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**Aiming high, falling short: the Least Developed
Country (LDC) category at 40**

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Abstract

This paper analyses the motivation behind the UN decision to establish the LDC category in 1971. The reviewed literature highlights conflicting interests of the actors involved. It provides a historical account of the creation of the category and an international political economy analysis of that process. Based on this literature, I argue that the initial LDC identification process - which set a precedent for future LDC categorizations - was manipulated in order to generate a reduced list of small and economically and politically insignificant countries. Contrary to the LDC official narrative, this list served the interests of both donors (by undermining UN's implicit effort to normalize international assistance) and other non-LDC developing countries (disturbed by the creation of a positive discrimination within the group, favouring the most disadvantaged among them). As a result of this manipulation, considerably less development-promoting efforts are demanded from donors; which, in turn, does not significantly distress the interests of other non-LDC, more advanced developing countries.

Keywords

LDCs, aid, trade, special and preferential treatment, graduation, UN

Acronyms

ECLAC	Economic Commission for Latin America and the Caribbean
ECOSOC	Economic and Social Council (of the United Nations)
G77	Group of 77
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GSP	Generalized System of Preferences
IMF	International Monetary Fund
LDC	Least Developed Country
OECD	Organization for Economic Cooperation and Development
UN	United Nations
UNCDP	United Nations Committee for Development Policy
UNCTAD	United Nations Conference for Trade and Development
WTO	World Trade Organization

Aiming high, falling short: the Least Developed Country (LDC) category at 40

1 Introduction

In May 2011 the international community, under the auspices of the UN, gathered for the fourth time in 40 years to assess progresses made by the least developed country (LDC) group. The conference took place in Istanbul, under the grim shadow of a stagnant and non-evolving category, whose membership has not declined for most of its lifespan. The main goal was “(a) to reverse the marginalization of LDCs ...; (b) to support a pattern of accelerated and sustained economic growth ... and (c) to help LDCs graduate from LDC status” (UNCTAD, 2010: 83). To achieve this, the 2011 Istanbul Programme of Action was adopted (UN 2011). Like other main LDC literature (UNCTAD’s LDC Reports over the years 1984 - 2010, UN 2001, UNCDP 2008 and Guillaumont 2009), the Programme’s focus on goodwill and technicalities impedes it from questioning and problematising the category’s assumptions². The Istanbul outcome document fails to address political economy issues³ and, hence, cannot represent a true overhaul effort. It does not consider the distribution of power between the main actors involved (donors, LDCs and more advanced developing countries), nor the possible costs and benefits borne by them⁴ as a result of their commitment to the LDC mechanism.

The official narrative is that, through the LDC category, donors *should* provide these countries with special benefits, given their disadvantaged position in the world economy (UNCDP, 2008: *v*). This to ensure catching up and, as a result, a more levelled playing field in the arena where countries

¹ Preliminary versions were presented at the *Development Dialogue Conference*, hosted by the ISS, in the Hague (June 2011), at the *Conference on Development Economics and Policy*, hosted by the KfW Development Bank and the German Institute for Economic Research, in Berlin (June 2011), and at the 2011 *CERES Summer School*, in Utrecht (July 2011). Comments by participants are gratefully acknowledged.

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² The belief that it actually groups the most in need and the conviction that donors are exclusively moved by altruism.

³ Such as the extent to which politics, as well as economic and strategic interests, can influence and motivate the allocation of aid and trade preferences. For example, when the main drive for the allocation of these development support measures is not countries’ needs but the fulfilment of donor’s political and economic agendas, it is expectable that the poorest countries - and, hence, the most ‘deserving’ - are not necessarily the ones that receive more development support, irrespectively of any international instrument (such the LDC category) created to contradict that.

⁴ For example, donors driven primarily by self-serving motivations (e.g., advancement of one’s own interests before considering the needs of others), will not be interested to support a developing country with the potential of becoming a direct competitor. Likewise, a more advanced developing country not pertaining to the LDC category will not appreciate to see its direct competitors contemplated by this support mechanism.

engage one another. Thus, a declining number of LDCs is the ultimate aim of the category. This has not been achieved. Today, 40 years after the establishment of the category, only three countries have graduated out of it⁵; representing a disappointing 6% success rate.

TABLE 1
List of LDCs and PPP converted GDP per capita, at 2005 constant prices
– in US dollars (1971 and 2009)

<i>Africa</i>	1971	2009	<i>Asia and the Pacific</i>	1971	2009	<i>Latin America and the Caribbean</i>	1971	2009
Angola	2539.40	4753.53	Afghanistan	878.06	1169.71	Haiti	1697.52	1444.55
Benin	884.47	1115.71	Bangladesh	761.31	1397.05			
Burkina Faso	523.40	902.44	Bhutan*	828.37	4565.96			
Burundi	353.14	368.06	Cambodia	1041.54	1766.12			
Central African Republic	1010.26	647.71	Kiribati	2684.43	4092.16			
Chad	897.54	1276.40	Lao People's Democratic Rep.	650.73	2633.38			
Comoros	1250.41	915.71	Myanmar	N/A	N/A			
Democratic Rep. of the Congo	1117.75	231.28	Nepal	665.77	1211.48			
Djibouti	5252.13	2060.86	Samoa*	4535.68	6545.37			
Equatorial Guinea	716.18	22016.84	Solomon Islands	1375.89	2004.60			
Eritrea	N/A	592.48	Timor-Leste	N/A	1154.61			
Ethiopia	471.31	683.66	Tuvalu	N/A	N/A			
Gambia	808.37	1464.76	Vanuatu	3059.17	6534.92			
Guinea	827.86	826.33	Yemen	N/A	2396.96			
Guinea-Bissau	289.47	818.38						
Lesotho	475.54	1311.47						
Liberia	1919.14	396.90						
Madagascar	897.60	753.22						
Malawi	755.18	653.04						
Mali	471.86	999.38						
Mauritania	1276.16	1573.77						
Mozambique	432.64	759.48						
Niger	813.58	534.34						
Rwanda	785.26	1031.09						
São Tomé and Príncipe	1159.39	1679.86						
Senegal	1232.65	1492.04						
Sierra Leone	966.10	872.68						
Somalia	929.86	460.89						
Sudan	1465.17	2188.44						
Togo	1308.04	734.20						
Uganda	805.75	1151.75						
United Rep. of Tanzania	624.43	1188.89						
Zambia	2380.93	1764.72						

