

means lower growth.¹⁰ Although a short-term "military Keynesianism" stimulative effect on the economy may exist (as it does with any government expenditure), over the long run this is outweighed by the depression of investment, the distortion of resource distribution, and the diversion of research and development activities towards "military progress at the expense of technological advances in economically-productive areas."¹¹ A more straightforward "quality of life" argument also suggests that military expenditures consume scarce resources that could otherwise be devoted to social welfare spending, such as health care, education or basic services, whether or not these directly result in increased economic growth.¹² Finally, insofar as defense spending involves the use of scarce foreign exchange to acquire weapons or military technologies, economies that suffer from foreign exchange investment constraints will suffer, even if the overall burden of military spending is not great.

For the political scientist, states and regimes devote resources to the armed forces to meet perceived threats, but the "security dilemma" ensures that uncertainty and suspicion always lead even prudent policy-makers to worst-case planning scenarios. The inability of distinguishing offensive from defensive preparations by potential opponents ensures that competitive arms racing is relatively easy to trigger, and difficult to stop. Whether or not this leads to increased conflict and war, it certainly consumes scarce resources, and makes the durable resolution of inter-state conflicts extremely difficult.¹³ With respect to internal conflict and political development, the standard argument has been that increased "militarization" (however defined) can distort economic development (because of the propensity for military intervention in the economy), and can thwart political and social development.¹⁴ Somewhat less obviously, rapid

¹⁰ David Lim, "Another Look at Growth and Defence in Less Developed Countries," *Development and Cultural Change*, 31:2 (1983), 378.

¹¹ Malcolm Knight, Norman Loayza and Delano Villanueva, "The Peace Dividend: Military Spending Cuts and Economic Growth," *IMF Working Paper*, WP/95/53 (Washington: International Monetary Fund, 1995), 8.

¹² See W. Dixon and B.E. Moon, "The Military Burden and Basic Human Needs," *Journal of Conflict Resolution*, 30 (1986), 660-684; Peter Hess, "The Military Burden, Economic Growth and the Human Suffering Index: Evidence from LDCs," *Cambridge Journal of Economics*, 13 (1989), 497-515.

¹³ See Bruce Bueno de Mesquita, *The War Trap* (New Haven: Yale University Press, 1981); A.F.K. Organski and Jacek Kugler, *The War Ledger*, (Chicago: University of Chicago Press, 1980); Kendall Moll and Gregory Lubbert, "Arms Race and Military Expenditure Models," *Journal of Conflict Resolution*, 24:1 (1980), 153-185.

¹⁴ E.L. Kick, R. Nasser, B. Davis and L. Bean, "Militarization and Infant Mortality in the Third World," *Journal of Political and Military Sociology*, 18 (1990), 285-305; Bruce Moon and William Dixon, "Politics, the State and Basic Human Needs: A Cross-National Study," *Journal of Political Science*, 29 (1985), 661-694; Robert Looney, "Militarization, Military Regimes and the General Quality of Life in the Third World," *Armed Forces and Society*, 17 (1990), 127-139.