Preamble

1. Disarmament and development are two of the most urgent challenges facing the world today. They constitute priority concerns of the international community in which all nations - developed and developing, big and small, nuclear and non-nuclear - have a common and equal stake. Disarmament and development are two pillars on which enduring international peace and security can be built. The reasons for seeking disarmament have become even more compelling than ever before as the continuing global military expenditures stand in sombre contrast to the state of the world economy. The rate of growth in developed countries remains modest. Developing countries find themselves trapped in development and debt crises. International economic relations are severely strained and many facets of multilateral economic co-operation have weakened. The international monetary, financial and trading systems stand threatened.

2. The continuing arms race is absorbing far too great a proportion of the world's human, financial, natural and technological resources, placing a heavy burden on the economies of all countries, and affecting international flow of trade, finance and technology in addition to hindering the process of
confidence-building among States. Coming close to the staggering figure of $1 trillion a year, the global military expenditure is in dramatic contrast to economic and social underdevelopment, to the misery and poverty afflicting more than two thirds of mankind and to the continuing crisis of the world economic system. Thus, there is a commonality of interests in finding ways of reducing these expenditures.

3. The United Nations has played a central role for the promotion of both disarmament and development. The States Members of the United Nations have assumed solemn obligations to combat underdevelopment and achieve security at lower levels of armaments. The United Nations has also had a long history of examining the relationship between disarmament and development. The convening, under the aegis of the United Nations, of the first ever International Conference on the Relationship between Disarmament and Development is a landmark in this process.

4. The Governments participating in this Conference, desirous of:

(a) Enhancing and strengthening the commitment of the international community to disarmament and development and giving impetus to renewed effort in both these fields;

(b) Raising world consciousness that true and lasting security in this interdependent world demands rapid progress in both disarmament and development;

(c) Directing global spotlight at a high political level on the implications of world-wide military spending close to $1 trillion a year against the sombre background of the present world economic situation;

(d) Looking at disarmament, development and security in their relationship in the context of the interdependence of nations, interrelationships among issues and mutuality of interests;

(e) Taking greater account of this relationship in political decision-making;

(f) Furthering the international community's collective knowledge of the military and non-military threats to security;

have adopted this final document.

Role of the United Nations

5. One of the objectives enshrined in the Charter of the United Nations is "to promote the establishment and maintenance of international peace and security with the least diversions for armaments of the world's human and economic resources". The States Members of the United Nations have also expressed their determination "to employ international machinery for the promotion of the economic and social advancement of all peoples". At the first special session of the General Assembly devoted to disarmament, the Member States declared: "The time has therefore come ... to seek security in disarmament". a/ At the beginning of this decade, Governments - Members of the United Nations - launched the International
6. A variety of proposals by a politically and geographically broad spectrum of Member States have demonstrated their interest in the relationship between disarmament and development since the early days of the United Nations. In recent years, there has been an increased understanding of this relationship, in no small measure due to the expert studies and reports prepared by the United Nations. In particular, the 1981 Secretary-General's report on disarmament and development, the periodic reports on the economic and social consequences of the arms race and of military expenditure and those on the reduction of military budget have all contributed to a growing awareness of the urgent issues at stake in their entirety and interdependence. In the past, the contrast between the global military expenditures and the unmet socio-economic needs had provided a strong moral appeal for relating disarmament to development. Today exists a growing recognition that there is a strong politico-economic case for it since both overarmament and underdevelopment constitute threats to international peace and security.

Review of the relationship between disarmament and development in all its aspects and dimensions with a view to reaching appropriate conclusions

7. Disarmament and development are distinct processes. Each should be pursued vigorously regardless of the pace of progress in the other; one should not be made a hostage to the other. Problems of development cannot wait for the release of resources from the disarmament process. Similarly, disarmament has its own imperative separate from the purpose of releasing resources for development.

8. Disarmament and development are also closely interrelated. There is a multidimensional relationship of a politico-economic nature between disarmament and development. Each of them can have an impact on the regional and global situations in such a way as to create an environment conducive to the promotion of the other. The relationship between disarmament and development in large part derives from the fact that continuing arms race and development compete for the same finite resources both at the national and international levels.

9. In a world of finite resources, it is difficult to pursue development to the optimal level without disarmament. Considering the present resource constraints of both developed and developing countries, world military spending is an area that can afford resources in a range and volume sufficient to meet the developmental challenges of the modern world. Disarmament can assist the process of development not only by making additional resources available but also by its positive impact on the global economy and the international economic system, particularly by facilitating the changes and adjustments needed to put the global economy on a path of sustained growth and development. It can create conditions conducive to promoting economic and technological co-operation and pursuing the objectives of a new international economic order.

