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THE RELATIONSHIP BETWEEN
DISARMAMENT AND DEVELOPMENT
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RELATIONSHIP BETWEEN DISARMAMENT AND DEVELOPMENT: A COMPILATION
OF AGREED FORMULATIONS

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INTRODUCTION

Paragraph 20 of the report of the Preparatory Committee for the International Conference on the Relationship between Disarmament and Development, which was approved by the General Assembly in resolution 40/155 of 16 December 1985, requested the preparation, among others, of a background paper containing "a compilation of agreed formulations that would facilitate the task of the Preparatory Committee and the Conference". The present paper, prepared in response to that request, is based on United Nations sources and broadly covers the subjects directly related to the three substantive items on the agenda of the International Conference to be held in Paris from 15 July to 2 August 1986. The documents cited here are those which were submitted to the General Assembly and subsequently approved or noted by it without a vote. It should be borne in mind that some of the reports of the Secretary-General containing expert studies quoted in this paper were agreed to by the experts in their entirety although, in some instances, a number of experts expressed certain reservations on some parts. However, the excerpts included here are direct quotations from documents and sections which were the subject of general agreement. In the interest of minimizing the length of papers, this compilation is not necessarily comprehensive.
1. CHARTER OF THE UNITED NATIONS

(...) To employ international machinery for the promotion of the economic and social advancement of all peoples, (...) (Preamble).

(...) To promote the establishment and maintenance of international peace and security with the least diversion for armaments of the world's human and economic resources, (...) (Article 26).

2. FINAL DOCUMENT OF THE TENTH SPECIAL SESSION OF THE GENERAL ASSEMBLY

In a world of finite resources there is a close relationship between expenditure on armaments and economic and social development. Military expenditures are reaching ever higher levels, the highest percentage of which can be attributed to the nuclear weapon States and most of their allies, with prospects of further expansion and the danger of further increases in the expenditures of other countries. The hundreds of billions of dollars spent annually on the manufacture or improvement of weapons are in sombre and dramatic contrast to the want and poverty in which two-thirds of the world's population live. This colossal waste of resources is even more serious in that it diverts to military purposes not only material but also technical and human resources which are urgently needed for development in all countries, particularly in the developing countries. (...) (Paragraph 15)

There is also a close relationship between disarmament and development. Progress in the former would help greatly to the realization of the latter. Therefore resources released as a result of the implementation of disarmament measures should be devoted to economic and social development of all nations and contribute to the bridging of the economic gap between developed and developing countries. (Paragraph 35)

3. CONCLUDING DOCUMENT OF THE TWELFTH SPECIAL SESSION OF THE GENERAL ASSEMBLY

It was stressed that in a world of finite resources there is an organic relationship between expenditures on armaments and economic and social development. The vastly increased military budgets since 1978 and the development, production and deployment, especially by the States possessing the largest military arsenals, of new types of weapon systems represent a huge and growing diversion of human and material resources. Apart from the significant capital costs that these military expenditures represent, they have also contributed to current economic problems in certain States. Existing and planned military programmes constitute a colossal waste of precious resources which might otherwise be used to elevate living standards of all peoples; furthermore, such waste greatly compounds the problems confronting developing countries in achieving economic and social development. (Paragraph 61)

(...) The General Assembly was encouraged by the unanimous and categorical reaffirmation by all Member States of the validity of the Final Document of the Tenth Special Session as well as their solemn commitment to it and their pledge to respect the priorities in disarmament negotiations as agreed to in its Programme of Action. (...) (Paragraph 62)
4. GENERAL ASSEMBLY RESOLUTIONS

Res. 41 (I) 14 Dec. 1946 Adopted without a vote at the 63rd plenary meeting.

Principles Governing the General Reduction of Armaments.
(Refers to promoting the establishment of international peace and collective security with the least diversion for armaments of the world's human and economic resources.)

Res. 923 (X) 9 Dec. 1955 Adopted without a vote at the 553rd plenary meeting.

Question of the establishment of a Special United Nations Fund for Economic Development (SUNFED).
(Refers to savings from internationally supervised worldwide disarmament as providing additional means for financing the economic development of underdeveloped countries.)

Res. 1710 (XVI) 19 Dec. 1961 Adopted without a vote at the 1084th plenary meeting.

United Nations Development Decade - a programme for international economic co-operation.
(Refers to intensification of action in the fields of economic and social development, with a reference to the utilization of resources released by disarmament for this purpose.)

Res. 1837 (XVII) 18 Dec. 1962 Adopted without a vote at the 1197th plenary meeting.

Declaration on the Conversion to Peaceful Needs of the Resources Released by Disarmament.
(Expresses appreciation for the report of the Secretary-General on the Economic and Social Consequences of Disarmament (E/3593/Rev.1) and concurs with Economic and Social Council Resolution 891 (XXXIV) in requesting Member States, particularly those significantly involved, to devote further attention to developing needed information, plans and policies for working necessary economic and social adjustments in the event of disarmament and successive stages towards achievement of complete disarmament.)

Res. 1931 (XVIII) 11 Dec. 1963 Adopted without a vote at the 1276th plenary meeting.

Conversion to Peaceful Needs of the Resources released by Disarmament.
(Invites Member States to continue to pursue studies and activities relating to the economic and social consequences of disarmament, the problems encountered and how to deal with them.)
Res. 2626 (XXV) 24 Oct. 1970  Adopted without a vote at the 1883rd plenary meeting.

(Refers to progress towards general and complete disarmament for a release of substantial additional resources which could be utilized for the purpose of economic and social development, in particular that of developing countries.)

Res. 2667 (XXV) 7 Dec. 1970  Adopted without a vote at the 1919th plenary meeting.

Economic and Social Consequences of the Armaments Race and its Extremely Harmful Effects on World Peace and Security.
(Requests the preparation of an expert study and refers to a halt in the arms race, a reduction of military expenditures and concrete progress towards disarmament for facilitating economic and social goals.)

Res. 3075 (XXVIII) 6 Dec. 1973  Adopted without a vote at the 2192nd plenary meeting.

Economic and Social Consequences of the Armaments Race and its Extremely Harmful Effects on World Peace and Security.
(Endorses the conclusion of the Report of the Secretary-General (A/8469/Rev.1) that a substantial reduction in the military expenditures of all countries, particularly of those whose military expenditure are highest, should be brought about as soon as possible.)

Res. 3462 (XXX) 11 Dec. 1975  Adopted without a vote at the 2437th plenary meeting.

Economic and Social Consequences of the Armaments Race and its Extremely Harmful Effects on World Peace and Security.
(Requests an updating of the 1972 Report of the Secretary-General. A/8469/Rev.1.)

Res. 31/68 10 Dec. 1976  Adopted without a vote at the 96th plenary meeting.

