Discussion: One member of the audience wondered whether the purpose of export controls was to maintain American dominance in the arms market and asked how that affected controls on supply. Both speakers believed that the spread of technology could not be stopped, though for different reasons. Mr. Krause thought that although the Americans still dominated the arms industry, they would eventually have to export more goods, just like the Europeans, in order to cover the enormous costs of research and development. According to Mr. Klare, Japan was already virtually the equal of the United States in military innovation, and other Asian countries were hot on the heels of the Europeans. Mr. Krause objected, however, that this conclusion was based on the doubtful premise that military technology was a spin-off of civilian technology. Another audience member said that if Japan were an important supplier of components (especially electronics) for American weapons systems, it should be considered a large exporter and invited to the discussions on controlling arms exports. The speakers were invited to comment on recent initiatives undertaken to control conventional arms. Mr. Klare stated that proposals like those of Mr. Mulroney might have an interesting effect if they were applied. He added that it would be a good beginning if Western countries practised what they preached in regard to export controls. Mr. Krause said that agreements between producers would slow the spread of weapons, thus helping to prevent the destabilization of certain regions and giving diplomats more time to resolve conflicts. The speakers did not agree on the role which the Soviet Union would likely play on arms markets. Mr. Klare thought that it would probably keep its share because of the inherent incentives of the free market, while Mr. Krause thought that it would lose out because of its lack of competitiveness, which would become evident when Soviet cost prices were compared internationally.

Strengthening Export Controls

Katarzina Zukrowska of the Polish Institute for International Relations spoke about her country's arms exports. She said that the policies of the countries of Eastern Europe in this regard were now under review. Czechoslovakia and Hungary had already announced that they would stop exporting arms. Poland would continue, though only 25 to 35 percent of its