

From "Australia's Foreign Wars: Origins, Costs, Future?!" <http://users.cyberone.com.au/ibuckley>  
Illustrated version is available from [The British Empire](http://www.britishempire.co.uk/) <http://www.britishempire.co.uk/> (see Articles)

## Appendix G

Submission to the *Joint Standing Committee on Foreign Affairs, Defence and Trade*:  
(Called Sept. 1993; Hearings held March 1994)

### ***"Inquiry into the Implications of Australia's Defence Exports"***

From : The Medical Association for Prevention of War (Australia)

Please note: MAPW's submission relates especially to the inquiry's 6<sup>th</sup> term of reference, namely, to "*the strategic, political, economic, international and human rights implications of defence exports*" into our region, whether these exports are from truly Australian sources or, encouraged by Federal Government practices and policies, from overseas sources.

### **Abstract**

*As indicated by its title, the Medical Association for Prevention of War (MAPW) is an association of doctors whose primary concern is the prevention of war. MAPW recognises that arms transfers which go beyond levels required for legitimate self defence are destabilising, increasing the likelihood of war. Accordingly, we see the present size of the international arms trade and its rapid growth in the Asia/Pacific as presenting a major threat to Australia's security and to its good international relations. We believe that for an adequate response to that threat, Australia must, both by example and international agreement, do all in its power to reduce the level of military transfers in our region. That concern relates to the present inquiry because, for reasons set out below, we see Australia's present policies and guidelines as promoting , instead of limiting, these arms transfers.*

*As generally recognised, excessive arms build-ups by neighbouring states leads to mutual suspicion, fear, and further arms escalation. In addition, such build-ups divert valuable resources from constructive projects, this affecting both developed and developing countries. Tragically, in developing countries, such resource diversion interferes with the satisfaction of even the most basic of human needs (clean water, food, shelter etc.) and in many of these countries the arms traded are used for political repression. Impressed by what has occurred (and continues to occur) elsewhere in the world, we recognize that excessive arms build-ups in the Asia/Pacific will result in human deprivation and political destabilization, (both internal and external), a destabilization which must eventually affect all countries of the region, including our own.*

*Clearly, the excessive and still-growing arms build-up in our region comes not from Australian sources alone, but rather from major international arms suppliers which,*

*since the end of the Cold War, are urgently expanding their non-European operations and markets. Hoping for particular political and economic benefits, Australian governments (both Federal and State) and certain businesses are collaborating with a number of international arms suppliers to manufacture components and expand sales of these and other arms in Australia and regionally. As set out below, MAPW sees that trend as extremely short-sighted and ultimately self-defeating. We believe that Australia should instead take the long view, work towards becoming truly independent politically, fully self-reliant in home defence and, by building up the economic and political stability of itself and the region, properly underwrite its defence, its security and its good international relations.*

*In view of the accelerating growth of arms transfers regionally and the role of the Australian Government in promoting those transfers (documented below), we would like to concentrate our submission on the Government's involvement in arms trading, its participation in overseas arms bazaars, and its active encouragement and sponsorship of AIDEX (Australia's International Defence Equipment Exhibition), an international arms bazaar held periodically in Canberra. Billed by its promoters (Desiko Pty Ltd) as Australia's "biggest" ever, AIDEX '91 provided opportunities for the defence industries of Australia and 20 other nations to market their wares throughout the Asia/Pacific. AIDEX '91 thus represented the continuation of Government policies designed to promote the transfer of not only its own arms but those of the defence industries of these 20 other nations into our region. With the recent experience of the Gulf War and its tragic aftermath with us still, many, including MAPW, have asked how it is that the Australian Government could actively encourage such trading.*

*Since the Government's policy on arms sales promotion appears diametrically opposed to Australia's best interests (as set out in many of its Foreign Affairs policy statements), we see this and other policy contradictions that affects our National health and well-being as symptomatic of a deep moral, political and economic malaise requiring urgent diagnosis and treatment. What follows is a more detailed analysis of this 'case history'. Our recommendations for National recovery include discontinuance of the Defence Department's control of arms export licensing, the adoption of a non-provocative, truly self-reliant, defence posture and vigorous efforts to advance the economic and political well-being of our region, all with the purpose of promoting good international relations and assuring our long term national defence and security.*

## **Introduction: Arms Trading and Overseas Wars**

Not only is history replete with examples of wars brought on or exacerbated by arms build-ups promoted by the world's arms industries but recent overseas experiences have given us stark demonstrations of the enormously destructive power of currently available 'conventional' weapons.

