International Conference on the
Relationship between Disarmament
and Development
Working Group III on agenda item 11

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UNITED NATIONS
DEPARTMENT FOR DISARMAMENT AFFAIRS
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Draft report of Working Group III

1. In accordance with Rule 29 of its Rules of Procedure, the International
Conference on the Relationship between Disarmament and Development established
Working Group III to deal with agenda item 11 entitled "Consideration of ways
and means of releasing additional resources, through disarmament measures, for
development purposes, in particular for the benefit of developing countries".

2. At its second plenary meeting on 25 August 1987, the Conference appointed
Mr. Paul Bamela Engo of Cameroon as Chairman of the Working Group.

3. In carrying out its task, the Working Group decided at its first meeting,
on 28 August, consistent with Rule 25 of the Rules of Procedure, that the text
of the "Draft for a Final Document of the Conference" in connection with
agenda item 11 (paras. 30-51; Annex III, A/CONF.130/1) presented to the
Conference by the Preparatory Committee be taken as the basis for its
deliberations, taking into account all other relevant documents submitted by
del egations.

4. The Working Group held five meetings from 28 August to 4 September.
During this period the Group also held informal consultations. In the course
of these deliberations, various views were expressed on the issues. A number
of proposals and amendments were submitted relating to the draft text of the
Final Document of the Conference on agenda item 11, as contained in Conference
Room Papers 1 through 20 (A/CONF.130/WG.III/CRPs. 1-15, 16, 17, 18, 19 and
20). These were considered in the preparation of a final draft.
5. Taking into account the various proposals, amendments and views submitted during the deliberations, the Chairman of the Working Group undertook to prepare a paper with a view to facilitating agreement on a consensus text.

6. At its 5th meeting on 4 September 1987, the Chairman presented draft proposals to the Working Group. As there was no time to discuss it, the text is annexed to this report without comment for further consideration by the Committee of the Whole.
ANNEX

Draft Proposals submitted by the Chairman of Working Group III following consideration of Item 11

CHAIRMAN'S TEXT

WAYS AND MEANS OF RELEASING ADDITIONAL RESOURCES THROUGH DISARMAMENT MEASURES FOR DEVELOPMENT PURPOSES, IN PARTICULAR IN FAVOUR OF DEVELOPING COUNTRIES (ITEM 11)

30. Disarmament and confidence-building measures can ultimately improve the environment for the pursuit of development as well as promote international peace and security. They can do so:

(a) by means of releasing resources from the military to the civilian sector at the national level;

(b) by removing the distortions in the national economy induced by military expenditure;

(c) at the regional and international levels, by creating favourable conditions for international economic, scientific and technical co-operation and for releasing resources for development, both on a bilateral and multilateral basis.

31. Resources released as a result of the implementation of disarmament measures should be devoted to the promotion of the well-being of all peoples the improvement of the economic conditions of the developing countries and fostering the bridging of the economic gap between developed and developing countries. These resources should be additional to those otherwise available for assistance to developing countries.
32. The release of additional resources for the civilian sector is in the interest of both industrialized and developing countries, as it would mean the stimulation of economic growth, trade and private investment, economic adjustment at higher levels of output and supply expansion, which, in turn, can strengthen the prospects for sustained economic development. Among developing countries, this could also mean additional resources to meet pressing socio-economic needs, while in the developed countries it could contribute to the achievement of the goals of social welfare. However, working towards the release of resources through disarmament is not enough; an international development strategy is a vital stabilizing element in international relations.

33. Benefits of a possible release of resources through disarmament measures would first and foremost accrue to countries with the highest share of military spending in their GNPs. Among these countries, there is particular interest in economic adjustments at higher levels of output, in supply expansion and in improved social welfare. Any improvement in economic growth in developed countries due to reductions in arms spending could also benefit developing countries by enhancing prospects for increase in the export earnings and development assistance.

34. The disarmament dividend may obtained in a variety of forms. These could include trade expansion, technological transfers, more efficient utilization of global resources, more effective and dynamic international division of labour, reduction of public debt and budgetary deficits, and increased flow of resources through development assistance, commercial and other private flow or transfers of resources to the developing countries.
35. Past experience has shown that conversion from military to civilian production need not present insurmountable problems.

Programme of Action

36. The Governments participating in this Conference reaffirm their commitments in the respective fields of disarmament and development and reiterate their determination to adopt, both individually and collectively, appropriate measures to implement these commitments. These would include by lateral, regional and global initiative for peaceful resolution of conflicts and disputes.

37. They also reaffirmed their commitment to promoting initiatives for the peaceful settlement of disputes and other situations of conflicts in accordance with the applicable principles of international law and to evolving an integrated approach to disarmament, development and security, including at sub-regional and regional levels.

38. Disarmament and confidence-building measures are instituted, inter-alia, to reduce tensions and to strengthen the prohibition of the threat or use of armed force in international relations. Consequently they stress the special importance of the principles of international law concerning friendly relations and co-operation among States in accordance with the Charter of the United Nations.
39. They recognize the need to give practical expression to the important interrelationship between disarmament and development through specific measures at the national, regional and global levels, in these and related fields, with a view to strengthening international peace and security.

40. They reaffirmed their universal commitment to allocate a portion of the resources released through disarmament, for purposes of socio-economic development, with a view to bridging the economic gap between developed and developing countries.

41. In this connection, they will give further consideration to:

(a) the adoption of measures, both voluntary and negotiated, to reduce the level and magnitude of military expenditures which, in addition to being an approach to disarmament, could be a means of reallocating additional resources for social and economic development particularly in the developing countries;

(b) the utilization of existing regional and international institutions and the initial establishment of a special facility within such institutions for the reallocation of resources released through disarmament-related measures for socio-economic development, particularly in developing countries, taking due account of existing capabilities of the United Nations agencies and institutions currently engaged in international co-operation for development;
(c) according priority to the allocation, within the framework of the United Nations, of part of the resources including human and technical resources, presently devoted to military purpose for emergency humanitarian relief operations and critical development problems, pending to achievement of genuine disarmament under effective international control.

42. They agreed to:

(a) continue to make their assessments of their political and security requirements and of the level of their own military spending with a view to reducing those expenditures and to keep the public informed on the subject;

(a) assess the nature and volume of resources which may be released through arms limitations and disarmament measures and make efforts to include in future disarmament negotiations provisions to facilitate the release of such resources;

(c) carry out, regularly, analyses of the economic and social consequences of their military spending and to inform their public and the United Nations about them;

(d) appeal to appropriate regional organizations and/or groupings to carry out analyses of the political, military and economic factors in their regions, with a view to encouraging regional measures of disarmament and development.
43. An improved and comprehensive data base on global, and national military expenditure is an essential precondition for the study and analysis of the impact of military expenditure on the world economy and international economic system. To this end, all States should provide objective information on their military budgets to the United Nations according to agreed and comparable definitions of the specific components of these budgets. In this connection, the work underway in the United Nations for a systematic examination of various problems of defining, reporting, comparing and evaluating military budget data should be intensified.

44. The United Nations should undertake, on a regular basis, analysis of the impact of the global military expenditures on the national, regional and world economies and the international economic system. Consideration should be given to the idea of establishing a mechanism within the United Nations to monitor the growth of military budgets.

45. The Governments participating in this Conference recommend that, the General Assembly, at its forthcoming Third Special Session devoted to disarmament, review the results of this International Conference on the Relationship between Disarmament and Development. The General Assembly is further requested to make arrangements for undertaking periodic review of the implementation of this Action Programme.

4 September 1987
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