CHAPITRE V

BUILDING INTEGRITY IN THE DEFENCE SECTOR OF SUB-SAHARA AFRICAN STATES: THE CASE FOR RESILIENT NATIONAL DEFENCE INDUSTRIAL BASES

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ABSTRACT

Lack of integrity and transparency are noticed in all national defence systems in one form or the other. The Government Integrity Index of Transparency International UK reveals that the corruption risk index in the defence sector of sub-Saharan African states is either high (Band D), very high (Band E), or Critical (Band F). This reveals that the African continent is a high-risk zone of corruption in the defence sector. Examining two case studies of arms scandal (in Niger and Nigeria), this paper advocates that arms procurement is the major window through which funds embezzlement and corruption in

the defence sector thrives. We argue that the absence of resilient Defence Industrial Bases in the continent creates room for an enormous dependency on the procurement of foreign arms. We, therefore, conclude by encouraging sub-Saharan African states to pursue defence industrialisation. We further outline the basic characteristics of a resilient Defence Industrial Base as a criterion for the reduction, to its barest minimum, of corruption in the Defence Sector of Sub-Saharan Africa.

RÉSUMÉ

Le manque d'intégrité et de transparence est constaté dans tous les systèmes de défense nationaux sous une forme ou une autre. L'indice d'intégrité gouvernementale de Transparency International UK révèle que l'indice de risque de corruption dans le secteur de la défense des États d'Afrique subsaharienne est soit élevé (Bande D), très élevé (Bande E) ou critique (Bande F). Ce qui démontre que le continent africain est une zone à haut risque de corruption dans le secteur de la défense. En examinant deux cas d'études (au Niger et au Nigéria), ce document postule que l'achat des armes est la principale voie

par laquelle prospèrent les détournements de fonds et la corruption dans le secteur de la défense. Nous soutenons que l'absence de bases industrielles de défense résilientes sur le continent crée la possibilité d'une énorme dépendance vis-à-vis de l'achat d'armes étrangères. Nous concluons donc en encourageant les États d'Afrique subsaharienne à poursuivre l'industrialisation de la défense. Nous décrivons en outre les caractéristiques d'une base industrielle de défense résiliente en tant que critère de réduction, au strict minimum, de la corruption dans le secteur de la défense en Afrique subsaharienne

INTRODUCTION

There is no simple definition that fully describes the concept of the defence industry. Traditionally, the industry has been greatly influenced by two main factors: the uncertainty of strategic-military planning and the impact of new technologies. During the last decades, three additional factors had an effect on the scope and composition of the arms industry, these being: the unprecedented globalization of production and development of weapons systems; the emergence of dual-use technologies (with both civilian and military applications); and to a lesser degree, the tendency to outsource support tasks and services to the civilian sector, such as strategic lift or satellite imagery.

Lack of integrity and lack of transparency is found in all national defence systems. In the area of defence, this can result in a huge waste of resources, and, within countries where these malfunction peaks at high levels, to military forces, not in service to the national interest. There is much action today – much more than in previous years – to find constructive ways to overcome this problem nationally. Tackling this problem is not only in the interests of Defence establishments. Defence corruption is also an area of substantial common importance to development organisations and practitioners. For developmental and governmental actors, the prime concerns are the adverse effects of defence corruption on the allocation of public resources, decreased investment in productive activities, and reduced human security. These concerns find common ground in the areas of governance and management of public (defence) budgets, and the role defence corruption plays in the creation and maintenance of sustained networks of corruption that easily spill over across government and the region.

In sub-Saharan Africa (SSA) – and more broadly, the governments of most developing states – there are no authentic and/or effective popular legislatures, and there are essentially no oversight mechanisms that could constrain defence spending or regulate

arms acquisition standards. The governments' decision-making processes in this regard, as in many others, remain opaque. In general, the perfunctory and/or hand-picked assemblies of several African governments may offer input into social, cultural, or even economic affairs, but they have neither the information nor the invitation to contribute their views on military-security matters. Ordinarily, as Jacob Zuma once noted, defence-related projects are "highly secretive and subject to no ministry of finance oversight or controls (BBC, 2018)."

