PREPARATORY COMMITTEE FOR THE
INTERNATIONAL CONFERENCE ON
THE RELATIONSHIP BETWEEN
DISARMAMENT AND DEVELOPMENT
New York, 2-13 June 1986

THE RELATIONSHIP BETWEEN DISARMAMENT AND DEVELOPMENT

JOINT DECLARATION BY THE PANEL OF EMINENT PERSONALITIES
IN THE FIELD OF DISARMAMENT AND DEVELOPMENT

INTRODUCTION

1. In its resolution 40/155 of 16 December 1985, the General Assembly approved the recommendations contained in the report of the Preparatory Committee for the International Conference on the Relationship between Disarmament and Development. Paragraph 25 of that report recommended that the Secretary-General of the Conference convene a panel of eminent personalities active in the field of disarmament and development, in order to channel their input for the benefit of the Conference into the preparatory process at as early a date as possible. Accordingly a panel of eminent personalities, drawn from different regions of the world and covering a wide range of views, met from 16 to 18 April 1986 at United Nations Headquarters.

2. The panel convened by Mr. Jan Martenson, Secretary-General of the International Conference on the Relationship between Disarmament and Development, consisted of the following members:

Ibrahim Hilmy Abdel-Rahman (Egypt)
Adviser for Planning and Economic Affairs to the Prime Minister; Member, Egyptian Academy of Science; former Executive Director, United Nations Industrial Development Organization; former Minister of National Planning and Administrative Reform

Tamas Bacska (Hungary)
Professor of Economics; Head of Department of Public Finance and Banking, University of Budapest; former Managing Director, National Bank of Hungary
Gamani Corea (Sri Lanka)
Fellow Commoner, Corpus Christi College, Cambridge; Chancellor, Open
University, Sri Lanka; former Secretary-General, United Nations Conference
on Trade and Development; former Deputy Governor, Central Bank

Edgar Faure (France)
Member, French Academy; Senator and President, Regional Council of
Franche-Comté; former President, National Assembly; former Prime Minister

Alfonso Garcia-Robles (Mexico)
Nobel Peace Prize Laureate; Member, Palme Commission; Permanent Representative
to Conference on Disarmament in Geneva; former Minister for Foreign Affairs

Lawrence Klein (United States of America)
Nobel Prize Laureate; Professor of Economics, University of Philadelphia

Pei Monong (China)
Deputy Director, Institute of International Studies, Beijing

Olusegun Obasanjo (Nigeria)
Member, Palme Commission; member, InterAction Council; former Head of State

Raul Prebisch (Argentina)
Honorary Professor of Political Economy, University of Buenos Aires; former
Secretary-General, UNCTAD; former Executive Secretary, United Nations
Economic Commission for Latin America (ECLAC); former Director-General, Central Bank

Walter Scheel (Germany, Federal Republic of)
Chairman of the Board, German Finance Company for Investments in Developing
Countries (German Development Company); former President; former Minister
for Foreign Affairs and Vice-Chancellor; former Minister for Economic
Co-operation

Agha Shahi (Pakistan)
Professor Emeritus of International Relations at various universities; former
Minister for Foreign Affairs; former Minister of State, Adviser to the
President on Foreign Affairs

Janez Stanovnik (Yugoslavia)
Member, Presidency of Slovenia; former Executive Secretary, United Nations
Economic Commission for Europe (ECE)

Inga Thorsson (Sweden)
Chairperson, United Nations Study Group on the Relationship between
Disarmament and Development; former Under-Secretary of State, Ministry of
Foreign Affairs

The members of the panel unanimously elected Mrs. Inga Thorsson as moderator.

3. On 18 April 1986, the panel unanimously adopted a joint declaration on the
relationship between disarmament and development, the text of which is reproduced
below.
THE RELATIONSHIP BETWEEN DISARMAMENT AND DEVELOPMENT

JOINT DECLARATION BY THE PANEL OF EMINENT PERSONALITIES IN THE FIELD OF DISARMAMENT AND DEVELOPMENT

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I. PEACE IS MORE THAN ABSENCE OF WAR

1. To say that the deadly destructive potential amassed by the world-wide arms arsenals in the nuclear age constitutes a threat to human survival is to state the obvious. To point out that the continuing military consumption of the world's finite resources is unproductive amounts to repeating the familiar. To admit that in an interdependent world, neither the developed nor the developing countries can escape the consequences of the arms race regardless of its economic costs, is to acknowledge the inevitable. Yet there are times when even the obvious needs to be stated, the familiar must be repeated and the inevitable has to be acknowledged.

