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Barbara Khol

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Notes On Military Spending From World Bank Annual Report On Global Economic Development

by Barbara Khol

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According to an annual report on economic development by the World Bank released July 7, global military spending surpasses $1 trillion per year. In the late 1980s, industrialized nations were spending about $860 million on respective military efforts, and developing nations, $170 billion. The World Bank called on governments to "adopt all necessary measures" to reduce military expenditures. According to the report, crisis situations in the Persian Gulf, Afghanistan, Angola, Central America and Indochina cause respective government to continue stockpiling weapons. However, report authors assert that while most of "these nations face internal and external threats," the latter do not justify current military expenditures. The annual report includes comparative statistics on government resources dedicated to military, health, and education budgets for 126 nations (circa 1986). The 126 included 22 American nations. In Latin America and the Caribbean, Mexico, Brazil, Costa Rica and Barbados ranked at the low end, dedicating less than 1% of respective GDPs to military spending. Nine nations invested between 1 and 2% of GDP in military expenditures: Paraguay, Argentina, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, Jamaica and Venezuela. At the 2 to 4.9% level were Bolivia, El Salvador, Uruguay, Chile and Panama. Next in the ranking were Peru, Honduras and Cuba at 5 to 9.9% of GDP. In 1986, only one of the 22, Nicaragua, dedicated over 10% of GDP to military spending. Compared to other world regions, Latin America and the Caribbean ranked as the least militarized. In 1986, the Salvadoran government spent less than the equivalent of 2% of GDP on health and education. The same statistic for Honduras was about 4.9%. The report noted that on a global basis, civilian and military regimes appear to have dedicated the same proportion of respective GDPs to military expenditures for the past 30 years. Lawrence Summers, the World Bank's chief economist, questioned the "sense" of continuing to support governments which consistently demonstrate priority given to military arsenals over economic development. (Basic data from AFP, 07/07/91; Notimex, 07/08/91)

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