CONCLUSION

In the post-war period, arms transfer has become an important link between the developed and the developing countries. Till the 18th century developments in the weapons technology were slow as compared to the qualitative changes in the 20th century. Arms trade was carried on at a much smaller scale through the representatives of the noble men and merchants. Often arms were gifted or bartered by the European explorers in the non-European regions, and foundries set up later on.

Industrial revolution in Europe in the 18th century also had an impact on the development of arms. The qualitative changes and improvements in chemistry, optics, metallurgy, and mechanics were followed by the development of different explosives and armaments. In this period arms trade was rather limited: A weapon was used for long due to slow technological changes and the requirements of the countries were small. Small quantities of second-hand, obsolescent weapons were traded to meet the requirements of the colonies.

By the end of the 19th century, private traders controlled most of the arms trade. They used press to propagate arms race between neighbouring countries: by spreading false rumours about the arms acquisition or development level of a country they could persuade the other to buy more arms from them and then influence the first country to make more
purchases to counter the second's acquisition. Thus, fuelling
the arms race and creating war scares. After the First World
War, inquiries were held in Britain and the USA to investigate
the role of arms suppliers in initiating the world war. As
a result, a number of conferences and conventions were held
to control arms trade. These efforts were only partially
successful as some of the arms trade passed into the hands
of the governments.

In the inter-war period, most of the arms trade was
amongst the European countries. The independent countries
of Afro-Asian and Latin American continents were few and had
very small demand for arms. China, Brazil, Argentina,
Chile, Thailand and Mexico were the only countries to have
some licensed production. The colonized regions were
primarily supplied arms by the respective imperial powers.
The independent countries in Asia were in fact the 'buffer
zones' between two rival imperial powers, such as Afghanistan
between British empire and Russia. Therefore, arms were
supplied to them to maintain the sovereignty of these coun-
tries. Arms trade was a common phenomenon while arms aid was
rare in this period.

Since 1945, there has been a qualitative and quanti-
tative increase in the arms transfers. Arms aid became an
official policy of the USA and, later on, of the Soviet
Union. The revolution in the weapons technology made obsolete the earlier weapons in much shorter time than before. Therefore, the developed countries had a larger quantity of obsolete or second-hand weapons available for re-sale or to be given as grants. In the 1960s, however, more and more sophisticated technology was also made available to the developing countries.

Today arms have become important to ensure strategic security of a country. The arms race is further fuelled by the border conflicts and territorial disputes amongst the developing countries. Despite the development of nuclear weapons, all wars in the Third World continue to be fought with conventional weapons. The requirements of the Third World countries are, therefore, limited to acquisition of conventional arms. The gap between the developed and the developing countries (due to late industrialisation and colonisation of the latter) has reduced the capacity of the latter to produce weapons at home. They remain dependent upon the developed countries for the supply of weapons and spares. Weak industrial base and lack of finances too impose restraint on their desire to develop self-sufficiency and independent domestic arms industry. Nevertheless, many of the Third World countries have acquired rights for licensed production of weapons and have followed it up with the
establishment and development of a limited indigenous arms industry.

Many changes have taken place within the supplier market also. Because of the dominant bipolar system, the number of producers of major weapons systems is maintained approximately the same level, although towards the end of the 1960s, relatively greater "free trend" could be seen. The USA and Britain controlled most of the trade between 1945-55. The emergence of the Soviet Union as an alternate source of arms supply helped the Third World countries to diversify their purchases. By 1973, approx. 80% of the trade was in the hands of four suppliers -- the USA, the USSR, the UK and France. Other arms producers -- Italy, West Germany, Canada, and Japan too are active and are attempting to broaden their market, and often appeal to non-aligned countries who are more likely to diversify their arms purchases.

The sale of arms and military aid programmes of the two super powers are linked to their political, economic and strategic interests. The US aid to Pakistan, Iran, Turkey, etc., was given with a view to fill in the vacuum and to counter the growing influence of communist Russia. The US policy was further guided by its desire to have bases overseas, especially in the 1950's and 1960's. Its
economic interests, such as oil in the Middle East too influence its decision to transfer weapons to these countries. Thus, priority regions in the US policy tend to receive greater quantity and quality of arms transfer than the low priority region, like Africa.

