

Fifth Lalith Athulathmudali Memorial Oration

Sustainable Disarmament for Sustainable Development

By

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I have arrived here in Colombo directly after declaring open a conference in Nagasaki on the theme "Towards a Nuclear Weapon-free World". There once again I met the Hibakusha -- survivors of the 1945 Atomic bomb attack on that Japanese city. How can we rest assured that this will not be our fate or the fate of our children and grandchildren ? Disarmament is also about human development and the quality of our lives -- a theme I wish to emphasize in my remarks today as we weigh the opportunity costs of arms expenditure. In the United Nations I am privileged to work for a Secretary-General whose idealism, integrity and independence has been deeply inspiring. Eighty per cent of the work of the UN system which he leads is devoted to helping developing countries build up the capacity to help themselves. Not long ago on the occasion of the 50th anniversary of UN peacekeeping Kofi Annan said of that unique UN endeavour *"It was an attempt to confront and defeat the worst in man with the best in man; to counter violence with tolerance, might with moderation and war with peace"*. That description is as valid for UN peacekeeping as it is for our collective task in disarmament.

It is a task as important in the developing South as in the developed North. Let me quote the late Mahbub ul Haq who, in 1995, asked:

"Isn't it time to ask the leaders of the Third World these questions:

- *Why do they insist on spending two or three times as much on arms as on the education and health of*

their people?

- *Why do they have 20 times more soldiers than doctors ?*
- *How can they find the resources for air-conditioned jeeps for their military generals when they lack even windowless schoolrooms for their children?*

And isn't it time to ask the leaders of the rich nations to stop the continuing arithmetic of death and destruction in the Third World -- where 22 million have died in more than 120 conflicts during the 'peaceful transition' since the Second World War? Should they not fix a concrete timetable -- say, the next three years -- to:

- *Close all foreign military bases in developing countries ?*
- *Convert all existing military aid into economic aid ?*
- *Stop the arms shipments of more than \$ 35 billion a year that make huge profits from poor nations that cannot even feed their people?*
- *Eliminate subsidies to arms exporters and retain their workers for jobs in civilian industries ?*

Poverty, Insecurity, and Peaceful Change

Though Mahbub is no longer with us, he continues to inspire new paths to development and international peace and security. In August 1998, Secretary-General Kofi Annan in his report on the causes of conflict in Africa, succinctly stated that "*Ensuring human security is, in the broadest sense, the cardinal mission of the United Nations.*" This theme of human security has also figured prominently in the work of the UN Development Programme, the World Bank, and in statements by Nobel Peace Prize Laureate Oscar Arias.

In this spirit, I propose to address the contribution that disarmament can make in alleviating what World Bank President James Wolfensohn has termed the "human pain of poverty." I will argue that while disarmament alone offers no panacea for all the challenges of economic development, it has played and will continue to play a major role in promoting development and the prosperity of all. Because of this important role, it is all the more important for disarmament efforts to persist over time in the pursuit of the UN Charter's goals relating both to international peace and security and to economic and social development. It is this concept of "sustainable disarmament," therefore, that will be the major focus of my remarks today.

The Charter is very sensitive to the right of each country to defend itself -- Article 51 even terms this an "inherent right" of individual or collective self-defence. This right, of course, must be interpreted within the context of the rest of the Charter and other existing international obligations. Article 26 of the Charter, for example, states that a key goal of the UN is to promote international peace and "*with the least diversion for armaments of the world's human and economic resources.*" And whether it is in the pursuit of the goals of world peace or development, the UN shall be -- in the words of Article 1 -- "*a centre for harmonizing the*

actions of nations in the attainment of these common ends." This role is extremely important in ensuring that development and disarmament remain fully complementary and mutually-reinforcing goals throughout the world community.

And there could scarcely be a more important, yet more challenging, task than the harmonizing of such complex goals, a task which leaders have recognized for many years. In 1978, the UN General Assembly held its first Special Session on Disarmament (SSOD-I) and included in its final Declaration the following finding: *"In a world of finite resources there is a close relationship between expenditure on armaments and economic and social development ... [arms expenditure] 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."*

In 1987, the General Assembly convened an *"International Conference on the Relationship Between Disarmament and Development"* that was attended by 150 countries. The conference's Final Document -- which was adopted by consensus -- found that *"The world can either continue to pursue the arms race with characteristic vigour or move consciously and with deliberate speed towards a more stable and balanced social and economic development within a more sustainable international economic and political order; it cannot do both."*

Both the UN and its sister financial institutions, the World Bank and the International Monetary Fund, have been returning to these themes year after year. In a recent fact sheet on "Military Spending," the World Bank expressed its concern *"that in a number of developing countries, military expenditure exceeds spending for certain key aspects of development and this can frustrate the country's development objectives ... In some countries, spending on military accounts for 10 percent of GDP, while that for the social sectors is less than 5 percent."*

And in March 1997, another Bank report -- provocatively entitled "What Happened to the Peace Dividend?" -- estimated that "as much as \$720 billion" in funds were theoretically made available in the decade of 1985-95 due to defense cutbacks. The Bank found, however, that by and large these funds were used for purposes of deficit reduction and lower taxes rather than to address specific social and economic development goals.