Effective Measures to Implement the Purposes and Objectives of the Disarmament Decade.
(Refers to the need for intensifying efforts in support of the link between disarmament and development, so as to ensure that the human and material resources freed by disarmament are used to promote economic and social development, particularly in the developing countries.)
Res. 32/75  12 Dec. 1977  Adopted without a vote at the 100th plenary meeting.

Economic and Social Consequences of the Arms Race and of Military Expenditures.
( Welcomes with satisfaction the Report of the Secretary-General on the Economic and Social Consequences of the Arms Race and of Military Expenditures. A/32/88/Rev.1.)

Res. 32/88 A  12 Dec. 1977  Adopted without a vote at the 100th plenary meeting.

Special Session of the General Assembly devoted to Disarmament.
( Refers to a curtailment of expenditures on armaments in facilitating the availability of greater resources for economic and social development, particularly to the developing countries and endorses the recommendation of the Preparatory Committee for the Special Session of the General Assembly on Disarmament to initiate an in-depth study on the relationship between disarmament and development.)

Res. 3-10/2  30 June 1978  Adopted without a vote at the 27th plenary meeting.

Final Document of the Tenth Special Session of the General Assembly.
( Refers to relationship between disarmament and development and the decision to carry out a study on the subject.)

Res. 33/62  14 Dec. 1978  Adopted without a vote at the 84th plenary meeting.

Effective Measures to Implement the Purposes and Objectives of the Disarmament Decade.
( Refers to the need to continue to promote the link between the strategy for disarmament and the strategy for development in view of the close relationship between disarmament and development.)

Res. 33/71 I  14 Dec. 1978  Adopted without a vote at the 84th plenary meeting.

Disarmament and Development.
( Transmits proposal for an International Disarmament Fund for Development to the Expert Group nominated by the Secretary-General for preparing a study on the Relationship between Disarmament and Development.)

Res. 33/71 N  14 Dec. 1978  Adopted without a vote at the 84th plenary meeting.

New Philosophy on Disarmament.
( Notes the changing concepts of Disarmament in the light of its effect on global dimensions of development.)
Res. 33/91 I 16 Dec. 1978 Adopted without a vote at the 86th plenary meeting.

Disarmament and International Security.
(Refers to the close relationship between disarmament, international security and development.)

Res. 34/83 F 11 Dec. 1979 Adopted without a vote at the 97th plenary meeting.

Freezing and Reduction of Military Budgets.
(Refers to creating increased possibilities for a reallocation of resources currently being used for military purposes to economic and social development, particularly for the benefit of the developing countries.)

Res. 34/83 K 11 Dec. 1979 Adopted without a vote at the 97th plenary meeting.

Study on the Relationship between Disarmament and Development.
(Takes note of the interim report of the Expert Group appointed by the Secretary-General for preparing the study.)

Res. 35/141 12 Dec. 1980 Adopted without a vote at the 94th plenary meeting.

Economic and Social Consequences of the Arms Race and its Extremely Harmful Effects on World Peace and Security.
(Requests an update of the 1977 Report of the Secretary-General on the Economic and Social Consequences of the Arms Race and of Military Expenditures (A/32/88/Rev.1) and refers to the arms race, particularly in nuclear armaments, and military expenditures absorbing enormous material and human resources, which represents a heavy burden for the people of all countries.)

Res. 35/142 A 12 Dec. 1980 Adopted without a vote at the 94th plenary meeting.

Reduction of Military Budgets.
(Reiterates the appeal to all States, to exercise self-restraint in their military expenditure with a view to reallocating the funds thus saved to economic and social development, particularly for the benefit of developing countries.)

Res. 36/82 A 9 Dec. 1981 Adopted without a vote at the 91st plenary meeting.

Reduction of Military Budgets.
(Refers to a reduction in military expenditures and reallocation of funds thus saved to economic and social development.)
Res. 36/92 G  9 Dec. 1981  Adopted without a vote at the 91st plenary meeting.

Study on the Relationship between Disarmament and Development:
Report of the Secretary-General.
(Study received and commended by the General Assembly.)

Res. 37/70  9 Dec. 1982  Adopted without a vote at the 98th plenary meeting.

Economic and Social Consequences of the Armaments Race and its Extremely Harmful Effects on World Peace and Security.
(Recommends the conclusions of the Report of the Secretary-General. A/37/386.)

Res. 37/95 A  9 Dec. 1982  Adopted without a vote at the 101st plenary meeting.

Reduction of Military Budgets.
(Preamble mentions the link between disarmament and development.)

Res. 38/71 B  15 Dec. 1983  Adopted without a vote at the 97th plenary meeting.

Relationship between Disarmament and Development.
(Invites Governments to communicate views and proposals concerning the relationship between disarmament and development, takes note of the investigation undertaken by the United Nations Institute for Disarmament Research on the modalities of an International Disarmament Fund for Development, requests the Disarmament Commission to make appropriate recommendations.)

Res. 38/184 A  15 Dec. 1983  Adopted without a vote at the 103rd plenary meeting.

Reduction of Military Budgets.
(Refers to reallocation of the resources released through the reduction of military expenditures to economic and social development.)

Res. 39/151 C  17 Dec. 1984  Adopted without a vote at the 102nd plenary meeting.

Study on Conventional Disarmament.
(Study received and noted with satisfaction by the General Assembly.)

Res. 39/160  17 Dec. 1984  Adopted without a vote at the 102nd plenary meeting.

Relationship between Disarmament and Development.
(Takes note of the report of the Disarmament Commission in pursuance of res. 38/71 B and decides to convene an International Conference on the Relationship between Disarmament and Development and sets up a Preparatory Committee.)
Res. 40/94 E  12 Dec. 1985  
Adopted without a vote at the 113th plenary meeting.

Study on Concepts of Security.
(Commends the study and its conclusions to the attention of all Member States.)

Res. 40/155  16 Dec. 1985  
Adopted without a vote at the 117th plenary meeting.

