

Mayer, Otto G.

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Change in Cancún

The main aim of the North-South – or, rather, West-South – Summit in Cancún in Mexico, the result of an initiative by the Brandt Commission, was for both sides to achieve a better understanding and knowledge of each other's problems. A candid exchange of views, free from the pressure of acute problems and the negotiation rituals of large conferences, should enable the 22 heads of state and government, representing more than 60 % of the world's population, to lead the North-South dialogue out of the dead-end into which it had manoeuvred itself in the course of the previous decade.

There had to be a change in the situation. The developing countries' strategy of putting forward huge demands, preferably to be realised immediately – whether these were the inconsistent outlines of a new international economic order or the extremely varying concepts as to the type and volume of "massive transfer of resources" – had in the past often led even those industrialised countries which were in principle prepared to cooperate, to take a defensive position. It is, therefore, hardly surprising that the participants at the UNCTAD conferences usually departed at logger-heads with one another, the Conference on International Cooperation and Development was a failure and the UN General Assembly's decision of autumn 1979 to attempt to come closer to international solutions on the questions of nutrition, raw materials, energy, trade and development, as well as financing, by means of global negotiations was almost a dead letter from the beginning. In face of this it is understandable why almost all the participants at the Cancún summit regarded the outcome as positive. Instead of the continuation of the confrontation between rich and poor which had been feared, an agreement was reached – even if with reservations as far as the USA was concerned – on the preparations of the Global Negotiations.

No matter how important the consensus on the Global Negotiations may be, it is possible that Cancún has created other, far more important, preconditions for constructive cooperation on development policy in the eighties. The positive change of atmosphere which was already hinted at during the UN Conference on special programmes for the poorest countries in Paris in September apparently persisted. And if this change means that previous maximalist positions can be abandoned and previous taboos can be discussed more openly, then Cancún could be the starting-point for steps to alleviate development problems, which – no matter how small each individual step might be – could bring better results than the previous "strategy".

The insistence on a policy of "a lot in a short time" is morally understandable considering the continuing desolate situation of millions in the Third World following two development decades of frustration and the adverse outlook for growth in the developing countries in the eighties. But it is doubtful whether this approach would bring the desired success, even with the best political intentions on the part of the industrialised countries. And such doubts cannot be repudiated simply with allusions to moral categories, since unrealistic objectives would only cause expectations to be awakened or maintained, the non-fulfilment of which can only

lead to further disappointments, unnecessary apportioning of blame, and thus to a hardening of positions and increased confrontation.

Undifferentiated complaints – such as those in the Brandt Report – that the income gap between North and South is becoming ever wider and thus leading to increasing inequality do not help much in practice. The latest World Development Report of the World Bank states that the rate of growth of the gross domestic product in the last decade was lower in the market-economy industrialised countries (annual average 3.2 %) than in the developing countries, both those with a middle level of income (5.5 %) and those with a low level (4.7 %). GNP per capita rose in the same period at an annual average rate of 2.5 % in the industrialised and 2.7 % in the developing countries. If the income gap is nevertheless taken as an indication of inequality, implying injustice, it must not be forgotten what a long period of time (with zero growth of GNP per capita in the industrialised countries and the continuation of the present rate of growth of c. 3 % in the developing countries: about 85 years) or what scarcely imaginable growth rates would be necessary to level out that kind of inequality.

Such considerations must not be made taboo by means of the argument that “the air is full of excuses” (Willy Brandt) from the industrialised countries for their lack of preparedness to give aid (even if they could be used as such, despite the fact that there are better examples of poor excuses on the part of the industrialised countries). These considerations are concerned, rather, with the setting of realistic objectives and with the taking of differentiated and efficient action based on these objectives. If it is probable on this basis that – as the World Bank stated – “both the relative and the absolute gaps between the richest and poorest countries will widen in the years ahead, including the gap between middle- and low-income developing countries”, then it is obvious that development efforts have, if possible, to begin directly at the point where the danger exists that people will in fact starve.

The conference in Cancún appears to indicate a certain change in this point, too, in that the development of agriculture and of rural areas was given a clear priority by all groups of countries – a change, because whereas many industrialised countries have been attaching particular importance to such development and to the connected basic needs concept recently, many developing countries have refused to discuss this approach, regarding it as an intervention in their domestic affairs, a manoeuvre to divert attention from their international economic demands and an excuse for the industrialised countries' lack of preparedness to help. Obviously, the efforts of the developing countries themselves and – in most cases – an alteration of their previous political priorities play a particularly important role in this connection.

The most surprising thing about Cancún was the clearly expressed profession of the developing countries that their own economic policies laid the basis for the development process, all the more if this profession leads to the recognition of the fact that not every domestic problem can be blamed on the international economic system and that not every solution is to be found in its reorganisation. We speak politely about a new international order, wrote Myrdal recently in this journal, but “none of the politicians representing the rich countries asks if a ‘new order’ in those countries might be necessary, in those countries that ask for help and surely need it”. This does not mean that aid should be tied to market-economy doctrines or good political conduct or that we should place all our trust in private initiatives. But it should be obvious that a visible efficiency in the use of funds would broaden the economic and political basis for a larger transfer of resources in the industrialised countries, too.

The most important contribution which the developing countries themselves could make is, however, – even if this is their most sensitive point – a suitable population policy. Even if the theory is correct that “economic and social development contributes to the limiting of population growth” (Brandt Report), in view of the present population trend we cannot put our trust in this theory alone. Population policy was not discussed at Cancún and it is at present not intended to include it in the Global Negotiations. The new “Spirit of Cancún” must also be judged on the question as to whether population policy can now be put on the agenda.

Otto G. Mayer