The UN Development Programme's Human Development Report for 1994 gave even a higher estimate. The report found that *"During 1987-94, the industrial nations appear to have cumulatively saved some \$810 billion, and the developing nations \$125 billion, producing a sizable peace dividend of \$935 billion. But it is difficult to track where these funds went."* Let me repeat this figure: \$935 billion. By comparison, that represents over 60 times the Gross Domestic Product of Sri Lanka in 1997. Basic common sense suggests that both rich and poor country alike could benefit from these enormous potential savings.

In this light, it should surprise no one that the General Assembly's annual resolutions addressing the issue of the "relationship between disarmament and development" have repeatedly emphasized the need to ensure that part of the savings from disarmament will be devoted to development purposes, a step that would surely serve the interests of world peace.

If one were to search for the right prescriptions for peaceful change, there would scarcely be a better place

to look than the UN Charter. Yet the Charter-based concept of "peaceful settlement of disputes" -- with its emphasis on political solutions crafted through negotiations and involving constructive compromise -- is increasingly being challenged by a dangerous new syndrome of militarily-imposed arbitrary solutions, mounting civilian casualties, and new risks of conflicts escalating to the use of weapons of mass destruction, both between and even within countries. Indeed, intra-state conflicts are the dominant feature today.

This problem is particularly severe in Africa. In his recent report on the causes of conflict in that region, the Secretary-General noted how the people of Africa have been failed by their leaders, the international community, and even the UN itself -- *"We have failed them," he said, "by not adequately addressing the causes of conflict; by not doing enough to ensure peace; and by our repeated inability to create the conditions for sustainable development."*

In an analysis published in 1992 by the UN Institute for Disarmament Research, the Indian economist, Amit Bhaduri found that while increased armament expenditure may aim at enhancing military security, it may also stimulate conflicts and lower a country's economic performance. Thus in some respects military and economic security may be inversely related. According to Bhaduri, the historian Paul Kennedy, and others, the way out of this paradox must be to enhance military security through higher economic security.

While the UN has deliberated for many years about the closely interdependent relationship between disarmament, security, and development, we are only just beginning to see the emergence of a new global consensus about the nature of this relationship. Countries both rich and poor should rightfully recognize disarmament as not simply a noble moral principle, but as a process that serves concrete material interests as well. In short, disarmament pays. As the Secretary-General recently emphasized in his report last August on the Work of the Organization, *"Human security and equitable and sustainable development turn out to be two sides of the same coin."*

The Concept and Implementation of Sustainable Disarmament

A "sustainable disarmament" concept has therefore become the urgent need of our time. In a sentence, it is a dynamic process -- sustained by deliberate action on the part of leaders throughout the world community -- to address the needs of development through the reduction and elimination of arms. It is an evolving security concept for the 21st Century -- when elaborated and forged into a global consensus, it will offer a prescription for peaceful change in an increasingly violent and over-armed world.

But defining a concept is one thing, explaining the practical realities of how it will be implemented is quite another. Both the recent literature on international security studies and the general practice of nation states and international organizations all help us to develop this concept. Based on this experience, it is possible to outline several important considerations or variables which will in large measure determine whether disarmament is sustainable or a will-o'-the-wisp.

1. "Good Governance"

Though the notion of "good governance" can no doubt be traced back to ancient times in the early

political theory of all countries – East and West – we are only recently starting to see international organizations, particularly international lending organizations, give expression to this term as a fundamental criteria for economic development.

IMF Managing Director Michel Camdessus, has made it clear that excessive expenditure on arms is inconsistent with this concept. He stated last January, for example, that the IMF was trying -- in his words -- *"to improve the quality of government expenditure by reducing outlays for unproductive purposes, such as costly military buildups and large projects that benefit influential groups while stroking the egos of the high and mighty."* These outlays could then be directed at meeting development needs.

A key to the success of sustainable development is thus to be found in sustainable disarmament. Sustainable disarmament can persist as a security concept if it becomes institutionalized, at both the national and international levels -- its success will require sustained efforts that only organizations can orchestrate. Sustainable disarmament cannot implement itself -- it requires an infrastructure. Sustainable disarmament is therefore a logical objective of good governance.