10. On the other hand, just and equitable growth and development, and particularly the alleviation of poverty, can contribute significantly to a secure and stable
environment at the national, regional and international levels and facilitate the
task of nation-building which, in turn, can reduce the need for armament.

11. In the relationship between disarmament and development, security plays a
crucial role. Progress in any of these areas would have a positive effect on the
others, whereas lack of progress in any of these would have a negative effect on
the other two.

12. Security is an overriding priority for all nations. It is a fundamental
prerequisite for both disarmament and development which also contribute in
different ways to the strengthening of security. Enhanced security can, on the one
hand, create conditions conducive to disarmament and, on the other hand, provide
the environment and confidence for the successful pursuit of development. The
development process, by overcoming non-military threats to security and
contributing to a more stable and sustainable international system, can enhance
security and thereby promote arms reduction and disarmament.

13. Member States seek security by exercising their inherent right to individual
and collective self-defence. The judgement as to the level of arms essential for
its security rests with each nation individually. However, the pursuit of national
security regardless of its impact on the security of others can create general
insecurity, thereby endangering the very security it aims at promoting. This is
even more so in the context of apprehensions expressed over the likely climatic
consequences of a nuclear conflict.

14. There is a widespread belief that the world is overarmed and security is
possible at a substantially reduced level of arms buildup. Moreover, continued
arms race means a growing threat to international peace and security and even to
the very survival of mankind. The nuclear and conventional arms buildup threatens
to stall the efforts aimed at reaching the goals of development and to become an
obstacle on the road of achieving the new international economic order.

15. A peaceful and secure international environment is indispensable for pursuing
development. The use or threat of use of force in international relations,
external intervention, armed aggression and foreign occupation, violation of
territorial integrity and national sovereignty, and encroachment of the right of
all nations to pursue their economic and social development free from outside
interference constitute some of the military threats to international peace and
security today.

16. Recently, non-military threats to security have moved to the forefront of
global concern. Underdevelopment, maldevelopment and declining prospects for
development constitute standing threats to security. The world can hardly be
regarded as secure so long as there is polarization of wealth and poverty. Mass
poverty, illiteracy, disease, squalor and malnutrition afflicting a majority of the
world's population often become the cause of social strain, tension and strife.
The degradation of the environment endangers life on our planet. The existence, at
the same time, of the pressing need and physical scarcity of raw materials has the
potentiality of leading to confrontations. The problems besetting the world
economy and the international economic system also constitute a threat to global
security.

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17. Growing interdependence among nations, interrelationship among global issues, mutuality of interests, collective approach responding to the needs of humanity as a whole and multilateralism provide the international framework within which the relationship between disarmament, development and security should be shaped.

Implications of the level and magnitude of the continuing military expenditures, in particular those of the nuclear-weapon States and other militarily important States, for the world economy and the international economic and social situation, particularly for developing countries, and elaboration of appropriate recommendations for remedial measures

18. The current level of global military spending, incurred worldwide in pursuit of real and perceived security interests, represents a real increase of between four and five times since the end of the Second World War. It also reflects 6 per cent of world output and is over 25 times as large as all official development assistance to developing countries.

19. The bulk of the global military spending remains concentrated among industrialized countries which are also mostly accountable for the latest increases. The developing countries account for a major share of the arms imports, although the rate of increase in imports by them has declined since 1982. The trade is dominated by a handful of developed countries. The adverse development implications of such transfers outweigh gains to the immediate trade benefits to the suppliers and security gains to the recipients.

20. By 1985, global expenditure on military research and development was approximately one quarter of that incurred on all research and development. In its latest phase, the rate of increase in spending in military research and development has been higher than that of military expenditure as a whole. A few developed countries carry out almost all the world military research and development.

21. Since the beginning of the 1980s, global military expenditure has been growing on an average at a much faster rate than during the second half of the 1970s. During this period the growth in military spending has also been faster than that of world output.

22. The current level and trends in global military expenditure stand in sombre contrast to the state of the world economy which is characterized by violent exchange rate fluctuations, persistent higher rates of interest, currency misalignments, a decline in flows of resources in real terms to developing countries from official sources and lack of response from private sources of financing, increasing discrimination and lack of transparency of the world trading system, rising protectionism and the virtual collapse of the commodity prices. Recently, developing countries have been making a net transfer of financial resources to the developed countries. The aggregate debts of developing countries had reached $1 trillion in 1986.

