

**UNITED NATIONS CONFERENCE ON TRADE AND
DEVELOPMENT: A STUDY OF CHANGING ROLES
AND FUNCTIONS**

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RINCHEN ONGMU BHUTIA



Centre for International Politics, Organization and Disarmament

School of International Studies

JAWAHARLAL NEHRU UNIVERSITY

New Delhi-110067

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DECLARATION

I declare that the dissertation entitled “**United Nations Conference on Trade and Development – A Study of Changing Roles and Functions**” submitted by me in partial fulfilment of the requirements for the award of the degree of **Master of Philosophy** of Jawaharlal Nehru University is my own work. The dissertation has not been submitted for any other degree of this University or any other university.

RINCHEN ONGMU BHUTIA

CERTIFICATE

We recommend that this dissertation be placed before the examiners for evaluation.

Prof. C. S. R. Murthy
Chairperson, CIPOD



Chairperson
Centre for International Politics,
Organization and Disarmament
School of International Studies
Jawaharlal Nehru University
New Delhi - 110067

Prof. Yeshi Choedon
Supervisor



Centre for International Politics,
Organization and Disarmament
School of International Studies
Jawaharlal Nehru University
New Delhi-110067

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List of Abbreviations

ALBA	Bolivarian Alliance
AMF	Asian Monetary Fund
ASYCUDA	Automated System for Customs Data
BSFF	Buffer Stock Financing Facility
CCA	Comparative Cost Advantage
CDP	Committee on Development Planning
CFC	Common Fund for Commodities
CFE	Compensatory Financing Facility
CTT	Committee on Transfer of Technology
DAC	Development Assistance Committee
ECDC	Economic Cooperation among Developing Countries
ECOSOC	United Nations Economic and Social Council
EFF	Extended Fund Facility
EPTA	Expanded Programme of Technical Assistance
FDI	Foreign Direct Investment
FOC	Flags of Convenience
GATT	General Agreement on Tariffs and Trade
GCD	Global Conference Diplomacy
GSP	Generalised System of Preferences
GSTP	Global System of Trade Preferences
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IGGTT	Intergovernmental Group on Transfer of Technology
ILO	International Labour Organisation
IMF	International Monetary Fund
IPC	Integrated Programme for Commodities
ITO	International Trade Organisation

LDC	Least Developed Countries
MDG	Millennium Development Goals
MFA	Multi-Fibre Arrangements
MFN	Most Favoured Nation
MME	Multinational Marketing Enterprises
MTN	Multilateral Trade Negotiations
NAM	Non-Aligned movement
NGO	Non-Governmental Organisations
NIE	Newly Industrialized Economies
NIEO	New International Economic Order
NTB	Non-Tariff Barriers
NTM	Non-Tariff Measures
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OPEC	Organisation of the Petroleum Exporting Countries
OR	Open Registry
PWC	Post-Washington Consensus
RBP	Restrictive Business Practices
SDG	Sustainable Development Goals
SDR	Special Drawing Rights
SNPA	Substantial New Programme of Action
STO	State Trading Organisations
SUNFED	Special United Nations Fund for Economic Development
TDB	Trade and Development Board
TDR	Trade and Development Report
TNC	Transnational Corporations
UN	United Nations
UNASUR	Union of South American Nations
UNCED	United Nations Conference on Environment and Development
UNCTAD	United Nations Conference on Trade and Development

UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation
VER	Voluntary Export Restraints
WTO	World Trade Organisation

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CHAPTER I

Introduction

The main aim of this paper is to analyse the evolving role and functions of the UNCTAD and trace the situational context within which the Organisation's role and focus have shifted over the years. Although the study deals with the United Nations Conference on Trade and Development (UNCTAD) since its inception, the main focus is to examine how the UNCTAD adapted to changes in the globalised era and how it tries to maintain relevance in the current age.

Background

In the years following the Second World War, the United Nations (UN) was formed as a world body to achieve international cooperation to deal with security, economic and social problems. In reality, the economic order in the post-war period was structured by the powerful states – the United States and its Western allies to promote their interest (Saksena 1996: 76-77). The United Nations was envisaged by the US to act as the coordinating agency while the real control over fiscal and monetary matters was entrusted to the International Bank for Reconstruction and Development (IBRD) and International Monetary Fund (IMF). The US did not ratify the Havana Charter to set up the ITO since the Charter incorporated the needs of developing countries that went against the interest of the United States.

In the post-war economic system designed by the US, the United Nations did not command the role it hoped it would, and it was soon “reduced to a non-factor in international economic relations” (Saksena 1996: 76). During this phase, the idea of economic development was still in its “infancy”, and there was little attempt to discuss its meaning (Dadzie 1993: 139). International economic activity in the immediate years following the war was limited to the World Bank lending; and within the UN system, the developing countries did not have a collective presence. Later when the presence of the developing countries increased with the process of decolonization, there was always a

struggle between those who wanted the organisation to get involved in a meaningful role in the economic field and those who sought to keep it out of that role (Saksena 1996: 78). Numerous attempts were made by developing countries through comprehensive proposals like the establishment of a Special United Nations Fund for Economic Development (SUNFED) in the 1950's to serve the interest of the countries, which were in the periphery of the then existing economic system.

The newly decolonised nations along with other developing countries experienced a period of frustration. The rapid economic growth that was to follow independence did not materialise in the wake of falling commodity prices of key primary commodities exported by developing countries (Gardner 1968: 100). Around the same time, the less developed countries were dissatisfied with the aid from industrialised nations since most of it was spent in servicing past loans. In addition, the developing countries were also disenchanted with the economic forums of the United Nations (UN) like the Economic and Social Council (ECOSOC) and the Second (Economic and Financial) Committee of the General Assembly (Gardner 1968: 100). These forums had fallen prey to Cold War politics and failed to address issues of economic development. Further, the developing countries were disappointed with the ECOSOC in terms of representation. While the membership of the UN had increased by almost two times where the developing countries held a two-thirds majority, the ECOSOC was frozen at eighteen member countries up till the 1960s (Gardner 1968: 101).

Outside the UN system, the other primary organisations dealing with development issues like the General Agreement on Tariff and Trade (GATT), the IBRD and the IMF were also products of wartime and shared the same incapacities like the UN in the eyes of developing countries. Most of these organisations were built on ideas of the Western countries and were inherently biased in their internal machinery. The growing sense of grievance among developing countries was strengthened by the voting structure of the IMF and the IBRD. Unlike other UN bodies, these were determined by weighted voting, which gave the US veto power in the governing structure.

In order to bring about an improvement in terms of trade in favour of developing countries and to promote their interests in terms of poverty alleviation and socioeconomic

progress, international trade has been a central component in the development strategy of the less developed nations. In the arena of trade and development, although the GATT functioned more or less as the primary organisation, the agreement did not include provisions on commodity arrangements, foreign investment, and restrictive business practices that were contained in the ITO Charter, which convinced the developing countries even more that they required a forum for negotiating inclusive trade and development policies (Gardner 1968: 102). The lack of participation of less developed countries at the GATT during the 1960s until the 1980s was also because the GATT dealt mainly in areas that were of little or no interest to the developing nations – like the reduction of trade barriers. Developing countries were more interested in starting new industries at the early stages of their growth trajectory than in reducing industrial tariffs. They were also concerned about sectors like agriculture where developed countries practised extensive protection (Toye 2014: 3).

By the mid-1960s, the UN was “ripe for a major revision in its development philosophy” (Dadzie 1993: 142). Under the leadership and influence of Dr Raul Prebisch, the developing countries strengthened their solidarity. The economic doctrine given by Prebisch laid the groundwork in building the perception of a systemic bias in the global economic system. Even though these ideas were being shaped since the late 1940’s, it wasn’t until the first United Nations Conference on Trade and Development (UNCTAD) in 1964 that they emerged as specific provisions for the North and South discussion. The United Nations Conference on Trade and Development (UNCTAD) was held at Geneva in March 1964. The event was of great significance in the advancement of the international organisation. 2000 delegates from over 119 countries participated in what was the most wide-ranging conference ever held, and for the first time in an international conference, the divide was between the North and South and not on the East-West lines. The United Nations General Assembly adopted resolution 1995 (XIX) recognising that the Conference required an institutional arrangement to carry forward the work and hence established the UNCTAD as a permanent organ of the General Assembly.

The main function of the organisation has been “to provide a forum for questioning the basic assumptions underlying the present world economic order”

(Gosovic 1968:77). What was most striking was that this conference led to continuing machinery – the UNCTAD, which has a great impact on international institutions and national policies (Gardner 1968: 99).The UNCTAD seeks to fulfil its mandate through Global Conference Diplomacy (GCD) where countries with differing levels of economic and political power can negotiate at the forum to create new rules for a more balanced and fair trading system.The creation of the UNCTAD stemmed from the realisation among developing countries that in order to attain a certain level of growth and development, the industrialised countries would have to alter their trade, investment and aid policies in favour of developing countries. The developing countries sought to articulate and aggregate their demands through the UNCTAD. This research intends to examine how the role and functions of the UNCTAD have evolved through the years since its establishment.

Literature Review

The existing literature has been segregated thematically under four broad themes for review. It starts with a review of the origins of UNCTAD and the institutional machinery of the organisation. The second theme deals with the UNCTAD in the Cold War era. This is followed by a review of literature of the UNCTAD in the globalised era and also how it function in partnership with other IGOs NGOs and Civil Society Organisations.

Origin, mandate and the institutional framework of UNCTAD

There is a general view among scholars that among the various events leading to the creation of the UNCTAD, the most significant factor was the disillusionment of the developing countries with the economic system in the post-war period and the failure of the existing international organisations to effectively serve the interests of the less developed economies (Dadzie, 1993; Gardner, 1968; Lavelle, 2003; Maal, 2013; Saksena, 1996; Temu, 1974; Toye, 2014; Williams, 1987).Temu (1974) traces the origin of the UNCTAD to the needs of the developing countries for a new set of more liberal trade policies that would support their growth. Walters (1972) also notes that the UNCTAD was a result of the aggregation of the demands of developing countries that had to be put forth through an institutional device. Lavelle (2004: 31) notes that the UNCTAD originated in the decolonization movement through developing countries’

efforts to create an institution that would embody the structural principles and norms of dependency theory. Many authors have surveyed the preconditions of the organisation's birth and examined the forces that brought it into existence. The failure of the Havana Charter to create an ITO, the impact of the Cold War and decolonization, the solidarity of the third world countries and the role played by Prebisch in strengthening this alignment while leading the developing countries are among the broad external forces listed by Dadzie (1993), Saksena (1996) and Toye (2014).

Williams (1987: 32) notes that the solidarity among developing nations is not organic, but it was the result of political processes within the United Nations and elsewhere. According to Williams, the coalition formed by the developing countries is purely due to historical factors, which also explains its longevity (1987: 32). Gosovic (1968: 77) adds further that the encounters between the global North and South at the UNCTAD were events of great importance in the multilateral arena during the first few years since it reflected the emancipation of the third world nations. According to Dadzie (1993: 142), persistent divergence between the North and South was the natural order and the United Nations had to take responsibility for international policy negotiations to rectify the shortcomings of the post-war system.

According to Gosovic (1968), the main function of UNCTAD is to "provide a forum for questioning the basic assumptions underlying the present world economic order" (Gosovic 1968: 77). Kituyi (2014) notes that the creation of the UNCTAD and its Secretariat through the Geneva Conference in 1964 added a permanent fixture to the multilateral landscape (Toye 2014: ix). As an organisation, Temu (1974: 355) views the UNCTAD as a many-pronged institution that endeavours to tackle the problem of international trade and development on many fronts. Williams notes how a simple machinery was created to fulfil the functions of the organisation, which nevertheless contained both complex rules and innovative techniques (Williams 1987: 147). Further, he notes that the differing perspectives about the role of the UNCTAD between the developed and developing countries played an important part in designing the machinery and functions of the organisation (Williams 1987: 147). Williams also observes that the mandate given to the UNCTAD "is slightly schizophrenic in that it asks the

organisation to initiate action, to promote international trade and to formulate new principles whilst at the same time exhorting it not to clash with existing organisations in the economic field” (Williams 1987: 147). In the context of UNCTAD’s institutional machinery, Williams notes that the role and competence of the organisation are inherently ambiguous due to disputed interpretations between developed and developing countries and that UNCTAD is a “dynamic organisation responding to changes in the international political economy” (Williams 1987: 164).

Authors like Gardner (1968), Temu (1974) and Williams (1987) have analysed the workings of the constitutional machinery of the UNCTAD. Gardner (1968) describes the Geneva Conference as “a diplomatic event of major importance and a turning point in the evolution of international organisation” and the structure of the UNCTAD is seen to be unprecedented and far reaching in scope (Gardner 1968: 1). The organisational structure of the UNCTAD during its formation is categorized into formal and informal meetings by Williams, who notes that the unwieldy nature of Conference proceedings and the rift brought about by conflicting views led to more informal meetings (Williams 1987: 104). Once it was realized that reluctant developed countries would not pay heed to concessions demanded, the developing countries resorted to bloc voting (Williams 1987: 104). Gardner (1968: 114-120) notes how the UNCTAD machinery produced a form of solution to the voting machine problem through the development of conciliation procedure, which was a result of conflicting positions of the North and South on the voting method to be adopted. Williams (1987: 169) also notes that after the Geneva Conference at which 65% of decisions were taken by vote, the system of voting receded to the background. According to Williams (1987: 169), the decisional process of UNCTAD developed along relatively informal lines that used flexible methods of consultation and negotiation.

Gardner (1968:106) notes that the institutional machinery that evolved from the Conference had a special character in three main qualities – secretariat with a special ideology, a new centre for decision-making and a forum to examine trade, aid and finance issues. Williams (1987) explores the salience of the organisational context and contends that “international organisations cannot be reduced to the attributes of member states” (1987: 147). According to Gardner (1968: 106), the UNCTAD Secretariat was

remarkable because it was “an independent force”; the first of its kind to actively vouch for the interests of the developing countries actively against the wishes of developed countries. Gardner (1968: 121) also notes that even though UNCTAD provided a new forum for deliberations on trade and aid issues related to development, there were problems concerning the division of functions and coordination of effort within the UN system.

The role of organisational leadership, in this case of the Secretary General, has been assessed by writers in great detail. Prebisch’s part in leading the developing countries in the initial years of the UNCTAD and the contribution through his economic doctrine finds mention in the work of most scholars. Bhattacharya (1976), Love (1980), Taylor (2003) and Toye (2014: 3) focus on how Prebisch played an instrumental role in advocating regional integration of developing countries, particularly in Latin America. It is also noted that Prebisch’s theory of trade relations gained followers not only in Latin America but in non-Latin American countries where writers follow the dependency theory tradition (Love 1980: 45). Bhattacharya (1976) focuses on the decision-making process of the UNCTAD Secretariat and looks into the institutional aspect regarding the role played by the Secretary-General. He gives due credit to Prebisch’s revisionist ideology that helped internationalise what was primarily a Latin American view point (Bhattacharya 1976: 81). The role of the Secretariat in influencing policy outcomes, in this case, the General System of Preferences (GSP) under the UNCTAD, is studied by Bhattacharya (1976) who concludes that the secretariats of international organisations can exercise significant influence on policy outcomes through constructions of coalitions and sustained institutionalised pressure.

UNCTAD in the Cold War era

Authors like Bergesen and Lunde (1999), Gosovic (1968), Lavelle (2004), Love (2001), Maal (2013), Righter (1995), Taylor (2003) and Toye (2014) have analysed the UNCTAD and its role in the Cold War era. According to Love (2001: 5), UNCTAD I took place in Geneva, and it was Prebisch and the UN economist Malinowski who was instrumental in establishing the “UNCTAD as a permanent UN organisation rather than a one-off conference”. Righter (1995: 103) argues that in terms of the agreement between

the North-South coalitions, even though the UNCTAD I produced little results, it gave the new block more than a sense of itself: it gave it a theory. Toye (2014: 30) notes that the three main elements in Prebisch's agenda for UNCTAD aimed at tackling balance of payments constraints in developing countries were - a general framework for international commodity arrangements, new forms of supplementary financing and demand for temporary preferences for industrial exports exported by developing country markets.

According to Toye (2014), the transfer of responsibilities for negotiating commodity arrangements from the ECOSOC to the UNCTAD in 1965 enhanced the organisation's status in the area of international commodity arrangements and also led Group B (developed countries) to drop their objection to UNCTAD being a negotiating forum. Even though the United States did not support the demand for an international monetary reform, the Conference's Third Committee at UNCTAD I passed a recommendation for further study about a complementary credit system of the IMF (Toye 2014: 37). Bhattacharya (1976) notes that the sustained institutionalised pressure from the UNCTAD Secretariat influenced policy outcomes on GSP, which was of great significance especially for the Least Developing Countries (LDCs). Williams (1994: 183) notes that in the institutional UN landscape, the UNCTAD managed to create a strong counterweight to other institutions dealing with trade and development at the time of its creation. Toye (2014: 47) argues that the early failure of the GSP to stimulate trade was due to the rules designed by industrialised countries and the weak result was attributable to the form in which the GSP was implemented. According to Gosovic (1968: 77), the UNCTAD was assigned a broad mandate with a global strategy that included financing, trade, integration, technical assistance and shipping.

By the early 1970s, the international environment saw major changes that affected the functioning of UNCTAD. Maal (2013: 44) notes that the international context was under the influence of the Cold War and the uncertainties of the monetary system that had disintegrated. According to Toye (2014), during this period, the developing countries found an opportunity to further their trade and development agenda since the economic and political vulnerability of the Western world was exposed particularly after the United

States war in Vietnam. Bergesen and Lunde (1999) also note that the third world countries had high expectations around this time to 'influence the world economic structure' (1999: 51-52).

Bergesen and Lunde (1999: 53) analyse the developments in the 1970's and note that the quest for a new international economic order (NIEO) saw its radicalization during the Non-alignment Summit in Algiers in 1973 where the demands were formulated into a programme of action. According to Righter (1995: 107), although the content was the old UNCTAD agenda, it was the framework in which it was set that transformed it. Scholars have regarded the period from 1970 to 1980 as one where the UNCTAD stood for NIEO. According to Bergesen and Lunde (1999:53), the Organisation of the Petroleum Exporting Countries (OPEC) Oil Shock of 1973 was another factor that helped strengthen the G-77 demands for a NIEO. Toye (2014: 46) argues that the oil crisis had complex effects on developing countries where on the one hand it split the group into those who exported oil and those who imported oil while on the other hand, it had a "politically unifying effect because it was a demonstration of the power of collective action".

The decade of the 1980s is termed as the "retreat phase" of the UNCTAD (Williams 1991: 2). According to Williams, the retreat from its "high profile" was due to the US attacks on UNCTAD's broad mandate, the lack of concrete results in the earlier period and the changing political economy influenced by the liberation of capital movements (Williams 1991: 2). Cox (1994: 105) notes that the pursuit of NIEO in UNCTAD diminished during the 1980s due to changing political climate stemming from the neoliberal ideology advocated by conservative governments under the likes of Thatcher and Reagan. Maal (2013: 50) also observes that the liberal market forces pushed down the state-centric perspective in UNCTAD and this shift changed how the West viewed the role of UNCTAD in promoting the interests of developing countries. Toye (2014: 63-64) observes that the North-South debate had reached a stalemate by the 1980s, following which the developing countries experienced a prolonged debt crisis that prevented the revival of the North-South dialogue. Toye further notes that under these circumstances, the UNCTAD took one innovative step in helping the debt-ridden

countries with technical assistance through two forms- by helping debtor countries prepare the case for debt rescheduling and/or reduction and the provision of a debt management system (Toye 2014: 64-65).

UNCTAD in the Globalised era

Authors like Lavelle (2004), Maal (2013), Taylor (2003), Toye (2014) and Williams (1991) have analysed the performance of the UNCTAD in the post-cold war period of globalisation. Globalisation as a phenomenon affecting international trade and development has also been dealt with by many scholars. In the wake of globalisation, authors study the post-Washington Consensus that was used by the Bretton Woods institutions to redefine development. Many scholars note how the PWC does not indicate any form of shift from the neoliberal policies but instead further strengthens the hold of IFIs over developing countries (eg., Cammack, 2004; Weber, 2004; Bond, 2004; Soederberg, 2005; Charnock, 2006). Ruckert writes about how the shift in development discourse during the early 1990s towards a post-Washington Consensus led to ambiguity as it did not provide an alternative to neoliberal policy regime nor did it entail a fundamental split of the Washington Consensus (Ruckert 2006: 36). Chang and Grabel (2004) also note that the view that there is no alternative to the neoliberal policies can be refuted. The authors demonstrate that there are practical alternatives that exist and can be applied to promote sustainable and rapid economic development.

Kjellen (1992), Maal (2013) and Toye (2014) note that the disintegration of the Soviet Union in 1991 affected the pattern of negotiations in the UN system as the North-South bloc replaced the East-West bloc. According to these authors, in the five decades of the UNCTAD, the years from the late-1980s to the mid-1990s were most remarkable in that the organisation underwent drastic changes during this period. Maal (2013) notes that the change was rooted in the budgetary crisis that the US created for the UN by keeping its contribution in arrears since 1975 creating pressure to reform the system to become more streamlined and effective. Toye (2014: 75) further notes that the US pressure on UN budget was a way to intimidate UNCTAD since the US could not withdraw from the organisation like it did from the International Labour Organisation (ILO) and United Nations Educational Scientific and Cultural Organisation (UNESCO).

According to Toye (2014: 75-76), this pressure came at a time when the UNCTAD's "historic strategy had already run out of steam". Due to incomplete success in implementation of its original strategy, the UNCTAD management came under critical scrutiny from the United States and other Group B countries (Toye 2014: 76). Under the leadership of McIntyre, Toye (2014: 76) states that the management of the UNCTAD was restricted along lines favoured by Group B countries and McIntyre led many in the secretariat to respond to United States liberalisation priorities.

Authors focus extensively on how UNCTAD's role was affected by the creation of the World Trade Organisation (WTO). Toye (2014: 77-79) examines a threefold impact of the Uruguay Round on the UNCTAD's functioning, namely the increased integration of developing countries into full GATT membership, accelerating the diversification of interests as well as negotiating positions among the developing countries themselves and the support of the UNCTAD secretariat for developing countries' integration into a reformed global trade system. Lavelle (2004), Maal (2013), Taylor (2003) and Toye (2014) write about how the UNCTAD Conferences underwent a change from being conducted in a less contentious and more cooperative manner than the previous conferences that were held before the 1990s. Another change these authors focus on is how by 1992, the policy priorities of the North under the Washington Consensus became increasingly accommodated into the UNCTAD's mandate. UNCTAD now recognised private enterprise and the free market as central drivers of economic growth; and although the agreed texts of the conference did not withdraw their support for developing countries, the organisation's official views of what constituted development changed to fit the post cold war consensus (Toye 2014: 81-82). The conference held in Cartagena has been widely accepted as the turning point in UNCTAD's journey by all scholars. Cowling and Tomlinson (2011), Taylor (2003) and Toye (2014) note that due to increasing policy convergence the role of UNCTAD had to be refashioned according to the policies of the Cartagena Communique.

Maal (2013: 56) observes that in the post-cold war period, the UNCTAD was not successful in setting the development agenda as it had in the previous decades and the development agenda in the 1990's was shaped by the Washington consensus. Maal

argues further that even though the UNCTAD had a role as a “corrective” to the development agenda, this role diminished gradually. Toye (2014: 82) notes that by the time of the Midrand Conference in 1996, UNCTAD’s conceptual conversion to the post-cold war consensus was evident in its choice of theme – promoting growth and sustainable development in a liberalizing and globalizing world economy for which the secretariat had to be reshaped to fit the new priorities. This was the time when the LDCs were the focus area cited as needing most of UNCTAD’s services and the secretariat was made to connect more with civil society (Toye 2014: 82). Toye (2014: 82) concludes that “UNCTAD was both shrunk and streamlined” which would be a harrowing experience for any bureaucracy, but the positive note was the “new lease of life” for the UNCTAD which still had a “mandate to assist developing countries, even if that assistance now took a reduced and different form”.

Lavelle (2004: 35) notes that during these years, UNCTAD provided a growing amount of technical assistance to LDCs through various regional and state based projects financed through the UNDP. Lavelle (2004: 36) further notes that because UNCTAD remained a state based organisation with a wide range of members the involvement of NGOs has been minimal. Hill (2002) notes that even though there were a few NGOs that lobbied the OECD governments in trade and financial resource issues, their efforts were put down due to their scant presence in the Trade and Development Board (TDB).

In the years of the Asian Financial Crisis, Toye (2014: 109) notes that the UNCTAD took up research and advocacy without aligning to the wishes of the Group B countries as had been the case in the previous four years. According to Maal (2013: 53), in the years following the end of the cold war, UNCTAD became a consensus building forum under the pressure of developed countries but was not successful at promoting a common understanding. Further, Maal (2013: 53-5) observes that in the arena of policy advice, the UNCTAD was not as successful as it was in the Cold War era as the organisation became “too political” and misused resources and time for internal operations instead of spending more time on their mandate. However, Maal (2013: 55) argues further that since the UNCTAD is more of a political organisation, and giving

country-specific practical policy advice to developing countries is a “tall order” for an organisation that is more political than operative.

Maal (2013: 48) observes that during the UNCTAD XIII in Doha, there was a conflict between the North and South concerning UNCTAD’s mandate. According to Bhattarai (2012: 9), “UNCTAD XIII saw the growing confidence of the South, which resisted attempts to unduly restrict the mandate of the UN agency”. After the negative effects of the Structural Adjustment Programs had started surfacing, the report of the SG called for an agenda of rebalancing to move towards a more development-led globalisation (Toye 2104: 111). Toye (2014: 112) also adds that the Doha Conference illustrated how the G77 had changed since its inception. Lavelle (2004: 31) and Toye (2014: 112) both note that the G77 coalition had been deeply divided on both material and normative issues throughout its existence in UNCTAD as well as other international organisations.

UNCTAD’s relationship with organisations within the UN System and other IGOs

Scholars have pointed out that developing countries were dissatisfied with the economic forums of the UN and also with other international organisations that were influenced by Cold War politics and did little to serve their interests (Gardner 1968: 100, Lavelle, 2003 Maal, 2013; Temu, 1974; Toye, 2014; Williams, 1987). The quest for a NIEO itself was rooted in the unjust policies and workings of the IBRD and IMF which were founded on Western interests and had weighted voting systems (Bergesen and Lunde 1999; Maal, 2013; Toye 2014). Even though the existing literature on UNCTAD and other IGOs focuses on the increasing competition, certain authors like Krause and Nye (1975) note how the mushrooming of organisations can actually help the organisation. A plurality of organisations, according to Krause and Nye (1975: 330-35), improves “functional specificity” by preventing overlap.

The “catalytic effects” of the very idea of the establishment of UNCTAD in terms of the consequences of policies of other organisations in the trade and development arena is acknowledged by authors like Toye (2014: 23) and Ezeani (2011). Ezeani (2011: 32) argues that since the majority of the members in the GATT were from North, there was no importance given to the nexus between trade and development as a result of which the idea of trade and development found better acceptance in the UN system. Even the GSP

developed under UNCTAD was adopted by GATT and was referred to as 'Enabling Clause' in 1979 (Ezeani 2011: 35). In the arena of shipping, however, Toye (2014: 25) notes that UNCTAD had no catalytic effect and it could make its mark. Under commodity agreements, the ECOSOC transferred all its responsibilities to UNCTAD in 1965, which, according to Toye (2014: 34) enhanced its status in the international arena.

Authors like Ezeani (2011), Lavelle (2004), Maal (2013), Toye (2014) and Williams (1991) have analysed the work done by the UNCTAD jointly with related organisations. Ezeani (2011: 40) notes that in providing technical assistance to LDCs, the UNCTAD works through a joint platform, the "Integrated Framework" with the WTO, IMF, UNDP, International Trade Centre and World Bank. The UNCTAD also works jointly with other organisations under the Aid for Trade initiative and the Enhanced Integrated Framework of the WTO. Ezeani is doubtful about the role of WTO in the development arena and questions if the WTO can fully carry out the extended involvement in areas of other world bodies and if WTO is, in fact, best suited to carry out aid for trade operations (Ezeani 2011: 53). Lavelle (2004: 33) analyses the dynamics between the UNCTAD and GATT to conclude that the confrontation between unequal states changed dramatically during the course of the Uruguay Round and compelled the two organisations that were once rivals to work in collaboration with each other.