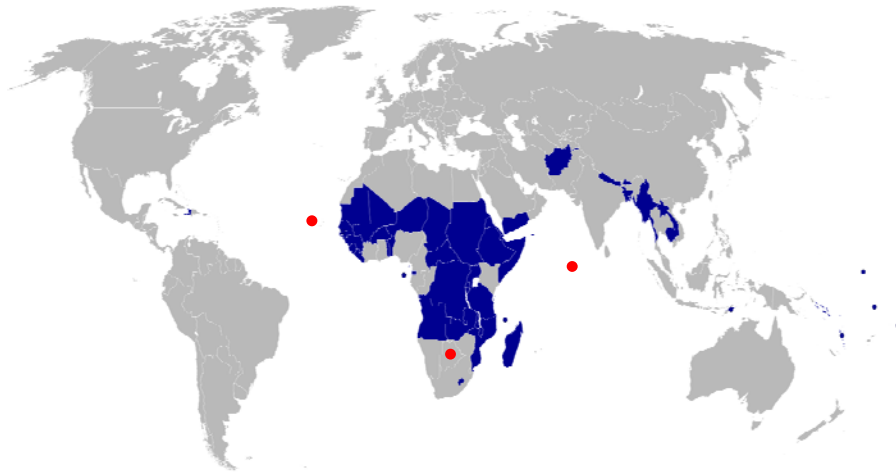
Source: Alan Heston, Robert Summers and Bettina Aten, Penn World Table Version 7.0, Centre for International Comparisons of Production, Income and Prices at the University of Pennsylvania, May 2011, http://pwt.econ.upenn.edu/php_site/pwt70/pwt70_form.php

Original / 1971 LDCs are in bold. *In 1971 data was not available for these countries, but they were still in the original LDC group because the unavailability of statistical data was considered proof of their low level of development.

⁵ Botswana (1994), Cape Verde (2008) and Maldives (2011).

This paper provides a historical account of the creation of the LDC category, investigating what drove its creation in 1971. The analysis addresses other interrelated sub-questions, namely: Why were the thresholds set up at those levels? Were the criteria purposely chosen so as to exclude or include certain countries?⁶ What informed these decisions? Which countries were (intentionally or not) left out or included because of these criteria? Which actors (LDCs, other non-LDC developing countries and donors) benefitted from the establishment of the category?

The group is still composed of 48 countries, spanning three regions (see Table 1), with Africa assuming the lead: 33 out of 48 LDCs are African countries; representing 68.7%. From the initial 25 LDCs identified in 1971, the category grew to a total of 51 countries⁷ and membership fell to 48, following the three graduation cases to date.



Map of current 48 LDCs (source: www.wikipedia.org). Red dots indicate countries that graduated from LDC status; from left to right: Cape Verde (2008), Botswana (1994) and Maldives (2011)

The remainder of this paper is structured as follows: section 1.1 frames the inquiry by briefly reviewing world economic and political context, as well as main theoretical approaches and analytical models informing mainstream development paradigm at the time, ultimately influencing policy-makers; section 1.2 presents facts and protagonists of the process that culminated with the creation of the LDC category in 1971; section 1.3 investigates responses to the establishment of this new category and section 2 concludes and presents possible avenues for further research.

⁶ For example, the share of manufacturing can be said to bias towards smaller countries, as does the vulnerability criterion introduced later on, in 1991.

⁷ This happened as more countries became independent in the 70s and the poor performance of other developing countries made them join the group in the 80s and 90s.

2 The establishment of the LDC category: historical perspective

2.1 World context, theoretical approaches and analytical models (1960s and 1970s)

In the development literature, *modernization theory* was one of the first and most influential theories employed in Third World studies, analyzing progress mainly in terms of economic transition from tradition to modernity (Berger 1994, Brohman 1995, Kamrava 1995, Ma 1998). According to this theory, the concept of development (in a world composed of two categories of countries: ‘developed’ and ‘developing’) is very much associated with “the construction of a single model of modernity based on the experience of a few (industrialized) countries” (Brohman, 1995: 122). This approach (which during the post-war period was hegemonic at the popular and academic levels and, most importantly, greatly influenced policy ideas) imposed an idealized version of North America and Western Europe on Latin America, the Middle East, Africa, Asia and Oceania (Berger, 1994: 260); regions generally referred to as the ‘Third World’. In other words, “the entire edifice of post-war modernisation theory rested on a homogeneous image of the ‘Third World’ destined to follow the North American and Western European path” (Berger, 1994: 260).

Another alternative development framework of the 1960s and 1970s - the *world-system theory* - made use of a different dichotomist pair; that of core and periphery, intermediated by the notion of semi-periphery, stimulated by the same fundamental thinking influencing the dependency debate (Payne, 2001: 7). However, this approach postulates that “a particular country’s internal development [can] only be ‘understood’ with reference to the position it occupies, or the role it plays, in the modern world-system as a whole” (Berger, 1994: 263). Hence, inequality in terms of power and availability of resources is a central feature. In essence, this approach considers that economic and political relations are the main determinants of countries’ position in the world order.

Despite the surfacing and diffusion of alternative approaches to development, modernization theory maintained its vitality, greatly influencing academics and policymakers. The UN, on its part was to a great extent financially and ideologically supported by the United States in an era when this great power’s concern was to avoid the advance of communist ideas (Schlesinger 1997).

During the 1960s and 1970s - period of initial debate on the LDC concept – an important change was taking place within UN membership: increase in number and voice of Third World countries and, consequently, call for a New

International Economic Order⁸. Before this, developing countries were powerless colonies. In this period they gained independence and were more in control of their development. They also gained majority of votes in the UN, which meant that hegemonic powers had a harder time dealing with an organization where they no longer controlled the majority. It was a period of optimism, where newly independent countries successfully strived for development (e.g., economic growth was quite positive, even in most of sub-Saharan Africa), oftentimes supported by the conviction that rich countries owed them for the long period of colonial repression.

It was also during this period that (i) the UN proclaimed the First and Second Development Decades (1961 and 1971, respectively), convened the first UN Conference on Trade and Development (UNCTAD) (1964), created UNDP (1965) and the UN Industrial Development Organization (UNIDO) (1967) and adopted the Declaration on the Establishment of a New International Economic Order (1974); and (ii) the World Bank created the International Development Association (1960), the IMF established its compensatory financing facility (1963), Part IV of the GATT was integrated into this General Agreement (1965) (paving the way for the generalized system of preferences) and the joint IMF-World Bank Development Committee was established (1974) (Thérien, 2002: 239). These initiatives were framed according to the understanding that economic growth and development obeyed a rather mechanical and straightforward process, anchored in the conviction that foreign aid to poorer countries was sure to bear fruit.