23. Diversion of resources for military purposes always amounts to a commensurate reduction of resources for the civilian sector. In the context of current resource constraints and the higher rates of such diversion, this opportunity cost is becoming increasingly larger. It is estimated that $US 14 trillion at 1983 prices
have been spent for military purposes since 1960. During this period the increase in the world output was $8.6 trillion. Thus, since 1960, military expenditure has absorbed all the economic growth and more.

24. The opportunity cost of military expenditures is borne both by developed and developing countries, as there is a pressing need for additional resources for development in both groups of countries. In developing countries, close to 1 billion people are below the poverty line, 780 million people are undernourished, 850 million are illiterate, 1.5 billion have no access to medical facilities, an equally large number are unemployed, and 1 billion people are inadequately housed. In developed countries, resources are required for meeting the priority needs of urban renewal, development of non-conventional sources of energy, protection of the environment, restoration of some of the infrastructures and the protection of the welfare system. The developing countries are doubly affected: first, in proportion to the expenditure they incur themselves, and again due to the disturbing effect of military expenditure of the industrial countries as their economic interaction with these countries is crucial.

25. Opportunity cost of military expenditures should be seen not only in financial terms but also in terms of real resources. The military sector consumes a significant proportion of world energy resources and non-energy minerals and diverts skilled manpower and industrial production.

26. Military expenditure also involves sizeable diversion of scientific and technical resources. As innovation and research are principal stimulants to growth, these resources are needed for development: for augmenting agricultural production and providing other basic needs in developing countries; for opening new energy potentials; for preventing the depletion of supply of raw materials and protecting the environment.

27. The problem with military spending is that it provides little basis for future production. Military goods are generally 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 direct non-military routes.

28. Military-related production tends to be capital-intensive, creating fewer jobs than would result if an equivalent amount of public funds had been spent in the civilian sector. Inefficiency associated with the non-competitive conditions of the military market place has a negative effect throughout the economy, including productivity and cost, and on its competitive position in the international market. Allocation of 6 per cent of the gross national product (GNP) for military purposes does not tell the full story. It also contributes to the inefficient allocation of the remaining 94 per cent of the world's resources. Experience has shown that for most of the period since the Second World War, the economic performance of those economies which have been spending less on defence relative to GNP has been better as measured in terms of real rate of growth, investment in productive capacity and growth in manufacturing productivity.

29. Global military expenditure has an impact in the world economy through the interrelationship between the global macro-economic variables. It is very
difficult to understand the present unstable and serious world economic situation without taking into account the current levels of military expenditure. Similarly, the current imbalance between military expenditure and resources to meet civilian needs is bound to figure prominently in any strategy for the management of the world economy with a view to imparting its growth and stability.

Ways and means of releasing additional resources through disarmament measures, for development purposes, in particular in favour of developing countries

30. Apart from promoting international peace and security, disarmament measures can improve the environment for pursuing development. They can do so:

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

(b) At the regional and international levels, by creating favourable conditions for international economic, scientific and technical co-operation and by providing a part of the resources released for the development of developing countries, both on a bilateral and multilateral basis.

31. Resources released as a result of disarmament measures should be devoted to the economic and social development of all nations and contribute to the bridging of the economic gap between developed and developing countries. These resources should be additional to those otherwise available for assistance to developing countries.

32. Release of additional resources through disarmament measures, particularly for the benefit of developing countries, would involve transfer among economies at different levels of development. Several economic and statistical projections of the global economy have demonstrated such a transfer of even a part of the released resources to be in the interest of both industrialized and developing countries. However, a number of other policy measures, at the national, subregional, regional and international levels, have to be taken for these resources to have an optimal impact on the development process and for this mutuality of interest to be fully realized. Working towards disarmament which could redirect substantial financial and human resources towards development is not enough; greater emphasis needs to be put on the adoption of an appropriate international development strategy as a vital stabilizing element in international relations.

33. Benefits of releasing resources through disarmament measures need not be confined to mobilizing additional resources for the developing countries. Among the developed countries too, there is considerable interest in economic adjustments at higher levels of output and in supply expansion. The goals of social welfare also remain unmet in some industrial countries. Nevertheless, increased incomes for individuals and enterprises in developed countries due to reductions in arms-spending would benefit developing countries by increasing their export earnings.

