

**REGULATORY ROLE OF UNITED NATIONS IN PROMOTING
ECONOMIC GROWTH AND DEVELOPMENT**

- Satish Kumar¹

ABSTRACT

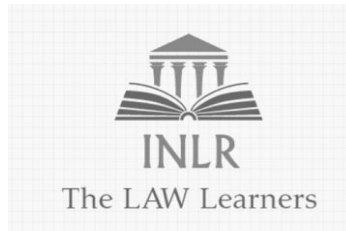
The UN was formulated and negotiated among the delegations from the Allied Big Four (the United States, the United Kingdom, the Soviet Union and China) at the Dumbarton Oaks Conference in 1944. After months of planning, the UN Conference on International Organization opened in San Francisco, 25 April 1945, attended by 50 governments and a number of non-governmental organizations involved in drafting the UN Charter.

Today the UN is the largest, most familiar, most internationally represented and most powerful intergovernmental organization in the world. Its main objective lies in maintaining the International Order along with Harmony and cooperation between the Nations. Headquartered at New York, the United Nation at the onset had 51 member countries which raised to 193 presently.

The paper talks about the Regulatory Role of the United Nations in terms of promoting Economic Growth and Development across the Globe. It has relied upon various sources, both online and offline, taking into account different surveys, reports, articles, news inter alia for the purpose of analysis, interpretation, implementation and execution of the subject matter.

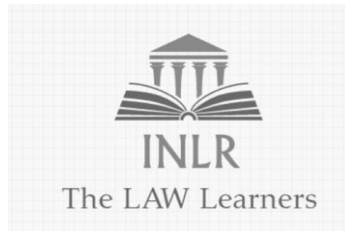
The paper has been divided into four major aspects, the first among which deals with an in depth analysis of Backdrop of the UN Charter, its establishment and its working towards the

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economic Development. The subsequent portions reveal the stark reality of the challenges faced by the poor population for accomplishment of economic justice despite of various prepared laws and take into account, concrete data, statistics and reports to make evident the conditions and ill effects of them. It further provides various measures to make economic equality reach the weak section of the globe and positive upshots of the result in worldwide.

At the end, it attempts to deliver a comprehensive conclusion for readers, which talks about the concern and puts forward, an organizational wrap up of the paper on both empirical and human grounds.



1. Introduction : Backdrop and Charter of 1945

Post World War II, the Failure of the then League of Nations was surfaced and a need for creating a better suited Regulatory body was felt. Owing to the need, the Charter of United Nations, 1945, an international foundational treaty was signed.² The charter was drafted at a conference in San Francisco between April 1945-June 1945.³⁴ It took its full effect from 24th October 1945, along with the formation of the United Nations.

The earliest concrete plan for a new world organization began under the aegis of the US State Department in 1939.⁵ The UN was formulated and negotiated among the delegations from the Allied Big Four (the United States, the United Kingdom, the Soviet Union and China) at the Dumbarton Oaks Conference in 1944.⁶⁷ After months of planning, the UN Conference on International Organization opened in San Francisco, 25 April 1945, attended by 50 governments and a number of non-governmental organizations involved in drafting the UN Charter⁸

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²"Introductory Note". Un.org. Archived from the original on 9 May 2005. Accessed on 6th June 2018.

³⁴"Charter of the United Nations|United Nations". [online] Available at: www.un.org. [Accessed 6th June 2018].

⁴"History of the United Nations|United Nations". [online] Available at: www.un.org. [Accessed 6th June 2018].

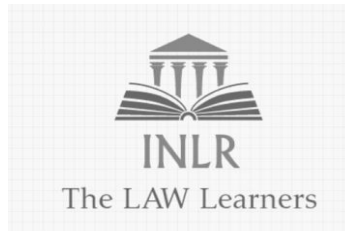
⁵*Hoopes, Townsend; Brinkley, Douglas (2000) [1997]. FDR and the Creation of the U.N. New Haven, Connecticut: Yale University Press. ISBN 978-0-300-08553-2.*

⁶Bohlen, C.E. (1973). *Witness to History, 1929–1969*. New York. p. 159.

⁷*Video: Allies Study Post-War Security Etc. (1944)*. Universal Newsreel. 1944. Accessed on 6th June 2018.

⁸"San Francisco – the birthplace of the United Nations". *San Francisco Chronicle*. [Accessed 6th June 2018].

⁹Society, N. (2012). *international organization*. [online] National Geographic Society. Available at: <http://www.nationalgeographic.org/encyclopedia/international-organization/> [Accessed 6 Jun. 2018].