2. By 1985, the level of global military spending was in excess of $900 billion per year. This implies a real increase in world-wide military expenditures of between four and five times since the end of the Second World War. In over four decades since the establishment of the United Nations, world-wide military spending has rarely fallen in real terms during any period of time. The current military expenditures represent well over 5 per cent of total world output and are over 25 times as large as all official development assistance to developing countries. The bulk of global military spending remains concentrated among the industrialized countries, and the latest increases are accountable to those countries. The developing countries account for a major share of arms imports, although the rate of increase in this respect has shown a sharp decline during the latest period. World arms transfers, measured in constant 1982 dollars, are estimated to have grown from $26.8 billion in 1973 to $38.8 billion in 1981 and declined to $32.4 billion in 1984.

3. Increasing annually at a rate either higher or similar to the annual rate of increase in the world gross national product, the continuing military expenditures include a growing allocation for military use of technology. By 1985, global expenditures on military research and development were approximately one quarter of all research and development. Real expenditure on military research and development is estimated to have increased by under 1 per cent a year from 1974 to 1980; from 5 to 8 per cent from 1980 to 1983; and to more than 10 per cent from 1983 to 1984. As this last figure is higher than the rise in military expenditure as a whole, military research and development as a proportion of military expenditure has risen.

4. The current levels and trends in global military expenditures stand in sombre contrast to the state of world economy. During the last few years, industrial countries have experienced a deep recession, a large number of developing countries have suffered economic crises and decline, international economic relations have been severely strained and many facets of multilateral economic co-operation have weakened. The recent recovery, which was strong in some parts of the world in 1983 and 1984 and continued in 1985, albeit at a reduced pace, has nevertheless been unevenly spread and has not reduced prevailing uncertainties about the future, especially in developing countries.

5. In addressing issues which affect the international economy, the world-wide use of resources, including those for military purposes, has attracted considerable attention in recent years. According to the 1985 Report on the World Social Situation: /...
"... the material foundations for achieving widely-shared social objectives exist on a global level, and ... failure and pessimism derive not as much from limitations of the productive capacity of the world economy as from the misdirection of resources and efforts which lead it to perform below potential most of the time and disastrously below capacity periodically. And yet international co-operative efforts for the development of all nations and groups have lost part of their momentum and the resistance to a reasoned reshaping of international institutions and economic relations has, if anything, stiffened. This is also evident from difficulties encountered in peace-keeping, disarmament, and the diversion of resources from military to civilian uses." 2/

6. Believing that the growing international concern about issues of human survival and well-being transcends national boundaries and ideological barriers, we welcome the decision by the United Nations General Assembly to hold an International Conference on the Relationship between Disarmament and Development in Paris from 15 July to 2 August 1986. 3/ This represents both a recognition of a complex interaction between two vital issues and a willingness to address it at a high political level.

II. DISARMAMENT, DEVELOPMENT AND SECURITY: A TRIAD OF PEACE

7. The moral, ethical, political, economic and strategic arguments in favour of disarmament have already been used and reiterated. What needs to be emphasized is the link between disarmament and the objectives of global development. Disarmament and development, each indispensable in its own right, become even more worthwhile when seen as mutually reinforcing each other.

8. The most overriding reason for bringing about disarmament in the nuclear age is a commonly shared concern for human survival. The continuing arms race, particularly in the nuclear field, represents more of a threat than a protection for mankind. Since security-related concerns are paramount in affecting the prospects for meaningful measures of arms limitation and disarmament, it is imperative that both the military and non-military challenges to national and international security be given together an appropriate consideration.

9. In a world of increasing interdependence, global geopolitics is being reshaped in a way that defines security as much in economic as in military terms. The time has come to take into account the existence of an array of non-military threats to security in such forms as sharply diminished prospects for economic growth and social development, large-scale unemployment, scarcity of resources, threats to food, security and severe environmental degradation.

10. In contrast with earlier post-war cyclical downturns, the economic dislocations of the 1980s have not only been world-wide but have also been more severe and pervasive. At the same time, there has been a narrowing of the range of economic adjustment possibilities within the prevailing international trade and financial systems. Generally, the effects have been felt most deeply in the poorest countries. Per capita real income of developing countries as a whole is at

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present below the level reached in the late 1970s. Thus, dozens of countries have lost a decade or more of development and some of the economic and social achievements of developing countries over the previous 20 years are in real danger of being lost. The countries most severely affected are no longer able adequately to provide the basic needs for their populations such as food, safe water, health care or education, let alone find additional resources for development.

