

Annual report on Swedish arms trade from SPAS to ENAAT 1999/2000

The sale of fighter aircraft's (JAS 39 Gripen)

SAAB/BAE won the contract of selling the aircraft to South Africa. As for now 9 planes are to be delivered with an option on some 19 more. The cost is some 13 billions Swedish crowns. There have been tremendous efforts from the Government and the industry to find buyers of the JAS Gripen system. The efforts seems to be concentrated towards Chile and Brasil. The main actor in opposing the efforts to sell these planes has been the Swedish Fellowship of Reconciliation (the Swedish branch of IFOR).

Indonesia

Spas did work to try to push the Swedish government to keep the EU-embargo towards Indonesia. The official Swedish policy was to prolong the embargo but followed in the line when it was lifted, something which Spas criticised.

India and Pakistan

As a strong reaction towards India's and Pakistan's nuclear tests in 1998 the Swedish Government cut down its aid programmes to the countries. The Government also suggested to the EU to set up an EU-wide arms embargo to India and Pakistan. But at the same time follow-on deliveries from Sweden to the countries where not forbidden.

On the contrary, in 1999 India made such great use of it's Swedish howitzers in the heavy fighting over the Kashmir border that India's need for spare parts and ammunition rose. India lifted its own embargo against Bofors (a long term protest against Bofors unwillingness to reveal who received the bribes that got them the original deal in the late 80's) and contracts for follow-on deliveries has been signed. There are currently high level discussions with India to produce new howitzers themselves on a license basis. An affair which will be worth several billions crowns. The Government did give guaranties for such future co-operation in a Memorandum of Understanding signed together with the original deal and claims that they cannot break this promise.

There are also current follow-on deals to India concerning the grenade gun Carl Gustaf. This deal has been granted even though there is no MoU promising such deliveries.

SPAS would enjoy any support or any ideas on campaigns against arms trade to India and Pakistan within ENAAT. Also with the military coup in Pakistan in mind, ENAAT should work hard for an EU-embargo on these recipients.

Joint ventures within the defence industry

The main affair was the merge between Celsius and Saab to the Saab Group. The merge makes the company a relatively big size one in an international spectra (no 22 according to Defense News) for a small country. 1999 the German shipyard Howaldtwerke-Deutsche Werf bought the Swedish shipyards Kockums and Karlskronavarvet. Another affair was that the American company United defense bought Bofors Weapon Systems in June 2000. Since USA has an arms embargo towards India and Bofors has good possibilities to sell a big set of howitzers to India the companies are according to media pushing USA to lift the embargo.

Ericsson

Ericsson (Microwave Systems) will probably become the biggest Swedish arms contractor this year. In July the company signed a huge contract with Greece for a military radar system. The system is called ERIEYE and since they are quite alone with that technique we will probably see some more big deals in the future. Ericsson has climbed some 57 positions, from 93 to 36, in the top 100 ranking of defence industries of last year.

Joint venture within the peace movement

Spas and the Swedish fellowship of reconciliation is currently working tightly together with an information project on the arms trade to the south. One of the events will be a conference on transparency on the 5 and 6 of may next year where we hope many of our fellow ENAAT-members will turn up.

Framework agreement

SPAS has done some intense work on the framework agreement, since it was signed this summer. Mainly has the work been directed towards our own members though. When the government bill on the agreement will be laid for the parliament to decide there will be a hearing arranged in the parliament on the issue. SPAS is currently working on a report on the different policies on arms trade within the LOI-countries which will be published to that hearing.

Some statistics

The Swedish Government reports on last years arms trade to the parliament in an annual report every spring. These reports do not show what kind of arms/military equipment has been sold, but it does give the sum of the deals expressed in million Swedish Crowns. The statistics are divided into the two categories "military equipment for fighting" (f e guns, missiles, fighter aircrafts etc) and "other military equipment" (like military radar).

The total value of Sweden's military equipment exports in 1999 was 3.654 million crowns of which 1.954 was "for fighting" and 1.700 "other". Some of the recipients were:

Brasilia	362,4	(both)
India	5,0	(only "other")
Indonesia	0,3	(only "other")
Malaysia	34,6	(both)
Mexico	64,1	(mainly for fighting)
Oman	3,6	(only "other")
Pakistan	5,1	(only "other")
Singapore	46,4	(both)
Thailand	51,3	(only "other")
Tunisia	1,6	(only "other")
United Arab Emirate	8,3	(only "other")
Venezuela	226,0	(mainly for fighting)

It is worth noting that there has been an huge increase to Latin America the last years. During the firs half of the 90's the export was around 1% of the total export. Since 1996 it has increased and was 1999 18%.

Spas is currently rewriting our basic fact book on arms trade. Statistical investigations during that work has shown that the Swedish export was 25% bigger during the last five years of the 90's compared to the sum of the first five years. During the 90's Sweden has sold weapons to at least some 69 countries (49 year 1999).

Mines

Just for your information, although its not really an ENAAT-matter: SPAS in the main actor in Sweden when it comes to issues concerning mines. We are the only Swedish group with regular connections to the International Campaign to Ban Landmines, ICBL.

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