Even the economic health of nuclear-weapon states depend upon these basic principles of good governance, especially the issues of transparency and democratic accountability. Without using this specific term, Steve Schwartz, the author of *Atomic Audit*, a massive study published by the Brookings Institution on the total cost of the US nuclear weapons program, has stated that *"We cannot rectify our mistakes or build on our achievements if such a crucial part of our nuclear history remains incomplete ... Neither can we hope to prevent other countries from acquiring nuclear weapons if we do not fully comprehend the forces that have driven our own program and affect it still."*

2. National Action

Everybody understands that the most fundamental decisions on issues of war and peace, as well on economic development questions, are still made by nation states, even in this increasingly interdependent world and this so-called age of globalization. Sustainable disarmament must, therefore, appeal to the ideals and self interests of a diverse spectrum of groups in society, especially key "opinion-leading" groups in government, industry, academia, the public interest community, and the news media. It must fire the imagination. The very term 'sustainable disarmament' must enter the lexicon of conventional political discourse.

We recognize that domestic economic interests are often the adversary of constructive disarmament measures. There is indeed a "supply push" factor both to weapons proliferation and to the government acquisition of excessive arms stockpiles. Measures to attack illicit arms marketeering -- as well as black market deals for commodities relating to weapons of mass destruction -- rely heavily on the customs and enforcement capabilities of individual states. We will never sustain disarmament efforts if nation states prove incapable of regulating such illicit commerce. In his Hoffman lecture in 1995, Nobel Peace Laureate Oscar Arias noted that the "motor of the arms trade" is no longer the political demands of East-West conflict -- it is driven instead by economic motives alone. He noted that as defense budgets continue their slow post Cold War decline, the "most consistent reaction" of companies that produce arms *"has been to seek to promote new arms exports and, seeking compensation for the scarcity of production contracts, to try to sell the technologies for arms production themselves. Often these companies are subsidized in their aggressive*

campaigns for the exportation of arms and military technology by their national governments."

The UN Development Programme's Human Development Report in 1994 echoed this view, saying that *"Indeed, in the past three years, several industrial countries, fearing job losses in defence industries, have increased their subsidies to arms exporters and encouraged them to increase sales to developing countries."* The report on the causes of conflict in Africa that the UN Secretary-General submitted this year to the General Assembly similarly stated that *"Very high on the list of those who profit from conflict in Africa are international arms merchants."*

This raises the obvious question: can we have sustainable disarmament -- or sustainable development -- amidst a round of mercantilist state policies of arms sales promotion, amidst regional arms races involving weapons of mass destruction, and amidst fears of the imminent outbreak of conventional war? The answer is clearly, no.

Sustainable disarmament must also be susceptible to various techniques of measurement, for society must be able to gauge the extent to which it is achieving its disarmament goals. It is also important for the public to be able to assess how well its leaders are implementing national laws and policies in this area. If we have indices of sustainable development, we can surely have indices of sustainable disarmament. If we can require results-based budgeting in our government, we can also require results-based disarmament.

Another area requiring national action is the exercise of restraint in the field of research and development, for it does little good to substitute one deadly arms race for another. The Comprehensive Nuclear-Test-Ban Treaty is one multilateral means to slow the development of advanced nuclear weapons. And controls on military research and development can also pay civilian dividends, as needed technical expertise is re-allocated to more productive pursuits. As the Secretary-General stated in a report to the General Assembly in 1992, *"Much more far-reaching [than the financial and ecological burdens of disarmament] is the problem of redirecting manufacturing and research-and-development capacities, as well as soldiers and technical personnel, from military to civilian endeavours."*

3. Multilateral Action

Thus far I have been discussing national action, but what can the international community do? The Final Document from the first UN Special Session on Disarmament stated that *"Although the decisive factor for achieving real measures of disarmament is the 'political will' of States, especially of those possessing nuclear weapons, a significant role can also be played by the effective functioning of an appropriate international machinery designed to deal with the problems of disarmament in its various aspects."*

Ever since its 1987 conference on the subject, the UN has given great emphasis to the organization of its efforts in the field of disarmament and development. The 1987 Action Programme called for "... strengthening the central role of the United Nations in the interrelated fields of disarmament and development". It also noted that the participants recognized "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."

After that conference, the UN established an interdepartmental Task Force to address these issues and,

more recently, the Secretary General has proposed a newly-composed high-level Steering Group -- the Department of Disarmament Affairs will serve as the focal point of its coordinating efforts. The Department is now exploring the possibility of organizing workshops on the impact of military expenditures on the global economy. With respect specifically to small arms and light weapons, I have recently established an internal UN mechanism called "Coordinating Action on Small Arms" (CASA) to integrate and manage the UN's diverse responsibilities in this area. Another internal forum, the Secretary General's Executive Committee on Peace and Security, addresses a wider range of issues that also on occasion addresses disarmament issues.

