



external threats, all are relatively repressive or illiberal states, and the latter two are in the grip of destructive civil conflicts or wars. Although their absolute level of spending may be below three percent of GNP in all cases, even small reductions might release significant resources for economic or social development, especially if these were coupled with measures to alleviate the internal insecurities of these states and peoples.

Third, even states that do not have high absolute levels of external debt can find themselves in a situation in which reductions in military spending would be useful to obtain either debt relief or other forms of international assistance. Here states on the right hand side of the graph, such as Angola, Yemen or Laos, could become the focus of attention or assistance, especially where they are spending at higher levels than other states in their region. What is important to note here, however, is that there are a number of high military spending states that would not likely become a focus of international attention, because of their relatively invulnerability to the pressure that could be brought to bear by the lending community (such as Saudi Arabia, Kuwait, or Oman). This underscores the need to take the regional context into