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"South-North"

[Notes for Remarks

by

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to

[The AUCC Conference on the Expanding Role of Universities in
International Cooperation

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M. Tillett, invités distingués. Mesdames et Messieurs. Mes Amis. Vous tous. Bonsoir.

C'est pour moi un grand plaisir d'être parmi vous ce soir. Comme vous le savez, je me considère comme professeur en congé, un long congé - depuis 21 ans - mais un congé néanmoins, j'espère. C'est toujours un honneur de recevoir une invitation de l'AUCC, surtout d'assister à une conférence sur le sujet du développement. Je suis très content aussi de reconnaître ici la présence d'un grand nombre de collègues du CRDI, anciens et actuels. Les membres de notre conseil international des gouverneurs - Walter Kamba, Alex MacDonald, Louis Berlinguet; des associés de plusieurs nationalités du Sud et du Nord - trop nombreux pour les mentionner tous, sauf, bien sûr, Tony Tillett.

We are approaching the anniversary of the release of that remarkable Parliamentary report crafted by Dr. Bill Winegard and his committee colleagues on the subject of Canada's ODA policies and programmes. The report is inciteful, comprehensive, and persuasive. A welcome and necessary further step to the pioneering work undertaken by the Breau Committee some years ago. The Winegard Committee learned from Canadians coast to coast that there is an immense reservoir of understanding and good will in this country directed to the plight of the developing countries. I've contended for many years - and I think correctly - that

Canadians are, and have been, out in front of their governments and politicians on this issue. Nevertheless, I share Dr. Winegard's musing in a Committee hearing last month whether Canadians are yet aware of the global implications of South-North relations. Those implications reveal not an interdependence - which is undoubtedly there - but a growing dependence of North upon South. Unless this sinks in, unless this perspective is acted upon - and quickly - the North at the turn of the century will be a much less pleasant, much less confident, much less prosperous, much less human, sector of the planet.

Words get us in trouble. Perhaps because, as Goethe wryly observed, "When ideas fail, words come in very handy." Just as I often wish that the phrase "foreign aid" had never been coined, so I worry about the phrase "North-South relations" first used some 30 years ago by Sir Oliver Franks, then British Ambassador to the United States. "North-South" like all word groupings, conjures up a focus or an ordering of priorities, even a suggestion of dominance: North-South, master and servant, husband and wife, doctor and patient, heaven and earth - or, as you will point out, East-West, which reflects clearly the West's then and sometimes still hypnotic fear of the menace and assumed power of communism.

My message this evening, and I make no claims to originality, is that any number of vital interests of the

Northern countries are now at risk because of the economic stagnation and diminishing standards of living endemic in the South. These interests are the environment, economies, security, and culture. In many instances, the issues are structural or systemic and have proved - as with the debt issue - not to be amenable to tinkering or to "muddling through", the recent exultant policy of the North. The issues must be viewed in the aggregate, but addressed in the disaggregate. Above all the North must exhibit, perhaps for the first time in history, an element of humility and an effort comprised of cooperation and coherence. The alternative could be as destructive of Northern interests as any event in recorded history.

Thus my phrase "South-North."

The North has discovered the South any number of times over the centuries, given it - or parts of it - a variety of names (sometimes in error), and defined its own interests almost always from its own exclusive perspective (but generally voiced in universal terms). Curiosity, greed, fear, evangelic fervour, the zeal to civilize: the motivation for contact or disengagement has ranged from the loftiest to the most base. Northern observers have generally chosen the more generous interpretation; Southerners much less often shared the same point of view.

South-North economic linkages have proved the most enduring, and have taken several forms. Trade has been foremost: generally consisting of commodities from the South - spices, fibres, precious metals and gems, beverages, slaves, sugar, tobacco; generally, manufactured goods from the North - trinkets, cloth, weaponry, implements, machinery. During the industrial revolution a global pattern of trade evolved which led to the seeking of commercial advantage. Not vis-à-vis the Southern trading partner; that was assumed. Against Northern competitors. The protection and securing of obtained interests followed. Initially against northern rivals and adversaries, local ruling classes and occasional brigands; later against religious sects and sometimes entire local populations. From time to time the North settled segments of its surplus population in the South: forcefully, as to America and Australia; with encouragement as to Canada and parts of Africa.