Relationship between Disarmament and Development.
(Approves the Report of the Preparatory Committee and extends its mandate to make substantive preparations for the International Conference on the Relationship between Disarmament and Development.)
5. EXCERPTS FROM REPORTS OF THE SECRETARY-GENERAL CONTAINING EXPERT STUDIES*


(Concentration of military production)

Data made available by a number of countries show that military production is highly concentrated in a few industry groups, notably munitions, electrical machinery, instruments and related products, and transportation equipment, including airplanes and missiles. There is a similar concentration in the same industries of the employment resulting from military expenditure. In most other industries military outlays account for a relatively small proportion of total demand. Industries dependent on military expenditure also have a high degree of concentration in certain regions and cities. While this pattern of concentration of output and employment is not necessarily characteristic of all countries, it appears to apply generally to the major military powers. (Para. 16)

(Release of scientific and technical manpower)

The release of scientific and technical manpower would be one of the important consequences of disarmament. Amongst the major powers a significant part of the national research and development effort currently serves military purposes. The total elimination of military spending would bring about a sizable release of resources for civilian research and development. With disarmament it would thus become possible to encourage programmes of basic scientific research in fields which have hitherto been neglected, and to mobilize great scientific potential for the solution of some of the world's greatest problems in such areas as medicine, urban development and reorganization, and the technical problems associated with the economic development of under-developed countries. If human ingenuity, in the space of a very few years, has so vastly increased man's powers for destruction, it should be able to make an equally massive contribution to peaceful and constructive achievement. (Para. 48)

* Sub-headings in brackets added by the Secretariat for ready reference.
(Alternative uses of released resources)

Disarmament would also open up possibilities for joint international ventures of an even more ambitious kind, including the utilization of atomic energy for peaceful purposes, space research, the exploration of the Arctic and Antarctic for the benefit of mankind and projects to change the climates of large areas of the world. Joint research into the earth's interior may lead to discoveries that would be a real value to the whole world. In addition, joint projects to assist the development of under-developed countries as well as programmes of co-operation in the social and economic fields could be undertaken. These international projects could have a major impact on world living standards and civilization. (Para. 50)

(National and international experiences with conversion)

In the economic life of all countries, shifts in the pattern of demand and in the allocation of productive resources are continually occurring in response to changes in technology, foreign trade, consumer tastes, per capita income, the age distribution of the population, migration, and many other factors. Some industries grow more rapidly than others, while the output of certain industries may even decline in absolute terms. Such shifts involve a transfer of manpower and capital between occupation, industries and regions. The reallocation of productive resources which would accompany disarmament is in many respects merely a special case of the phenomenon of economic growth. (Para. 53)

(Disarmament and international trade)

(...). The political "détente" that would accompany an international disarmament programme would in itself imply that nations were willing to reconsider their economic relations with one another. The consequent relaxation of international tension would provide a sound basis for reduction of trade barriers and for modification of existing trade agreements and trading practices. In the long run this would encourage an expansion of international trade, a more rational international division of labour and a more effective use of the world's resources. In the short term it might help conversion by generating new demand for exports from existing sources of supply that could be satisfied fairly easily from existing capacities. (Para. 124)

The relaxation of international tension would benefit trade through the elimination of the concern with national defence as a factor affecting national trade policies. The needs of national defence have long been accepted as a legitimate reason for the pursuit of discriminatory and protectionist policies. Among the justifications advanced for the protection of agriculture and mining in many industrial countries has been the need to guarantee an adequate national supply of food and raw materials. In many instances, the domestic production of manufactured goods, as well, has been promoted on security grounds, to the detriment of international trade. Security is not the only consideration in such cases, and may not even be the decisive one; nevertheless, it carries considerable weight with Governments at the present time. After disarmament, however, its force would be lost and an opportunity would be afforded to re-examine and improve the framework of world trade. (Para. 125)
Disarmament would bring about a change in the composition and rate of growth of output and thus affect the structure and rate of expansion of world trade. While the composition of the non-military production that would replace military output cannot be precisely foreseen, it appears to be a safe assumption that all the main categories of civilian output would increase their share in national product. In so far as increased investment and greater economic aid would accelerate the rate of economic growth in developed and under-developed countries, a more rapid expansion of world trade could be anticipated. However, there are more immediate effects that might follow the shift in demand; these hinge on the difference between the import content of military expenditure and the import content of the increments to consumption, investment and foreign aid that disarmament would facilitate. (Para. 127)

(Disarmament and investment prospects in developing countries)

An acceleration of the rate of growth of under-developed countries depends upon many factors, including the adoption of appropriate national development programmes and, in many cases, social and institutional reforms. Among these programmes an important role must be assigned to encouragement of productive investment both from domestic and foreign resources. To this end world disarmament could make a major contribution. Despite the inadequacies of the available statistics, it appears that the world's military expenditures far exceed the combined gross investment expenditures of the less developed areas; they are probably at least five times as large and may be much greater. A much larger volume of resources could thus be allocated to investment for productive development in these countries even if only a fraction of the resources currently devoted to military purposes were used in this way. (Para. 140)

(Disarmament and multilateral aid)

At the present time, nine tenths or more of official grants and loans are given under bilateral programmes. Bilateral and multilateral programmes of aid each have their own particular advantages and disadvantages, and many of the considerations which now prompt Governments to favour bilateral rather than multilateral aid might continue to hold good even in a disarmed world. On the other hand, in so far as political circumstances have had any weight in determining the direction and form of aid, effective disarmament and the related lessening of international tensions should improve the prospects for more cooperative international action. (Para. 152)

(Disarmament and international debt situation)

It should be realized that the repayment of loans granted on commercial terms may impose heavy burdens on the balances of payments of these countries. Concern has already been expressed in recent years regarding the heavy accumulated indebtedness of a number of countries and the growing difficulties they have been experiencing in servicing outstanding loans. It seems urgent that as large a proportion of economic aid as possible should take the form of grants or "soft" loans. Disarmament would likely facilitate the increased flow of such aid. This is so because the savings afforded by disarmament would provide the aid-giving countries with a favourable opportunity to increase their assistance without imposing an additional burden on civilian expenditure. This should also lead to a desirable broadening of the existing basis of aid to include types of projects not adequately covered under existing policies, and should therefore facilitate a balanced execution of development plans. (...) (Para. 154)

(Disarmament and development: approaches)

Disarmament and development are of the greatest importance to the world community. But fundamentally they stand separately from one another. The United Nations has agreed to seek each one vigorously in its own right, regardless of the pace of progress in approaching the other. Specifically, nations have agreed that national and international efforts to promote development should be neither postponed nor allowed to lag merely because progress in disarmament is slow. (Para. 53)

However, disarmament and development can be linked to each other because the enormous amount of resources wasted in the arms race might be utilized to facilitate development progress. Furthermore, the blatant contrast between this waste of resources and the unfilled needs of development can be used to help rouse public opinion in favour of effective disarmament, and in favour of the achievement of further progress in development particularly of the developing countries. (Para. 54)

(Specific proposals for national governments)

The Group suggests that Governments, when placing orders for specialized military production or creating specialized plants likely to give rise to transfer difficulties in the event of disarmament, should make advance plans to deal with the redeployment to peaceful work of the manpower and plant (in so far as the latter is reusable). (Para. 63)