Toye (2014) and Maal (2013) analyse the effect of the UN budgetary crisis on the UNCTAD. According to Toye (2014: 75-76), during the end of the 1980s experienced major restructuring in the years following the budgetary crisis of the UN. Further, Toye (2014: 76) notes that during the eighth round of GATT negotiations, there was a major turnaround when the UNCTAD under Dadzie's leadership confirmed to support the negotiations actively. The Cartagena communiqué listed future roles for the UNCTAD which according to Toye (2014: 82) implied that UNCTAD was no longer to be a forum for negotiations on trade. Maal (2013: 1) notes that in the 1990's UNCTAD declined further and lost its agenda setting function due to the end of the Cold War, the triumph of capitalism and the establishment of the WTO. According to Maal (2013: 51), this was the decade when developed countries fought to alter UNCTAD's mandate, and the organisation went from being a negotiating forum to a consensus-building forum.

Authors like Bergesen and Lunde (1999: 1-3) and Maal (2013: 51-52) argue that UNCTAD is a political organisation and cannot be compared to operative organisations like the UNDP, and while UNCTAD's approach has stressed the role of governments, state and public sector in economic policies, others like the World Bank and IMF operate through market oriented policies of the Washington Consensus. Authors like Young (1997: 273) believe that in the globalised era of increasing interdependence, there has been a rise in the participation of non-state actors. Lavelle (2004: 36), however, notes that because UNCTAD remains a state-based organisation with wide ranging membership, there has been minimal NGO involvement in UNCTAD. The general contention lies with the former argument concerning the rise of civil society involvement.

There are many books and articles that have examined the first two decades of UNCTAD's existence. Some authors have focused on the various conferences and the proceedings in great detail. However, there is no study that focus on how the roles and functions of UNCTAD changed over the years, organisation, especially focusing on the changed role and functions in the globalised era. This research attempts to fill this gap mainly through primary data.

Definition, Rationale and Scope

This research use some key terms such as South/Global South, North/West. It adopts the following definitions of the terms: UNDP defines the Global South as-

“The term “*South*” or “*Global South*” refers to developing countries, which are located primarily in the Southern Hemisphere” (UNDP 2007). *North* and *West* are used interchangeably to refer to developed countries or the countries in the Organisation for Economic Co-operation and Development (OECD).

In an increasingly crowded system of global governance with overlapping agendas and conflicting policies, the work of the UNCTAD has undoubtedly lost its influence as compared to its heydeys in the 1960s and 1970s. However, the UNCTAD renewed itself through the years by adapting as well as adopting new roles and functions according to the changing context and needs. It took an innovative step in helping debt-ridden countries in the 1980's, UNCTAD was conducted in a less contentious and more

cooperative manner in the post-Cold War years, and the Organisation “adapted and revitalised” itself in the globalised era. These measures of renewal and the realignment of its priorities with a focus on the needs of the LDCs in the present time are attempts to make itself relevant in the globalised era. Therefore, from an organisational perspective, it becomes significant to study the how UNCTAD’s role and functions as a forum for intergovernmental deliberations, consensus-building and provision of technical assistance to developing countries have undergone change over the fifty years of its existence, specifically in the context of the globalised era. UNCTADs relevance cannot be dismissed easily as the world continues to face challenges in international trade and development. The forces of globalisation have increased the inequalities between developing and developed countries. UNCTADs role therefore becomes more important in helping maintain a balanced and just global economic system.

Although the study will cover the entire timeframe of the UNCTAD since its establishment, the main focus will be on UNCTAD in the globalised era to evaluate its relevance in the present time.

Research Questions

1. How can one understand the origin of UNCTAD?
2. How can the change in role and functions of the UNCTAD be explained in the changed international context during the Cold War period?
3. How did the UNCTAD adapt to changes in the globalised era?
4. How and why has the UNCTAD work in partnership with other IGOs, NGOs and civil society organisations, particularly in the globalised era?

Hypotheses

The following form the hypotheses of this study-

1. The UNCTAD has undergone a reorientation of its priorities influenced by both internal machinery and external environment.
2. The performance of the UNCTAD in fulfilling its functions as a forum for intergovernmental deliberation and in giving policy advice saw greater success during its heydeys until the mid-1970s.

3. In providing technical assistance, the UNCTAD performed better during the years of globalisation due to the influence of global events.

Methodology

The methodology adopted for this study is primarily qualitative. Statistical data has been used wherever necessary. Primary sources such as UNCTAD documents, UN documents and documents of other international organisations relevant to the study are used. Secondary sources such as books, journal articles, reports of various research institutions as well as material culled out from websites have been used for the study.

Chapterisation

This dissertation consists of five chapters. The first chapter introduces the concept and sets the background of the study. Apart from the statement of purpose and background of the study, the chapter consists of literature review, and literature gap, the definition of major concepts, rationale and scope of the study, research questions, hypotheses and research methods. It ends with the outline of characterization.

The second chapter is on the “Origin, Purpose and the Organisational Framework of UNCTAD”. This chapter starts with the contextual situations leading to the establishment of the UNCTAD where all major events leading to the convening of the Geneva Conference are examined. This creates an understanding of the origin of UNCTAD and traces the history behind its establishment. This is followed by the discussion of the purposes and objectives of the UNCTAD. Then it examines the organizational structure through which UNCTAD carry out its activities. It also discusses the institutional structure of the UNCTAD, focusing on the machinery and the conferences along with a brief assessment of the change in priorities of these conferences over the years

The third chapter titled “UNCTAD in the Cold War Era: Role, Functions and Activities”. First, it discusses the events of importance in the political economic environment, namely the collapse of the Bretton Woods system of exchange rates, the Oil Crises in the 1970s and the neo-liberal wave in the 1980s. then it discusses how the Cold War politics impacted UNCTAD in carrying out the three major functions: a forum for

intergovernmental deliberations, research and policy advocacy and providing technical assistance. It discusses the events of importance in the political economic environment, namely the collapse of the Bretton Woods system of exchange rates, the Oil Crises in the 1970s and the neo-liberal wave in the 1980s. These events are used to analyse how UNCTAD reoriented its priorities according to changes in the international context across the three decades from the 1960s to the 1980s.

The central focus of the fourth chapter titled “UNCTAD in the Globalised Era” is to demonstrate how the changes brought about by globalisation forced UNCTAD to change in its role and functions accordingly. The chapter also shows how UNCTAD reinvented itself drastically during the mid-1990s. By assessing the three main functions of UNCTAD over the years since 1990, the chapter looks at how UNCTAD adopted new priorities, policies and strategies to make itself relevant in the changed situation. The shift of UNCTAD from being a negotiating forum to a consensus-building forum will be analysed in the context of both the external and internal forces. Further, the chapter looks into the increasing cooperation with other IGOs as well as civil societies and NGOs in the period of globalisation.

Chapter five is the “Conclusion” which summarises the major findings of the study. It highlights the changing roles and functions of UNCTAD over the period. It also discusses how the research questions have been answered and how the validity of the hypotheses have been tested and state whether the hypotheses are substantiated, nullified or modified. It ends with final thoughts on the UNCTAD.

CHAPTER II

Origin, Purpose and the Organizational Framework of UNCTAD

Introduction

In the years following the Second World War, the international system aligned itself in separate fields under various international organisations. Matters related to trade were under the realm of the General Agreement on Tariffs and Trade (GATT) where tariffs were sought to be reduced on a reciprocal and mutually advantageous basis. International monetary matters were handled by the International Monetary Fund (IMF). The Economic and Social Council (ECOSOC) of the UN was responsible for international commodity agreements while issues of aid were managed by the World Bank and the Organisation for Economic Cooperation and Development (OECD).

From the 1940s onwards, with the start of the decolonization, the newly independent countries of Asia and Africa found themselves mired in low living standards that had been perpetuated by the colonial rule. Economic growth was the objective of most developing countries, and since most of these countries were agricultural economies, rapid industrialisation was adopted as the first step in their quest for development. Unlike other organisations that were created in the post-war years, the UN had a universal character with multidimensional functions. This allowed greater participation of developing countries and got the United Nations to focus on socio-economic issues of these countries. It was within the UN that developing countries recognised their common problems and put forth several proposals to bring about balance in the global economic system.

However, there lacked a well-structured understanding of the concept of development in the decade following the creation of the UN. There were a few attempts made during this period like the 1950 report by experts entitled 'Measures for the Economic Development of Underdeveloped Countries', which sought to address economic development issues, particular unemployment in poor nations (Dadzie 1993: 140). Soon they realized that the concept of development in developing countries needed to be addressed differently. UNs development activities in the developing countries took

shape through the spread of development planning and international assistance focusing on resource transfers from developed countries. Even though the UN Charter largely reflected its primary role in international peace and security, the organisation was intended to participate in development right from the start.

From the 1960s, there were several impulses that offered new angles in the realm of economic development. Among them, the process of decolonization had the most significant impact as it increased the number of members in the UN from the developing world. There were also inclinations towards socialist doctrines with the growing realisation that political independence did not ensure automatic economic development (Dadzie 1993: 142). This was the time when the divide between the North and South became more pronounced, and the developing countries were dissatisfied with the kind of assistance they received from the United Nations. They were of the view that the development assistances given so far lacked substance (Saksena 1996: 76-78).

The UN was set for another phase of its development philosophy, fuelled mainly by the cooperation of developing countries under the influence of ideas of Prebisch's dependency theory. Even though Prebisch had started formulating the theory decades ago, it was not until the 1960s that his ideas gained momentum and it proved to be the driving intellectual force behind the new development decade of the UN. Unlike previous years, developing countries under Prebisch's leadership demanded the intervention of international agencies through deliberate policy actions that would correct the unequal exchange between North and South. The idea of a self-correcting system that prevailed prior to this was no longer accepted, and developing countries wanted improvement of the international economic environment where development would be actively promoted to correct the faults of the post-war economic system. This led to the establishment of UNCTAD in 1964, an organisation created solely by developing countries.

The United Nations Conference on Trade and Development (UNCTAD) has been the focal point within the United Nations (UN) for the integrated treatment of trade and development as well as related issues of finance, technology, investment and sustainable development. Ever since its establishment in 1964 as an organ of the General Assembly, the UNCTAD has engaged itself in a wide range of activities that encompasses elements

like global conference diplomacy (GCD), a permanent entity within the UN, and specialists working towards capacity building and technical cooperation in developing countries (UNCTAD 2006a).

UNCTAD was set up as a forum to aggregate and articulate the interests of developing countries. It is an arena where government representatives and experts come together and exchange and formulates ideas and policy options on development and trade issues. The key goal of UNCTAD has been to promote the equitable and development-friendly integration of developing countries into the world economy. The Organization seeks to do this by helping developing countries maximise their trade, investment and development opportunities, by formulating development strategies and assisting developing countries in their trade negotiations. The three main pillars of functions of the Organization have been conducting research and policy analysis, providing a forum for intergovernmental deliberations and negotiations, and providing technical assistance to developing countries. Over the years, the focus of UNCTAD has gradually evolved from that of a negotiating forum to a think tank for development issues with an emphasis on interdependence and consensus building. UNCTAD has pursued its goals in a changing international scene, and this has greatly influenced the experience of the Organization.

The chapter begins with the discussion of the international economic and political context and the chapter proceeds to discuss the origin of the UNCTAD. Next, the chapter lays out the organisational structure of the UNCTAD, discussing the conference, Board and the Secretariat and the Secretary General. It also discusses the main functions of these organs of the structure. It ends with the conclusion where the main findings and observations are summarised.

International Economic and Political Context

A study of international organisations in general gives us an idea of how institutions are influenced by the external environment. In order to highlight the historical roots of UNCTAD, this section discusses important events and context leading to the establishment of the Organization.

Immediately after the World War II, there were very few developing countries that were independent, and this hindered the effective articulation of their interests in the newly founded institutions. The trinity of global institutions – IMF, World Bank and the GATT were virtually under the control of western powers right from their inception. Even the United Nations, although it was a universal organisation, was dominated by the developed countries. Decision making in these organisations was inherently in the hands of western powers, and developing countries lacked the capacity to articulate their demands in these forums. Due to the process of decolonization, several colonies gained independence that led to the birth of new countries, particularly in the African, Asian and Latin American continents. These countries were free to join the organisations that were formed in the post-war period. A direct consequence of this process was the increase in the number of members from the developing countries, leading to acquired the decisive majority of developing countries in the United Nations (Williams 1994: 181). When the world was polarised into western and eastern blocs, the leaders of the five countries of Egypt, India, Indonesia, Ghana and Yugoslavia played the leading role in the establishment of the nonaligned movement (NAM) to prevent the developing countries from getting caught up in East-West conflict. The countries that were part of the NAM make up nearly two-thirds of the UN's members. The Bandung conference led to a cross regional coalition of developing countries in matters of economic development and decolonization (Williams 1994: 182). The newly independent countries could now voice their concerns regarding the level of development and lack of economic growth. There was a new wave of demands for a change in the international economic structure. Further, the developing countries grew conscious of “common problems arising from the underdeveloped nature of their economies and their peripheral location in the global economy” (Williams 1991: 17). The increasing awareness of shared problems through the NAM grouping allowed developing countries to identify themselves as a coalition and accelerated their demands for change in the current system. They were convinced that in order to pursue their interests, concerted pressure against the West was necessary.

Due to equal voting rights of countries in the UN and the increasing number of members from the Global South, there was growing pressure on the UN to facilitate more fair trade with the developing countries and provide assistance to bring about rapid

economic development. In fact, under the pressure of the developing countries, the UN Charter accorded importance to economic development along with issues of peace, security and human rights. Also, due to their demand, Economic and Social Council (ECOSOC) was provided in the UN Charter as one of the principle organs of the UN. Developing countries that were just beginning to take on the journey of industrialisation and growth required the intervention and assistance from international bodies in terms of financial aid as well as technology transfer.

As early as in 1949, the United States proposed the idea of development assistance that was endorsed by the UN and in 1950, the UN introduced an international “technical assistance program” (Eberstadt 1997: 213). It was only after the inauguration of the Expanded Programme of Technical Assistance (EPTA) in 1950 that the needs and problems of the underdeveloped countries were brought into focus (Williams 1987: 64). By the 1960s, there was a stark difference in the perception of the role of the United Nations in economic development between developed countries and developing countries. Even though there were various developments within the UN system in the form of proposals and debates, it was only the developing countries who felt the need for a reorientation of the global economic structure. The western powers led by the United States used the tactics of “persuasion, threats, arm twisting” to heed to the demands of the third world only in “form and not in substance” (Saksena 1996: 83). The West was thus determined to disallow any major change in the international economic system. Under such circumstances, developing countries were left with no choice but to push for the creation of a separate organisation for their interests.

Simultaneously, the inability of GATT to include sectors of interests of developing countries led to severe disenchantment of the Global South with the existing economic system. The predominant idea behind the establishment of the GATT in 1947 was that free trade is instrumental in creating net global welfare. That idea has been based on a static version of the theory of comparative cost advantage (CCA), which espouses universal free trade and was supported by the developed countries that were signatories of the GATT in 1947. The GATT was an interim arrangement intended to formulate rules on tariff regulations. However, unlike the envisioned International Trade Organization

(ITO), GATT failed to incorporate provisions relating to commodity arrangements, restrictive business practices, foreign investment and preferential trading systems for developing countries in the original agreement, which were incidentally the areas of interest for developing countries (UNCTAD 2006a: 4).

What was most striking was the fact that developed countries who used tariff protection in the early stages of their growth trajectory later advocated tariff reduction in the GATT. Further, the system of negotiations in the GATT was based on member countries' relative economic strength. This implied that developing countries were unable to participate effectively in the negotiations since they accounted for a meagre share in the market as producers or consumers, unlike developed countries. The negotiations, therefore, failed to take into account the interests of all parties that were affected. This led developing countries to realise that their shared interests were sidelined in the international system and it was the beginning of a process that would get the developing countries to cooperate in pursuing institutional change.

The growing economic disparity between the West and the rest and an unjust world economic order fuelled disillusionment of the developing countries. The dissatisfaction of developing countries with the efforts of the existing IGOs controlled by the US and its allied was evident through the numerous proposals including the attempt to establish a Special United Nations Fund for Economic Development (SUNFED). The host of debates and negotiations that followed helped the newly independent states identify the issues of the economic system they were in, and it also helped bring the developing countries together through therealisation of shared concerns. The developing countries also realised that the ECOSOC lacked not just representation but also the power to effectively assist developing countries in the growth of their economies.

Not only were poor countries disenchanted with the economic forums of the UN, but they were also equally disenchanted with the UN Secretariat and regarded the Department of Economic and Social Affairs as a "rich man's club" and nonresponsive to needs of developing countries (Gardner 1968: 101). In the context of these disenchantments, the developing countries came under the influence of Raul Prebisch's dependency theory. The pressure for creation of a separate institution for trade and

development in order to fill the gap after the demise of an ITO has its theoretical roots in the structuralist economic thesis put forth by Prebisch. By re-examining the principle of David Ricardo's comparative advantage, Prebisch was instrumental in exposing how the theoretical aspects were completely inconsistent with the actual practice of trade and the power structures in trading institutions. The main principle underlying his thesis was that prices of primary commodities which form the main exports of developing countries declined relative to prices of manufactured goods due to which gains from international trade were skewed in favour of developed nations (UNCTAD 2006a: 4).

The main idea was that unless there was sufficient help in the form of capital aid, commodity arrangements and compensatory financing schemes, the gap between the Global North and South would never close. Further, according to Prebisch, import-substitution in developing countries was costly and inefficient. He put forward a new infant industry argument where new exporting industries would be subject to the preferential tariff in developed countries (UNCTAD 2006a: 5). Prebisch led the developing countries with his policies and his leadership in challenging the existing system of international economic relations. Poor countries found in Prebisch the dynamic exponent of their interests that they sought. To these nations, the western-dominated institutions and agencies looked foreign and old-fashioned as compared to the refreshing theories of the Argentine economist that fit their economic and political interests (Gardner 1968: 101).

Growth theories in the post-war years were influenced by the pressing situation of shortage of finance that was required to initiate growth in developing countries. In preparation for the first UNCTAD in Geneva, policymakers and economists contributed to the idea of economic development and efforts were made to assess the size of resource gap between developed and developing countries. The agenda that Prebisch laid out for UNCTAD had three key elements – a general framework for international commodity arrangements, new forms of supplementary financing and temporary preferences for industrial exports developing countries (Toye 2014: 30).

UN Conference on Trade and Development(UNCTAD): Origin and Purpose

The growing sense of dissatisfaction and disillusionment with the existing economic system was concretized by the growing numbers through decolonization, the support from the Soviet Union in light of the ensuing Cold War, the solidarity through NAM and the leadership of Prebisch. In the newly acquired union, developing countries were set to embark on a new era in trade and development. Around this time in 1962, developing countries from Africa, Asia and Latin America came together in Cairo for the Conference on Problems of Developing Countries. It was the first time that the countries from the three continents came together to discuss their common grievances. The Cairo Declaration stressed the need for an international conference within the framework of the UN to address issues of “international trade, primary commodity trade and economic relations between developing and developed countries” (UNCTAD 1985: 10). After the Conference, there was a solidification of the belief among developing nations that the world was not divided so much into the East-West lines but more on a North-South basis. The Conference Declaration called for common action by developing countries in the UN and GATT.

The socialist countries of the Eastern bloc supported this declaration as they had already been calling for such a conference since the mid-1950s. The western countries were opposed to this decision as they were content with the regulation of the international economic system through the IMF, World Bank and the GATT. The developing countries nonetheless continued to press for a conference. Due to the overwhelming majority of developing countries in the UN, the western nations eventually gave up their prolonged resistance and agreed to the ECOSOC decision of 1962 to convene a conference for addressing international trade and commodity issues (Williams 1994: 183). The ECOSOC meeting in 1962 cleared the way for the adoption of ECOSOC resolution 917 (XXXIV) calling for a UN Conference on Trade and Development and establishing a committee to prepare the groundwork and agenda. Once this decision was taken, the developing countries were clear that they wanted a permanent institution and Prebisch endorsed the idea of “a new international trade organization” in his report, *Towards a New Trade Policy for Development* where he outlined the continuing organizational structure based on periodic conferences, a standing committee and an independent

secretariat (Gardner 1968: 104). Later that year, the UN General Assembly started the groundwork for the conference.

Of the numerous conferences held internationally, the UNCTAD in Geneva in late March 1964 was the largest yet with over 4000 official delegates representing 120 countries, IGOs, NGOs and the media (Toye 2014: 16). Later that year in December 1964, the General Assembly adopted resolution 1995 (XIX) which established the UNCTAD as an organ of the General Assembly and U Thant appointed Prebisch as the Secretary-General of the new organization. The UNCTAD was established by General Assembly as per the terms of Article 22 of the UN Charter which permits the UNGA to establish subsidiary organs when necessary. It was created by developing countries with the grudging acceptance of western powers. The final compromise was essentially a continuation of the ideas given by Prebisch with some concessions to the western views in the areas of decision-making and coordination (Gardner 1968: 106). All in all, the outcome was a great victory for developing nations since they were able not just to convene a conference on trade and development, but for the first time in history, a new organisation was created against the wishes of the western world.

The creation of a separate UN body on trade and development was fuelled by the demands of developing countries. The purpose of establishing this body was essential to bring about a balanced international economic system by successfully integrating developing countries into the global economy. A united Global South that came together on account of common problems was instrumental in crystallising the vision of a change in the structure of the global economic scenario through an institution devoted to fostering the growth of economies of less developed countries. UNCTAD's central purpose was, therefore, to contribute to the growth of countries by reducing global economic inequality and assisting in building capacities of developing countries. It was aimed at providing a forum for developing countries to discuss their problems so that they could control the economic forces and reduce the 'trade gap' that persisted.

The primary idea behind UNCTAD's establishment at the time of the first Conference was that of promotion of trade and aid. The trade gap was pointed out clearly by Prebisch in the UNCTAD I report where it was highlighted that the free play of

international market forces would not result in effective utilisation of resources because of the existing structural hindrances to growth in developing countries (UNCTAD 1964: 2-6). UNCTAD sought to tackle the problem from the root and rejected the principles advocated by GATT as it was realised that these principles were the cause of the developing countries' weak bargaining position in tariff reduction negotiations. Instead of the most favoured nation (MFN) principle, the report suggested a strategy of capital formation and export acceleration of both traditional and non-traditional items through preferential treatment and financial assistance (UNCTAD 1985: 6).

Prebisch asserted through his speech that overcoming inequity and poverty was the goal for which all countries needed to work cooperatively. In order to pursue this call for cooperation and partnership, the aims of UNCTAD include: promotion of international trade and economic development of developing countries, promotion of trade and cooperation between countries at varying levels of development, promotion of a more just international economic order, securing a role for developing countries in decision-making, and securing a development dimension in international policies and organizations (UNCTAD 1985: 12-13). Right from its inception, the UNCTAD embodied a comprehensive character with a Universalist approach.

In view of these aims, the principal functions of the Organization during its establishment as spelled out in Paragraph 3 of the resolution 1995 (XIX) include formulation of trade and development policies, making proposals for putting the principles into effect, to review and co-ordinate activities of institutions within the UN system in the area of trade and economic development while co-operating with the General Assembly and ECOSOC, to initiate action for negotiation of multilateral instruments in the field of trade without duplicating the activities of related organs and to harmonize trade policies of Governments and regional organizations (UNCTAD 1995: 2-3). In order to promote the interests of developing countries, the UNCTAD would provide a forum for intergovernmental deliberations whereby developing countries could collectively negotiate with developed countries and formulate agreements. Three main interrelated functions of UNCTAD emerged from this framework – policy formulation, negotiation and implementation. Another area is that of technical assistance, and the

Organization in this respect is more than a forum and is both a service organisation and a negotiating body (Williams 1987: 165).

As envisioned by Prebisch, the primary focus of UNCTAD in its initial years was in securing commodity arrangements and compensatory finance and in availing preferential market access for exports from developing countries. There were other areas of importance from a developmental perspective like shipping, technology, restrictive business practices, monetary issues, the link between Special Drawing Rights (SDRs) in IMF and development finance, etc. (UNCTAD 1985: 13). In the area of international shipping, UNCTAD was able to make a mark since international shipping economics was not under any international agency at the time.

Organizational Structure

The UNCTAD was established as a specialised agency of the UN with an independent budget and governing body (UNGA resolution 1995 XIX). The discussions and compromise at the first Conference of the UNCTAD at Geneva in 1964 dictated the key features of the constitutive document. The organisational structure of UNCTAD is composed of the Conference, the Trade and Development Board (hereinafter referred to as the Board), its committees, sub-groups and subsidiary intergovernmental bodies; and a large, independent secretariat in Geneva.

The Conference

While there were divided opinions on the design of new machinery, it was Prebisch who pressed for a periodic conference with the responsibility to review trade issues (Toye 2014: 13). The UNCTAD started off as a specific event, i.e. the Conference held in Geneva from 23 March to 16 June in 1964. The Conference was institutionalised by the General Assembly later in the year and ever since there have been periodic conferences held every four years. The institutional machinery of the UNCTAD has grown ever since its establishment with the Conference as the apex body of deliberation which makes major decision for the UNCTAD.

The Conference consists of all the members of the United Nations. The Conference is mandated to be held at intervals of not more than three years, and the

General Assembly is assigned the responsibility to set the date, time and location of the conferences. The conferences form the continuing machinery and can be looked at as an “assembly which is convened periodically” and is open to all member states (Williams 1987: 151). The periodic conference has remained an important part of the trade and development dialogue.

The Conference is the highest policymaking body of UNCTAD and is entrusted with the task of carrying out the functions specified by the United Nations General Assembly. It is here that member states make assessments of current issues in trade and development, discuss policy options and formulate global policy responses. The Conference is also responsible for formulating major policy guidelines and decides on the work programme for the period in between conferences (UNCTAD 2006a: 7). The Conference is authorised to adopt its own rule of procedure, the appointment of its Bureau and creation of sessional bodies and committees, and the work is guided by a President, Vice-President and a Rapporteur (Williams 1987: 151-152).

Under the General Assembly resolution 1995 (XIX), there is a provision of a two-tier process for decision-making in the UNCTAD. The Organization is given a majority voting procedure, and a conciliation mechanism is also provided for. The Conference, Board and its committees have been granted an egalitarian system of voting where each State member is allotted one vote. Substantive decisions at the Conference require a two-thirds majority of the delegations present, and voting and procedural motions require a simple majority. (UNCTAD 2006a: 9).

This conciliation process given in the constitutive document of UNCTAD is a novel feature in international organisation decision-making. This procedure was envisaged in the document because of the difficult negotiating stands took at the Geneva Conference which made clear that without such a system, there would be a complete deadlock in the future (Williams 1987: 162). As given in the General Assembly resolution 1995 (XIX), the conciliation is supposed to take place before voting and is meant to provide adequate time to negotiate an agreed decision and a cooling-off period before moving on to a decision by vote (UNCTAD 1985: 44). However, in the first two decades of the UNCTAD, the formal conciliatory procedure was never invoked, showing

thereby that the Organization resorted to informal negotiation procedures most of the time.

In the decision-making process, another important feature is the group system. Member states were divided into four groups on a geographical and socio-economic basis for the purpose of election of representatives to the Board and its committees. At the first UNCTAD, the developing countries presented themselves as a political group – G 77. Group A included the African and Asian states, Group B comprised of developed market-economy countries, Group C included Latin American and Caribbean countries, and Group D was made up of the socialist countries of Eastern Europe. This division of countries is important not just regarding elections but “reflects a major organisational feature of UNCTAD”. The group system originated during UNCTAD I and a group system of negotiations were later institutionalised into the system of the Organization (Williams 1987: 163). Because all deliberations are based on a group system, the UNCTAD is transformed into a “forum where intra-group consensus becomes as important if not more important than inter-group agreement” (Williams 1987: 163). The G 77 comprised of members of both Group A and Group C and posed a united front by voting as a bloc over a wide range of issues, thereby upholding the group solidarity. This unity has been crucial in legitimising the demands of the developing countries and increasing pressure on the international community for change. The group system is also given due credit in its role in the formulation of principles and policies for structural change (UNCTAD 2006a: 10). It is to be noted that while most decisions have been adopted by consensus, there have been important decisions taken by vote and the voted decisions have conferred new important mandates. In the globalised era, the UNCTAD switched to emphasis on consensus decision-making rather than through voting, which will be discussed more detail in chapter IV. Even though the resolution 1995 (XIX) gives a special conciliation procedure to avoid voting and promote consensus, it does not rule out the possibility to vote (UNCTAD 1985: 46). The merit of consensus decisions lies in the commitment to implement it but in practice, consensus decisions have only been marginally implemented as we will explore in the chapters to follow.