What is clear is that central to all the aforementioned theories and conceptual approaches was the notion of the Third World, “as a set of national economies or as a subject in economics” (Wolf-Phillips, 1987: 1318). Given the geopolitical context within which the Third World concept flourished - that of the Cold War -, it quickly fit within the idea of a First (or capitalist West) and Second (or communist/socialist East) Worlds. All of these were concepts deeply infused in political connotations, even though they were inspired by a point of departure that also implied economic and social challenges. As a result, those in the Third World were (in addition to their higher level of poverty) considered to assume a middle-of-the-road political position between the two major contending ideologies of that period: capitalism/NATO and communism/Warsaw Pact. Third World countries became, in effect, the ‘non-aligned countries’ - which placed politics in the forefront of that particular way of categorizing countries.

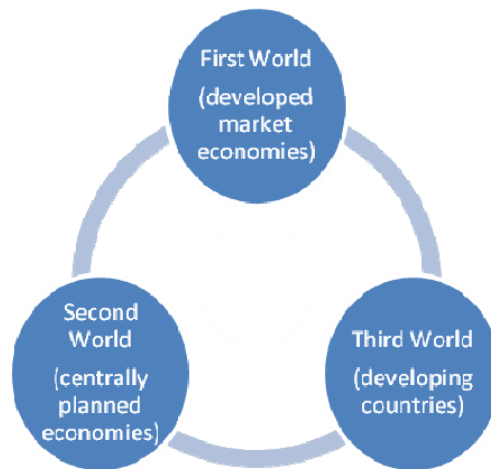
According to Wolf-Phillips (1987), the term Fourth World - or the ‘Third World of the Third World’, as some have referred to it (UNCTAD 1985) - was only introduced at a later stage (during the 1980s) “to denote the *least developed* and chronically poor countries” (Wolf-Phillips, 1987: 1313, emphasis added). It seems that the reference to chronic poverty, to differentiate these countries

⁸ NIEO was a set of demands presented by Third World countries in 1974. It envisaged restructuring the international economic system to improve the position of developing countries with respect to developed countries. The demands included increased control by developing countries over their own resources, promotion of industrialization, increase of development assistance and debt relief (<http://www.encyclopedia.com/doc/1O48-NewInternationalEconmcrdr.html>).

from other more well-off countries in the Third World, is a clear indication that little upward development movement was expected of them. In fact, with the benefit of hindsight we can see that this perspective is mirrored in the considerations of the UN Committee for Development Policy (UNCDP), which did not until 1991 (i.e., 20 years after the creation of the LDC category) consider the possibility of countries graduating from ‘least developed’ status. In essence, the least developed could be ‘trapped’ in underdevelopment, “hopelessly reflecting the notion of an underdevelopment ‘trap’ (Guillaumont, 2009: 30). In addition, conceding that these were “poor countries more likely to remain so” (Guillaumont, 2009: 9), also denotes an idea of hopeless poverty.

Figure 1 depicts how the economic and political world order was analytically structured and understood during the Cold War period and before the fall of communism in 1989. Generally speaking, this was the analytical understanding of the world that informed, or at least greatly contributed to, the UN decision to officially establish the LDC category, in 1971. In fact, at the time, UNCDP (the body that recommended the establishment of the LDC category and proposed the initial list of such countries) explicitly distinguished in its reports between ‘developed market economies’, ‘centrally planned economies’ and ‘developing countries’ (UNCDP, 1970: 20-21), with the understanding that the latter was its only realm of intervention within the three worlds framework in which it operated

FIGURE 1
Analytical understanding of world order during Cold War period



Despite a supposedly new understanding of Africa’s problems (due to newly independent African countries joining the UN in the 60s and 70s), “much of the professional work in the UN continued to revolve around the threefold classification of developed market, socialist centrally planned, and developing countries” (Jolly *et. al* 2004: 160).

Jolly *et.al* (2004) consider that the tendency to make policies based on this threefold, homogenized classification was actually reinforced in 1964 with the establishment of the Group of 77 (G77) during the first United Nations

Conference on Trade and Development (UNCTAD), adding that even though the G77 tried “to incorporate the concerns and priorities of all ... its proposals on trade, foreign investment, transnational corporations, and transfer of technology ... were inevitably of greater interest to the more advanced among the developing countries” (Jolly *et. al.*, 2004: 160). Hence, even within the G77 framework, the least advanced were still being marginalized.

Therefore, it seems reasonable to assume that, while the *three worlds classification served as the analytical model on which the idea to compartmentalize the Third World rested* (specifically by highlighting the least developed subset within it), the *premises defended by the modernization theory seem to have influenced the type of benefits attached to the LDC category*, namely the emphasis on trade and the idea that aid should fuel industrialization. This is reflected, for example, in the initial LDC identification criteria, which gave more weight to economic factors, particularly *per capita* GDP and share of manufacturing in GDP. Accepting this analytical and conceptual model also meant accepting the logic of Third World homogeneity. This was, in fact, an often-voiced criticism of this specific way of country categorization and worldview.

In the years that preceded the decision to create the LDC category, the idea of a homogeneous Third World - understood as the failed version of the ideal industrialized First World - was very much present. This was the image that provided the most powerful set of assumptions about the poorest part of the world, believed to be in need of (industrialization-focused) development intervention. Third World economic problems were “understood primarily as technical problems that [could] be overcome by the right mix of advice, investment, aid and liberal reform” (Berger, 1994: 270 - see also Ferguson 1990, 1994, Escobar 1998, Payne 2001, 2005); which was related to the homogeneity assumption and the straightforward/mechanical vision on economics and development.

The underlying principle of the LDC category seems to fit into this line of reasoning, even though it represented somewhat of a step beyond the simplistic First/Third World dichotomy, since, to some extent, it did de-homogenize the Third World by creating a subgroup within it. In addition, it also recognized (mostly in its narrative) some of the salient processes that perpetuate uneven development. Yet, other ‘worlds’ were left ‘untouched’; indicating that the prevailing international order remained essentially intact. Basically, this meant that the *status quo* was undisturbed, as was the global balance of power. Therefore, establishing the LDC category did not significantly upset the interests of neither the developed world nor more advanced developing countries. Donors, in particular, by endorsing a narrative showcasing the altruistic prioritization of assistance to LDCs (without a legally-binding obligation to actually implement it; as reflected by the low number of graduations to date), simply appeased voices against the *status quo* (without having to meaningfully change it and relinquish power).

2.2 ‘Constructing’ a new category of (poor) countries: facts and protagonists (1964 - 1971)

International debate around trade preferences⁹ served as the springboard to the idea to clarify the list of developing countries and, within this general list, identify a new sub-category, grouping ‘least developed’ countries (see Table 2). Officially, the issue was first brought up in **1964**, during the first UNCTAD, where

la nécessité de mettre sur pied, ..., le nouveau système des préférences généralisées pour les exportations de produits manufacturés et semi-fabriqués des pays pauvres sur le marché des pays développés ... exigeait une décision précise quant aux bénéficiaires (de Lacharrière, 1971 : 464).