Apart from catering for these areas of special difficulty, all countries might be urged to consider what would be the most valuable ways of redeploying resources from military to civil use and to consider, in particular: (a) which specialized resources now used by the military might make a particularly valuable contribution to development in any area; and (b) in the light of such an assessment, which specialized resources would be suitable as aid or technical assistance from developed to developing countries. Planning of this kind would benefit from international co-operation. (Para. 64)

(Concentration of the arms race)

The primary engine of this world-wide arms race is constituted by the qualitative arms race among the largest military Powers. This is due chiefly to the virtual monopoly of these Powers in development in advanced military technology, to their overwhelmingly large share of world production and world exports of advanced weaponry, and to the global character of their interests, politically and militarily. The six main military spenders not only account for three fourths of world military spending, but for practically all military research and development (R and D) and for practically all exports of weapons and military equipment. All significant developments in armaments originate here and spread from here to the rest of the world, with greater or lesser time lags. For many types of conventional weaponry these time lags seem to have diminished in recent years. Meanwhile, as these weapons are being assimilated in the countries at the periphery of the arms race, new generations are under development at the centre to supersede them, preparing the ground for a new round of transfer and emulation. Outside of this small number of producing countries, arms races or competitions are substantially and often wholly dependent on external supplies of arms, technicians and instructors. (Para. 17)

(Arms transfers)

Given that the possession of arms cannot remain the prerogative of a few countries, the realistic alternatives to trade in arms, if the arms race between the main Powers is allowed to go on, are not necessarily preferable to it: arms grants tend to foster relationships of dependence, while domestic arms production is in most cases more costly and could give rise to patterns of dependence between countries and to vested interests within them which are stronger and more lasting than those resulting from arms transfers on commercial terms. Because arms transfers are only a very small part of the total process of arms acquisition, it is not an aspect of the arms race which lends itself to broad and general restraining measures unless such measures are co-ordinated with general progress towards disarmament, involving the arms producing countries as well. Even so, there is urgent need to consider measures aimed at specific regions or weapons systems to avoid encouraging international conflict and to pre-empt costly and pointless local arms races, but without jeopardizing the security of States. ( ...) (Para. 44)

(Costs and destructive capacity of arms)

A point to be specially stressed is that in an arms race so consistently bent on qualitative improvements and the quest for achieving or pre-empting technological breakthroughs, a mere inspection of trends in military expenditure gives a wrong impression of the true rise in destructive potential. In civilian production it is a well-known proposition that under conditions of continuous technical progress even a policy of zero net-investment will lead to a constantly increasing output. Worn-out machines are replaced by machines incorporating a more advanced technology and this results in higher productivity. The same applies to military expenditure. Even if it does not rise in real terms, the devotion of a large proportion to R and D and to qualitative improvement means that the destructiveness and the potential danger of the military apparatus continues to grow. (Para. 50)
(Economic and military consequences of armament expenditures)

(...) It is necessary to distinguish between the economic and the military consequences of armaments expenditures. They bear no necessary relationship to one another: a rise in the (real) volume of military expenditure will almost always imply an increase in lethality and destructive power. But when such expenditure is reduced there may well be a divergent movement: a certain relaxation of the over-all economic burden can be accompanied by a further extension of destructive power, as indeed we are witnessing today in some countries. Since, however, the concentration on the qualitative (i.e. technological) arms race requires a high input of specially scarce qualified manpower (scientists, technicians, management, highly-skilled workers), shifts towards greater emphasis on rapid qualitative change can be economically harmful, even when they are accompanied by a reduction in total (real) military expenditure. (Para. 51)

(Competing claims on global resources)

(...) Exacerbated by the population explosion, the food crisis and the devastations of natural disasters and war, the problems of eradicating poverty and of improving standards of health, nutrition, education and housing have reached a stage of crisis in many parts of the world. No less important problems are those of industrialization and growth in developing countries, of combating the degradation of the environment, of developing new sources of energy and raw materials while preserving presently available sources, of halting the degradation of cities and many others. All of these make claims on investment, research and other resources in direct competition with military claims. (Para. 57)

(Arms expenditures and economic recession)

(...) In periods of recession when men and machines are idle, there is general waste of economic resources, and armaments production does not directly withdraw resources from civilian use, though it may do so (and frequently does) in some bottle-neck sectors. But growing expenditure on armaments is not an efficient way of combating recession. Expenditures on such items as education, health, housing and social welfare are more effective means for both economic and social reasons. First, the maintenance of high and rising armaments expenditures in the face of stagnating or failing government revenues may lead countries to economize in such areas as health, education and welfare with all the negative social consequences this entails. Second, since in recent times recession tends to go hand in hand with high rates of inflation ("stagflation") and, in some cases, with heavy balance-of-payments deficits, high arms expenditures have proved to be a hindrance for economic policies leading out of recession. High government expenditure on armaments increases demand without increasing the volume of salable or exportable goods. It thus intensifies the problems of inflation and external balance. Military expenditures, therefore, reduce the effectiveness of expansionary policies or even lead to restrictionary measures in other fields which tend to prolong recession and unemployment. To the direct waste contained in armaments production is added the indirect wastage of unused resources. (Para. 86)
(Spin-offs from military R and D)

(...) The basic fact of an enormous diversion of resources has been disguised by excessive claims about the importance of civilian spin-offs from military research and development. The drive for continuous improvement in weaponry and military equipment, so the argument goes, has been an important spur to technological progress, and, so it continues, without the urgency of military demands, funds on a sufficient scale would not have been forthcoming. A limited number of examples, always the same, are cited to prove the case: nuclear power, air transportation, radar, space technology and a few more. Yet a sober assessment indicates that the claims are grossly exaggerated, and even the standard examples are not all of them convincing. In fact it is remarkable how many inventions of the greatest civilian importance in production techniques, in materials, in power generation, engines and appliances, in all fields of surface transportation and in communication owed absolutely nothing of their origin and very little, if anything, of their subsequent development to military R and D, even if they were often adopted by the armed forces and adapted to military requirements at a later stage. Military spin-offs from civilian research have been incomparably larger than civilian spin-offs from military research. The truly remarkable fact is how little that is new, not how much, has come to the civilian sector from military R and D efforts. Product development in the sense of incremental improvements in materials, in miniaturization, in performance, in reliability, etc., has in some cases been made under military auspices, simply because this is where research and development funds have been readily available. (Para. 99)

(Military spending and economic growth)

Looking at the growth experience of industrialized countries in the post-war era it can be seen that there is a certain tendency for high economic growth and relatively low military expenditure to go together. While this can be easily understood as a consequence of the factors that have already been mentioned (more investment and R and D available for the civilian sector), there are probably also some indirect interrelations at work here. Some economists have pointed out that economic growth is facilitated when a country has a dynamic export sector. Competing on the world market ensures and fosters productivity and technological innovation, and a steady flow of foreign exchange earnings provides the basis for an expansionary economic policy free from balance-of-payments difficulties. Countries whose advanced industrial sectors were less preoccupied with meeting armaments demands had a better chance to respond to a growing world demand, particularly in the dynamic sectors such as transport equipment, machinery, chemicals and electronics. Thus lower military expenditure, specifically a smaller indigenous weapons development and production capacity, can help to improve the export position and through it the growth performance. (Para. 102)