Headquartered at New York, the United Nation at the onset had 51 member countries which raised to 193 presently.

The scope of the paper deals with the interpretation of the Regulatory role of the United Nations in terms of Economic and Monetary Developments in Contemporary era.

2. Bretton Woods Financial and Monetary System

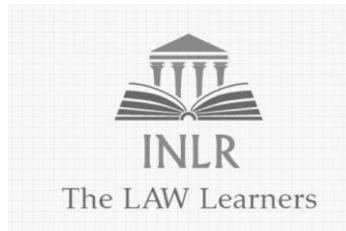
Huge concentration of power in smaller nations, along with the failure of economic system after the two world wars, i.e. I World war leading to the II, led the political base of the Bretton Woods Conference.¹⁰ To rebuild the world economy against the economic crisis prevailing during the ongoing period of World War II, as many as 730 officials from the then 44 allied Nations, met in Bretton Woods, US for United Nations Monetary and Financial Conference, popularly known as The Bretton Woods Conference. The said officials negotiated and finally signed the Bretton Woods Agreement.¹¹ The Monetary and Financial System of the Bretton Woods hence established certain norms for the financial and economic cooperation among United States, Canada, Western Europe, Australia and Japan. The essential feature of the system was that each member nation adopted a monetary policy that maintained its external interest rates within 1 percent to prevent the competitive devaluation of the currencies.¹²¹³ The system created, led to the formation of the International Monetary

¹⁰John Maynard Keynes and International Relations: Economic Paths to War and Peace. Oxford: Oxford University Press. ISBN 978-0-198-29236-4.

¹¹Department of State, U. (2009). *Proceedings and Documents of the United Nations Monetary and Financial Conference, Bretton Woods, New Hampshire, July 1-22, 1944*. 2nd ed. [ebook] USA, pp.1629-36. Available at: https://fraser.stlouisfed.org/sciibd/?item_id=7569&filepath=/docs/publications/books/1948_state_bwood_v2.pdf&start_page=506 [Accessed 6 Jun. 2018].

¹²IMF Articles of Agreement, Article IV, [online] Available at: https://fraser.stlouisfed.org/sciibd/?item_id=7570&filepath=/docs/publications/books/1948_state_bwood_v1.pdf&start_page=954, pp. 945–48.[Accessed 6 June 2018].

¹³ IMF Articles of Agreement, Articles VI, VIII, and XIV, [online] Available at: https://fraser.stlouisfed.org/sciibd/?item_id=7570&filepath=/docs/publications/books/1948_state_bwood_v1.pdf&start_page=960, pp. 951–52, 954–57, 965–66.[Accessed 6 June 2018].



Fund (IMF) and International Bank of Reconstruction and Development,¹⁴¹⁵ which ultimately became the part of World Bank Groups. The organizations became effective and operational from 1945, after a sufficient number of member countries ratified the same.¹⁶

3. Regulatory Role of the United Nations

The United Nations is an intergovernmental organization which is created for the purpose of promotion of International Cooperation and International Order.¹⁷ The organization is financed by the voluntary aid of the member countries and its main objectives include maintaining international peace and security, promoting human rights, fostering social and economic development, and other international affairs.¹⁸

In terms of the economic regulatory role played by the United Nations, it can be seen that there lies a separate sub-regulatory body under the UN called The United Nations Economic and Social Council, which deals with the Economic aspect of the World and strives to promote healthy flow of economy amongst the member Nations. The UNECOSOC is one of the six principle regulatory bodies under the United Nations having as many as 54 members,¹⁹ the key committees of which include the World Bank and the International Monetary Fund. ECOSOC serves as the central forum for discussing international economic

¹⁴"About the IMF".IMF. Retrieved 14 October 2012

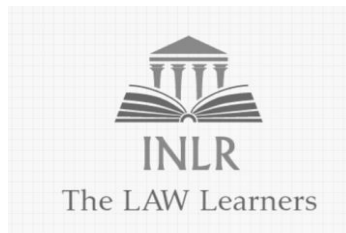
¹⁵Ottenhoff, Jenny (2011). World Bank (Report). Center for Global Development.Retrieved 2012-06-05.

¹⁶Edward S. Mason and Robert E. Asher, "The World Bank Since Bretton Woods: The Origins, Policies, Operations and Impact of the International Bank for Reconstruction". (Washington DC: Brookings Institution, 1973), 29.

