

Principal Findings and Conclusions

Multilateral efforts to constrain or reduce military expenditures represent one of the more difficult international public policy challenges of the century's end. They implicate complex judgements concerning the requirements for regional and local security, strategies for economic growth, and more intangible factors such as social and political development.¹ Nevertheless, the complexity of the issue cannot become a barrier to concerted action, since there exists a broad consensus (as reflected in the recent Canadian strategy document tabled in the House of Commons) that current military spending levels "often remain in excess of legitimate security and defence requirements...also reduce the share of scarce public resources available for sustainable development, and can reduce the effectiveness of development assistance."²

Recent work on this topic has attempted to overcome the unproductive divide between "security" and "development," and to analyze more systematically the conflict-security-development nexus. This report summarizes some of these efforts, and provides a comprehensive "road map" or schema of the determinants and consequences (both positive and negative) of security expenditures. Clearly, some level of security expenditure is necessary to provide the basic conditions for social and economic life, and the near-anarchic situation in many states in the Third World testifies to the negative effects of a breakdown of social order on basic human security. On the other hand, security institutions (armed forces and other internal security or paramilitary forces) have often unfortunately been as much the cause of such disorder as the means of its suppression. Likewise, a failure to devote appropriate resources to basic human needs, or to sustainable development, can exacerbate conflicts and violence in societies, and perhaps even between states.

Hence, in many parts of the world, security expenditures are a double-edged sword that must be treated carefully. Efforts to reduce military spending must be coupled with security-building measures (whether domestic, regional or global), and must aim at encouraging a regional and domestic dialogue over the appropriate means to achieve security.

Repeated efforts to analyze systematically the relationship between military expenditures and a variety of economic and social indices (growth rates, social welfare levels, human security indices) have so far failed to uncover any general relationships. Similarly, attempts to determine whether military expenditures are "excessive" suffer from several conceptual and statistical defects (all of which are elaborated in the report).

¹ Many of these issues were raised in *Military Expenditures in Developing Countries and Arms Control*, report of the consultations sponsored by the Department of Foreign Affairs and International Trade Canada and the North-South Institute, 26 March 1996.

² "Reduction of Military Expenditures in Developing Countries: Canadian Strategy Document," 18 June 1996.