11. In 1984, the developing countries were making a net transfer of financial resources to the developed countries, i.e., the total outflow from them in servicing debt and amortization was larger than the gross inflow, including the inflow of medium-term and long-term capital. To reduce their current account deficits so as to be able to service their debts, developing countries have undertaken adjustment programmes whose severity has generally caused social and economic distress, and whose success depends on a more sustained expansion in world trade and output than has yet been realized. Their difficulties seem to have been made more severe by the most recent developments in the international capital and monetary markets. World Bank capital flows have declined sharply at a time when private flows have been shrinking. The credits of the International Development Association (IDA) have declined from their peak of $3.8 billion in 1980 to $3.0 billion in 1985 without adjustment for inflation. Drawings from the International Monetary Fund (IMF) which stood at special drawing rights (SDRs) of 14.1 billion in 1983, fell sharply to SDR 8.1 billion in 1984, and SDR 4.2 billion in 1985. After adjustment for inflation, commodity prices have fallen to their lowest level in the last 40 years. The aggregate debt of developing countries rose to some $950 billion by 1986, imposing thereby an unbearable servicing burden.

12. Socio-economic tensions arising from underdevelopment, lack of development and maldevelopment constitute non-military threats to international peace and security. In their attempts to meet the challenge of development, the developing countries can no more afford to rely substantially on external assistance than the industrial countries can ignore the risk of inaction in regard to the international economic and security situation. Harsh economic conditions, hunger, poverty and political instability are natural allies. Not to grasp the wider implications of these issues may well amount to a central misperception of our times.

13. Development should not run the risk of becoming one of the casualties of a continuing arms race. To the extent that a reallocation of a part of resources released through measures of arms limitation and disarmament can provide additional means for development, disarmament could make an important contribution towards development. As it helps to overcome non-military threats to national well-being and security, thus also favouring a more stable and sustainable international system, development may contribute towards a more secure world. The relationship between disarmament and development, in this sense, may be seen as a two-way street. An international framework for the relationship between disarmament and development needs to be sought within the network of global interdependence. In the present times, there is not only a growing interdependence among nations but also a growing interdependence of issues.

14. The goals of disarmament and development are each being pursued independently regardless of the pace of progress of the other. National and international
efforts to promote development should neither be postponed nor allowed to lag because progress in disarmament is slow. While disarmament and development are parallel and distinct processes, there is a strong case to relate them to the broader implications of security which is a perception. What we should be aiming for is that each and every State should use appropriate security interests as the criterion for its arms expenditure. Any State not applying this standard not only curtails its own resources to the detriment of its development, but also forces other countries, which regard those excessive armaments as a threat, to allocate additional resources to their own defence — resources whose use for other purposes would thereby be forfeited.

III. BUILDING ON COMMON INTERESTS

15. When Governments discuss "disarmament" and "development" as separate issues they engage both the deepest aspirations of all their peoples and also, paradoxically, some of the deepest disputes and misunderstandings that afflict the international community.

16. In 1986, in spite of all the disappointments and disagreements that surround both issues, we see some basis for less scepticism. An encouraging sign is the fact that the two major nuclear-weapon States, which bear a major responsibility for doing so, have solemnly declared that they will endeavour to achieve as the final goal of their bilateral negotiations the total elimination of nuclear weapons. Our hopes are also kindled by a growing public awareness about both the deadly destructive potential of the world's arms arsenals and the wastefulness of continuing military expenditures. Underlying this awareness is a commonly shared bond for survival which questions the pursuit of national security in isolation from the threats to human beings in countries large and small, poor and rich, weak and powerful.

17. Thanks to numerous studies and analyses which have been initiated in the United Nations and elsewhere, we now have reached a certain level of common understanding as to the intricate nature of the relationship between disarmament and development. It is a complex, multidimensional relationship which involves much more than the possibility of an automatic transfer of resources from disarmament to development. International willingness and co-operation is needed to ensure that resources so released are appropriately used to promote the development process especially for capital formation. Interactions between disarmament and development can only be correctly perceived and understood if placed also in the larger context of their mutual impact on security to which both are intimately linked.

18. In a world of finite resources, the desirability of reallocating resources away from military purposes towards socio-economic development should move beyond the moral plane and become a political and economic imperative. An integrated perspective on the issues of disarmament and development would be in the mutual interests of all countries — developed and developing alike — irrespective of their political and economic systems or levels of development.
19. The economic effects of both the national and international levels of expenditure and resource use for military purposes are the subject of varying perceptions. On the one hand, there is a large and growing body of expert analysis carried out independently, under international organizations and within many national Governments, that suggests that there is sufficient civilian need in the world which, if turned into effective demand, would be a viable instrument of economic stimulation in recessionary conditions and a feasible stimulator of research and development. On the other side, there still persist beliefs that only the military sector can fulfil that role.