The arms sale and aid policy of the Soviet Union was to break the attempted containment circle formed by the USA, and at the same time to increase its sphere of influence. Unlike the West, the Soviet Union is not dependent upon the Middle East for oil. But by extending support and aid to the Middle Eastern countries, it could reduce the influence of the Western powers. Both the super powers are competing for influence in the same regions. The Soviet aid tends to be, however, more concentrated than the American. This type of competition in certain areas and less interest in other regions allows other arms suppliers to enter the market. Open competition for the sale of weapons and direct competition between the two blocs for areas of influence in the Third World affect the quantity and quality of weapons supply. Thus, desire to maintain dominant influence in a region dictates the arms transfer policy of the donors.

Sole or predominant supplier relationship allows the donor to control the flow of arms. Imposition of an embargo can be used to withhold the supply of spare parts.
This can be used by the donor to influence the course of war, reduce its duration. During peace time, it allows it to manoeuvre the political support of the recipient countries at different world forums.

Economic benefits of arms trade have been a factor in the British and French policies. Since the oil crisis in 1973 and the subsequent price hike, the USA too has begun to balance the import of oil with sale of arms (to absorb petro-dollars). Often such sophisticated weapons are supplied that the recipient is unable to absorb them in its defence system or operate them effectively. For example, the Soviet supplies of MIG-17s in 1967-8 to Somalia were lying in crates and the latter was unable to operate them as they lacked the necessary technological know-how. Thus, political necessity of having allies in the Third World has often dictated the policy of arms transfer of the two super powers, while economic considerations have been important for other supplies.

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A case study of the Indian sub-continent highlights the fact that both India and Pakistan have continuously increased their defence budgets in the last three decades (see the Graph). Both countries increased their budgets
following the 1947-48 Kashmir war. Pakistan's budget became steady after 1955 (because of its alliance with the USA, it had begun to receive military weapons as grants and supporting military assistance). In response, India increased its defence budget slightly in 1957-58. It was followed by further increases in 1961 when a confrontation with China became imminent. After India's defeat in the 1962 war, it further increased its expenditure for modernization and expansion of its defence forces and also increased investment in the domestic arms industry. India also began to accept military aid from West. Pakistan feared that India's arms acquisition would alter the military balance between the two countries, therefore, it increased its arms acquisition.

Pakistan had, however, superior weapons in Artillery and Air Force than India. India had also failed to acquire any supersonic aircraft, which were available to Pakistan. Therefore, India's arms acquisition were to augment quantity of the weapons, while Pakistan had qualitative superiority. During the 1960s, Pakistan's defence budget was highest in 1965. Since the 1965 war, both countries have continued to increase their budgets and arms acquisition.

Pakistan is an example of a weak developing
country, dependent upon outside powers for its security, in terms of moral and political support and for the supply of weapons. Pakistan's search for allies in 1950s was to achieve security vis-a-vis India. Its border problem—the Kashmir issue—made it turn to the USA, while the USA was building an anti-communist alliance by drawing-in the countries bordering the Soviet Union, to contain Communist Russia. Although the major concern of the alliance was anti-communism, the alliance continued to serve dual purpose—of joining countries in any alliance to deter communism and to help Pakistan neutralize India.

It is apparent that the US arms aid to Pakistan served to trigger an arms race in the subcontinent. Without the US arms supply, Pakistan would have been unable to become a strong military power. Its army was equipped with one-time NATO equipment—M-47 and M-48 Patton Tanks.

India began to purchase arms from Britain, France and Soviet Union to counter the increases in Pakistan's defence inventories. USA's military alliance with Pakistan affected the relations between India and USA. Although the USA extended aid to India after 1962, it mainly included development of communications net-work in the Himalayas, equipment for mountain divisions. These were specifically directed against China. Furthermore,
American aid to India was limited. India had yet to match Pakistan's arms acquisition from other sources — foreign or local. India's acquisition of MIG-21 was to counter Pakistan's acquisition of F-104. Pakistan then purchased Mirage III/V to match MIG-21 which was followed by India's acquisition of Jaguar to counter the Mirage. Thus, we find, supply of a sophisticated weapon by one country disturbs the equilibrium amongst two hostile countries (in conflict or with potential for such conflict), leading to arms acquisitions by the other. Thus, the chain reaction leads to arms race.

A study of arms supply to Pakistan also highlights the fact that a supplier loses control over a weapon once it is transferred. America had assured India that the US weapons would not be used against it; these were to counter the Soviet Union and the Chinese influence. However, the 1965 war proved otherwise. The US weapons were used against India. There have been numerous cases of "Third country transfers". Iran, for example, supplied Pakistan with surplus US weapons from its inventory.