High military expenditure, on the other hand, seems to have contributed to the growth difficulties of some industrialized countries, not only by diverting capital and skilled personnel from productive employment, but also because a secure profitable domestic market for arms production reduced the need for and the efforts of firms to compete on world markets. Lower productivity growth and balance-of-payments difficulties can then lead to a retardation of economic growth. The concentration on unproductive armaments production is, moreover, often accompanied by heavy subsidization of civilian projects in such fields as aerospace, even though their social
utility may be limited and their marketing prospect poor. The distortions in the economy and the squandering and misallocation of resources to which the military effort gives rise, is in such cases much larger than military budget figures might lead one to expect. (Para. 103)

(International trade in arms)

The trade in arms has opposite effects on the economies of importing and exporting countries. What is involved is a highly unequal exchange, detrimental in particular to efforts to bridge the gap between poor and rich countries. For the importer of arms it is in economic terms a pure waste of surplus which could have been used productively. Even when weapons are provided as gifts there are maintenance, operation and infrastructure costs to be included on the debit side. In contrast to the import of civilian goods these outlays raise neither consumption nor production and generate to future output from which to pay for them. Not so for the exporting country. That part of its arms production which is destined for its own armed forces again figures to a first approximation simply as an economic loss. But its production of weapons for export is no different in economic terms from any other export production. In some cases it may be in fact more advantageous than other kinds of export because the advanced-technology component in arms exports is particularly high. These exports therefore tend to stimulate important sectors of the economy of the exporting country, such as mechanical engineering, electronics and the industries supplying these sectors. Recent arms deals involving highly sophisticated equipment have enhanced these tendencies since the price of such equipment often includes a large component to pay for R and D costs. In addition to orders for existing weapons, some recent contracts have even involved the development of new or improved weapons systems specially for export to the contractor. In this way importing countries are subsidizing military R and D in the arms exporting countries. This also applies when, instead of importing weapons, countries produce them under license. In most cases this subsidy is of marginal importance for the exporting country but in a few cases the viability of certain national arms industries of particular companies is significantly affected. In a very real, although often marginal way, importing countries are thus helping to perpetuate the lead in military technology of the main arms exporting countries and to sustain the rate of innovation and obsolescence in weaponry. (Para. 106)

(Skilled manpower as a resource)

Skilled manpower is one of the scarcest resources in developing countries. As already noted, the complexity and sophistication of much of the military equipment now being acquired is such that its operation and maintenance make very large demands on skilled technical and managerial manpower; much of it has to be imported as foreign technical staff. In other cases, training is provided (at the buyer's expense) in the supplying country. Even so, most of the technical staff has to be taken from the limited pool of the recipient country. In view of the fact that total employment in manufacture in these countries is mostly only a few times, occasionally as much as 10 times, the size of the armed forces, this diversion of resources may be important. (Para. 110)
(Conflicts and military preparedness)

(...) In an environment characterized by high military preparedness on all sides, conflicts, even minor ones, tend to be exacerbated and security considerations become salient in the policies of countries. This is an environment conducive to the creation of spheres of influence, in which local conflicts tend to be linked to regional or global confrontations and in which social and political developments are likely to be resisted if they seem to call existing alignments into question. The frictions arising from this rigidity at a time when the relative economic, political and military weight of countries changes more rapidly than ever are themselves possible sources of conflict. (Para. 132)

(Arms race and issues of technology transfers)

There is another equally serious aspect to this question which vividly illustrates the contradiction between an arms race bent on technological competition and the construction of a more equitable world order. The countries leading the race will naturally seek to retard the proliferation of the latest technologies of actual or potential military significance. This could be in order to gain a military advantage vis-à-vis opponents and perpetuate politico-military leadership vis-à-vis allies (examples relating to the transfer of computer technology and a number of others could be given in illustration of both aspects), or it could be part of an endeavour to slow down the arms race and to help countries on its periphery to avoid pointless and ruinous local arms races. (...) (Para. 157)

Restraint of this kind, imposed unilaterally by supplying countries, by potential recipients in some specific area, or multilaterally by suppliers and potential recipients acting in concert, is in many cases obviously beneficial for everyone. But problems arise when technologies are applicable both for military purposes and for important civilian ends, the question of nuclear technology being the outstanding example. For such dual-purpose technologies attempts to control the arms race, not by abolishing weapons systems but by confining their possession to a limited set of countries, will inevitably come into conflict with the aim of making existing technology available to all countries in a non-discriminatory manner. (...) (Para. 158)


(Summary, Conclusions and Recommendations)

This investigation suggests very strongly that the world can either continue to pursue the arms race with characteristic vigor or move consciously and with deliberate speed toward a more stable and balanced social and economic development within a more sustainable international economic and political order. It cannot do both. It must be acknowledged that the arms race and development are in a competitive relationship, particularly in terms of resources but also in the vital dimension of attitudes and perceptions. (...) (Para. 391)

(...) After examining the conventional exposition of the subject, in the light of recent developments, the Group has placed the disarmament-development relationship in the context of a triangular interaction between disarmament, development and security. To demonstrate
that the threat to security may be aggravated in many ways, including those that go beyond purely military threats, it has approached the problem of security from a broader perspective. After taking cognizance of the dynamic spectrum of the emerging threats and challenges to security, the Group has argued that the arms race itself has developed into a threat to the security of nations and that general and complete disarmament under effective international control, particularly nuclear disarmament, would directly enhance security. Moreover, the Group has argued that there exists an array of intensifying non-military factors aggravating the security problems of States in the form of (a) a widespread reduction in prospects for economic growth, (b) impending physical constraints – notably in the field of energy and selected non-renewable raw materials but also severe stress on the environment and a growing world population – and (c) the morally unacceptable and politically hazardous polarization of wealth and poverty and insufficient development in the developing countries. (Para. 398)

As with the concept of security, the Group has also adopted a broad definition of development which, besides the need for sustained economic growth, would involve the opportunity and responsibility for full participation in the economic and social processes and a universal share in its benefits as a result of profound economic and social changes in society. In projecting development as a global requirement, the Group has outlined the dimensions of economic interdependence and contrasted the benefits of co-operative management with the potential threats inherent in continuing an attitude of preserving the status quo. Relying upon recent experiences to demonstrate that the economic fortunes – and thus the security – of all nations are interdependent and destined to become more so, the Group has argued that failure to bring the arms race under control is likely to be associated with a vicious circle of confrontation and mutual denial, with declining prospects for mutual advantageous economic co-operation and shrinking options for all nations. Developments in East-West détente and in the North-South dialogue in recent years illustrate this possibility. (Para. 399)

