

THE WORLD BANK GROUP ARCHIVES

PUBLIC DISCLOSURE AUTHORIZED

Folder Title: Chatenay, L. Peter - Articles and Speeches (1972)
Folder ID: 1651478
Fonds: Records of Office of External Affairs (WB IBRD/IDA EXT)

Digitized: November 01, 2013

To cite materials from this archival folder, please follow the following format:
[Descriptive name of item], [Folder Title], Folder ID [Folder ID], World Bank Group Archives, Washington, D.C., United States.

The records in this folder were created or received by The World Bank in the course of its business.

The records that were created by the staff of The World Bank are subject to the Bank's copyright.

Please refer to <http://www.worldbank.org/terms-of-use-earchives> for full copyright terms of use and disclaimers.



THE WORLD BANK
Washington, D.C.

© 2012 International Bank for Reconstruction and Development / International Development Association or
The World Bank
1818 H Street NW
Washington DC 20433
Telephone: 202-473-1000
Internet: www.worldbank.org

PUBLIC DISCLOSURE AUTHORIZED

CHATENEY, L. PETER - ARTICLES and Speeches (1972)

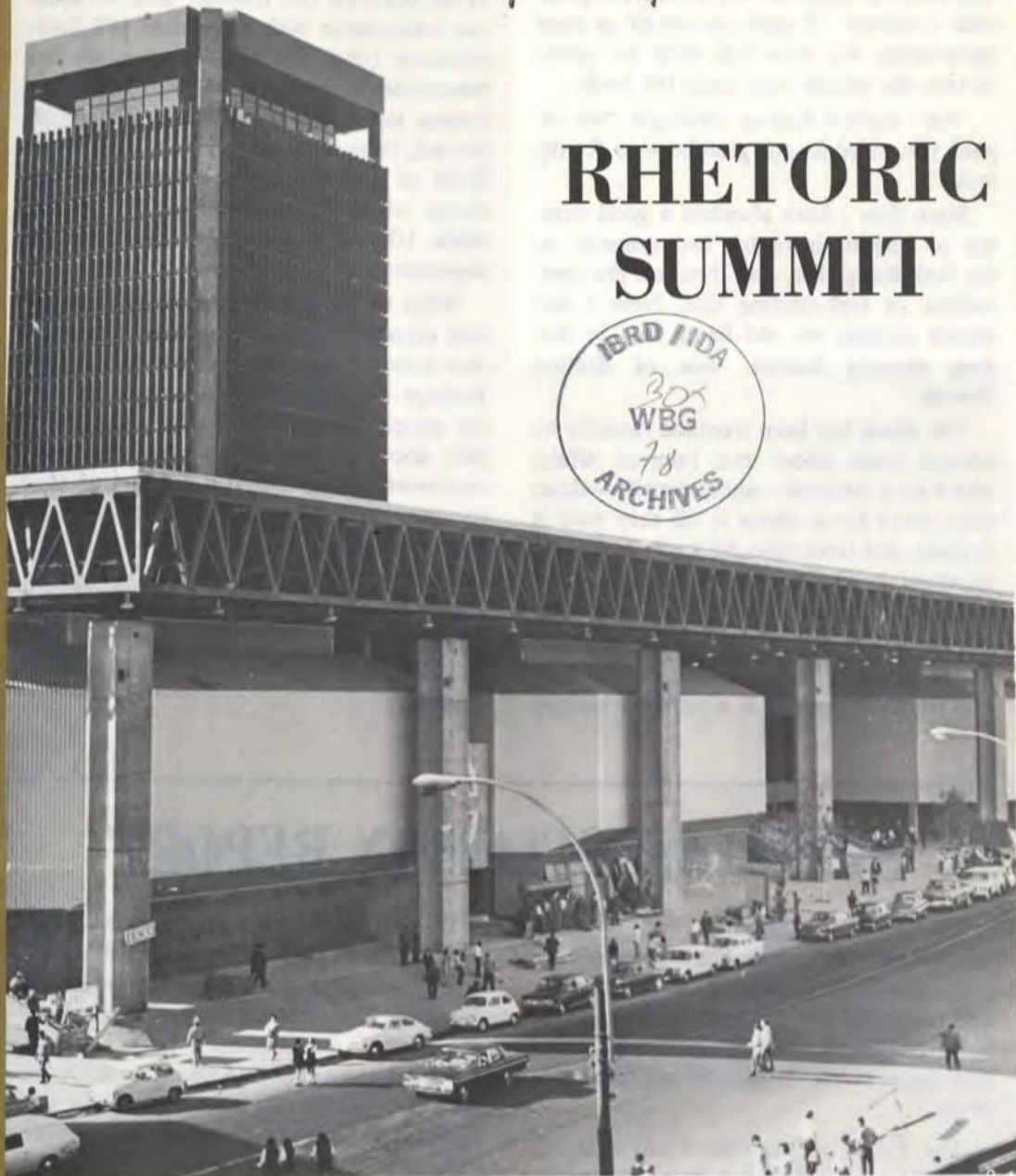
The World Bank Group
Archives
1651478
A1992-007 Other #: 5 212050B
Chatenay, L. Peter - Articles and Speeches (1972)