One recent example illustrating these points was the Iran-Iraq war of the '80s during which the arms suppliers of some 26 'capitalist' and 'socialist' countries sold more than \$ 48 billion worth of arms to one or other (or both) combatant countries. Because Iran had

offended many interests in the West, considerable efforts were made to ensure that Iraq was particularly well armed (Warnke, 1991). Needless to say, all arms supplied greatly increased the suffering and deaths of both the Iranian and Iraqi peoples, affecting especially the fate of hundreds of thousands of young Iraqis and Iranians, who as conscripts and "volunteer" human waves, were forced to face one another in the front line. Unfortunately no serious concern at these arms transfers was raised during the decade. Only after the Iraqi invasion of Kuwait was it pointed out how much destructive weaponry had been put into the hands of Saddam, our former ally and new-found adversary (Warnke, 1991).

Another and more recent example is the Gulf war which followed Iraq's invasion of Kuwait. Clearly, Saddam would not have contemplated that invasion had he not been excessively armed during the Iran-Iraq war, for it was those arms that gave him both the means and the confidence to invade. As commonly occurs in military schemes, however, that confidence was misplaced, events proving Iraq's military might to be no match for that of the Coalition forces. Indeed, even though only 'conventional' weapons were used, the Coalition's air campaign was able not only to obliterate some 500,000 young Iraqi soldiers (mostly conscripts), bombed in their bunkers or shot down in retreat (Baker, 1991) but, by pin-point targeting of key installations, to utterly destroy Iraq's life-supporting civil infrastructure (power generation, water purification, irrigation, sewerage plants etc.), thus leaving its civilian population, especially its younger children, exposed to starvation and disease (Society of Friends, 1991(Nov.); Frontline/SBS, 1991(Nov); UNICEF, 1992)

This end result of the war, now prolonged and compounded by Saddam's persistence in power and the disastrous effects of the ongoing UN sanctions, well illustrates the folly of international arms trading, the extreme destructiveness of currently available 'conventional' weapons and the tragedy for any people unfortunate enough to be caught up in one of today's armed conflicts.

Notwithstanding the lessons which should have been learned from these two wars, shortly after Iraq was defeated it became apparent that regional arms sales were to resume - "for legitimate self defence". By June 1991, the US Pentagon had announced plans to sell some \$26 billion worth of arms to Saudi Arabia, Egypt, Israel, Turkey and other Middle East nations (SMH 22.6.91), - a feat that European and other states have sought to match. Thus, in November 1991 the arms manufacturers of many countries were again selling their wares in the Persian Gulf at an arms bazaar in Dubai. Sad to relate, Australia too was there, being represented by ADI, a wholly Government-owned company.

A significant factor in the recent push to increase arms sales world-wide is that, following the end of the Cold War and the resulting CFE agreement, there are huge arms surpluses awaiting sale. Not only are these 'surplus' arms available in vast excess but since the suppliers continue still to build up inventories, that surplus is steadily growing. Not surprisingly these businesses will go to great lengths to sell their wares. Thus the manufacturers and the governments they serve are motivated to sell anywhere in the

world, 'justifying' their actions with a variety of plausible arguments. Hence the claims by Government and industry that arms exports are permitted only to "friendly" nations for "legitimate self defence", that they are vital for improving our balance of payments and that arms bazaars, such as AIDEX, are for the display of sophisticated technologies which, being all about computers and other electronic wizardry, are essentially non-aggressive, non-harmful and of great value to civilian life (rather than, as displayed in the Gulf, to ensure the efficiency of target-finding, destruction and killing).