The Group's calculations and projections about the use of raw materials for military purposes are made against the background of serious concern over the availability of adequate supplies of oil and minerals, that is, non-renewable raw materials. While visualizing no immediate exhaustion of supplies till the end of the century, the Group foresees some difficulties in terms of dependable access to supplies of raw materials. Realizing that current projections of demand vis-à-vis known reserves are based largely on the historical pattern and growth of consumption, the Group feels that accelerated growth and industrialization in the developing countries could have significant impact on their general validity.(...) (Para. 405)

The historical and empirical evidence analysed by the Group has made it take a position that military outlays, by definition, fall into the category of consumption and not investment. Consequently, steadily high or increasing military outlays are likely to have a depressing effect on economic growth, directly through displacement of investment and indirectly through constraints on productivity which itself depends on a considerable degree on the R and D effort currently biased in favour of military technology. The coexistence of high levels of military spending and high rates of economic growth int he past cannot be taken as evidence of a causal relationship between the two. The availability of unutilized and under-utilized resources among the less developed economies may produce short-term results suggesting a parallelism between high rates of growth and significant military spending.
But in the long term, the totality of adverse socio-economic consequences of sizeable military outlays outweigh any immediate spin-offs. (Para. 411)

The world-wide defence industry is characterized by a high degree of geographical and sectoral concentration. It also involves a considerable degree of specialization in its work-force and a very pronounced emphasis on research and development, particularly in economies with sophisticated military sectors. This apparent exclusiveness of the defence industry should not, however, prove to be an insurmountable problem because: (a) Conversion and redeployment is not a phenomenon uniquely associated with disarmament. Any form of economic and social change represents a continuous process of conversion. Particularly in modern industrial economies, the factors of production must respond continuously to the development of new products and the phasing-out of old ones and to the introduction of new production techniques; (b) A significant part of military demand is directed at goods and services that are essentially identical to those consumed in the civilian sector. In this case, the problem is a relatively minor one of ensuring that civilian demand fills the gap left by cutbacks in military spending. Primary responsibility for conversion, in an over-all sense, will inevitably fall on the central Government, particularly in regard to initiating preparations for such a process. The nature and extent of government involvement, following disarmament measures, in the process of conversion itself will vary from country to country, depending in large part on the type of economic system but also on many other factors. (Para. 417)

(...) A relatively major problem in preparing for conversion, however, pertains to resources unsuited for the production of civilian goods such as those involved in combat aircraft, missiles, warships, tanks and so on. The primary need here would be for advance consideration of how their capabilities can be altered to permit the smoothest possible transition to the production of socially useful goods and services. A commitment to preparing for conversion will be an investment in minimizing the problems of transition. Such a commitment would entail thinking through the problems likely to be encountered by workers, industries and communities in the event of reductions in military business and devising measures and arrangements to overcome or minimize them. (Para. 418)

The opportunity to apply science and technology more directly and systematically to economic and social problems is probably one of the most important dividends that disarmament would bring. As a potential asset for socially productive uses, the R and D component of the military outlays has the utmost significance. The previous United Nations report on disarmament and development identified more than 70 possible alternative uses for military research and development capabilities. The Group's investigations suggest that production workers in the military sectors could quite readily transfer their skills to the development, production and installation of solar energy devices. Environment is another area likely to gain from a possible rechanneling of military R and D. An essential pre-requisite to arresting environmental degradation and repairing the damage already done is a more comprehensive understanding of the complex, synergistic relationships between the air, water and land environments. A wide variety of disciplines from both the natural and social sciences would be relevant here, including all or most of those found in the military R and D community. Housing and urban renewal offer still another outlet for a range of R and D capabilities and, subsequently, for massive reconstruction programmes. New transportation systems, particularly in urban areas, are sorely needed and have long been...
regarded as a major civilian alternative for the high technology industries in the military sector. (Para. 419)

Three basic contributory principles are found in the various proposals for promoting the reallocation of financial resources from armaments to development: (a) The armaments levy approach, in which national assessments for development contributions are based on some measure of States' allocation of resources for military purposes; (b) Voluntary contributions on the model of numerous other United Nations organizations and specialized agencies; (c) The disarmament dividend approach, in which the savings resulting from disarmament measures, or a portion thereof, are allocated to development needs. (Para. 422)

In the context of a disarmament-development relationship, the Group considered a disarmament dividend approach as the most attractive among the three examined. This approach was also found implicit in the second phase of the French proposal, although the initial stage of its implementation relies mostly on an armament-levy type of approach. This attempt to combine a levy with a dividend certainly constitutes an important political initiative, but its full technical implications remain to be examined both on grounds of feasibility and acceptance by the major military spenders. (Para. 424)

The Group's analysis of military spending as an impediment to economic growth, and of the arms race as an obstacle to the establishment of a new international economic order, has strengthened the economic case for a disarmament-development relationship. By projecting the arms race as a threat to international security, and by outlining the dimensions of non-military threats to national security, the Group has attempted to point out the strategic considerations pertinent to a realistic assessment of the potentials of reversing the arms race and reducing national military outlays. In suggesting that policies aimed at implementing the disarmament-development relationship are likely to broaden the base of East-West détente and put the North-South dialogue in a mutually advantageous frame of reference, the Group has indicated the political potentials of rationally imperative range of alternatives. (Para. 425)


(International Arms Transfers)

The phenomenon of international arms transfers, large and growing both in volume and coverage, has become a chief instrument of linking the arms race among its major participants with the widely varied military outlays among the developing countries. Roughly one third of the international trade in arms is confined to the developed countries, wherein a majority of both the suppliers and recipients of weaponry also belong to one or the other major military alliance. On the other hand, an estimated two thirds of this trade is conducted between the developed and the developing countries, with a virtual monopoly of the supply side by the former. Few among the recipients of arms in the developing countries belong to a major military alliance system. But a host of political and strategic, besides purely commercial, considerations affect supplier-recipient relationships between the developed and developing countries in the area of arms trade, as different from their other trade contacts. No precise summation of this phenomenon is possible. The actual terms of arms transfer deals are rarely made public; these include
concessional modes of payment, periods of delivery, supply of spare parts and supportive equipment, arrangements for co-licensing and co-production and training facilities for handling the equipment by the clients. But more than two thirds of the 82 importers of weapons among the developing countries are known to have arrangements with the exporters which go beyond the purely physical services associated with an act of arms transfer, for example, military assistance programmes, direct and indirect transfers of hardware, training courses for military personnel, provisions for military bases, naval facilities and listening posts, and tacit and explicit understandings for political or military support in situations of internal unrest in or external threats to the recipient country. (Para. 47)