Always from North to South, infrastructure was installed, principles of governance introduced, technologies transferred - and always with the assumption that the northern techniques and technologies were superior, were relevant, were transferable, were sustainable. Much more frequently than admitted, these assumptions have proved false.

In South-North terms, the year 1945 was a turning point both in activities and in expectations. Throughout the

South, long-festering independence movements burgeoned into prominence. In the North, a sterile bifurcation began to divide East and West. Interests were defined increasingly in terms of security and stability. Not surprisingly, the interpretation of security and the criteria for stability tended to assume different images when viewed from the North or from the South. Of the human attributes, arrogance has not been absent in either hemisphere. Humility, however, has seldom been present in the North as it looks South. The absence of this trait, unless overcome, will continue to weaken the North both in image and in substance, and will be critical to Northern welfare as the century turns.

From Hannibal to Franco, as impermanent historically as any condition in the North have been those attempts to maintain political stability and social tranquility through the application of armed force. Nowhere, at no time, have such circumstances endured. Yet advocates of military might remain active today. In the face of historical evidence, concepts of militarism are projected southwards. Across chasms of human misery and hopelessness as well as into the foundations of societies that are illustrating their success in industrial innovation, military prowess based on Northern military hardware is held out as a panacea against calamity.

Where once the Northern powers established with

confidence their outposts of empire and influence - in Africa, Asia, Latin America, in islands everywhere; where once they dealt mercilessly with pirates and assertively with adversaries, they now give the impression of fearing the South as a source of commercial rivalry, of contraband narcotics, of illegal immigrants. Again and again, governments of the North categorize those of the South not on a friendship scale denominated in terms of human dignity and democratic values, but measured on a barren template of allied commitment and anti-communist rhetoric. In the result, a process of withdrawal threatens from both ends. Fortresses of protectionism entice - the transparently ludicrous assumption that this planet with its single biosphere can be divided and quarantined effectively against one or more of unwanted goods, diseases, peoples, currencies, or environmental degradation.

The peoples of the North observe the rapid destruction of the world's rainforests, the advance of the deserts, and the explosion of populations either with indifference or with a smugness rooted in our assumption that we act otherwise in our hemisphere. In our understandable concern over issues of debt, the penetration by the NICs of Northern markets, the maintenance of defensive alliances, we in the North seem to be unaware of the diminishment of effective government in country after country in the South, of the growing strength and attraction of tribalism, of fundamentalism, of factionalism. We

encourage military solutions to socio-economic problems and vigorously promote weapons sales and defence industries even as terrorism proliferates and savage practices escalate. We miniaturize and multiply our weapons of mass destruction on the naive assumption that their possession and use can be monitored and controlled indefinitely.

We seem as oblivious to the abject misery of hundreds of millions of fellow humans and to the human rights practices of many Southern governments (so long as they profess to be anti-communist) as we are to the extraordinary range of Northern dependencies upon the South. During the past decade, in one of history's most striking ironies, social and economic indicators have fallen in real terms in many countries of the South, at the same time as Northern vulnerability to Southern issues has increased.

And in all, it is rare that we regard the peoples of the developing countries as individuals, even rarer that we treasure their genius, their talent, their potential as contributors to our own richer lives.

One of those rare instances occurred last year on the occasion when mathematicians worldwide celebrated the centenary of the birth of Srinivasa Ramanujan, arguably the most brilliant mathematician in all history. Decades before the computer era,

Ramanujan devised a formula for π with such accuracy that when tested on a super mainframe half a century later, it proved accurate to 17 million places. This man was born of humble circumstances in India and against all odds attended a school and came to the attention of a British teacher. Much more easily, he could have sunk into the poverty that surrounded him and never surfaced, perhaps never even survived beyond infancy.

Prof. Richard Askey of the University of Wisconsin has written that "Ramanujan is important not just as a mathematician but because of what he tells us that the human mind can do. Persons with his ability are so rare and so precious that we can't afford to lose them. A genius can arise anywhere in the world."

