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‘An international monetary system for the Global South: UNCTAD and the reform of Bretton Woods’

This paper revisits the debate regarding the provision of world liquidity in the 1960s with the left-wing intellectuals’ challenge on Bretton Woods. It analyses how they linked the contemporary international monetary system with the trade which would benefit the economic development by the Global South. Then it examines the United Nations Conference on Trade and Development (UNCTAD), an international organisation for less-developed-countries (LDCs), as a public-sphere to challenge the existing governance of the world economy. In doing so, it reconstructs a new narrative from the view of left-wing experts and presents an alternative account on the history of Bretton Woods from the view of Global South.

One of the key issues regarding Bretton Woods was the provision of world liquidity. The Triffin dilemma, for example, claimed the vulnerability of contemporary international monetary system based on a national currency of the US dollar. As in the case of mainstream economists, the left-wing proposals for a reform of international monetary system such as the Stamp Plan speculated possibilities of securing enough liquidity commensurate with the world economic growth. In particular, they examined ways to link the international monetary system with trade and aid to facilitate efforts by developing countries for economic development. Also, they sought the creation of a new unit of reserve currency and the reform of the International Monetary System to achieve a system to serve the needs of LDCs. While these ideas were marginalised by monetary authorities of the Global North, social democrats in Western Europe and economists in Latin America continued the endeavour. And UNCTAD provided a permanent venue in which alternatives to Bretton Woods was to be discussed. For example, in its very first meeting in 1964, *The case for an international commodity reserve currency* was submitted by Albert G. Hart, Nicholas Kaldor and Jan Tinbergen. This report challenged the existing paradigm for the international monetary system with a proposal to introduce primary commodities such as cocoa in the collective reserve unit, which were less restrictive than gold in the provision of liquidity for LDCs. It also proposed a new Bretton Woods to facilitate sustainable growth of international trade based on multilateralism, not power politics by developed countries.

Based on archival materials from UNCTAD, the UK government, trade unions, and political organisations including the Labour Party and the Fabian Society, and the Bank of England, this paper attempts to bring in accounts of left-wing politics, their intellectual network and the agency of Global South in the history of the international monetary system. It not only understands contemporary politics regarding Bretton Woods but also re-examines its cultural assumptions regarding gold (or the US dollar) as a key to the governance of the world economy, which exposed conflict of interests between the Global North and South. It also seeks to place UNCTAD as an alternative institution for the governance of the world economy against Bretton Woods in the 1960s.

The author has finalised the archival work and is currently writing an article-length draft.