¹⁷Nations, U. (2015). *The United Nations Sysytem*. [ebook] New York: United Nations. Available at: http://www.un.org/en/aboutun/structure/pdfs/UN_System_Chart_30June2015.pdf?user=17 [Accessed 6 Jun. 2018].

¹⁸*Supra Note 16.*

¹⁹*Supra Note 16.*



and social issues and formulating policy recommendations addressed to member states and the United Nations system.²⁰

Viewed as separate from the specialized bodies it co-ordinates, ECOSOC's functions include information gathering, advising member nations, and making recommendations.²¹²² ECOSOC may also grant consultative status to non-governmental organizations,²³ by 2004, more than 2,200 organizations had received this status.²⁴ Owing to its broad mandate of coordinating many agencies, ECOSOC has at times been criticized as unfocused or irrelevant.²⁵

Further, the agencies of IMF and World Bank that work under the UN strive to promote regulatory flow of economy among the Nations.

3.1. International Monetary Fund

The International Monetary Fund is an international organization consisting of "189 countries working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world."²⁶ Headquartered at The Washington D.C, and formed at the Bretton Woods Conference, it is the brainchild of Harry Dexter White and John Maynard Keynes.²⁷ It plays a central role in the management of balance of payments difficulties and

²⁰Un.org. (2009). *UN Economic and Social Council*. [online] Available at: <https://www.un.org/en/ecosoc/about/index.shtml> [Accessed 6 Jun. 2018].

²¹Fomerand, Jacques (2009). *The A to Z of the United Nations*. Lanham, Maryland: Scarecrow Press. ISBN 978-0-8108-5547-2.p.103-104

²²Supra Note 19.

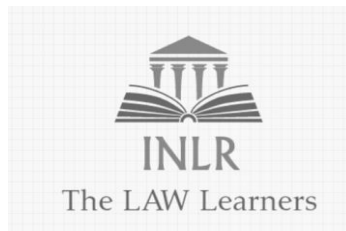
²³Supra Note 19.

²⁴Fasulo, Linda (2004). *An Insider's Guide to the UN*. New Haven, Connecticut: Yale University Press. ISBN 978-0-300-10155-3.p. 156.

²⁵Fasulo, Linda (2004). *An Insider's Guide to the UN*. New Haven, Connecticut: Yale University Press. ISBN 978-0-300-10155-3. pp. 153–155

²⁶IMF.(2018). *About the IMF*. [online] Available at: <http://www.imf.org/en/About> [Accessed 6 Jun. 2018].

²⁷James M Boughton. (2002). *Why White, Not Keynes? Inventing the Postwar International Monetary System*. 1st ed. [ebook] IMF. Available at: <https://www.imf.org/external/pubs/ft/wp/2002/wp0252.pdf> [Accessed 6 Jun. 2018].



international financial crises.²⁸ It works by the principle of quota pooling of the member countries, wherein the needy country can borrow the money on a loan basis. As accounted in 2016, the total holdings of the IMF were reported to be about \$666 Billion.²⁹

By holding funds, gathering statistics and taking surveillance of member Nations³⁰, IMF continues its working to improvise the world economy.³¹³²³³

3.2 World Bank

The World Bank, also known as Banque Mondiale³⁴ is an International Banking Institution that provides loans to different countries of the World for large scale projects.³⁵ It is also a regulatory institution set up under the UN. It has two sub institutions called IBRD³⁶ and IDA³⁷ which as a whole constitute the World Bank Group.

The World Bank's stated goal is the reduction of poverty³⁸ which its Articles of Agreement define as commitments to the promotion of foreign investment and international trade and to the facilitation of capital investment.³⁹⁴⁰

²⁸Lipsy, Phillip (2015). "Explaining Institutional Change: Policy Areas, Outside Options, and the Bretton Woods Institutions" (PDF). *American Journal of Political Science*. 59 (2): 341–356. doi:10.1111/ajps.12130.

²⁹IMF.(n.d.). *The IMF at a Glance*. [online] Available at: <http://www.imf.org/en/About/Factsheets/IMF-at-a-Glance> [Accessed 6 Jun. 2018].

³⁰Schlefer, Jonathan. "There is No Invisible Hand". *Harvard Business Review*. Harvard Business Review.

³¹Escobar, Arturo. 1980. Power and Visibility: Development and the Invention and Management of the Third World. *Cultural Anthropology* 3 (4): 428–443.

³²Articles of Agreement.(2016). 1st ed. [ebook] IMF. Available at: <https://www.imf.org/external/pubs/ft/aa/pdf/aa.pdf> [Accessed 6 Jun. 2018].

