

RED HAND DAY 2014

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Good morning. I am going to briefly sketch the context of the global arms trade in which the phenomenon of child soldiers and German arms exports occur.

Global military expenditure totals over \$1.7 trillion a year, that is \$250 for every person on the planet!

The trade in conventional arms, both big and small, ranges from \$60 to 120 billion a year. A minimum of \$20 billion is paid in bribes on these deals every year.

Small arms, while costing less, cause far greater harm. It is estimated that 526,000 violent deaths occur every year through warfare and related homicides, the vast majority caused by small arms.

This expenditure on weapons has profound impacts on the world:

- It enables, fuels and perpetuates conflicts
- It corrodes democracy and the rule of law in both the buying and selling countries
- It wastes massive amounts of money that could be far better spent on socio-economic development and social spending
- And it creates the environment in which children are the victims of conflict either through death, injury, hunger, displacement or being forced into battle as child soldiers.

The trade in arms all takes place behind a veil of national security imposed secrecy, hiding corruption, the sale of arms into conflict zones and other criminal activity.

The boundaries between the legal and illegal trades are extremely fuzzy, with illicit arms dealers often being used by the big weapons manufacturers to pay bribes on their deals. The companies, and arms dealers, have very close relationships with their government, military, intelligence agencies, politicians and political parties. Many arms dealers act as intelligence assets for numerous countries and are, therefore, protected from the legal consequences of their often criminal activities.

In fact, arms export regulation that does exist is often ignored or bypassed, to the extent that the arms trade takes place in a parallel legal universe in which the laws that apply to the rest of us don't seem to apply. Of the 502 recorded violations of UN

arms embargoes only 2 have resulted in any legal action, and only 1 led to a conviction!

Germany is currently the third largest exporter of weapons globally, accounting for over \$4.7 billion (2012), with a doubling of small arms exports from 2011 till 2012. Heckler & Koch, which only employs around 700 people, is probably the most deadly company in Europe.

German arms exports, like much of the world, are mired in corruption and political kick-backs, with links between the companies, arms dealers, government, politicians and political parties extremely close. In fact, anecdotal evidence suggests that historically political parties in Germany have benefited handsomely from the proceeds of both legal and illegal arms deals.

I experienced this first hand in South Africa, where as an MP I was stopped from investigating an arms deal in which we spent \$10 billion on weapons we didn't need and barely use today. While South Africa was spending this money on weapons, almost 6 million people living with HIV or AIDS were told there was insufficient money for the state to provide the medication they needed to stay alive. Harvard University has estimated that 365,000 South Africans died avoidable deaths, and 35,000 babies a year were born HIV positive as a consequence.

Over \$300 million in bribes were paid to politicians, senior officials and my own party, the ANC, itself. ThyssenKrupp paid at least \$25 million in bribes and Ferrostaal \$40 million.

In fact, according to a leaked internal audit memorandum Ferrostaal paid over €1.1 billion in bribes in 16 countries, including a €300 million bribe to Muammar Gaddafi. The company was eventually fined a small amount, a fraction of the massive profits it had made on the deals. ThyssenKrupp went unpunished.

Saudi Arabia is a buyer of significant amounts of German weaponry, as well as from the US and the UK. In fact, the Saudis and their middlemen received £6 billion in bribes on the world's largest arms deal, with Great Britain. The US is currently in the process of selling the Saudis another \$60 billion of weapons, despite the country's own human rights abuses and their support of human rights violators in other countries of the Middle East.

The time has come, in Germany and beyond, to fundamentally change the way the arms trade operates. For if we don't the trade in weapons, which counts its profits in billions and its costs in human lives will continue to make the world a poorer place, a more corrupt place, a less democratic place and a far more dangerous place, especially for the world's children.