disarmament is a part. This results from the fact that for the two military alliances in the developed world, security rests chiefly on a system of deterrence, the essential component of which is a stable balance of forces. Thus, mutual deterrence has been the main element throughout the past 35 years in preventing a war in which the most powerful weapons ever available would be used. This form of security is clearly not ideal, since it carries with it the risk of mutual annihilation. Real security will be achieved only when there is a disarmament which has international agreement and is verifiable.

At the present time, however, our world is so far from that goal that we have to define our immediate disarmament objective as the pursuit of undiminished security at lower levels of armaments, both in terms of destructive capability and cost. We believe that this is a disarmament objective which takes account of both the economic aspect of the arms race and the essential concept of security. It is also an objective on which the developed and developing countries should be able to agree. It is understandable that the developing countries prefer to look at armaments expenditures by developed countries and to emphasize the economic motivation for disarmament. But I believe that the disarmament objective we have chosen makes it possible to discuss development and disarmament in a more realistic context.

Canada supports UN study Canada sees advantages in highlighting the economic costs of a continuing arms race and, conversely, the benefits of some degree of disarmament — and for that reason we have provided material support for a study in depth of this subject by the United Nations. We think it is valuable to focus attention on the volume of the world's resources devoted to military purposes, as well as to study such questions, for example, as the likely effects on the economies of developed countries if significant reductions were made in military expenditures. I also believe that because the Third World countries adhere to the notion of a close relationship between development and disarmament, we should also examine the level of military spending in those countries.

Annual global military expenditures are now estimated to be \$500 billion. This is equal to more than \$1 billion a day or, if you wish, almost \$1 million a minute. Since the Second World War, the direct costs of the arms race have exceeded \$6 trillion, almost as much as the gross national product of the entire world in 1975. Six countries — the Soviet Union, the United States, China, France, the United Kingdom and the Federal Republic of Germany — account for about 72 per cent of world military spending, about 96 per cent of all research and development for military purposes, 90 per cent of all military exports and 95 per cent of exports of major weapons to developing countries.

As for developing countries, they have about 50 per cent of the world's population and account for only about 14 per cent of the world's military expenditures, with China accounting for more than two-thirds of this. But while they appear small in the global context, the arms budgets of developing countries loom much larger when compared to their limited resources and their urgent social and economic needs. Unfortunately, the growth rate of these expenditures is running ahead of average world rates, and their share has risen from 6 per cent ten years ago to 14 per cent today.