

In the 1970s, the prevailing international monetary system broke down, partly because of the oil crisis, which caused increased prices of other goods, shortages of goods, imbalances of trade and growing debt burdens. The Movement of Non-Aligned Countries and the Group of 77 (the central negotiating body for the developing countries) proposed extensive reforms, and in 1974 the General Assembly agreed that the prevailing economic order was in conflict with the goals of international equity that had been developed through international political and economic relations. The Assembly adopted the *Declaration and Programme of Action on the Establishment of a New International Economic Order*.

The new international economic order was intended to correct inequalities and eliminate, ultimately, the gap between developed and developing countries. The seventh special session of the General Assembly, held in September 1975, focused on issues of development and international cooperation, and a framework for UN work in several economic areas was outlined. However, by December of that year, the economic growth rate of the developing countries was beginning to fall short of targets. Since 1975, largely due to international economic recession and the failure of most developed countries to reach even half of the 0.7% target, and in spite of repeated UN resolutions urging developed countries to improve their performance, ODA levels have remained stagnant.

In 1976, UNCTAD established a Committee on Economic Cooperation among Developing Countries to assist in meeting its objective of enhancing mutual self-help among developing countries. In 1979, UNCTAD launched a new Programme of Action for Least Developed Countries, and in 1981, the UN Conference on the Least Developed Countries met and adopted the Programme, and called on all States to implement it as part of the new International Development Strategy for the Third UN Development Decade.

Proposals for the new international economic order were incorporated in the International Development Strategy for the Third United Nations Development Decade adopted by the General Assembly in 1980. The Strategy calls for changes in the world economy, in order to achieve a fairer distribution of the world's wealth. Development projects were growing in number by this decade: by 1983, UNDP was involved in 5,000 development projects in partnership with the governments of some 170 developing countries.

However, all of the institutional and other efforts to alleviate international development inequities had failed to have a significant impact. Developed countries have, for the most part, failed to increase contributions to UNDP, and ODA levels have not increased. In addition, other dynamics of the world economic system have been identified as contributing to the problems facing the global community. Tim Drainin, of the Canadian Council for International Cooperation, told the Committee that protectionism by the Organization for Economic Cooperation and Development (OECD) countries causes the South to lose up to \$500 billion in trade opportunities per year. Also, crippling third World debt has contributed to negative financial flows, whereby the South makes a net payment of \$40 to \$50 billion per year to the developed countries of the North.<sup>3</sup>

In fact, the two parallel tracks of development and environment were both running out of steam in the 1980s, and a new approach to both problems was needed. In 1983 the UN General Assembly established *The World Commission on Environment and Development*, better known as the *Brundtland Commission* after its chairperson, Norwegian Prime Minister, Gro Harlem Brundtland. Its aim was to link environmental issues to the findings of the 1980 Brandt report on North-South relations. The Brundtland report, published in 1987 as *Our Common Future*, declared that the time had come to recognize the linkages between the environment and the economy.

<sup>3</sup> *Minutes and Proceedings of the Standing Committee on Environment*, Issue No.46, 17 November 1992, p. 13.