

CAAT*n*ews

ALL ABOARD TO END DSEi



STOP PRESS: SFO moves to prosecute BAE

Issue 214
October-December 2009

£1.00

11 Goodwin Street, London N4 3HQ
Tel: 020 7281 0297
Fax: 020 7281 4369
Email: enquiries@caat.org.uk
Website: www.caat.org.uk

**CAMPAIGN
AGAINST
ARMS
TRADE**

Editor Melanie Jarman

Proofreader John Moseley

Design Richie Andrew

Contributors Cordula Bieri, Sally Campbell, Ann Feltham, Anne-Marie O'Reilly, Ian Prichard, Kaye Stearman, Sarah Waldron.

Legal consultant Glen Reynolds

Thank you also to our dedicated team of CAATnews stuffers.

Printed by Russell Press on 100% recycled paper using only post consumer waste.

Copy deadline for the next issue is 4 December and we will be posting it the week beginning 18 January.

Content of most website references is also available in print – contact the CAAT office.

Campaign Against Arms Trade
11 Goodwin Street, London N4 3HQ
Tel: 020 7281 0297
Fax: 020 7281 4369
Email: enquiries@caat.org.uk
Web: www.caat.org.uk

If you use Charities Aid Foundation cheques you can support CAAT through TREAT (Trust for Research and Education on Arms Trade). Please send CAF cheques, payable to TREAT, to the office making clear that you wish for your donation to support CAAT's research programme. Unlike CAAT, TREAT is a registered charity (No.328694).

Contributors retain copyright of all work used. The content and views expressed in articles, advertisements and promotional material included within CAATnews by other organisations are not necessarily endorsed or supported by CAAT. Any related enquiries or concerns should be addressed to the relevant organisation.

To receive this issue of CAATnews in large print please call 020 7281 0297

COVER: CAAT

IN THIS ISSUE...

Welcome to this issue of CAATnews

This issue comes between two important slots in the CAAT calendar – the biennial DSEi arms fair, where CAAT supporters were out on the streets in protest (see pages 8 and 9), and the annual National Gathering, where CAAT supporters will meet up to plan and be inspired (see page 7).

This combination of action followed by reflection, inspiration and planning for further action

gives our campaigns a strong basis. This will stand us in good stead as we get busy in the run-up to the general election. Already, the arms industry has launched a PR campaign (see page 11) and the Conservatives have made a worrying statement about the role of arms exports (see page 3). We can challenge both of these – read on, and come to the National Gathering to find out how.

UKTI – the next steps	3
Arms Trade Shorts	4–5
BAE investigations	6
CAAT around the UK	7
Stop DSEi – in pictures	8–9
News	10
Arms trade PR	11
Parliamentary	12
Interview	13
Fundraising	14
Get involved	15
Order form	16

Campaign Against Arms Trade (CAAT) works for the reduction and ultimate abolition of the international arms trade, together with progressive demilitarisation within arms producing countries.

UKTI: Armed and Dangerous – the next steps

We're almost one year into CAAT's UKTI: Armed & Dangerous campaign, calling for an end to Government support for arms exports. UKTI – UK Trade & Investment – is a little-known Government department that exists to support all UK exports. It helps companies promote arms sales through its Defence and Security Organisation (UKTI DSO). The acronyms and euphemisms go some way to disguising the reality of the department's work, but the DSEi arms fair, held in London this September, literally brought home the issues our campaign aims to tackle.

During DSEi, thousands of arms dealers descended on London's Docklands to browse the displays of hundreds of companies exhibiting everything from small arms to battleships. UKTI DSO co-organised the fair, providing financial assistance (ultimately coming from taxpayers' pockets), and logistical and political support. The invite list included representatives from countries such as Angola, China, Libya and Saudi Arabia.

CAAT was particularly active during DSEi, bringing the arms fair to UKTI's door and bringing UKTI DSO's work out into the open. We also handed in thousands more petitions demonstrating public opposition to UKTI's support for the arms trade. See the centre pages for more on DSEi-related activities.

Parliamentary support

Now we need to focus on building parliamentary support. The general election may seem a way off, but the arms industry has already launched a major PR campaign in a bid to maintain Government aid (see page 11).

The current Government already gives arms exports totally disproportionate support. UKTI has more staff working on military exports than those engaged in all of the organisation's other industry-specific trade promotion.



Campaigners of all ages protested outside UKTI DSO headquarters

A step back in time?

Worryingly, the Conservative Party seems set to do the industry's bidding. In a speech at the UK Defence Conference, Liam Fox, Shadow Secretary of State for Defence, appeared to unquestioningly accept the industry's claims that arms exports are needed to protect jobs in the UK.

He promised that a Conservative Government would seek to maximise arms exports, using them as a "foreign policy tool". Presumably, this means selling weapons as a means to build friendship and trust with other governments. Yet history shows that arms sales guarantee neither peace nor security. Successive UK Governments have promoted arms exports to friends such as the Shah of Iran, Galtieri in Argentina and, now, Gaddafi in Libya. Once military equipment has been exported we have little control over its use.

Fox also announced that the Conservatives would return UKTI DSO's functions to the Ministry of Defence (MoD). CAAT campaigned for many years to close UKTI DSO's predecessor in the MoD, the Defence Export Services Organisation (DESO). Like UKTI DSO, DESO existed solely to promote arms exports – but it also gave the arms industry an extraordinary level of influence over public policy.

✉ Please write to Conservative Party leader David Cameron at the House of Commons, London SW1A 0AA to say that we need new policies for future peace and security, not the failed politics of the past.

Ask the Conservative Party to commit to:

- Ending the disproportionate government support given to arms exports, and stopping the corporate influence over the UK's foreign policy agenda
- Promoting real security solutions such as investment in green energy to prevent dangerous climate change, secure our energy supply and create green jobs.

Or send an email via <http://www.caat.org.uk/issues/ukti/emailcameron/>

SARAH WALDRON

- From October 2009 we'll focus on raising awareness in local constituencies and lobbying parliamentary candidates.
- A general election will take place by early June 2010.
- Stop Week 2010 will take place from 19–27 June. We'll be aiming for a nationwide lobby of new MPs.