³³Imf.org. (n.d.). *Articles of Agreement of the International Monetary Fund -- 2016 Edition*. [online] Available at: <http://www.imf.org/external/pubs/ft/aa/index.htm> [Accessed 6 Jun. 2018].

³⁴"Banquemoniale". Retrieved 25 October 2017.

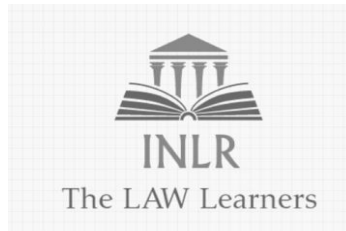
³⁵"About Us". World Bank. [online] Available at: www.web.worldbank.org/wbsite/external/extaboutus/ [Accessed on 6 Jun. 2108]

³⁶International Bank of Reconstruction and Development. [online] Available at: www.worldbank.org/en/who-we-are/ibrd [Accessed on 6 Jun. 2018].

³⁷International Development Association [online] Available at: ida.worldbank.org [Accessed on 6 Jun. 2018].

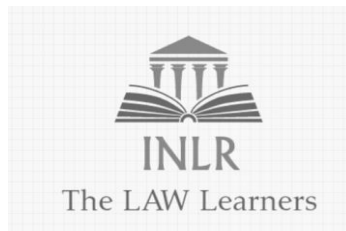
³⁸Clemens, Michael A.; Kremer, Michael (2016). "The New Role for the World Bank". *Journal of Economic Perspectives*. 30 (1): 53–76. doi:10.1257/jep.30.1.53. ISSN 0895-3309.

³⁹Articles of Agreement: as amended effective 16 February 1989.



4. Economic Organizations under the United Nations

⁴⁰*Supra Note 34.*



Under the canopy of the United Nations, there lie various branches of organizations that work towards the betterment of the World Economy. To name a few include United Nations Conference on Trade and Development (UNCTAD), United Nation Commission on International Trade Law (UNCITRAL), United Nations Industrial Development Organization (UNIDO) and New International Economic Order (NIEO). An analysis of the aforementioned organizations gain prominence here, as the scope of the paper restricts itself to the Economic aspect of UN Regulations.

4.1. United Nation Conference on Trade and Development

UNCTAD is a permanent intergovernmental body established by the UN general assembly in 1964.⁴¹ It is a part of UN Secretariat, United Nations Development group, inter alia and is headquartered at Geneva. Its reporting organizations include UN General Assembly and Economic and Social Council.⁴² It currently has a strength of 194 member states⁴³ and further experiences the participation of Non-Government Organizations.⁴⁴

The first UNCTAD conference took place in Geneva in 1964, the second in New Delhi in 1968, the third in Santiago in 1972, fourth in Nairobi in 1976, the fifth in Manila in 1979, the sixth in Belgrade in 1983, the seventh in Geneva in 1987, the eighth in Cartagena in 1992, the ninth at Johannesburg (South Africa) in 1996, the tenth in Bangkok (Thailand) in 2000, the eleventh in São Paulo (Brazil) in 2004, the twelfth in Accra in 2008, the thirteenth in Doha (Qatar) in 2012 and the fourteenth in Nairobi(Kenya) in 2016.⁴⁵

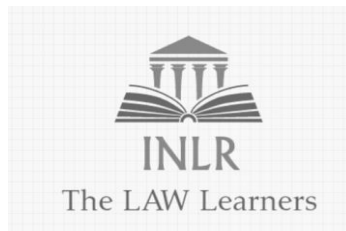
⁴¹Unctad.org. (n.d.). *UNCTAD / About*. [online] Available at: <http://unctad.org/en/Pages/aboutus.aspx> [Accessed 6 Jun. 2018].

⁴²*Supra Note 40*.

⁴³UNCTAD e-Handbook of statistics 2017.(2017). *Home*. [online] Available at: <http://stats.unctad.org/handbook/> [Accessed 6 Jun. 2018].

⁴⁴List of non-governmental organizations participating in the activities of UNCTAD.(2011). 2nd ed. [ebook] UNCTAD. Available at: http://unctad.org/en/docs/tdngolistd12_en.pdf [Accessed 6 Jun. 2018].

⁴⁵Unctad.org. (n.d.). *UNCTAD / UNCTAD Conferences*. [online] Available at: <http://unctad.org/en/Pages/Meetings/UNCTAD-Conferences.aspx> [Accessed 6 Jun. 2018].