The major corruption window in SSA is unveiled during the procurement of arms. The poor state and inexistence (in most cases) of indigenous defence industrial bases across the region paves the way for an active commercial engagement in arms buying. Arms procurement provides hundreds of thousands of jobs in the selling countries, generally in the North. In the buyer countries, most often in the South, weapons are used to dissuade potential adversaries or to wage wars. And to enrich the elites also because contracts for the sale of weapons traditionally give rise to considerable hidden commissions. Two factors justify the recurrent need for arms procurement in SSA: the unending state of regional insecurity and moribund or non-existent national defence industries.

This article attempts to show that a strong national defence industrial base in SSA states that can provide strategic autonomy and technological advantage – not just for security reasons, but also for economic ones – is the key to resolving strains of corruption in the defence. Regarding the defence company anti-corruption index provided by the Defence and Security Program of Transparency International UK (TI), it is observed that robust and resilient public firms have lower levels of firm-level corruption risk. Public defence firms are ranked in Bands A and B in the Transparency International 2015 report. This indicates that strong public defence firms pay closer attention to corruption risks.

The existing literature on the defence industry uses the phrase and concept of ‘defence industry’ interchangeably, with it also applying to both the arms industry and military industry. Two major approaches have traditionally dominated the development of arms industries: mercantilism and liberalism. Following the realist principles in international relations, mercantilism promotes state control and aims for autarky, or

self-sufficiency, in the defence industry. On the other hand, liberalism supports “free markets and comparative advantages” and consequently advocates for a limited intervention of the state (Banlaoi, 2009). Understandably, these divergent points of view result in different strategies and priorities when defining the concept of defence industry.

I. ARMS PROCUREMENT AS THE MAJOR SPACE FOR DEFENCE CORRUPTION: STUDIES FROM NIGERIA AND NIGER

Corruption in public procurement, which is a global phenomenon affecting countries at all stages of development, has tremendously negative effects, leading to projects which not only exploit taxpayers’ money or donated funds, but which may also pose a danger to the health and safety of users. Public procurement is particularly susceptible to corruption because of the vast sums of money governments spend on such projects, the relatively high degree of discretion public officials and politicians typically have in such matters in comparison with other areas of public expenditure and the difficulty in detecting and investigating cases of corruption (Appolloni and Nshombo, 2014).

Specific examples of corruption in public procurement may be as varied as the procurements and individuals involved. Generally, corruption in public procurement may involve complicated procedures and detailed planning; technical complexities; numerous persons; and at times an international dimension. These characteristics should be duly considered in detecting, preventing, and deterring corruption in public procurement.

In this part, we analyse two case studies where arms procurement has served as a major window for corruption. This syphoned money is used for election funding (section A) and as a means of enriching the minority few political leaders (Section B).

A. Dasuki Gate: The Nigerian 2 billion US Dollar arms scandal

A handful of scholarly publications describes Nigeria as a neo-patrimonial state (Bratton & van de Walle, 1997); rentier state (Yates, 1996; Van Gool & Beekers, 2012); prebendal state (Joseph, 1987b); hybrid’ state (Erdmann & Engel, 2007); patron-clientelism (Smith, 2007); an ethnologically constructed state where ethnic affiliation plays a major role in securing employment, appointment, and contract (Willett, 2009). These theoretical provisions emphasise the use of public resources for personal accumulation; systematic control of power by the few powerful individuals; and the use of public funds for political legitimisation (Smith, 2007).

The existing evidence regarding the character of the Nigerian state demonstrates that corruption serves two crucial primary purposes: to preserve power through electoral manipulation and political patronage. Power preservation mechanisms include the allocation of government contracts and distribution of jobs to powerful individuals who have the capacity and strength to influence electorates and these strategies are employed to buy political support from the big men and political associates. The entrenchment of these social norms formed the basis of the Nigerian political economy.

Importantly, in this type of political environment, the President must ensure that the key political appointments are allocated to his loyalists, ethnic cronies, and kinsmen so that the manipulation of state resources to maintain political power could be assured. To achieve this, the former President Goodluck Jonathan like other past Nigerian political leaders nominated along ethnic lines key leadership positions in the military, “the strategic posts of Chief of Army Staff (COAS) and National Security Advisor (NSA) were occupied by faces from areas which strongly support Jonathan.” “The appointment of Azubuike Ihejirika represents a major boost for the Igbo south-east and represents the region’s first top command appointment since the Biafra war. Similarly, the National Security Advisor (NSA), late General Andrew Azazi is from Jonathan’s home state of Bayelsa” (Kaplan, 2018, 20-23). It should be recalled that following the death of late General Andrew Azazi, Col. Sambo Dasuki was appointed to fill the vacuum. Therefore, the kinship and patronage politics continue to dominate the political atmosphere of every political regime which in turn fuelling the ember of corruption in Nigeria.