DECLASSIFIED
WBG Archives

Mr. Peter Chatenay speaks

RHETORIC SUMMIT



By L. Peter Chatenay

With over 3,000 participants, delegates, observers, staff and press, the recent third session of the United Nations Conference for Trade and Development which took place in Santiago, Chile from April 13 to May 21 this year, was a mammoth gathering by any standard. Certainly, for the people of Chile it was the biggest international event ever to be held in their country. They witnessed this invasion of ministers and diplomats, experts and UN staff, with great friendliness and amazement.

Around the conference building, there was a crowd most all the time, seeking autographs or asking questions from anyone associated with the Conference. A standard question from the twelve-to-fifteen year old generation was, "what does your country think about the Chilean road to socialism?"

To tell the truth, the delegations from Africa and Asia were particularly popular. I remember a big ceremony at the national stadium in honor of the Conference, at which over 5,000 participants—including the Army band which goose-stepped mightily—danced and sang for our pleasure. I attended in the company of several African friends. Children kept rushing behind the policemen to get autographs from the delegates. Aside from a couple of charitable infants who took pity on me, all wanted African signatures only. But as I said, autograph hunters were also all around the conference building. Taking my African friends out to lunch at a nearby restaurant was my sweet revenge: they could hardly get through.

UNCTAD was established in 1964, after several failures in the UN to set up a Specialized Agency for Trade, as part of the United Nations proper. It held its first session that same year in Geneva where its staff is located. The Conference itself meets every four years: UNCTAD II was in New Delhi in 1968 and UNCTAD III has barely wound down in Santiago. With terms of reference which can cover any subject under the heading of Trade and Development, UNCTAD meetings are naturally both huge and complex.

Aside from the many organizations which had sent observers, there were 146 delegations at the Conference. The largest official delegation was from Japan, I believe, with 80 or so members. The People's Republic of China had also sent a sizeable delegation although some of its members, possibly language staff, were not listed officially. The Chinese, by the way, kept insisting in the corridors that they had come to listen and learn. Their few public statements were short and undramatic.

Cont. on Page 3 Col. 1

UNCTAD III . . . Continued

In addition to the plenary meetings of the Conference, there were six main Committees and three Working Groups, each comprising the full membership of UNCTAD. Naturally, many delegations, including the Bank's, could not cover all meetings simultaneously and in some rooms there were many empty seats while the speeches droned on. But the corridors usually were full of people moving around like ants, consulting in small informal groups, always looking very busy and solemn as if by virtue of some principle such as, "whoever seems the most preoccupied must be the most important."

The conference building, by the way, had been constructed in a little under 12 months or so—a real feat. It was a well planned, functional and convenient building with meeting rooms well grouped on two floors, excellent services and facilities including a cafeteria and shops.

Behind the conference building proper stood the 22-floor tower which housed delegates and staff offices. The tower had some problems because it was so new. The four elevators still had not been "balanced." The waiting on the ground floor compared favorably with the cafeteria here and the brave ones, including the President of the Bank, would skip the waiting and walk up the stairs. The cabins were designed for 10—some joker had changed the sign to read 16—and, to enter, one would have to push, shove and squeeze. It was all reminiscent of those pictures of the Japanese stations at the rush hour.

But, not only was this Conference huge, it was complex. Member countries in UNCTAD are organized in groups. The 96 developing countries are members of the *Group of 77*—named after their number some years ago. The "market-economy developed countries" (the OECD membership, in the main) are members of *Group B*, while the Eastern European socialist countries form *Group D*.

At UNCTAD III, China decided not to join any group and was the only country to stand alone which surprised those who had predicted it would seek to lead "the 77."

There were over 30 items on the agenda of the Conference from Debt Servicing to Diversification and from the Suez Canal to Transfer of Technology. For each item, each of the groups first had to fix their own position before meeting the other groups at the negotiating table in what was known as "Contact Groups." The Group of 77 had in fact met in Lima in November 1971 and issued a declaration, in effect a 90-page statement of their joint views.

The Group B countries, on their side, had been meeting in OECD/DAC in Paris for several months prior to UNCTAD III and it was common knowledge that they were not coming forward with any significant joint platform.

