Seventeenth session
SECOND COMMITTEE
Agenda items 33 and 94

ECONOMIC AND SOCIAL CONSEQUENCES OF DISARMAMENT
ECONOMIC PROGRAMME FOR DISARMAMENT

Letter dated 24 November from the Permanent Mission of
the Polish People's Republic to the President of the
General Assembly

I have the honour to enclose herewith a statement of the Government of the
German Democratic Republic concerning the economic and social consequences of
disarmament.

I would appreciate, Excellency, if you could make all necessary arrangements
for this statement to be circulated as a document of the United Nations, in
connexion with items 33 and 94 of the agenda of the present session of the
General Assembly.

Please accept, etc.

(Signed) Józef WINIEWICZ
Deputy Foreign Minister
Chairman of the Polish Delegation
to the XVII Session of the General
Assembly
Statement by the Government of the German Democratic Republic on Problems Connected with the Economic and Social Consequences of Disarmament (Points 33 and 94 on the Agenda of the Seventeenth Session of the United Nations General Assembly)

The German Democratic Republic pays constant, close attention to all aspects of the disarmament problem. That is why it has welcomed the resolution of the fifteenth session of the General Assembly on the Study of the Economic and Social Consequences of Disarmament (1516 (XV), dated 15 December 1960).

It fully agrees with the report of the group of scientific experts (E/3593/Rev.1) appointed in pursuance of that resolution, and endorses especially the conclusions arrived at in the report: that the present level of armament expenditure implies not only a serious political danger but places a heavy economic and social burden on many countries; that all problems and transitional difficulties connected with disarmament could be met by appropriate national and international measures; and that the diversion to peaceful purposes of the resources now in military use could be accomplished to the benefit of all countries and lead to an improvement in economic and social conditions throughout the world.

The Government of the German Democratic Republic particularly underlines the statement in the experts' report that general and complete disarmament would be an unmixed blessing for all humanity. Its policy has always been governed by this fact.

With regard to discussion of the points on the agenda: "Economic and Social Consequences of Disarmament" and "The Economic Programme of Disarmament" at the present session of the General Assembly, the Government of the German Democratic Republic,

basing itself on resolution 891 (XXXIV) of the Economic and Social Council, which calls on all countries to take into consideration in their policy the findings contained in the experts' report, begs to present its point of view on this important problem to the seventeenth session of the United Nations General Assembly.
Mindful of the bitter experience of two world wars launched by German imperialism and of the increasing danger — as a result of nuclear armament in the Federal Republic and the overtly announced revanchist claims of its Government — of a third, much more devastating war starting from German soil within one generation, the German Democratic Republic desires that the two German States disarm and become militarily neutral. This would benefit not only the German people but also the peoples of Europe and the whole world. Peace would then be secured in Europe; in addition to the substantial resources which would be released for peaceful purposes in the two German States, the relaxation of tension following disarmament in Germany would pave the way for relieving all European peoples from the burden of armaments.

In suggesting that the two German States should start disarmament, the German Democratic Republic complying with the principles of the Potsdam Agreement drawn up by the major Powers of the Anti-Hitler Coalition with respect to the post-war development of Germany. The Potsdam Agreement foresaw the complete disarmament and demilitarization of Germany and the extirpation of German militarism to ensure "that Germany never again will threaten her neighbours or the peace of the world". If the terms of the Potsdam Agreement had not been broken in the western part of Germany, the German nation would already have made its contribution to world-wide disarmament and there would be no disarmament problem in the heart of Europe.

Non-compliance with the principles of the Potsdam Agreement has made possible large-scale remilitarization and rearmament in the Federal Republic which has now entered the stage of rushed armament of the Bundeswehr. The purpose of atomic armament in the Federal Republic is made clear by the officially announced refusal of its Government to recognize the borders of the German Democratic Republic and other European countries. That is why removal of the vestiges of the Second World War, conclusion of a German peace treaty and solution of the West Berlin question on this basis have become urgently necessary if peace is to be maintained. It is imperative that the NATO outpost in West Berlin, a hotbed of provocations which endangers peace, be abolished and that West Berlin be transformed into a Free City without an occupation régime. Only by removing the
main focuses of danger - the existing vestiges of the Second World War and the
revanchism of the West German Government - can real headway be made on the road
to disarmament.

In face of the threats against it, the German Democratic Republic was
compelled to take appropriate military measures to safeguard the peaceful lives
of its citizens. The Government of the German Democratic Republic emphasizes
that its military expenditure is conditioned solely by outer circumstances,
viz. armament of the Federal Republic and the consequent growing danger of war in
Europe. In the German Democratic Republic there is neither a private nor public
economic interest in allocating budget funds to military purposes. The economy
of the German Democratic Republic is solely concerned with raising the living
standard of the people and for steadily improving the provision for their needs.
It does not need arms orders as a stimulant. Long before the German Democratic
Republic felt it necessary to spend any considerable amount of funds for defence
purposes, economic growth and full employment had been secured.

Although the German Democratic Republic, unlike the Federal Republic,
allocated large sums to cover reparation obligations imposed on the German people
as a result of the Second World War, and although the consequences of that war and
of Germany's division affected the German Democratic Republic much more than the
Federal Republic, it succeeded in achieving a national income incomparably above
the pre-war level and a considerable rise in the standard of living of its people.
However, not all consequences of the war have yet been overcome in the German
Democratic Republic. To overcome these and to carry out the far-reaching
programmes for developing industry and agriculture, large resources are required.