Libya

Richard Paniguan, head of UKTI DSO, has boasted of "high-level political interventions" in support of arms sales to Libya.

His comment came earlier this year in a speech highlighting UKTI DSO's backing for UK military manufacturers. Paniguan said: "There have been high-level political interventions, often behind the scenes, in places like Libya, Oman, India and Algeria... You'd expect us to deliver Whitehall support and we are doing that."

A spokesperson for UKTI DSO initially denied that the speech had even taken place. However, when told that the Campaign Against Arms Trade had obtained a transcript under the freedom of information rules, he responded: "We have been working very hard with Libya for a number of years on normalising relations and looking at their defence requirements."

TIMES, 5/9/09

An SAS training team is working with Libyan soldiers in a deal signed off this year by Gordon Brown.

The deal is controversial as Colonel Gaddafi's regime funded IRA attacks in the 1980s and 1990s and supplied weapons used against UK troops in Northern Ireland.

One SAS source said: "The IRA was our greatest adversary. Now we are training their backers."

TIMES, 12/9/09

China at DSEi

China was invited to this year's DSEi despite a partial Europe-wide ban on arms exports to the country. Parliamentary committees on arms export controls expressed "dismay" when a Chinese delegation attended the event in 2005, urging the Government to deny countries subject to arms embargoes official "sponsorship" to attend arms fairs in the UK. But China was invited to DSEi in 2007 anyway, and UKTI invited it again this year.

FINANCIAL TIMES, 6/9/09

MoD errors

The National Audit Office has refused to sign off on Ministry of Defence (MoD) accounts because of an "inadequate level of evidence" that £6.6bn of its assets existed. This suggests that decisions over resources for Afghanistan, for example, are made without knowledge of the location or state of repair of billions of pounds of equipment. An internal overhaul of MoD procedures and management has begun. FINANCIAL TIMES, 20/8/09

Spending

An unpublished government report by a former defence adviser has found that planned spending on military equipment over the next 30 years has soared by £95bn in four years, rising from £140bn in 2005 to £235bn in 2009.

The findings contradict claims by Defence Minister Quentin Davies, who said spending overruns were due to legacy projects contracted under the previous government.

Meanwhile, Defence Secretary Bob Ainsworth said recently that voters do not want higher military spending, warning military leaders that they face "tough choices". Some analysts are predicting that military spending could be cut by more than 15 per cent in the six years after the next general election.

FINANCIAL TIMES, 9/8/09; TELEGRAPH, 15/9/09

Eurofighter

The UK has ruled out plans to buy its final quota of the Eurofighter Typhoon after signing, with its European partners, a long awaited deal for a third batch of the fighter jets.

The UK signed for its initial portion of 40 aircraft. However, plans for purchasing a final 48 aircraft have been put on hold. This is despite an earlier agreement made in order to avoid a threat of £2bn in contractual penalties, job losses and international embarrassment.

FINANCIAL TIMES, 31/7/09

Homeland security

Military manufacturers have welcomed a new innovation of a wishlist of anti-terror technology provided by the intelligence community, saying that the Home Office's new science and technology strategy for counter-terrorism represented a breakthrough in relations.

The "homeland security market" is increasingly important to military manufacturers. It has a high potential for exports, particularly to the US.

FINANCIAL TIMES, 24/8/09

BAE cuts

BAE Systems is planning to cut 1,116 jobs and close an aircraft factory in Cheshire. The Woodford plant is scheduled to shut at the end of 2012, with the loss of 630 jobs. A further 205 positions are to go at the company's Samlesbury site, and 170 at its Warton site. 111 jobs will also go in Farnborough. BAE said the cuts followed "a detailed review of its current and future business levels". BBC, 15/9/09

Venezuela

Venezuela is to borrow over \$2bn from Russia in order to buy the country's weapons, including tanks and a rocket launch system.

The deal comes as tensions grow with Colombia over its permission for the US to access military bases. Venezuelan President Chavez also said that the country's vast reserves of oil and gas demanded military protection. BBC, 14/9/09

Syria

Syria has received Russian surface-to-air missiles, four years after the contract was first signed. A source close to the Syrian contract said that at least 10 of the missile systems would go to Iran. JANE'S DEFENCE WEEKLY, 2/9/09

Disinvestment

The Norwegian Government Pension Fund has divested its \$5.9m worth of shares from Elbit Systems, citing Elbit's supply of a surveillance system that is part of the wall between Israel and the West Bank. The International Criminal Court has deemed the wall illegal. A statement from the Pension Fund's Council on Ethics said: "The [council] considers the Fund's investment ... an unacceptable risk of complicity in serious violations of fundamental ethical norms."

DEFENSE NEWS, 7/9/09

Mercenaries

MPs have criticised the Foreign & Commonwealth Office's handling of an inquiry into ArmorGroup: the inquiry exonerated the company's vetting and weapons-safety procedures just before one of its private soldiers with a criminal record and history of mental illness shot two colleagues.

MPs have called for proper regulation of private military and security companies operating abroad, although Foreign Secretary David Miliband has said he prefers self-regulation.

INDEPENDENT, 6/9/09

Blackwater

In June, new head of the CIA Leon Panetta revealed to Congress that the mercenary company Blackwater had been contracted in a secret CIA programme to work towards hunting down and assassinating al-Qaeda leaders in Iraq and Afghanistan. Blackwater, which has since changed its name to Xe Services, was paid millions of dollars to provide training and weaponry. According to Panetta the programme never became fully operational.

An investigation into why Congress was not informed about the programme for the seven years of its existence has been launched.

TIMES, 21/8/09

Lobbyist arrest

A ten-year bid by an arms lobbyist to avoid extradition from Canada ended in August when Karlheinz Schreiber arrived in his native Germany to face charges of tax evasion, bribery and fraud.

Between 1988 and 1993 Schreiber worked for Airbus and Thyssen, which has since merged with Krupp. German prosecutors allege he received millions in commission during this time, including payments for facilitating the sale of 36 tanks to Saudi Arabia. A former German defence minister has already been found guilty of corruption after admitting receiving payments from Schreiber in relation to the tanks and other deals.

FINANCIAL TIMES, 4/8/09

Lockheed Martin

Ambassador Douglas A Hartwick, the head of Lockheed Martin in India, has been withdrawn from the country.

