

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 countries increased at an average of 15 per cent annually over the past 10 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 G.N.P. Egypt's burden, for example, was more than 25 per cent of its G.N.P. in the mid seventies; NATO, Warsaw Pact countries and most of the Far Eastern countries average around four per cent of G.N.P., while 32 African countries average 2.5 per cent.

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 World War Two. 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 G.N.P. spent for military purposes in developed countries is only about four 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