(Military conflicts and arms transfers)

Incidences of arms supplier involvement in the conflict situations and conflicts in recipient countries rose steadily rising throughout the 1970s. Demonstrable evidence of this is the hardest to provide but, as an indication of trends, it has been suggested that, in roughly two out of three cases of all major weapons transfers, supplier involvement in an actual conflict has been a factor in its eventual outcome. Few major conflicts have yielded outcomes which were not resented by one or the other adversary and the aggrieved recipient country has either stepped up its weapons imports from the same supplier or turned to different one, both to gain better and additional equipment and more favourable terms of transfer. In several cases, concessionary arms deals have been concluded with those recipient countries that were strategically important to the supplier either as a source of minerals and raw materials, or as a choke-point in the planning of military operations, or as a potential and informal junior-partner in a major military alliance system, or as a combination of one or more of these factors. (...)
(Para. 48)

(Military use of R and D)

Of all the human and material resources consumed by military activities, none can match the enormity and the distorted orientation of the world-wide expenditure on R and D. The global military R and D expenditures in 1980 were equal to the combined R and D investments for basic research, energy, health, transportation, information-processing, pollution control, agriculture and other similar civilian areas. For space research alone, which accounted for 8 per cent of world-wide R and D expenditures, over 90 per cent was geared to military purposes. Out of the three million scientists and engineers employed world-wide in scientific laboratories, approximately half a million were specifically engaged in the development of new weapons systems. By 1981, those in the forefront of space technology were believed to have acquired the ability to survey virtually every square metre of each other's territory, but the world-wide pool of scientific and engineering resources had barely begun to survey the complex ecosystems of fast-disappearing tropical rain forests or the menacing spread of the world's deserts. (Para. 60)

(Resource consumptions and qualitative and quantitative aspects of the arms race)

In the absence of reliable data, it is difficult to estimate the magnitude of claims which future increases in military consumption will have on the life expectancy of global fuel and non-fuel mineral resources. But it does not require meticulous details of the present patterns of consumption to
conclude that mineral resource shares would be consumed in greater proportions if the arms race were to escalate further. The increasing emphasis on the qualitative aspects of sophisticated weaponry implied a gradual decrease in consumption of such basic minerals as iron and steel in some proportion to the added consumption of more exotic ones such as silver, aluminium and titanium. A quantum jump of the arms race would make additional claims on the former and a qualitative leap would pre-empt larger shares of the latter. Both the quantitative and qualitative escalations would consume much larger proportions of energy for which the average rate of consumption is much heavier for most of the military sector than that generally applicable to civil industry. (...) (Para. 66)

(Resource related conflicts and conflict situations)

Resource-related issues are continually resurfacing in several international forums dealing with their various aspects, namely, finances, labour, technology, trade, minerals and energy. The apparent clash of interests between suppliers and recipients would seem increasingly unreal, as it is accepted that, in the global context of uneven geographic distribution of resources, these roles are interchangeable. Escalations in the arms race would not only add to the gravity of existing resource constraints but also heighten the dangers of resource-related tensions erupting into open conflicts. Apprehensions in this respect cannot be easily dismissed because the post-Second World War period has already witnessed several military conflicts involving resources, whether they be minerals, ore, water or fish. (...) (Para. 76)

(Arms imports and foreign exchange)

Besides opening a constant leak in their foreign exchange reserves which, in principle, would be otherwise available to import capital and technology, the arms imports complicate the socio-political environment of the developing countries. Depending upon the terms of transfer and the supportive equipment and services entailed, arms imports have demonstrably made most of their recipients extremely vulnerable to their external environment. Political threat perceptions external to the recipient countries' social structures, dependency patterns militating against the nationalistic urge for self-reliance, and technological choices marginally relevant to the predominantly agricultural economies constitute some of the costs of arms imports which cannot be easily documented or reduced to statistics. As a broad indication, however, it is possible to point to the constant frictions in supplier-recipient relations becoming a factor in the domestic politics of either or both. (Para. 101)

(Political consequences of arms transfers)

More pertinent still is the finding of several recent studies that political structures heavily dependent upon weapons imports have proved generally more brittle than those whose internal tensions are confined to the problems of growth and development. A most instructive phenomenon witnessed throughout the 1970s is that several arms importers involved in adversary relationships with geographic neighbours have experienced a less frequent outbreak of conflict if their initial weapons imports have not undergone a subsequent change in the terms of transfer with the supplier. The repeatedly stated apprehensions about the threats of supplier interference in the domestic and external affairs of the recipients and the subsequent demands for
more weaponry by the latter can be interpreted as reflecting a phenomenon of "induced militarization". Even those recipients whose balance-of-payments problems are not aggravated do not seem immune to the other and more socially relevant costs of weapons imports, more so when the sophisticated nature of the hardware purchased requires supportive equipment and services alien to the socio-cultural environment of the recipients. (Para. 102)

(Domestic arms production in developing countries)

(...). The economic costs of setting up domestic armament industries and the additional social costs of reliance upon arms imports make the military outlays of the developing countries highly sensitive to reallocation proposals. Their involvement in conflict situations of their own environment and their vulnerability to those of their suppliers make it imperative that proposals for restraining arms transfers to the recipients be urgently related to a resolution of the conflicts surrounding them. Superimposing the suppliers' views of mutually deterrent arms build-ups upon the adversary relationships among the recipients will only expand rather than limit the international arms trade, which has become a major vehicle of transporting the central arms race to the periphery. (Para. 103)

(Developmental needs and international economic environment)

Even outside the arena of international arms transfers, the socio-economic problems of the developing countries cannot be overcome in isolation from the international economic context. The goals of the international development strategy had assumed that the industrialized world would move along a relatively inflation-free, nearly full employment path of sustained acceleration of economic growth. The task of international development strategy was to devise measures to integrate the developing countries into a world economy moving ahead at a relatively stable and predictable rate. Present conditions, however, are quite different: increased stability in world output and prices, accompanied by a downward shift in the long-term trend of economic growth for the industrialized countries, have rendered the external involvement less predictable and less favourable. One reaction to this change has been to suggest a lowering of the developmental objectives. But a lowering of the developmental objectives may render the international economic system itself more unstable because accelerated economic growth in the developing countries may significantly raise the levels of both the demand- and supply-side constraints on the economic growth of the industrialized countries. Concerted action in pursuit of this line of thought may also overcome the present paradoxical situation whereby low growth for the developing countries is unsustainable from the viewpoint of their own social dynamics, while high growth for them is not feasible in the context of the existing international economic situation. (Para. 104)


(Cost of the arms race)