Business Standard quoted sources as saying that Hartwick was removed swiftly after Lockheed Martin was found in possession of two folders containing classified information relating to military purchases. India's Ministry of Defence has been trying to find out how Lockheed Martin got hold of the folders.

Lockheed Martin is pushing a range of military systems in India. India has signed a contract to buy six Lockheed Martin transport aircraft, worth over a billion dollars.

BUSINESS STANDARD, 13/7/09

Taiwan

A report by Taiwan's Ministry of Defense has cited 142 military personnel, including 114 generals, in cases of alleged corruption. Sources outside the Ministry of Defense have suggested that corruption can flourish because of lucrative US arms sales and unregulated local sales agents.

DEFENSE NEWS, 13/7/09

UK arms export licensing decisions

The UK Government's arms export Annual Report for 2008 was published in August and includes information on licensing decisions.

There are two main categories of licences:

- Standard individual export licences (SIELs) which allow a shipment of specified items to a specified destination.
- Open individual export licences (OIELs) which cover multiple shipments of specified items from one exporter to specified destinations.

Results of the licence applications:

SIELs

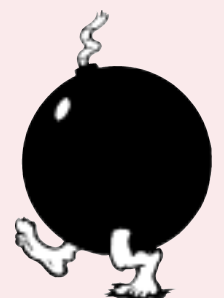
Issued	9760
Revoked	17
Refused	203

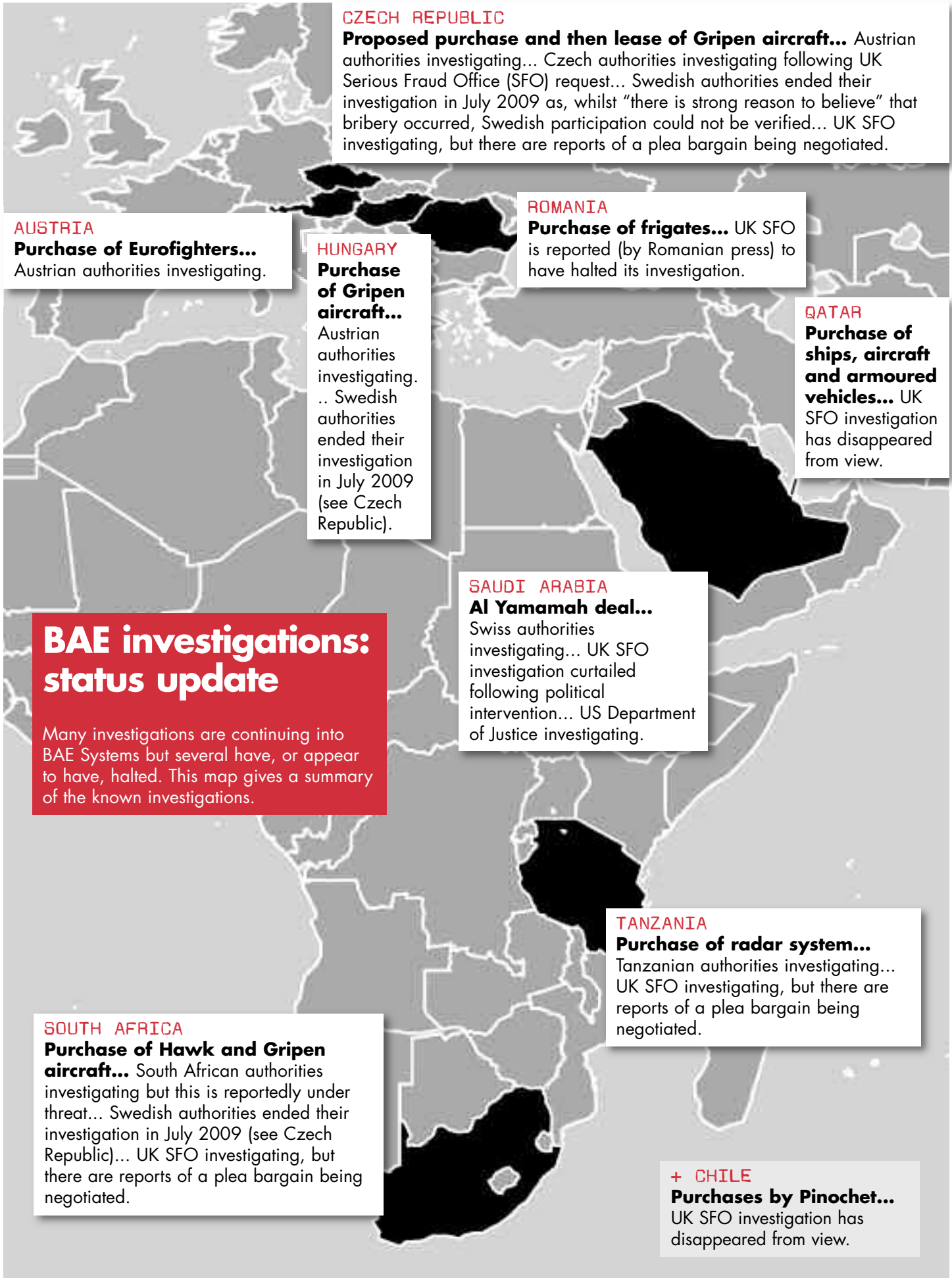
OIELs

Issued	176
Revoked	0
Refused	0

Of the 220 licences refused or revoked, 103 related to the proliferation of Weapons of Mass Destruction. Other criteria included:

	<i>Refusals</i>
Risk of use for internal repression	24
Risk of contributing to internal tensions or conflict	25
Preservation of regional stability	13
National security of the UK and allies	17





CZECH REPUBLIC

Proposed purchase and then lease of Gripen aircraft... Austrian authorities investigating... Czech authorities investigating following UK Serious Fraud Office (SFO) request... Swedish authorities ended their investigation in July 2009 as, whilst "there is strong reason to believe" that bribery occurred, Swedish participation could not be verified... UK SFO investigating, but there are reports of a plea bargain being negotiated.

AUSTRIA

Purchase of Eurofighters...
Austrian authorities investigating.

