# Australia's trade in arms by Michelle Fahy

### MAPW War & Militarism series



- Transparency of arms sales is fundamental to security.
- Figures on Australia's current level of arms sales are unavailable. The Australian Government has not reported on the value of arms exports since 2004.
- The Australian Government actively promotes the export of weapons and related goods and services around the world.

## International arms sales must become public knowledge

The ready availability of weapons and ammunition has led to human suffering, political repression, crime, and terror. Internationally, the sale of ammunition and guns is poorly controlled. The suffering that results is a problem the world has been trying to address since 2006 by seeking an Arms Trade Treaty (ATT) at the United Nations.

Transparency of arms transfers is fundamental to security. "If States behave in a predictable and transparent way, including being open about arms transfers, this could build confidence among them and help prevent conflict," says the UN.

Australia is an active participant in the ongoing process to build an arms trade treaty. In 2012 at the UN Foreign Minister Bob Carr said,

#### **Every year:**

- Over \$60 billion of weapons traded globally
- 200,000-400,000 deaths caused by small arms
- 10 people injured for every person killed
- 8 million small arms produced, nearly one million of which lost or stolen
- 12 billion bullets produced for small arms (two bullets for every person on planet)
- 2 out of 3 people killed by armed violence are in countries at peace
- 1 in 10 people in the world possess small arms Sources: Short Film About Guns, Control Arms, Oxfam

"We need an ATT that establishes the highest possible international standards for the import, export and transfer of conventional arms; one that would promote much needed accountability and transparency in the global arms trade."

"When it comes to transparency of exports, Australia does not practise what it preaches."

Australia maintains a better standard of control over where our arms exports end up than many nations, but there's room for improvement. When it comes to transparency of exports, however, Australia does not practise what it preaches.

#### Australia's arms trade

In global terms, Australia is not a major manufacturer of arms and related goods and services, but the lack of publicly available information means the full extent of our trade is unknown.

The Stockholm International Peace Research Institute is one of the world's leading researchers into armaments and arms control. It maintains detailed databases of arms transfers. Australia used to send annual reports to SIPRI but stopped after 2004. Australia's final report to SIPRI for 2003-04 said we exported A\$697.5 million in defence and related goods and dual-use goods (may be used in weapons or for another purpose). In mid-2012, the latest relevant report on the Defence Department website was for 2000-01.



Sydney Peace Foundation www.sydneypeacefoundation.org.au

Currently, the only ways to find out about Australia's arms exports are to ask the Defence Export Control Office (DECO), which may not provide an answer¹, or request an MP to pose a question in parliament. In February 2010 Senator Scott Ludlam asked about the top 200 defence export approvals for 2008-09. The list of approvals provided by Defence Minister John Faulkner totalled A\$1.308 billion. Item descriptions were vague and the list gave the country of destination but no buyer or seller information. Senator Faulkner said names of companies involved were 'commercial-in-confidence.'

This sparse information indicates that Australia's arms exports likely doubled in the five years from June 2004 to June 2009. Given government support for the sector (see below), it's possible exports have risen further since 2009. The June 2012 DECO newsletter said, "A rise in complex and sensitive cases under consideration by DECO over the past 12 months would seem to indicate an increase in defence and dual-use trade into new markets."

Key questions remain unanswered: What is Australia's current level of exports? In what areas is trade growing? What are the "new markets" Australia is entering?

#### **Protection or profit?**

Prior to the 1980s the Australian arms industry was largely state-owned and geared towards



supplying the needs of the Australian Defence
Force. Government policy has shifted since then
and weapons and related goods and services are
now seen as another commodity to be sold for
profit on world markets. Following privatisation of
Australian Defence Industries in 1999, Australia's
arms industry is dominated by local outposts of
multinational arms manufacturers.

A privatised arms industry cannot be relied on to place national security, peace, or human rights interests above the pursuit of profit. The role of government in this sector is crucially important. Yet the Defence Department is now deeply entwined with the arms manufacturing industry. For example, there's "Team Australia", a collaboration of government and industry providing "Australian defence capability solutions to global customers." Plus the Australian Military Sales Office which exists "to make it easier for Australian defence manufacturers to promote and export their products."

"The policy of promoting arms exports encourages arms proliferation and undermines global peace and security efforts"

Australian taxpayer funds are used to promote the interests of Australia's arms industry, including local subsidiaries of multinational arms manufacturers. This area of government expenditure needs closer scrutiny.

The policy of promoting arms exports encourages arms proliferation and undermines global peace and security efforts. The influential role of the Defence Department in stimulating these exports surely creates an irreconcilable conflict of interest with its primary charter of protecting Australia's security.

#### Notes and further reading

Andrew Feinstein (2011) The shadow world: inside the global arms trade, Penguin.

South Australia. The Defence State. www.defencesa.com 

<sup>1</sup>The author requested current export figures from DECO but received no information.

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Main photo: © UN Photo/Patricia Esteve. Inset photo: © UN Photo/Martine Perret. Michelle Fahy is a professional writer and editor. In recent years she has specialised in researching and writing about conflict prevention and disarmament. Michelle is also an associate member of MAPW and a committee member of the Cluster Munition Coalition (Australia).