### **Arms Transfers in the Asia/Pacific**

Of particular concern to Australians and others in the region is that, second to the Middle East, arms transfers to and within the Asia/Pacific region are the fastest growing in the world (U.S. Congressional Research Service Report, 1982-89; Mack and Ball, 1992). Thus the dollar value of the region's arms transfers increased from US\$14.5 billion during 1982-85 to US\$17.8 billion during 1986-89 and, based on contracted and forecast arms deliveries, that trend is accelerating. Although over 75% of this equipment came from the US and the (then) USSR, that combined percentage is declining as a number of European suppliers (especially from the UK, France and Germany) along with Japan, China, Taiwan, North Korea and South Korea increase their 'market share'. Another significant trend is the increasing sophistication of the weapons transferred. Thus, whereas in the 1950s and 1960s the major suppliers commonly provided second-hand or less capable versions of their own front-line weapons systems, since the 1980s that qualitative difference has all but disappeared. In short, it is clear that the pressure for regional arms sales comes not only from outside the region but from suppliers in a growing number of Asia/Pacific states and that the arms offered, being increasingly hi-tech., are of the more sophisticated and therefore destructive kind.

If superpower confrontation existed still or if there were major threats to the military security of nations within the region, one might see the trend to increasing militarisation of the Asia/Pacific as being based on the need for national self defence. It is apparent, however, that current tensions within the region are declining or are being controlled (Klintworth, 1991). Moreover, where tensions do exist, such as between India and Pakistan, North and South Korea and between the Cambodian factions, increased arms transfers will undoubtedly aggravate, not calm, those tensions. Clearly, these unresolved regional disputes require diplomatic, not military solutions. As history repeatedly tells us, regional arms build-ups only increase the chances of conflict, a fact which our recent involvement in the peace-keeping operations in Cambodia and Yugoslavia must surely bring home.

### **Australia's Role in the International Arms Trade**

Australia plays a dual role, acting both as a direct exporter of arms and, more importantly, as a facilitator of the international arms trade throughout our region.

To understand that situation one must briefly review the development of Australia's defence policies. Following the end of World War II, Australia saw the USA as a

bulwark guaranteeing its defence. That guarantee may always have been somewhat illusory but in any case it led Australia to cooperate in various 'forward defence' arrangements and to depend on US suppliers for much of its defence equipment, especially the more sophisticated items (Cheeseman, 1992, Chapter 2). Since the mid '80s however (by which time it was clear that the US was not our defence guarantor) Australia has attempted to be more self-reliant in defence matters. Under this new policy the ADF was to be structured and equipped for home defence (i.e., defence of the Australian mainland and its immediate maritime surrounds) (Dibb Review, 1986) and the Australian defence industries were to be developed to satisfy the ADF's needs and to double arms exports over 5 years, changes aimed at diminishing dependence on overseas suppliers and reducing outlays of foreign exchange (Cooksey Review, 1986). Except for the attempt to augment arms exports, these changes appeared to be a step in the right direction.

However, subsequent policy modifications altered that direction significantly. Although 'forward defence' was out, the Government, under former Defence Minister Beazley, took on the role of regional power with responsibilities to itself, the US and the Western Alliance for 'in depth' defence of a region extending 1000 nautical miles beyond our shores (The Defence of Australia, 1987; The Defence Corporate Plan 91-95, 1991). Of course, in equipment terms, the requirements for such an expanded role are an order of magnitude greater than for home defence and have predisposed us towards the acquisition of hi-tech aircraft (FA-18s), missile-capable frigates, submarines, etc., all of which are extremely costly. Aside from whether Australia should take on a 'leadership' role in regional defence, it is important to consider the inevitable costs and consequences of that role.