HUNGARY

Purchase of Gripen aircraft...
Austrian authorities investigating. ... Swedish authorities ended their investigation in July 2009 (see Czech Republic).

ROMANIA

Purchase of frigates... UK SFO is reported (by Romanian press) to have halted its investigation.

QATAR

Purchase of ships, aircraft and armoured vehicles... UK SFO investigation has disappeared from view.

SAUDI ARABIA

Al Yamamah deal...
Swiss authorities investigating... UK SFO investigation curtailed following political intervention... US Department of Justice investigating.

BAE investigations: status update

Many investigations are continuing into BAE Systems but several have, or appear to have, halted. This map gives a summary of the known investigations.

SOUTH AFRICA

Purchase of Hawk and Gripen aircraft... South African authorities investigating but this is reportedly under threat... Swedish authorities ended their investigation in July 2009 (see Czech Republic)... UK SFO investigating, but there are reports of a plea bargain being negotiated.

TANZANIA

Purchase of radar system...
Tanzanian authorities investigating... UK SFO investigating, but there are reports of a plea bargain being negotiated.

+ CHILE

Purchases by Pinochet...
UK SFO investigation has disappeared from view.

Countdown to CAAT's National Gathering 2009

CAAT's annual get-together is on its way. Read on for the latest on speakers, workshops and everything you need to know to come along!

When?

Saturday 31 October. Arrive 9.45am for 10.10am. Finish 5pm.

Where?

Toynbee Studios, 28 Commercial St, London, E1 6AB (2 mins walk from Aldgate East tube station). Venue fully wheelchair-accessible; hearing loop available; free creche available.

What?

An inspiring event presenting the facts, skills and passion you need to challenge Government support for the arms trade and to tackle the arms industry's spin.

Andrew Feinstein will open the day. A former MP in post-apartheid South Africa, Andrew resigned in 2001 when his investigations into arms deal corruption were repeatedly blocked. Andrew's book *After the Party: A personal and political journey inside the ANC* was published in 2006. We are delighted to host this passionate and knowledgeable speaker and hear his experience of corruption in the arms trade and its impact on South Africa.

We will be joined by renowned peace and defence economist Paul Dunne and Greenpeace's Energy Solutions Campaigner Louise Hutchins for a panel discussion that asks "Ending arms production: Is the answer blowing in the wind?"

As well as hearing from exciting speakers and sharing ideas and inspiration with other CAAT supporters, you will be able to learn more in info workshops and learn or hone a campaigning skill!

To find out more see www.caat.org.uk/events/nationalgathering/



Come along to a workshop at the National Gathering

You will be able to learn more in info workshops...

- The Arms Trade: A beginner's guide.
- No more spin: Busting the arms industry's myths about jobs.
- Ending Arms Fairs, the global arms supermarkets.
- Beneath the surface: UKTI, militarism and the government's liaisons with the arms trade.
- Corporations and the arms trade: modern mercenaries and bankers' profits.

... and learn or hone a campaigning skill...

- Keep 'em comin' – recruiting and keeping new supporters.
- Making the most of the media.
- Show me the money! – top tips for local fundraising.
- Lobbying to win – campaigning in the run up to the election.
- Talking jobs – skills for nonviolent communication and local campaigning on the jobs argument.

How much?

This year CAAT is asking for a contribution of £5 waged or £2 unwaged towards the costs of the day. Tea, coffee and a light vegetarian lunch will be provided free of charge.

How do I book?

Book online at www.caat.org.uk/events/nationalgathering/ or contact Julia in the office on julia@caat.org.uk or 020 7281 0297 on Tuesdays and Thursdays.

Places will be available on the day, but we ask you to book in advance if you can.

ANNE-MARIE O'REILLY

University Network gathering

Sunday 1st November, London, 10am–5pm

With a theme of "Planning and Sharing", the Universities Network Gathering 2009 will be a valuable opportunity to discuss ideas and experiences and plan next steps for campaigning. The venue and programme will be announced closer to the day but you can expect to:

- Learn skills that will help you campaign more effectively.
- Find out more about clean investment, arms trade links to

university research and how to stop arms industry graduate recruitment on campus.

- Share experiences with campaigners from a range of organisations.
- Build links with other activists to make our campaigns even stronger.

The event is free but spaces are limited, so book now by emailing universities@caat.org.uk. We hope to see you there!



On 7 September one campaigner used her hour on Trafalgar Square's fourth plinth to draw attention to DSEi.

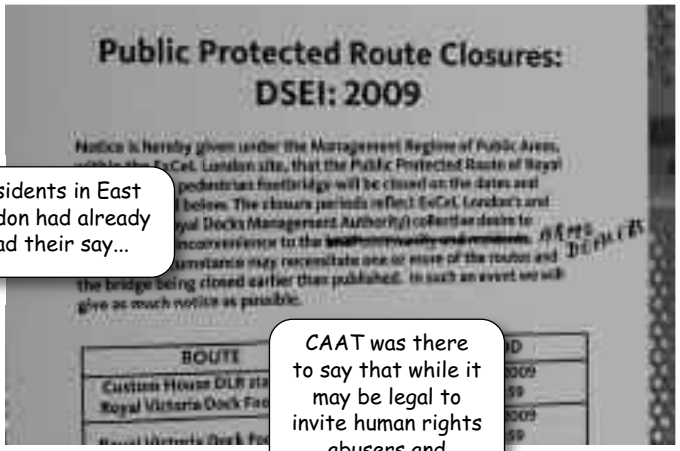


From 8-11 September, DSEi, one of the world's largest arms fairs, took place in East London. Arms dealers and buyers from all over the globe came to shop for weapons - including delegations from countries engaged in conflict, with poor human rights records or with urgent development needs.



Campaigners came from all over the country to protest on the first day of DSEi.

Residents in East London had already had their say...



CAAT was there to say that while it may be legal to invite human rights abusers and countries in conflict to shop for weapons, it is certainly not a legitimate use of public resources.

We gathered by the West Entrance of ExCeL, where delegates were arriving for the fair. DSEi spokesperson Paul Beaver had reassured journalists that those attending the arms fair will be "going about their lawful business".



