

Although different sources present the data differently, all agree that the decline has been in the order of 50 percent in five years. There is some evidence, however, that new stable levels are close to being reached, and that the precipitous declines of the past five years will not continue. Perhaps more importantly, these short-term trends may not be entirely durable: the global recession will someday end, regional conflicts in different parts of the world may flare up, and Russia will assume a more stable and potentially more active (if smaller) role in the system. Durable changes will only occur if some of these short-term trends are reinforced by medium- and long-term changes in the arms transfer and production system.

Medium-Term Changes

The medium-term situation for weapons proliferation and the arms trade is somewhat more complex, in part because it depends on developments in arms production in major states. Currently the major arms producers are engaged in a massive down-sizing and restructuring of their defence industries. Arms industries in the United States, for example, will lose between 500,000 and one million jobs between 1990 and 1995. This represents a cut of up to one-third in the total arms production job base.²¹ A similar, or even more severe, picture is presented in Europe: employment in the French arms industry will decline from 283,000 to around 200,000, employment in the Czech and Slovak arms industry has fallen from 72,000 in 1987 to a projected level of 22,000 by the mid-1990s, and Western European arms industries as a whole may lose 700,000 of a total of 1.04 million jobs.²² The most dramatic declines will occur in Russia: at its height the Soviet Union had approximately eight million people employed in arms production (and a further 1.7 million engaged in military R&D), and military production accounted for up to 16 percent of its industrial output. Whatever the success of the market reforms currently under way, the defence industry is engaged in a "rapid and brutal downsizing."²³

Weapons production is thus falling by about 5-6 percent a year, and is likely to do so throughout the mid-1990s. A simple projection based on existing trends and recent changes in defence spending suggest that production will stabilize at around one-half to two-thirds of the 1980s levels, to around

²¹ Details and various estimates given in SIPRI, *1992 Yearbook*, 365-369.

²² SIPRI, *1993 Yearbook*, 432; Herbert Wulf, ed., *Arms Industry Limited* (Oxford: Oxford University Press, 1993). This represents the same scale of job loss as was experienced by the European steel industry in the 1970s and early 1980s.

²³ Figures from Julian Cooper, "The Soviet Union and the Successor Republics," in Wulf, ed., 88-89; Julian Cooper, cited in Ian Anthony, "Current Trends and Developments in the Arms Trade," *The Annals of the American Academy of Political and Social Science*, (forthcoming, September 1994).