The main objectives of UNCTAD include providing support to developing countries to access the benefits of a globalized economy; equipping the member countries in dealing with the economic drawbacks and crisis, and helping them to use trade, benefits and technology for their inclusive and sustainable development. This is done by providing analysis, consensus creating facilities, and offering technical assistance to the member nations.⁴⁶

4.2. United Nations Commission on International Trade Law

United Nations Commission on International Trade Law is the core legal body of the United Nations in the field of International Trade Law. It is a legal body which specializes in the field of commercial law reforms for the World. It works towards modernizing and harmonizing the rules on International Business. With the view to increase trade opportunities worldwide, UNCITRAL formulates modern, fair, and harmonized rules on commercial transactions.⁴⁷

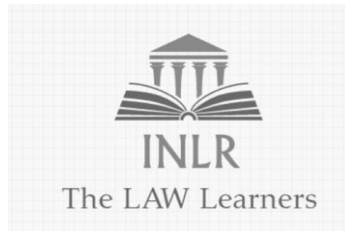
UNCITRAL was established by the United Nations General Assembly by resolution 2205 (XXI) of 17 December 1966.⁴⁸ Members of UNCITRAL are selected from among States Members of the United Nations and represent different legal traditions and levels of economic development.⁴⁹ The original membership comprised 29 States, which was

⁴⁶Web.archive.org. (2011). *UNDG Members*. [online] Available at: <https://web.archive.org/web/20110511144047/http://www.undg.org/index.cfm?P=13> [Accessed 6 Jun. 2018].

⁴⁷Uncitral.org. (n.d.). *About UNCITRAL*. [online] Available at: http://www.uncitral.org/uncitral/en/about_us.html [Accessed 6 Jun. 2018].

⁴⁸General Assembly resolution 2205 (XXI) Establishment of the United Nations Commission on International Trade Law.[ebook] Available at: <http://www.uncitral.org/pdf/english/texts/general/12-57491-Guide-to-UNCITRAL-e.pdf> [Accessed 6 Jun. 2018]

⁴⁹A Guide to UNCITRAL.(n.d.). [ebook] UNCITRAL. Available at: <http://www.uncitral.org/pdf/english/texts/general/12-57491-Guide-to-UNCITRAL-e.pdf> [Accessed 6 Jun. 2018].



expanded by the United Nations General Assembly in 1973 to 36 States and again in 2002 to 60 States.⁵⁰

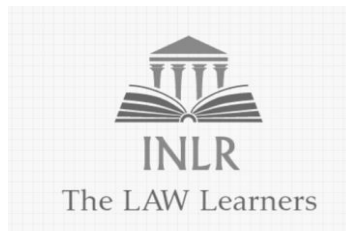
The main tasks of UNCITRAL hence include:

- *Coordinating the work of organizations active in this field and encouraging cooperation among them;*
- *Promoting wider participation in existing international conventions and wider acceptance of existing model and uniform laws;*
- *Preparing or promoting the adoption of new international conventions, model laws and uniform laws and promoting the codification and wider acceptance of international trade terms, provisions, customs and practices, in collaboration, where appropriate, with the organizations operating in this field;*
- *Promoting ways and means of ensuring a uniform interpretation and application of international conventions and uniform laws in the field of the law of international trade;*
- *Collecting and disseminating information on national legislation and modern legal developments, including case law, in the field of the law of international trade;*
- *Establishing and maintaining a close collaboration with the United Nations Conference on Trade and Development;*
- *Maintaining liaison with other United Nations organs and specialized agencies concerned with international trade.*⁵¹

4.3. United Nations Industrial Development Organization

⁵⁰Facts about UNCITRAL (n.d.). [ebook] UNCITRAL. Available at:<http://www.uncitral.org/pdf/english/uncitral-leaflet-e.pdf>. [Accessed 6 Jun. 2018].

⁵¹A Guide to UNCITRAL.(2013). 4th ed. [ebook] Vienna: United Nations, pp.1-4. Available at: <http://www.uncitral.org/pdf/english/texts/general/12-57491-Guide-to-UNCITRAL-e.pdf> [Accessed 6 Jun. 2018].



