,083	3,853	2,245	1,600	19,429
All Others	814	1,369	1,219	759	2,020	3,020	1,530	1,200	11,930
<b>TOTAL</b>	<b>30,509</b>	<b>30,854</b>	<b>37,427</b>	<b>31,827</b>	<b>25,907</b>	<b>30,005</b>	<b>21,412</b>	<b>22,981</b>	<b>230,923</b>

**Table 8B. Arms Transfer Agreements with the World, by Supplier, 1991-1998**  
(expressed as a percent of total, by year)

	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>
United States	38.67%	32.36%	57.35%	37.34%	27.78%	28.17%	26.62%	30.81%
Russia	27.05%	6.65%	7.11%	13.28%	31.18%	17.70%	15.72%	7.40%
France	13.33%	33.27%	14.81%	28.60%	10.67%	9.72%	23.35%	13.05%
United Kingdom	1.52%	6.65%	8.29%	2.38%	3.28%	16.31%	4.77%	5.22%
China	2.29%	1.85%	1.48%	2.38%	0.82%	3.47%	7.62%	3.05%
Germany	5.71%	4.81%	3.85%	4.09%	2.05%	0.35%	2.86%	23.93%
Italy	1.14%	1.85%	1.18%	0.68%	4.51%	1.39%	1.43%	4.35%
All Other European	7.62%	8.13%	2.67%	8.85%	11.90%	12.84%	10.48%	6.96%
All Others	2.67%	4.44%	3.26%	2.38%	7.80%	10.06%	7.15%	5.22%
<hr/>								
<i>[ Major West European*</i>	<i>21.71%</i>	<i>46.58%</i>	<i>28.14%</i>	<i>35.75%</i>	<i>20.52%</i>	<i>27.76%</i>	<i>32.40%</i>	<i>46.56% ]</i>
<hr/>								
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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

**Table 9. Arms Deliveries to the World, by Supplier, 1991-1998**  
(in millions of current U.S. dollars)

	1991	1992	1993	1994	1995	1996	1997	1998	TOTAL 1991-1998
United States	7,077	8,075	9,183	7,672	9,762	8,897	14,311	10,531	75,508
Russia*	6,200	2,500	3,200	1,700	3,500	3,000	2,300	2,000	24,400
France	2,100	2,100	1,500	2,600	3,800	3,500	5,900	6,500	28,000
United Kingdom	4,900	6,100	4,600	5,200	5,300	6,200	6,500	5,300	44,100
China	1,400	1,000	1,200	700	700	600	1,000	600	7,200
Germany	2,400	1,200	1,700	1,600	1,700	1,900	700	1,600	12,800
Italy	300	500	400	200	200	100	700	100	2,500
All Other European	2,200	3,900	2,400	3,500	3,600	3,700	4,000	1,800	25,100
All Others	1,800	1,700	1,900	2,300	2,000	2,000	1,600	1,400	14,700
<b>TOTAL</b>	<b>28,377</b>	<b>27,075</b>	<b>26,083</b>	<b>25,472</b>	<b>30,562</b>	<b>29,897</b>	<b>37,011</b>	<b>29,831</b>	<b>234,308</b>
Dollar inflation index (1998=1.00)	0.8604	0.8768	0.9021	0.9227	0.9407	0.9604	0.9801	1	

**Source:** U.S. Government.

**Note:** 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. 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 Deflator.

**Table 9A. Arms Deliveries to the World, by Supplier, 1991-1998**  
(in millions of constant 1998 U.S. dollars)

	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>TOTAL 1991-1998</b>
United States	8,225	9,210	10,180	8,315	10,377	9,264	14,602	10,531	80,703
Russia	7,206	2,851	3,547	1,842	3,721	3,124	2,347	2,000	26,638
France	2,441	2,395	1,663	2,818	4,040	3,644	6,020	6,500	29,520
United Kingdom	5,695	6,957	5,099	5,636	5,634	6,456	6,632	5,300	47,409
China	1,627	1,141	1,330	759	744	625	1,020	600	7,846
Germany	2,789	1,369	1,884	1,734	1,807	1,978	714	1,600	13,876
Italy	349	570	443	217	213	104	714	100	2,710
All Other European	2,557	4,448	2,660	3,793	3,827	3,853	4,081	1,800	27,019
All Others	2,092	1,939	2,106	2,493	2,126	2,082	1,632	1,400	15,871
<b>TOTAL</b>	<b>32,981</b>	<b>30,880</b>	<b>28,914</b>	<b>27,606</b>	<b>32,489</b>	<b>31,130</b>	<b>37,762</b>	<b>29,831</b>	<b>251,593</b>



**Table 9B. Arms Deliveries to the World, by Supplier, 1991-1998**  
(expressed as a percent of total, by year)

	1991	1992	1993	1994	1995	1996	1997	1998
United States	24.94%	29.82%	35.21%	30.12%	31.94%	29.76%	38.67%	35.30%
Russia	21.85%	9.23%	12.27%	6.67%	11.45%	10.03%	6.21%	6.70%
France	7.40%	7.76%	5.75%	10.21%	12.43%	11.71%	15.94%	21.79%
United Kingdom	17.27%	22.53%	17.64%	20.41%	17.34%	20.74%	17.56%	17.77%
China	4.93%	3.69%	4.60%	2.75%	2.29%	2.01%	2.70%	2.01%
Germany	8.46%	4.43%	6.52%	6.28%	5.56%	6.36%	1.89%	5.36%
Italy	1.06%	1.85%	1.53%	0.79%	0.65%	0.33%	1.89%	0.34%
All Other European	7.75%	14.40%	9.20%	13.74%	11.78%	12.38%	10.81%	6.03%
All Others	6.34%	6.28%	7.28%	9.03%	6.54%	6.69%	4.32%	4.69%
<hr/>								
<i>[ Major West European*</i>	<i>34.18%</i>	<i>36.57%</i>	<i>31.44%</i>	<i>37.69%</i>	<i>35.99%</i>	<i>39.13%</i>	<i>37.29%</i>	<i>45.25% ]</i>
<hr/>								
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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

## Description of Items Counted in Weapons Categories, 1991-1998

**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 fighter and bomber aircraft designed to function operationally at speeds above Mach 1.

**Subsonic Combat Aircraft:** This category includes all fighter and bomber aircraft, including those 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:** This category includes all ground-based air defense missiles.

**Surface-to-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-ship missiles.

**Anti-ship 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
Kyrgyzstan	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

<p>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</p>	<p>Togo Uganda Zaire Zambia Zimbabwe</p>
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### LATIN AMERICA

<p>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 &amp; Nevis St. Lucia St. Pierre &amp; Miquelon St. Vincent Suriname Trinidad</p>	<p>Turks &amp; Caicos Venezuela</p>
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