
An OECD for the Third World

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The international economic issues of concern to the Third World are unfortunately not matters for mutually agreed introduction in consequence of a series of snappy negotiating conferences. Rather, they are, by their very nature, long-term problems to be resolved, if at all, only through continuous pressure and probing for change in literally hundreds of meetings of committees, and innumerable bilateral and multilateral negotiating sessions. As fast as one set of issues begins to reach some kind of resolution, new ones inevitably appear. No one expects the inequity of the world's distribution of wealth and power to disappear during our lifetimes. The Third World must therefore not continually confine itself to preparing for the next conference. It *must* prepare itself deliberately and carefully for the long haul as well.

Progress with the specifics of international economic re-ordering is rarely achieved in huge international conferences of limited duration. The function of these periodic resolution-passing fiestas is a different one—that of educating, legitimising and stage-setting for the detailed bargaining and consultation which continues regardless of such conferences. They may provide a necessary “shot in the arm” for efforts which might otherwise tend to flag; and they usually “open up” for more public inspection the state of the discussion, the positions taken by individual governments, and the major points at issue. One must not, however, mistake such conferences as the coming Nairobi UNCTAD IV for the substance of what the UNCTAD does. Nor ought one to seek to identify what is the *key* issue for the Group of 77 without reference to the specifics of the time and place of any particular meeting. Assessments as to a conference's “success” or “failure” are bound to mislead, unless somehow related to reasonable expectations for that particular conference.

There are now so many conferences dealing with related aspects of the struggle for a new international economic order that one is hard-pressed to tell which of them really “matter” for the resolution of any particular issue. If one is, for example, concerned with the problem of market access for manufactured exports from the Third World, was the relevant forum the recent UNIDO conference in Lima (which decreed industrialisation targets for the year 2000), or is it the forthcoming

UNCTAD in Nairobi or the immediately subsequent ILO conference in Geneva? Or is the most important activity in this respect instead taking place the whole time under GATT auspices in the present round of bargaining on trade barrier reductions? In the case of commodity policies, what is the relationship between the ongoing Conference on International Economic Co-operation in Paris, where raw materials prices are one of four topics at issue, and the UNCTAD IV which, until relatively recently, was itself expected to focus upon commodity issues? Again, is there any point in the passing of resolutions on international monetary reform in the UNCTAD when the ultimate decision making power rests in the IMF? Who thinks about these issues at all? Does anyone?

International reform-mongering is a complex business. The application of pressure at one point can generate responses in totally different places and sometimes in unpredictable ways. Unsuccessful Third World pressure for a coffee agreement, for instance, may indirectly generate a US tariff reduction on footwear in partial compensation for the coffee failure. Less hypothetically, it can plausibly be argued that the development of UNCTAD's integrated programme for commodities was among the influences which generated 1) the liberalisation of the IMF's compensatory financing facility and 2) the shifting of the arena for the commodities discussion from the UNCTAD to the Paris meetings. (Now that the commodities issue has been “displaced” from Nairobi it looks as if the most “promising” topic for discussion there is that of technology transfer—decisions as to the revision of the Paris convention, the elaboration of a code of conduct, and so forth.) The outcomes of particular pressures in this multidimensional bargaining process between rich and poor quasi-oligopolistic blocs are thus extremely difficult to predict.

One must nevertheless presume that careful planning of strategy and tactics can be fruitful. The Third World collectively ought, surely, to seek to identify feasible sequences for reform-mongering efforts (distinguishing the proposals which may be springboards for further action from those which are deadends), to decide which forums are the most appropriate for pushing which proposals, to locate the points at which “the opposition” is at its most vulnerable and lever upon them, to co-ordinate with friendly sources of pressure

within the rivals' camp, etc. There is a crying need for an effective high-level secretariat to consider such issues, on behalf of Third World interests, to monitor, assess and co-ordinate the growing number of regional and functional groupings of Third World countries, and generally to support efforts of whatever kind geared to greater collective self-reliance. There is at present no Third World counterpart to the OECD.

More important in the long-run than the achievement of a "breakthrough" this year on *any* particular international economic issue is the creation of a high-level research and planning secretariat with the capacity to develop strategies and tactics across the whole range of international economic issues—an OECD for the Third World. The construction of such a secretariat is by now quite feasible. There are obvious potential sources of funding which were not there heretofore. The expertise—political, economic, legal, scientific—is today there as never before (and could, in any case, be supplemented for specific purposes through short-term hirings). The decision to move forward with the building of such an institution can be taken unilaterally without the agreement of the developed countries. Without minimising

the inevitable disagreements which may arise within the Third World as to the details of its financing, staffing, functions, location, etc. there seems by now to be sufficient consensus regarding the need for backup for the meetings of the group of 77 and individual negotiating sessions with the developed countries that a decision to move forward could almost certainly quickly be achieved. Once such a body is created the institutions of the UN could return to their proper role as brokers rather than continuing to perform advocacy functions at the same time.

There are always risks with institutional innovation. The divergent interests within the Third World may render it difficult, for instance, for such a secretariat fully to play its allotted role. It could also end up merely creating another tier of international bureaucracy—more "cushy" jobs for Third World technocrats. (This latter possibility could be avoided by paying less than going "international" rates, compensating the staff with status and the élan of the group instead.) But the potential long-run gains from the creation of an OECD for the Third World are so great that they are certainly worth taking. Is this not an idea whose time has come?