UNIDO is a specialized agency of the United Nations that promotes Industrial Development for Poverty Reduction, Inclusive Globalization and Environmental Sustainability.⁵²The Lima Declaration, as adopted by the 15th Session of the UNIDO General Assembly in 2013, states that the main mission of the UNIDO is to promote and accelerate Inclusive and Sustainable Industrial Development (ISID) in member states.⁵³

Up till 17th May 2018, The UNIDO had 168 member nations as its team,⁵⁴ who discuss, regulate and decide the functioning of the policy making organs of the UNIDO. The SDG-9 (Sustainable Development Goals-9), also known as global goals fully showcases the mandate of the UNIDO and states that UNIDO shall strive to “Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation”⁵⁵

The targets of Goal 9 include⁵⁶:

- *Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all*
- *Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry’s share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries*
- *Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets*
- *By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with*

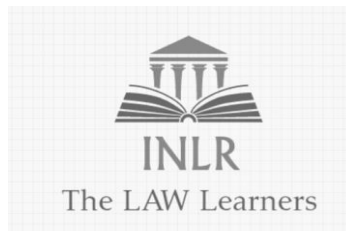
⁵²Unido.org. (n.d.). *UNIDO in brief | UNIDO*. [online] Available at: <https://www.unido.org/who-we-are/unido-brief> [Accessed 6 Jun. 2018].

⁵³*Supra Note 51*.

⁵⁴Unido.org. (n.d.). *Member States List | UNIDO*. [online] Available at: https://www.unido.org/member_states [Accessed 6 Jun. 2018].

⁵⁵Unido.org. (n.d.). *UNIDO focusing on Sustainable Development Goals | UNIDO*. [online] Available at: <https://www.unido.org/who-we-are/unido-focusing-sustainable-development-goals> [Accessed 6 Jun. 2018].

⁵⁶*Supra Note 54*.



increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

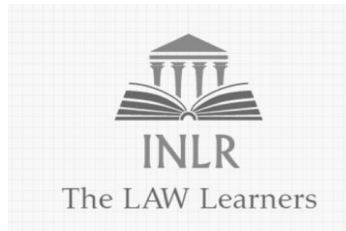
- *Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending*
 - *Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, least developed countries, landlocked developing countries and small island developing states*
 - *Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities*
 - *Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020*
- UNIDO's mission echoes SDG-9, but also aligns with all other development goals, including those related to poverty eradication, creating full and productive employment, protecting the environment, achieving gender equality and the empowerment of women and girls, etc.*

Further the 2030 agenda of the UNIDO includes Achieving industry related goals and targets.⁵⁷

4.4. New International Economic Order (NIEO)

The NIEO, was a pile of proposals put forward by the developing countries in the United Nation Conference on Trade and Development⁵⁸. It came somewhere in between 1970s and

⁵⁷The 2030 Agenda for Sustainable Development: Achieving the industry-related goals and targets. (2017). 1st ed. [ebook] UNIDO. Available at: https://www.unido.org/sites/default/files/2015-12/ISID_SDG_brochure_final_0.pdf [Accessed 6 Jun. 2018].



aimed at promoting trade interest, and developed assistance for the growing nations. The member countries of the Non Alignment Movement (NAM) demanded this order.⁵⁹

The name was coined from the *Declaration for the Establishment of a New International Economic Order*, adopted by the United Nations General Assembly in 1974, and referred to a wide range of trade, financial, commodity, and debt-related issues (1 May 1974, A/RES/S-6/3201).⁶⁰ Along with the declaration, a Programme of Action and a Charter of Economic Rights and Duties of States (12 December 1974, A/RES/29/3281)⁶¹ were also adopted.

The major tenants of the NIEO stated that:

1. *Developing countries must be entitled to regulate and control the activities of multinational corporations operating within their territory.*
2. *They must be free to nationalize foreign property on conditions favorable to them.*
3. *They must be free to set up associations of primary commodities producers and all other States must recognize this right and refrain from taking economic, military, or political measures calculated to restrict it.*
4. *International trade should be based on the need to ensure stable prices for raw materials, and should provide economic and technical assistance without any strings attached.*⁶²

5. Cartagena Commitment

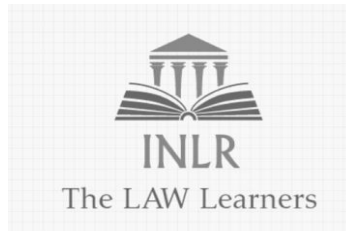
⁵⁸Assembly, U. (1974). *A/RES/S-6/3201 - Declaration on the Establishment of a New International Economic Order - UN Documents: Gathering a body of global agreements*. [online] Un-documents.net. Available at: <http://www.un-documents.net/s6r3201.htm> [Accessed 6 Jun. 2018].

⁵⁹Web.archive.org. (2016). *16th NAM Summit*. [online] Available at: <https://web.archive.org/web/20140208210716/http://nam.gov.ir/Portal/Home/Default.aspx?CategoryID=27f3fbb6-8a39-444e-b557-6c74aae7f75f> [Accessed 6 Jun. 2018].