And so, after the main speeches in Plenary, where Presidents, ministers and senior officials gave their countries, overall views on the main subjects, such as the "link" between the IMF's Special Drawing Rights and development finance, the debate moved to the committees. On all agenda items a second round of general statements took place in which delegations, sometimes up to 40 or 50 on a given topic, would present endlessly their government's approach to the matter considered. The day finally came when, the debate and the delegations exhausted, negotiations would begin in the Contact Groups.

Then, to use a cliché, the fun began—"the fur started flying."

It would take too long to describe the maelstrom into which the Conference plunged once these Contact Groups started. Suffice it to say that in the third week alone,

the 70 interpreters servicing the Conference worked on over 200 different meetings. Every morning, before a Contact Group met—and there were often half a dozen such groups meeting simultaneously—each delegation had to plan on attending at least two earlier meetings on each issue.

For example, Group B, on Access to Markets: first, the members of the Common Market would get together; they would then sit down with the other Group B delegations, before finally moving into the Contact Group meeting on that subject.

Or the Group of 77: the African, Asian and Latin American delegations would meet separately in their continental sub-groups before getting all together in a Group of 77 meeting and then, at last, moving finally to the Contact Group.

With this system, delay, as can well be imagined, was the name of the game. At the end of the third week—the Conference lasted a little over five weeks—we were told that the average delay in starting the meetings was 24 minutes, with a net loss of working time in excess of 100 hours in total. And furthermore, in most all instances, as soon as the negotiations started in earnest in the Contact Groups, the "unity of the country groups tended to fade away.

In the major issues, whether the International Monetary System or Access to Markets, the bargaining between the developing and the developed countries and the search for compromise inside Group B and the Group of 77 went on into the wee hours of the morning, night after night.

And so, by the time the Committees were supposed to have completed their work i.e. four or five days before the date at which the Conference itself was due to close, and except for two or three non-controversial items such as Dissemination of Information, there was simply no agreement at all on anything of substance.

The same thing had already happened in 1968 and UNCTAD III copied an UNCTAD II procedure. Whenever a committee failed to reach agreement, the problem was referred to a high-level group of senior delegates called "The Summit" or "Aconcagua" in remembrance of the same group in New Delhi which was then known as "Everest."

Four out of five of the agenda items found their way up to "The Summit" which, at the end, comprised some 30 people and was therefore too large a group to do a fast and incisive job. As a result, when May 17 came along—the date for closure—still nothing had happened.

The next day, there were no meetings all day because there was nothing to consider in Plenary. Finally, that evening, things started moving. A night meeting was followed on Friday by another night meeting. The final session began on Saturday at 5 p.m. and ended Sunday morning at 9 a.m.



Peter Chatenay is Deputy Special Representative for U.N. Organizations in the Development Services Department and served as one of the Bank's "team" of observers during UNCTAD III—the whole thing!

Somehow, in those last hours of the night, something (perhaps a miracle) happened. A number of *decisions* were made! How they came about may never be known except to a handful of negotiators who found the strength to keep at it through three nights consecutively. Some rumors had it that UNCTAD III had discovered the ultimate weapon: *agreement by exhaustion*.

In truth, the matters on which agreement finally was reached are too important to be made the subject of a joke. Nevertheless, the UNCTAD III system does support the French saying: "*la nuit porte conseil*."

Among the conclusions to be drawn from the Conference, I would say first it demonstrated that to debate and to negotiate on Trade and Development as if there was one single developing world (the Third World) and one single set of solutions for all developing countries was unrealistic and not conducive to meaningful agreement. This UNCTAD III recognized.

After days of utter deadlock, the Conference agreed to recommend special assistance measures for the least developed among the developing countries. It also formally recognized that land-locked and island-developing countries face particular problems in their development and that the international community should tackle those problems.

The other comment—although possibly an over-simplification—is that the main goal of the developing countries was to get more of a voice in the central decision-making bodies dealing with the essential international monetary, financial and trade questions.

UNCTAD III, for example, decided unanimously that all developing countries should be given the opportunity to participate "fully, effectively and continuously" in all the stages of the 1973 GATT trade negotiations. The very formulation of this recommendation is something new.

I could not finish this paper without saying that the beauty of the country and the hospitality of the people of Chile were beyond description. They help explain how we survived.

The ring of snow-covered mountains surrounding Santiago was a view to behold every morning. Alas, by 8 or 9 a.m., with traffic streaming into town, a dark cloud of exhaust fumes would settle over the city. Delegates who lived in Manhattan found the pollution much worse in Santiago.

Which leads to the Stockholm Conference—another huge gathering. But that is another story for another day.