This indicates an important point: the initiative was not taken merely in recognition of poorest countries’ disadvantages towards development and, hence, the need to provide them with additional assistance, but, *primarily*, to facilitate trade with developed countries. To an important extent, development was equated to the promotion of international trade (through industrialization). Against this ideological backdrop, the 1960s had been proclaimed the *First UN Development Decade* and international dialogue on development gained particular impetus within UNCTAD (Guillaumont, 2009: 19).

Even before the first session of UNCTAD, in **February 1964**, the possibility of differentiating within the larger developing countries group (highlighting the least developed within it; to whom preferential treatment ought to be granted) was considered during meetings of the GATT’s Working Party on Preferences:

Although ... there was no change in the position of the United States and the European Economic Community, the meeting was called primarily to consider a statement presented by Uganda ... and also ... at the request of developing countries who wished to make a demonstration of their solidarity in order to erase the impression of disarray given at the meeting last December [1963]. ... *Uganda suggested differential and two-tiered preferences designed so that the least-developed of the less-developed¹⁰ countries would receive the greatest preferences. ... This proposal would run counter to the proposals made by India, Brazil, United Arab Republic and other less-developed countries.* The preferences would be given only to GATT members although there would be no requirement that they would be limited to these members (Fagen, 1964: 1, emphasis added).

By **June 1964**, during the first UNCTAD, countries were organized into three negotiating groups, respecting, as would be expected, the Three Worlds taxonomy prevalent in that period: (i) industrialized countries with a market economy (i.e., First World), (ii) countries with planned economies (i.e., Second

⁹The Generalized System of Preferences (GSP) is a formal system of exemption from the more general rules of the WTO which obligates WTO members to treat the imports of other WTO members no worse than they treat the imports of their “most favored” trading partner; that is, to treat imports from all other WTO members equally by imposing equal tariffs on them (http://en.wikipedia.org/wiki/Generalized_System_of_Preferences).

¹⁰ Within the UN, the terms less-developed and developing were used interchangeably at the time.

TABLE 2
The birth of the LDC category: a chronological tale of selected facts

1964	1 st UNCTAD (June, Geneva) - in the context of trade preferences, possibility of favouring the least developed among developing countries is discussed.
1965	UNCTAD - Raúl Prebisch takes office as Executive Secretary and the LDC issue gains impetus.
1967	2 nd session of UNCDP (April, Santiago de Chile) - in the framework of preparatory work for the <i>Second UN Decade</i> , the issue of special measures to promote greater economic growth in developing countries is considered. G77 First Ministerial Conference (October, Algiers) - final declaration includes section on least developed countries but refuses to clearly define them.
1968	2 nd UNCTAD (May, New Delhi) - adopts resolution on the least developed countries. UN General Assembly (December, New York) - adopts resolution urging UNCTAD to pay special attention to least developed countries.
1969	5 th session of UNCDP (May, Bangkok) - recognizes need to refine twofold classification of countries in the context of international trade and financial policies. UN General Assembly (December, New York) - adopts resolution on “ <i>Special measures to be taken in favour of the least developed ... countries</i> ”
1970	6 th session of UNCDP (January, New York) - term ‘least developed’ used for the first time in report to the ECOSOC. UNCDP (March, Geneva) - meeting of working group on least developed countries UN General Assembly (October, New York) - proclaims <i>Second UN Development Decade</i> and adopts International Development Strategy for the Decade, including section on least developed countries. UN General Assembly (December, New York) - adopts resolution urging identification of least developed countries.
1971	7 th session of UNCDP (March/April, Geneva) - recommends criteria for identifying least developed countries, special measures in their favour and suggests an initial group of 25 LDCs. ECOSOC (July, New York) - recommends to the General Assembly the list of 25 LDCs proposed by UNCDP. UN General Assembly (November, New York) - adopts resolution on “ <i>Identification of the least developed among the developing countries</i> ”, approving list of “hard core” LDCs, as proposed by UNCDP.

Source: Author’s compilation based on UNCDP reports and General Assembly and ECOSOC resolutions

World), and (ii) developing countries (i.e., Third World). Developing countries constituted the G77, congregating newly independent countries and others non-aligned with either of the two Cold War contending powers.

To clearly determine the group of countries that could benefit from trade preferences, UNCTAD opted for the principle of self-election (de Lacharrière, 1971: 464); meaning, basically, that countries would be categorized as ‘developing’ (and hence benefit from the Generalized System of Preferences - GSP) if they classified themselves as such. At the time, the G77 “refused any discrimination among themselves” (Guillaumont, 2009: 20). In fact, this reluctance to ‘divide’ developing countries had been felt during the February 1964 meeting of the GATT’s Working Party on Preferences:

The meeting was dominated by the less-developed countries which stood together and did not allow themselves to be drawn into discussions of the differences among them. In fact, Uganda did not even speak in defense of its paper [which argued for greater preferences to the least-developed of the less-developed countries] (Fagen, 1964: 1).

In this context, it is interesting to note the underlying political interest of developed countries in seeing this reform through. For example, according to de Lacharrière (1971), France perceived very clearly that if the reform only resulted in the creation of a single undifferentiated category of developing countries, African countries with which she had the closest ties were likely to be harmed by a reform that would only benefit the most powerful within the Third World (de Lacharrière, 1971: 468). In fact, France was more aggressive than developing countries themselves in exposing these risks (de Lacharrière, 1971: 468). However, at the end of UNCTAD’s first session there was no agreement about creating a sub-category of least developed countries within the developing countries group.

In 1965 the issue gained impetus, when Argentinean economist and dependency theory advocate Raúl Prebisch - who had headed the UN Economic Commission for Latin America and the Caribbean (ECLAC) - took office as UNCTAD’s first Executive Secretary. Prebisch was well aware of the reality of the Latin American Free Trade Association - all of whose members were, by definition, developing countries and where two sub-categories of countries had been created: (i) countries with relatively lower economic development and (ii) countries with particularly small domestic market (de Lacharrière, 1971: 469). Hence, this perspective was brought into a wider, global context.

By 1967, preparatory work aiming at establishing guidelines and proposals for the *Second UN Development Decade* (1970s) served as the background for the decision to operationalise the LDC concept. Building on UNCTAD’s first session and following general recognition that economic progress during the First *Development Decade* had been “disappointingly slow” (UN, 1967: 42), UNCTAD was mandated, by the ECOSOC and the General Assembly, to work on the aforementioned guidelines and propose a new international development strategy for the 1970s. Accordingly, in its 2nd session, in **April 1967**, UNCTAD (presided by Dutch economist and Nobel Prize winner Jan

Tinbergen¹¹), considered “imperative for all the organizations of the United Nations family to redouble their efforts and to work out a series of new measures” (UNCDP, 1967: 27) to be included in the international development strategy for the 1970s.