Another important reason for taking up the limitation and reduction of conventional weapons and armed forces is the cost of the arms race. Military expenditures were estimated to be approaching $US 800 billion in 1983, depending on the method of calculation, and are likely to exceed that figure in 1984. At least four fifths of that amount, it is generally

/.../
believed, are absorbed by conventional arms and armed forces, the vast majority being borne by the States with the largest military arsenals and other militarily significant States. This huge consumption of material and technical as well as human resources for potentially destructive purposes is in stark contrast to the urgent need for social and economic development, for which many of these resources might otherwise have been used. (Para. 36)

Expenditure on conventional arms ensures the continued diversion of increasingly vast amounts of scarce resources for military purposes and this deprives the world of the means of alleviating human misery and strengthening mankind's material prospects. The deterioration of the human and material condition is a major source of increased social and political instability in the world. (Para. 46)

(Economic and social consequences of the arms race)

Poor social and economic conditions in the world, especially over large parts of it, are a source of injustice and can be viewed as a matter of strategic concern from the point of view of international peace and security. Apart from strong humanitarian concerns, there are cogent political considerations for engaging in the task of improving the world's social and economic conditions. The economic and social consequences of the arms race are so detrimental that its continuation is obviously incompatible with the implementation of a new international economic order based on justice, equity and co-operation. It is difficult to conceive of a peaceful world unless, inter alia, social and economic conditions are made decent and relatively stable. And, since the mitigation - not to mention, the elimination - of these conditions requires a major reallocation of the world's resources towards peaceful purposes, the conventional arms race comes directly into the picture as a most significant drain of those resources. (Para. 93)

(Demographic trends and demands on global resources)

Even though in recent years there have been some signs of reduction in the rate of increase, it has been estimated that by the year 2000 the world population will have increased to some 6 billion people from its present 4.7 billion. The pressures that will be placed on the planet's resources will therefore be considerable and constantly growing. Only in conditions of international peace, security and human development in all its aspects can there be optimum use of those resources needed to provide for a dignified quality of life for the coming generations. (Para. 94)

(Spin-offs from military expenditures)

The arguments that increased military expenditure generates employment and that it spurs scientific and technological development are essentially misleading. Whatever the short-term effects of military expenditure may be, they cannot be regarded as legitimate justification for continuing the arms build-up or for maintaining high levels of military investment. The problems that might have to be faced in shifting resources from the military to the civilian sector are vastly outweighed by the benefits that would accrue to international society from the reduction of armaments and military expenditure under agreed and effective measures of verification. The most important of these is that new possibilities, which are currently foreclosed, would open up for making international society more prosperous. (Para. 95)
(Benefits of reducing military expenditures)

The benefits of reductions in military expenditures are twofold: on one hand, they could lead to worthwhile measures of arms limitation and encourage the maintenance of international security at lower levels of military capability; on the other hand, reductions in military expenditures could have far-reaching beneficial effects on domestic, social and economic conditions and on the global economic situation. The transfer of funds and conversion of resources ensuing from reductions in military expenditures could improve the prospects for development and healthy economic growth in the countries concerned, and contribute to bridging the economic gap between developed and developing countries. (Para. 156)

The global expenditure on arms and armed forces represents a massive consumption of resources for potentially destructive purposes in stark contrast to the urgent need for social and economic development, for which many of these resources might otherwise have been used. In a world in which hundreds of millions suffer from hunger, malnutrition, illiteracy and ill-health, the consumption of resources on such a scale for accumulation of arms runs counter to the objectives of promoting social progress and better standards of life set out in the Preamble of the Charter of the United Nations. This led earlier United Nations studies to conclude that the world is faced with a choice between a continued arms race or a more stable and balanced social and economic development, for the two are in conflict and cannot go together. (Para. 185)


(Economic vulnerability of States)

Another illustration of the interrelationship between national and international security is the extent to which global economic trends have increased the economic and social vulnerability of all countries, in particular the developing countries. Whereas the disturbances caused by the socio-economic dislocations of the 1970s were generally limited in scope and less harmful in their impact, in the 1980s the imbalance in the international economic, financial and trading framework have affected most countries and have generally not been mitigated by sufficiently offsetting sources of official or private funds. This situation has had an unequal impact, moreover, striking with particular severity the very nations already facing long-term problems of underdevelopment. During the last five years, the trend has been towards constantly declining prices for raw materials, the chief items of production and source of income in the developing countries, while the cost of manufactured goods that these countries must import has been rising. (...) (Para. 62)

(Political and economic stability of developing countries)

The dilemma facing developing countries is that without a measure of political and economic stability development is difficult to achieve, while without development it is difficult to establish and maintain order. (Para. 63)
However, this dilemma is difficult to resolve in the present situation, where the economic and political problems of developing countries arise, not only from the ordinary functioning of economic forces, but also from actions taken by some industrial countries that seek to maintain or strengthen their economic and political standing, or remedy their own domestic difficulties. For example, the pressures exerted upon developing countries by debts that they cannot pay and by the demands of their own development create conditions where national and international security could be seriously threatened. (Para. 64)

Security issues in developing countries have acquired a special degree of urgency. Many developing countries are faced with war and deprivation. Given the growing economic and political links of interdependence between the developed and developing regions, security concerns of the developing countries increasingly influence the entire international system. The security implications of unrest in developing countries are magnified by the possibility of political, economic or military intervention by the great Powers. (Para. 85)

For many of the four billion inhabitants in the developing countries, security is conceived at the most basic level of the struggle for individual survival. Eight hundred millions live in absolute poverty and deprivation. Five hundred millions are malnourished. Many millions have no access to safe drinking-water and do not have the income necessary to purchase food. They lack protection against the consequences of environmental degradation and natural calamities, such as floods and drought, which, in Africa in particular, have produced famine and suffering of unprecedented proportions. (Para. 86)

(Global interdependence)

In the present era, all nations are linked in a complex network of trade, development, energy, raw materials and monetary exchanges. Few nations have escaped from the effects of contemporary international economic crises. The general situation of the world economy is characterized today by monetary, financial and trade instability that has affected growth and development in most financial and trade instability that has affected growth and development in most countries. Few countries can retreat behind their borders and hope to escape such factors as the effects on their economy of high interest rates, unstable currency rates, changing costs of energy imports, falling prices of export commodities vital to their economy, rising protectionism and other deteriorations in terms of trade. These economic disruptions have severe effect, particularly on the developing countries. Their efforts towards development have suffered a serious set-back. In Africa, economic and social problems have been aggravated by the prolonged drought, with the consequence that millions of people are exposed to famine. Moreover, such economic disruptions can have negative implications for the political stability of developed and developing nations alike, particularly the small and weak States in many cases, and eventually result in threats to security. (Para. 201)