From the perspective of the governments of the industrialized countries, one gains the impression that North-South relations have resumed their secondary role, debated once again in an atmosphere marked by shortness of temper and frequency of accusations. Little noticed is the extraordinary imbalance that has developed between North and South, the immensity of the resulting disequilibria, and the dangers they present. Disequilibria are destabilizing in any dynamic where a controlled outcome is desirable. Disequilibria make unsustainable the continuance of the status quo; they lead to inevitable, often unpredictable, sometimes uncontrollable change.

In South-North terms, disequilibria are evident in several categories. All of them demand some balancing or compensating mechanism if the often savage and unforgiving natural, economic or social forces seeking equilibria are not to emerge and become dominant.

The most obvious of the disequilibria in the relationships between South and North are population, economic wealth, scientific activity, and military power. The most obvious consequences of those disequilibria are environmental degradation, economic uncertainty, social unrest, and political instability. As in the interaction of all phenomena when left unattended, momentum may become irreversible. In the most tragic of scenarios, error may become irremedial. Because of the interaction of these phenomena and the speed with which they evolve, the force of their impact and the unpredictability of the consequences are compounded synergistically. Let me say a word or two about the first three on that list: population, economic wealth, scientific activity.

(i) Aspects démographiques

Le 11 juillet 1987, la population mondiale a passé le cap des 5 milliards. Et dans les 291 jours qui se sont écoulés depuis, la croissance démographique nette a été de plus de 64 millions, chiffre supérieur à la population de l'Allemagne de l'Ouest. Or, la planète n'a pas grossi et ne grossira pas pour s'ajuster à cette croissance. De fait, à certains égards, elle rétrécit, puisque la superficie des terres arables décroît sans cesse. Au cours de la même période, la superficie des terres arables a diminué de presque 1,8 millions d'hectares, ce qui est plus grand que la superficie du Swaziland.

Selon les prévisions généralement acceptées, en l'an 2000, la population du globe atteindra les 6,2 milliards, dont 4,9 milliards dans les pays en développement et 1,3 milliards dans les pays industrialisés. Il y a là un grave déséquilibre.

Un des éléments qui contribuent à rendre ce déséquilibre démographique encore plus instable est la composition de cette population. D'ici l'an 2000, 51,2% de la population mondiale vivra dans les villes. Quarante-cinq des 60 plus grandes villes du monde se retrouveront dans l'hémisphère sud, et 18 d'entre elles compteront plus de 10 millions d'habitants. Une écrasante majorité des habitants des villes du Sud sera très jeune. En effet, alors que dans le Nord, la

population vieillit, dans le Sud, c'est tout le contraire qui se produit. En l'an 2000, dans les pays en développement, 35% de la population totale sera âgée de moins de 14 ans. En nombre sans cesse croissant, ces jeunes se retrouvent dans les rues: abandonnés, sans scolarité, sans emploi, hors toute norme sociale et sans loyauté aucune sauf envers leur propre clan, idéologie ou fanatisme religieux.

(ii) La richesse économique

On reconnaît depuis déjà longtemps l'existence de grandes disparités de richesse et de revenu entre les nations. Mais ces derniers temps, un nouveau facteur a refait surface. Il s'agit des transferts financiers du Sud vers le Nord, réémergence d'une situation qui était courante autrefois, dans les débuts de l'ère coloniale.

Depuis 1970, la dette extérieure des pays en développement, sous toutes ses formes, y compris les obligations envers le Fonds monétaire international, a pris des proportions gigantesques. A l'heure actuelle, elles se chiffrent au total à plus de 1,2 billion de dollars américains, pour la plus grande part en monnaie américaine. Les paiements du service de la dette se sont multipliés par plus de dix au cours de la même période. Et la hausse des taux d'intérêts a été telle que les versements d'intérêts représentent maintenant plus de 50% du service de la

dette. La plupart des pays du Sud, qui souffraient simplement autrefois d'une pénurie de liquidités, sont maintenant devenus insolvables.