20. A coincidence of high rates of military expenditures and high rates of economic growth does not establish causality; it may indicate parallelism. When an economy has not utilized or underutilized resources, any kind of spending can have a stimulating effect. There is nothing unique about military expenditures in this regard. But in situations of resource constraint, military needs crowd out civilian needs in both industrial and developing countries. Scarce resources are better put to the formidable task of improving living standards rather than to military build-up. The fundamental problem with military spending is that it provides little basis for future production. Military goods are essentially destroyed or soon used up. True, there may be some civilian by-products of military research and training, but that is a poor route to follow in order to enhance the stock of human capital. There are better non-military routes.

21. Current economic conditions in every region of the world have dramatically raised the political stakes of competition in arms and military expenditure and give political leaders everywhere a compelling new common interest in restraint and disarmament. Economic discipline cannot substitute for the political wisdom needed to make concrete progress on disarmament, but at this moment in history it can be a decisively powerful reinforcement.

22. It must be fully recognized that there are differences among Governments about how disarmament and development processes may relate to each other. We, however, believe that it should be possible to reach conclusions such as the following:

(a) While each economy is vulnerable to the perverse effects of its military spending, there is an additional burden for the world economy which falls most severely on its weaker members. The developing countries are thus doubly affected: once in proportion to the expenditures they incur themselves, and twice due to the disturbing effect of military expenditures on the industrial countries as their economic interaction with those countries is crucial;

(b) The developed and developing nations are linked in a sophisticated network of interaction in matters that include trade, finance, raw materials, energy and technology transfer. Few nations have escaped the consequences of the contemporary international economic situation characterized by monetary, financial and trade instability that has affected growth and development in most countries;

(c) Global interdependence has increased the need for dealing with international relationships through international co-operation - through international law, rule-based systems and international organizations that can, and must, reduce the sources of friction and potential conflict that interdependence has multiplied.
(d) In the past, failures to contain and resolve problems of market access and protectionism, commodity price instability, and problems of payments, currency and indebtedness have helped trigger international conflict on the most disastrous scale. The two great rounds of building international institutions in this century came only in the wake of devastating world wars which forced all humanity to recognize the need. The world obviously cannot afford another such catalyst for the round of rebuilding and reinvigoration that is so badly needed after 40 years.

23. While recognizing that special attention needs to be paid to evolving policies and measures which could assist the developing countries in their efforts to attain their socio-economic goals, it should be stressed that the benefits of releasing resources through disarmament measures would not be confined to mobilizing additional resources for the developing countries. Among developed countries there is also considerable interest in economic adjustment at higher levels of output and expansion of supply. The goals of social welfare, which the developing countries are trying to attain by combining economic growth with redistribution, also remain unmet in some industrial countries. Nevertheless, increased incomes for individuals and enterprises in developed countries, owing to reductions in arms spending, would benefit developing countries by increasing the market for their exports and, as a consequence, their foreign currency reserves so necessary for their technological advance.

24. Bearing in mind the lack of results attained so far in arriving at mutually acceptable, balanced and verifiable agreements on arms limitation, it is not easy to foresee either the nature or volume of resources that may be released through disarmament. Agreements on arms limitation have generally concentrated on eliminating or banning the use of certain kinds of weapons, prohibiting the stationing of certain weapons in specific areas and limiting the deployment of and placing ceilings on some categories of weapons systems. Current negotiations and discussions also include issues related to military technological capabilities. Separately, there have been a series of proposals in various forums for limitation, reduction and/or elimination of some categories of weapons and for reducing military matériel, personnel and their deployment. The types of resources to be released through such measures would include capital and industrial capacity, as well as labour and technology.

25. International efforts to seek security through a lowering of present levels of military build-ups must not be allowed to slacken because of apprehensions about economic dislocations as through unemployment. Various studies have shown that there are virtually no sets of defence-related industrial skills unknown in civilian production. On the other hand, the pattern of demand for manpower must change with disarmament and may alter considerably. Much of the discussion about the conversion of defence-related manpower is really about controlling changes in the pattern of demand so that it continues to match the skill structure of the labour force as closely as possible.

26. The economic and technological feasibility of redeploying human and other resources from military to civilian purposes is rather well documented for the period following the Second World War. Specific historical conditions of the immediate post-war years are believed to have contributed to the success of the
operation. There are also numerous instances of successful redeployment within the national economies of both industrialized and developing countries. Release, diversion and conversion of resources are part of the national economic experience and are constantly occurring as a consequence of several factors. Changes in the nature and assessment of threats to national security, shifts in emphasis from one to another type of weapons system and fluctuations in the demand and supply of resources needed for military use continue to create situations for redeployment. By and large, the efforts involved in meeting such situations so far have called for sectoral adjustments within the same economy or a transfer of released resources to another economy at a similar level of development. The release of additional resources through disarmament measures, particularly for the benefit of developing countries, would involve transfers among economies at different levels of development.

