

"efficiency" in delivering security in the same fashion as other public sector spending.⁵ Although the precise nature of the relationship between insecurity, military and armaments spending, and development (in all its aspects) remains unclear, multilateral bodies such as the World Bank, International Monetary Fund, or OECD Development Assistance Committee (DAC), and bilateral development assistance policies, have all focused on the issue in recent years. Again, the Canadian government has sought "to raise the profile of the issue of military spending in developing countries across a broad spectrum of international forums and at the bilateral level, including with other like-minded countries, the donor community and several developing countries themselves."⁶

Achieving this goal, however, presupposes a clear means by which to assess the relationship between military spending and security (broadly defined). This report seeks to contribute to this debate in the following way. It will first briefly summarize the existing (and limited) state of knowledge on the linkage between military expenditures and social, economic and political development. It will then sketch a broader "model" of linkages that draws attention to neglected aspects of the problem, and that highlights the causes and consequences of security spending. Section three develops and justifies a list of qualitative and quantitative indicators that can be used to assess "excessive military spending." The bulk of the report assesses in a preliminary fashion the relevance of these indicators through a case-study analysis of patterns of military spending and their relationship to other indices of social, economic and political development in several regional and sub-regional contexts: Central and South America; North, Southern, and Central Africa; and Southeast Asia. Finally, the conclusion discusses the implications of these findings for potential multilateral policies, in light of the "carrots and sticks" available to the international community.

One point needs to be clearly stated at the outset. Although this report makes extensive use of a variety of statistics, it does *not* (for reasons explained below) attempt to develop an "objective" quantitative index or model for assessing excessive military spending. Instead, it argues that a *regionally-specific*, and *mixed qualitative and quantitative* analysis is essential to the formulation of policy on this issue. The regional and sub-regional analysis will illustrate how available statistical information, however imperfect, can be used to help inform what must be essentially contextual and qualitative judgements, and to promote or catalyze a productive policy dialogue with different regional partners.

⁵ As the IMF report puts it, "the public sector employs human and other resources and accumulates capital stock to produce public goods, such as...`judicial services,' `national defence' [and] `protection of the poor.'" *Unproductive Public Expenditures*, 3.

⁶ "Reduction of Military Expenditures in Developing Countries: Canadian Strategy Document," 18 June 1996.