Le degré de risque sans précédent auquel sont exposées les banques privées a eu pour effet de réduire considérablement le volume de nouveaux crédits consentis aux pays en développement. Cette situation, se combinant aux efforts pénibles mais efficaces de la majorité des pays débiteurs pour rembourser leurs dettes, a entraîné un brusque revirement de la situation, des transferts négatifs nets ayant été enregistrés chaque année depuis 1983. En 1985, le flux négatif net (c'est-à-dire du Sud vers le Nord), était de 31 milliards de dollars US. Exprimé en termes de compte courant uniquement, le solde des pays en développement était de -45 milliards. Depuis 1985, le flux négatif a continué, et se fait sentir particulièrement à la Banque mondiale et au FMI. Les transferts nets de la Banque mondiale aux pays en développement sont passés de -2,6 milliards, en 1985, à +350 millions, en 1987, tandis que ceux du FMI sont passés de -2,7 milliards, en 1985, à -8,6 milliards, en 1987.

La continuation de transferts nets de cette amplitude des pays en développement vers les pays industrialisés et les institutions financières internationales n'est pas viable. La dépendance structurale croissante des pays du Nord envers ce type de transferts est dangereuse. Il y a là un grave déséquilibre.

(iii) L'activité scientifique

Vers la fin des années soixante, les enquêtes de la Commission Pearson révélèrent que les dépenses consacrées à la recherche et au développement en Amérique latine, en Asie et en Afrique venaient bien loin derrière celles des pays industrialisés. Selon une étude antérieure réalisée par les Nations Unies, on estimait même que de tous les fonds consacrés à la Recherche et Développement de par le monde, moins de 3%, étaient dépensés par les pays en développement. Cela signifie que les communautés scientifiques de ces pays ne comptent pas suffisamment de membres pour être en mesure d'identifier les problèmes, et encore moins de les traiter adéquatement en y appliquant toute la gamme des sciences naturelles et sociales. A une époque où la technologie avance à pas de géant, le fossé entre les capacités du Nord et du Sud s'élargit rapidement.

Cette lacune est particulièrement inquiétante à la lumière du fait incontestable que la technologie, tout au long de l'histoire, a été le plus efficace de tous les facteurs de changement. Les connaissances dont nous disposons maintenant dans les domaines de la production agricole, des soins primaires, de la pédagogie ou de l'analyse économique ne sont pas simplement transférables; elles doivent être absorbées par les pays en

développement et utilisées d'une façon qui respecte leurs conditions géographiques et culturelles particulières. Ces connaissances doivent pouvoir s'enraciner dans les pays en développement pour y croître et permettre l'évolution des techniques les plus récentes des sciences biologiques et des sciences pures, sans quoi les occasions d'emploi et les avantages que promettent ces techniques ne pourront pas se concrétiser. Il reste encore énormément de chemin à parcourir.

Selon les données de la Conférence des Nations Unies sur le commerce et le développement (la CNUCED), une immense proportion des scientifiques et des ingénieurs du monde est concentrée dans le Nord. Ces personnes comptent pour 95 habitants sur 10 000 dans les pays en développement, 285,2 pour 10 000 dans les pays industrialisés à économie de marché et 308,2 pour 10 000 dans les pays de l'Europe de l'Est. On ne sera pas étonné d'apprendre que ces 95 scientifiques et ingénieurs par 10 000 habitants ne sont pas répartis uniformément dans les pays en développement, mais plutôt, qu'on est arrivé à ce chiffre en faisant la moyenne entre l'Asie, qui en compte 157,6 pour 10 000, et l'Afrique, qui en compte 9,6 pour 10 000. Dans le cas des techniciens, la situation est encore pire, l'écart entre le Nord et le Sud étant de 10 contre un.

Les pays en développement comptent moins de 1,5 scientifiques, ingénieurs et techniciens travaillant en Recherche

et Développement par 10 000 habitants, alors qu'il y en a 16,6 par 10 000 dans les économies de marché du Nord. Il s'ensuit que les dépenses de Recherche et Développement en proportion du PNB sont beaucoup plus élevées dans le Nord. En Afrique et en Amérique latine, cette proportion n'est que de 0,2%, et en Asie, de 0,5%. On ne remarque d'ailleurs aucune croissance significative à cet égard au cours des deux décennies qui se sont écoulées depuis la Commission Pearson.

