
New Economic Order and International Development Law

Oswaldo de Rivero B.

Pergamon Press

NEW ECONOMIC ORDER AND INTERNATIONAL DEVELOPMENT LAW

Other Titles of Interest

BALASSA, B.
Policy Reform in Developing Countries

BHALLA, A.
Towards Global Action for Appropriate Technology

BOTKIN, J. *et al.*
No Limits to Learning

COLE, S. & LUCAS, H.
Models, Planning and Basic Needs

DAMMANN, E.
The Future in Our Hands

FITZGERALD, R.
Human Needs and Politics

FOXLEY, A.
Redistributive Effects of Government Programmes: The Chilean Case

KHOSHKISH, A.
The Socio-Political Complex

LASZLO, E.
The Objectives of the New International Economic Order

MENON, B.
Global Dialogue: The New International Economic Order

POWER, J.
Migrant Workers in Western Europe and the United States

SIMMONS, J.
The Education Dilemma – Policy Issues for Developing Countries in the 1980s

TÉVOÉDJRÈ, A.
Poverty: Wealth of Mankind

WENK, E.
Margins for Survival: Overcoming Political Limits in Steering Technology

NEW ECONOMIC ORDER AND INTERNATIONAL DEVELOPMENT LAW

by

OSWALDO de RIVERO B.



PERGAMON PRESS

OXFORD · NEW YORK · TORONTO
SYDNEY · PARIS · FRANKFURT



**CENTRO DE ESTUDIOS
ECONÓMICOS Y SOCIALES
DEL TERCER MUNDO**

Corl. Porfirio Díaz No. 50
San Jerónimo Lidice,
México 20, D.F.

U.K.	Pergamon Press Ltd., Headington Hill Hall, Oxford OX3 0BW, England
U.S.A.	Pergamon Press Inc., Maxwell House, Fairview Park, Elmsford, New York 10523, U.S.A.
CANADA	Pergamon of Canada, Suite 104, 150 Consumers Road, Willowdale, Ontario M2J 1P9, Canada
AUSTRALIA	Pergamon Press (Aust.) Pty. Ltd., P.O. Box 544, Potts Point, N.S.W. 2011, Australia
FRANCE	Pergamon Press SARL, 24 rue des Ecoles, 75240 Paris, Cedex 05, France
FEDERAL REPUBLIC OF GERMANY	Pergamon Press GmbH, 6242 Kronberg-Taunus, Pferdstasse 1, Federal Republic of Germany

Copyright © 1980 Oswaldo de Rivero B.

All Rights Reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means: electronic, electrostatic, magnetic tape, mechanical, photocopying, recording or otherwise, without permission in writing from the publishers.

First edition 1980

British Library Cataloguing in Publication Data

De Rivero, B. Oswaldo,
New economic order and international development law.
1. International economic relations
2. International law
I. Title II Centro de Estudios Económicos y Sociales
del Tercer Mundo, Mexico
341.7'5 HF1411 79-41222

ISBN 0-08-024706-7

*Printed in Great Britain by
Biddles Ltd., Guildford, Surrey*

Contents

FOREWORD by Shridath S. Ramphal	vii
PROLOGUE by Manuel Perez Guerrero	xi
INTRODUCTION	xv
1. <i>The Crisis of the International Economic Order as a Factor in the Establishment of International Development Law</i>	1
2. <i>Elimination of Economic Reciprocity and the Adoption of Unilateral Commercial Obligations in Favour of the Developing Countries</i>	15
3. <i>Suspension of the Most-favoured-nation Clause, and Trade Preferences in Favour of Developing Countries</i>	23
4. <i>Acceptance of the Clause of "Non-reciprocity" in Trade Negotiations between Developed and Developing Countries</i>	34
5. <i>The New Clauses in Favour of Economic and Social Development in Commodity Agreements</i>	44
6. <i>The Establishment of Machinery for Solving Trade Disputes between Developed and Developing Countries</i>	62
7. <i>Trade and Co-operation Agreements between Socialist Countries and Developing Countries</i>	79

vi *Contents*

8.	<i>New Legal Rules Relating to Private Foreign Investment</i>	87
9.	<i>The Right of Nationalization and the Settlement of Disputes Relating to Foreign Investments</i>	104
10.	<i>Associations of Developing Countries Producers-Exporters of Raw Materials</i>	113
11.	<i>Confrontation and Negotiations on a New International Economic and Legal Order</i>	122
	BIBLIOGRAPHY	137
	INDEX	139

Foreword

FOR the best part of this passing decade the international community has been engaged in shaping its economic future, in constructing a more lasting and equitable relationship between the peoples of the North and the South, in restoring vitality and relevance to the international institutions which serve it and, above all, in resuscitating the spirit of internationalism which had characterized the post-war era. It was a time of transition from an era largely preoccupied with the pursuit of prosperity through national sovereignty and power to an era characterized by concern for the quality of life and for safeguarding human survival itself through international action. These issues of transition will probably continue to dominate the conduct of international economic relations through much of the remainder of this century.

But, as with the post-war restructuring of the political order through self-determination, general precepts deriving from the imperatives of economic change have outpaced the development of complementary rules of law needed to give them strength and validity. Advocacy of change in the existing economic order has therefore tended in the main to appeal more to principles of social and economic justice, and even to hard-headed mutual interest, rather than to the legal norms which should also underlie the new order. Not that the law offers no assistance — there is certainly no dearth of legal norms which could be called in aid; but, until now, there has been a noticeable lack of any comprehensive and coherent attention to and study of such norms. Oswaldo de Rivero's seminal work on *New Economic Order and International Development Law* is a major and timely contribution to filling this gap. As such, alone, it should be warmly welcomed; but it is, above all, its admirable quality that will make it an indispensable companion for so many of us on the journey towards the new order.

The book traces the legal doctrines of the old order fashioned for controlling relations between the peripheral economies of the South and the industrial centres of the North — doctrines which themselves helped to