Thirty-sixth session
Agenda item 7

ECONOMIC AND SOCIAL CONSEQUENCES OF DISARMAMENT

(Reply of the Government of the Socialist Federal Republic of Yugoslavia)

The Government of the Socialist Federal Republic of Yugoslavia welcomes the initiative taken by the United Nations Secretariat pursuant to the General Assembly resolution 1837/XVII/, which invites the Governments of developing countries to intensify their efforts to establish and implement soundly conceived projects and well integrated development plans of a national and regional character, the implementation of which may be accelerated as part of an economic programme for disarmament.

The conversion to peaceful uses of the resources released by disarmament would not only promote the strengthening of peace in the world but would also render possible an essential acceleration of economic and social development in the world, removing thereby the huge disproportions existing between the developed and underdeveloped countries. This would open up opportunities for a speedier, more even and more stable development of the world economy as a whole.

For this reason the Government of the SFR of Yugoslavia lends its support to the endeavours to have the question of a successful use of resources released by disarmament examined within the framework of the United Nations and, with this in mind, states the following:

The Yugoslav economy is a planned economy in which the economic development is directed through medium-term and annual plans. The plans are of a complex nature and are concerned, in global proportions, with the entire economic development as well as with the creation, distribution and expenditure of the national income. In the case of important branches of the economy, there exist specific development programmes embodying determined
important projects. In addition to medium-term plans, partial long-term programmes are drawn up for certain branches, as the specific nature of the development of these branches requires long-term projections (for example, electric power industry, iron and steel industry, network of communications, large land reclamation projects, etc.). Consequently, the Yugoslav economy disposes, at a given moment, with medium-term programmes and, for some branches, also with long-term programmes, the realisation of which is carried out through annual plans, depending on available terms and funds. It must be mentioned that the implementation of these development programmes absorbs a considerable portion of national resources and income, while additional international funds are also used to a certain extent.

In accordance with the decision of the Federal People's Assembly, the Seven-Year Economic Development Plan of Yugoslavia is being prepared for the period 1964-1970. The Plan will be completed at the beginning of 1964. In the course of the preparation of the Plan, use is being made, with regard to the development of certain important branches of the economy, of existing long-term and medium-term partial projections which are the object of continuous studies.

The development programme the implementation of which is in course, as well as the basic outlines and conceptions of the Seven-Year Plan which is being prepared, include, among other things, the following important programmes and projects:

- development of the energy supply for the economy (hydro- and thermo-electric power, development of large coal mines as well as production and processing of crude oil);
- development of production of basic metals (steel, copper, aluminium, lead);
- development of the chemical industry (especially of fertilisers, plastic masses and artificial fibres);
- development of the timber industry and the cellulose and paper industry;
- development of the food, textile and footwear and other consumer goods industries.

- An important part of the development plan is concerned with the programme of development and modernisation of agriculture in this connection the execution of several large land reclamation projects is under way;
- in the field of communications, the execution of a programme of construction of highways connecting, through Yugoslavia, communications between Austria, Italy, Greece and Bulgaria, is now in course; a programme for the modernisation of the
railway network as well as a programme for the expansion of the capacities of sea and river ports and of the river fleet are being elaborated and, partly, carried out.

A programme for the development of tourist facilities is also being implemented, especially on the Adriatic Coast,

- programmes for the construction of dwellings, schools and health institutions as well as for the development of scientific research and university centres also constitute an important part of the Plan.

In the entire distribution of the available national income, a portion is set aside for military expenditure. In harmony with the peace-loving international policy of Yugoslavia, the relative share of these resources has been continuously diminished in the course of the last ten years. In the drawing up of programmes of future development, the possibilities of a further reduction of these resources and their alternative use for promoting more effective and rapid economic development and the raising of the standard of living of the population are examined. These studies relate also to the possibility of converting certain industrial capacities to peaceful uses as well as to alternative possibilities regarding the employment of the labour force. The possible effects of an improvement of the international situation and a reduction of expenditures on armaments in the world on the creation of favourable conditions for the development of the national economy and of the world economy as a whole are also being studied.