In **October 1967**, least developed countries earned a special (but quite general) mention in the final declaration of the First Ministerial Conference of the G77 (the *Charter of Algiers*), regarding international measures to be implemented in their favour, including (rather vague) provisions on trade preferences and development finance. The G77 discomfort regarding this issue is reflected in the *Charter of Algiers*, which states that it was not “desirable or convenient to attempt an abstract general definition of such countries nor ... an *a priori* strict listing of such countries applicable to specific measures considered” (Group of 77, 1967).

In **February 1968**, an UNCTAD report proposed possible indicators for the identification of LDCs, namely: (i) proportion of GDP originating in the manufacturing sector; (ii) *per capita* energy, cement or steel consumption level; (iii) literacy level or number of doctors or of university or technical school graduates; (iv) proportion of manufactures in total export (UNCTAD, 1968: 9-10). In terms of methodology, the report stated:

A practical approach to the classification problem might consist in first ranking all those for which data are available according to the level of their per capita GDP. Countries falling below a certain chosen cut-off level of per capita GDP would then be regarded *prima facie* as being candidates for the least developed category, an assumption to be confirmed or refuted by reference to other development indicators. A process of elimination could then be applied to this preliminary set of least developed candidates. How far this elimination process went would depend on how restrictive the definition of least developed countries was to be. The most restrictive approach would recognize as least developed countries only those qualifying as such on the basis of all the chosen development indicators. The least restrictive would include in this category all countries qualifying on the basis of per capita GDP plus any one additional indicator of development (UNCTAD, 1968: 11, underlined as in original).

During its second session, in **May 1968**, UNCTAD approved the principle of self-election for determining the larger developing countries' group, and unanimously adopted the first resolution¹² calling attention to the problems of the least developed (UN, 1973: 60); which was, nonetheless, still drafted in rather general and noncommittal terms. Yet, even though it signalled a not very determined political will, this resolution had the effect of starting a bureaucratic process that, in parallel with the diplomatic debate, allowed further analysis of both the LDC concept and the special measures envisaged for these countries (Smouts, 1981: 51 and UN 1973).

As a result of the approval of the self-election principle, all G77 countries declared themselves ‘developing’ and consequently entitled, in principle¹³, to

¹¹ Tinbergen presided over the work of the UN Committee for Development Planning from 1966 until 1971, and subsequently continued working with the Committee as one its consultants.

¹² Resolution 24 (II)

¹³ But not necessarily in practice.

the GSP. What is interesting is that others not pertaining to the Third World also declared themselves ‘developing countries’; among them socialist and poorer European countries - Romania, Bulgaria, Greece, Spain, Portugal, Turkey, Israel and Taiwan (de Lacharrière, 1971: 465). Hence, at least in this specific context, the dividing lines between the three worlds were starting to lose definition, primarily due to commercial interests; leading to the conclusion that, as evidenced here, countries will self-declare to a not so positive label if they find it beneficial¹⁴.

Following this, in **December 1968**, the General Assembly adopted another resolution¹⁵, urging UNCTAD to pay special attention to the least developed countries.

2.2.1 A change in perspective ... and a new category is born

During its 5th session, in **May 1969**, UNCTAD explicitly recognized that in the context of international trade and financial policies, there needed to be a refinement of the “twofold classification of countries as developed and developing” (UNCTAD, 1969: 13). It stated that:

In such measures as granting of preferences by developed countries to developing economies and providing them with financial resources, *it seems inappropriate to have a sharp demarcation line between the two country groups*. For ... it would mean that at a point of time in the future a country would be considered to have shifted suddenly from the developing to the developed country group, and as such would experience a set-back by virtue of the new obligations it was suddenly asked to assume in place of the assistance previously received. *It seems more natural to introduce an intermediate group ...* which would not have to undertake obligations towards developing countries but at the same time would no longer, as a rule, receive assistance or preference (UNCTAD, 1969: 13, emphasis added).

Prefacing this, UNCTAD - probably sensing the boldness of its proposal - was careful enough to recognize that some of its suggestions “may appear somewhat abrupt” (UNCTAD, 1969: 3). However, it explained that it had chosen “to present certain provocative formulations” (UNCTAD, 1969: 3)

¹⁴ There is, therefore, a clear difference between the process to identify developing countries (through self-election) and the process to identify LDCs (through clearly defined criteria managed by a gatekeeper). At the time, also in the context of the GATT, “[d]eveloping country status was (and remains) determined by self-declaration - the only formal group of developing countries defined in Part IV and the Enabling Clause are the LDCs” (Hoekman and Özden, 2005: 6). This is basically the difference between choosing a label and earning/meriting a label. Apparently, the LDC category is more exclusive and, as a result, entry into it is more selective. This indicates that, from the donors’ perspective, there are interests at stake when categorizing countries, which cannot be overlooked in the name of altruism. This demands cost management considerations in so far as pertaining to these groups entails granting them access, at least in principle, to a set of differentiated benefits. Thus, in principle, LDCs are entitled to more advantageous benefits than other developing countries. However, these are not automatic processes and whether or not these benefits are actually provided depends on donors’ goodwill, which makes this type of preferential treatment non-legally binding.

¹⁵ Resolution 2402 (XXIII)

because the data on which it had based its recommendations had “convinced it of the necessity and the urgency of certain radical changes in the prevailing policies” (UNCDP, 1969: 3). Although at the time, it had not been explicitly spelled out, the soon-to-be-named ‘LDC category’ seemed to fit quite nicely within that context, even though the argumentation initially presented led to believe that redefining the twofold classification of countries was needed in order to, primarily, avoid an unfair situation where (having achieved developed status) the ‘intermediate group’ (and not the least developed) would be expected to assume obligations right after having lost the right to assistance or preferences. Therefore, the initial argument, at least within UNCDP, did not seem to point to the creation of a ‘bottom group’ (i.e., the least developed) but, instead, to an ‘intermediate group’ (i.e., the more well-off among developing countries).

In parallel, debate on the soon-to-be-created LDC category and related benefits were also taking place within UNCTAD. In **November 1969**, during meetings of the *Group of Experts on Special Measures in Favour of the Least Developed among the Developing Countries*¹⁶, a report on the subject discussed possible classification indicators, “such as the level of *per capita* income, the relative importance of manufacturing activities, *per capita* consumption of energy or steel, the rate of literacy, the size of school enrolment” (UNCTAD, 1969: 2) and possible measures to be implemented in their favour.

In December 1969, a General Assembly resolution¹⁷ on “*Special measures to be taken in favour of the least developed among the developing countries*” was adopted and the need to “alleviate the problems of the least developed ... with a view to enabling them to draw full benefits from the Second United Nations Development Decade” (UN, 1969: 37) was formally recognized. Accordingly, the General Assembly requested

a comprehensive examination of the special problems of the least developed among the developing countries and ... special measures, within the framework of the Second United Nations Development Decade, for dealing with those problems (UN, 1969: 37).

