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CIA HISTORICAL REVIEW PROGRAM
RELEASE AS SANITIZED
1999

CIA No. 6720

2 NOV 1971

MEMORANDUM FOR: Mr. Robert H.B. Wade
Assistant Director, Economics Bureau
United States Arms Control and Disarmament
Agency

SUBJECT : World Arms Trade

1. We have reviewed the draft tables and notes on world arms trade and generally agree with the definitions, methodology, and data they contain. Your definition for the "arms trade" is similar to that used in the Office of Economic Research.

2. DIA's annual compilation, Foreign Military Assistance (FMA), also is an important source of information on estimates of arms transfers between non-Communist countries. The OER and EIC reports referenced as sources for Communist arms transfers still are relevant, except that the series on Soviet arms exports to Cuba and the Warsaw Pact countries and Communist deliveries to North Korea have been updated. The current estimates are attached. Although you indicate that exports to the Warsaw Pact countries "represent a mid-point within the range of values calculated by CIA from unidentified foreign trade residuals," we find many of the figures used to be close to the upper end of the range.

3. Our data on US arms exports are somewhat different, apparently as a result of using the same figures presented differently by different sources. We use a fiscal year reporting series provided by the Department of Defense covering all categories of US arms exports. The data used in your compilation

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GROUP 1
Excluded from automatic
downgrading and
declassification

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include the BGD series only for excess stocks and ship loans converted to a calendar year series. You reference the Census Bureau as your source for the MIP, FIS, and commercial sales components. We would appreciate receiving the tables you have of excess stock exports by calendar year by recipient and the Census data by year by recipient.

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Director
Economic Research

Attachments
As stated

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Director
Economic Research

Attachments
As stated

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Table 1
 Estimated Value of Soviet Military Deliveries to Cuba
 1960-70

	Billion US \$
<u>Total</u>	<u>\$800</u>
1960-62	490
1963	
1964	
1965	
1966	
1967	
1968	
1969	
1970	

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Table 2

Estimated Value of Communist Military
Deliveries to North Korea

	Million US \$
<u>Total</u>	<u>\$220</u>
1966	
1967	
1968	
1969	

GA/CM
By GA/CM

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TABLE 3
Estimated Soviet Shipments of Weapons to the Warsaw Pact Countries and Yugoslavia,
1955-70

Year	Bulgaria	Czechoslovakia	East Germany	Hungary	Poland	Romania	Total	Million
1955								
1956								
1957								
1958								
1959								
1960								
1961								
1962								
1963								
1964								
1965								
1966								
1967								
1968								
1969								
1970								

Estimated range was obtained by deducting 1 to 7 percent of Soviet exports

at 1955

Table 3

Estimated Soviet Shipments of Weapons to the Warsaw Pact Countries and Yugoslavia, 1955-70

Year	Bulgaria	Czechoslovakia	East Germany	Hungary	Poland	Romania	Total	Million
1955								
1956								
1957								
1958								
1959								
1960								
1961								
1962								
1963								
1964								
1965								
1966								
1967								
1968								
1969								
1970								

Estimated range was obtained by deducting 1 to 3 percent of Soviet exports from the total.

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