The control of a supplier is far greater in a sole supplier situation than in a multiple supplier relation. Availability of weapons from different sources helps a country to reduce its vulnerability. Pakistan was totally dependent on the USA for arms till 1965 and, therefore, it
was adversely affected by the US embargo. It failed to acquire the necessary spare parts and, thus, USA could influence the course duration, and direction of the war. When Pakistan diversified its arms acquisition after 1965, it circumvented the US arms embargo. Thus, the Third World countries can reduce the influence of arms suppliers by diversifying their arms acquisition. If military aid is seen as an instrument of neocolonialism, diversification of sources of supply can help the recipient to reduce the implications of neocolonial type of relationship to a degree. Nevertheless, the number of arms suppliers is limited to the developed countries (with the exception of a few Third World countries), who can combine to exert pressure on the recipient. As the Third World countries begin to achieve self-sufficiency, their dependence on the outside suppliers would reduce — for spares, repairs and maintenance and it would also make them less vulnerable to the political manoeuvres of the political manoeuvres of the suppliers. It is, however, not possible for the Third World countries to achieve complete independence as the developed countries have a long technological lead over them.

The Indian sub-continent has been a "moderate" priority area (Middle East and South-East Asia being the "high" priority area, in terms of politico-economic
strategic considerations of the donors). It may be seen as an advantageous situation for the countries involved. The super powers are likely to avoid getting embroiled in the local conflicts in South Asia. Nevertheless, increasing friendship between USA and China, USA and USSR, USSR and India is likely to produce some power contest. China has been actively making friends with Pakistan, Burma, Indonesia and Bangladesh, which means India has to acquire capability to deter a Chinese attack and also to balance the Chinese influence in the neighbouring areas. China-Pakistan collusion is a cause of much concern to India.

The basic weapons in the Indo-Pak confrontation continue to remain the tanks, APCs, and jet aircraft. Navy still plays a secondary role. Therefore, any significant transfers of weapons tends to make India and Pakistan super-sensitive to changes in each other's inventories, even though in NATO terminology these would be small increases in relatively obsolescent arms. Therefore, it would perhaps be better if these countries reduced their purchases of offensive weapons which would certainly change the balance in the subcontinent. Instead, acquisition of precision guided weapons (PGW) would help them to increase the defensive capacity without altering the conventional balance of power. PGW, like the ATGW and SAM,
neutralized the sophisticated weapons like M-61 tanks and the Phantom aircraft easily in the 1973 October war in the Middle East. Moreover, these are much cheaper than the aircraft or the tank. The latter do not necessarily guarantee military security of a country if the opponent has PGWs.

In the Indian subcontinent, both the countries have realised that they must diversify their sources of arms acquisition. They must also reduce their dependence on outside sources and increasingly expand their indigenous arms industry. Licensed production aids the recipient to establish its defence industries but these must be supplemented with indigenous arms production. This strengthens the technological base of the developing country. Technology has an important role to play in these economies; in transforming the potential into actual output. Moreover, it helps to strengthen the industrial base of a country and save foreign exchange. In the long run it can also become a source of earning foreign exchange.

It is often argued that expenditure on defence sector, R&D, etc. is a drain on the economic resources in a developing country. It is not possible to conclude this for all developing economies. Pakistan, for example, is a small country and its large defence outlays are definitely
a drain on the economy. The same is not necessarily true for India. With its larger resource, and lower defence expenditures as % of GNP than Pakistan, the role of defence spending tends to be complementary to development of the economy. Therefore, we can conclude that although defence outlays are, essential for all countries, their effect on the respective economies varies from country to country, on the basis of resources available, their utilisation and dependence on foreign aid.

In the overall analysis, one can say that arms trade and aid have a definite role to play in furthering the policies and areas of influence of the donors. Although the market for weapons is increasing in the Third World, it must be seen as a result of: a) the increase in the number of countries which became independent; b) some of them lacked basic defence infrastructure at the time of independence; c) Petro-dollar boom has enabled the oil rich countries to purchase large quantities sophisticated arms and thus fuel arms race; d) Border tensions and territorial disputes have necessitated purchase of weapons. Thus, acquisition of arms by one country in a conflict-prone region has often led to destabilization or has disturbed the equilibrium and started an arms race;
e) Donors have supplied weapons, as in Pakistan, to strengthen the military group. As a result the military has stepped into guide the polity of the country. Thus initiating a siphoning-off process — of military elite into politics and, finally, depriving the military of good generals. Continuous aid to such regimes only strengthens the authoritarian norms in the developing country, and helps to perpetuate the influence of the donors. Thus, the role of military in a developed country is reversed in the case of a developing country — from subservience to civil polity to control over it.