An important political function carried out by the Conference is that it provides a forum for intergovernmental deliberations. The Conference also plays a key role in identifying the role of the United Nations and UNCTAD in addressing economic development problems (UNCTAD website). So far, there have been fourteen conferences held, the most recent UNCTAD XIV was held at Nairobi in July 2016.

Table 0.1: List of Conferences

Date	Venue	Title	Major Aims/Decisions
23 Mar-16 Jun 1964	Geneva (Switzerland)	First session of the United Nations Conference on Trade and Development (UNCTAD I)	Increasing market access for developing countries, regulating commodity markets, increasing financial flows to developing countries, and recommendation to UNGA to authorise UNCTAD's transformation into a permanent institution.
31 Jan-29 Mar 1968	New Delhi (India)	Second session of the United Nations Conference on Trade and Development	Generalised System of Preferences (GSP) to favour exports from developing

		(UNCTAD II)	countries on a non-reciprocal basis, the idea to make UNCTAD a participatory agency of UNDP.
13 Apr-21 May 1972	Santiago (Chile)	Third session of the United Nations Conference on Trade and Development (UNCTAD III)	Promote implementation of the objectives of the International Development Strategy; efforts to establish a link between aid and SDR of IMF by UNCTAD secretariat.
05-31 May 1976	Nairobi (Kenya)	Fourth session of the United Nations Conference on Trade and Development (UNCTAD IV)	Integrated Programme for Commodities (IPC).
07 May-03 Jun 1979	Manila (Philippines)	Fifth session of the United Nations Conference on Trade and Development (UNCTAD V)	Establishment of a New International Economic Order.

06-30 Jun 1983	Belgrade (Serbia)	Sixth session of the United Nations Conference on Trade and Development (UNCTAD VI)	Attempts to revive the North-South dialogue; Conference stressed on a more flexible approach in the conditionality of BWIs.
08 Jul-03 Aug 1987	Geneva (Switzerland)	Seventh session of the United Nations Conference on Trade and Development (UNCTAD VII)	Common Fund for Commodities; the launch of Global System of Trade Preferences (GSTP).
08-25 Feb 1992	Cartagena (Colombia)	Eighth session of the United Nations Conference on Trade and Development (UNCTAD VIII)	“Spirit of Cartagena”; functions of UNCTAD to now comprise policy analysis, intergovernmental deliberations, consensus-building and technical cooperation.
27 Apr-11 May 1996	Midrand (South Africa)	Ninth session of the United Nations Conference on Trade and	Partnership for Growth and Development; streamlining of the

		Development (UNCTAD IX)	structure and intergovernmental machinery.
12-19 Feb 2000	Bangkok (Thailand)	Tenth session of the United Nations Conference on Trade and Development (UNCTAD X)	Development strategies for directing positive gains of globalisation to develop countries.
13-18 Jun 2004	Sao Paulo (Brazil)	Eleventh session of the United Nations Conference on Trade and Development (UNCTAD XI)	Enhancing coherence between national development and global economic process; Aid for Trade initiative.
20-25 Apr 2008	Accra (Ghana)	Twelfth session of the United Nations Conference on Trade and Development (UNCTAD XII)	Addressing opportunities and challenges of globalisation for development.
21- 26 Apr 2012	Doha	Thirteenth session of the United Nations Conference on Trade and Development (UNCTAD XIII)	Towards inclusive and sustainable growth and development.

17-22 Jul 2016	Nairobi	Fourteenth session of the United Nations Conference on Trade and Development (UNCTAD 14)	Promoting sustained, inclusive and equitable growth; contribution to the effective implementation of 2030 Agenda for Sustainable Development.
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Source: (UNCTAD 2006a: 13-26 http://unctad.org/en/Docs/gds20061_en.pdf Accessed on 25 June, 2017)

Since the first decade of its establishment, the Conference’s roles and functions have undergone major changes according to the times and events in the international environment. The Cold War years saw intensive activities in the field of commodities, manufactures and the international monetary system. The conferences held in this period mainly focused on fostering the growth of developing countries by increasing market access and financial flows. There was an increasing focus on technology cooperation from the 1970s onwards when it was realised that developing countries were unable to industrialise without technological support. The Conference also increased attention on the problems of the LDCs. The quadrennial conferences are important not just as isolated events but as an ongoing process; and despite certain failures or unfulfilled goals at specific conferences, the value of the Conference for its “intangible and pervasive results” should not be undermined (UNCTAD 1985: 33). The progress made at each conference, however minuscule, adds greatly to the overall process of dialogue and negotiation on the issue of trade and economic development. The 1980s saw a retreat phase, and with the advent of a neoliberal economic environment and the debt trap of developing countries, the Conference focused on reorienting its roles and functions. The period marking the end of the Cold War saw the most striking change in the mandate of the Conference. In order to maintain relevance with the entry of a World Trade

Organization (WTO), the conferences held at Midrand and Cartagena resulted in a restructuring of the roles and functions of the Conference. From fostering the growth of developing country economies to fostering partnership for sustainable development, the conferences have seen a variety of changes in terms of its aims, but they continue to be based on the fundamental idea of promoting the inclusive and equitable growth of all countries. The role of the Conference is categorised into two distinct phases- the high period during the Cold War years when it could successfully set the agenda and promote a common understanding of issues and the globalised era that was characterised by consensus-building and assisting other IGOs in trade matters, which will be discussed in chapter IV.

Trade and Development Board

Apart from the Conference, the Trade and Development Board is an important structure of UNCTAD. The Board is a permanent organ of the UNCTAD and serves as its executive body. As the key decision-making unit of UNCTAD, the Board is an integral aspect of the UN machinery in the economic field. It was set up as a 55-member body to carry out the functions of the Conference in between sessions in order to ensure continuity between periodic conferences. The resolution 1995 (XIX) outlined that the 55 members would be elected by the Conference from among its membership, for which it was noted that the Conference must take into consideration equitable geographical distribution as well as continuing representation for principle trading states. The members of the Board are to be elected at each session of the Conference and have to hold office until the election of their successors. Non-members of the Board are free to be invited by the Board to participate in issues concerning them without voting rights. In 1976 membership to the Board was expanded to include all member countries of UNCTAD. Today, the Board consists of all the 194 members of UNCTAD.

The Board is responsible for implementing the decisions of the Conference and ensuring that the activities of the Organization are in line with the agreed aims (UNCTAD 2006a: 7). In between sessions, it is the Board that prepares the necessary documents and agendas for future conferences thereby serving as the Organization's preparatory committee. The resolution establishing the UNCTAD (1995 XIX) states in

paragraph 14 that when the Conference is not in session, the Board shall carry out the functions that fall within the ambit of the Conference (United Nations 1964: 2). The Board is also empowered to initiate studies or make reports in the trade field and other related issues. In the continuing machinery, the Board is the highest organ and performs all the functions of the Conference in the inter-sessional periods.

The Board is given broad powers to carry out its functions but it also answerable to the ECOSOC and the Conference. Within the system of the UN, the Board is mandated to act in conformity with the ECOSOC under the UN Charter. The Board meets once a year and reports annually to the General Assembly through the ECOSOC. In addition to the normal sessions, the Board is also permitted to meet in executive sessions. These executive sessions last for only one day and can be convened thrice a year with six weeks' prior notice (UNCTAD 2006a: 7). Policy, management and institutional matters that cannot be postponed to the regular sessions are dealt with in the executive sessions of the Board.

The importance of the Board is enhanced by its power to create subsidiary bodies as and when it deems necessary. The Board had four main committees when it started – Commodities, Invisibles and Financing related to Trade, Manufactures and Shipping. There have been newer committees created ever since. The membership of these committees has also increased over time keeping in line with the increasing membership of the Organization. The Board has the ability to set the terms of reference of the committees after consultation with relevant UN bodies in order to avoid duplication. The Board supervises the activities of the subsidiary bodies and ensures that they are carried out according to the mandate and also that these activities do not overlap with those of other organisations. In this regard, the Board is permitted to avail reports and establish links with other IGOs in order to avoid duplication of activities.

The committees have the duty to promote the decisions of the Conference, pursue policies in their fields and co-ordinate activities of relevant international organisations (Williams 1987: 157). The committees meet twice in a year but are allowed to convene special sessions at the request of the Conference, the Board or as decided by the committee itself. The committees also have the ability to create their own subsidiary

organs of a permanent or non-permanent nature in order to assist them in their tasks. The Board along with its committees also establishes ad hoc and working groups from time to time when work demands. The life span of these standing groups is varying and depends on the subject matter. There are two types of such ad hoc bodies – intergovernmental bodies and groups of experts appointed on the basis of their professional expertise (Williams 1987: 158).

The Board has served the machinery of the UNCTAD by acting as the policy making body and reviewing policy implications and continues to be the governing body. The work of UNCTAD has been administered by the Board in order to deal with cross-cutting issues through the years. From issues of interdependence, the cooperation of the Global South and the issues of LDCs and Africa, the Board has been instrumental in regulating the working of UNCTAD. The report of the Panel of Eminent Persons of 2006 highlighted that the work of the Board needed improvement in terms of creating a broader approach to development strategies and approaches so as to ensure effective deliberations (UNCTAD 2006b: 39). This was in view of the increasing recognition of the interdependence of trade, investment and technology issues, particularly in the era of unprecedented global interconnectedness. During the years of globalisation, the Board saw an extent of reinvention in the manner of its working wherein deliberations were now conducted in interaction with think tanks on issues of economic development for more substantive results. The report of the Panel of Eminent Persons also suggested that the high-level segment of the TDB should be replaced by a “multi stakeholder dialogue” or by a “Global Forum for Trade, Investment and Development” (UNCTAD 2006b: 40). In the year 2008, a Commission on Investment, Enterprise and Development was set up, in line with the recommendations of the Panel report. The Board’s functioning has evidently seen changes and reorientation that have been influenced by the external environment as well as the internal workings of the Organization.

Secretariat and the Secretary General

The UNCTAD secretariat was established through the General Assembly resolution 1995 (XIX) in the manner of Article 101 of the UN Charter that details the design and functioning of the of the UN secretariat. UNCTAD secretariat was formed as an

“adequate, permanent and full-time” body within the UN secretariat for the “proper servicing of the Conference, the Board and its subsidiary bodies” (United Nations 1964: 10).

The Secretariat is composed of general and service staff whose number has expanded along with the Organization. There are roughly about 400 staff members in the UNCTAD secretariat today and the annual budget is approximate \$50 million with \$25 million of extra-budgetary technical assistance funds (UNCTAD website). The secretariat has several departments, some of an administrative nature and others that are engaged only in carrying out research. The UNCTAD secretariat undertakes research, policy analysis and data collection and engages in technical cooperation activities (UNCTAD 2006a: 7). UNCTAD secretariat is a part of the UN secretariat and hence subject to the UN staff regulations.

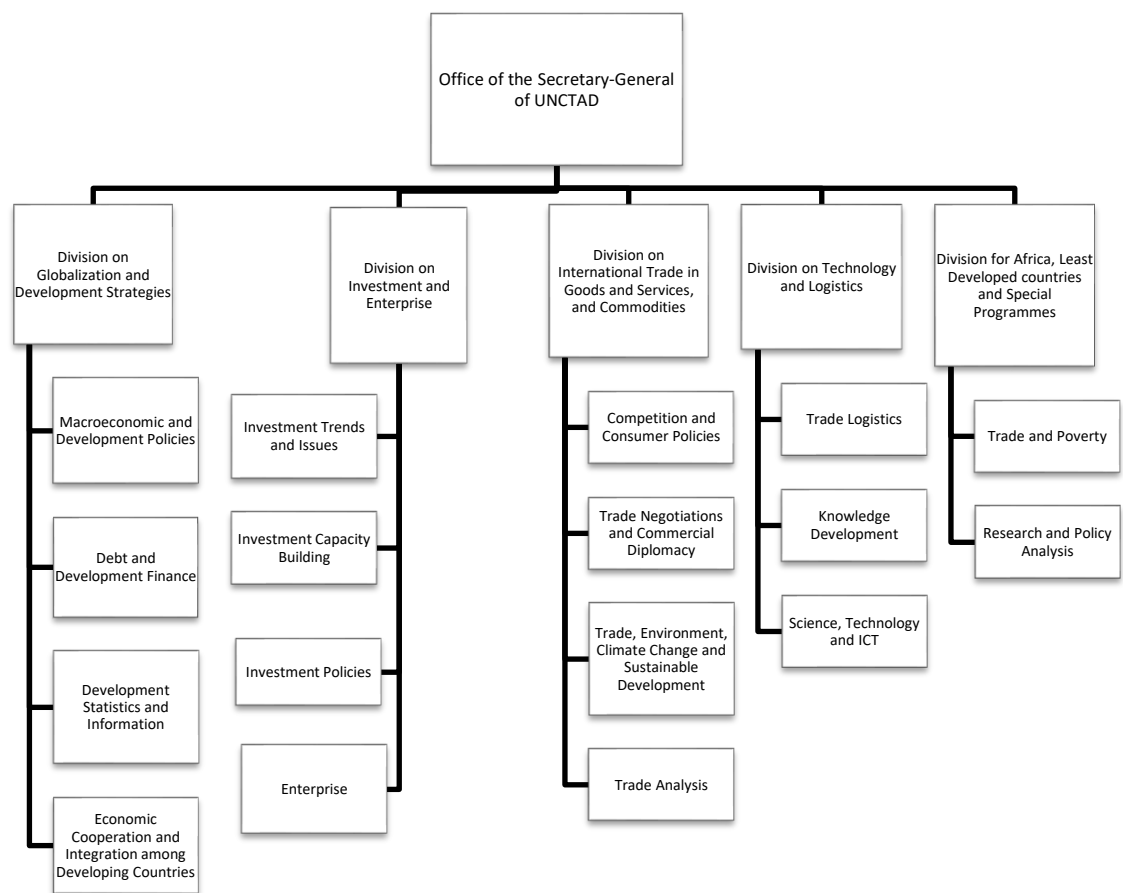
Figure 2.1 shows the Organizational Structure of the UNCTAD Secretariat.

Until the creation of UNCTAD, most secretariats of other IGOs were engaged in promoting the interests of developed countries. The secretariat of the UNCTAD is particularly “remarkable” as it led to the emergence of a secretariat that for the first time “actively espoused controversial points of view taken by less developed countries and largely opposed by developed countries”, making it an important “independent force exerting pressure for the reshaping of international policies” (Gardner 1968: 106-107). The secretariat consistently voiced the opinion of developing countries, especially under the leadership of Prebisch, and the failure of developing countries to make progress in economic development was seen as a failure on their own part despite efforts of the UNCTAD (Gardner 1968: 112).

The work of the secretariat has been guided through the years by the comprehensive mandates evolving from the conferences. Even though UNCTAD is not a rule-making body, the role of the secretariat in providing inputs to national and international policy and rule-making processes has been unparalleled. The research and policy analysis conducted by the secretariat is what forms the basis of intergovernmental deliberations. The Secretariat's role in providing technical assistance to LDCs is also of great importance in terms of both the research done through fieldwork and data as well as

the analysis of the implementation in those countries. Through the years, the functions of the secretariat have more or less remained intact in terms of policy advocacy and research. The manner of interactions, however, has changed to include a more interactive approach in order to improve the synergy among the three pillars of UNCTAD and to improve both the horizontal and vertical coordination of the Organization. In the years of globalisation, the secretariat increasingly welcomed the participation and engagement of all stakeholders with an aim to tackle issues more effectively.

Figure 0.1: Organizational Structure of the UNCTAD Secretariat



Source: <http://unctad.org/meetings/en/Miscellaneous%20Documents/organigram.pdf>
 Accessed on 21 June, 2017.

The Secretary-General of UNCTAD, who holds the rank of the Under Secretary-General of the UN, heads the secretariat of UNCTAD. The appointment of the UNCTAD Secretary-General is done by the UN Secretary-General and confirmed by the General

Assembly. The Secretary-General has an overall control and directs the work of the secretariat. The supervision of the functioning of the entire machinery of the organisation is carried out by the Secretary-General through servicing of the various organs. This involves a host of technical functions like maintaining records of meetings, interpretation and translation of speeches, circulation of documents, and provision of relevant reports (Williams 1987: 160). The external institutional aspect of UNCTAD concerns its relations with other IGOs, NGOs and civil societies. In both the internal and external aspect, the role of the Secretary-General is of great importance.

Since the UNCTAD has a broad mandate with challenging tasks, the role of the Secretary-General is crucial. At UNCTAD I, some western nations opposed the involvement of the General Assembly in the process of appointment of the Secretary-General and wanted only the UN Secretary-General to be a part of the appointment process but they subsequently gave way to the desire of the developing countries who wanted the UN General Assembly to have a role in selection of the office. It is with the full support of the successive Secretary-Generals of the UN that the UNCTAD Secretary-General has been performing his tasks (UNCTAD 1985: 42).

In the wider ambit, the Secretary-General has an important political role in the deliberative process of the Organization. He is bound to attend any meeting or send his representative and submit an oral as well as written statement as well as chalk down the agenda of the organs. The Secretary-General is also involved in the conciliation procedure of UNCTAD, is entrusted to convene commodity conferences within the UN system and permitted to hold intergovernmental consultations on commodities (Williams 1987: 160). After several decades of UNCTAD's functioning, the tasks of the Secretary-General can broadly be categorised into three principal ones: assisting the UNCTAD machinery by providing the needed servicing through new ideas and policies; providing technical assistance to member governments; and mediation and good offices (UNCTAD 1985: 42).

The institutional framework does not sufficiently explain the overall mechanism of an organisation. In addition to the skeletal framework, the operational framework is needed to analyse the political and external dimensions that affect the

organisations functioning. For this, we will study the UNCTAD and its mechanism in close alignment with the changing international context to assess its role and functions over the years in the following chapters.

Conclusion

Following the changes in the international order in the post-war period, several organisations were established to regulate matters of international economy, trade, finance, security and development. While the western powers were instrumental in creating these institutions, there was a void in terms of a body that could lobby on behalf of the developing countries. An increasingly dissatisfied group of nations comprising of developing countries came together through shared concerns and advocated the formation of an institution that would service their needs and demands.

The growing disillusionment of developing countries with the international economic system was a result of the failure to set up an International Trade Organization (ITO) and its exclusion from GATT negotiations which failed to incorporate those sectors that were of prime importance for developing countries. The process of decolonization led to increasing membership of the third world in the United Nations and this facilitated a stronger front to push for demands in the economic field. The creation of the non-aligned movement (NAM) further strengthened the solidarity of developing countries who later came together through shared concerns under the group of 77 (G 77). Developing countries were also dissatisfied with the workings of the Bretton Woods institutions as well as the agencies of the UN like the ECOSOC. The weighted voting system of the international financial organisations and the virtual control of western countries in the decision making process only pushed the developing countries further away from the centre stage of the international trade and monetary system. Further, the role played by Prebisch through his contribution of structuralist economics not only challenged the existing free trade regime under the GATT but effectively brought developing countries together.

The creation of UNCTAD was therefore a culmination of several events. After a host of debates, discussions and several successful and unsuccessful proposals, a conference on trade and development was held at Geneva in 1964. The Conference was

later established as a permanent, intergovernmental organisation. The UNCTAD is an international organisation that holds periodical conferences to address international economic issues over a comprehensive mandate. It is an integral organ within the United Nations comprising of a definite organisational structure including a permanent secretariat. It deals with a broad range of trade and development issues as well as related areas like investment, technology, enterprise development and sustainable development.

The UNCTAD was established as a specialised agency of the UN with an independent budget and governing body (UNGA resolution 1995 XIX). The discussions and compromise at the first Conference of the UNCTAD at Geneva in 1964 dictated the key features of the constitutive document. The organisational structure of UNCTAD is composed of the Conference, the Trade and Development Board, its committees, sub-groups and subsidiary intergovernmental bodies; and a large, independent secretariat in Geneva.

The institutionalization of the Conference happened under the UNGA and ever since, the mandate for UNCTAD has increased. All members of the UN are members of the UNCTAD and the Conference is the apex body of the UNCTAD. The UNCTAD has a freedom to craft its own rules, procedures, appointments in the bureau and committees and is guided by the President and the Vice President. The decision making process in the Conference happens through the 2/3 majority for substantial issue and simple majority for normal issues. In the decision-making process, another important feature is the group system. Member states were divided into four groups on a geographical and socio-economic basis for the purpose of election of representatives to the Board and its committees. The group system originated during UNCTAD I and a group system of negotiations were later institutionalised into the system of the Organization (Williams 1987: 163). One of the most important functions on the UNCTAD is of inter-Governmental and inter-Disciplinary deliberations. The Conference also plays a key role in identifying the role of the United Nations and UNCTAD in addressing economic development problems (UNCTAD website).

Alongside the Conference, the Trade and Development Board is another important body of the UNCTAD. This is an important body structure from the decision

making perspective in the economic field. This TDB is an implementing mechanism and is responsible for implementing the decisions taken by the Conference. The board is responsible for documentation and agenda making between meetings. However, the Board is answerable to the ECOSOC and the Conference in discharging its functions. The importance of the Board is enhanced by its power to create subsidiary bodies as and when it deems necessary. The four main committees of the Board have the duty to promote the decisions of the Conference, pursue policies in their fields and co-ordinate activities of relevant international organisations.

The Secretariat and the Secretary General established through the General Assembly resolution 1995 (XIX) in the manner of Article 101 of the UN Charter that details the design and functioning of the of the UN secretariat. The Secretariat is the body responsible for undertaking research, analysis and is a major organ for collecting data. The Secretary-General of UNCTAD, who holds the rank of the Under Secretary-General of the UN, heads the secretariat of UNCTAD. Supervision is the most important function for the Secretary General. Alongside it is also involved in the technical and inter-institutional functions. Since the UNCTAD has a broad mandate with challenging tasks, the role of the Secretary-General is crucial from a political perspective.

The institutionalisation of the Geneva Conference is in itself a remarkable achievement in the realm of international organisation. The creation of UNCTAD against the wishes of western powers was an important milestone in the restructuring of the global economy in the post-war period. For the first time in the history of international organizations, countries from the “Third World” were the drivers in the establishment of an institution.

. Even though the organizational structure has been subject to major changes in the mid-1990s through the Midrand Conference (1996), UNCTAD continues to function effectively. The internal machinery of UNCTAD has stood the test of adversaries and every organ of the organization has contributed significantly to bring about successful changes and achievements through the UNCTAD.

CHAPTER III

UNCTAD in the Cold War Era: Role, Functions and Activities

Introduction

The early years of UNCTAD panned simultaneously with growing economies only in developed countries. Developing countries were experiencing deteriorating terms of trade, especially for commodities, that continued to persist and increased the trade gap between them and industrialised nations. When efforts of universal organisations like the United Nations failed to address the pressing concerns of developing countries in terms of development aid and assistance, there was no option but to create an entirely new body that would cater to the needs of the developing countries. Pursuing the primary aim of trade and aid under the guidance of Prebisch, developing countries successfully institutionalised the Conference for Trade and Development held in Geneva in 1964 under the United Nations. UNCTAD was thus created as a permanent international organisation.

The fundamental theory underlying the purpose of UNCTAD was that developing countries were facing an external imbalance evident from the disparity between the rate of growth of primary products and that of imported industrial products, and balance could only be achieved through a joint effort involving countries at various levels of development. Given this notion, UNCTAD was essentially entrusted with the responsibility to serve the interests of countries that did not formerly have a voice in the international economic system, as discussed in the previous chapter. These were countries that were newly independent from the colonial powers, countries that faced stark poverty and underdevelopment, countries that had not yet embarked on the path of industrialisation, and countries that were marginalised from the discourse on trade and development in related international organisations.

UNCTAD in its initial years had a mandate to carry out three key functions: (i) as a forum for intergovernmental deliberations, supported by discussions with experts and exchanges of experience, aimed at consensus building; (ii) undertaking research, policy analysis and data collection; and (iii) providing technical assistance tailored to the

specific requirements of developing countries, with special attention to the needs of the least developed countries (LDCs). With a comprehensive mandate, UNCTAD was set to involve itself in a host of activities spanning across several sectors. However, the role that the Organisation adopted was to be affected by the international context to a large extent. The course of its actions under the three main functions was directed by events unfolding in the external environment. UNCTAD exists in a system, within a larger body of the United Nations, among several other international institutions, and more importantly, is run by members of different nation states. It is therefore natural that the Organisations roles and functions are moulded by external events.

UNCTAD was born at a time of the Cold War. The first decade of its existence was marked by the period of détente that featured an ease in the rivalry and tension between the superpowers. This allowed the Organisation to carry out its functions more effectively. By the 1970s, there was a collapse of the international monetary system, and western economies were seemingly vulnerable as they were affected by the crisis. This gave the South an impetus in their cooperation and allowed them to push for a structural change in the international economic system. Regardless of the results, UNCTAD managed to aggregate the demands of developing countries to a great extent and was able to influence the international community.

However, with the recurring oil crises and the debt trap that grappled developing countries, the 1980s brought with it unfavourable conditions for UNCTAD's performance. The chapter starts with an overview of the international economic and political context during the Cold War in which UNCTAD operated. It is then divided into three broad sections, based on the three roles of UNCTAD. The first deals with UNCTAD's role as a forum for intergovernmental deliberations where this role is analysed over the three decades from the 1960s to the 1980s. Under this role, UNCTAD's role as a forum for negotiations is assessed. Next, it focuses on UNCTAD's role in research and policy advice, where the Organisation's performance and activities over the three decades are analysed. The last section assesses UNCTAD's role in providing technical assistance over the three decades is analysed and an overview of how that role

underwent change over the period. The chapter ends with a conclusion that summarises the main findings of the study.

International Context of 1960s-1980s

UNCTAD has existed in a dynamic international environment. This international system has been subject to constant changes and movements that have affected the operations at UNCTAD directly or indirectly. To analyse the changing roles and functions of UNCTAD, it is essential to understand the changing international context.

One of the most significant international contexts in which the UNCTAD operated was the Cold War between the Eastern and Western blocs. As most of the developing countries were newly independent countries from the colonial rule, their focus was on rapid social and economic development. Due to the process of decolonization, their number increased dramatically at the United Nations. As their demand for financial aid and technological transfer from the developed countries as well as international organisations were not met satisfactorily, they became disillusioned with the kind of assistance and aid they received from the Western countries and international organisations. The major tension developed in the relationship between the Western countries and the developing countries, leading to the demand for separate body within the United Nations to assist them in negotiation with the western countries as well as integrating with the world economy. The Western countries were not supportive of the idea of a new institution for trade and development matters since the GATT already existed.

UNCTAD I was held when the GATT was about to start the Kennedy Round of negotiations (1964-1967). This was the time when there was recognition worldwide of the need for cooperative action to assist developing countries to integrate into the world trading system by improving market access, providing financial assistance and strengthening commodity markets. The principle of reciprocity formulated under the GATT was problematic since it did not take into account the differing levels of development of nations. The Most Favoured Nation (MFN) principle of GATT was based on non-discriminatory multilateralism where every country was to be treated equally. This led to the demand for a case of preferential tariff whereby developing countries

could get preference in tariff rates for exports from developed countries and it was to be implemented on a non-reciprocal basis. This was taken up for consideration in the GATT in May 1963 (UNCTAD 2006a: 12-13). Subsequently, a new chapter on trade and development was added under part IV of GATT that asks contracting parties to refrain from increasing trade barriers against products that are of concern to developing countries (UNCTAD 2006a: 13). However, despite the negotiations in the Kennedy Round following the implementation of Part IV, the lack of participation of developing countries failed to alter the principle of reciprocity and the MFN treatment (Spero 1990: 72). The developing countries continued to be disillusioned by the world trading regime under the interim arrangement and formed the UNCTAD to fill in the institutional void.