Thus, between May and December 1969 there was a change of hearts or, at least, a change of perspective on the part of UNCDP. While in May the focus was on introducing an ‘intermediate group’ (going against UNCTAD’s ongoing debate on the LDC concept), by December of that same year the General Assembly (whose decisions were based on UNCDP’s recommendations) had changed its focus to a ‘bottom group’. One cannot help but wonder about the reasons behind this change. Considering the context, it looks as if this was so as not to lose the momentum of the soon-to-start *Second Development Decade*. Thus, alignment with UNCTAD seems to have been a way to reach swift consensus; at least in general and abstract terms.

During its 6th session in **January 1970**, while assessing economic growth prospects for different country groups, UNCDP used for the first time the term ‘least developed’ in its report to the ECOSOC:

¹⁶ This Expert Group met from 24 November to 5 December 1969, in Geneva (UNCTAD, 1969; Hartshorn, 1969 and UN, 1973).

¹⁷ Resolution 2564 (XXIV) of 13 December 1969

For certain countries, *especially the least developed among developing countries*, there will no doubt be great difficulties, since major structural changes will be required, in accelerating the rate of growth to desirable levels; and in such cases special attention should be given by the world community so as to provide help in order to facilitate those changes (UNCDP, 1970: 7, emphasis added).

The new terminology seemed, therefore, to be entering UN jargon and what is so keenly referred to as ‘agreed language’ in diplomatic circles.

In that same session, UNCDP reaffirmed its conviction regarding the need to “refine the two-fold classification of countries as developed and developing” (UNCDP, 1970: 19), adding that a study needed to be conducted to determine appropriate variables or characteristics for this purpose. More importantly, the Committee acknowledged, for the first time, that it had also given “some preliminary thought to questions relating to the least developed among the developing countries” (UNCDP, 1970: 19), signalling that it now recognized the need to prioritize the progress of these countries. With this in mind, it constituted a working group of five of its members (UN, 1973: 62) (presided by French economist and diplomat, Jean Ripert) that met in March of that same year to address issues related to the identification of LDCs.

In October **1970**, the General Assembly finally proclaimed the *Second UN Development Decade*, starting 1 January 1971, and adopted the International Development Strategy for the Decade¹⁸ - a document that included a section on least developed countries. In **December 1970**, it approved yet another resolution¹⁹ where it stated the “urgency of identifying the least developed ... countries and invited the international organs concerned to give a high priority to the question of such identification” (UN, 1970, 64).

During the 7th session of UNCDP, in **March/April 1971**, the idea of an ‘intermediate group’ had apparently dwindled, giving way to the ‘bottom group’; the least developed. UNCDP was now very much focused on dealing with questions relating to the ‘least developed among developing countries’ (UNCDP, 1971: 2). In fact, prior to its 7th session, the working group on LDCs presented its deliberations and, for the first time, UNCDP examined their special problems “with a view to recommending criteria for identifying those countries as well as special measures for dealing with their problems” (UNCDP, 1971: 12). UNCDP recognized that

[w]hile developing countries as a group face more or less the same general problems of underdevelopment, the difference between the poorest and the relatively more advanced among them is quite substantial. ... the capacity of these to benefit from general development measures varies widely. The least developed among them cannot always be expected to benefit fully or automatically from such general measures adopted in favour of all developing countries. *Some special supplementary measures are therefore called for* to remove the handicaps which limit the ability of the least developed countries to derive significant advantages from the Second United Nations Development Decade (UNCDP, 1971: 12, emphasis added).

With this in mind, the Committee suggested the following three criteria to identify LDCs: (i) *per capita* GDP of US\$100 or less, (ii) share of manufacturing

¹⁸ <http://www.un-documents.net/a25r2626.htm>

¹⁹ Resolution 2724 (XXV) of 15 December 1970

in total GDP of 10% or less, and (iii) adult literacy rate of 20% or less (UNCDP, 1971: 16). The focus was on the economy (instead of nowadays' concern for social factors) and the idea was that governments needed to steer it.

Simplicity in methodology was privileged and to be considered 'least developed' countries should meet all three criteria. However, exceptions were permitted:

Countries with per capita gross product of \$100 or less but with a manufacturing ratio or literacy rate somewhat exceeding the limits ... should be included, especially if their average real rate of growth during recent years has been *exceptionally low*. Similarly, countries where per capita gross product is over \$100 but is not more than around \$120 and which satisfy the other criteria should also be included. In considering the border-line cases, however, *judgment* would have to be exercised to take account of special circumstances which may have distorted the recent picture (UNCDP, 1971: 16, emphasis added).

Essentially, this reveals that there was considerable room for discretion when considering outlier cases. Taking this into consideration, the following 25 countries were classified as 'least developed' in 1971, comprising the original LDC list:

- (i) Africa: Botswana, Burundi, Chad, Benin (formerly, Dahomey), Ethiopia, Guinea, Lesotho, Mali, Malawi, Niger, Rwanda, Somalia, Sudan, Uganda, Tanzania, Upper Volta (now Burkina Faso)
- (ii) Asia and Oceania: Afghanistan, Bhutan, Laos, Maldives, Nepal, Sikkim (now integrated into India), Western Samoa, Yemen
- (iii) Latin America: Haiti

Data for some of these countries (Maldives, Bhutan, Sikkim and Western Samoa) were not available but they were still included in the original LDC group since the unavailability of statistical data was considered proof of their low level of development. Yet, the Committee did recognize the complexity of attempting to create a sub-division within the developing countries group, stating that

a two-fold classification of developing countries into "least developed" and "other" is *somewhat arbitrary*, given the multi-dimensional complexity of economic and social development. Admittedly, also, there may be different concepts of least development, each of which may be especially relevant to a different field of action or in the context of a particular region (UNCDP, 1971: 15, emphasis added).

The fact is that special privileges were proposed in favour of these countries, namely technical cooperation, financial assistance, and international trade and regional cooperation (UNCDP 1971: 21-2). However, and unlike the LDC identification criteria, there was very little definition with regard to *which* special privileges would be devised and *how* they would be provided to those countries. Thus, paradoxically, these important details - which were, in fact, the core purpose for creating the group in the first place - were left vague. This might be explained by the unwillingness of donors to agree to anything too concrete and/or by the reluctance of more powerful developing countries to truly accept the LDC concept, considering that they themselves would be discriminated against. So, this vagueness was indeed in both of their interests

given that, because of it, benefits associated with the LDC category could more easily become *lettre morte*.