⁶⁰*Supra Note 57.*

⁶¹Assembly, U. (1974). *A/RES/29/3281 - Charter of Economic Rights and Duties of States - UN Documents: Gathering a body of global agreements*. [online] Un-documents.net. Available at: <http://www.un-documents.net/a29r3281.htm> [Accessed 6 Jun. 2018].

⁶²*Supra Note 57.*



The South African Countries of Bolivia, Columbia, Ecuador, Peru and Venezuela were persuaded by the fact that the Cartagena Agreement comprising of Latin American economic Integration is a common economic goal. They hence agreed to enter into the Cartagena Agreement.

The Cartagena Agreement comprised of the Legally Drafted agreement, protocols, treaties, decisions, and the Board's Resolutions. There was the Establishment of a Court of Justice under the agreement, in the city of Quito, Ecuador.⁶³

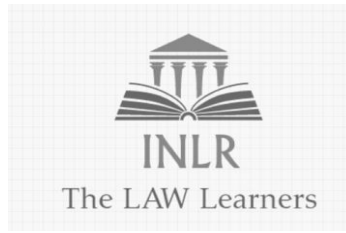
The objective of the Agreement are to promote the balanced and harmonious development of the Member Countries under equitable conditions, through economic and social integration and cooperation; to accelerate their growth and the rate of creation of employment; to facilitate their participation in the process of regional integration, looking ahead toward the gradual formation of a Latin American Common Market. The Agreement also seeks to reduce external vulnerability and to improve the position of the Member Countries within the international economic context; to strengthen subregional solidarity, and to reduce existing differences in the levels of development among the Member Countries. The fulfillment of these objectives shall lead to an enduring improvement in the standard of living of the Subregion's population.⁶⁴

To fulfill the objectives of the Agreement, the following mechanisms and measures, the following mandates are employed:⁶⁵

⁶³Article 6, Sice.oas.org.(n.d.). *SICE- Court of Justice- Cartagena Agreement*. [online] Available at: <http://www.sice.oas.org/Trade/Junac/Tribunal/cartageA.asp> [Accessed 6 Jun. 2018].

⁶⁴Article 1, Sice.oas.org.(n.d.). *SICE- Court of Justice- Cartagena Agreement*. [online] Available at: <http://www.sice.oas.org/Trade/Junac/Tribunal/cartageA.asp> [Accessed 6 Jun. 2018].

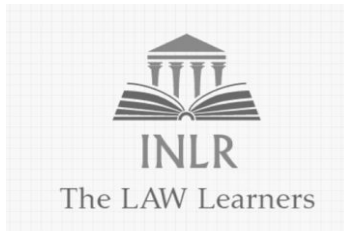
⁶⁵Article 3, CODIFICATION OF THE ANDEAN SUBREGIONAL INTEGRATION AGREEMENT (CARTAGENA AGREEMENT).(2018). 1st ed. [ebook] America: World Bank Group. Available at: [http://CODIFICATION OF THE ANDEAN SUBREGIONAL INTEGRATION AGREEMENT \(CARTAGENA AGREEMENT\)](http://CODIFICATION OF THE ANDEAN SUBREGIONAL INTEGRATION AGREEMENT (CARTAGENA AGREEMENT)) [Accessed 6 Jun. 2018].



- *The gradual harmonization of economic and social policies and the approximation of national laws in regard to pertinent matters.*
- *Common industrial policies, the intensification of the subregional industrialization process, the implementation of industrial policies, and other forms of industrial integration.*
- *A more advanced schedule of trade liberalization than the commitments derived from the Treaty of Montevideo 1980;*
- *A Common External Tariff, preceded by the adoption of a Common Minimum External Tariff;*
- *Programs that accelerate the development of agricultural and agro-industrial sectors;*
- *Channeling of internal and external resources to the Sub-region to finance those investments that are needed in the integration process;*
- *Physical integration.*

6. Roles of ITO, GATT and WTO in supplementing the working of United Nations towards promoting economic Growth and Development.