In the wake of the defeat of former President Goodluck Jonathan in the 2015 Presidential election, President Muhammadu Buhari who took the mantle of leadership began to scrutinize the political conditions of the military procurement funds and general defence expenditure. The issue emerged in November 2015 when the Presidential constituted committee saddled with the responsibility of auditing arms pro-

curement since 2007 came up with its provisional report, detailing embezzlement and large-scale fraud in the general activities of the military, accredited to the former National Security Adviser (NSA), Col. Sambo Dasuki (Rtd), the report argues that out of 513 contracts awarded by the office of the NSA, there was no evidence for the delivery of 53 contracts, estimated at 2.1 billion US Dollars, including the purchase of 12 helicopters, Alpha Jets, as well as bombs and ammunition. The report described the procurement as superfluous as at the time the exercise was carried out. The report further established massive fraud and general irregularities in defence procurement, confirming that between September 2009 and May 2015, the Nigeria Air Force expended approximately 75 million US Dollars on the maintenance of Mi-24V/ 35P helicopters, C-130H aircraft and Alpha Jets. It was established that about 22 million US Dollars was allocated for contracts not executed. In their fact findings, the committee acknowledged a new form of corruption in the sector, involving diversion of funds allocated for the maintenance, renovation of barracks, and soldiers' allowance by the commanding officers. Moreover, there were allegations that some military and naval officers collaborated with the criminal syndicates in the Niger Delta in carrying out illegal bunkering, oil theft, and illegal oil refining operation (Crisis Group, 2016).

The nature of governance instituted on the principle of reciprocity that exists between patrons and clients

was observed in the 2015 arms procurement scandal, often referred to as Dasukigate, which interrogates the patronage politics at the expense of the larger population. The Dasukigate is one of the most comprehensive and pejorative allegations in defence sector. In furtherance of the findings, The EFCC began to investigate the pipeline through which the funds were distributed which was later discovered to be facilitated through the financial institutions where some of the looted funds were transferred to the accounts of political big men and allies across the different ethnic groups within the country. The allotted funds were shared among the few political big men, allies, and associates (as shown in Table 1) with the aim of employing the funds to secure the support of political stakeholders within the People's Democratic Party [PDP] for the 2015 Presidential election so that political continuity could be guaranteed (Vanguard Newspaper, December 9, 2015). This event led to the arrest of former National Security Adviser [NSA], Col. Sambo Dasuki [Rtd] by the Economic and Financial Crimes Commission [EFCC]. He was grasped by the Economic and Financial Crimes Commission [EFCC] to answer some vital questions on the \$2.1 billion arms deal scandal, no one knew that the names of high-profile politicians and military Generals were allegedly linked to this national embarrassment, who are in-turn enemies within the Nigerian state (BBC News, December 1, 2015).

Table 1: Names of political and military officers alleged of sharing arms procurement funds in Nigeria.

S/N	Names of Looters	Position Held	Amount Embezzled
1	Col. Sambo Dasuki (Rtd)	Former National Security Adviser (NSA)	2.1 billion US Dollars
2	Attahiru Bafarawa	Former Sokoto State Governor	N 4.6 billion
3	Diezani Alison-Madueke	Former Minister of Petroleum Resources	115 million US Dollars
4	Bashir Yuguda	Former Minister of State for Finance	N1.275 billion and N775 million
5	Chief Raymond Dokpesi	Chairman emeritus of Daar Communications Plc	N2.1 billion
6	Alhaji Aminu Babakusa	Former General Executive Director at the Nigerian National Petroleum Corporation (NNPC)	N2.2 billion
7	Waripamowei Dudafa	Former Special Assistant to President Goodluck Jonathan on Domestic Matters	N10 billion
8	Femi Fani-Kayode	Director of Publicity of the President Goodluck Jonathan campaign	N840 million
9	Chief Olu Falae		N100 million
10	Rashidi Ladoja		N100 million
11	Prof. Rufai Alkali	Coordinator of the Goodluck Support Group (GSG)	N320 million

