Thirty-eighth session
Agenda items 12, 56, 58, 62 and 78

REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

RELATIONSHIP BETWEEN DISARMAMENT AND DEVELOPMENT

REDUCTION OF MILITARY BUDGETS

GENERAL AND COMPLETE DISARMAMENT

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION

Letter dated 27 October 1983 from the Permanent Representative of the German Democratic Republic to the United Nations addressed to the Secretary-General

I have the honour to transmit to you the communiqué of the thirty-seventh session of the Council for Mutual Economic Assistance (annex I) and the statement by the Prime Ministers of the member countries of the Council for Mutual Economic Assistance (annex II).

I should be grateful if you would circulate the text of the communiqué and the statement as an official document of the General Assembly under agenda items 12, 56, 58, 62 and 78.

(Signed) Harry Ott
Deputy Minister for Foreign Affairs
Ambassador Extraordinary and Plenipotentiary
ANNEX I

COMMUNIQUE

ISSUED BY THE 37TH SESSION
OF THE COUNCIL FOR MUTUAL
ECONOMIC ASSISTANCE

The 37th session of the CMEA was held in Berlin, capital of the German Democratic Republic, from 18 to 20 October 1983.

The session dealt with the Executive Committee's Annual Report on the Activities of the CMEA.

The Report stresses that since the 36th Council session the member countries have worked strenuously to fulfil the tasks of the current five-year plan and to resolve the problems arising and that they have taken a new step in their socio-economic development. National income increased despite the deterioration of external conditions and the higher costs of extracting raw materials and generating power. Industrial output, especially in the sectors determining the acceleration of scientific and technological progress, and agricultural output have risen. The level of prosperity of the working people has been raised further.

Cooperation among the CMEA countries has been focussed to an increased extent on the solution of the decisive problems that are of overriding importance for developing the national economy and supplying it with material resources. Mutual trade has grown faster than the overall trade of the CMEA countries.

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Virtually all the agreements provided for in the long-term programmes of cooperation have been signed. Far-reaching agreements designed to speed up scientific and technological progress have been implemented. This applies particularly to such areas as resource-saving technologies, electronic goods, industrial robots and chemical products.

At the same time, there are significant reserves for further intensifying economic, scientific and technological cooperation among the CMEA countries.

The Council session endorsed the activities of the Executive Committee and the other CMEA bodies. Measures have been initiated with a view to concentrating the efforts of the countries concerned still more on the fulfilment of scientific and technological tasks of the highest priority. The measures introduced in member countries to conserve materials and to promote cooperation in this area were singled out as being of special importance.

Joint work has been accomplished in the recent period to develop a number of effective machines and types of equipment as well as advanced technological processes and to open up non-traditional sources of energy. In order to make better use of the reserves existing in this area, the Council session endorsed the main avenues for the expansion of cooperation between the CMEA countries in the economical and rational use of fuels, energy and raw materials, including recycled materials.
It is intended to develop cooperation in the manufacture of energy-saving and resource-saving equipment, to raise the output of semiconductor technology and of devices and apparatus for the monitoring and automatic control of energy consumption, to reduce non-productive waste and to step up the exchange of information on the best practices with a view to using them throughout the economy as early as possible.

It was deemed necessary for the CMEA bodies, concurrently with the measures envisaged for the coming years and the next five-year plan period, to work out a programme for cooperation in this area covering the period up to the year 2000.

Given the great importance which the development of the sectors of the Agro-industrial complex has for improving food supplies to the population in the CMEA countries, the Council session endorsed comprehensive measures for cooperation in this area. They form a complement to the Long-Term Programme for Cooperation in Agriculture and Food Processing adopted earlier.

It is intended to intensify cooperation in increasing the output and mutual supplies of fruit and vegetables, the development of industrial-type fishing and the use of gene pools. Measures were laid down to ensure cooperation in equipping the agricultural and food processing sector with advanced technology, making better and more rational use of agricultural raw materials and developing and introducing new technologies in this sector. It was considered necessary to coordinate measures among the interested CMEA countries that are designed to provide economic incentives for agricultural
production in the interests of raising mutual supplies of foodstuffs.
The Council session charged the CMEA bodies with ensuring the implementation of the measures aimed at saving resources and ensuring better food supplies for the consumer during the coordination of the 1986-90 Plan.
Tribute was paid to the successful development of cooperation between the CMEA countries and Yugoslavia and to the stability of its economic relations with Finland.

It stressed the resolve of the CMEA countries not to slacken in their efforts to bring about a normalization of international political and economic relations.
The results of the Madrid Meeting were assessed favourably. It provides new opportunities for the development of mutually advantageous cooperation among States, including economic cooperation, in the interests of strengthening peace in the world and on the European continent.

The delegation leaders of the CMEA countries resolutely opposed the imperialist circles' pursuit of further exacerbating international tensions and undermining normal international political and economic relations.

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The delegation leaders of the CMEA countries reaffirmed that the CMEA countries would continue to adhere to their policy of developing trading relations with all countries prepared to cooperate with them on the basis of equality and mutual advantage irrespective of their state of economic development and social system. At the same time, they stressed the importance of intensifying mutually beneficial economic cooperation to develop at an accelerated pace the manufacture and mutual supply of products whose imports is hampered by the policy of discriminating against the CMEA countries in their trading and economic relations pursued by a number of capitalist countries.