The arms fair takes place in secret, hidden away in east London behind heavily protected security fences. Two buses were on hand to help CAAT supporters bring the fair to UKTI DSO's door and expose the government's role in making it happen.



All aboard! Alternative tour guides were on hand to highlight some of London's arms trade sites on the journey across London.



An hour later, we parked our buses, emblazoned with campaign messages, at UKTI HQ, and disembarked for the next stage of our protest.



"Roll up for some armless fun!" An alternative fair was set up outside UKTI HQ. Passers-by were invited to visit and find out more about DSEi and UKTI DSO.



"Choose your target! Can you decommission them all?" DSEi hosted arms companies from 40 countries. BAE, Raytheon and Hechler & Koch were among the ducks that visitors to the fair could 'decommission'.

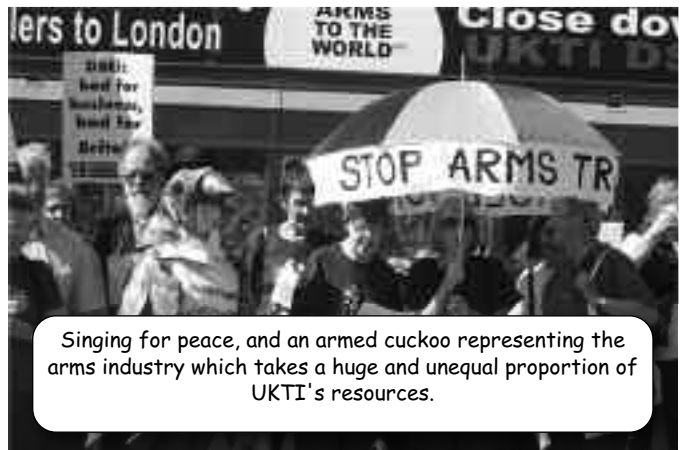


Games included 'Guess the number of arms dealers in the building', and an 'unlucky dip' where the prizes were accompanied by details of the delegations that UKTI DSO invited to DSEi.



Dan was fasting for the duration of the arms fair, in a 100-hour Famine for Victims of the Arms Trade.

UKTI DSO employs 160 civil servants to help private companies sell arms.



Singing for peace, and an armed cuckoo representing the arms industry which takes a huge and unequal proportion of UKTI's resources.



We handed in petitions containing the names of thousands of people who have called for the closure of UKTI DSO. Visitors to the fair had also added their voices by playing 'pin a message on the elephant'.



Victory for civil liberties

On the evening of 27 April 2005 Andrew Wood, CAAT's Media Co-ordinator, left the Millennium Hotel in London's West End. Together with CAAT colleagues he had attended the Reed Elsevier AGM as a shareholder to question the company's ownership of the DSEi arms fair. On his journey to the Underground he was followed, questioned and photographed by a Metropolitan Police Surveillance Unit.

Andrew was not arrested but the photographs and other details obtained by Underground staff at police request were stored on a police computer. They would have stayed there indefinitely had Andrew not challenged police actions through the courts.

Four years later, on 21 May 2009, the Court of Appeal ruled that the police had disproportionately interfered in the human right to privacy, enshrined in Article 8 of the

Human Rights Act, by illegally photographing him and storing the photos on file. It was ordered that the photos be destroyed and the police pay Andrew's legal costs.

The ruling has implications for civil liberties, including those of people taking part in protests and photographers covering protests. Lord Justice Dyson said: "The retention by the police of photographs taken of persons who have not committed an offence, and who are not even suspected of having committed an offence, is always a serious matter."

Anna Mazzola of solicitors Hickman and Rose commented: "The judgement should act as a stark warning to the Metropolitan Police that the circumstances in which they can justify taking and retaining photographs of members of the public who have committed no crime is highly circumscribed." KAYE STEARMAN

Will Switzerland stop exporting arms?

On 29 November Switzerland will hold a national referendum on banning the export of weaponry and its transit through Switzerland.

GSoA – Group for a Switzerland without an Army – made this possible by getting 100,000 people to sign its initiative in 2008.

Switzerland highly values its "neutrality". But in selling arms to various countries in conflict it is taking sides. Arms exports are also a poor fit with the country's humanitarian tradition, of which Swiss people are proud.

Would banning arms exports in a small country such as Switzerland make any difference? According to the Stockholm International Peace Research Institute, Switzerland is ranked as the 13th most important arms exporting country. However, if

Switzerland has better things to export than weapons! GSOA



these results are weighted by population size, it ranks second. Switzerland supplies countries like Saudi Arabia and Pakistan with weapons. In 2008 Pakistan was the main receiver of Swiss arms exports.

How will Swiss people vote in the referendum? Public opinion is still undecided. Similar referendums took place in 1972 and 1997. 49.2 per cent of the population supported the call for a ban in 1972, but in 1997 support for a ban decreased to only 22.9 per cent.

Let's hope that the Swiss people will make the right decision! CORDULA BIERI

They said it



"Defence manufacturing has been weakened, bashed up and hit to such an extent that if they do not regroup and stand up for themselves now then there is no future."

Howard Weeldon, strategist at BGC Partnerships GUARDIAN, 2/9/09

"This country is particularly good at manufacturing tanks... Yes, it is something to be proud of."

Dr George Carey, former Archbishop of Canterbury on The Big Questions BBC1, 6/9/09

"I am very relaxed about China being invited to the UK for what you call an arms fair."

Lord Mandelson CHINA DAILY, 9/9/09

"Without a big stick or military capacity I believe you would not be listened to."

Mike Turner, Chairman, Babcock International GUARDIAN 2/9/09

Award-winning barrister

Congratulations are due to Dinah Rose QC, who has been named Barrister of Year at the 2009 Lawyer Awards. The citation included her representation of CAAT and The Corner House in their challenge to the Government's decision to abort the Serious Fraud Office inquiry into BAE's Al Yamamah arms deal with Saudi Arabia.

ANN FELTHAM

PR campaign overload

Two arms industry PR campaigns are currently underway. Ian Prichard picks apart some of the messages.

The first of the industry's campaigns is by BAE and comprises newspaper adverts, animated adverts on the websites of news outlets, and taxi livery. These feature the Union Jack and UK jobs; and sit uneasily alongside the steady decline in BAE's UK employment and the rapid employment increases in the US.