Since the expensive hi-tech equipment required for the regional role has been designed and manufactured by overseas firms, Australia is committed to high annual expenditures (~\$1 billion p.a. for 10-15 years), expenditures that add directly to our foreign debt. In attempting to reduce the net impact of these costs, there have been considerable efforts to expand our indigenous defence industries to supply the needs of the ADF both directly and indirectly, i.e., by acting as subcontractors to the international arms manufacturers involved. It is claimed that we thereby benefit by technology transfer and the generation of jobs. It should be stressed, however, that overseas firms do not provide Australia with more technology than that essential for the Australian-made component and that the level of job generation per \$1 million invested is a fraction of that in more productive enterprises. Further, our industries' increasing alliance with international arms manufacturers has been making us more and more dependent on them and their plans for international arms transfers (Hagelin, 1992a,b). Thus, in an attempt to develop profitable business and reduce our foreign debt, these alliances have led the Australian Government and its defence industries to cooperate with the international firms to maximise arms exports throughout our region. Hence, what is at stake with our joint ventures in arms production (e.g., the submarine project) and our international arms bazaar, AIDEX, is not just that these promote the export of Australian defence industry products (Atkinson, 1991a) but that they represent Government-endorsed encouragement to international arms suppliers to sell their hi-tech and other arms

throughout the Asia/Pacific. Moreover, since these firms are not under Australian control, they can do so with as little constraint as was recently displayed in the Middle East.

It is frequently stated by Government spokespersons that since all nations have a right to defend themselves, Australia not only has a right to arm itself adequately but an *obligation* to supply arms to its "friendly neighbours". It used to be that it was the responsibility of Foreign Affairs to determine which arms transfers from Australia should be permitted, but since mid-1988 our export controls have been relaxed and primary authority for approving export applications given to Defence. As Australia's largest arms producer, the Defence Department has a vested interest in selling arms. That may go far to explaining why, despite existing tensions and India's objections, Australia sold its obsolete Mirages to Pakistan and why we sell defence equipment to unsavoury regimes like those of Sri Lanka, the Philippines, Indonesia and Burma. It may be true, as claimed, that our guidelines are "among the strictest in the world" but in the field of arms trading, that means impressively little. Indeed, our defence industries' dependent associations with overseas arms manufacturers guarantee that 'our' standard cannot be any higher than 'theirs' (the tail cannot wag the dog!). It would be naive in the extreme to believe that international arms industries would be willing to limit the level of arms transfers within the region to what is essential for legitimate self defence.

### **Arms Transfers Undermine Our Regional Security**

Should Australia continue to 'cooperate' in the process of arming the region, what economic and other security effects would such increasing arms transfers have? First, all monies spent on arms are, inevitably, unavailable for other and more worthwhile purposes. That applies to both developed and developing nations, but in the case of the poorer countries the effects are the more tragic because monies spent on defence are unavailable to provide for even the most basic human necessities: clean water, food, shelter, health care and education (Atkinson, 1991b). In many third world countries, moreover, the defence materials transferred are used to repress democratic expression (e.g., Burma, Indonesia/E.Timor, Bougainville) and in many, expenditure on 'defence' exceeds the combined outlays on health and education (World Bank 1991 report). Although the nature of the lost opportunities will be different in the more developed countries, there will always be projects of national importance that must be foregone as a result of arms expenditure. Obviously Australians would benefit greatly if the large sums we spend annually on the hi-tech arms used for our *regional* (as distinct from *home* defence) were directed to more positive ends (Cheeseman, 1990; Langmore, 1990). But the problem is even more urgent elsewhere. For example, although the industrialized economy of India is in many respects 'advanced', that country's heavy expenditure on arms (\$ 9.6 billion p.a.) represents a tragic failure to promote the welfare of its people. Similar considerations apply throughout the Asia/Pacific, a region which, despite burgeoning industrialisation, still exhibits widespread poverty. Indeed, it is precisely for this reason that the World Bank, Community Aid Abroad and other aid organisations are concerned to stop the international arms trade, a trade which grossly aggravates third world debt (see George, 1989, pp.21-27).

