

UNITED NATIONS

ECONOMIC COMMISSION
FOR LATIN AMERICA
AND THE CARIBBEAN



1948 - 1988

ECLAC

Distr.
GENERAL

LC/G.1517 (SES.22/17)
14 April 1988

ENGLISH
ORIGINAL: SPANISH

27523

Twenty-second session
Rio de Janeiro, Brazil, 20-27 April 1988

PREPARATION OF THE NEW INTERNATIONAL DEVELOPMENT STRATEGY FOR
THE FOURTH UNITED NATIONS DEVELOPMENT DECADE

Note by the Secretariat

1. At its forty-second session, the General Assembly adopted resolution 42/193 on the preparation of a new International Development Strategy for the Fourth United Nations Development Decade (see full text in annex). This resolution requests the Secretary-General, in consultation with all the organs and organizations of the United Nations system concerned, to provide information which would be appropriate for the preparation and elaboration of a new Strategy, and the assessment of the present one. The Department of International Economic and Social Affairs of the United Nations Secretariat recently requested the secretariat of ECLAC to include consideration of this resolution in the work of the twenty-second session of the Commission. The ECLAC secretariat has prepared this note in order to provide background information for the discussion of this topic.

2. The first United Nations Development Decade (1961-1970) was not accompanied by an International Development Strategy, as it was more indicative than prescriptive in nature. However, as a result of the experience acquired during the 1960s, the international community came to the conclusion that it was desirable to adopt a strategy for the Second United Nations Development Decade. Consequently, the General Assembly adopted the first International Development Strategy, in connection with the Second United Nations Development Decade (1971-1980), and a second Strategy for the Third Decade (1981-1990).

3. There seems to be a consensus that this second Development Strategy failed to fulfil the major role assigned to it by its authors. Not only were its objectives and targets not met, but economic and social evolution in the 1980s even went in the opposite direction to that indicated. Moreover, the Strategy constituted a project to bring about profound changes in international economic relations and in the developing countries and covered a very broad range of topics. In many respects, therefore, the time required to carry out so far-reaching and deep a transformation far exceeded the 10 years allotted.

4. Consequently, a climate of scepticism has grown up with regard to the formulation of a new International Development Strategy for the Fourth United Nations Development Decade (1991-2000). This climate has been due, among other factors, to the instability and deterioration of the international environment, the weakening of multilateralism, the growing strength of bilateralism, and the spread of approaches which have weakened both governmental action and policy co-ordination and also the activity of international organizations.

5. In these circumstances, it is worthwhile distinguishing between some of the central principles which inspired the International Development Strategy for the current Development Decade and the way in which that Strategy translated them into a programme of action. The Strategy assumed that all

governments accepted the need to diminish the large number of disparities existing between the member countries of the Organization. This accounts for the objectives it established in terms of economic growth, transformation of production and income distribution. Another of its assumptions was that it was accepted that the developing and developed countries were closely interrelated but that those relations were far from symmetrical and, in general, subjected the developing countries to the effects of decisions taken in the developed countries. This accounts for the objectives of giving the developing countries greater participation in decisions affecting the international economy and promoting a transfer of real resources from the richer countries to the poorer. Finally, the Strategy assumed that the multilateral system would play a key role in attempts to fulfil with its principles and objectives.

6. It must now be asked to what extent these principles and objectives remain relevant today, or, if preferred, to what extent they enjoy widespread support. A number of observations may be made in this respect which can help to provide a response to this question.

a) The issue of greater participation by the developing countries in the economic, monetary and financial decisions affecting the world economy is not on the agenda of most international meetings. On the contrary, in a number of forums steps are being taken to reinforce the role played by the developed countries in these decisions.

b) The net transfer of real and financial resources has been and continues to be negative for many developing countries during the 1980s. Thus, in practice, the aim of transferring a percentage of the product of the developed countries to promote the development of the other countries has lost significance as a debating topic. Most of the proposals put forward in the developed countries with a view to tackling the problem of the external indebtedness of the developing countries involve a reduction of the negative transfer, but not its elimination.