12	Patrick Ziadeke Akpobo-lokemi	Former Director-General of the Nigeria Maritime Administration and Safety Agency (NIMASA)	N2.6 billion
13	Bala James Ngillari	Past governor of Adamawa State	N450 million
14	Mrs. Esther Nenadi Usma	Former Minister of State Finance and Director of Finance of the Goodluck Jonathan Campaign Organisation	N2.5 billion
15	Emeka Mba	Former Director-General of the Nigerian Broadcasting Commission (NBC)	N17 billion
16	Chief Olisa Metuh	Former National Publicity Secretary of the PDP	N1.4 billion

Source: Ojo, Lamidi

Allegation of corruption in defence sector is not surprising. It has been observed that inadequate competition in defence procurement provides a fertile ground for informal contracts, rent-seeking, and corruption; consequently, burdening the nation's economy (d 'Agostino, Dunne, & Pieroni, 2012). Two perspectives that should be considered in understanding defence corruption are the complexity and secretive nature of military procurement as well as bureaucratic sophistication which accommodates corruption tendencies within the security sector. For instance, "it will be recalled that the arms procurement audit revealed that Mr. Dasuki, and the other defence chiefs, purchased unserviceable and cheaper military equipment when they had budgeted for newer military hardware. They then diverted the leftover funds to their personal accounts" (Sahara Reporter January 17, 2016). Many of the contracts carried out in this sector were characterised by breach of extant procurement regulation and lack of due process (Sunday Times, July 15, 2016). The implication of this clandestine makeup in defence contracts that prohibiting freedom of information legislation and effective monitoring creates an environment for corruption in the military (Hudson & Jones, 2008). The monopolistic market environment also raises a mammoth challenge for arms procurement within the security sector (Hartely, 2017).

B. Overbilling, fictitious company and arms procurement: The Niger Republic Arms deal scandal

Niger is located at the heart of the Sahel and the region's most violent conflicts. Crises in Libya, Mali, and Nigeria directly impact Niger's internal security and present significant socio-economic challenges. This sense of insecurity in the country is reflected in

increased domestic demand for weapons, particularly for small arms for self-protection. At the same time, the difficulty of controlling the country's vast desert territory and the absence of state control in several neighbouring border areas make the fight against trans-border insecurity highly challenging for the Nigerien authorities. Niger is particularly resonant given the country's long-time role as an arms trafficking hub¹.

As militant groups spread across the Sahel, the West African nation of Niger went on a U.S.-backed military spending spree that totalled about US\$1 billion between 2011 and 2019 (Anderson, Sharife, and Prevost, 2020). But almost a third of that money was funnelled into inflated international arms deals designed to allow corrupt officials and brokers to siphon off government funds, according to a confidential government audit: Rapport sur le contrôle à posteriori des marches publiques au ministère de la défense nationale, Niamey, 29 March 2019.

The Inspection Générale des Armées, an independent body that audits the armed forces of Niger, found huge irregularities with contracts amounting to over 320 million US Dollars out of the 875 million US Dollars in the military spending it reviewed. The audit, sent to the Presidency of the Republic of Niger, details, company by company, the contracts deemed fraudulent by the arms inspectors. In 2017, the Ministry of Defense, Kalla Moutari, signed a contract with Renault Trucks for the delivery of equipment worth 25 billion CFA francs, 2.5 billion of which were said to have been diverted. According to the present Nigerien Minister of Defense, Issoufou Katambé: «Soldiers are being killed on the front lines while businessmen and their accomplices lurk in the ministry are sweetening themselves» (Radio France International, February 2020).

Similar to the Nigerian scenario, the arms deal

¹ Niger was a key transit point for notorious Ukrainian arms dealer Leonid Minin in the 1990s. He sent weapons from his base in Sharjah in the United Arab Emirates to Charles Taylor, a warlord who was fighting the government in Liberia, where he later became president. Minin's planes brought attack helicopters, anti-aircraft guns, missiles, and over a million rounds of ammunition to Niger before sending them on to Liberia. The Russian arms dealer Viktor Bout also used Niger as a staging point to bring weapons into Liberia during its civil war. Known as the "Merchant of Death," Bout is now in prison in the United States where he was convicted of supplying weapons to Colombian insurgents.

corruption in Niger is tracked to be associated with politicians for election funding. Several businessmen and politicians close to the presidential movement were cited in the audit. These funds are siphoned in Niger through the creation of fictitious companies in free trade zones and so numerous key players in power in Niamey facilitate these procedures. Among them are the former Defence Minister Karidjo Mahamadou, who is said to have passed through Abdourahaman Manzo, an activist of the ruling party living in Brussels; the chief of staff of the President of the Republic Ouhoumoudou Mahamadou; General Ibrahim Wally

Karingama; and Aboubacar Hima Massi (Aksar, 2020).