The World is large and hence it never counts as a good idea to have a single regulatory body for the same. The economic regulations that aim to create world prosperity are not solely on the shoulders of The United Nations. Rather there are number of other World Organizations that share the working and strive to create an economically better earth by supplementing the United Nations. The most prominent of them include International Trade Organization (ITO), World Trade Organization (WTO) and General Agreement on Trade and Tariff (GATT)



6.1 The International Trade Organization (ITO)

As the name suggests, the ITO, is an international institution for the regulation of the World Trade. The principal aims of ITO are steady growth of real income, increase in the production, consumption of goods and services, promotion of industrial and general economic development, encouragement of international flow of investment and also to promote reduction of tariffs. It aims to enable countries, by increasing opportunities for their trade and development, to abstain from measures 'disrupting world commerce and reducing employment.'⁶⁶ Undoubtedly, all these objectives point out to one sole and ultimate objective which ITO seeks to achieve is the financial growth of nations across the world. ITO seeks to achieve economic growth by providing sops and benefits to nations which open up their economy and provide subsidies that produce more goods.

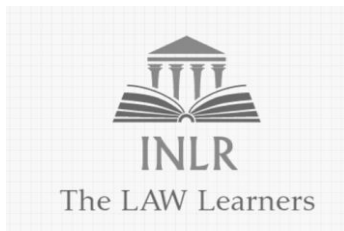
6.2. General Agreement on Trade and Tariff (GATT)

GATT is recognized as the first worldwide multilateral free trade agreement.⁶⁷ The purpose of GATT was to prevent harmful trade protectionism and open up economies so as to provide further facilities to all which results in economic growth eventually. GATT promoted free trade across its member nations and aimed for worldwide growth. It is pertinent to note that because of the policies of GATT, world trade boosted 8 percent a year which was faster than world economic growth.⁶⁸ Added to that, GATT has put prominent efforts in the promotion of world peace as well, which indirectly supports growth due to no animosity amongst the world nations. GATT has as well led to various other agreements which are in line with it and thus has contributed in economic inclusion worldwide.

⁶⁶Wyndham, E. (n.d.). *INTERIM ARRANGEMENTS AND POSTPONEMENT OF ITO*. 1st ed. [ebook] Washington: ITO. Available at: <https://docs.wto.org/gattdocs/q/GG/SEC/53-36.PDF> [Accessed 6 Jun. 2018].

⁶⁷History and purpose of GATT [online] Available at: <https://www.thebalance.com/gatt-purpose-history-pros-cons-3305578> [Accessed on 6 Jun 2018].

⁶⁸*Supra Note 66.*



6.3. World Trade Organization (WTO)

The relationship between trade and jobs is an established one and it is an accepted principle that trade can lead to employment generation and further to economic and financial growth. The sole aim of WTO can be summarised as three basic goals i.e. higher living standards, full employment and sustainable development. WTO aims for free and fair trade and ultimately for economies to be open. **Open economies tend to grow faster and more steadily** than closed economies and economic growth is an important factor in job creation.⁶⁹ Open economies provide various better opportunities as well as facilities which are unavailable in a closed economy. Trade often acts as a catalyst for higher efficiency and productivity which shall further lead to financial growth. The ultimate goal of WTO is job creation, growth and development.⁷⁰

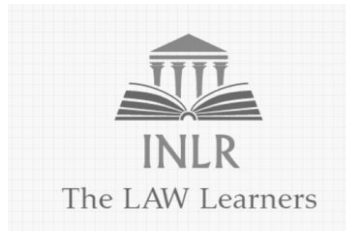
7. Summing Up

The United Nations created by the mutual agreement of the Nations, is indeed a prominent regulatory body for the World. It acts as a Balancer and maintains the Balance of Power between Nations, which is undoubtedly essential for the World Peace. This balance is maintained in every aspect of dealings including the economic face. The aim of the paper was the analysis of this regulatory role played by the United Nations in promoting Economic Growth and Development for the entire world.

It was observed that by the Virtue of its own authority, coupled with the sub-authorities created by the UN, with respect to the Economic regulations and maintenance of the Countries, UN promotes economic independence, healthy competition, adequate trade inter-alia among the Nations. Apart from the bodies created, it has signed numerable treaties and conventions that aim to create a prosperous World Economy.

⁶⁹ World Trade Organisation [online] Available at: https://www.wto.org/english/thewto_e/whatis_e/10thi03_e.htm [Accessed on 6 Jun. 2018]

⁷⁰ *Supra* Note 68.



At the end, it was also inferred that alongside all the measures undertaken by the UN and its constituent bodies, the presence of independent world bodies like ITO, WTO, GATT and the like makes the realization of the objective possible. The organs of the UN along with Independent world bodies together play a pivotal role in the prosperity and growth of the World. Although unenforceable to a large extent, The UN exercise credulous control towards the growth and harmony of the World.