Although the annual military expenditure of the German Democratic Republic is
low compared with that of other countries, and at 2,700 million marks constitutes
as little as 0.3 per cent of world armament expenditure, and although the armed
forces of the German Democratic Republic, numbering 90,000, are just 0.5 per cent
of all armed forces in the world, the release of resources and manpower which
would result from disarmament would be useful to the German Democratic Republic
in its economic construction.

The conversion to other purposes of funds now spent on defence would
facilitate speedy growth of the German Democratic Republic's foreign trade and,
as a consequence of a quicker rise in the standard of living, would result in
steeply increasing imports of tropical products. That would be particularly important for the development of the German Democratic Republic's trade relations with the countries of Asia, Africa and Latin America.

The Government of the German Democratic Republic draws the attention of the Member States of the United Nations in particular to the importance of general and complete disarmament in the two German States in regard to maintaining peace, international détente, prosperity for the German people and assistance for the economically less developed countries.

The Scientific Experts' Report rightly points out that the major factor for a rapid increase in the rate of economic growth in these countries would be general and complete disarmament, which would release the huge resources needed if the economically less developed countries are to throw off more quickly the chains of backwardness, hunger and misery.

The extent of the contribution which could be made by the two German States if they disarmed can be seen from the Federal Republic's military expenditure alone.

By the end of 1961 the Federal Republic's total direct and indirect military expenditure was over 120,000 million marks, the purely military expenditure being over 90,000 million marks. That is more than Nazi Germany spent on preparing for the Second World War. The Federal Republic's budget in 1962 allocates 15,000 million marks to direct armament. Compared with 1961, this is an increase by one-third. For 1963 another rise up to 18,000 million marks is envisaged. If indirect military expenditure, on construction of strategic tank storage, "psychological warfare" etc. is included, military expenditure under the 1962 Federal budget will be 25,000 million marks, i.e., more than half the budget.

The possibilities opened up by disarmament and détente in Germany for assisting industrial construction in the newly established countries in Asia, Africa and Latin America are evident from the fact that, according to official statistics, the funds granted by the Federal Republic as "development aid" to economically less developed countries, are even less than what the Federal Republic has spent on maintaining the NATO base West Berlin. Between 1951 and 1962 about 20,000 million marks were spent for this purpose, that is, over 9,000 marks per head of the West Berlin population.
Firmly convinced that complete disarmament in the two German States is feasible pending general and complete disarmament on a world-wide scale, and considering that it has become a pressing task in the face of the tense situation in Germany, the Government of the German Democratic Republic has, in the interest of peace, repeatedly made detailed and precise proposals to pave the way for détente and disarmament in Germany. For example, it proposed in a memorandum to the fifteenth session of the United Nations General Assembly (A/4504, dated 23 September 1960) that general and complete disarmament in the two German States be accomplished in three phases within three to four years' time. What economic consequences does this proposal entail? Considering the level of armament as it was at that time in the Federal Republic alone, 5-6,000 million marks in the first phase, 10-12,000 million marks in the second and about 40,000 million marks in the third phase would have been set free, making a total of 55-58,000 million marks within three or four years' time. In addition approximately another 10,000 million marks would have been set free from military use in the German Democratic Republic. This highlights the great importance of general and complete disarmament in the two German States both for a further rise in their standard of living and for considerably increasing aid to the economically less developed countries in their economic construction, especially since the two German States are highly industrialized and make precisely those products which are badly needed in industrialization schemes. In the above-mentioned memorandum the Government of the German Democratic Republic therefore expressly proposed that the two German States should also employ the resources released through disarmament "for aid to economically less developed countries".

The German Democratic Republic has not confined itself to suggesting general and complete disarmament for the two German States, but also proposed immediate steps towards détente and disarmament in Germany as a whole, such as renunciation by the two German States of the use of force against one another and against third countries, agreement on an arms stop, renunciation of nuclear armament, and entry into a nuclear-free zone in Central Europe. It is clear that these measures alone would reduce tension, pave the way for more far-reaching disarmament measures and have a favourable economic effect. The Federal Republic's expenditure on nuclear weapons for its armed forces rose by about 5,000 million marks alone through the
purchase of US-made Pershing missiles in June 1962. The funds so absorbed could be used for sensible imports if nuclear weapons were renounced. Instead of doing this, the Government of the Federal Republic is speeding up armaments. To get the resources necessary for it, it propagates a policy of "keeping within bounds", as a consequence of which a tendency to restrict imports, especially of goods from tropical countries, becomes ever more apparent.

Even though the Government of the Federal Republic could not but admit in its comment on resolution 1516 (XV) that disarmament does bring economic and social benefits, it has in fact done nothing to facilitate it. It has so far ignored or rejected all proposals by the German Democratic Republic for disarmament in the two German States. Nor is it prepared to join a nuclear-free zone in Central Europe.

The Government of the German Democratic Republic considers general and complete disarmament to be the most pressing task for all nations and Governments. It will therefore leave no stone unturned to bring about disarmament in the two German States with a view to consolidating peace in the heart of Europe and giving an example of the possibility and benefits of the conversion of all military resources to peaceful uses. Removal of the vestiges of the Second World War, conclusion of a German peace treaty and conversion of West Berlin into a neutral Free City will be an important contribution to solving the great task of checking aggressive German militarism, relaxing international tension and thus creating more favourable conditions for general and complete disarmament.