It is also interesting to note that the Committee found it necessary to include in its report to the ECOSOC the following disclaimer, which, to a certain extent, can be seen as indicating the uneasiness with which the creation of a division within (the by then well-established group of) developing countries was undertaken:

Although the list must ... be regarded as tentative, the Committee nevertheless wishes to stress its belief that the list is valid. The Committee believes that by any classification criteria the countries included in this list would surely be considered as least developed. ... the Committee recommends that whatever list of least developed countries is adopted for the Second United Nations Development Decade, it should be reviewed and, if necessary, revised on the occasion of the mid-Decade review. Moreover, the question of identification should be given further study within the United Nations system with a view to refining the scheme of classifications and the related criteria (UNCDP, 1971: 20)

This might also reflect disagreements that probably had to be overcome during the May-December 1969 period, in order to reach a general consensus. In fact, the Committee felt it necessary to recognize that

the granting of special privileges to the least developed countries may appear to discriminate against other developing countries. But, given the peculiar conditions of the least developed countries and their consequently limited capacity to benefit fully from the general measures for all developing countries, failure to accord them these temporary but essential advantages would be tantamount to discriminating against them (UNCDP, 1971: 21)

The proposed LDC identification criteria, as well as the initial list of such countries, were recommended to the ECOSOC that, after endorsing those recommendations in **July 1971**²⁰, submitted them to the General Assembly for final approval. The General Assembly formally approved the list of what it considered “hard core least developed countries” (UN, 1971: 52) in **November 1971**, thereby institutionalizing the category.

With the value of hindsight, Jack Stone - director of UNCTAD Research Division when the category was created, subsequently director of UNCTAD Special Program for LDCs and known to be “the father of the least developed concept” (Weiss, 2005: 237) - summed up the process that gave ‘birth’ to the category, which is worth quoting at length:

There had apparently been resistance from the beginning to efforts to specifically identify these countries ... the UN Secretariat tried a few initiatives to identify a list, but without immediate success. Any specific proposals put forward were at best taken note of and sent back for further study. In the early days, the opposition to formal identification was mainly from India and some of the large Latin American countries, who were afraid specific identification would leave them out and divide the Group of 77. ... But eventually, ... the LDCs and the other 77 preached accommodations ... in 1971, the mandate was given to the Committee for Development Planning (CDP), still under Tinbergen at that time, ... to attempt to identify a list of the least developed countries ... Omprakash Talwar ... was seized with the problem of making a recommendation to the

²⁰ ECOSOC resolution 1628 (LI) of 30 July 1971

committee. He came up with a list of twenty-five least developed countries based on three criteria: a very low GNP per head ...; a low percentage of manufacturing in GNP ...; and ... a literacy rate below 20 percent. That was the starting list. ... UNCTAD had an expert group on the least developed countries at the time which looked over these proposals and strongly endorsed the list ... At last you had an official list of twenty-five countries of what we now abbreviate as LDCs (Weiss, 2002: 52-53).

2.3 Responses to the LDC category

An obvious question at this juncture is: how did other developing countries, specifically the more advanced among them, take this ‘split’ within the developing countries group? Evidence suggests that the decision to approve the list of 25 ‘hard core’ LDCs was indeed met with considerable opposition during the G77 Ministerial Meeting, held in **November 1971**, in Lima, Peru. Opposition came notably from Latin America, a region with only one country included in the initial group of LDCs: Haiti. There were (unsuccessful) attempts to push for the idea that ‘least development’ should be regarded as a relative concept and, hence, considered on a regional, rather than global, basis (de Lacharrière, 1971: 471). Latin American countries alleged that, in order to determine a list of LDCs, UN Regional Commissions should have been consulted, so that regional and sub-regional agreements already in place could be duly taken into account (de Lacharrière, 1971: 471). When this failed, there were attempts, still without success, to have the General Assembly declare the list and the identification criteria provisional (de Lacharrière, 1971: 472).

Additionally, Jack Stone recalls that the countries who opposed to the formal identification of LDCs were also afraid that this would “provide a way for the Group B²¹ countries to shift development support from the other 77 to the LDCs” (Weiss, 2002: 52). In the same vein:

The climate at the time – marked by decolonization and cold war alliances – was [considered] inimical to formal distinctions among developing countries. The developing country leaders among the Group of 77 feared that the position of the group would be weakened in relation to Group B. And the leaders of Group B had differing opinions about which developing countries most needed support from the international community (Guillaumont, 2009: 19).

The poorest developing countries were known to have less experienced delegations and, as a result, resigned themselves to the eloquence of delegates from more advanced developing countries; that pushed harder for their own interests. So, to avoid dividing the Third World even more, the poorest are said to have postponed their full satisfaction and still collaborated so as to, by not greatly upsetting group unity, pull the envisaged reform through (de Lacharrière, 1971: 468-469).

According to Smouts (1981), opting for a limited choice of criteria (and a restrictive methodology²²) did satisfy developed countries, even though, for example, France was pushing for a solution a bit more flexible; one that could allow the inclusion on the LDC list of other countries from Francophone

²¹ i.e., the First World.

²² In the sense that all three criteria had to be met.

Africa and the Indian Ocean. Like all developed countries, however, France did not want an unreasonable extension of the list (Smouts, 1981: 52). More advanced developing countries, however - having reluctantly accepted the concept - were more enthusiastic about the other studies undertaken by UNCTAD, which considered multiple criteria and proposed a broader definition of the concept of LDC (Smouts, 1981: 52), and would have allowed the inclusion of more developing countries in the category.

Thus, having seen its proposals discarded, UNCTAD, who had been instrumental in initiating the issue of 'least development' and had participated in parallel with UNCDP in the process, initially showed lack of enthusiasm towards UNCDP's proposed list of 'hard core' LDCs, selected according to a set of criteria different than those it had proposed and using a more restrictive approach²³. The fact is that

resolutions at two sittings of the UN Conference on Trade and Development (UNCTAD), in 1972 and 1976, under pressure from the Group of 77, systematically referred simultaneously to the LDCs category and the categories of land-locked developing countries and small island developing states. Not until the fifth UNCTAD, convened in 1979 ... was the particularity of the LDCs clearly recognized (in resolution 122) (Guillaumont, 2009: 23).

What is clear is that while donors were striving for criteria that would not extend the LDC list too much, developing countries hoped for criteria that allowed the creation of a more substantial list of LDCs, guaranteeing that more of them would be granted access to additional special measures. When this is analyzed in conjunction with the UNCTAD/UNCDP difference of opinion, we see that, apparently, while UNCTAD's proposal protected the position of developing countries (by allowing the inclusion of more countries), UNCDP's proposal was more favourable to donors' interests (by restricting the list).