During this period, in terms of the economies of developed countries, there was remarkable growth. The world trade also witnessed growing trends in the initial decade of UNCTAD. Developing countries on the other hand continued to struggle with their economies and pursued intensive growth agendas. The prices of primary commodities in developing countries were deteriorating in relative terms, and slow growth was reinforced by supply side incapacities. UNCTAD was established to help the developing countries to negotiate more effectively to solve the issues of trade and development. It is not surprising thus that the first UNCTAD Conference was centred mainly on achieving economic growth of developing countries in order to reduce the trade gap that persisted between the developed and developing countries. The imbalance in trade was one of the major factors that fuelled the Conference at Geneva. Following this objective of growth, the Organisation designed its agenda around the necessary steps in regards to acquiring investments, availing financial assistance and technology transfers from developed nations. Overcoming the poor growth of developing countries and integrating them into the global economy was at the heart of the mandate of UNCTAD (UN 1964). Until the early 1970s, the political situation internationally was characterised by the *détente* where superpower rivalries experienced relatively lower levels of international tension. However, this situation *détente* did not lead to improvement of aid and trade for the developing countries to deal with their concerns of rapid development.

By 1969, Prebisch, the first Secretary General of UNCTAD, had become less hopeful about the prospects of the Organisation as he did not see it becoming the kind of Organisation that he had envisioned – a leading research centre and a forum for global negotiations. Instead, the UNCTAD had become an expensive consultative body, without much result to show its achievement. The agenda that he had brought into force for the Organisation was largely unfulfilled, and there was still a lot of work needed to be done (Toye 2014: 40-44).

By the time the second conference was over, the international scenario witnessed the sudden weakness of the West due to events like the US war in Vietnam. Developing countries saw this as an opportunity to reinforce their demands on trade and development. After Prebisch, Perez-Guerrero was appointed as the new Secretary-General of UNCTAD, and even though he came in with new concerns and priorities, he continued to follow his predecessor's threefold agenda of international commodity agreements, supplementary financing and trade preferences. Perez-Guerrero stuck to the same strategy, but the international economy in which the strategy was to be adopted was quickly changing. Developing countries were in a state of disillusionment as the aid for enhancing their trade prospects almost never materialised in the manner they had expected. This made them increase their demands and they became more militant in their approach.

Meanwhile, President Nixon of US announced the New Economic Policy in 1971 that marked the beginning of the end of the Bretton Woods system of fixed exchange. The collapse of the Bretton Woods' fixed exchange rate marked the end of the era of strong growth of western countries. This was followed by a period of recession, rising inflation and unemployment due to erroneous macroeconomic policies. Stagflation then crept into developing countries through increasing price of imports and fall in demand for exports, which worsened their balance of payment problems (Toye 2014: 40-45).

The most stirring event, however, was the Oil Crisis. In 1973, there was an increase in the oil prices after the second war in the Middle East when the Organisation of the Petroleum Exporting Countries used oil price as a weapon against the western countries that were heavily dependent on the Middle East for oil (Toye 2014: 40-45).

This development greatly influenced the UNCTAD as it had a complex effect on the developing countries and their coalition under G77. The crisis divided the coalition of G77 into two groups, one comprising oil exporting developing countries that benefited from the price rise and the other consisting of oil importing countries which suffered a large external shock that needed adjustment through increased borrowing and policy changes. On the other hand, the oil shock also had a “politically unifying effect” in that there was hope that like oil, supply and price of other commodities could also be controlled by collective action (Toye 2014: 46).

Under these circumstances, the developing nations found an opportunity to strengthen their demands and pushed for a new international economic order (NIEO). The G-77 was particularly interested in trade reform aspect of reforming the international economic order. They called for further tariff barrier reductions on a non-reciprocal basis on a wider range of items from developing countries. The unity among the global South was at its strongest during these years. Developing countries, with their numerical majority at the UN, did not shy away from making the most out of the weakened economies of the western world and sought an opportunity not only to increase export earnings but also radicalise the demand for an NIEO. The 1970s is thus characterised as the period of “systemic turbulence” (UNCTAD 2006a: 16).

(By the end of the 1970s, Détente was over, and there was a re-emergence of superpower rivalry. The 1980s was the period of global recession and the “second” Cold War. Through the first half of the 1980s, global economic recession in the form of rising inflation and unemployment clasped the international economy in a crisis. Developing countries suffered more as they were mired in debts and crippled by payment problems. The sub-Saharan African countries suffered most severely. The recession continued in the western world and this led to decreasing imports from developing countries as well as increasing protectionist measures. The first half of the 1980s was therefore characterised by the global economic recession when over half of the developing countries experienced a contraction in per capita GDP while over the decade as a whole there was a ten percent decline in their GDP rates (Thomas 1997: 457). During this decade, developing countries were also subjected to severe adjustment policies of the World Bank. Countries that

availed loans were put under the structural adjustment programme (SAP) whereby the World Bank and the IMF began intruding into domestic policies and subsequently altered the economies of many developing countries in exchange for loans. Developing countries were bound by these conditionalities and in the state of debt, they had little choice but to slowly begin transforming their economies.

The international political economy in the 1980s was also characterised by the rise of neoliberal ideology advocated by new conservative governments under Thatcher and Reagan, which completely contrasted the ideology of the NIEO. The 1980s also set the stage for major transformations that occurred at the end of the decade. The gradual disintegration of the Soviet Union led to a change in the political environment with the demise of the former socialist regimes in Eastern and Central Europe. These countries began opening up their markets and the Cold War tension between the East and the West was finally coming to an end. These developments had a huge impact on the role of UNCTAD as it laid down the limits around which UNCTAD could function.

Roles and Functions

The Final Act adopted by the Geneva Conference clearly stated the main aim of the UNCTAD as increasing market access for exports from developing countries, stabilising commodity markets to improve terms of trade of developing countries and adopting measures to increase financial flows to developing countries (UNCTAD 2006a: 13-14). From these aims flow the three main role of the UNCTAD that are: forum for deliberation and negotiation; role in research, policy analysis and data collection; and role in providing technical assistance.

Role as Forum for Intergovernmental Deliberations and Negotiations

Before the establishment of UNCTAD, developing countries were virtually absent from the international trade negotiations carried out in the GATT. Their demands and interests were thus automatically sidelined. One of the main functions of the UNCTAD, therefore, was to provide developing countries with an international forum where state governments could come together for discussions and negotiations. A common view for an organisations success is the delivery of “collective and coordinated action”; following

which, organisations can be deemed as “action organisations” or “political organisations” and UNCTAD fits in the latter category (Brunsson 2006: 2). According to Brunsson, UNCTAD’s measure of success is therefore based on decisions emerging from negotiations.

UNCTAD as a forum for deliberations adopted global conference diplomacy. Its role as a forum can be analyzed through its role in agenda setting and in promoting a common understanding. The areas of primary concern of UNCTAD in the immediate years as far as negotiations were concerned, were those relating to Commodities, Trade and Industrialization, Money Finance and Development, Indebtedness, International Monetary System, Shipping, Technology, and Least Developed Countries (LDCs). For tackling the problem of relative decline in purchasing power of developing countries, UNCTAD adopted three major approaches: negotiate international commodity agreements to stabilize purchasing power of primary exports; improve market access products originating from developing countries, and provision of financial compensation from industrialized countries to offset losses of developing countries (Temu 1974: 355-356).

UNCTAD was instrumental in promoting and making possible crucial negotiations that led to effective decisions aimed at market stabilisation. In 1965, the ECOSOC transferred the responsibility of commodity agreement negotiations to the UNCTAD completely. UNCTAD thereby took over the functions of the ECOSOC’s Commission on International Commodity Trade and Interim Coordinating Committee for International Commodity Agreements. This was when Group B countries stopped objecting to UNCTAD’s role as a negotiating forum, which in turn boosted the Secretariat to formulate a strategy on the commodity issue (Toye 2014: 33). The Group B countries were of the view that since each commodity had its unique feature, a negotiation on the general principle of commodity policy was not needed. The Committee on Commodities favoured the commodity-by-commodity approach to address the market access problem, but this was also met with difficult negotiations.

Due to persistent opposition of western countries, the cocoa conference intended to facilitate negotiations on an international commodity agreement on cocoa was not

possible. This was a major setback for the developing countries. Despite such setbacks, the UNCTAD secretariat by the end of the 1960s took up a policy of price stabilisation using the method of buffer stocks financed through a central fund that was to be provided by the World Bank (Toye 2014: 35).

During the 1960s, UNCTAD also continued its pursuit of international agreements on money and finance. Over the years, there have been changes in content and emphasis in this field. In the first few years, the volume and conditions of resource transfers and compensatory and supplementary financial mechanisms were of highest priority for the Organisation (UNCTAD 1985: 15). In the case of a supplementary financing mechanism, the support from the World Bank and its President, George D. Woods in the initial years were a source of great hope for the UNCTAD. At UNCTAD I, Woods attended the conference and supported the case for a supplementary financing mechanism along with the United Kingdom and Sweden. Woods also prepared a report that was well received by both developed and developing countries at the first meeting of the Committee on Invisibles and Financing even though the report mentioned the dependence of this financing system on performance of countries (Toye 2014: 36). By the end of 1966, the Board endorsed the proposed agreement, but it could not be concluded. In the following years, the support from the World Bank waned and subsequently, the Bank disengaged itself from the scheme and provided only moral support. UNCTAD thus failed to garner effective support from donors but nonetheless set an agenda around its basic objectives.

Even in terms of international monetary reform, the UNCTAD was fairly successful in deliberation and negotiation. Developing countries were characterised by persistent external and internal structural imbalance with a low rate of growth. By the early 1960s, there was a general view that developing countries needed special treatment which implied certain changes in the international monetary system. In its early years, UNCTAD aimed for a fundamental reform of the existing monetary system, and it also deliberated on designing and promoting counter measures to cyclical fluctuations which could harm the trade and systems and thereby hinder growth in developing countries (UNCTAD 1985: 77-78).

UNCTAD also deliberated on the issue of financing for export shortfalls under its general agenda of development. Intergovernmental negotiations led to the establishment of the Compensatory Financing Facility (CFF) in 1963 which was intended to help countries through periods of the balance of payments disequilibrium arising from the export shortfall. In addition, UNCTAD also pushed for the creation of mechanisms designed to tackle long term problems. In pursuance, at UNCTAD II, the Conference took up the issue of lack of an adequate financial mechanism to permit the creation of buffer stocks of commodities and called on the IMF, World Bank and International Development Association (IDA) to focus on the issue. Subsequently, the IMF established the Buffer Stock Financing Facility (BSFF) in 1969 (UNCTAD 1985: 79).

UNCTAD's negotiations also led to recognising the need to promote economic cooperation among developing countries (ECDC), and it initiated programmes for the same in the late 1960s and incorporated it into its regular work programme. Economic integration was the main activity of UNCTAD in the field of ECDC.

Prior to the establishment of UNCTAD, the shipping scene was dominated by a few maritime powers reflecting the international relations of those times, particularly of colonialism. Developing countries were functioning according to arrangements made by foreign operators and had no control over the shipping trade. Moreover, there existed a linear conference system since 1875 of traditional ship owners, and they dominated major trade routes by the 1960s. In the post-war period until the early 1960s, over seventy new states were formed in the process of decolonization. UNCTAD I gave developing countries the opportunity to raise their concerns and they pressed for four main policy objectives: influence structure and level of freight rates, establish and expand own national merchant fleets, rewrite international shipping legislation and create an environment conducive to the improvement of their human resource (UNCTAD 1985: 131).

The Committee on Shipping became a forum where negotiations could take place, and it began agreeing on resolutions addressed to governments, but this method did not produce substantial outcomes in the 1960s. Hence a subsidiary body was created – the Working Group on International Shipping Legislation in 1969, which is noted to be a

landmark in the institutional restructuring of the work of the Committee. The creation of the working group was significant in restructuring the institutional framework of the Committee, and it increased the scope of the Committee's work beyond that of shipping operations. Since shipping was an area where there was no competition from other organisations, the UNCTAD could bring about some improvement.

The 1970s was the period of uncertainties and volatilities due to the disintegration of the monetary system, as has been discussed in detail in the section on the changing international context at the start of the chapter. Developing countries expected to change the international economic structure through their strength in the UN membership. The increased confidence was evident during UNCTAD III in Santiago where developing countries pushed through the detailing of the "Charter of the economic rights and Duties of States" (Bergesen and Lunde 1999: 53). It was later in the fourth NAM summit in Algiers in 1973 where the demands for an NIEO became radicalized and it was formulated into a programme of action. The G77 solidarity undoubtedly reached its peak during this time. The quest for NIEO was also fueled by the first OPEC Oil Shock in 1973, which exposed the weaknesses of western countries (Bergesen and Lunde 1999: 53).

The negotiations under UNCTAD continued in the field of commodities. Commodity prices of most items – industrial raw materials, food and beverages along with oil – had risen sharply in the early years of the 1970s. The oil crisis and cartelization of oil by OPEC countries suggested to developing countries that other commodities could be cartelized as well. Just as GSP had become the symbol of the New Delhi Conference, commodity schemes symbolised the early 1970s (Bhagwati 1984: 25). Perez-Guerrero, the then Secretary-General of UNCTAD intended to revive the idea of a cocoa conference and visited Moscow in 1970 to secure the participation of the Soviet Union, who had previously affirmed their support for any form of international commodity agreements.

The US was reluctant to support the cocoa conference, but the Cocoa Conference did convene eventually in 1972. The first session failed to produce any result and agreement – the first International Cocoa Agreement – was reached only in the second

session. This lasted for three years, and the US refused to join. Although this was a diplomatic achievement for UNCTAD, in practice, the agreement was inoperative. Progress was also achieved in the case of tea, but no formal agreement could be concluded. Due to scant results in the area of commodities, Perez-Guerrero turned his attention to other areas like reaching an agreement to grant developing countries non-reciprocal industrial preferences.

The topics of discussion by the time of the Nairobi Conference included remunerative and equitable price stabilisation, diversification and improvement of productive capacities, processing, marketing and distributing strategies along with recommendations for the establishment of the Common Fund for Commodities (CFC) (UNCTAD 2014: 2). A resolution on the Integrated Programme for Commodities (IPC) (93 IV) was adopted in the 1976 Nairobi Conference without dissent, and it marked the first time that the secretariat's proposals were accepted since the establishment of UNCTAD. Even though the adoption of the IPC quickened the pace of discussion, the latter half of the 1970s saw only one product, rubber, being brought to the negotiating table despite several meetings on as many as 12 commodities under IPC. The delay in the establishment of CFC and the slow progress in negotiations also seemed to reinforce each other.

By the time of UNCTAD V in 1979, there was a general acceptance that despite the evolution in policy, concrete results were yet to be seen and that the delay in the establishment of CFC was partly responsible for the slow pace of negotiations (UNCTAD 1985: 65-66). The Secretary-General also stressed the importance of and need for compensatory financing as a basic element of IPC since the existing compensatory financing facility of IMF was limited in many ways. There was a stress on a major revision of the existing facility in order to enhance the character of the Common Fund into a truly comprehensive one. At UNCTAD V, resolutions were adopted that allowed the secretariat to carry out studies in this area (UNCTAD 1985: 67).

Under international monetary reform in the 1970s, UNCTAD contributed greatly in increasing the participation of developing countries in the decision-making process within the international monetary system. Two issues remained to be tackled in this area

by the time of the Conference in 1972: how the reform was to be negotiated and secondly, the scope of the reform. In terms of negotiations, the Conference called for strengthening the IMF as the centre for deliberations and urged the IMF to accept the proposal to set up a Committee of Twenty of the Board of Governors on the reform of the monetary system. The Committee of Twenty was constituted in 1972 and developing countries were given 9 seats in it (UNCTAD 1985: 87). Even though the progress in reforming the monetary system was limited, UNCTAD played a crucial role in articulating the interests and needs of developing countries like never before by participating actively in the work of the Committee of Twenty and pursuing intensive research.

Even though the UNCTAD continued discussions and negotiations in reforming the international monetary system in the 1970s, there were serious difficulties in its path, leading thereby to minimal results. The negotiations on such reforms in the early 1970s marked a “high point” in UNCTAD’s endeavour to bring together trade, finance and development as an interdependent set underlining the international economic system (Toye 2014: 49). As far as indebtedness was concerned, in 1978 an international consensus was achieved in tackling problems related to indebtedness, and this marked the first time that a collective agreement was reached in a forum on such matters.

In matters of trade and development, in the initial years, UNCTAD’s approach was sectoral in nature, but with the advent of the ‘70s, the changing international context led the Organisation to focus on a different set of issues that was inter-sectoral. There was a growing recognition by then that the problems faced by the global economy were interrelated and needed to be tackled accordingly. UNCTAD continued to function as a forum for negotiations on trade and industrialisation matters but changed its approach from the 1960s. The GSP was initiated in the 1960s, and it happened to be a feasible means of trade co-operation between developed and developing countries. Through the 1970s, the Special Committee on Preferences focused more on improving the beneficiary list, product coverage, depth of tariff cut, safeguard mechanism and rules of origin (UNCTAD 1985: 111-112). Not much could be improved in terms of the scope of GSP in

this decade because the preference giving western countries faced severe economic setbacks of inflation and unemployment coupled with the recession.

Under Restrictive Business Practices (RBP), the 1970's saw the need for more control over RBPs in international trade. The work of UNCTAD in RBPs intensified after the Santiago Conference in 1972 when an ad hoc expert group was set up to look into RBPs and the adverse effect of transnational companies on developing countries. There was further recognition of the need for multilateral action in RBPs. In terms of international shipping, UNCTAD's role in giving the shipping industry an international character was unparalleled. What was earlier a private industry in the control of a few maritime powers was now changing under commonly agreed principles of international law.

UNCTAD maintained its role in setting agendas for development throughout the 1970s as it had done in the 1960s. There was continuity in this field and through increased levels of cooperation among the global South, particularly following the disintegration of the monetary system and weakening of western economies; greater attempts at agenda setting were clearly seen through the demand for an NIEO. Irrespective of the subsequent failure to achieve a new order, UNCTAD in the 1970s was thus as successful in agenda setting and promoting understanding in the international community as it was in the preceding decade. The agenda of development remained intact and UNCTAD was still the important forum for negotiations especially for matters concerning developing countries.

The 1980s was a lost decade for UNCTAD, where the crippled state of the global economy led to a complete failure in North-South negotiations. In terms of intergovernmental deliberations, this phase can be seen as a transitory one where the UNCTAD starts becoming less successful in terms of facilitating negotiations and discussions between the North and the South. Meaningful negotiations between the North and South ended at UNCTAD V (South Commission 1990: 217). The international context was characterised by a global recession worsened by the second oil shock of 1979 that further disrupted western economies. Oil importing poor countries were particularly adversely affected and found themselves in a vicious debt trap. Bergesen and Lunde

(1999: 53) point out how the second oil shock practically wiped out the ambition of developing countries for a NIEO.

The 1980s was also characterised by the re-emergence of superpower rivalry and the end of meaningful North-South negotiations at UNCTAD V (South Commission 1990: 217). The decade marked the lowest point for multilateral diplomacy with a “perceptible loss of confidence in UNCTAD’s role as a facilitator of consensus”, and bilateral methods of dealing with trade and development problems were beginning to take over (UNCTAD 1994: 3). Williams (1991: 2) notes that after UNCTAD VI in Belgrade in 1983, UNCTAD sought to take a more realistic approach by “retreating from his earlier high profile” mainly due to US attacks on UNCTAD’s broad mandate, its failure to produce tangible results especially in terms of a NIEO, and marginalization of UNCTAD due to changes in the international political economy that was moving towards liberation of capital movements. UNCTAD, therefore, retreated into a lower profile due to attacks on the mandate of UNCTAD from the US and the inability to concretize the efforts into successful results in the earlier period (Keohane and Underdal 2011: 55).

In terms of commodity negotiations, by the sixth Conference, the world economy was grappling in recession, and it was clear that implementation of the Integrated Programme would not suffice in dealing with commodity problems. The Secretary-General thus proposed a series of “interim agreements” for those commodities that were of great importance to developing countries within a larger framework aimed mainly at setting up a safety net in the form of minimum support price for each commodity. In addition, the Secretary-General also included compensatory financing in the emergency agreements that would complement price support measures (UNCTAD 1985: 67-68). These proposals were not met without dissent, and the resolution only permitted the Committee on Commodities to examine the issue. The latter half of the 1980s saw a few important developments. The Common Fund entered into force in 1989 after new states agreed to join the agreement. By this time, however, the initial policy route of producer-consumer intervention in commodity markets through buffer stocks had been rejected, and the CF had to reinvent their role for commodity development (UNCTAD 2006a: 21).

. The neoliberal counter revolution of the 1980s marginalised the NIEO and the UNCTAD to a great extent. The neoliberal wave led to the sidelining of UNCTAD and with it came the demise of the dream for a NIEO. Accordingly, the UNCTAD secretariat began emphasising more on the role that the Conference could play in recovery of the world economy rather than pressing for a change as they did in the 1970s. At UNCTAD VI, the Secretary-General was quoted saying: “What we are seeking today is not so much to negotiate new innovation in policy but rather to give effect to approaches and goals which have for long been the subject of consensus in the international community” (Ansari1986: 274).

UNCTADs role as a negotiating and deliberating body clearly saw greater achievements in its first decade upto the mid-1970s. External events like the collapse of the international monetary system and the weakening of western economies after the oil crises favoured greater unity and solidarity among the Global South and their demands through UNCTAD became more concrete than it was before. The demand for a NIEO marked UNCTADs peak in terms of its function in intergovernmental deliberations. After the mid-1970s, there were changes that led the organization away from success in this function. The G 77 was no longer as vociferous about its demands because developing countries had fallen into vicious debt-traps by the 1980s which demanded greater attention. There was a period of lull during the 1980s where UNCTADs role as a forum for aggregating articulating developed countries’ interests took a step back, and as we will discover later, never regained its initial status.

Role in Research, Policy Analysis and Data Collection

UNCTAD has been ahead of other organisations in terms of research, data collection and policy analysis right from the time of its creation. The Organisation was actively engaged in research related work during the years of the Cold War and provided quality work in terms of data and assessments. UNCTADs role in research as well as policy advice and data collection provided an alternative view to the existing international economic structure. Throughout this period, UNCTAD acted as a counterweight to the otherwise unbalanced global economic architecture and its work continues to be of great significance. Given the absence of other institutions that produced authentic data and

research material in this period, UNCTAD garnered a special place in the international system.

In the field of commodity agreements, UNCTAD was a driving force for innovation as well as policy drives right from 1964. This was possible as the Organisation was able to effectively work in the political process and allow discussions to take place whereby policy makers could contribute to framing consensus measures. The main issues surrounding commodity policy like declining returns, price volatility, unfair competition, market access barriers, export diversification difficulties, and value addition have more or less remained the same over the past fifty years, but the context surrounding them has undergone changes. Due to shortages experienced after the world wars, commodity issues in the 1940s were discussed only among high-income countries, but by the 1960s, there were surpluses of many agricultural commodities and increased volatility in the international market. Additionally, the independence of several African and Caribbean countries increased the players in the commodity market which propelled the need for dialogue among producers and consumers (UNCTAD 2014: 2-3).

At UNCTAD II a comprehensive policy was proposed through the report of the secretariat on an “integrated commodity policy” that supported increased export earnings, analysing both short and long term problems as well as financial measures and emphasising the need for a “general agreement on commodity arrangements” (UNCTAD 1985: 15). Research and policy advice of the UNCTAD proved to be useful in the deliberation and negotiation of commodity agreements.

Upon its establishment, the related areas of transfer of resources and reform of the international monetary system were also of major concern to the UNCTAD, and this was evident from the Organisation’s activities consisting of research, formulation of proposals and pursuing international agreements. Through the first two conferences in Geneva and New Delhi, UNCTAD contributed to setting standards and defining concepts on terms and conditions of financial flows. Under aid given to developing countries, UNCTAD was instrumental in pushing donors to soften terms of aid and at UNCTAD II, there was a growing attention paid to development financing. Following this, the Pearson

Commission and the General Assembly of the UN set specific targets for ODA of 0.7% of GDP of donor countries (UNCTAD 1985: 89).

Concerning issues of indebtedness, UNCTAD placed importance on matters like appropriate terms and conditions of financial flows, effective debt management and adequate balance of payments financing mechanisms right from the start, even though it was not until years later that these issues were tackled. The role of UNCTAD has been significant in working out debt relief and rescheduling proposals. At both UNCTAD I and UNCTAD II, there was an emphasis on the institutional aspect of debt rescheduling where the secretariat suggested the use of an early warning system within an institutional framework in order to avoid a debt crisis (UNCTAD 1985: 95).

In the area of manufactures, UNCTAD's most pressing agenda was to wipe out tariffs on exports of developing countries without any obligatory reciprocal concessions. The generalised system of preferences (GSP) that was outlined by Prebisch at the Geneva Conference and adopted at UNCTAD II was the selected approach for manufactures. GSP was a major policy initiative in the 1960's, and UNCTAD played an important role in the first two conferences in pushing for the system of tariff preferences that would safeguard developing countries' exports. In the 1960's UNCTAD's activities were mainly sectoral in approach. In the area of non-tariff measures (NTMs) like quantitative restrictions, UNCTAD played a significant role right from its creation. The Final Act of UNCTAD I includes provisions on matters related to non-tariff measures and suggests the removal of quantitative restrictions by developed countries. The UNCTAD Committee on Manufactures was set up to provide a forum for tackling issues of NTMs, and the Secretariat also contributed to the analysis of trade aspects of NTMs through its studies. In 1969 the secretariat defined governmental NTMs as distinct from non-governmental measures and separated them into two categories (UNCTAD 1985: 117). In terms of structural adjustment, the activities of the UNCTAD secretariat started with adjustment assistance measures in which they produced reports and studies at regular intervals following the recommendation A.III.6 that was adopted at UNCTAD I (UNCTAD 1985: 119).

Right from the first Conference in 1964, there was special attention given to the case of the lesser developed developing countries (hereafter LDCs). The G77 was founded on principles of unity, and members were not ready to accept the principle of differentiation among them as it was seen to potentially disrupt the solidarity of the global South. Even though the G77 campaigned for issues of discrimination against developed nations, there was no recognition of differences among their own group members. At the 1968 Conference, it was recognised that the lesser developed developing countries needed special measures to be able to derive the benefits of new policy measures within UNCTAD. The first resolution on matters of least developing countries was adopted at UNCTAD II (resolution 24(II)) in 1968, which included special measures for LDCs. The UNCTAD secretariat then started work and research on the typology of developing countries, which was considered until then as a homogeneous entity.

UNCTAD was also instrumental in recognising the role and importance of insurance for trade and development. Even though developing countries began improving their domestic insurance markets, as compared to the pre-1960s years, their markets still lacked the size and experience of the markets in developed countries. Insurance in developing countries was influenced by government intervention, and UNCTAD took measures to improve business conditions in these countries. Work under insurance evolved over the years, and UNCTAD has been prioritising insurance more in recent decades as will be discussed in later chapters

In terms of research and policy advocacy in the 1960s, the very establishment of the UNCTAD was an achievement of sorts since it legitimised the perception that the international trading system was in need of major reform. Even during the time of its birth, there were still varying opinions on how the post-war trading system was to be reformed, and the first concrete achievement of UNCTAD was in bringing consensus on the fact that developing countries needed preferential tariff treatment. UNCTAD's research and policy outcome during this decade clearly brought out plight of developing countries economy and need for special consideration in their process of integration to the world economy.

By the time of UNCTAD III in 1972, the secretariat was convinced that the former strategy of commodity-by-commodity basis was complex and time-consuming even though it seemed to sound in principle. The Integrated Programme for Commodities (IPC) aimed at dealing with commodities in a comprehensive manner. International events like the rising oil prices supported the movement for an IPC. The oil crisis of 1973 and the power of OPEC that caused global panic favoured interventionist approaches by both global consumers and producers. Even though rising prices was the main issue, UNCTAD's research activities around this time also started focusing on a wider set of development issues.

In the monetary arena, UNCTAD continued its work in the analysis of the world economy and the secretariat advanced the need for preferential treatment of developing countries in the monetary field, the need for examining reserves of developing countries and increasing it and pushing for a greater participation of developing countries in the reform process. However, the international monetary system did not undergo a fundamental reform, and by 1979 the Conference decided to establish an ad-hoc Intergovernmental High-level group of committees to examine issues concerning international monetary reform. Around this time, developed countries faced problems of rising inflation and unemployment while developing countries were struggling with deteriorating terms of trade. The experts of the ad hoc committee stated that the existing international monetary system lack adequacy, efficiency and equitability and was in need of major reform in the form of a new international economic order (UNCTAD 1985: 83). UNCTAD also continued intensive activity in the area of SDRs and development finance. The early 1970s saw growing instability in the world monetary system, and UNCTAD responded by making concrete proposals in areas of SDR creation and the link with development finance.