Cette apparente inaptitude des pays en développement à améliorer la qualité de leurs ressources humaines, et à consacrer à cette fin une proportion suffisante de leurs dépenses, condamne ces pays à continuer à poursuivre dans un proche avenir des activités économiques démodées et de moindre valeur, et pour lesquelles la demande décroît continuellement sur le marché mondial. En termes humains, cela signifie que l'étau de la pauvreté absolue ne relâchera pas son emprise et que les effets de la sous-alimentation et la maladie persisteront. Et les répercussions de cet état de choses se feront sentir à l'extérieur des pays en développement eux-mêmes, car il n'est pas possible de les y contenir, même s'il était moralement défendable de le faire, ce qui, manifestement, n'est pas le cas.

Les conséquences de ce déséquilibre prennent de multiples formes : alors que les pays en développement s'opposent à l'inclusion des services et de la propriété intellectuelle dans

les négociations commerciales multilatérales amorcées en Uruguay; sur les marchés boursiers mondiaux, qui reflètent la capacité décroissante des pays en développement à absorber les importations de produits manufacturés de haute technologie, à prix élevé; dans les systèmes d'assurance maladie de l'Europe et de l'Amérique du Nord où des dizaines de milliards de dollars doivent être consacrés chaque année à maintenir en vie des personnes atteintes de maladies incurables après avoir été infectées par un virus d'origine étrangère.

The processes reactive to these or other disequilibria are not always predictable, sometimes not even discernible during real-time human observation. The political unit of time measurement in the industrialized democracies is four, at the most, five or six years. Events that mature on a longer cycle are seldom visible, and are certainly not influential, in the time-frame occupied by decision makers. Absent the political equivalent of time-lapse photography, governments of the North are unlikely to commit resources now to influence or control events in the distant future. If development is investment, as we encourage the developing countries to believe, we in the North offer all-too-little evidence of our own commitment. All the while, inexorably, the momentum of events continues apace, threatening in some instances to become irreversible.

South-North is a web that is diverse and complex. To understand it, to ensure a constructive outcome, is as demanding a task as any that faces humankind. I have not the slightest doubt that it is the most important as well, for it subsumes - or inevitably will subsume - all the others. It is a task that is demanding not only because of substance, but because of attitudes both North and South. We may be most in peril because the momentum of events is as yet in excess of our willingness to respond.

In these respects there must, and quickly, be changes in the North, changes of a kind that Canadian universities and colleges are exceedingly well-equipped to launch and advance. For reasons of simplicity - that oft-times enemy of the intellect - I have categorized them as A3.

The first A - awareness - of the magnitude of the issues; of the momentum of events.

The second A - attitude - our appreciation has largely been deficient, our assumptions are often incorrect and usually incoherent, our policies are as a result less than wise.

The third A - action - massive cooperative interventions are necessary, and soon.

IDRC intends to take every occasion to project this message. It counts heavily on the inputs of Canadian scholars in their own and in Centre-assisted research to amass the body of conceptual and empirical evidence necessary to stimulate the vital changes on which the future of both North and South depend.

One avenue we shall examine, building upon the CIDA initiative to fund centers of excellence, is the support of some research dedicated to these macro aspects of South-North, to produce the empirical and theoretical evidence to place in proper perspective - and to give proper weight - to this vital axis of human relations.

It was only last century that Kipling wrote of "East is East and" etc. The vast majority of you in this room who possess Asia-sourced electronic gadgets know that that view of the world is no longer accurate. In our interests in this century, in the interests of all children worldwide for the next century, it's time we realized that the old concepts of North-South are equally invalid.

Scholarship has an indispensable role to play.

A few days ago in Tokyo I addressed the Trilateral Commission (of which, I hasten to add, I am not a member) in these terms but in considerably more detail. I cannot claim to

be responsible for the stock market plunge a day or so later, but neither was my paper given a Pollyanna award. To those who suggested that I was a doomsday purveyor, and there were some, I replied that I had initially intended for their benefit to give my paper a sub-title, a quotation from Malcolm Forbes, of "capitalist tool" fame, which seemed to me to be a fair warning to the North as a whole. His quotation: "By the time you've made it, you've had it."

I told the members that I'd deleted the quotation a couple of days earlier. Why? Because Mr. Forbes himself proved that there are exceptions to every rule and every forecast. While I was in Singapore, Mr. Forbes arrived, accompanied by his companion, the new Elizabeth Taylor. The entourage transferred from Mr. Forbes' private Boeing 727 to his waiting private yacht and to delights that can only be imagined by the more impecunious among us.

