

# **Capital Dependence, Debt Crisis and Constraints on Militarism: The World System Perspective and Some Empirical Evidence**

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## **Abstract**

This paper aims to explain cross-national variation of militarism in the Third World during 1970-1990. We define militarism as the military's appropriation of societal resources and employ three indicators of military expenditure and arm forces as its measures. Whereas conventional explanations focus on the impact of economic development and international conflict on militarism, we stress the economic linkages of a country with the world economy as a crucial factor in explaining the current trend of decreasing militarism in the developing area. On the basis of cross-national research design, the analysis reveals that foreign direct investment tends to suppress military expenditure in the central government, while debt service produces similar effects particularly for the 1980s. We conclude that demilitarization in the 1980s appeared to serve as an adjustment mechanism in response to accumulation difficulties in the world economic system during the current period of global depression.