The second campaign is by the Defence Industries Council (DIC), an arms company body that meets with Ministry of Defence (MoD) ministers and officials to help them decide how to spend taxpayers' money. Their campaign launch aimed to elicit media comment on the back of reports and statements by the great and, er, good of the arms industry. It was fronted by Mike Turner, former Chief Executive of BAE.

Few have questioned the DIC campaign, but a *Financial Times* editorial in early September provided critical analysis: "Some top-line claims are shaky. Spending on defence is no better at creating jobs than support for other sectors. Defence R&D may produce spin-offs, but so too may R&D with civilian applications." The editorial also said: "In some places, the report's logic is topsy-turvy... the armed forces should have what they need, not what industry can make."

Here we provide some responses to key points in the DIC campaign.

An industry prioritising UK needs

DIC: The UK needs "a domestic defence industry that prioritises the needs of the UK armed forces."

The arms industry does not prioritise the UK armed forces. The large UK-headquartered companies, most



A taxi displays a BAE advert

notably BAE, are rapidly shifting their emphasis towards the US and many of the largest suppliers to the MoD are non-UK companies. Their common, overwhelming priority is shareholder value.

Way out of recession

DIC: "There has perhaps never been a better opportunity to harness the full potential of our world-class defence and security industrial base and use it as one of the paths out of recession."

In response to a question about military spending and economic stimulus, Defence Minister Quentin Davies MP stated: "You need to spend it on goods and services which are labour-intensive rather than capital intensive in their manufacture... This is not the case with defence".

Job creation and skills

DIC: "A £100m investment in the defence industry creates 1,885 jobs throughout the entire UK economy" and "the industry operates well beyond the skill levels in most other industries."

According to the DIC's own report, the arms industry is entirely unexceptional in both job creation and the proportion of its workforce that is highly skilled. A study from the University of Massachusetts' Political Economy Research Institute found government spending on education and public transport created twice the number of jobs as the same amount spent on the military sector – with average education salaries also being higher.

Importance to UK exporting

DIC: the industry "exports on average £5 billion per year" and "Exports are at the rate of four times more per worker than the automotive sector."

UK arms exports are only 1.5 per cent of total UK exports and this doesn't take into account the 40 per cent of the content of these exports that is imported in the first place. Added to this, arms exports are subsidised by the taxpayer by over £500 million each year. The DIC's own report shows that the proportion of production exported is far below the average for the industry sectors considered.

ECGD – military cover down to 1 per cent

As suspected, BAE Systems' cancellation of cover for its arms deals with Saudi Arabia has had a massive impact on the Government's Export Credits Guarantee Department (ECGD). The ECGD's 2008-9 Annual Report shows that military goods received just 1 per cent of the cover that year, down from 57 per cent in 2007-8 and 42 per cent in 2006-7. Airbus has become the ECGD's major beneficiary. From the figures in the 2008-9 Annual Report and its earlier counterparts, it seems likely that, in

2007-8, almost half of all the ECGD's premium income was for the BAE Saudi cover. Now that income is gone.

As with the 200-strong staff of the Ministry of Defence Saudi Armed Forces Project, the ECGD employees were highly dependent on BAE's Saudi deals. Luckily for the latter, the UK's economic difficulties have led to more demand from other exporters for the public financial backing from the ECGD, as commercial banks and others have become more cautious.

Parliamentary Committee

It has become something of a tradition for parliamentary Select Committees to publish reports during the summer break. In August it was the turn of the Committees on Arms Export Controls (CAEC), chaired by the Labour MP Roger Berry, and comprising MPs from the Business & Enterprise, Defence, Foreign Affairs and International Development committees. Though CAEC appears reluctant to question the massive support and subsidy given by the Government to arms exports, it does a thorough job looking at the application of the current export controls and the loopholes within them.

This year CAEC investigated the activities of UK arms brokers granted export licences by Ukraine and called on the UK government to check that they had not broken any UK controls and to establish a register of brokers. Every year CAEC highlights particular countries. This year it drew attention to China, where it called for the (partial) arms embargo to be maintained; Sri Lanka, where it asked the Government to review all existing licences and asked for an assessment of what UK-supplied equipment may have been used in recent action



against the Tamil Tigers; and Israel. With regards to the latter, it concurred with the slightly earlier report by the Foreign Affairs Committee (FAC), which welcomed the review of the extant licences undertaken by the Government after the invasion of Gaza.

Supporter survey

Included with this copy of CAATnews is a supporter survey. We really hope you'll take the time to complete it and return it to us.

We're hoping this will help us build a better understanding of the kind of people who support us and the kind of activities they undertake in opposition to the arms industry. This information should allow us to improve the way we involve you in our campaigns.

The survey is completely anonymous and shouldn't take more than 10 minutes of your time.

The more people who return the survey, the more representative it will be, which is why, as an incentive, we're offering respondents the chance to win one of five CAAT goody bags. So do please complete the survey today and return it to CAAT, FREEPOST, LON4296, London, N4 3BR.

The FAC felt that the fact that Israel "almost certainly" used equipment containing UK-supplied components in Gaza "constitutes a failure of past Government arms export control policy." The Government's decision to revoke licences for components for Saar 4.5 naval vessels was welcomed and the FAC asked the Government to assess the impact on the relationship between the UK and USA of its 2006 decision not to licence any more components for incorporation into F-16 planes and Apache helicopters bound for Israel.

The Committee looking at the Draft Bribery Bill, which took evidence from arms manufacturers including BAE, and the Joint Committee on Human Rights, which investigated policing of demonstrations, also reported over the summer. All the reports, including oral and written evidence, can be found on the parliamentary website at www.parliament.uk. ANN FELTHAM

No Nonsense on the arms trade

This October the New Internationalist published a revised edition of the *No Nonsense Guide to the Arms Trade* written by former CAAT Steering Committee member Nicholas Gilby (right). CAATnews talked to Nicholas about his work.

What inspired you to write this book?

I am not sure inspired is the right word! I was approached by the New Internationalist to produce an updated edition of the *No Nonsense Guide to the Arms Trade*. I accepted because I think the first edition was a really good little book and worth updating.

