

## **Briefing on the 50th anniversary of UNCTAD**

**Geneva, 5 November 2013, from 2 p.m. to 3.30 p.m.**

*The UNCTAD secretariat has the honour to transmit herewith a short note prepared by Professor Toyé on the approach taken on the draft publication on UNCTAD@50.*

### **UNCTAD@50: LIMITS, CHOICES AND POSSIBILITIES**

#### **Limits and choices**

The UN Conference on Trade and Development reaches its fiftieth anniversary in April 2014, and it was felt appropriate to mark this milestone with a publication setting out its half century of activity.

Given the time available to me when I was commissioned to undertake the preparation of a new history, it necessarily had to be brief, rather than voluminous – no more than 50,000 words. There was no time to undertake fresh research before beginning to write. I had to rely for much of my material on research undertaken when producing an earlier volume - *The UN and Global Political Economy* (University of Indiana Press 2004) - for the UN Intellectual History Project.

The book is therefore a work of synthesis of my own and others' research, rather than the report of a wholly new and original research project. I was fortunate in being able to draw of some excellent recently published work that is germane to UNCTAD's story. In pride of place was Edgar Dosman's 2008 biography of Raul Prebisch, an outstanding work of scholarship that places Prebisch's UNCTAD period in the wider panorama of his life and career. Ian Taylor and Karen Smith's volume on *United Nations Conference on Trade and Development (UNCTAD)* (Routledge 2007) was also very useful in setting out relevant facts and issues. In places, I have also drawn heavily on the recent contributions of other authors.

UNCTAD has published two earlier histories of the organization to mark its twentieth and fortieth anniversaries – *The History of UNCTAD 1964-1984* (United Nations 1985) and *Beyond the Conventional Wisdom in Development Policy; An Intellectual History of UNCTAD 1964-2004* (United Nations 2004). I have tried not to duplicate what is written there, except where it is unavoidable. Both volumes are the product of many hands, all of them UNCTAD insiders. They are very tightly focused on the details of the organization and its activities. Valuable as they are, I have brought a different approach to the task of writing UNCTAD's history.

Although I was briefly an official of UNCTAD from 1998 to 2000, it has not played a large part in my professional career, which has been mainly in managing academic institutions producing research on development. My standpoint is therefore more distanced, and therefore perhaps more independent, than that of the authors of the previous official histories. My aim is to give one person's overview and interpretation of UNCTAD's fifty-year trajectory in a brief but readable format.

Fulfilling that ambition has involved making a number of choices. To comply with the brevity of the format, I have chosen to dispense with all footnotes and with a full bibliography. For those readers who would like to know about the main sources on which my synthetic account is based, a Note on Further Reading has been added as an Appendix.

A very important trade-off is that between charting changes in the internal workings of the organization and explaining the context in which such changes took place. The compact format of the book makes getting the balance between them right even more difficult. If I have erred in striking this balance, it is on the side of explaining the context of change at the expense of omitting some of the detail of internal changes. Much of this is already publically available elsewhere, and I am inclined to think that organizational change in an international organization is largely driven by what is happening in the wider world beyond its walls.

However, as a result, many people who have done worthy work inside the organization may be disappointed to find no mention of it in my account, because I have concentrated on the big picture of thirteen sessions of the Conference under six different Secretary-Generals, with only passing references to some of the key innovating personalities among the officials of UNCTAD.

Another problem with this approach is that the policies of individual member states inevitably come under the spotlight, sometimes in an unfavorable light. To some extent, the policies of individual countries can be subsumed under group identities, such as ‘the Group of 77’ or ‘the OECD countries’, but this device has its limits. Given the underlying disagreements between member states, the publication by the UN of any historical account is likely to invite objections and accusations of bias, whereas a plain administrative history of the organization is better placed to avoid this problem. On the other hand, the latter approach fails to explain adequately the driving forces of the changes that it records.

### **The structure of the draft**

The structure of the draft reflects the general approach that accords the external context significant explanatory force in organizational change. The first chapter asks the question ‘where did UNCTAD come from?’ and ‘what were the forces that brought it into being?’ It explores the pre-conditions of the organization’s coming into existence. The final chapter asks ‘where is UNCTAD going?’ and ‘what pressures will it face in the future, and how will its stakeholders decide to guide its adaptation?’

Chapters II to VII contain the historical narrative of UNCTAD’s activities, achievements and transformations to date.

Chapter II details the compromises that shaped its establishment and its initial teething troubles, its effect in galvanizing other international economic institutions and its successes in combating shipping cartels and other restrictive practices. Chapter III concentrates on Raul Prebisch’s attempts to realize his substantive agenda for UNCTAD of more commodity price agreements, a mechanism for supplementary finance and tariff preferences for the industrial

exports of developing countries. On the latter, success finally came in the shape of an agreement to set up a generalized system of preferences.

Chapter IV follows the continued pursuit of Prebisch' agenda after his departure in 1968, through the more turbulent years of the 1970s, and the meager results that were harvested. Chapter V discusses why UNCTAD's strategy for a New International Economic Order unraveled, how the North-South dialogue finally collapsed, the effect of the Latin American debt crisis and two successful new initiatives from UNCTAD in the face of these events – DMFAS and the TDR.

Chapter VI charts a decade of re-orientation of UNCTAD's priorities, under the pressure on the UN to reform itself. Its new leaders began to align the organization with OECD's objectives in the GATT Uruguay Round. This hastened the integration of developing countries into GATT system, and undermined the unity of the G-77. UNCTAD had not made itself redundant, but it was downsized. It successfully found some new points of growth. Chapter VII is concerned with how UNCTAD adjusted to the arrival on the international scene of the WTO, and pursued its positive trade agenda, despite the fact that confrontation was now displaced into the WTO. While UNCTAD steadily pursued the search for consensus, disagreement, frustration and failure increasingly afflicted the negotiations in the WTO.

Chapter VIII asks 'where is UNCTAD going?' and 'where should it be going?' There can be no going back to the past, to the so-called 'golden years' of the 1960s and 1970s that were not in fact golden at all. UNCTAD has embraced globalization, while at the same time recognizing its deficiencies. So its future lies with identifying the threats to globalization and playing an appropriate part in managing those risks. The final chapter sets out the main risks to the project of globalization. It emphasizes that these are related to gaps in the international governance regime and points to future issues where UNCTAD may have a role. That role will have to be justified against the claims of other international organisations, so improved evaluation of current efforts will become a competitive advantage.