It was noted that cooperation with the developing countries on the basis of equality and mutual advantage had been expanded and intensified. The CMEA countries underlined the great importance of the interrelationship between disarmament and development and noted with satisfaction that their position on this issue is in agreement with that adopted by the non-aligned movement. They expressed their resolve to work in concert with them for an end to the arms race and the transition to disarmament so that the resources thus released can be used for the solution of many economic problems facing the countries of the world, including the developing countries. Together with the non-aligned countries they vigorously condemn all forms of economic aggression and attempts to use economic relations as a means of exerting political pressure and interfering in the internal affairs of States. They support the progressive /...
demands of the developing countries regarding the reshaping of international economic relations on an equal and democratic footing and the implementation of a just world economic order, including the earliest possible commencement of global negotiations at the United Nations on the most pressing world economic problems in accordance with the resolutions of the UN General Assembly.

The CMEA countries are prepared to work for the attainment of these goals together with the developing and non-aligned countries, with all States.

The Council session appointed V.V. Sychow Secretary of the Council for Mutual Economic Assistance. It relieved N.V. Faddeyev of his duties as Secretary of the Council as he had requested in connection with his retirement. The Council session thanked him for his long years of productive work in the Council for Mutual Economic Assistance.

At the 37th Council session, a multilateral agreement was signed on organizing cooperation in building the mining and processing complex at Krivoi Rog in the USSR.

The Council session took place in an atmosphere of unanimity, brotherly friendship and full mutual agreement.

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ANNEX II

STATEMENT
BY THE PRIME MINISTERS OF THE MEMBER COUNTRIES OF THE COUNCIL FOR MUTUAL ECONOMIC ASSISTANCE

The Prime Ministers of the People's Republic of Bulgaria, the Hungarian People's Republic, the Socialist Republic of Vietnam, the German Democratic Republic, the Republic of Cuba, the Mongolian People's Republic, the Polish People's Republic, the Socialist Republic of Romania, the Union of Soviet Socialist Republics and the Czechoslovak Socialist Republic, who have assembled for a regular meeting of the Council for Mutual Economic Assistance in order to discuss the current tasks involved in mutual economic cooperation, deem it necessary in the light of the tense international situation to express their countries' concern over the further drastic intensification of the arms race, especially in the nuclear sphere.
The arms race has already attained unprecedented proportions. The USA and some of its allies make no secret of the fact that they are seeking military superiority. Steps are being taken in an attempt to aggravate the political confrontation even further. The positions of the military-industrial complex, of the most reactionary militarist forces are growing stronger. A war psychosis is being whipped up.
Particularly dangerous is the intention to go ahead shortly with the actual deployment of new American medium-range
missiles if a number of West European countries. For this reason the Prime Ministers turn to the Governments of all States in Europe and in the world at large to draw their attention to the disastrous consequences which the continuation of this course would entail. It would undermine European and world peace, increase the threat of a nuclear inferno and seriously impair the economic and social situation of all mankind. International economic relations would come under severe strain. The reasons are as follows.

First, the renewed escalation of the arms race would lead to another substantial increase in national arms spending and tie up even more material and intellectual resources for non-productive purposes to the detriment of the living standards of the people. The economic problems facing many countries in the world would become even grater, and new obstacles would be put in the way of their resolution.

Second, inflation and unemployment would mount in many countries. This would have negative effects on the situation of the mass of the working people.

Third, the accelerated pace of the arms race would reduce the potential for giving effective aid to the developing countries in which three quarters of mankind live. They would encounter far grater obstacles in their socioeconomic development than those they have to contend with even now. These are the grim realities.

Fourth, prospects for a New International Economic Order would greatly deteriorate if international tensions were to rise further and the danger of nuclear war was to increase. The distortion and instability of international economic relations would be aggravated to the detriment of all nations.

The Prime Ministers express the readiness of their respective countries to cooperate with all States in Europe and the world at large, with all peace-loving forces to prevent a further escalation of the arms race.
This is the paramount task of our day. Therefore, broadly based mass movements are making a courageous and determined effort to remove the danger of nuclear war and to bring about disarmament. All endeavours must be geared to these aims. This is the only way to truly beneficial development for all nations and for the whole human race.

The Prime Ministers underline the relevance of the wideranging initiatives contained in the political declaration issued by the Warsaw Treaty States in Prague on 5 January 1983 and the Joint Statement made by the Leaders of the Parties and States of seven Socialist Countries in Moscow on 28 June 1983. These proposals are designed to eliminate the danger of nuclear war, to end the arms race, especially in the nuclear field, and to achieve disarmament and detente. They declare that the policies of the socialist countries are geared to this end and that this will remain so. At the same time, they are prepared to examine other countries' proposals which reflect the interests of peace and international security.

The Prime Ministers urgently appeal to the USA and the other NATO States to seriously weigh up the dangerous consequences which the deployment of new nuclear medium-range missiles in Europe would entail and to work towards an agreement meeting the interests of peace in Europe and in the world at large. Such an agreement must provide for the renunciation of the deployment of new nuclear medium-range missiles in Europe and a corresponding reduction of existing medium-range nuclear weapons, with the missiles covered by the reduction being destroyed, as proposed by the Soviet Union. This agreement must be based on the principle of equality and equal security, promote the stability of the military-strategic situation and preserve the balance of forces.

The Prime Ministers express their hope that the other European States will also contribute to the success of the Geneva Talks...
on the Limitation of Nuclear Arms in Europe. They are convinced that the chance of coming to an agreement at the Geneva Talks still exists. However, if no accord has been reached by the end of the year, the talks must be continued in the interests of securing an agreement. This, however, presupposes that the USA and its NATO allies dispense with the deadlines they have set for the development of new nuclear medium-range missiles. Under these conditions the Soviet Union is prepared to continue to abide by its unilateral moratorium on the medium-range missiles deployed in the European part of its territory and to continue the unilateral reduction of these weapons begun in that way. The Prime Ministers emphasize that the Soviet Union is thereby making an important contribution to paving the way for a successful conclusion of the talks. Common sense must prevail. The decision must fall in favour of world peace, security and international cooperation.