The human welfare aspects of the problem also bear directly on the issue of regional and national security in the military sense since populations whose basic needs go unsatisfied contribute to tension and regional instability. In addition there are the direct psychological and physical effects that arms transfers have on stability. It is frequently argued that lack of military preparedness invites outside aggression. That can indeed be so, but arms transfers beyond basic levels required for non-provocative, (i.e., 'defensive') defence induce in neighbouring states fear, suspicion, tension and the strong desire to equal or better the current level. As indicated above, the push for arms transfers is about profitability for the supplier, rather than about ensuring a secure home-defence capability for recipient states (Warnke, 1991). Given the world-wide surplus of hi-tech and other 'conventional' arms and the capacity of international manufacturers to supply unlimited quantities, our immediate concern must be to prevent their marketing in the region. The consequences of failure will be not only greater poverty and hardship, but rising international tensions, an accelerating arms race and regional instabilities which could culminate in war.

All in all, in considering Australia's present involvement in the arms trade, it should be obvious that whenever any of our actions (or inactions) undermines the security of the region, we are, *ipso facto*, undermining our own security. Accordingly our Government should be addressing the issue of what positive steps could and should be substituted to provide a more positive approach to the region's development, to its security and ours (c.f. George, 1977, 1989, 1992).

### **Controlling Military Transfers and Ensuring National Security**

Although in population terms Australia is a 'small' nation, it can, by example, play a most important role through both its domestic and foreign policies (Evans, 1993). One key initiative would be to forego our regional military role and focus our defence efforts on home defence, as recently proposed by Alan Wrigley (1990 report). Such a non-provocative defensive posture would enable us to reduce outlays on a number of the most expensive hi-tech items and allow our defence industries to concentrate on manufacturing virtually all basic defence materials for the ADF, thereby saving greatly on foreign exchange and allowing us to become *truly* self-reliant (Cheeseman, 1992, 1993). It would also enable us to disassociate ourselves from the international arms manufacturers and the arms export business. Most importantly, adoption of a defensive posture would signal to our neighbours not only our commitment to defend Australia, but our determination to eschew military involvement beyond our shores, other than in strictly limited UN-organized roles.

Of course such changes in defence policy must go hand in hand with economic and diplomatic moves to stabilise the region (Evans, 1993). Foreign Affairs should be given a much stronger role. First, with regard to the export of Australian-made defence equipment, we should revert to our earlier policy of allowing Foreign Affairs to make the critical decisions. Secondly, and most importantly, Foreign Affairs and Trade should be encouraged to promote, by all means possible, healthy international relations throughout the region, and be provided with greater financial resources to make that possible. The

present situation, in which expenditures by Defence are some ten times those by Foreign Affairs and Trade seems totally inappropriate and should be radically changed.

We believe it is vital for the welfare of the entire Asia/Pacific that most resources currently expended on military equipment be diverted to serve basic human necessities (see discussions in George, 1977,1989,1992). Thus there is an urgent need for regional agreements to adopt strictly defensive force structures, to limit arms transfers to that end and to quarantine all 'excess' arms (c.f. Europe's CFE agreement) (Boutros-Ghali, 1992). Admittedly there may be a number of states, especially the more repressive ones, that are reluctant to go in that direction, but with the good example of Australia and the support of the USA, the CIS (ex USSR) and Japan, the region's major economic power (which, *to date* thankfully, has concentrated on *home* defence) one could hope to see the widespread adoption of significant arms agreements and other confidence-building measures.

Besides reducing international tensions and promoting confidence within the region, reduced military outlays would free up very large financial resources for productive enterprises and other positive developments. That need, recognised by the World Bank (1991) has been studied by a UN expert group, The Stockholm Initiative on Global Security and Governance (1991) which estimates that reduced spending on military materials, world-wide over the current decade, would provide some \$2000 billion for constructive development. It is not hard to imagine what could be attained through proper usage of such funds, a significant proportion of which would be allocated to the Asia/Pacific. The way forward may not be easy, but it is certainly 'worth a try' to attain a genuine 'new world order', one in which natural resources are used responsibly, the environment restored and long-term human welfare assured.