In terms of development finance, issues under focus remained more or less the same, and UNCTAD continued to emphasise the need for the adequate volume of transfers and appropriate terms and conditions. Concerning aid, the 1970s saw an explosion of commercial bank finance, especially through the Euro-currency market. UNCTAD's activities then concentrated on helping developing countries gain access

to these markets and research on the implications of using such heavy finance. The secretariats concerns with the floating rate system in enhancing debt crisis of developing countries were confirmed in the crisis that hit the markets in the aftermath of the collapse of the Bretton Woods system of fixed exchange (UNCTAD 1985: 76).

As far as indebtedness was concerned, UNCTAD continued its activity in finding appropriate terms and conditions of financial flows, effective debt management systems, and effective balance of payments financing mechanisms that would reduce the impact of debt crisis on developing countries as well as to secure the international financial system.

Work continued in terms of compensatory financing at the UNCTAD in the 1970s. UNCTAD III called for revisions and adjustments in both CFF and BSFF and suggested that the IMF and World Bank should finance the establishment of stocks of commodities. The Committee on Invisibles and Financing Relating to Trade of UNCTAD made specific proposals on the CFF, and after 1975, the IMF revised it by improving the formula for calculating shortfalls. The CFF was further modified in 1979 as UNCTAD continued to emphasise on the shortcomings of the CFF (UNCTAD 1985: 79). UNCTAD was therefore instrumental in pushing for changes and improvements in compensatory financing by influencing other related organisations to make necessary revisions. Even in the field of Extended Fund Facility (EFF) that was established in 1974 by the IMF, UNCTAD contributed through its studies and recommendations for the improvement in EFF.

Expansion of trade in manufactures of developing countries was seen until the 1970s as needing preferential access to markets in developed countries. In the 1970s, it was increasingly recognised that this expansion required structural adjustment and industrialisation. The Committee on Manufactures continued work in the field of manufactures trade by promoting policies to expand and diversify export trade of developing countries in both manufactures and semi-manufactures. The Trade and Development Board also became directly involved in the work on trade in manufactures after 1974 when the General Assembly adopted the Declaration and the Programme of Action on the Establishment of a New International Economic Order (NIEO) (resolutions 3201 (S-VI) and 3202 (S-VI)) emphasizing on development issues (UNCTAD 1985:

106). The Special Committee on Preferences was also assigned the task of looking into trade and development matters.

In the field of NTMs, there was continued work in examining non-tariff barriers. In 1973, the multilateral trade negotiations (MTNs) under GATT adopted the Tokyo Declaration that included liberalisation of NTMs as one of its main objectives. Following this, the pace of UNCTAD's activities in NTMs reduced in the hope that the issues would be taken care of under the GATT negotiations. Thereafter, the role of UNCTAD evolved into one of assisting developing countries to participate effectively in the negotiations while also providing GATT bodies with relevant documents (UNCTAD 1985: 117). Developing countries, therefore, relied on the UNCTAD for their proposals as the studies were carried out under the Organisation.

UNCTAD maintained its initial vigour in undertaking research work in the field of shipping. From the late 1970s, developing countries were more interested in bulk cargo movements since they made up 80 percent of the total seaborne trade. The activities of UNCTAD shifted accordingly towards studying the control of transnational corporations over cargo movement, the operation of flags of convenience (FOC) or open registry (OR) fleets (UNCTAD 1985: 138). There was also a shift towards promoting shipping as an industry, particularly in developing countries and promoting cooperation among countries for the same. In terms of merchant fleet development, the focus was initially on liner shipping since developing countries were engaged primarily in liner shipping.

In the 1970s, particularly from UNCTAD V onwards, UNCTAD started focusing on the bulk sector as it was realised that progress in this sector had been minimal in developing countries. After 1969, UNCTAD became an executing agency of the UNDP and became active in the area of ports and contributed through research and training particularly in port management training. Unlike other areas where UNCTAD's role has been more oriented towards providing technical assistance to developing country, UNCTAD's work in the field of ports has had a universal approach where the beneficiaries are not just developing countries but the entire global community (UNCTAD 1985: 150).

In terms of South-South cooperation, the secretariat continued its work on research on a wide range of relevant issues and on the organisation of seminars. The Board's resolution 53 (VIII) empowered the secretariat to set up advisory services and working parties for obtaining support for ECDC projects. The G-77 in preparation for UNCTAD IV decided to press for the establishment of a Committee on ECDC. In addition to the previous areas of work in regional and sub-regional integration, new priority areas were outlined by the UNCTAD: the creation of a global system of trade preferences among developing countries (GSTP), the promotion of co-operation among State trading organisations (STOs) of developing countries, and the establishment of multinational marketing enterprises (MMEs) (UNCTAD 1985: 186). This shift in focus was partly due to external developments. In the 1970s there was growing disillusionment over regional integration schemes. The oil crisis and the success achieved through the inter-regional grouping of OPEC proved to outweigh the results of regional groupings.

Through the 1970s it became increasingly evident that work on LDCs required integrated action and the Trade and Development Board convened an intergovernmental group for this purpose. This group met for the first time in 1975 and accelerated the measures towards formulation and implementation of policies in favour of LDCs (UNCTAD 1975 TD/B/577). The 1970s, therefore, saw a great deal of work done in the area of LDCs, especially after the typology was established. UNCTAD contributed immensely in the field of research, planning and policy measures to assist the LDCs.

In matters of insurance, UNCTAD's work in the 1970s allowed a more constructive insight into the market conditions of developing countries and the policies recommended changed accordingly. During this decade, developing countries came to realise that external aid and assistance would not solve their developmental problems completely and that they were themselves responsible in the development process. This was particularly true in the case of insurance. They learned that better utilisation of their own domestic resources could play a major role.

The second important text on insurance was adopted at the third session of the UNCTAD in 1972 under resolution 42 (III) wherein developing countries were asked to minimize dependence on developed countries on insurance, and it also recognized that

total independence of foreign insurance markets was not possible and hence sought to secure appropriate terms for lower risks (UNCTAD 1973: 41). This change in focus in the 1970s was influenced by changes in the perception of development ownership by developing countries. Following the strategy adopted and the recommendations of the Committee on Invisibles and Financing related to Trade, the secretariat carried out studies throughout the decade and engaged itself in covering basic issues with regard to establishing and developing national insurance markets in developing countries and suggested necessary measures for the same.

UNCTAD's policy proposals in the field of commodities remained largely the same with a focus on an integrated approach. The latter half of the 1980s witnessed falling commodity prices, and the debt crisis did not help maintain solidarity among developing countries. There remained no possibility of commodity producers coming together to form cartels and of joint action by consumers in managing prices in International Commodity Agreements (UNCTAD 2014: 2). The Common Fund for Commodities (CFC) came into force in 1989 and generated positive sentiments as it was seen as a measure to overcome hurdles in the development of commodity sectors in developing countries. This decade also saw a great deal of inter-agency collaboration between UNCTAD and other related organisations.

In terms of money, finance and development, the second oil crisis worsened the condition of oil importing developing countries further. UNCTAD secretariat designed measures to improve the financial condition of developing countries by emphasizing on expansion of productive capacities of countries that were under IMF conditionalities, creation of a medium-term facility to channel SDRs to developing countries, further liberalization of the CFF, gold sales by IMF for developing countries' benefit, less rigid adjustments and conditionalities by the World Bank and IMF, increase in ODA and other such measures (UNCTAD 1985: 86). The developing countries were of the view that restorative measures to improve their economies would create inflationary pressures and that they should stick to adjustments until the spillover from developed countries took place (South Commission 1990: 218).

With regard to trade and industrialization, even though there were several attempts at liberalization under the auspices of the GATT by developed countries, the trading environment in the 1980s was not favorable to the success of such attempts since developed countries continued to engage in protectionism through unilateral retaliatory actions and other unfair practices (UNCTAD 1993: 41-42). Moreover, there was an increasing use of anti-dumping and countervailing measures which started spreading to developing countries after the mid-1980s. The 1980s also saw the proliferation of regional free trade areas in the west as against universal multilateralism. At the same time, the Uruguay Round of negotiations under the GATT failed to reach an agreement by 1990, and this reinforced the perception that regionalism was gaining the upper hand over multilateralism (UNCTAD 2006a: 21).

During the 1980s, the non-tariff barriers (NTBs) rose to a great extent, and the little progress that was made by GATT in lowering high tariff walls was practically undone. Despite the growth trends in the developing world and the ongoing Uruguay Round, most developing countries continued to use non-tariff measures (NTMs) (UNCTAD 1993: 37-38). Trade restrictions that had originated in the 1970s like Multi-Fibre Arrangements (MFAs) in textile and clothing, Voluntary Export Restraints (VERs) in many manufactured goods and other such measures were strengthened in the 1980s.

Thus in the 1980s, the UNCTAD secretariat continued to review developments concerning protectionism as well as compiling the inventory of NTMs affecting the trade of developing countries. According to the mandate of resolution 131 (V), the secretariat undertook extensive research in documenting the theoretical and empirical aspects of protectionism and the impact of NTMs (UNCTAD 1985: 118). The secretariat also conducted studies in the area of structural adjustment to emphasise the advantage of positive adjustment policies over protectionist trade measures (UNCTAD 1985: 121). In the area of services, the work of UNCTAD intensified in the 1980s especially after it was noted by the Board in 1982 that while dealing with protectionism and structural adjustments, services had to be given due attention (UNCTAD 1985: 123). The Board also continued its role in GATT negotiations by continuing to assist developing countries to participate fully and effectively in multilateral trade negotiations.

Through the 1980s, participation of developing countries in world merchant fleet continued to be lower than their share of international seaborne trade, the demand and supply disequilibrium continued to be a problem in world shipping industry, ownership remained concentrated in developed country markets and growth in international economy contributed to improvement of international seaborne trade (UNCTAD 1989: viii). The UNCTAD Committee on Shipping continued to monitor developments in the world shipping area and multimodal transport with an emphasis on the prolonged demand and supply imbalance in ocean shipping so as to bring about improvements in the shipping industry (UNCTAD 1990: 64). In the field of maritime fraud, UNCTAD's work resulted in the establishment of Maritime Advisory Exchange in 1988, which was to be the focal point for necessary information in combating maritime fraud (UNCTAD 1989: 68). UNCTAD also continued its extensive work of training of management in shipping, ports and multimodal transport throughout the 1980s.

In terms of economic cooperation among developing countries, since 1981, more attention was also given to sectors of priority for developing countries like energy, and there was renewed interest in research for benefits that groups may derive from increased participation in regional as well as interregional ECDC programmes. There was also increased attention to problems faced by the groups in light of unresolved external and internal hindrances made worse by the then international economic crisis. UNCTAD's work in the field of ECDC continued with robustness in the 1980s, and the most significant contribution was the economic integration programme that helped not only in implementation of resolutions but also responded to technical assistance needs of developing countries and acted as an interregional clearinghouse for regional groupings from the world over (UNCTAD 1985: 197).

Concerning the LDCs, the UNCTAD secretariat suggested the launch of a "sustained and effective substantial new programme of action" for the decade of the 1980s since the LDCs were continuously lagging behind in growth and economic development (UNCTAD 1985: 210). The 1980s began with this new stress to improve the performance of LDCs through the push for establishing an expanded programme – Substantial New Programme of Action (SNPA). It was the report of the Secretary-

General of UNCTAD that formed the basis of this new programme that was in turn based on the meetings organized by the secretariat of different groupings of LDCs for reviewing the requirements and performances of each country. The SNPA was adopted in Paris, and it reflected the UNCTAD's aim of pursuing a "two-pronged approach" to set up contracts between donor countries and LDCs: more international support coupled with increased national efforts of LDCs themselves (UNCTAD 198: 211-212).

Even in matters of insurance, the work done by UNCTAD in the 1980s was a continuation of its past efforts and strategies. The structure of insurance markets in many developing countries was undergoing change during these years, and the modifications in market patterns was followed by respective changes in the policies of UNCTAD. Measures aimed at strengthening domestic markets continued through efforts to expand and diversify insurance business in developing countries and promoting new categories of cover for domestic risks (UNCTAD 1987:8-10).

Regarding policy advice, the 1980s did not favour the Organisation as it did in initial decades. With the neoliberal wave, policies stood in complete contrast to those advocated by UNCTAD. It was, therefore, more difficult to influence countries to adopt policies suggested by UNCTAD. The Washington Consensus, as well as the policies recommended by a host of other development agencies, made it difficult for UNCTAD to maintain its former level of influence. The competition arising from new relevant development bodies was another factor in this regard. However, the UNCTAD did not stop working towards providing policy advice and undertaking more research and analyses.

UNCTAD's work in research and policy advocacy was given a thrust in 1981 with the launch of the Trade and Development Report, a series of annual reports that analyses economic trends as well as policy issues that are of international concern and makes recommendations for the same. The TDR series has been phenomenal in its contribution to the international community in terms of its comprehensive, in-depth, systematic and authentic research work as well as its collection and analysis of data and policies. UNCTAD's performance in research has clearly been unparalleled. The decades of the cold war marked changes in its approach to issues according to the changing events

in the international political and economic scenario. However, it is evident that research, data collection and policy analysis has remained UNCTADs forte and the Organisation's role in this field has been more or less stable through the 1960s to 1980s.

Role in Providing Technical Assistance

UNCTADs role in trade facilitation allows it to provide technical assistance to developing countries and assist them in capacity-building. The Resolution establishing UNCTAD, in Article 3 (c) mandates the organization to “promote arrangements for the ...intergovernmental action” thereby authorising it to engage in technical cooperation in order to promote trade (UN 1964). UNCTAD pursued its mandate through the Cold War years by assisting developing countries formulate and analyse policies for development in areas of trade, transport, finance, investment, shipping, insurance, technology transfer, and commodities.

In the area of trade in goods and service, UNCTAD played an important role from its early years. In order to assist developing countries gain from international trade, the organization provided assistance in the form of training and policy advice to build their capacities. The aim was to expand the trade opportunities of countries that were in their initial stages of economic growth. UNCTAD also focused on areas that were previously unexplored like investment, enterprise and insurance from the 1970s onwards. Although the focus during these decades was more on other areas like development assistance, trade in goods and services, commodities and technology transfer, UNCTAD nonetheless initiated activities in insurance, investment and enterprise. Technical cooperation in these areas was carried out by strengthening human as well as institutional capacities of developing countries through research and information availability (UNCTAD 2012d: 8-15).

Under development finance, UNCTAD's negotiations in the 1960s until the early 1970s were focused on refining the ideas and objective measures of transfers. Along with the General Assembly of the UN and the Development Assistance Committee (DAC), UNCTAD played an important role in creating an international consensus on targets for the volume as well as terms of financial flows. In the 1960s and 1970s, a multilateral form of aid was a growing area. Private finance to developing countries in the same

period was in the form of private direct investment and guaranteed export credits, which was reflected in the negotiations at UNCTAD (UNCTAD 1985: 75).

Through the first two conferences in Geneva and New Delhi, UNCTAD contributed to setting standards and defining concepts on terms and conditions of financial flows. Under aid given to developing countries, UNCTAD was instrumental in pushing donors to soften terms of aid and at UNCTAD II, there was a growing attention paid to development financing.

In the late 1960s, the western countries were seemingly weaker due to turbulent events like the events in Paris of May 1968 stemming from student unrest and the US war in Vietnam. Developing countries saw an opportunity to further their trade and development agenda. In the meantime, Perez-Guerrero was appointed as the new Secretary-General who pressed for a new area of technical assistance and this allowed Group B countries to take more interest in the matters of UNCTAD. They advanced the idea of bargain in which developing countries would have to agree to measures of good governance in return for aid target of 0.7 percent of GDPs of donor countries. The Organisation also started providing technical assistance in service related issues particularly to the least developed nations after successful negotiations in maritime transport (UNCTAD 1985: 123).

In terms of South-South economic cooperation, even before UNCTAD became an executing agency of UNDP, the Special Programme on Trade Expansion, Economic Cooperation and Regional Integration among Developing Countries started work on providing technical assistance. The main objective was in helping developing countries integrate formally through schemes for which research and technical assistance was undertaken (UNCTAD 1985: 184). This was an initiative of UNCTAD to help economies of the Global South cooperate among themselves so as to support and gain from trade within themselves.

As compared to other areas, UNCTAD did not start with any intellectual legacy in the matters of technology. In the 1960s, other concerns were prioritised and technology transfer did not figure anywhere on the agenda. It was not until the second conference that the secretariat started work on issues concerning the transfer of technology to developing

countries. However, there were gradual initiatives from the late 1960s onwards. The Trade and Development Board adopted a resolution to set up the Intergovernmental Group on Transfer of Technology (IGGTT). In 1971, the IGGTT adopted a work programme for the UNCTAD in the area of transfer of technology and after that UNCTAD became actively engaged in exploring technology issues (UNCTAD 1973: 118).

This journey that UNCTAD embarked on was given further impetus in UNCTAD III where resolution 39 (III) gave the Board and IGGTT competence to carry out activities in the field of technology transfer (UNCTAD 1973: 118). By 1974, UNCTAD was fully engaged in this field, and the ad hoc IGGTT was made a permanent Committee on UNCTAD as Committee on Transfer of Technology (CTT).

Throughout the 1970s, there were numerous resolutions adopted on technology matters. There were initiatives on strengthening national technological capacity, on establishment of a code of conduct on technology transfer, revision of the industrial property system including the Paris Convention, establishment of centers in developing countries for work on technological issues, establishment of an Advisory Service on Transfer of Technology, and examination of issues faced by developing countries in matters of technology (UNCTAD 1985: 165).

By the end of the 1970s, there was a shift in emphasis from the transfer of technology to the development of technology. This was the focus at the Nairobi Conference which established the Advisory Committee on Transfer of Technology as UNCTAD's operational arm in assisting developing countries. Further, at the next session in Manila, UNCTAD's role in technology planning as an instrument for enhancing technological developments in developing countries was reviewed and the focus was on bringing together all related sectors of work dealing with policies, laws and plans into one comprehensive strategy for technological transformation of developing countries (UNCTAD 1985: 167).

Technical cooperation in the 1970s saw a greater work in regard to the least developed countries (LDCs). Based on the research undertaken by UNCTAD and recommendations of the Committee on Development Planning (CDP), the UN General Assembly approved the list of the LDCs in 1971 where the criteria used were GDP rate,

the share of manufacturing in total GDP and adult literacy rate (UNCTAD 2000a: 25-31). After the creation of this list, UNCTAD was able to work better on assisting the least developed developing countries, and as a result, special measures were adopted at both UNCTAD III and UNCTAD IV in favour of LDCs. UNCTAD carried out missions to almost all LDCs to explore the economic conditions of these countries and was financed by the UNDP in this field. The missions were instrumental in helping formulate more concrete policies as well as creating proposals for technical assistance.

The 1980s for the developing countries as well as countries of the socialist camp was a period of defaults that led to serious negotiations on debt rescheduling and policies. UNCTAD played a major role through the Debt Management and Financial Analysis (DFMAS) Programme, a software system intended to help these countries manage their external debt and developed frameworks and institutions for debt management. On a larger scale, the DFMAS was a means to assist countries in negotiations with the IMF as well as the Paris Club donor countries. This system ensured assistance in operational as well as statistical aspects of debt management.

In terms of South-South cooperation in the 1980s, there was more emphasis on financial and monetary co-operation of developing countries with new areas of priority, namely export credit and export credit guarantee schemes, a bank of developing countries, and the promotion and facilitation of capital flow among developing countries (UNCTAD 1985: 192). The ECDC work programme of UNCTAD also supported the ongoing work in the area of economic integration.

Under the various areas mandated to UNCTAD, technical assistance started off in most of these areas from its early years and kept picking pace in accordance with the emerging trends and events of significance. UNCTAD's role in providing technical assistance during the Cold War years helped beneficiary countries integrate better into the world economy. In all of these, the studies undertaken by UNCTAD secretariat and the research done played a significant role and the policies that emerged were then taken up by governments of developing countries. This, along with the negotiations and agreements that UNCTAD facilitated helped bring about more effective technical assistance.

Conclusion

The main idea of an UNCTAD at the time of its creation was to bring about an improvement in the terms of trade of developing countries that had been continuously deteriorating. Under Prebisch's leadership and guidance, the developed nations were asked to offer assistance in terms of aid so as to bridge the trade gap that existed between the developed countries and the rest of the world. Aid was the primary idea and UNCTAD's agenda in its initial years was based on matters relating to commodity markets, economic cooperation among developed and less developed nations, undertaking research work in areas of trade and development, advocating necessary policies, providing a forum for deliberations, and integrating the developing nations into the global economic system.

Right from its inception, the UNCTAD has sought to bring about an equitable and just international economic order in a peaceful manner. The policies, operation and ideas of the Organisation have greatly influenced Governments, NGOs, and other IGOs over the years since its creation and this is where the UNCTAD's greatest strength lies. UNCTAD has contributed in the signing of new international agreements, brought forth new ideas and concepts, formulated policies and encouraged new actions in areas of international concern. Since the year of its establishment, the Organisation has seen great changes in all aspects. The functioning, role, mandate and even the operations have been influenced by various factors – both external and internal.

UNCTAD's role as a forum for intergovernmental deliberations was at its peak in the 1960s and 1970s. This was a result of not just the initial vigour under the leadership of Prebisch and the intellectual legacy he left behind, but it was also possible because of greater unity and cooperation among the members of the Global South. Developing countries under the umbrella of G 77 were extremely motivated to pursue their demands, and with the weakening of the western countries after the collapse of the international monetary system in the 1970s, they were able to put up a united front and push for an NIEO, regardless of the subsequent failure. UNCTAD was able therefore to set agendas

to an extent and bring about the common understanding of issues that were of international concern.

The repercussions in terms of the addition of Part IV under the GATT including provisions for developing countries as well as the Generalised System of Preferences go on to prove UNCTAD's initial success in terms of being a forum for negotiations. The achievements of UNCTAD in the field of shipping have been among the most remarkable. Over the course of the first few decades of its existence, the entry into force of the United Nations Convention on a Code of Conduct for Liner Conferences, the adoption of the United Nations Convention on International Multimodal Transport of Goods, the adoption of the United Nations Convention on the Carriage of Goods by Sea (the "Hamburg Rules"), the establishment of shippers council in developing countries, the improvements imports of developing countries, and the achievement of the 10 percentage to world fleet for developing countries in the second United Nations Development Decade all bear testimony to the Organisation's successful work in the field of shipping (UNCTAD 1985: 138). By the 1980s, however, the Organisation lost its influence as the debt crisis took over developing countries and brought an end to meaningful North-South negotiations. Simultaneously, the Uruguay Round of GATT was more attractive to developing countries as it brought into its ambit several new sectors affecting developing countries. UNCTAD thus retreated from its earlier position by taking a more realist approach and reinventing its role.

UNCTAD's role in terms of research and policy advocacy has more or less been stable. However, even in this field, UNCTAD was more successful in giving policy advice in the 1960s and 1970s as compared to the 1980s. The neoliberal wave in the 1980s advocated policies that stood in complete opposition to that favoured by UNCTAD. The increasing number of development agencies also gave rise to competition and resulted in diminishing UNCTAD's reach. It is also seen that in terms of policy advice, UNCTAD was successful in giving advice to developing countries, but not so much to developed nations. UNCTAD, however, posed a challenging alternative to trade and development policies advocated by neoliberal institutions through the Trade and Development reports starting in the 1980s, and it continues to do so. Data collection and

research has been UNCTAD's primary area, and there were only a few institutions that could have matched UNCTAD's work in this field in the cold war years.

In providing technical assistance, UNCTAD worked in most of the areas mandated to it from the early years itself. More priority was given to areas like commodities, development assistance, technology transfer and trade in goods and services. UNCTAD's aim was to help developing countries integrate successfully into the international economic system by providing assistance through information, policy advice and capacity-building. Technical assistance was in turn complemented by UNCTAD's role in research and policy advocacy as well as its role as a negotiating body. Unlike UNCTAD's role as a forum for intergovernmental deliberations and as a body for research and policy advice, that took centre stage in the immediate years following its establishment, its role in technical cooperation picked up pace through the decades. UNCTAD contributed greatly to promoting the idea of assistance and aid. It helped garner 0.7 percent of developed countries' GDP for technical aid in the late 1960s. After the second Conference in New Delhi, the Organisation became actively involved in this function. Technology transfer was seen as the primary factor in bridging the gap between developed and developing countries, and it was UNCTAD who helped bring this idea to the international community. Several resolutions were adopted throughout the 1970s in matters of technology transfer. By the 1980s, it was understood that technological assistance would become effective only when domestic development of technology was undertaken by countries themselves. UNCTAD focused on the transformation of developing countries through ownership of development.

The role and functions of UNCTAD evolved considerably over the first few decades of its establishment in accordance with the priorities of developing countries as well as developments in the international economic and political environment. Based on the activities of the Organisation, one can infer that the UNCTAD managed to create a common understanding on several issues related to trade and development in the 1960s and 1970s, which mark the high phase of the Organisation. This high phase also saw the demands for a NIEO from a united group of developing countries through UNCTAD. Irrespective of the failure to set up a NIEO subsequently, the cooperation and unity of the

G 77 under UNCTAD helped create a sense of common understanding in the larger context.

The role of the UNCTAD in giving policy advice to developing countries was also remarkable, especially in the 1960s and 1970s. The 1960s and 1970s are termed by many as the “heydays” of UNCTAD when the Organisation managed to set the development agenda. From the 1980s onwards, the UNCTAD has seen to experience a fall in its profile as it could no longer successfully set agendas or build consensus. In the 1980s, the debt-trap made developing countries weaker than before and this induced a sense of disunity since these countries were tackling more important issues like balance of payments crisis and the debt they were mired in. On the other hand, BWIs were beginning to gain more ground and started advocating policies under the Washington Consensus that gave more impetus to the neoliberal wave that had come about since the early 1980s. In the following chapter we will discover the journey of UNCTAD from its “retreat phase” into the globalised era.

CHAPTER IV

UNCTAD in the Globalised era

Introduction

The global economy started undergoing drastic change since 1980s due to numerous transformations taking place all over the world such as the integration of the economies of Eastern Europe into the world financial and trading system, changes within the international trading system with the conclusion of the Uruguay Round of GATT negotiations, and the creation of a single market in Western Europe. The political environment towards the end of the 1980's also saw the disintegration of the Soviet Union followed by the demise of socialist regimes in Eastern and Central Europe. The end of the traditional East-West tension marked the most dramatic development in the post-war political scenario, which had significant repercussions in the international economic system that reinforced changes in the global economic trajectory.

The period after the end of the Cold War is characterised by unprecedented levels of globalisation, following the implementation of the policies advocated by the Western countries under the Washington Consensus. The Bretton Woods institutions through the Washington Consensus promoted a fixed set of recovery policies that was imposed upon developing countries. Market forces were let loose to expand, and states were instructed to limit their intervention in the domestic economy. The economic reforms and the process of democratisation picked pace from the early 1990's. Deregulation and privatisation of state enterprises, as well as trade measures, were the basic tenets of the consensus. Developing countries that were granted financial loans from the World Bank and IMF through the 1980s were put under severe conditionalities of structural adjustment programme. This led to a significant opening up of economies that were previously protected along with the imposition of the neoliberal economic system in the developing countries. The Bretton Woods institutions played a crucial role in this process, and by the 1990s, most countries in Latin America, Asia and Africa were open economies with increasing number of transnational corporations (TNCs) as well as increasing levels of foreign direct investment (FDI).

The interference of international financial institutions like the IMF and the World Bank in the functioning of domestic economies led to growing dissatisfaction and economic and political crisis in developing countries. The neoliberal economic system imposed through structural adjustment and conditionality by the IMF and the World Bank faced major criticism. The 1980s saw an ever-widening gap in income between the developed and developing countries in which OECD countries saw increasing per capita output while growth declined in developing nations (UNCTAD 1990: III). Most developing countries at this stage were mired in economic stagnation and financial disorder despite progress in the international debt strategy. With the end of the Cold War, less financial and technical assistance for the developing countries, leading to major economic crisis and the debt crisis in the developing countries. The differences also emerged within the developing countries with the East Asian countries recording high growth rates on one hand and African and Latin American countries experiencing poor growth on the other.