27. Such a transfer of even a part of released resources, in favour of developing countries, could be in the interests of both developed and developing countries. The scope for and effects of reallocating some of the released resources have been demonstrated by several statistical and economic projections of the global economy, including those summarized in the 1981 report of the United Nations Secretary-General on the relationship between disarmament and development. More recent simulations also come to essentially the same conclusions. Most of these exercises stress a mutuality of interests among developed and developing countries, although a number of important provisos are also mentioned. Thus, reductions in military expenditures and development assistance are seen as having positive effects, especially when supported by other appropriate international measures, including those affecting trade and credit, as gains from disarmament measures could be diminished by adverse terms of trade or increased interest rates. However, extra resources generated by such reductions would not suffice by themselves to deal with all the manifold problems of development. Major efforts are also required on the part of the developing countries.

IV. COURSES OF ACTION

28. We recognize that over the decades, several proposals have been made for relating disarmament to development in a conceptual and operational manner. The scant results attained so far should only confirm our determination to seek more favourable conditions for an appropriate consideration of such proposals. To move nearer our goal of a world with fewer weapons and more development in all regions, we also believe that some practical steps towards implementing a mutually reinforcing relationship between disarmament and development merit serious consideration. To put an equal emphasis on recognizing the universality of the objectives of disarmament, development and security and to stress the urgency and indispensability of international co-operation in efforts for their attainment, these steps could include the following:

(a) Reaffirmation and implementation of consensus strategies for disarmament adopted by the Tenth Special Session of the General Assembly devoted to Disarmament;
(b) Strengthening of the role of the United Nations in promoting an interrelated perspective on the issues of disarmament and development within the overall objective of promoting international peace and security. In such a perspective equal emphasis should be placed on the positive results of disarmament as well as the requirements of security;

(c) Reaffirmation of an international commitment in principle to allocate for purposes of socio-economic development, particularly of the developing countries, a portion of resources released through adequate, verifiable and balanced measures of arms limitation and disarmament;

(d) Promotion of regional initiatives for resolving conflicts and conflict situations which also feed and are fed by increasing claims on human, natural and material resources for military purposes. Such efforts, when freely initiated and entered into, can play a vital role in confidence-building and enhancing the objectives of security, disarmament and development in the region;

(e) Periodic assessments of the impact of world-wide military spending on global economic prospects, bearing in mind the emerging supply and demand-side constraints on economies at different levels of development;

(f) Immediate measures of assistance to the developing countries facing hardships created by natural disasters such as those confronted in Africa. Instances of instability and conflict in such regions are being aggravated by natural conditions like drought, cyclones and desertification;

(g) Placing at the disposal of concerned countries, if required, satellite-surveillance resources and transmission facilities in the event of natural disasters or of emergency situations affecting civilian populations;

(h) Consideration of conditions under which military manpower and equipment, within national armed forces, could be utilized for purposes of development and humanitarian assistance, including those for building infrastructures. Establishment of procedures for organizing and co-ordinating those types of activities could also be examined within the United Nations;

(i) Restraint in the transfer of conventional arms within a regionally agreed framework is one concrete measure that may contribute to reducing tensions, and should be pursued by multilateral and bilateral negotiations;

(j) Greater efforts by national Governments to make advance preparations for assessing the nature and volume of resources which may be released through adequate and meaningful measures of arms limitation and disarmament;

(k) Promotion of measures of conversion whenever possible within a national context as well as internationally for the benefit of socio-economic development, particularly of developing countries;

(l) Acknowledgement of the role of informed public opinion in promoting the objectives of disarmament, development and security. Consciousness-raising exercises devoted to that end should stress the common destiny of mankind in a world of increasing interdependence.
29. Our small planet is becoming endangered: by the arsenals of weapons which could blow it up; by the burden of military expenditures which could sink it under; and by the unmet basic needs of two thirds of its population which subsists on less than one third of its resources. We belong to a nearly universal constituency which believes that we are borrowing this earth from our children as much as we have inherited it from our forefathers. The carrying capacity of the earth is not infinite, nor are its resources. The needs of national security are legitimate and must be met. But must we stand by as helpless witnesses of a drift towards greater insecurity at higher cost?

Notes


4/ The Relationship between Disarmament and Development (United Nations publication, Sales No. E.82.IX.1).

5/ General Assembly resolution S-10/2 of 30 June 1978.