

The Advisory Committee set up on defence infrastructure is not yet, unlike its American counterpart, mandated to make concrete, "depoliticized" suggestions for rationalization. Such a procedure could reduce the ugly and divisive political battles as well as the serious human and economic dislocations which come with the hard decisions on base closings in Canada.

### **Whatever Happened to the 'Peace Dividend'?**

One explanation for the delayed benefit recognizes that the excessive and deficit-financed military spending of the past was even more damaging than has been realized, and thus that its reduction will first serve to limit the damage being done; only much later will it show up as a positive improvement. The general difficulty of any such fundamental economic adjustment is another explanation. In countries only half-emerged from the bureaucratic depredations of central planning, the natural economic systems for the reallocation of resources are under-developed. Many are tempted to slip back into their old patterns, trying to plan "conversion" from military production at an industry or even an enterprise level, rather than recognizing that the conversion must take place at the level of the economy as a whole. Even in the market economies, the reallocation of capital and technology, and the adjustment of the labour force and defence-dependent communities, is gradual and painful, and doubly so in recessionary times.

"Beating swords into ploughshares" will be a gradual, indirect and pervasive set of processes rather than any simple transfer.

### **Regional and North-South Confrontations**

The most prominent effort at regional peace-making has been in the Middle East, where Washington, honouring its pledges at the time of the second Gulf war, has exerted prodigious energy and skill to get Israelis, Palestinians, and various other Arab representatives to the table, and to keep them there.

In other regions, the UN-sponsored transition schemes in the Western Sahara and Cambodia remained generally on track, but fragile, and some further progress toward peace was also realized in Central America. Discussions between the two Koreas also began to yield some concrete results, raising hopes that the spectre of a nuclear-armed North Korea can be averted.