In a market of 151 billion CFA francs, for example, 75% went to a single company, that of businessman Boubé Hima, alias «Petit Boubé» (Radio France International, February 2020). Except for Renault Trucks and Toyota, the 10 companies pinned down, with names as enigmatic as they are exotic, are well-known economic operators in the country, all close to the regime, and even to the President's family. Table 2 illustrates in detail the individuals, companies, and institutions involved in the Nigeran arms scandal.

Table 2: Names of companies and individuals indexed in the arms procurement scandal in Niger

S/N	Company/ Individual	Contract Year	Country/ Portfolio	Total Contract	Overcharged	Undelivered
1	Renault Trucks	2017	France	25,037,670,750		2,503,767,075
2	Aboubakar Charfo (ETS Charfo)	2014-2018	Businessman and Politician/ Niger	57,865,686,610	14,513,041,064	3,987,819,671
3	Aboubacar Hima (Brid A Defcon)	2015-2018	Businessman and Politician/ Niger	87,977,415,629	18,348,283,950	11,294,183,659
4	Poly Technologies Inc. (Zakou Djibo)	2015	Nigeran Politician/China	6,191,367,800		4,934,166,950
5	Aerodynes (Aboubacar Hima)	2016	fictitious company in a free zone	999,737,504		999,737,504
6	AreoNautic Services Engineering	2017	fictitious company in a free zone	880,000,000		880,000,000
7	Est Ukraine	2017	fictitious company in a free zone	250,0163,600		250,0163,600
8	Toyota Land Cruiser	2017-2019	Japan	17,182,500,000	4,352,000,000	
9	Yancheng Gotye	2017-2018	China	5,142,290,000	1,569,000,000	
10	MIM (Moutari Issa Moutari)	2018	Politician/Niger	5,193,000,000	3,626,390,000	400,000,000
11	Equipment MAT (Issa Baba Ahmed)	2018	Politician/Niger	7,218,247,400	3,583,290,000	207,900,000
12	ETS BIS (Ibrahim Salaou)	2018	Politician/Niger	5,702,557,500	2,341,750,000	93,890,000
Total				221,890,636,793	48,333,755,014	27,801,628,459
Currency						FCFA

Source: Author with data from Inspection Générale de l'armée (2020)

II. NATIONAL DEFENCE INDUSTRIAL BASES AS A SOLUTION TO REDUCING DEFENCE SECTOR CORRUPTION

There have been significant shifts in the nature, scope, and workings of the defence industry in recent years. These shifts have to be understood within three contexts: changes in the international arms market; restructuring of the international defence industry; and the discourses accompanying these processes. These changes cannot be understood in terms of globalization, but rather are a complicated process of internationalisation, where companies remain wedded to their home countries but increasingly have joint ventures and other links abroad. With the concentration and growth of major defence companies, brokered and networked production has become pervasive.

Another discernible trend is that new generation defence conglomerates are becoming more like non-defence companies and are increasingly influenced by financial capital markets. In both developed and developing countries, the 'military-industrial complex' is reconstituting itself in more informal and less visible forms. As part of this process, the larger companies have found new ways to influence governments. This has clear implications for any country with defence industry, as it implies that a comprehensive Defence Industrial Base (DIB) is impossible to maintain. For relatively small economies, the only possible future lies in becoming a niche producer.

A standard argument is that defence industries are vital to national economies; however, a growing body of research suggests that military spending has essentially adverse macroeconomic effects. Increasingly too, defence companies are more reliant upon exports and use economic arguments to justify them. Nevertheless, arms exports are subsidised heavily by the government and the economic benefits are not clear. As shown in our Part I, the importation of arms has paved the way for high-level corruption and embezzlement of state funds, in most cases, with the government playing sometimes major, other times passive roles.

In the bid to show that the establishment, revitalisation, and maintenance of a robust national DIB is a prerequisite to reducing to its barest minimum the level of corruption in the defence sector, we demonstrate the utility of the Defence Industrial Base for sub-Saharan African countries (Section A). After which we elaborate on the mechanisms and fundamentals required of a Defence Industrial Base for the reduction of funds embezzlement and corruption in the African defence sector (Section B).