c) The responsibility of the developed countries for the negative impact their policy decisions may have on the developing countries is an issue which gives rise to a broad range of stances. At one extreme, it is argued that the present international environment, while not repeating the extraordinary rates of expansion following the war, provides excellent opportunities for countries which adopt appropriate policies. From this angle, the responsibility of the developed countries is limited to providing support, through credit policies, for the structural adjustment programmes which the developing countries should adopt in order to incorporate themselves more fully in the international economy. At the other extreme, it is argued that within the present international environment, there are certain policy instruments (such as interest rates, protectionist measures or the conditions imposed on countries negotiating external financing) whose net result is that the developing countries transfer abroad (through excessive interest payments and the deterioration in their terms of trade) surpluses which should be returned to them. As these transfers represent considerable percentages of national income, it seems impossible for these countries to return to the path of development in the absence of such a return, or without a favourable turnaround in the external environment.

d) In view of the difficulties which most of the developing countries are facing and the unfavourable international environment, it has been proposed that priority should be given to more limited objectives than those considered by the current Strategy. Thus, objectives such as providing "employment for all" or solving the problems of the groups most seriously affected by the crisis have been suggested. It is often proposed that these limited objectives should be backed up by international supportive action involving a commitment to provide sums which, although lower than the transfers contemplated by the present Strategy, are supposedly more reliable.

7. The debate over the advisability of formulating a Strategy for the Fourth United Nations Development Decade should tackle, as realistically as possible, at least the following issues:

a) The basic emphasis of the Strategy, which could be placed on a greater degree of economic co-operation at the world level, or on greater commitment by all parties to the development of the countries of the Third World.

b) The degree of responsibility and commitment to be assumed in such a Strategy by the developed and the developing countries.

c) The specific scope that the objectives and targets should have in order to ensure that they are consistent with the capacity of the international system and of the countries.

d) The appraisal mechanisms which should be adopted in order to permit changes to be introduced so as to ensure that the Strategy does not lose political validity if developments follow a different path from that forecast.

8. In spite of the doubts which may be entertained with regard to the scope and contents of a new Strategy, a number of factors argue in its favour. First of all, the adoption of economic policies by a particular group of countries now has a greater impact than ever before not only on the behaviour of their own economies, but also on that of the world economy as a whole. In this respect, the growing internationalization of a number of economic activities and the fact that the different economies in the world are increasingly interactive suggest the need for a greater degree of co-operation and co-ordination. Secondly, the formulation of a new Strategy could provide an excellent opportunity for rethinking the role which the multilateral system should play in the 1990s. Thirdly, preparing such a Strategy would provide a good opportunity for restoring the long-term time horizon, which is an essential requirement for tackling the tasks of development.

Annex

GENERAL ASSEMBLY RESOLUTION 42/193

Preparation of a new International Development Strategy
for the Fourth United Nations Development DecadeThe General Assembly,

Recalling its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States, and 3362 (S-VII) of 16 September 1975 on development and international economic co-operation,

Recalling also its resolution 35/56 of 5 December 1980, the annex to which contains the International Development Strategy for the Third United Nations Development Decade, and its decision 40/438 of 17 December 1985 concerning the review and appraisal of the implementation of the Strategy,

Concerned that the goals and objectives of the Strategy remain largely to be fulfilled,

Recognizing the crucial and urgent need for the reactivation of the economic and social development process of the developing countries,

1. Requests the Secretary-General, in consultation with all the organs and organizations of the United Nations system concerned, to provide information which would be appropriate for the preparation and elaboration of an International Development Strategy for the Fourth United Nations Development Decade (1991-2000), including that which would be relevant for the assessment of the International Development Strategy for the Third United Nations Development Decade, taking into account the above-mentioned resolutions;

2. Also requests the Secretary-General to report to the General Assembly at its forty-third session, through the Economic and Social Council, on the information requested above;

3. Decides to consider, at its forty-third session, appropriate further action for the assessment of the International Development Strategy for the Third United Nations Development Decade and the preparation and elaboration of an International Development Strategy for the Fourth United Nations Development Decade.

1950

1951

1952

1953

1954

1955

1956

1957

1958

1959