

Lower military spending by some nations

But it would be misleading to assume that all developing countries have increased military spending at the same rate. In South America, for example, the rate of increase was lower in the five years prior to 1978 than in the five preceding years. In addition, a large part of the over-all increase among less-developed countries is accounted for among Middle East countries, whose average annual growth in military spending has been 13.5 per cent in each of the past ten years, compared to a NATO (North Atlantic Treaty Organization) average expenditure growth of less than 3 per cent. Although increased spending in the Middle East has been due in large part to the tensions there, it is generally true that the higher the income of developing countries, the more rapid the increase in military spending. For example, the military expenditures of OPEC (Organization of Oil-Exporting Countries) increased at an average of 15 per cent annually over the past ten years. Among non-oil-producing developing countries, it increased at a rate of 7.5 per cent among those with higher incomes and at only 3.5 per cent among those with lower incomes.

But the burden of military spending is most effectively measured as a percentage of gross national product. In this respect, the Middle East far surpasses other regions of the world. The defence budgets of 11 countries of that region absorb 17 per cent of their GNP. Egypt's burden, for example, was more than 25 per cent of its GNP in the mid-Seventies; NATO, Warsaw Pact countries and most of the Far Eastern countries average around 4 per cent of GNP, while 32 African countries average 2.5 per cent.

Conventional armaments included

When considering military expenditures, we should keep in mind that 80 per cent of all spending is on conventional armaments. While we cannot minimize the nuclear threat, we have to remember that conventional weapons have been used to kill 25 million people in 133 wars since the end of the Second World War. For this reason, Canada holds the view that disarmament efforts must not be directed solely to the nuclear threat.

The question of reducing conventional arms sales is an important aspect of disarmament. About two-thirds of the \$20 billion of arms sold each year are purchased by developing countries. In this regard, Canada has supported the establishment of a United Nations arms-transfer register. We have done so not to deny developing countries the right to provide for their security, as some have alleged, but because we believe it would be a useful confidence-building measure, especially among arms-importers in the same region, and because it could eventually lead to a reduction of this burden on developing countries, thereby providing more resources for development. Unfortunately, this proposal has not progressed, chiefly because of resistance from most arms-importing developing countries, from the East Bloc and even from some Western arms-exporting countries.

Although the proportion of GNP spent for military purposes in developed countries is only about 4 per cent, a significant number of companies in these countries depend on military expenditure for their existence. Over the years, it has been argued that military spending is good for the economies of developed countries, especially, for example, in the realm of high technology. In fact, in recent years a much larger volume of high technology development has resulted from non-military research and