

realistically be considered apart from one another"<sup>13</sup>) will be fuzzy and difficult to specify precisely. Even so, there are four powerful reasons to focus the analysis on specific regional contexts. First, there is strong evidence that one of the most important factors affecting a state's level of military expenditure is its immediate external environment. Put prosaically, states in dangerous neighbourhoods spend more on security.<sup>14</sup> Analyses (in particular, arms race models) that focus only on dyadic relationships between pairs of states miss this multilateral dimension of security.

Second, the increased "regionalization" of conflicts since the end of the Cold War has meant that security policies in most of the world are designed and implemented with increasing reference to regional, rather than global (ie: East-West or North-South) conflict dynamics. In general, this can have the side effect of occasionally increasing suspicions and tension in the short-run, as some states find themselves outside of formerly comfortable security umbrellas. Even in cases where extra-regional or global pressures are strong, they are more likely to be similar for states in the same region (unlike the ideological cleavages of the past), and hence can be separated out of the analysis, leaving more regional factors to explain variability in military spending, and possibly excessive expenditures.

Third, a regional focus means that one is more likely to be comparing "apples with apples" when examining the relative burden of security expenditure. The difference in economic, political and social development, and in relative factor endowments, are *inter alia* fewer among, for example, West African or Central American states than between them. Likewise, states in the same region are more likely to share similar "political cultural" attributes. One could, as noted earlier, also classify similar states across regions by, for example, their relative level of wealth, or human development, or military expenditure, but this would only be useful if it were also coupled with a regional analysis (however informal) that helped to supply context.

Finally, from a policy perspective, any prospective measures to diminish the burden of military expenditures will almost certainly be developed, discussed, and implemented in a regional, not global context. Hence only a regional analysis can hope to have much policy-relevance.

The second step in the analysis is to specify a range of possible indicators that could be used to identify states that may be carrying an excessive military burden. This report draws most directly upon eight of them. On the security expenditure side, four are important:

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<sup>13</sup> Buzan, 190.

<sup>14</sup> For evidence on this see Robert Rosh, "Third World Militarization: Security Webs and the States they Ensnare," *Journal of Conflict Resolution*, 32:4 (December 1988), 671-698.