

Hamann, Claus

Article — Digitized Version

A dubious consensus

Intereconomics

Suggested Citation: Hamann, Claus (1974) : A dubious consensus, Intereconomics, ISSN 0020-5346, Verlag Weltarchiv, Hamburg, Vol. 09, Iss. 7, pp. 199, <http://dx.doi.org/10.1007/BF02929081>

This Version is available at:

<http://hdl.handle.net/10419/139034>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

A Dubious Consensus

It was only with difficulty that an open confrontation of the developing and industrialised countries was avoided at the first UN General Assembly Conference devoted to commodities and development issues. After more than three weeks of tough negotiations it ended with the adoption of a basic declaration and a programme for action. The consensus on the two resolutions – the most muted form of assent known under the UN protocol – in no way alters the fact that the ideas on a new economic order set forth in the resolutions are largely incompatible with the economic order as conceived by the western industrialised countries.

The adoption of the two papers had been preceded by a controversy between the representatives of the LDCs and the industrialised states. The countries of the Third World originally submitted a resolution which was a challenge to combat by the "poor" to the "rich" rather than an appeal for joint efforts by both. It met with a rebuttal. A consensus of the 135 participating states was only reached after another, on various – though not by any means all – points toned-down draft had been produced. Even this draft still contains enough that is controvertible and ambiguous.

A number of the claims and proposals in the two final documents are still more or less completely rejected by the industrialised states. Amongst them are, i. a., commodity cartels, compensation payments for past exploitation of natural resources in LDCs by foreign states, the right to nationalisation of natural resources (without mention of adequate compensation in conformity with international law), unilateral preferences for LDCs in world trade, a price link between raw materials and industrial goods, and renegotiation of debt agreements with LDCs.

Why then did the industrialised states give way after all and pass the papers? They may have been swayed by the realisation that an international economic order which leaves 70 p.c. of the world's population with only 30 p.c. of global incomes must, objectively, be regarded as in urgent need of reform. Besides, the Third World representatives had threatened to set aside all the assiduously negotiated compromises if the

industrialised countries opposed the papers, and to put their original, more astringent drafts to the vote: this would not have involved any risk on their part since the LDCs command a two-thirds majority in the General Assembly. Decisive however was probably the fact that the resolutions are not legally binding but merely recommendations and guidelines.

The consensus is of dubious value in these conditions. Having reluctantly acquiesced in the resolutions and having registered substantial reservations later in plenary session, the industrialised states can hardly be expected to join with any marked enthusiasm in carrying out the basic propositions of the programme. It is to be feared therefore that the resolutions will remain empty promises. In the end they will only tend to undermine the reputation of the United Nations which has already taken a heavy battering from previous, similarly unworkable resolutions.

The concept for closing the incomes gap between industrialised and developing countries which has been adopted leaves much to be desired also from the point of view of the "Fourth World", the group of the 27 poorest countries which are devoid of raw materials and of industries. Their long-term interests differ from those of countries which have economic weapons at their disposal and can use their strength to speed their development. The poorest of the poor have been hit hardest by the massive price rises for petroleum products, especially chemical fertilizers. They would again be hit very hard if the prices of other raw materials were hoisted as intended, partly through the increase in the prices of essential industrial products for development which would be caused by the rise in the costs of production.

That even these "least developed countries", though threatened by economic disaster, have set their political interest in the „united anti-imperialist front“ above their economic well-being, shows how bitterly past injuries are evidently still being resented in the bloc of LDCs. The have-nots of the world are no longer content with benevolent words expressing understanding of their problems and predicaments – they want to see deeds at last.

Claus Hamann