How are you involved in campaigns against the arms trade?

I am actually less involved now than I have been for many years. Since the House of Lords ruled that it was legal for the Serious Fraud Office to be bullied by the Saudi Royal Family and the British establishment into closing down the corruption investigation into BAE's Al Yamamah deal, I have done very little except write the *No Nonsense* guide.

Before that I was very heavily involved in the various legal actions,



especially Information Tribunal cases. I also spent a lot of time in archives uncovering the amazing history of corruption in the UK's arms deals with Saudi Arabia. As well as other activities such as media work and parliamentary lobbying, I did quite a lot of work on CAAT's Steering Committee. Because I had a full-time job which was nothing to do with the arms trade, it was a very heavy workload to carry in my spare time. I needed a break from it all.

Having said that, I enjoyed the Saudi Arabia campaign immensely. I never imagined I would get to cross-examine the UK's Ambassador to Riyadh, Sir William Patey, in a Tribunal. That for me was the most memorable moment of the campaign.

This is the second edition of the *No Nonsense Guide to the Arms Trade*. What has changed since the first one?

The first edition was written by Gideon Burrows, who once worked at CAAT, in 2002.

When I started the work to revise the book I realised a lot needed updating and probably about half the book has been rewritten. Many of the issues are the same – for

example the problem of small arms, corruption, corporate power, Israel – but even so, a lot has happened that needed including. But some – for example, the Arms Trade Treaty campaign, the disaster in Darfur, and the increasing prominence of mercenaries after the Iraq war – are new.

How does this book fit into the wider campaign against the arms trade?

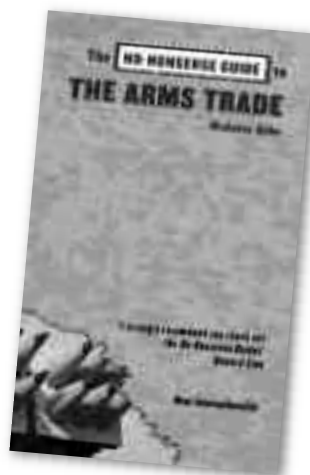
The book does not try and consciously fit into anyone's campaign as such. However, on many issues that are either complex or not in the headlines every day (or both) it can be difficult for a normal member of the public to get an informed understanding of an issue. Israel/Palestine is an excellent example of an issue where it is very difficult to have an informed opinion


without reading a book which clearly introduces the issues (fortunately such a book exists). This *No Nonsense* guide hopefully allows people who are new to the arms trade issue to quickly understand various facets of the issue.

The first book was really well put together by Gideon, so I have tried not to change it unless it was necessary. It

is a summary of a good deal of work by many people and organisations that tries to address a huge number of arms trade issues from human rights, development, corporate power, corruption, small arms, the Arms Trade Treaty and so on.

No Nonsense Guide to the Arms Trade by Nicholas Gilby is available from CAAT at a cost of £8.75 including postage (see order form on page 16).





**Housmans
Peace Diary
2010**
with World Peace Directory

Housmans Peace Diary is a non-profit service to movements around the world working for peace and social justice.

The World Peace Directory lists almost 2000 peace, environmental and human rights organisations in 150 countries.

Pocket format, with a week to a view, giving notable dates and anniversaries and a weekly quotation. Includes calendar, a forward planner for 2011, space for notes, and pages of ideas - of varying degrees of seriousness and importance - on how you can save the world. Printed on recycled paper.

Order your copy now! Call 020 7837 4671, visit www.housmans.com, or email orders@housmans.com.

Fundraising



Workers Beer Company



CAAT volunteers take a break at the Leeds festival

CAAT volunteers have once again done us proud at this year's summer music festivals, raising around

£2,700 for CAAT with the Workers Beer Company.

Volunteers worked at Glastonbury, Latitude, Leeds and Reading festivals. The rain held off for most of the time and, as our photo demonstrates, volunteers had plenty of time to enjoy the festival after their hard work in the beer tents.

A big thank you to everyone who gave up their time to raise money this year.

Watch this space in future editions of *CAATnews*, when we will be recruiting volunteers to work at next summer's festivals.

Great Yorkshire Run

A big "well done" to CAAT supporters Sami Wannell and Kat Hobbs, who recently ran the Great Yorkshire Run and raised almost £1,500 for CAAT. This is a fantastic total!

Despite injury, a very early start, lots of hills and being slightly unnerved at the sight of lots of professional runners "dressed in lycra and stretching in ways that people shouldn't be able to stretch", Kat and Sami finished the 10km course in a respectable one hour and 47 seconds, managing to stay together for most of the run. Our runners report that they were spurred on by the crowd's cheering, as well as by the fun atmosphere created by steel bands, Morris Men and people dressed in all sorts of weird and wonderful costumes. They would also like to thank the mystery CAAT supporter who wished them well at the beginning of the race. Kat says his comments put them in the "best of spirits" and got them off to a great start.

Our thanks to everyone who made a donation in support of Sami and Kat's efforts.

If you're interested in running a race for CAAT, or taking part in any other sponsored event, please contact Sally on 020 7281 0297 or email sally@caat.org.uk.

SALLY CAMPBELL

Greetings cards

CAAT's 2009 Greetings Cards are now available to buy.

This year's seasonal card was designed by CAAT supporter Sally Brooks. Congratulations to her for winning our design competition. We're sure you'll agree that Sally has designed a beautiful card. You can see a full colour image of it on the enclosed order form, alongside last



year's card, which is being sold at a discounted price.

We're really grateful to supporters for purchasing our cards. In doing so, you not only help us to raise money, but also increase awareness of our work.

Return the form to us to place your order, or visit www.caat.org.uk/resources/materials to order by credit or debit card.

Standing order success

We would like to say thank you to everyone who has signed up or increased their standing order donation over the last year. Not only have you helped us beat our target, but the Joseph Rowntree Reform Trust has match-funded your donations, awarding us a £10,000 grant towards our campaigning work.

In fact, the money pledged through increased donations and standing order sign-ups represents almost £17,000 for the next year! This is a fantastic amount and will have a great impact on our ongoing campaigns.