A. The relevance of the defence industrial base in sub-Saharan Africa

A state's armaments and weapons base are a cause of nationwide contentment. It is an entrenched component of the usual notion of state defence that deals with a country's capability to protect itself. The government of every country is tasked with the responsibility to protect and ensure the safety of the citizenry within the territory of each state. "From the annals of history, it has been discovered that states are tested by their ability and readiness to respond to security pressures emanating from the interior and outside its borders" (Oyosoro, 2019). Thus, the ability of a state to guarantee an atmosphere of peace, stability, and development within its territory depends largely on the efficient measures put in place to prevent and respond to the sources of threats that can endanger the lives, values, and assets of the citizens.

The reliance of most African states on foreign suppliers and vendors of its military hardware requirement has come under serious challenges in recent times due to the scarcity of foreign exchange and political restrictions abroad. The economic challenges facing the country make it difficult to source foreign currency for military equipment procurement. The high exchange rate of the continental currencies to the supplier countries makes foreign procured equipment very expensive. Additionally, these procurements have become a great source of corruption and embezzlement of public funds by the government, private defence companies, and individuals both from the demanding and supplying countries. Sub-Saharan African countries, except South Africa, have always procured arms (Table 3) and have never exported arms (Table 4). This shows a huge deficit in the consumer industrial sector in Sub-Saharan Africa. This is more of a problem because Arms procured from abroad play an important yet ambiguous role in the peace and security of sub-Saharan Africa. In some cases, they fuel the many conflicts that afflict the region; in others, they are used for legitimate defence or by multilateral peace operations. The widespread concerns about the risks of arms transfers to sub-Saharan Africa and elsewhere have resulted in regional and global discussions about the need for regulation; of these, the efforts to agree on an international arms trade treaty (ATT) are the most prominent.

The motivations for domestic defence production are to reduce dependence on outside arms suppliers which in the case of sub-Saharan Africa, will result in a drastic reduction of arms procurement corruption and misappropriation of state funds. Other motivations include; to enhance a nation's status in the international community, to facilitate the transfer of technology, and, over time, to gain economically. South Africa's stated goal in developing its defence industry in the

early 1960s was to provide the country with a reliable source of arms after its increasing isolation from the world as a result of its apartheid policies (Brauer, 2002). After the emergence of a new political order in 1994, following the election of an ANC led government, and the lifting of the UN arms embargo, the defence industry underwent substantial restructuring with the new government struggling to justify maintaining the existence of the industry. Eventually, the justification focused on trade, economics, and employment maintenance and creation. (Batchelor and Willett 1998). Brazil built a defence industry for national security to enhance its ambitions both as a regional and global power (Perlo-Freeman, 2002) and as a pre-emptive strategic move (Brauer 2002).

Since arms are not regarded as a purely commercial good, their production in developing countries is not governed solely by the economics of comparative advantage. A strategic motivation behind the creation of military industry is to reduce the dependence on unreliable or potentially unreliable, sources of arms. In fact, industrial development, job creation, and export opportunities provide marginal benefits over marginal costs. Ideally, the defence industry would promote the development of human capital and prevent the emigration of skilled labour. The creation of a military industry would also promote the development of a civilian industry by providing backward linkages into the economy for support industries and forward linkages by feeding into downstream industries. Offset deals, co-production, and license agreements with foreign producers would promote technology transfer from more technologically advanced nations. Ideally,

the country would improve its balance of payments by import substitution industrialisation, substituting the imports of arms for those locally produced, and by exporting to foreign markets, thus saving foreign currency.

Although there are many hidden costs in defence production. Arms exports and industries are often subsidised by governments. The subsidies conceal the true cost of the transactions. Through decrees and laws, the state fixes the regime of war materials, weapons, and ammunition subject to authorisation and controls the manufacture and the trade (procurement) of war materials (Moura, 2001, 2). As a result, the agenda for investments in military R&D and their profitability are conditioned on public decisions. These decisions oscillate between economic principles of demand and supply and hard power prerogatives of the safeguard and control of internal security.