Once the concept was generally accepted by all (with different levels of enthusiasm), disagreements regarding LDC implementation criteria did not only oppose donors and developing countries. Besides dividing the developing world, it also divided donors, including two former colonial powers; France and Great Britain. Insofar as the selection of LDCs involved a reorientation and prioritization of aid flows and trade preferences to those countries, the former colonial powers sought to ensure that these flows could continue to be directed to groups with which they were traditionally linked to: the Commonwealth for the English and French-speaking Africa for the French (Smouts, 1981: 53). Hence, serving their own national interests - by manipulating the initial list of LDCs - seemed more important than striving for a bias-free agreement on LDC identification criteria. Self-interest superimposed altruism and the spirit of solidarity and cooperation, undermining the attainment of a truly genuine and unadulterated list of LDCs.

²³ While the reasons behind this lack of enthusiasm still need a more careful investigation, these might rest on the fact that, as the LDC concept progressed from a mere idea to the official creation of the category, the process 'migrated' from UNCTAD to UNCDP. While UNCTAD initiated the process in 1964, by 1971 UNCDP was the one taking all major decisions. As expected, this might have put institutional interests at stake, among them bureaucratic ones.

For example, evidence shows that former colonial powers did seek to (by ‘booby-trapping’ the initial categorization process) ensure that the category included countries with which they were already traditionally (and commercially) linked to. In fact:

De toutes les classifications proposées: «pays les plus gravement touchés par la crise économique» ... , «pays au revenu le plus faible» (utilisée par la Banque mondiale), «pays les plus pauvres», etc., *la classification des PMA selon les critères du Comité de la planification du développement est la plus restrictive et la plus favorable aux Etats Africains* (Smouts, 1981: 53, emphasis added).

This realization lends more evidence to the fact that, from donors’ perspective, politics and strategic interests were the main (undeclared) drivers of the LDC implementation exercise from its inception; notwithstanding its narrative based on good intentions and grand development goals, framed around the introduction of measures (i.e., normalization) to balance out an unequal economic world structure, asymmetrically biased against poor countries in general, and the poorest ones in particular. The same argument applies for non-LDC developing countries. In fact, Jack Stone recalls that, for example, “the Indians ... were watching very carefully as to who were included in the group. They were happy to keep it small” (Weiss, 2002: 57).

Some argue that the category is indeed “a political definition to some extent, in order to include certain countries and exclude others” (Vienna Institute for Development and Cooperation, 1989: 3), corroborating the ‘manipulation thesis’ referred to earlier

UNCDP did recognize that, since the initial list excluded large countries, it accounted for only “a modest proportion of the population of developing countries” (UNCDP 1971: 19), including, as a result, only a minority of the poorest people of the developing world. The fact is that the initial ‘hard core’ LDCs were, generally speaking, small countries (in terms of population and influence) with very little bargaining power at the international level. Even today, reinforced by the introduction of a population upper-limit of 75 million people in 1991, the LDC category only includes small countries, which, in general, tend to assume “the default position of living below the threshold of global attention” (Payne, 2004: 623). This means one of three things: (i) international recognition that small countries face special problems and, hence, need special help; (ii) developed countries’ unwillingness to give preferences to countries that really matter, so as to not weaken their own power position; (iii) other non-LDC, more advanced developing countries’ interference so that special measures would only be provided to countries that could not make significant use of them anyway and, with this, not threaten their power position.

3 Conclusions and avenues for further research

Limiting the number and type of countries on the list meant limiting the responsibility of those expected to provide them with special benefits (i.e., donors). The creation of the LDC category - as significant as it might have been in demonstrating UN's readiness to approach the developing countries group as a more heterogeneous group, breaking with past policy and *modus operandi* - did not upset the general structure of the world order, nor did it go against mainstream development thinking. It was, however, a relevant step away from "old ways of framing the international politics of development ... grounded on a very basic, really rather crude categorization of states" (Payne, 2001: 6). In particular, it addressed the oversimplification and unrealistic homogeneity so intrinsically present in previous analytical models.

The creation of the category in those specific terms (i.e., non-legally binding benefits to be delivered to small and economically and politically insignificant countries) was indeed a success from the perspective of both donors and more advanced developing countries. It was built off the three worlds' model - which, more than developmental (or even economic), was a political approach to world structure - and, thus, it protected the position of major world powers (concerned with maintaining as much as possible the *status quo* and protecting economic, political and strategic interests). To them, the creation of the LDC category could indeed be supported, but never unconditionally nor in detriment of their own interests. Likewise, more advanced developing countries could not agree to a category that excluded them and included some of their direct competitors and, hence, settled for an all-in-all harmless deal, which would not significantly jeopardize their interests. Having the category set up in those specific terms seems to have been the best of all evils. Apparently, it was either that way or no way at all.

Thus, to a certain extent, the creation of the LDC category as proposed by UNCDP did move conventional wisdom further, since, in a way, it successfully addressed, even if unintentionally, criticism regarding the unrealistic Third World homogeneity, according to which countries were lumped together and treated indiscriminately. Furthermore, it might have been a move to (try to) do away with the political connotation in which the concept of the Third World was so tightly wrapped around. By making inclusion into the LDC category dependent on a set of technically-constructed indicators that only addressed quantifiable factors, the process of gaining LDC status became - at least apparently and, most certainly, in its narrative - essentially mechanical and rules-based, as opposed to political, arbitrary and power-dependent (e.g., moved exclusively by donors' interests) and, therefore, less open to discussion than otherwise.

So, *what was the motivation behind the UN decision to establish the LDC category?* Implicitly, LDC discourse points to normalization of international assistance (i.e., provision of a norm for the allocation of this assistance - being it in the area of trade or aid; both extremely permissible to donors' national motivations and, hence, susceptible to function mainly as foreign policy instruments). This means that by building an understanding around the idea that international assistance should be primarily directed to those classified as LDCs, the UN

expected to reduce the political nature (or the unpredictability) of donors' development policy decisions and, with this, guarantee a successful *Second Development Decade*. However, the implementation of this understanding was compromised by both donors' and other non-LDC developing countries' lack of altruism. This generated a category of small and economically and politically insignificant countries. Thus, in terms of analytical approaches, while the LDC project as envisaged by the UN fits into a global society/interdependence/cooperation narrative and discourse, its implementation happened in the real world of international political economy where (the constant quest for) power dictates behaviours.

The establishment of the LDC category represented an important step towards greater recognition of the plight of the most disadvantaged countries and the need to treat them differently and more favourably. Indeed the idea behind the category did represent a significant advance in that direction. However, its operationalisation has not allowed the category to live up to its main philosophy as indicated by the extremely low number of graduation cases. Clearly, without the fulfilment of its political foundation, the LDC category remains an unrealized exercise; nowadays rooted, essentially, in efforts to keep alive the considerable bureaucracy that over the years has become associated to it.

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