Participate in CAAT – here's how

Subscribe to an email list

Sign up to receive the monthly CAAT bulletin with the latest news and events, and receive press releases. Contact enquiries@caat.org.uk or visit www.caat.org.uk/lists

Make a donation

Our supporters' donations enable us to strive for a world without arms trading. Without your help, there would be no campaign. Support CAAT by sending us a cheque, setting up a regular standing order donation, or by taking part in a fundraising event. Contact Sally at sally@caat.org.uk.

Campaign locally

CAAT's campaigns are effective because people like you take action around the country. Have a look at our campaigners' "to do" list (see box) to find out our key campaign priorities. You might run a CAAT stall, contact your local media or invite a CAAT speaker to speak at an event. You can also get more involved in a campaign by taking on one of these campaigner roles:

Join or start a local CAAT group – visit www.caat.org.uk/getinvolved/local/groups.php to find out if there is a group near you or contact Anne-Marie annemarie@caat.org.uk to start a group in your area.

Become a Local Contact – act as a contact for CAAT supporters in your area. Co-ordinate local campaign activities or keep a local campaign group updated on CAAT's work.

Become a Local Media Activist – help build CAAT's profile by contacting your local media with the help of a briefing from CAAT. Contact David at david@caat.org.uk.

Join the CAAT Speakers Network – raise awareness about CAAT and get people campaigning by committing to arrange at least three talks a year. CAAT will provide training and a speakers pack with information and presentations.

Become a Key Campaigner – receive campaigner updates from CAAT and help spread the word about CAAT in your area.

More information on how to campaign locally can be found at www.caat.org.uk/getinvolved/local

Order a copy of the Local Campaigns Guide or find out more about these campaigner roles by contacting annemarie@caat.org.uk.

Universities Network

Join our vibrant network of students and staff taking action for clean investment, stopping the arms trade's graduate recruitment and exposing the arms trade's research involvement in universities.

- Visit our new Universities Network wiki – wiki.caat.org.uk.
- Join the discussion and planning list – send an email to caatunis-subscribe@lists.riseup.net
- Contact universities@caat.org.uk to find out more and sign up for our monthly email!

CAAT Christian Network

The network raises arms trade issues within national church structures and local churches. Contact Alun Morinan at christian@caat.org.uk.

Leave a legacy

If you are currently making or re-writing your Will, please consider leaving a gift to help fund our campaigns. Your legacy will make a real difference to CAAT's future work. Please call Sally on 020 7281 0297 to discuss the different ways you can remember CAAT.

Campaigners' 'to do' list

- Write to David Cameron, to call for new policies for future peace and security, not the failed politics of the past. See page 3.
- Come to the National Gathering on 31 Oct - see page 7 or visit www.caat.org.uk/events/nationalgathering/
- If you're a student or work at a university, join us for the Universities Network Gathering on 1 Nov too! See page 7.
- Show your support for CAAT by ordering our greetings cards. See page 14 and the enclosed form for details.
- Get active online. Visit www.caat.org.uk/getinvolved/ to find out how.

Subscribe now!

Subscription is voluntary, but we need your support. We suggest £26 waged, £14 low income and £35 for groups. Please give more if you are able, or less if not.

Name

Address

Postcode

Tel

Email

I enclose a cheque/postal order for £

I do not want to receive an acknowledgment

Please give by standing order

It helps CAAT plan ahead more effectively and costs less to administer, so more money goes directly to campaigning. Just £5 a month makes a real difference.

Name

Bank address

Postcode

Sort code Acc/no

Please pay: The Co-operative Bank Plc, 1 Islington High Street, London, N1 9TR (sort code 08 90 33) for the account of CAMPAIGN AGAINST ARMS TRADE (account number 505035_ _) the sum of

pounds (£)

starting on (dd/mm/yyyy) and monthly/annually thereafter.

Signed

Fill in your name and address with the bankers order and return the whole form to CAAT, not your bank. Please make cheques payable to CAAT and send with this form to: CAAT, FREEPOST, LON4296, London N4 3BR.

If you DO NOT wish to receive CAATnews please tick here

CAAT use only.
Please quote ref

on all payments

Order form

PLEASE TICK BOX AND MARK QUANTITY REQUIRED

Selected publications

- No Nonsense Guide to the Arms Trade**, September 2009, by Nicholas Gilby, (£8.75, postage included) Quantity ___
- Making Arms, Wasting Skills: Alternatives to Militarism and Arms Production**, April 2008, by Steven Schofield (£3) Quantity ___
- Local Campaigns Guide**, September 2008 (free) Quantity ___
- Local Fundraising Guide**, April 2009 (free) Quantity ___

UKTI: Armed & Dangerous campaign materials

- Postcard (free)** Quantity ___
- Campaign pack (free)** Quantity ___
- Briefing (free)** Quantity ___
- Poster (free)** Quantity ___

Other resources

- T-shirts** Black with small white logo (women's fitted: small, medium or large; unisex: medium, large or extra large) (£6.95) Quantity ___
- Mobile phone recycling envelopes** (free) Quantity ___
- Introduction to CAAT** (free) Quantity ___
- Recruiting leaflet** Counting the Cost (free) Quantity ___
- Green Tree greetings card** £4.50 for 10 cards and envelopes. Quantity ___ packs.
Please include 50p postage for each pack of cards.
- Thoughtful Dove greetings card** (last year's card) £3.50 for 10 cards and envelopes. Quantity ___ packs.
Please include 50p postage for each pack of cards.
- Housmans 2010 Peace Diary**, with World Peace Directory (£8.95) Quantity ___
(For bulk orders visit www.housmans.com)

WE DON'T WANT ANYONE TO BE PREVENTED FROM GETTING INVOLVED BY THE COST OF MATERIALS, SO MANY OF OUR RESOURCES ARE FREE. HOWEVER, IF YOU ARE ABLE TO MAKE A DONATION TOWARDS THE COSTS OF PRODUCING AND SENDING OUR RESOURCES, IT WOULD BE VERY MUCH APPRECIATED.

Please make cheques payable to CAAT.

Name _____

Address _____

_____ Postcode _____

Email _____

Telephone _____

Would you like to receive our monthly email bulletin?

Yes No

Please return this form to:

CAAT
11 Goodwin Street
London N4 3HQ

