

What was clear was that simple economic efficiency was *not* the motivation for Third World arms production: in virtually all cases, imported arms would be cheaper than domestically produced ones. Therefore, the motivation must lie elsewhere. Dr. Treddenick argued that it lay in two *perceived* linkages: first, the link between self-reliance in arms production and political independence and national security; and second, the link between arms production and industrial development.

The reasoning behind the drive for self-reliance was obvious. Few states like being in a position where their security is dependent on uncertain arms supply relationships. Some evidence that this was a strong motivation for states was the observation that almost all of the Third World producers experienced arms embargoes or supply problems in the years before indigenous arms production had been started.⁶ Although complete self-sufficiency was a realistic goal for only a few states, whatever steps in this direction that could be taken were seen as beneficial.

The second linkage was more complex. In many underdeveloped states the industrial base and infrastructure necessary for arms production did not exist. But it appeared that some states see arms production itself as a *catalyst* for the whole process of industrialization. Many of the industries identified as playing a dominant role in the process of industrialization (iron and steel, transport equipment, machinery) were also key industries for arms production. Investment in arms production thus stimulated a whole range of economic sectors which were crucial for national industrialization.

Dr. Treddenick pointed out that the historical development of arms industries in Britain, France, Germany, Japan, and Tsarist Russia in the last century followed this pattern. In some respects, the whole process of industrialization had been a military phenomenon: arms production and military expenditures created demand for specialized types of metal and machinery and many "backward and forward" linkages within the economy that stimulated industrial development.

Local arms production was therefore seen as contributing *both* to enhancing a state's national independence and security, and to economic development. Economic development in turn increased national independence and security. Thus where a country ranked in arms production and exports was perceived as being a reflection of its international status and power.

⁶ Examples being Chile, Brazil, Israel, India, South Africa, and Taiwan.