The UN is today, therefore, helping not just to preach disarmament, but actually to practise it. This year, the UN Disarmament Commission made some progress in developing guidelines for countries to use in implementing practical disarmament measures in post-conflict situations. These measures include the collection and destruction of arms, demining, demobilization, reintegration of former combatants, defense conversion, and various other forms of technical assistance. Some of these are already underway and others may be implemented in Mali, Albania, Guatemala, and other countries that recognize that both their development and their national security stand to benefit from disarmament. It is gratifying indeed for me to see these countries seeking such assistance specifically from the UN Secretary-General and also to see wealthy countries like Germany, Japan, and others demonstrating their willingness to provide financial support for such activities.

One important activity pursued by the UN is fostering transparency of arms programs around the world, including the illicit sales of arms. Secretary-General Annan stated, for example, in his report on conflict in Africa, that *"The goal of public identification of international arms merchants and their activities has proved elusive, but perhaps no other single initiative would do more to help combat the flow of illicit arms to Africa -- a trade that is made possible largely by the secrecy that surrounds it."* I should note in this context several General Assembly resolutions on "Objective information on military matters, including transparency of military expenditures" -- resolutions which have complemented other activities of the UN, like the compilation of a Conventional Arms Register.

What do all of these activities demonstrate? In a nutshell, they show that the UN means business, the business of disarmament and development.

4. Finance

Much has been written in the wake of the recent global financial crisis about the need for a new "international financial architecture." Yet even ample finance cannot guarantee peace or development in the face of widespread social injustice, regional arms races, the absence of "good governance," and rampant terrorism and the deterioration of civil order. The architects of this new financial order must be sure that there are no bombs in the basements of the edifices they create. Furthermore, disarmament is unsustainable if there are no means to finance the costs that it generates. Repeated studies have shown that disarmament entails some short-term costs -- in dealing with changing patterns of employment, defense conversion, training, environmental clean-up, and other such expenses -- but offers the prospect of much greater long-term savings.

Nobel Laureate Oscar Arias put it this way in a speech given in 1995: *"Disarmament is indeed costly."*

Producing fewer swords requires less swordmaking, but there is not yet sufficient demand for more ploughshares. Yet, if in the short run, we must bear these burdens, it is certain that in the long run disarmament will produce enormous benefits."

Former President Arias has proposed a "Global Demilitarization Fund" to cover such expenses. Though there will always be problems in ensuring that any one country's "saved resources" will be allocated in accordance with specific international standards for any specific purpose -- rather than pursuant to existing constitutional arrangements -- the basic concept does merit the discussion and debate that it has received in recent years.

Oscar Arias is clearly on the right track: in many respects, the fruits of sustainable disarmament will help both to fund itself and to promote development. After all, the UN Development Programme's Human Development Report for 1998 found that "... *the total additional yearly investment required to achieve universal access to basic social services would be roughly \$50 billion, 0.1% of world income, barely more than a rounding error.*" According to the Brookings Institution, US nuclear weapons expenditures are about \$35 billion per year -- about 14 % of the US defense budget -- which amounts to more than \$96 million per day. To bring this into perspective, last year's total "Foreign Direct Investment" in Sri Lanka was reported to be about \$130 million -- this is roughly equivalent to what America invests on nuclear weapons in 36 hours.

As for the question of whether disarmament is worth its costs, whatever the amount, these costs must be weighed against the alternative costs that would have to be paid as a consequence of additional large-scale wars, including those involving the possible use of weapons of mass destruction. Disarmament is hence not only good for development, but it is cheap when the costs of its alternatives are considered.

Conclusion

In conclusion, what ultimately makes disarmament sustainable are the benefits it brings to people throughout society, the constituencies that develop a stake in maintaining such benefits, and the consistency of such a policy with public ideals.

In my remarks today, I have offered an explanation of a concept that I sincerely believe will serve the collective interests of all the peoples of the United Nations, both with respect to development and to international peace and security. We must stop looking at disarmament and development as wholly unrelated concepts, when both common sense and serious scholarship confirms that these concepts are closely inter-related.

Remarkably enough, this inter-relationship is nothing new. Its roots extend back not just to the League of Nations but well beyond. What is changing now is our growing awareness of this phenomenon, an awareness that has been no doubt stimulated by the growth in recent years of communication, travel, and trade across national borders. We are at a juncture of history that is truly conducive to the realization of the goals of sustainable disarmament, a concept whose time has come.