34. Resources released by disarmament should not be seen merely in terms of enhanced prospects for financial transfers to developing countries. The
disarmament dividend comes in a variety of other equally, if not more, important forms. These include trade expansion, technological transfers, more efficient utilization of global resources, more effective and dynamic international division of labour, reduction of public debt and budgetary deficits, and increased flow of resources through commercial and other private sources. However, the importance of an increase in the magnitude and predictability of the flows of resources to developing countries cannot be underestimated.

35. Past experience has shown that adjustment problems arising in the process of conversion from military to civilian production are generally not long lasting. Conversion of the modern technology-intensive military industry may present some problems and involve initial expenditures. However, these problems should not prove insurmountable if conversion is well planned.

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36. The Governments participating in this Conference reaffirm their commitments in the fields of disarmament and development and reiterate their determination to adopt, both individually and collectively, appropriate measures to implement these commitments. These will include bilateral and regional initiatives for resolving conflicts and conflict situations.

37. They recognize the need to ensure an effective and mutually reinforcing relationship between disarmament and development and to give practical expression to it through specific measures at the national, regional and global levels, in these and related fields, with a view to strengthening international peace and security.

38. They also reaffirm their commitment, in principle, to allocate for purposes of socio-economic development, particularly of the developing countries, a portion of resources released through measures of arms limitation and disarmament.

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

   (a) The adoption of measures to reduce the level and magnitude of military expenditures as an approach to disarmament and as a means of releasing additional resources for social and economic development, particularly of the developing countries;

   (b) The establishment of international financial mechanism to facilitate the transfer of resources released through disarmament-related measures, for socio-economic development, specially of the developing countries, taking due account of the existing capabilities of the United Nations agencies and institutions currently engaged in the international transfer of resources;

   (c) The possibility of using the human and technical resources and the expertise of the armed forces of individual countries, in emergency humanitarian relief operations.

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40. They will consider:

(a) Making advance preparations for conversion and undertaking studies and planning for this purpose;

(b) Undertaking studies to identify and publicize the benefits that could be derived from the re-allocation of military resources;

(c) Making the results of experience in, and preparations for, solving the problems of conversion in their respective countries available to other countries.

41. They agreed to:

(a) Make assessments of the political and security requirements and of the level of their military spending so as to keep the public informed on the subject and on the problem of reducing these expenditures;

(b) Assess the nature and volume of resources which may be released through arms limitation and disarmament measures;

(c) Carry out analyses of the economic and social consequences of their military spending and to inform their public opinion about them.

42. They recognized that informed public opinion has an invaluable role to play in helping to promote the objectives of disarmament and development and creating an awareness of the relationship between disarmament, development and security. They, therefore, agreed to take appropriate measures to keep the public informed in this regard.

43. They emphasized the need to strengthen the central role of the United Nations in disarmament and development and in promoting an interrelated perspective of these issues within the overall objective of promoting international peace and security.

44. They requested the Secretary-General of the United Nations to intensify his efforts to foster and co-ordinate the incorporation of disarmament-development perspective in the activities of the United Nations system.

45. The United Nations should undertake, on a regular basis, global analysis of the impact of military expenditure on the world economy and the international economic system.

46. The United Nations should make greater efforts to promote collective knowledge of the non-military threats to international security.

47. Improved data base is necessary for facilitating such studies and analysis by the United Nations, as well as at the national level. To this end, all Member States should provide full and objective information on their military budgets to the United Nations according to agreed and comparable definitions of the specific components of these budgets. In this connection, the work under way in the United
Nations for a systematic examination of various problems of defining, reporting, comparing and verifying military budget data should be intensified.

48. Consideration should be given to the idea of creating an "observatory" to follow the growth of military budgets.

49. The United Nations should facilitate an international exchange of views and experience in the field of conversion. The organizations within the United Nations system should prepare studies on how they can support conversion activities in their respective fields.

50. The United Nations and the specialized agencies should give increased emphasis, in their disarmament-related public information and education activities, to the disarmament-development perspective, and in particular to the implications of the global military expenditure for national economies, for the world economy and international economic relations.

51. The General Assembly of the United Nations is requested to make arrangements for undertaking a periodic review of the implementation of this Action Programme.

Notes

a/ General Assembly resolution S-10/2, para. 1.

b/ General Assembly resolution 35/56, para. 7.

c/ Ibid., para. 1.

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