Union, although the conversion of weapons production has faltered of late.

While these changes taking place throughout the Northern industrialized nations had yet to extend to new approaches to the international arms trade as a whole, changing patterns of demand for weapons did suggest that progress might be attainable in the future. So too had the United Nations adopted a fresh approach in this quarter, the first sign of the new concern being the convening of expert committees and academic conferences on greater transparency in the international arms trade.

PRIOR TO THE IRAQI INVASION OF KUWAIT, declining oil prices had depressed the arms market throughout the Middle East, although demand was still high in relation to other parts of the Third World – witness the scale of the multi-billion dollar *al Yamamah* deal between Britain and Saudi Arabia involving the sale of *Tornado* and *Hawk* aircraft, and other military equipment and facilities. Through the Gulf Cooperation Council, several oil-rich states such as Oman and Saudi Arabia had begun a process of rationalizing their weapons procurement to avoid duplication and waste.

On the other hand, poorer Third World countries had started to discover that the attainment of a broad and multi-faceted military capability was impossible without vast quantities of foreign exchange increasingly available only to oil-producing states and certain newlyindustrialized countries like South Korea. Pakistan, for example, realized that the American commitment to economic and military aid was far from open-ended once the Soviets quit Afghanistan. And India's rampant defence spending through the 1980s petered out prematurely, creating large gaps in defence capability and, more recently, led to a government defence review. In the case of India, the lesson was simple - a major arms build-up which dwarfed even the Saudi effort in recent years, could not be sustained with only three weeks foreign exchange in the bank.

Equally significant, defence sales to Latin America have been exceptionally depressed, only partly because of growing indigenous weapons production capabilities. Indeed, in recent years, the most promising location for arms sales has been the Far East. Against this backdrop of rising external debt, global recession and post-Cold War politics, the international arms market was set for further retrenchment.

THE GULF WAR THREATENS TO CHANGE ALL THIS as armed forces and governments draw their own conclusions from unfolding events. At the political level, the resolve on the part of the US to avoid another Vietnam has led to a most dev-

astating example of overwhelming military intervention – during the first two days of the war, the allied forces dropped as many bombs on Iraq as the Anglo-American air forces did on the city of Dresden in the closing weeks of the Second World War. The relative impotence of Iraq will provide a sombre lesson for other aspiring Third World powers, such as India and Iran, which possess similar military capabilities.

Finally, the Gulf crisis will have a more subtle and long-term effect upon the international system. Prior to the attack on 17 January, the voices in favour of alternative security regimes – "non-provocative defence" and "defensive defence" – were beginning to make headway in Europe, both intellectually and politically, even among professionals. However, the initial allied success in the Gulf is a powerful endorsement of advanced military technology and its ability to delay the commitment of troops on a large scale and reduce collateral damage in the form of civilian deaths.

EQUALLY IMPORTANT, AND EVEN TO THE SURprise of the allied commanders, the technology is functioning well in hostile conditions. Although the central mission may not have been achieved in the expected fashion, even the military commanders have appeared a little surprised at the relative lack of technical failure. Hitherto, many of the arguments in favour of alternative defence regimes had used the limitations and shortcomings of advanced military technology as a major argument against gold-plating and the type of military industrial practice which sent prices soaring and returned only marginal increases in defence capability. However, the low-level attacks performed by Tornado aircraft, the accuracy of the Patriot missiles, and the superb quality of intelligence gathering and targeting, will do much to mute the Luddite view of modern military technology.

One can hope, however, that there will be much to gain from this dialectic, not least at the level of practical policy formulation. Much of the alternative defence debate always appeared in the shape of unreal policies geared to defeat – the idea being to leave a country's borders open to invasion and ensuring that the negative aspects of territorial occupation outweighed the possible gains.

THE GULF WAR IS SURELY A TURNING POINT IN the history of the region for all concerned. Following Iraq's defeat, the international system, in facing up to the demand side of the problem, must force itself to resolve, or at least regulate, in tandem with Israel and the Arab states, the ongoing political crisis in the region. This peace process can only begin if Israel and the United States accept the inevitability of a regional peace conference which includes on

the agenda the Palestinian question and Israel's de facto borders. Thereafter, whatever fragile consensus emerges will also require a regional arms control regime to ensure its survival.

It is difficult to be sanguine about the future following a war which was made inevitable by a complete lack rather than a failure of foreign policy. If this approach comes to define the future of the region, the Middle East will remain unstable, volatile and heavily armed. Certainly, a kind of negative peace may prevail and this would be good news for the major arms producers and exporters.

Elsewhere, however, the associated effects would be catastrophic. Rising oil prices, a higher US deficit, increased arms imports and declining foreign aid – Britain has already refused to provide extra aid to the Sudan because of the costs engendered by the Gulf crisis – will exacerbate economic problems in Latin America, Sub-Continental Africa and South Asia. The price as measured in failed economic development and rising political tensions will be severe. In the future, subtle or blunt defence planning may prevent another war in the Middle East. However, a "no war, no peace either" situation may exacerbate conflicts and crises in other

regions of the world.

