to provide for their security, as some have alleged, but because we believe it would be a useful confidence-building measure, especially among arms importers in the same region, and because it could eventually lead to a reduction of this burden on developing countries, thereby providing more resources for development. Unfortunately, this proposal has not progressed, chiefly because of resistance from most arms-importing developing countries, from the East Bloc and even from some Western arms-exporting countries.

7

Although the proportion of G.N.P. spent for military purposes in developed countries is only about four percent, a significant number of companies in these countries depend on military expenditure for their existence. Over the years it has been argued that military spending is good for the economies of developed countries, especially, for example, in the realm of high technology. In fact, in recent years a much larger volume of high technology development has resulted from non-military research and development than was previously the case. During the sixties, also, a number of studies concluded that although problems would ensue for certain industries should military spending be reduced significantly, these difficulties would not be insoluble.

In the light of these factors, the United Nations in 1978 directed that an expert group undertake a study on the relationship between disarmament and development or, more explicitly, to determine how disarmament can contribute

.../8