Krause (1992) enumerates a process, an eleven step “ladder of production,” by which a developing country would progress from an arms importer to a fully independent arms producer (Table 5). Krause explains such models as being descriptive of the evolution, rather than the linear progression, of the defence production process. Brauer (2002) points out that some countries may choose to enter into the defence production industry at entry points beyond stage one. Besides, some countries may choose to focus on different entry points for different arms. He distinguishes between complete weapons systems production and weapons modules development.

Table 3: Trend Indicator Values (TIVs) expressed in millions of arms exports to selected sub-Saharan Africa States 2010-2019

COUNTRY	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL
Angola				31	2	47	142	108	270	166	767
Benin	0	0	20	2							22
Came- roon	10		9	139	122	9	20	8	2	15	334
Chad	38	1	4	59	58	1	2	6	3	1	173
DR Congo	151		10	1		2	43				208
Ethiopia	54	76	193	153	33	10	5	1	10	71	606
Ghana	2	76	39	63	14	13	22		0	4	235
Kenya	116	14	62	1	17	30	29	16	5	32	321
Niger	0	0		13	4	9		3		3	32
Nigeria	188	62	30	30	218	186	50	41	49	30	883
Senegal	4	20		5	7	16	40	47	12	31	182
South Africa	180	212	132	2	50	2					578
TOTAL	743	461	499	499	525	325	353	230	351	353	4341

Source: SIPRI Arms Transfers Database, Generated: 23 October 2020
(<http://www.sipri.org/databases/armstransfers/sources-and-methods/>)

Table 4: Trend Indicator Values (TIVs) expressed in millions of arms exports from selected sub-Saharan Africa States 2010-2019

COUNTRY	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL
Angola	-	-	-	-	-	-	-	-	-	-	-
Benin	-	-	-	-	-	-	-	-	-	-	-
Came-roon	-	-	-	-	-	-	-	-	-	-	-
Chad	-	-	-	-	-	-	-	-	-	-	-
DR Congo	-	-	-	-	-	-	-	-	--		-
Ethiopia	-	-	-	-	-	-	-	-	-	-	-
Ghana	-	-	-	-	-	-	-	-	-	-	-
Kenya	-	-	-	-	-	-	-	--	-	-	-
Niger	-	-	-	-	-	-	-	-	-	-	-
Nigeria	-	-	-	-	-	-	-	-	-	-	-
Senegal	-	-	-	-	-	-	-	-	-	-	-
South Africa	197	345	218	347	163	101	479	751	1066	688	4356
TOTAL	197	345	218	347	163	101	479	751	1066	688	4356

Source: SIPRI Arms Transfers Database, Generated: 23 October 2020
(https://armstrade.sipri.org/armstrade/html/export_values.php)

Table 5: Steps for a developing nation in defence production

STEP 1	The Capability of performing simple maintenance
STEP 2	Overhaul, refurbishment, and rudimentary modification capabilities
STEP 3	Assembly of imported components, simple licensed production
STEP 4	Local production of components or raw materials
STEP 5	Final assembly of less sophisticated weapons; some local component production.
STEP 6	Co-production or complete licensed production of less sophisticated weapons
STEP 7	Limited R&D improvements to local license-produced arms
STEP 8	Limited independent production of less sophisticated weapons; limited production of more advanced weapons
STEP 9	Independent R&D and production of less sophisticated weapons
STEP 10	Independent R&D and production of advanced arms with foreign components
STEP 11	Completely independent R&D production

Source: Krause (1992)

B. Transparency and Integrity as core elements of Resilient Military Industrial Base for sub-Saharan Africa

In contrast with other industrial sectors, the national defence equipment market is a monopsony in the sense that the state is legally the sole customer of the armaments industries. The state thus exercises an administrative regulation of policies and strategies on the arms production system (Hébert, 1995). As a

result, just like the agenda for military investments and their profitability conditions are conditioned by public decisions, the decisions, will, and framework for establishing integrity in the defence institutions in general and the defence industry in particular reposes on public choices. The Government Defence Integrity Index (GDI) which assesses the quality of institutional controls to manage the risk of corruption in defence and security institutions shows that sub-Sahara African countries risk of integrity is either in Band D (High), E

(very high), or Band F (critical) as illustrated in Table 6. This further explains our narrative in the first part of this paper but also depicts the heightening curve of corruption risks in government defence institutions in sub-Saharan Africa.