## **Conclusion**

From the forgoing analysis, it will be clear that MAPW sees the Australian Government's policy and guidelines for controlling defence exports and other military transfers within our region as totally inadequate, or, more aptly put, completely *inappropriate*. We say "inappropriate" for two reasons. First, with regard to arms produced and marketed by purely Australian enterprises, the principal one of which is the Defence Department (trading as Australian Defence Industries), it is altogether inappropriate that, under the present guidelines, it is Defence rather than Foreign Affairs and Trade which has prime responsibility for the issue of export licences. Secondly, we see the Government's policy of encouraging major arms suppliers of the world to manufacture in Australia and expand their sales in the Asia/Pacific as dangerously inappropriate since, as set out above, that policy clearly *undermines* Australia's defence, its security and its good international relations. All in all, MAPW sees that Australia's continuation down its present path, of regional arms 'facilitator', will only diminish its stature in the world. We believe, however, that Australia's stature can only be enhanced if, instead, we concentrate our efforts on the kinds of imaginative diplomatic and economic initiatives we are so clearly capable of (Evans, 1993).

## References

- Atkinson, J. (1991a). *Australia's military exports - analysis of newly released figures*. CAA Briefing Paper No.1, November Supplement
- Atkinson, J. (1991b). *Australia's military exports to the third world* CAA Review (special feature)
- Baker, M.(1991) *Roll out the red carpet, but mind the bloodstains*. Melbourne Age, March 8.
- Boutros-Ghali, B. (1992). *New dimensions of arms regulation and disarmament in the post-Cold War era*. United Nations, New York.
- Cheeseman, G.(1990). *Over-reach in Australia's regional military policy*. In The New Australian Militarism. (Cheeseman, G. and Kettle, St John, eds.), Pluto Press, Sydney.
- Cheeseman, G. (1992) *An effective and affordable defence for Australia*. In Threats Without Enemies: Rethinking Australia's Security, Pluto Press, Sydney, 293-313
- Cheeseman, G.(1993). *The search for self reliance: Australian defence since Viet Nam*. Longman Cheshire
- Cooksey, R.(1986). *Australia's defence industry and defence exports - report to the Minister of Defence*, AGPS, Canberra.
- Dibb, P. (1986) *Review of Australia's Defence Capabilities*, AGPS, Canberra.
- Evans, G. (1993). *Cooperating for Peace* . Allen and Unwin.
- Frontline (1991) *'The war we left behind'*, video screened on SBS February 24, 1992
- Hagelin, B. (1992a). *Arm in arm: Australian-Swedish military-industrial relations and foreign military sales*. Peace Research Centre monograph, ANU, Canberra.
- Hagelin, B.(1992b).*Submarine Complexities* , Pacific Research, 5, No.4,3-6.
- Klintworth, G. (1991). *More security, less uncertainty, new opportunities*. Working Paper No. 240, Strategic and Defence Studies Centre, ANU, Canberra.
- Langmore, J. (1990). *The impact of Australia's defence spending*. In The New Australian Militarism. (Cheeseman, G. and Kettle, St John, eds.), Pluto Press, Sydney.
- Mack, A. and Ball, D. 1992). *The military build-up in the Asia-Pacific region: scope, causes and implications*. Submitted for publication.

Mason, P. (1984). *Blood and Iron*, Penguin, Victoria

Sampson, A.(1977) *The Arms Bazaar*,. Hodder and Stoughton, London.

Society of Friends (1991) *Waging Peace* Philadelphia

*The Defence of Australia*, AGPS, Canberra, 1987.

*The Defence Corporate Plan 91-95*, AGPS, Canberra, 1991.

UNICEF (1992). *Emergency assistance to Iraqi women and children, victims of war and internal unrest* , (revised as at April 7, 1992), New York.

Warnke, P.C. (1991/1992). *Some sad consequences of Desert Storm*. Peace and Security, **6**, 8.

World Bank Report (1991)

Wrigley, A.(1990). *The defence force and the Australian community - a partnership in Australia's defence*, AGPS, Canberra.