The period after the 1990s also saw increasing levels of interdependence. In the international trade scenario, the creation of the World Trade Organization (WTO) in 1995 marked a significant milestone. International trade under the auspices of the WTO opened up extensively across sectors that were never even imagined before. Developing countries became members of the WTO and began integrating rapidly into the world economy. In terms of development assistance, new forms of financing were called for to supplement official development assistance (ODA), especially in the wake of globalisation. Change in the political economies of countries with new members like China entering the richer group of donor countries meant increasing competition in the aid market. Aid has always been a major factor in multilateral negotiations. The change in this field after the Cold War entailed a call for adopting a concerted approach to tackle the challenges including climate change, terrorism, migration, and epidemics (Carbonnier 2010: 140-142). Global warming was a major push factor in the changing discourse of development assistance.

Among developing countries, economies of the 'East Asian Tigers' recorded far better growth. Rapid industrialisation followed the policy of export promotion in these

countries. Instead of applying import substitution and protectionism like most developing economies, the East Asian countries including Japan, South Korea, Taiwan and Singapore, practiced an export-oriented market system where certain strategic industries were chosen by state governments for investment. During the late 1990s, much of East Asia was affected by the Asian financial crisis. The crisis was unexpected, and the IMF was unable to successfully help these economies through its rescue programmes. There was increasing scepticism about the competence of the BWIs in managing international financial markets and globalisation in general.

The decades following 1990s also witnessed increasing call for cooperation and partnership among IGOs. There was also a call for increased coherence in global economic policymaking between international economic rules, practices and processes, on the one hand, and national policies and development strategies, on the other. International trade and development issues were more cross-sectoral in nature now, and it naturally demanded cooperative approaches from IGOs as well as increasing participation of civil societies and non-governmental organisations (NGOs). Even concerning development assistance, the emphasis was now on adopting concerted efforts to tackle challenges in the globalised period like climate change.

This chapter aims to explore the change in the role and functions of the UNCTAD in the globalised era. The first section gives an overview of the changing context in the years after the end of the Cold War and in the globalised world. It emphasizes the change in UNCTAD's approach brought about by the forces of globalization. This section intends to set the background for understanding the changing roles and functions of UNCTAD. Next section discusses the three main roles and functions under them i.e. role in research and policy; role as an intergovernmental forum and its role in technical cooperation. The changes in the role and functions in the globalised era along with significant achievements as well as challenges faced are assessed in detail. The final section deals with UNCTAD's cooperative work programmes with relevant IGOs as well as NGOs and civil societies in the globalised period. The chapter ends with a conclusion where the main findings are summarised.

Changing Context: The Era of Globalisation

With the rise of the Washington Consensus in the late 1980s, there was a slight alteration in the role of universal organisations like the IMF and the World Bank. Broadly, through the Washington Consensus, these organisations tried to take care of macro-economic policies, the balance of payment crisis, stability and opening of economies to the larger World along with deregulation and privatisation (Gore 2000: 789-790). This change in the policy framework was viewed by the developing world, especially through the UNCTAD, as a direct interference to the broader mandate of the grouping. The UNCTAD provided a forum for developing countries to collectively oppose the neoliberal approach which the western countries promoted through WB and IMF. Following the footsteps of the UNCTAD, regional organisations like the Bolivarian Alliance (ALBA) and the Union of South American Nations (UNASUR) were formed in Latin America to oppose the domination of the Washington Consensus. The developing aim of this new thought in the Latin America, as borrowed from the UNCTAD, was replacing the agenda which these international financial institutions promote (Marangos 2009: 206).

Due to the influence of the neoliberal policies under of the Washington Consensus, transnational corporations gained significant prominence in economic governance. The rising dominance of TNCs also extended beyond international borders (UNCTAD 1993). The activities of these TNCs are known to have contributed to the de-industrialisation of the USA and the UK (Cowling and Sugden 1994) and later on in Japan, which led to increasing trade deficits as well as a rise in social and economic inequality in the US and the UK (Cowling and Tomlinson 2011: 837). The increasing dissatisfaction with both the wider outcome of the Washington Consensus as well as the form of economic governance led to the quest for alternative frameworks that could give states more active roles.

The mainstream development model which the World was adapting to, especially after the rise of Washington Consensus was neoliberal and capitalist in orientation. The East Asian case is a unique experience. The model which the East Asian countries represented saw a significant growth of economies for selected East Asian countries in

the 1980s and 90s. Singapore, Hong Kong, South Korea and Taiwan came to be known as the Asian tigers while Indonesia was known as the 'Tiger Cub' economy due to the success of this model. But the sudden withdrawal of capital flows from the market resulted in a panic situation led the way to the East Asian crisis. Asian countries were critical of the role of the IMF during the East Asian crisis. Asian countries believed that if the IMF had reacted earlier, the crisis could have been avoided. The role IMF was severely criticised during the phase of East Asian recovery. Also, the policies which emerged after the rise of the Washington Consensus were blamed for the developing crisis situation in the World, especially in Southeast Asia. The proposal was made by Japan to form an alternative structure to the IMF, the Asian Monetary Fund (AMF) for Asia, but this proposal was totally rejected by the US (Kim and Yang 2014: 86). The Asian Financial Crisis also led to the rise and institutionalisation of various regional organisations in Asia, as a counter provision and stability mechanism to the existing and dominating international financial institutions.

Even though economies of various developing countries showed marked improvement in growth and diversification of markets by the 1990s, most countries, particularly the least developed ones, were trapped in stagnant growth and persistent poverty arising from the failure of domestic policies as well as unfavourable developments in international trade and finance. Thus the call was made through different forums for establishing consensus on economic policy.

After being subject to major criticism of the practice of conditionality and imposition of neoliberal economic system in the rest of the world, these institutions sought to move away in their rhetoric from the neoliberal policies of the Washington Consensus towards a post-Washington Consensus (PWC) that attempted to employ a holistic approach to development through country ownership and civil society participation. The PWC, in theory, was a "convergence" between the neoliberal ideas based on the Washington Consensus and Joseph Stiglitz's "new information-theoretic" or the neo-Keynesian paradigm (Ruckert 2006: 36). Despite the redefinition of development under the guise of a 'post-Washington Consensus', many scholars argued that it did little to correct market failures. Even in the face of adversaries, UNCTAD continued to be one of the leading

forums for developing countries to demand fair and just policies for the sustained and balanced development.

UNCTAD's Changing Roles and Functions

It was recognised by UNCTAD at the start of the 1990's that the most pressing challenge for the international community was the eradication of poverty and the economic and social development of developing countries on a sustainable, long-term basis. UNCTAD was prepared to recommit itself in addressing these important development challenges, which was seen as a precondition in the establishment of lasting international peace and security. To achieve this, UNCTAD began changing its approach majorly from the early 1990s and sought to work in international partnership through increased cooperation and concerted efforts.

The period from the mid-1980's until the mid-1990's is seen as one in which UNCTAD underwent most drastic changes. The Geneva Conference in 1987 was conducted in a much more cooperative manner than the previous UNCTAD conferences and there were two changes in the manner of conduction: the four committees carried out their sessions in an informal manner unlike the traditional means of group negotiations and secondly, the outcome of the Conference was captured in one combined text, the Final Act of UNCTAD VII, which was adopted by consensus (Toye 2014: 81). UNCTAD has been changed, less a forum for negotiation and more of a consensus-building one. As a result of the Final Act of 1987, UNCTAD's resources were diverted more towards issues of liberalisation and privatisation by the end of the 1980's. Another significant change in UNCTAD's approach to development was that market oriented globalisation was being accepted more than ever before as it was perceived to be politically convenient. However, UNCTAD did not stir completely from its traditional critical position in the realm of market-led globalisation (Toye 2014: 81).

By the 1990s, UNCTAD had given up its quest for a NIEO and changed its approach from being confrontational to adopting more cooperative positions. The Cartagena communiqué is significant in that it highlights the importance of moving on to a cooperative approach for coming to agreements rather than continuing with the

traditional confrontational approach. To assist this change, the final communiqué noted that the role of UNCTAD had to be “adapted and reoriented” and the organization’s function was to be confined to “policy analysis; intergovernmental deliberation, consensus-building and negotiation; monitoring, implementation and follow-up; and technical cooperation” in which the scope of negotiations was downsized (UNCTAD 2006b: 2).

The period of the mid-1990s is seen as the turning point in UNCTAD’s role in international policy dialogue and multilateral negotiations. Multilateral negotiations were put under the purview of the GATT completely from the 1990’s. While other international organisations had the power of decision-making and rule making, UNCTAD’s role was restricted to one of “constructive support” (Toye 2014: 82). This marks the period when UNCTAD started becoming more of a consensus building forum than a negotiating one. The rhetoric now moved to one that abandoned confrontation even though there still was recognition of the fact by the global South that they did not have an alternative to the neoliberal discourse as they had envisioned through the NIEO. Therefore in the period after the Cartagena Conference, there was a profound change in UNCTAD’s normative posture from being a forum where developing countries pressed for changes in the international economic structure and resisted the dominance of the Bretton Woods institutions to one with a less confrontational role in the North-South dialogue.

The Uruguay Round of GATT made it more difficult for the global South to withstand the pressure of liberalisation as the role of UNCTAD in matters of trade and development was made increasingly redundant after GATT took to trade and development negotiations exclusively in its ambit. It was under these circumstances that the staff and bureaucratic members decided to “repackage the organisation” (Taylor 2003: 411). It is evident through the outcome document of UNCTAD VIII that the organisation had started adjusting to the policies of the North even though it was cloaked in the rhetoric of ‘international cooperation’ and ‘shared responsibility’ for development. Private sector and free market system were now recognised as the primary drivers of economic growth and “good management” was seen as instrumental in the integration of all countries into the world economy (UNCTAD 1992: 16). Even though the agreed texts

reaffirmed the support for developing countries, UNCTAD's views of what constituted development changed entirely and aligned with the post-Cold War view. Not only were "western norms of democracy and human rights incorporated into the official definition of development", but there was also a recurring stress on the "convergence of policy perspectives" of the North and South (Toye 2014: 81). We now examine the three fundamental pillars of UNCTAD and how the roles have changed under each in the globalised era.

Research and Policy Analysis

By the end of the 1980's, undertaking independent research had become a difficult task for UNCTAD. UNCTAD did not completely oppose the market ideology but pushed for practical and useful policy making, which is evident through its reports on trade and development wherein the concern was not "State vs. market" but effective policy vs. "market fundamentalism" (UNCTAD 2012a: 2). It was during the later years of the 1980's that the existence of global interdependence was increasingly realized and UNCTAD defined it through the Trade and Development report in 1986 whereby it was stated that interdependent countries have economies open enough to be influenced by factors abroad and simultaneously impact other countries through its own national policies (UNCTAD 2012a: 4). The extent of this interdependence was clearly exhibited through the debt crisis of the early 1980's. UNCTAD's focus of analysis during these years was thus limited to macroeconomic and trade policies in developed countries on which the growth of developing countries depended. There was little attention given to national development strategies then. The economists at UNCTAD continued to stress that an unbalanced international economic environment was prone to several risks for development.

UNCTAD continued to focus of its research and policy analysis in the areas of trade, finance, commodities, technology and services, even though there were changes in the manner and scope of work. The organisation outlined various measures and policies for trade and development at both national and international levels with a greater emphasis on interrelation in relevant areas of finance, commodities, technology and services, while also aligning these measures to the new dialogue of development. Under

national policies, UNCTAD maintained the importance of domestic savings, investment, efficient public sector, and reduction in military expenses for growth and development. There was more stress on prioritising human development in the process of implementation of policies, and although financial liberalisation was embraced as a precondition for economic growth, the organisation stressed the need for appropriate institutional reform that would be compatible with development (UNCTAD 1992a: 34-35). In terms of commodities, in continuation with previous mandates, UNCTAD was to review policies to enhance the competitiveness of the commodity sector and also to review opportunities in the international commodity economy.

The organisation also continued to outline international policies for improving the conditions of debt-ridden countries, assisting countries in transition, promoting external finance for development, and dealing with structural adjustment policies, particularly in the least developed countries of the African continent. UNCTAD maintained that for countries to achieve sustainable development, financial help from donor countries was a basic requirement in developing nations. The striking change in policy measures given by UNCTAD was perhaps greatest in the field of liberalisation. Expansion of market access, reversal of protectionism, appropriate structural adjustment in developing countries, reduction of import barriers in developing countries, and increased financial flows were advocated through the reports of the organisation. At the same time, the interests of developing countries were held intact by UNCTAD as it continued to press for the abolition of discriminatory measures against developing countries in international trade relations. Countries of Eastern Europe that were in transition were also advised to open up their economies as per the relevant provisions of GATT in order to gain maximum benefit for their economies (UNCTAD 1992a: 43).

Given the expanding flows of investment since the 1980s, UNCTAD came about with another important publication in addition to the Trade and Development Report, the World Investment Report, in 1991. This was an attempt to assist in the revival of economic growth, particularly in developing countries. Transnational corporations and foreign direct investments (FDIs) were considered helpful in promoting economic growth, and the essence of this series of reports was to analyse the role of TNCs and FDIs in generating benefits for developing countries. UNCTAD focused on the positive aspects

of FDI through the World Investment Report, signalling a change in its approach. The reports not only provided comprehensive data but also helped in identifying challenges and recommending policies and support measures.

Unlike the critical stand that UNCTAD took in previous decades, ever since the publication of the World Investment Report series, it adopted a new approach to studying FDI and TNCs. The emphasis now shifted to researching the potential benefits of FDI and TNCs and explaining their design instead of analysing the negative consequences. UNCTAD also worked on country-specific policy reviews, and upon requests of the governments, the organisation worked closely with the authorities in studying the country's area of advantage to attract FDI and this, in turn, helped improve the measures of investment for foreign and domestic investors. Further, the organisation started monitoring progress in this field and identified technical assistance requirements (Toye 2014: 85). In fact, when the former Director-General of WTO, Supachai Panitchpakdi succeeded Ricupero as Secretary-General of UNCTAD in 2005, Supachai chose to immediately keep UNCTAD out of the Doha Round negotiations of the WTO and instead started stressing on investments as the priority area for UNCTAD (Toye 2014: 102).

The establishment of the WTO in 1995 came with several implications for UNCTAD's role and function in research and policy advocacy. The entry of a rules-based WTO in the international trade system threatened the existence of UNCTAD on the basis of duplication of work in the area of trade and development. In response, UNCTAD adjusted to this event by adapting itself to the WTO and helping the entry and participation of developing countries in multilateral trade negotiations. UNCTAD was not alone in this effort, and this phase also saw the increasing coordination among various organisations especially in the field of aid and trade. The contribution made by UNCTAD in research and technical support to the negotiating partners in order to influence the trade rules was unrivalled in this period.

Even though UNCTAD was unable to completely seize the leadership on the trade front, the work on investment acquired new prominence in the years that witnessed unprecedented levels of global investment flows. UNCTAD had more or less established its importance as the leading international body in dealing with investment issues. The work ahead included challenges stemming from investment promotion in poor

countries which had not yet benefitted from global investment flows. There was also a pressing need for UNCTAD to maintain a balance between the rights and obligations of multinationals and host countries in international investment policy setting (South Centre 2006: 14). The period also saw tremendous growth in the number of bilateral and regional investment treaties that required major streamlining to regulate international investment rules with a balanced multilateral approach. This was clearly an area where UNCTAD's engagement was most needed, for which the 2006 Report of the Panel of Eminent Persons recommended an "investment-for-development framework" to tackle relevant matters. According to the Panel, the "core development" issues of trade, investment and technology are interrelated that cut across broader development, environmental and humanitarian assistance issues. The Panel also highlighted that these issues form the core competencies of UNCTAD.

The Panel's recommendation for UNCTAD to take the lead on investment policy brought about a change of emphasis in work done on investment under the direction of James Zhan, which subsequently led to the Investment Policy Framework for Sustainable Development (2012). Until then, freedom of investors and deregulation of discriminatory rules against foreign investors were priority areas but after the inception of the framework, two major changes were seen: it generated a response to the sustainable and inclusive growth discourse and reinforced the sustainability of a country's investment strategy through guidelines and principles for international investment treaties (Toye 2014: 106).

Another focus area of UNCTAD was in establishing greater coherence between national policies and international rules rather than focusing on one aspect exclusively. It was realised that in order to pursue development objectives, domestic strategies had to be coherent with internationally agreed disciplines. A major initiative by the WTO on Aid for Trade was of great relevance to UNCTAD. UNCTAD had been the main organisation studying and researching supply side constraints of developing countries for decades on end and had the potential to contribute greatly to the initiative regarding policymaking, trade facilitation platforms like ASYCUDA, advice on investment policies and strategies, and other related activities (UNCTAD 2006a: 25-26). UNCTAD, therefore, continued to dismiss the efforts of the North to sideline the organisation away from research and

analysis of international trade and development issues by persistently reinventing its roles and functions.

UNCTAD continued to maintain its relevance in policy analysis and research, and this was particularly evident during the years of the financial crisis. The financial and economic crisis of 2007/2008 triggered a global depression that is widely claimed to be the worst crisis since the Great Depression of the 1930s. In the Trade and Development Reports (TDRs) of 2004 as well as 2006, UNCTAD had warned that growing trade imbalances in major economic groups could lead to market instabilities. When the crisis hit the world economy, UNCTAD claimed that this event was predicted in the TDRs. The credibility of the organisations managing global financial relations, particularly the IMF was questioned in this light. Following the crisis, the TDR of 2009 suggested several policy proposals for a thorough restructuring and reregulation of the financial system, including an ambitious proposal for a new international monetary system dealing with real exchange rates rather than fixed exchange rate system of the Bretton Woods era. The policy of monetary easing and fiscal expansion had effectively led to policy divergence in developing countries as noted in the TDR of 2010 (UNCTAD 2010).

In the aftermath of the global financial crisis, UNCTAD was able to engage in research and advocacy more independently than before. Group B countries of UNCTAD had until the crisis obstructed the effective working of the organisation. This was evident in the speeches made by Supachai who highlighted the failed macroeconomic policies of developed countries. UNCTAD found an opportunity to re-embrace neo-Keynesian ideals and steer away from the principles of neoliberal economics that it had unwillingly acquired in the quest for survival in a globalised world.

UNCTAD had in previous decades engaged itself in the analysis of macroeconomic policies. Group B countries wanted to strip this function off of UNCTAD and had succeeded in abolishing the Committee on Invisibles and Financing Related to Trade in 1992. The shortcomings of the developed countries in macroeconomic policies were highlighted by UNCTAD in the post-crisis period. The developed Group B countries then chose to attack UNCTAD on several lines at the Doha Conference to reestablish the supremacy of the Bretton Woods institutions in dealing with monetary issues. The IMF financial architecture underwent major reforms in 2012,

especially in the weighted voting structure, and developed countries argued that despite the inability to avoid the 2008 crisis, the revised IMF made UNCTAD's work in the area of monetary issues redundant. Developing countries struggled to create an outcome that would not undermine the work of UNCTAD in finances (Toye 2014: 112).

Ever since the 1960s, the case of LDCs had always been a concern of the UNCTAD. Even at the Midrand Conference, the special pertinence of UNCTAD to the LDCs, especially in Africa had been emphasised all over again. In addition, concerns of subgroups like small-island and landlocked states had also been reviewed and prioritised. In this regard, the Least Developed Countries Report continued to focus on the issues of the LDCs, and this report has been the hallmark of UNCTAD's efforts and significance in the area of LDCs. The 2006 report of the Panel of Eminent Persons stressed the need for UNCTAD to ensure the balance between national and international projects and increase the participation in UN country-level mechanisms with other related organisation in delivering a holistic cooperation through regional and country level participation. In line with the mandate of Sao Paulo, the Report also highlighted that UNCTAD shift from the current "ad-hoc-ism" in technical cooperation and took a more steady approach by consolidating all the existing projects into four/five mega-programmes with broad themes in order to maximise their impact on the achievement of MDGs. Evidently, the work of UNCTAD in this field was now being shared with other organisations, but UNCTAD continued to hold an advantage regarding its expertise in policy related matters.

UNCTAD's engagement with LDCs has seen an ever-increasing degree of work in the recent decade. Being stripped off a huge chunk of their mandate ever since the Midrand Conference, the areas of focus regarding policy analysis, research and technical assistance have seen an unwavering tilt towards the LDCs. LDCs registered poor growth in their economies since 2012 due to external resource gaps. The official development assistance (ODA) continued to decline, and the LDC Report of 2016 pointed out "three major vicious circles" affecting these countries: poverty trap, commodity trap and weak productive bases. The Report highlights that graduation from an LDC status should be a "longer and broader development process" and it should not be considered the end but rather the first step in the process of development (UNCTAD 2016b). UNCTAD has

constantly stressed the importance of the central role of the international community in facilitating the growth and development of LDCs through a stable commodity market, effective development financing for structural transformation, and technology transfer to make it conducive to the achievement of SDGs in the LDCs. UNCTAD's contribution to research and policy in this field has remained superior given its long-standing history and expertise in research and analysis.

From the above discussion it is clear that despite the significant role undertaken in research and policy analysis by UNCTAD in the early decades of its existence, it seemed to continuously lack relevance and effectiveness in the globalised era. Nevertheless, UNCTAD reinvigorated itself time and again to make itself relevant in research and policy field.

Forum for Intergovernmental Deliberations and Consensus Building

In the globalised era, UNCTAD's character had gradually evolved from one that challenged the prevailing model of trade and development to one that sought to be accepted in the free-market liberalisation model advocated by the Bretton Woods institutions and the WTO in order to maintain relevance. The organisation was no longer the defender of principles of development like it used to be in its heydeys nor adopted the confrontationist approach in negotiation and deliberation with the developed countries. Instead, it reinvented itself and changed into a consensus building forum. This change from being a forum for confrontational negotiation to a consensus-building one was viewed by many as an attempt by the developed world to rid UNCTAD of its traditional role of being a "counterweight" to the system of economic thinking advocated by the Bretton Woods institutions (Diekmann 1996 from UNCTAD 2006: 24). This change in the role towards consensus building is also due to rifts in solidarity which was beginning to show more than ever before (Taylor 2003: 414). Thereafter, UNCTAD had long been "stripped off its teeth" and it could no longer be a forum for negotiation for treaties to set the rules on trade and development or enforce the implementation of policies, thereby cushioning the interests of the North from any form of threat (Taylor 2003: 415).

In the area of commodities, UNCTAD was mandated to remain the principle forum for dealing with commodity issues, and it was to continue facilitating the activities of different bodies working in the commodity field (UNCTAD 1992a: 64). Because of

the overarching international discourse on sustainable development, UNCTAD recognised that commodities “in as much as they are natural resources are an important aspect of sustainable development” (UNCTAD 1992a: 64). Under economic cooperation of developing countries (ECDC), there was recognition that given the drastic economic and political changes after the cold war, cooperation was more important than ever before in achieving swift economic growth. Even though developing countries were primarily responsible for fostering sustained cooperation, UNCTAD emphasised the importance of the role of the international community, especially the developed North, in assisting the developing countries through supportive trade policies. This was highlighted in the documents of the Cartagena Conference (UNCTAD 1992).

The formation of WTO had significant implications on UNCTAD’s role as a forum for deliberation and consensus building. Most of the deliberations on trade and related matters were conducted within the WTO, thereby impinging on the role of UNCTAD. At UNCTAD IX in Midrand, the main concern of developed countries was UNCTAD’s relation with the WTO, and there were clear indications that developed countries wanted UNCTAD to focus only on narrower concepts of the economy and move away from larger concerns of social equity by restricting its role even further (Taylor 2003: 412). The Conferences in Cartagena (1992) and Midrand (1996) further downsized the internal machinery of UNCTAD and transformed the organisation completely. UNCTAD’s role in intergovernmental deliberations after the entry of the WTO and after the conferences in Cartagena and Midrand was, therefore, reduced to a charade.

The Asian Financial crisis that erupted in Thailand in 1997 was perhaps the most striking event that exposed the dangers of globalisation and financial liberalisation for developing countries. Until this time, the negative aspects of globalisation were not fully realised. The loss of confidence in the Thai Baht due to foreign debt burdens set off a series of financial shocks affecting most countries in East Asia, including the Republic of Korea that was a fast growing economy. The rescue programmes of the IMF seemed to be counterproductive to many and raised questions on its ability to manage “herd behaviour” in private financial markets (Toye 2014: 92). Alongside, the Seattle Ministerial Meeting of the WTO seemed to be unproductive and only went on to expose

further the differences between the North and South. By this time, the developing world was becoming more aware of their increasing problems in global trade negotiations and the WTO's inability to meet their demands (South Centre 2006: 9).

It was at the turn of the century when the international community realised that development objectives had to be placed at the centre of the process of globalisation. The United Nations established the eight international Millennium Development Goals (MDGs) centred on human development following the Millennium Summit in 2000. After a decade since the wave of globalisation and liberalisation, the negative effects were felt increasingly in developing countries. In line with this realisation, the tenth conference at Bangkok was flagged off under "Developmental Strategies in an Increasingly Interdependent World". One of the main features of this conference was the focus on the imbalances arising out of globalisation and Bangkok was one country that had experienced both the positive and negative effects. UNCTAD X was held just a year after the 1999 WTO Ministerial at Seattle, and therefore most issues of globalisation that were unresolved at Seattle came under discussions at Bangkok in a more convincing manner. There was also no sign of converging views between the North and South on matters of governance. Developing countries pushed for improvement of governance at the international level in terms of market access while the developed countries continued to stress on good governance at the national level including the rule of law, human rights and corruption issues (UNCTAD 2006: 24).

Through the Bangkok Conference, UNCTAD continued to emphasise its role in consensus-building on trade and development issues. However, the future role of UNCTAD was still open to questions at this point given its lack of authority in trade negotiations and the persistent opposition from the North in fortifying its role in trade and development matters. This was clear from the message of the head of the US delegation who was against any serious role for UNCTAD in trade negotiations as it would lead to confusion and overlapping of institutional roles and also a "diversion of limited resources for which UNCTAD is not the best-suited organisation" (Africa Recovery 2000: 4). However, UNCTAD's legitimacy along with its openness towards NGOs and civil societies allowed it to progress into the future and continuously reinvigorate itself. The NGO Plenary Caucus was a significant innovation of the UNCTAD at the Bangkok

Conference. UNCTAD had a great potential in the area of civil societies giving them a role in the international trade and development discourse and also by institutionalising and making coherent the fragmented reactions against neoliberal globalisation (Cox 2000: 184).

By the mid-2000s, most of UNCTAD's activities started becoming fragmented within the organisation as well as in the larger system of the UN. This led to a gradual loss of institutional focus and an ever-growing competition in the area of trade and development. UNCTAD needed further reinvention to avoid being overshadowed in its areas of activities. In an effort to strengthen the functions of UNCTAD, Supachai established the UNCTAD Panel of Eminent Persons in 2005 mainly to seek advice on how the developmental role and impact of UNCTAD could be enhanced. The Panel was meant to follow up on the strategies that UNCTAD had to follow to keep in line with the development mandates of the Sao Paulo and Bangkok Conferences. Two reports have been published so far by the panel. The first report of 2006 emphasizes the need for UNCTAD to take leadership role in identifying and analyzing key emerging issues such as aid for trade, maintain coherence and fostering genuine partnerships with related IGOs, establish think tanks for development policy advocacy, establish representative body for technical assistance, maintain effective cooperation among the 'three pillars', and increase activities with civil societies and NGOs. The report of the Panel does not directly approach the issues at hand but focuses on generating ideas and strategies that can help overcome the challenges facing UNCTAD (UN 2006).

In the run up to Accra, the international community faced rising food prices, and this made UNCTAD shift its focus to commodities, an area that had been sidelined since the 1980s. Even though there was a call for a task force on commodities in Sao Paulo, a lack of funds and commitment led to unfulfilled aspirations. At Accra, the UNCTAD Special Unit on Commodities was created to help developing countries that were still commodity-dependent, particularly the LDCs that had not gained from the global boom, by improving finance in the supply chain and improving commodity exchanges. UNCTAD's broad mandate was reaffirmed at Accra, and it included the new emphasis on investment (UNCTAD 2008b).

By the time of UNCTAD XIII in Doha, there was a clear realisation that finance-driven globalisation had produced uneven results regarding benefits acquired. The developing world grew more aware of the unfair aspects of globalisation, and this was reflected in the Secretary-General's report to the Conference in 2012. The agenda ahead for UNCTAD was to rebalance the order for a development-friendly globalisation for which there was a call to strengthen South-South cooperation and involve civil societies (UNCTAD 2012b: 8).