Building Integrity is not only of great importance but also of great value as an essential pathway towards good governance in security and defence. Building Integrity is a vital building block for any state or institution striving towards an accountable, transparent, and effective defence and security sector. Corruption acts as a significant obstacle to the development, security, and stability of modern societies. Corruption decreases trust in public institutions and undermines the effectiveness of the armed forces. Security sector corruption extorts a high price from other sectors of public life. Corruption diverts funds from the national budget, preventing investment in education, healthcare, innovation, and development. Corruption

also reduces the operational effectiveness of the military and undermines national defence capacity (DCAF, 2015, 2).

In sub-Saharan Africa – and more broadly, the governments of most developing states – there are no authentic and/or effective popular legislatures, and there are essentially no oversight mechanisms that could constrain defence spending or regulate arms acquisition standards. The governments’ decision-making processes in this regard, as in many others, remain opaque. In general, the perfunctory and/or hand-picked assemblies of several African governments may offer input into social, cultural, or even economic affairs, but they have neither the information nor the invitation to contribute their views on military-security matters. Hence, for the defence industry to be beneficial and play a role in curbing corruption, the public policy ought to oscillate around six fundamental principles as illustrated in Table 7.

Table 6: Government Defence Integrity Index (GDI) 2015

BANDS	COUNTRY		
BANDE D (High)	Benin	Cape Verde	Tunisia
	Ghana	Kenya	South Africa
	Namibia		
BANDE E (Very High)	Botswana	Burundi	Rwanda
	Comoros	Ethiopia	Senegal;
	The Gambia	Liberia	Sierra Leone
	Madagascar	Malawi	Swaziland
	Mali	Mozambique	Tanzania
	Niger	Nigeria	Uganda
	Republic of Cote d'Ivoire		Zambia
BANDE F (Critical)	Algeria	Equatorial Guinea;	Libya;
	Burkina Faso	Eritrea	Mauritania
	Cameroon	Egypt	Morocco;
	Central African Republic;	Guinea-Bissau; Guinea	Somalia
	Congo, Rep.	Gabon	South Sudan;
	Democratic Republic of the Congo	Chad	Sudan
			Zimbabwe

Source: Transparency International UK (2015).

Table 7: Basic Principles for a Resilient Defence Industry

Principle 1	A Written Code of Business Ethics and Conduct.	The need for a written code of conduct that provides a clear overview of business conduct expectations.
Principle 2	Employees' Ethical Responsibilities.	The need for employees to undertake training and education about business conduct policies and procedures.
Principle 3	Corporate Responsibility for Employees.	Companies need to encourage employees to report allegations and violations internally without fear of retribution.
Principle 4	Corporate Responsibility to the Government.	The need for self-governance through monitoring of systems and procedures regarding federal procurement compliance and self-reporting of violations to the government.
Principle 5	Corporate Responsibility to the Defense Industry.	Sharing of best practices and implementation principles with others in the defense industry through best-practice forums.
Principle 6	Public Accountability.	Accountability to the public through periodic reporting of results.

Source: Bonime-Blanc, (2011)

CONCLUSION

There are two dimensions of the activities of government when we consider defence: the policy dimension, which is usually conceptualised as strategic in nature; and the decision dimension, relating to the particular activities that are being undertaken, usually as a response to the deliberate policy. The policy dimension is concerned with the generation of military effect principally as a consequence of a formal strategy and planning process. Policy choices usually carry with them implications relating to the use of public and other scarce resources and can inform industrial investment decisions. In contrast, the decision dimension refers to activities related to the creation of forces ready to act within various time scales and the immediate, often tactical decisions taken by military commanders, and by executives within the industry space and officials within the MoD and enabling support echelons. An accumulation of tactical decisions can generate an emergent strategy at the policy level, rather than the deliberate strategy intuitively associated with the policy dimension.

Building Integrity (BI) is not only of great importance but also of great value as an essential pathway towards good governance in security and defence. Building Integrity is a vital building block for any state or institution striving towards an accountable, transparent, and effective defence and security sector. With this paper, we have demonstrated how corruption in the defence sector in Sub-Saharan Africa oscillates within the prerogatives of procurement. We have also suggested that African states develop and strengthen their military capabilities through resilient defence industrial bases. Notwithstanding this fact, there is also a path to reflect on the regional security sector and proffer some reflections on the capacity in building a regional defence industrial base just like their European counterparts who have developed a long-term plan for the European Defence Industrial Base.

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