Technical Cooperation

The main areas of activity of UNCTAD in technical cooperation during the globalised period were in international trade in goods and services, investment and enterprise development, trade facilitation in human capacity development, institution building, science, information and communication; debt management; commodities; and the case of Africa, LDCs, landlocked developing countries, and small island developing states. These areas were more or less a continuation of the work done in the Cold War era.

The change, however, was in terms of the volume of work that increased tremendously in the period of globalisation. This was due to the liberalisation of numerous sectors and the opening up of economies of countries that were until then using protectionist measures. The integration of new economies of the former socialist camps into the global economy also increased the work sectors for UNCTAD. Thus, at the start of the 1990s, UNCTAD's role in technical cooperation was faced with several challenges as well as potential prospects for work.

Change in UNCTAD's role in technical cooperation was also evident in terms of strategy adopted. UNCTAD learned over time that as a single organisation, the vast mandate in its work programme could not be handled alone. After the early 2000s, UNCTAD's work in technical cooperation saw a sea change in approach. Collaboration and partnerships in work programmes for technical cooperation with other IGOs, civil societies, NGOs, academic institutions and regional organisations was adopted as the new strategy to tackle this role. In this period, UNCTAD thus focused on a more cooperative approach in delivering technical assistance, particularly after the early 2000s. (UNCTAD 2012d: 8). System wide coherence within the UN at the country level

was also emphasized in which UNCTAD has been the focal point for harmonizing trade and development related issues.

The financing of UNCTADs budget for technical cooperation activities saw major changes as well. UNDP, which was in the 1980s a major contributor of the funds, now reduced its contributions to about 2 percent, while almost 90 percent of the funds are now drawn from trust funds (UNCTAD 2012d: 9).

In the field of international trade in goods and services, UNCTAD continued its work through analysis and research of trade. This was carried out through maintenance as well as the development of new tools and database and in the conduction of studies on trends in international trade affecting developing countries, to assist them in trade participation, not just in the traditional area of global trade, but also in newer sectors like South-South trade (UNCTAD 2012d: 16).

A remarkable change in the period of globalisation under trade in goods and services was the increased attention given to LDCs. Along with the larger UN development goal of poverty reduction that was advocated through the Millennium Development Goals (MDGs), UNCTAD contributed by targeting poverty-ridden LDCs and enabling them in the formulation of national policies suited for their specific needs. UNCTAD also conducted work on non-tariff measures (NTMs) in order to increase understanding of the concept as well as to help countries determine the sources and kinds of NTMs. This was done through pilot projects in specific countries so as to classify and analyse the data on NTMs that was to subsequently assist these countries in trade negotiations (UNCTAD 2012d: 17). In the globalised era, there was also a focus on strengthening the trade capacities of developing countries in a manner that would help make trade and environment policies complementary. Technical cooperation on trade and environment was carried out in areas of market access that required environmental regulations, trade in environmental goods and services (EGS), work done under UNEP-UNCTAD Capacity-Building Task Force on Trade Environment and Development (CBTF) and activities under the Climate Change programme (UNCTAD 2012d: 20).

In the case of investment, UNCTADs work principles saw dramatic changes after the mid-1990s. The organisation no longer conducted studies to refute the general scheme

of FDI and TNCs. In the globalised era, UNCTAD started focusing instead on the benefits of investments through FDI in developing countries and carried out programmes. In 1991, UNCTAD started the World Investment Report Series in order to provide technical and analytical assistance in understanding FDI policies and in helping developing countries generate the benefits of FDI. In addition to advisory services and capacity-building programmes, UNCTAD also started organizing the biennial World Investment Forum along with other workshops to help developing countries avail sustained benefits out of the FDI. Since 1988, UNCTAD also introduced EMPRETEC to promote and help small and medium- sized enterprises (SMEs). In 2008 at Accra, UNCTAD also launched the UNCTAD Women in Business Award to encourage entrepreneurship (UNCTAD 2012d: 30).

The role of transport increased manifold in the age of globalisation. Transport is at the core of the process of globalisation, and with it, UNCTAD continued to provide technical support to developing countries by helping in policy formulation, in creating a long-term institutional capacity, and in creating national frameworks according to international standards. Compared to the previous decades, there was a change in the approach towards capacity-building. UNCTAD in the recent decades has been focusing on treating the related areas of trade, investment and finance in an integrated manner. UNCTAD has been helping build human resource through three main cross related programmes – TrainforTrade, the Training Courses on Key issues on International Economic Agenda, to help national governments in trade and related fields (UNCTAD 2012d: 38).

UNCTAD also continued its work in assisting developing countries in debt management. Even though the overall conditions of debt-ridden countries improved after the 1980s, there were several challenges that persisted. Countries continued to be subjected to the adjustment programmes of the BWIs, and liberalisation of their markets did not give them immediate benefits. UNCTADs help in this area continued to be vital. The DMFAS Programme, which began in the 1980s, was also influenced by UNCTADs new approach to partnership in the globalised period. The programme was of immense help to other organisations like the World Bank's Debt Management Facility (DMF) and

the Highly Indebted Poor Countries Capacity Building (HIPC CB) programme (UNCTAD 2012: 47).

UNCTADs work in technical cooperation in the globalised period is perhaps most striking in the case of impoverished countries. The focus towards LDCs has always been among UNCTADs primary objectives. However, this role increased significantly in the years following the early 1990s. Given the changing dynamics in the global trade architecture, UNCTAD started facing challenges in discharging its roles in terms of intergovernmental negotiations and therefore began reorienting its work mandate. In 1991, UNCTAD started publishing the Least Developing Countries Report series with an aim to provide analysis on poverty reduction and capacity building in these countries. The Reports enable LDCs disseminate information in creating their national policies to integrate into the world economy and participate in international trade. On the basis of the report findings, UNCTAD organizes trainings and workshops and collaborated with other IGOs like the WTO, UNIDO, ITC, UNDP, IMF and the World Bank in the Enhanced Integrated Framework (EIF) for Trade-Related Technical Assistance. UNCTAD has also focused its work on landlocked and small island countries in building resilience considering the vulnerabilities that these countries possess. UNCTAD has conducted regional workshops on the EIF and carries out implementation of trade projects through the DITS Action Matix (UNCTAD 2012d: 51-52).

In more recent years, UNCTADs work in enhancing development friendly globalisation is evident in its cooperative efforts with the larger system of the United Nations. At the fourteenth session of UNCTAD in Nairobi Conference in 2016, the organisation was given a central role in achieving the Sustainable Development Goals (SDGs) as well as the Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC) (UNCTAD 2016c: 3). The declaration that emerged outlined UNCTADs role in technical assistance to help developing countries benefit from globalisation (UNCTAD 2016c: 3-6). At the Nairobi Conference, a special focus was driven to Africa and UNCTAD's role in the structural transformation and in implementing the African Union's Agenda 2063 by addressing the challenges of trade, corruption and technological innovation (UNCTAD 2016a: 11). A significant initiative at

Nairobi was the first Youth Forum under the theme of “Shaping the World we want” that involved students and young professionals and was linked closely to Agenda 2030 in bringing about quality education, employment and state accountability (UNCTAD 2016a: 12).

The scope of UNCTAD in technical cooperation has become large in the globalised period and this role of UNCTAD has allowed it to maintain relevance in the international development environment. UNCTADs research and policy skills have enabled effective technical assistance, particularly to the LDCs in the globalised period.

Relationship with other IGOs in the Globalised Era

Ever since its establishment, UNCTAD has worked in a global system where several other organisations have functioned closely. Some of the specialized agencies of UN, GATT, the IMF and the World Bank are working on trade and development. The IMF had been given control over the regulation of international monetary and financial matters, another area where UNCTAD had its mandate. With significant changes in the international economic and political environment, UNCTAD’s work areas have overlapped with that of civil society organisations and NGOs, particularly in the period of globalisation.

With increasing competition from organisations like the WTO and the impending chances of it becoming redundant in the era of globalisation, UNCTAD was compelled to reinvigorate itself time and again to maintain relevance. From being a forum of North-South confrontation and negotiation, UNCTAD gradually morphed into a consensus-building forum. It was in light of the challenges facing the Organization after the end of the Cold War that UNCTAD started rethinking its approaches toward other organizations working in the similar fields and began emphasising on “partnership for development”. This was the time when UNCTAD’s relationship with IGOs and NGOs saw increased collaborative work and also UNCTAD playing more complimentary to other organizations like WTO. From assisting the developing countries in their participation at the WTO, realigning itself with the neoliberal consensus of the BWIs, to engaging and encouraging cooperative work with NGOs and civil societies, UNCTAD’s functioning in the years of globalisation and liberalisation was characterised by an unprecedented degree

of partnership and collaboration and also playing more subordinate and complimentary role in relations to some of inter-governmental organizations.

UNCTAD's relationship with other IGOs as well as civil societies and NGOs has been defined by the evolution of its mandates and the ever-changing international context in equal measures. UNCTAD enjoyed unmatched prominence during its heydeys in the 1960s and 1970s in promoting development interests of the global South. This period was characterised by more of a competitive relationship with other IGOs in comparison to the post-Cold War period where UNCTAD took up more cooperative approaches. The mushrooming of numerous related organisations over the years also affected the manner in which UNCTAD worked with them. UNCTAD's fundamental principle of promoting sustainable and equitable development has remained intact, and this enabled the Organization to work in a complementary fashion with other IGOs.

With respect to the UN system, it was during the years of globalisation that UNCTAD's relationship with other organisations of the UN system saw maximum dynamics. This was certainly the era of partnership and cooperation where UNCTAD stressed the importance of collaborative efforts through significant conference outcomes like those of Midrand and Cartagena. This was also the time when UNCTAD began to embrace the principles of neo-liberal economics by supporting the work of institutions like the WTO and the BWIs and furthering the advocacy of liberalisation for market access. The Cartagena outcome of 1992 maintained that UNCTAD should co-operate with other UN organisations dealing with services to promote mutually beneficial cooperation as well as help developing countries participate in international negotiations for trade in services (UNCTAD 1992: 57). Another instance of its collaborative effort was seen at UNCTAD VIII where the representatives made clear their support for holding the United Nations Conference on Environment and Development (UNCED). They were ready to contribute to the implementation of the action programme of UNCED and also adapt their intergovernmental structures if required (UNCTAD 1992: 79).

UNCTAD is an active member of the "Delivering for One" initiative of the UN for bringing coherence in the system. In this, UNCTAD functions in coherence with other agencies of the UN like the UNIDO, UNDP, WTO, FAO, UNEP, UNOPS and ILO

(2012d: 12). UNCTAD also contributes to the programming activities of the UN at the country level. It works in this field through the Common Country Assessment (CCA) and the United Nations Development Assistance Framework (UNDAF) to bring about country-level coherence while also assisting the countries in building policies in line with the international level (UNCTAD 2012: 13).

After UNCTAD VIII, the discourse moved to sustainable development, and this was a clear manifestation of UNCTAD's alignment with the broader character and aims of the United Nations system. For that matter, UNCTAD has always remained in sync with the larger objectives of the UN system. The events through the years and the increasingly compelling narrative on development advocated by the UN culminated in the adoption of the Millennium Development Goals at the turn of the century. UNCTAD supported the implementation of MDGs and collaborated with agencies of the UN. Fifteen years later, when the UN adopted the Sustainable Development Goals (SDGs) in 2015, UNCTAD continued to support and work in cooperation with the UN system in achieving the goals by committing to trade facilitation in developing countries and LDCs. UNCTAD also cooperated with the UNFCCC by contributing to the implementation of the Paris Agreement (UNCTAD 2016c: 3).

The report of the Secretary-General of UNCTAD to UNCTAD XIV "From Decisions to Actions" highlights the action lines for the fulfilment of Agenda 2030 (UNCTAD 2015c: 10-12). UNCTAD works in capacity building for transforming economies, building resilience and strengthening multilateralism in cooperation with the UN. In specific terms, UNCTAD contributes to progress on 52 targets grouped under 10 of the 17 SDGs (UNCTAD website). Its contribution is most significant in terms of partnership and prosperity aspects of the Agenda 2030. Even today, UNCTAD works closely and provides necessary technical advice, and research and analysis to help achieve the SDGs. At the Nairobi Conference, a special focus was driven to Africa and UNCTAD's role in the structural transformation and in implementing the African Union's Agenda 2063 by addressing the challenges of trade, corruption and technological innovation (UNCTAD 2016a: 11). A significant initiative at Nairobi was the first Youth Forum under the theme of "Shaping the World we want" that involved students and young

professionals and was linked closely to Agenda 2030 in bringing about quality education, employment and state accountability (UNCTAD 2016a: 12).

The relationship between the UNCTAD and GATT saw the most drastic transformation during the years marking the end of the Cold War. In addition to the change in the system of confrontation at the GATT negotiations between the North and South, the conversion of GATT into the WTO in 1995, which emerged as the overarching forum for trade negotiations between countries, also impacted the role and functions of UNCTAD. The relationship between UNCTAD and WTO was more of a complementary alliance whereby UNCTAD focused on helping developing countries adjust to the new era of globalisation rather than competing with the WTO in pursuing its mandates. UNCTAD Secretariat's support for integration of developing countries into the new global trade system implied that it could no longer vouch for a complete change in the international economic order. However, the original ideas and principles of UNCTAD remained unaltered; the organisation still maintained its character and strove consciously to bring about equitable benefits of trade and sustainable development for all countries. Negotiations at WTO Ministerials were thus greatly influenced by studies and recommendations of the UNCTAD secretariat. The persistent failure of consecutive Ministerials to bring forth some sort of agreement between member countries; non-fulfillment of Uruguay Round actions by developed countries; series of financial crises through the late 1990s; and growing awareness of the risks of liberalisation and globalisation were beginning to impact the legitimacy of the WTO.

Meanwhile, the UNCTAD was gradually picking up the pace and reinventing its relevance vis-à-vis the WTO. Due to the enduring friction at WTO negotiations and lack of outcomes, participants attended the UNCTAD Bangkok Conference in 2000 to polish and make clear their bargaining positions (Toye 2014: 96). UNCTAD's unwavering stress on advancing interests of developing countries in global trade was demonstrated through the reconsideration of special and differential treatment as well as the greater flexibility of TRIPS rules in relation to public health by the WTO at Cancun, which eventually led to a "development" round at Doha in 2001. The strategy of working in partnership with other organizations allowed UNCTAD to influence trade rules even if it was no longer the primary forum for trade negotiations. UNCTAD participated fully in

the Aid for Trade initiative and contributed immensely using research and technical support. Despite several achievements of cooperative inter-agency activities, one can look back and infer that UNCTAD's strategy to support the WTO in order to bring about sustainable development might have been futile after all, considering the deadlock in the Doha Round with little progress in achieving reduced agricultural subsidies and lower market access barriers UNCTAD continues to complement the efforts of the WTO today through its unmatched quality of research and policy advocacy.

With the IMF and the Bank, UNCTAD joined hands in several initiatives like Aid for Trade under the Enhanced Integrated Framework. UNCTAD maintained its primary focus on research, policy advice and technical assistance while working in partnership with others. Even the 2008 global crisis had been predicted in previous years by UNCTAD's Trade and Development Reports. This gave rise to questions on IMF's competence in the area and allowed UNCTAD to take up research more independently. It was a shift away from the initial years of liberalisation when UNCTAD aligned to policies of developed countries. UNCTAD was beginning to embrace its usual character by freeing itself from the remnants of neo-liberal economic doctrines propagated by the BWIs (South Centre 2006: 9-11).

The developed countries had always wanted international monetary issues to be handled by the BWIs, they were not happy with UNCTAD's independent stance. At the 2012 Doha Conference, there were several clashes between the UNCTAD and BWIs. While UNCTAD stressed on the unevenness brought about by the policies of the BWIs through liberalisation, developed countries made a case regarding the duplication of its work by UNCTAD in macroeconomic and finance areas. UNCTAD never intended to take over the role of the IMF and the World Bank, but it did not step back from claiming its right to examine macroeconomic as well as financial issues and make recommendations. These recommendations were not binding on the BWIs. In this regard, it is evident that the ultimate legislation and regulation of international monetary matters are undoubtedly in the hands of the BWIs and UNCTAD has a lesser reach, especially since the abolition of UNCTAD's Committee on Invisibles and Financing related to Trade in 1992 after the Cartagena outcome. Nonetheless, UNCTAD has greatly

influenced and continues to influence the IMF and World Bank directly and indirectly by ensuring that trade, development and finance bring about equitable results for all countries.

Civil societies and NGOs played an important role in the early years of UNCTAD. The relationship that UNCTAD shares with NGOs, think tanks, academicians, scholars and writers is one best seen as beneficial to the Organization; one in which the civil society plays the role of a dedicated opposition. The contributions of civil societies and NGOs are multifaceted, and the UN system, including UNCTAD, recognises this factor and has always maintained close working ties with the civil society and NGOs. Non-governmental actors have always played an important role in the affairs of the UN and the UNCTAD. However, in the years of increasing global interdependence, there has been a rise of non-state actors who can be seen as a “global civil society” (Young 1997: 273). It is also increasingly acknowledged that an organisation alone cannot address the problems at a global scale and collaborative efforts are needed to achieve the goals. It was this realisation that UNCTAD started the first Dialogue with civil societies in 2001 at UNCTAD X.

The UNCTAD-Civil Society Dialogue held in 2001 was instrumental in bringing together civil society actors who were involved in the work of the UN-LDC-III Conference and in UNCTAD X to discuss implementation and other related issues (UNCTAD 2001a: 21). This kind of collaborative work, therefore, helps UNCTAD in cross-cutting across sectors and issues, and it highlights the diverse views of non-state actors. As a result, UNCTAD’s work is made less homogeneous and more inclusive in terms of presentation of views and ideas, which reinforces and further legitimises its excellent work in research and policy advocacy. A significant reflection of the importance of civil society participation was the enhanced work of UNCTAD in the field of LDCs. Even though the Organization was always involved in this field, ever since the entry of civil societies at UNCTAD X, there were visible results, like the Brussels Programme of Action. Even in other areas like financing for development and investment, civil society participation has made a tremendous contribution to furthering and strengthening UNCTAD’s work mandate. Think tanks and members of civil societies

have also been instrumental in shaping the dialogue and initiatives on sovereign debt issues and contributing to policy research (UNCTAD 2001a: 21).

The base of the relationship that NGOs and civil societies share with UNCTAD is because they view the Organization as a moral and ethical counterweight to the Bretton Woods institutions. This legitimacy owing to its universal, transparent, accountable and inclusive character gives UNCTAD the advantage in ensuring loyal participation of NGOs and civil society. At the root of it, NGOs and civil societies share a common goal with UNCTAD in the quest for establishing a pro-development of global economic governance.

Conclusion

The end of the 1980s took UNCTAD into the years that saw the greatest transformation of UNCTAD. The global economic paradigm shifted towards an era of unprecedented globalisation marked by the rapid liberalisation of economies of countries that were formerly under protectionist measures. The end of the East-West tension with the Soviet Union's demise also brought significant alterations in the markets of Central and Eastern Europe. The balance of payments and debt crisis that took over most developing countries in the 1980s led to the gradual change in national policies in line with the conditions attached by the BWIs. The wave of neoliberalism that had hit the global economy in the 1980s intensified further.

The birth of WTO, the ongoing reforms of the UN and the opposition of the North to UNCTAD's position compelled the organisation to change its ideology from being the centre of confrontational negotiations to that of a consensus-building forum. This is the most striking change in the process of its reinvention since the 1990s. From being an organisation that once stood strongly against trade liberalisation and globalisation, UNCTAD started embracing the neoliberal ideals of free market capitalism and played an important role in integrating developing countries in the world trade regime while also assisting them in the WTO negotiations. UNCTAD was also compelled to give up its fight for a new international economic order that it had vouched for throughout the 1970s and 1980s. With the advent of liberalisation, UNCTAD had no option but to adhere to the

Washington Consensus, albeit reluctantly. These changes in the global economic environment drastically influenced UNCTAD's role in intergovernmental negotiations, research and policy advocacy, and in providing technical cooperation.

UNCTAD maintained its role in research and policy analysis with vigour through the years following globalisation. There were however changes in the avenues and approach. UNCTAD started emphasizing on the aspect of interrelation in the areas of trade, finance, technology and commodities. UNCTAD also began incorporating the paradigm of human development while implementing policies. These were a result of the growing importance given to interrelation and integration of sectors in the international economic environment during the early 1990s. In addition, the development discourse was also evolving to incorporate human development into developmental policies, which influenced the research and policy analysis work undertaken by UNCTAD. In addition to the TDR series, UNCTAD also started the series on investment, The World Investment Report in 1991. This report marked the change in UNCTAD's position on analysing the role of TNCs and FDI. Instead of studying the negative aspects of FDI flows to developing countries as it did in earlier decades, UNCTAD started researching on the benefits from opening up economies to FDI and TNCs.

Another event of significance was the entry of the WTO in the multilateral trading arena. This gave UNCTAD's research work a new aspect as it now started providing policy advice to help developing countries improve their negotiating stand at the WTO. With respect to investment, UNCTAD's work now shifted to the case of the poor countries who had not yet gained from global investment flows. The Aid for Trade initiative of the WTO gave UNCTAD the opportunity to continue its research in supply side constraints of developing countries, giving it further potential to work on policymaking and trade facilitation platforms like ASYCUDA. The Asian Crisis of the late 1990s brought about the defects in the role of the IMF in international monetary and financial regulation. Here, UNCTAD's importance in research and policy suggestions was realised. After the crisis, UNCTAD was able to engage more independently in its work against the pressure of Group B countries. In terms of its role in policy advocacy and research, UNCTAD could, therefore counter the efforts of the western countries to reduce

its role in international trade. Moreover, UNCTADs research work in areas concerning the LDCs could not be substituted as it became more involved in this field than ever before.

Intergovernmental deliberations in UNCTAD after the conferences at Cartagena (1992) and Midrand (1996) were reduced to a farce. These conferences drastically downsized the organisational machinery by reducing its personnel and committees. In addition, the ideological position of UNCTAD shifted completely from what it once stood for. The outcomes of the two conferences clearly marked the change from an UNCTAD that once stood as a counterweight to the prevailing international economic order, especially in the 1970s, to an UNCTAD that had completely adapted to the new paradigm of liberalisation and globalisation. UNCTAD after the mid-1990s started focusing on the benefits of open markets, while encouraging developing countries to liberalise their economies. The conferences at Cartagena and Midrand, combined with the entry of the WTO, completely transformed UNCTAD and its role in intergovernmental deliberations and negotiations was now reduced to a forum for consensus-building. The confrontationist approach of the UNCTAD, for which it was once known, was replaced by a cooperative and collaborative approach.

However, there was another turn of events towards the end of the century. By the early 2000s, the world was gradually being exposed to the dark sides of globalisation. The Asian Financial Crisis and the WTO protests at Seattle were events that marked the change in the international context. UNCTAD was instrumental in bringing out the inequalities brought out by liberalisation and after the Bangkok Conference in 2000, UNCTAD did regain some of its lost ground. By 2004 in Sao Paulo, UNCTAD was back to its earlier form of bringing out the imbalances in the economy and the dangers of globalisation. However, this reversal was not a complete one. UNCTAD continued to carry out the cooperative approach and intergovernmental negotiations were never brought back to its initial state at UNCTAD. With the WTO overlooking the international trade regime, there was very little for UNCTAD to regulate. Over the recent years, UNCTADs role in negotiations has reduced further. However, the true ethos of UNCTAD continues to reign. The Organization now focuses on partnering with other

IGOs and non-state actors in order to focus on the larger goal of bringing about balanced, equitable and sustained development.

In the field of technical cooperation, UNCTAD continued its activities in the areas of trade in goods and services, commodities, investment, enterprise, human and institutional resource, debt management and transport. The changes however, were seen in terms of the scope and magnitude of work. Globalisation entailed increasing levels of interdependence and with several countries opening up markets for international trade, the avenue for UNCTADs activities became huge. After the period of reforms in the mid-1990s and the entry of the WTO, UNCTADs mandate was greatly reduced. This led to an increasing significance in UNCTADs role in technical cooperation as it could no longer be the forum for negotiations.

Technical cooperation activities also became increasingly focused on LDC issues, particularly after the poverty reduction agenda of the MDGs. UNCTAD carried out commendable work in LDCs, small landlocked countries and small island states by assisting them in capacity-building and national policy formulation for a smooth integration into the global economy while also helping them in poverty reduction and trade facilitation. Another change in technical cooperation was in the approach towards partnership and collaboration with IGOs, NGOs, academic institutions, and civil societies, in bringing about effective research and analysis of emerging trends. The call for coherence and partnership began towards the early 2000s and ever since, UNCTAD has seen numerous collaborative work programmes.

In regard to UNCTADs relationship with other IGOs and non-state actors, the period of globalisation was marked by an increased attention to “partnership for development” after UNCTAD recognised the importance of working together with the international governance system for which it pursued a cooperative approach. It engaged in collaborative efforts under the Aid for Trade and Enhanced Integrated Framework initiatives of the WTO. Rather than usurping the roles and encroaching on the activities of the WTO and the BWIs, UNCTAD maintained a complementary role and assisted these organisations with quality research and policy advice.

UNCTADs relation with other organisations of the UN system as well as the NGOs and civil societies has seen more complementarities than competition. The entire system of the UN is bound together by the same basic aim of bringing equitable benefits of development and globalisation and integrating the weakest economies into the global economic system. UNCTAD has worked in constant synergy with organisations of the UN like the ECOSOC, the UNDP, UNEP and the FAO. In recent years, UNCTAD has found a new role in assisting the UN agenda of 2030 to achieve the SDGs. In recent decades, its contribution to attaining the MDGs and SDGs has been unmatched by virtue of its quality research work and technical expertise. UNCTAD has maintained collaborative efforts with other UN organisations ever since the start, and it has increased more in recent years. The only challenge in this regard is the overlapping of work areas leading to wastage of resources. However, there has been continuous work done to increase coherence within the system so as to strengthen the ultimate goal of the UN system.

NGOs have also been important actors of global governance, and their role has been duly acknowledged. UNCTAD has given the NGOs legal participatory rights, and since UNCTAD X, it also encouraged the participation of other civil society actors. In the era of privatisation and liberalisation where countries gained unevenly, civil societies were instrumental in making issues visible through consistent efforts, and UNCTAD provided them with the forum to bring in their ideas, views, and expertise.

UNCTADs relationship with GATT/WTO changed distinctly after the end of the Cold War. Before this, UNCTAD and GATT were mainly rival organisations because both were primarily involved in trade. With changing international context and the inclusion of several new sectors into the Uruguay Round, the UNCTAD began changing its approach, and since the 1990s, the relation between the UNCTAD and newly formed WTO has been more of a complementary one. The venue for confrontation of coalitions now moved to WTO from UNCTAD, and in light of decreasing relevance with the WTO entry, UNCTAD started assisting the participation of developing countries in WTO negotiations. Further, UNCTAD maintained collaborative efforts with WTO in various overlapping fields like development finance, aid and the LDCs.

The neo-liberal policies of the Washington Consensus were advocated increasingly by BWIs through the years of the debt crisis. The IMF and World Bank both reinvented their roles and started making financial help conditional on policy reforms that were not desired by developing countries. Between the UNCTAD and the BWIs, the former has safely maintained its universal, inclusive and just character while the latter was subject to numerous complaints regarding the unfair system of voting. UNCTAD never sought to capture completely the role of the BWIs in international monetary and development issues but did not shy away from working continuously through research and reports that have proved to be of great counterbalance to the otherwise less accountable and less transparent organisations of the Bretton Woods.

UNCTAD's role with other IGOs can thus be seen as a function of its work mandate. Overlapping mandates necessitate interaction with related IGOs and this, in turn, affects how the UNCTAD carries out its work. It is in a way, a two-way process – of influencing and being influenced. We have seen how UNCTAD's relations with other IGOs have greatly influenced the evolution of its roles and functions in the globalised era. Their relations, in turn, more or less have been functions of the powerful interest states behind the organisation, the coalitions of countries, and the politics of state governments.

After over 50 years of its existence, UNCTAD finds itself in a challenging environment as the context within which it functions continues to evolve and pose more difficulties. As seen in the chapter, UNCTAD had two distinct avatars over the years, one in the cold war era and one in the era of globalisation. After the cold war, UNCTAD faced the greatest threat to its existence, particularly with the entry of the WTO. Since then, despite severe challenges to its survival, UNCTAD has succeeded in reinventing itself constantly and continues to be of great importance to developing countries. Even though inter-agency competition has seen a drastic rise, the legitimacy of UNCTAD stands unmatched in terms of being an institution where the developing countries have a strong voice.

The era of globalisation therefore brought about a different UNCTAD, perceived by many as the years of waning significance in comparison to the early decades. The chapter

argues that the change in the fundamental character of the organisation did not, however, imply a discontinuation in its advocacy for development. UNCTAD was still a body that strongly stood for the interests of developing countries. Even though UNCTAD lost its relevance as a negotiating body, UNCTAD effectively carried out its functions in technical cooperation and transformed gradually into a think-tank for development policies. Its work in assisting developing countries continues to be of great importance, especially after the experiences of the negative aspects of globalisation. Even after reinventing itself and aligning to the neoliberal principles, UNCTAD has not lost its true essence in terms of being the organisation that works for the interests of developing countries and it continues to help bring a balanced and just economic order in the international system.

CHAPTER V

Conclusion

With the change in the international order in the post-war period, international organizations were established with the aim of regulating areas of international economy, trade, security, finance and developmental aid. There was no parity in the north and the south as the Western powers had a major role in development of these organisations but the Global South had little say in it. The international organisations that were created after the World Wars in the area of international trade and development were essentially products of the western powers. Right from their inception, these organisations were formed in a manner that would protect the vested interests of the allied powers.

The proceedings and debates at the conference in Bretton Woods, New Hampshire in 1944, were a display of how the US along with the other western powers made it a point to restrict the development aspect of the newly formed institutions of the IMF and the World Bank. It was only in later decades that the twin BWIs adopted a less conservative nature by engaging in development assistance programmes. The constitutions of these institutions adopted at Bretton Woods set into action principles of free flow of goods and non-discriminatory exchange practices that greatly influenced the international economic policy. After the failure to set up the ITO, an interim arrangement, the GATT, was formed to serve as the principle institution regulating trade matters among countries. GATT focused on areas that were of interest to developed nations like tariff reduction and free market exchange. The global architecture was almost completely skewed in favour of the Global North.

Over the years, the concerns of developing countries grew further and from the 1950s onwards, there were visible changes in the global political and economic environment. The decolonisation of several countries led to increasing membership of developing countries at the United Nations. These countries now had a larger voice and were brought together by their shared concerns and disillusionment regarding the international economic system. The formation of NAM accelerated this cooperation

among the countries of the Global South who subsequently formed the coalition of G 77. The adoption of a united front was necessary for these countries to articulate their demands at an international forum.

At the United Nations, developing countries pushed for the increase in the role of the UN in the economic area. They were naturally dissatisfied with the other organisations that dealt in trade and development matters and wanted to form an institution that would cater to their needs. However, developed countries wanted to limit the UN's role in international trade and finance as they were content with the regulation powers of the BWIs and the GATT. After over a decade since the first SUNFED at the UN, developing countries, as a group of 77 under the influence of the Latin American economist, Raul Prebisch, succeeded in convening a conference within the UN on trade and development. This was held in 1964 at Geneva and by the end, the conference was institutionalised into an organisation.

At the time of establishment, the main purpose of the creation of UNCTAD was to attract sufficient help in the form of capital aid, commodity arrangements and compensatory financing schemes. Unless this was possible, it was believed that the gap between the North and the South would never close. Developing countries had several structural hindrances to growth and Prebisch highlighted at UNCTAD I that the free play of international markets would not benefit developing countries unless the trade gap between developed and developing nations diminished. The essence of an UNCTAD thus lay in overcoming inequities and imbalances in the global economy for which the UNCTAD was entrusted with the primary functions of promoting trade and integration of economies into the international system. Through this function, the interests of poor and vulnerable economies were safeguarded right from the start. The second function dealt with formulation of policies on international trade and development matters. Although the laws formulated were not morally binding, UNCTAD saw greatest success in this area during the initial decades. This was a result of its excellence in undertaking research and advocating policies for development. Further, the organization was also mandated to act as a forum for intergovernmental negotiations. This function allowed UNCTAD to

serve as a focal point for coordinating trade related policies. It was clear that from the very start, UNCTAD had a Universalist character and a wide ranging mandate.

The Geneva Conference in 1964 was institutionalised into a permanent machinery with a governing body and a separate budget. The Conference, the Trade and Development Board, its committees, sub-groups and subsidiary intergovernmental bodies; and a large, independent secretariat in Geneva together form the Organizational structure of the UNCTAD. Membership in the UN automatically confirms a place for a country in the UNCTAD. With the Conference being an apex body, all major decisions happen through it. Along with the decision making, other two major functions of the conference are inter-Governmental and inter-Disciplinary deliberations and identifying the role of the United Nations and UNCTAD in economic problems.

The Trade and Development Board is another important body of the UNCTAD. It is responsible for the implementing process of the decisions by the Conference. The Board is also empowered to subsidiary bodies when it deems necessary. It has served as the policy making as well as regulating body of UNCTAD and has dealt with cross-cutting issues through the years. Four main committees of the Board have the duty to promote decisions of the Conference, pursue policies in their fields and acts as an inter-disciplinary link between international organisations. The Secretariat and the Secretary General was formed in accordance of the functioning of the of the UN secretariat. Major role of the Secretariat is research, analysis and collection of data while the Secretary-General carries out the function of supervision.

UNCTAD was born in the era of East-West tensions. During the first decade of its existence, the international political economy was relatively at ease, as this marked the period of Detente. After its establishment, UNCTAD focused primarily on issues of trade and aid in commodity arrangements, shipping, trade industrialisation, indebtedness and technology. While developed countries recorded high growth rates, developing countries struggled to escape from the deteriorating terms of trade. The first few years of UNCTAD were mainly focused on shaping the agenda for the organisation.

UNCTADs role as a forum for deliberations was facilitated in the 1960s and 1970s by the international political and economic events. The disintegration of the

international monetary system weakened the economies of developed countries. The solidarity of developing countries under the G 77 was further strengthened by the seemingly vulnerable condition of economies of the West. They pushed their demands for a NIEO through the 1970s, which marked the period of UNCTADs success as a forum for negotiations.

During this phase, UNCTAD also had to its credit several other achievements in terms of intergovernmental negotiations like pushing for the expansion of the compensatory financing facility (CFF) of the IMF and creating additional liquidity under IMF. The generalized system of preferences (GSP), a first of its kind, was negotiated at UNCTAD. Several important international commodity agreements were also negotiated at UNCTAD. Even though the International Programme for Commodities (IPC) met a dead end, UNCTAD helped in creating a structure to negotiate agreements for almost all commodities that were of export interest to developing countries. The negotiations at UNCTAD also successfully brought into action an ODA target. The discussions on Supplementary Financing in the World Bank were also reproduced at UNCTAD which later on impacted the Bank's strategy for development assistance in developing countries. Remarkable achievements were also seen in the field of shipping. UNCTAD during the 1960s until the mid-1970s was seemingly at its peak in terms of discharging its responsibilities and performing its function as an intergovernmental forum for coordinating the demands of developing countries and articulating their interests at the global level.

By the end of the 1980s, the world saw drastic transformations after the end of the East-West tensions. The disintegration of the Soviet Union brought significant changes in the international political structure. The early 1990s came with unprecedented levels of globalisation as erstwhile socialist camps started opening up their economies and liberalisation of several other developing countries took place. Structural adjustment programmes of the BWIs led to far-reaching changes in domestic economies of debtor countries. The period of reforms in the system of the United Nations commenced and UNCTAD was subject to severe reforms. Western countries that sought to reduce the

mandate of UNCTAD in trade and development matters finally succeeded after the Conferences at Cartagena and Midrand.

During the period since Cartagena, there were major calls for reforms in the United Nations. Numerous global conferences were held on economic and social issues which highlighted the challenges in the global economy and the need for reforms within the UN system. There was increasing pressure on the UN to improve its efficiency and streamline its structure to make its operations more fruitful. The Midrand Conference initiated changes in the UNCTAD machinery by streamlining it and downsizing the machinery. In an ever-changing world, there was a realization that in order for UNCTAD to maintain relevance, there had to be an improvement in accountability through transparency in operation. This was also the time of increasing civil wars and armed conflicts that called for costly peacekeeping operations under the UN. The period of the mid-1990s is therefore considered as the period of intense reforms.

These changes had a great impact on UNCTAD's role in negotiations. UNCTAD was hereafter reduced from a negotiating to a consensus-building body. The approach also changed from a confrontational to a more cooperative one. Ever since the Midrand Conference, UNCTAD has been unable to regain its former success as a body for intergovernmental deliberations. With the entry of the WTO, UNCTAD was only an organisation assisting developing countries in their negotiating position. Even though the organisation changed its ideology and began advocating neoliberal policies, it continued to help developing countries by providing technical cooperation to benefit from the changes.

In terms of research and policy advocacy, UNCTAD has maintained its role from the start. It continues, even in the face of adversaries, to be the primary organisation producing authentic data and genuine research through various flagship projects. UNCTAD's role in research and policy analysis during the Cold War years gave way to new ideas and brought to attention the imbalances prevailing in areas of the economy like shipping, insurance and technology transfer that were not explored before. UNCTAD highlighted through its extensive work, the terms of trade conditions of developing countries, produced studies on the significance of non-tariff barriers, and published

several studies on the economies of the developed and developing world. UNCTAD was dedicated in its research and worked consistently to bring out the imbalances in an unjust international economic system. The work undertaken by UNCTAD, especially in its initial years, facilitated a better and more in-depth understanding of the global economy in matters of trade and development. Through its quality research work and policy analysis, UNCTAD was able to influence other relevant IGOs to improve their work. It also forced the western countries to assess their position in international trade negotiations.

Even after changes in the organisations approach and ideology during the globalised period, UNCTADs work research and policy advocacy continues to be indispensable. UNCTAD has therefore seen a shift in recent years towards a more cooperative and partnership oriented approach in tackling global issues while maintaining its significance in areas of research and analysis. Many other bodies like the South Centre, the International Centre for Sustainable Trade and Development, and the UNDP produce quality work and developing countries have a wide range of choices in terms of obtaining assistance and advice, thereby destroying the special symbiotic link between the UNCTAD and G 77. In this regard, UNCTAD must continue to sharpen its edge and relentlessly reconstruct itself to maintain significance and relevance.

In terms of UNCTADs role in technical cooperation, UNCTAD initiated assistance in several areas to facilitate trade in developing countries. Technical assistance activities picked pace through the years and unlike UNCTADs role in negotiations and research work, this role gained momentum through the years. After UNCTADs reduction to a consensus-building forum in the period of globalisation, the reinvention and reorientation of its mandate propelled greater work in terms of technical assistance. Moreover, the changes brought about by liberalisation of economies widened UNCTADs scope in assisting developing as well as emerging economies in their integration into the international trade arena. Greater emphasis was also seen in terms of the work done in LDCs, landlocked small countries and small island states. With the MDGs of the United Nations system, poverty reduction became a priority. UNCTAD worked in sync with the UN system as well as with IGOs, NGOs, and civil societies to enable better results in terms of bringing about sustainable development. More recently, UNCTAD has been

mandated a central role in achieving the 2030 Agenda of SDGs as it continues to be the focal point of the UN system in the integrated treatment of trade and development despite several adversaries.

UNCTAD's relationship with IGOs, NGOs, civil societies, and other non-state actors in the globalised period saw changes in dynamics. While UNCTAD always served as the UN's focal point in bringing together trade and development issues, its activities with other bodies of the UN increased after the 1990s, particularly after the period of reforms when UNCTAD became seemingly irrelevant in the global governance architecture. A system wide coherence was also pursued in the 2000s to sync national and international policies by assisting developing countries formulate domestic policies. This was done in collaboration with other UN bodies. In terms of the basic goals, UNCTAD has been the centre for work in areas of trade and development under both the MDGs and the 2030 Agenda of SDGs.

Its relationship with the WTO and the BWIs saw a change from a confrontational and competitive one to a complementary relationship. Ever since the Uruguay Round of GATT negotiations, UNCTAD had begun assisting developing countries integrate into the global economy and with the entry of the WTO, this became UNCTAD's major role. It no longer was the centre for negotiating agreements that were against the prevailing economic paradigm advocated by the GATT and BWIs. Instead, it began assisting them in their mandate. Even with the BWIs, UNCTAD's relationship became a cooperative one during the period of liberalisation. Instead of pushing for a NIEO like it did before, UNCTAD gradually shifted its ideology towards that propounded by the Washington Consensus of the BWIs. UNCTAD also participated together with these organisations in initiatives like Aid for Trade and the Enhanced Integrated Framework to assist the developing countries, particularly the LDCs and small landlocked states.

Although UNCTAD had always involved non-state actors like NGOs and civil societies in its work, it was during the 1990s onwards that their role and participation was recognised as being somewhat indispensable in carrying out research and policy analysis so as to provide effective technical assistance to developing countries. UNCTAD pursued "partnership for development" relentlessly throughout the period after the 1990s.

This research started with four research questions. The first research question is: “How can one understand the origin of UNCTAD?”. This has been answered in chapter II. It discussed in details how several significant events were responsible for the creation of UNCTAD. The origin of UNCTAD cannot be traced back to one event but is rather a culmination of numerous factors. The importance of the establishment of this organization lies in the fact that it was the first ever international organization created solely for the developing countries. The birth of UNCTAD is therefore a vital landmark in the evolution of international organization. The failure to create a third pillar of the Bretton Woods, the process of decolonization resulted in increasing numbers of independent developing countries, the collective concern of problems of the developing countries generated a sense of solidarity and later disillusioned with the development assistance so far, are some of the major factors which caused the creation of UNCTAD. These been discussed in chapter II.

The second research question is “How can the change in role and functions of the UNCTAD be explained in the changed international context during the Cold War period?”. This research question has been answered in Chapter III, which highlights how UNCTADs role and functions have evolved over the years of its existence. During the decades of the Cold War, significant events in the international political and economic environment influenced the organization’s priority areas. UNCTADs role as a forum for intergovernmental deliberations saw its highest phase during the 1960s and the 1970s. This was a direct result of the unwavering unity and solidarity among members of the G 77 under the leadership of Prebisch. The coalition of the global South was further strengthened by the weakening of western economies after the collapse of the international monetary system in the 1970s. This event led to increasing levels of confidence among the developing countries and fuelled the demands for a new international economic order (NIEO).

In terms of giving policy advice, the study has shown how UNCTAD was comparatively more influential in the years until the mid-1970s. External factors like the increasing number of related development agencies, resulted in greater competition and limited UNCTAD’s reach from the mid-1970s onwards. The series of Trade and

Development reports published since the 1980s has contributed immensely to the study and understanding of the international trade and development discourse. These reports have been a source of unparalleled research findings and authentic data. However, from the early 1980s onwards, there were significant changes in the global economic paradigm. The rise of conservative governments brought with it a wave of neoliberal ideologies. This is where UNCTAD started retreating from its earlier high position.

The low phase of UNCTAD began from the early 1980s. The 1980s was a 'lost decade' for the organization. UNCTAD's role and functions were severely hindered by international events. While western countries were struggling through the second oil crisis, developing countries were trapped in a vicious cycle of debt. As a result of the crisis, developed countries became increasingly protectionist which hindered exports from developing countries and exacerbated their economic stagnation. This led UNCTAD to reorient its priorities to help the debt-ridden developing countries and the organization steered away from the prior demand for a NIEO. By then, the demand for a NIEO had lost its earlier thrust and the world began adapting to the new order of a neoliberal economic system. UNCTAD's role in research and policy advocacy as well as in negotiations suffered a major setback. An institution that once served as the principle body challenging the free trade regime of GATT was now reduced to a facilitator of international negotiations by assisting developing countries' integration into GATT negotiations. Even though policy advice was given successfully only to developing nations, UNCTAD nonetheless posed a challenging front to the neoliberal paradigm advocated by developed nations through alternative policy recommendations.

The third research question is "How did the UNCTAD adapt to changes in the globalised era?", This has been answered in chapter IV. The chapter details the transformation of the global economy with the end of the Cold War that brought far-reaching changes in the internal machinery of UNCTAD as well as its ideological position. We see how the organisation that once served as a counterweight to the international economic system was now beginning to align to the neoliberal policies. UNCTAD's change in mandate was a result of its downsizing at Midrand. This event coupled with the entry of the WTO brought an end to UNCTAD's role as a negotiating

body. From its confrontational approach, UNCTAD also started becoming more cooperative and assisted the developing countries at the WTO negotiations.

UNCTAD was thus condensed to a body that was to assist developing countries in their integration into the international trading system by helping them negotiate their stands at the WTO. By the Midrand Conference in 1996, UNCTAD had completely changed its ideological position by now supporting globalisation and liberalisation through its renewed objectives. Developing countries were now slowly embracing the new order and wanted UNCTAD to assist them in international negotiations so as to gain short-term benefits by liberalizing their economies. UNCTAD no longer challenged the international economic paradigm but now focused more on domestic policies. Domestic problems of development were now brought to focus and UNCTAD worked towards creating a stable macroeconomic framework under ongoing reforms and structural adjustments.

Another major reorientation was brought through the “Partnership for Development” idea at Midrand. This was done to increase the participation and emphasize the role of non state actors and civil society organisations in the development discourse. Through this, the participation of private corporations increased tremendously and resources were mobilized by these private entities as the ODA continued to decline in the years of globalisation. UNCTAD now geared towards creating a conducive environment for private sector enterprises by allowing free flow of foreign direct investment (FDI) while also helping promote democracy, transparency and accountability of governance and establishing a framework for an open, rule-based market system.

The fourth research question is “How and why has the UNCTAD worked in partnership with other IGOs, NGOs and civil society organisations, particularly in the globalised era?”. This has been answered in the last section of Chapter IV. Since UNCTAD serves as the focal point for the collective treatment of trade and development issues within the UN system, it is inevitable for UNCTAD to work together with related bodies and organisations. We have seen that UNCTADs huge mandate necessitated cooperation with other IGOs as well as non-state actors to bring about sustained development. This cooperation was particularly seen in the era of globalisation. Even

though UNCTAD was born out of the UN system and had inherent relations with the UN and its agencies from the 1960s itself, it was only in the period post-reforms in 1990s that UNCTAD changed its approach to a collaborative one.

The study also shows how UNCTAD now pursued a complementary role to assist and partner with related organizations like the WTO, IMF, the World Bank and the agencies of the UN system, which was in stark contrast to the approach that UNCTAD maintained in the years of the Cold War. “Partnership for development” was adopted as the new approach to achieve lasting development in cooperation with civil societies from the mid-1990s onwards. UNCTAD also pursued a system wide coherence within the United Nations. Coherence, however, was more in terms of synergizing national and international policies by cooperating with other IGOs, rather than following and accepting the policies of these organisations. UNCTAD, therefore, maintained its core philosophy of promoting development in a just manner and continues to do so.

This research has taken up three hypotheses. The first hypothesis is: “UNCTAD has undergone a reorientation of its priorities influenced by both internal machinery and external environment”. There is very little doubt that UNCTADs priorities have been reoriented through history until current times. The study on UNCTADs changing roles in the period of the Cold War as well as the role in the globalised era display stark evidences of the influence of both internal and external factors. This hypothesis is substantiated in Chapters III and IV.

During the period of the Cold War, the disintegration of the monetary system, the first oil crisis and the US war in Vietnam led to weakening of western economies. This boosted the confidence and solidarity of the G 77 who then pushed vigorously for a NIEO in the 1970s. The period was marked by successes in terms of UNCTADs role as a negotiating body. It was a combination of favourable events in the international economic and political canvas that allowed UNCTAD to make use of its role as a forum to articulate demands of developing countries. The chapter also shows how the period of the 1980s marked a lull in UNCTADs existence. Because of the increasing debt of most developing countries and the continued recession in western economies, UNCTAD was

unable to focus on negotiations. It retreated from its earlier profile and continued work in the areas of research and policy formulation.

With the end of the Cold War, UNCTAD's priorities were further influenced, particularly after the period of reforms that the UN system was put through. This led to a decline in its significance as a deliberating forum. UNCTAD subsequently started focusing more on its roles in technical cooperation and research and policy advocacy. Moreover, the mushrooming of other institutions working in development and trade led UNCTAD to reorient its work mandate by focusing on poverty reduction in LDCs and small landlocked and island countries. Investment was another area that saw UNCTAD's focus in the globalised period. UNCTAD now works as the central body in bringing together trade and development matters of the UN system for the achievement of the 2030 SDGs. The first hypothesis stating that UNCTAD has undergone a reorientation of its priorities influenced by both internal machinery and external environment, thus stands unrefuted.

The second hypothesis is "UNCTAD performed better in its roles in intergovernmental deliberations and in undertaking research and policy advocacy in the Cold War years than in the era of globalisation." This hypothesis is also substantiated in chapters III and IV. This study has shown that as a forum for negotiations, the deadlock in multilateral trade negotiations between the North and South in the 1980s led to a perceptible loss of confidence in UNCTAD as the main forum of deliberations. Alongside, developments in the GATT and the inclusion of new sectors in the Uruguay Round diverted the attention and participation of countries in the forum of GATT. UNCTAD's role of acting as the facilitator of consensus was adversely affected in light of the erosion in multilateral diplomacy during this decade. In comparison to the previous decades, UNCTAD in the 1980s could no longer bring about consensus on trade and development issues. The study also notes that UNCTAD did not successfully create a common understanding where developed countries were concerned. The failure to achieve a NIEO and the subsequent

As we have seen, the role of UNCTAD as a forum for international deliberations has gone through a "high" phase during the 1960s and 1970s, while retreating into a "low" phase from the 1980s onwards. The fundamental cause affecting the

Organisation's functions has been the changing external political and economic climate. While there were favourable conditions for UNCTAD's role as a discussion forum in the 1960s and 1970s, these changed drastically with the advent of a new international political and economic discourse in the 1980s. Developing countries were unable to cooperate as they had done in previous decades since the debt crisis had crippling effect in the 1980s. UNCTAD could therefore no longer maintain as much influence in the 1980s, and there was an end to meaningful North-South as well as South-South negotiations. The negotiations and liberations were relatively more fruitful in the heydeys of the 1960s and 1970s as is evident from the outcomes of numerous conferences of those times. In the 1980s, UNCTAD steadily lost its usefulness as deliberative and negotiating forum.

With the complete revamping of the internal machinery after the Conference at Midrand, the western countries finally succeeded in reducing the authority of UNCTAD in trade and development matters. This, along with the entry of a WTO, completely changed the course for UNCTAD, which then adapted to the discourse of neo-liberalism instead of countering it like before. This marked the final touch to the end of its role in international negotiations and deliberations. UNCTAD was reduced to a research think tank. These arguments drawn from the study go on to substantiate the second hypothesis which states that the performance of UNCTAD in fulfilling its functions as a forum for intergovernmental deliberation and in giving policy advice saw greater success during its heydeys until the mid-1970s.

The third hypothesis is "In providing technical assistance, the UNCTAD performed better during the years of globalisation due to the influence of global events". This hypothesis is also substantiated in Chapter IV. Even though technical cooperation was initiated during the first decade itself, the period of globalisation greatly enhanced UNCTAD's scope in technical cooperation. This was due to reinforcing factors of the internal downsizing and ideological change after Midrand Conference as well as the diminishing relevance after being stripped off its role in international negotiations with the entry of the WTO. External as well as internal factors therefore increased UNCTAD's

work in technical cooperation tremendously after the 1990s. The areas for technical cooperation were a continuation of its work in previous decades.

However, the magnitude as well as approach to technical assistance saw changes. With the adoption of the MDGs, there was a growing concern about poverty reduction from the early 1990s. This led to UNCTADs increasing work in the area of LDCs, small landlocked countries, and small island states by easing their integration into the economic system of the world through continued support in information supply, policy advocacy, and capacity-building. After the 2000s, there was also a change in approach with partnership and collaborative efforts taking the forefront. UNCTAD worked with the entire UN system to build coherence and also with non-state actors to enhance the research capacity and quality. Until today, UNCTADs role in technical cooperation is vital. It has the central role in helping the UN system achieve the 2030 Agenda of SDGs.

This hypothesis is partially substantiated and can be modified. Although UNCTAD had larger scope for technical assistance activities, it cannot be said that it performed better in the globalised period due to the influence of global events. The organisation took several initiatives even in previous decades. The hypothesis can be modified to state that the period of globalisation was more conducive to UNCTADs performance in technical cooperation because of increasing opportunities and areas of work that came along with the liberalisation of economies of developing countries.

Today, the question of not just the effectiveness but also relevance of UNCTAD is often raised. With the forces of globalization and openness dominating the international discourse, the prominence of UNCTAD is genuinely questioned. It is no longer seen as an alternative to GATT/WTO, which it once enjoyed. Does world need an UNCTAD, therefore is a compelling question for many scholars. It cannot be contested that the world has drastically changed since 1964, the year in which UNCTAD was established, but the organization despite its all impediments continues to be relevant given its direct appeal to the developmental needs of the developing world. Considering the volume of work and major concerns of UNCTAD, it is beyond doubt that the organization has a lot to offer in the present times. It is not the developing countries that have been questioning the relevance of the UNCTAD but the developed countries continue their quest to

sideline UNCTAD. Looking at its major thrust areas and the requirement of developing countries for such organization, there is no doubt that UNCTAD has important role to play even today.

One of the major utilities of UNCTAD is to provide an alternative policy prescription in opposition to the dominant neo-liberal discourse where the consideration of all round development is often seen to be at margins. At the specific country level, UNCTAD is already working in providing a demand-driven expertise and technical assistance aimed at improving the capacity of developing country in the international trade negotiations. This is a crucial component of the UNCTAD and countries have been using it to a great deal. On a more macro level, it is poised to play a leadership role in guiding the discourse towards a more equitable, development focused and egalitarian trade model that is beneficial to even poorest of the countries.

Empirical evidence has shown that the neo-liberal paradigm has failed to deliver development in an overwhelming majority of the countries, often leading to deindustrialization, financial crises, reversal of social gains. It has also been demonstrated that growth does not derive from merely giving a free hand to market forces, but mainly from the development of human resources, building the requisite infrastructure and structures of production. Global imbalances due to unequal distribution of new opportunities between and within countries continue to remain the biggest obstacle to development, and one of the main sources of social and political instability and conflict between and within countries, and thus also a threat to peace and security. UNCTADs role, therefore, continues to remain significant in bringing about a balance and acting as a counterweight to the prevailing economic system.

This role of UNCTAD becomes even more vital with the announcement of post 2015- Development Agenda, or the Sustainable Development Goals (SDGs). UNCTAD supports this Development Agenda and has been working primarily in integrating its works and process to further this agenda. The Report of the Secretary-General of UNCTAD to UNCTAD XIV: From Decisions to Actions underscores four action lines needed to fulfill the ambitions of the 2030 Sustainable Development Agenda:

- Building productive capacity to transform economies

- More effective States and more efficient markets
- Tackling vulnerabilities, building resilience
- Strengthening multilateralism, finding common solution

Beyond that, UNCTAD also collaborates with almost 60 UN agencies and share expertise and experiences in order to develop a broad global path to move ahead. UNCTAD continues to be the principal organization of the UN system to undertake research on economic problems of the LDCs, Land Locked Countries and Island Developing Countries, and suggests policies to deal with their economic problems, apart from providing them technical assistance. UNCTADs active association with other relevant international organizations in forming a network to collectively help developing nations work on their development is another case for its continued relevance in international trade and development. It has already been working with organizations such as OECD and other non-governmental organizations, especially in the developing countries and providing valuable service to them. UNCTAD has also been working with various other Civil Society organizations in order to disseminate the ideas and gain more insights to further devise their path. This multi-pronged and multi-leveled approach of UNCTAD is extremely crucial in realizing the role UNCTAD is foreseeing.

Given its expertise and experience in the area of development oriented trade policies, UNCTAD is best suited to drive the UN's effort through equitable trade policy measures in order to decrease poverty and increase prosperity through trade, specially among the among the least developed countries . The legitimacy of UNCTAD remains intact even in the face of adversaries and until present times, UNCTAD functions with the fundamental objective of bringing about equitable growth for all countries and a balanced global economic system. As a 'think tank', UNCTADs work in research, policy advocacy, and technical cooperation continues to be indispensable. UNCTAD, therefore, has a major role to play in the future developmental pathway.

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