The purpose of scholarship, as it always has, includes the pursuit and the revelation of truth. I congratulate you on your efforts to that end here in Montreal, and pledge my and IDRC's continuing encouragement.

Merci.

i) Population

On July 11, 1987 the world's population passed the 5 billion mark. In the 291 days since, a net growth of more than 64 million has taken place, greater than the population of West Germany. The size of the planet did not increase, nor will it. In some respects, the planet has become smaller. The amount of arable land is actually decreasing. In those same 291 days, arable land diminished by almost 1.8 million hectares, an area larger than Swaziland.

Accepted projections distribute the population for the year 2000 - 6.2 billion - as 4.9 billion for the developing countries, 1.3 billion for the industrialized countries. This is disequilibrium.

A contributing element to the already unstable nature of this population imbalance is its demographic composition. By the year 2000, 51.2% of the world's population will be urban. Forty-five of the 60 largest cities will be in the South, 18 of them larger than 10 million. The residents of southern cities overwhelmingly will be young. While in the North, populations are aging, the reverse is the case in the South. In the developing countries, 35% of the total population will be under 14. In ever-increasing numbers these youths find themselves on the streets: abandoned, uneducated, unemployed,

alienated from any societal norms, without any loyalties except to their own gang, or their own ideology, or their own religious zealotry.

(ii) Economic Wealth

The broad inter-state disparities in wealth and income have long been recognized. A new factor has recently re-emerged: financial transfers from South to North. Re-emerged, because this was a common occurrence in earlier colonial periods.

Since 1970, developing countries' external liabilities of all kinds, including obligations to the International Monetary Fund, increased immensely. The current total is in excess of US\$1.2 trillion, the greater part of it denominated in U.S. dollars. Debt service payments have risen more than ten-fold in the same period. Rising interest rates have resulted in interest payments accounting for more than 50% of debt servicing. What was once a condition of illiquidity in much of the South has now become a condition of insolvency.

The unprecedented exposure of the private banks has reduced considerably the volume of fresh credits. This, combined with the successful, though painful, servicing efforts of the majority of debtor countries has led to a sharp reversal of the earlier transfers, with negative net transfers recorded

successively since 1983. In 1985, the net negative flow (i.e., from South to North) was US\$31 billion. Measured in terms of current account alone, the figure for developing countries is in excess of minus 45 billion. Since 1985, this negative flow has continued and is particularly evident in the World Bank and the IMF. World Bank net transfers to developing countries have increased from -2.6 billion in 1985 to +350 million in 1987. IMF net transfers to developing countries have gone from -2.7 billion in 1985 to -8.6 billion in 1987.

Continuing net financial transfers of this magnitude from the developing countries to the industrialized countries and the international financial institutions are not sustainable. The increasing structural dependency of Northern countries upon this type of transfer is dangerous. This is disequilibrium.

(iii) Scientific Activity

In the late sixties, the enquiries launched by the Pearson Commission revealed that expenditures committed to research and development in Latin America, Asia and Africa lagged far behind the outlays in the industrialized countries. An earlier United Nations study estimated, on the basis of admittedly uncertain data, that of all funds committed to R & D worldwide, less than 3% were expended in the developing countries. Expenditure at these levels means that the indigenous

scientific communities are inadequate in size even to identify problems, let alone deal with them effectively across the entire spectrum of natural and social sciences. In an age when technological advances are occurring with breath-taking speed, the gap in scientific capability between North and South is rapidly widening.

This lack of capability is particularly distressing in light of the incontestable fact that technology, through history, has been the most effective of all agents of change. The knowledge now available with respect to agricultural production, primary health care, pedagogy, and economic analysis is not simply transferable but needs to be absorbed by developing countries and utilized in geographically and culturally sensitive fashion. Indigenous developing country roots must be put in place to permit the evolution of the newer biological and physical sciences technologies. In their absence, the employment and benefit opportunities which these technologies promise will not be obtained. There is an immense distance yet to travel.

UNCTAD figures show that the distribution of scientists and engineers worldwide is overwhelmingly concentrated in the North. The rate per 10,000 inhabitants is 95 in the developing countries compared with 285.2 in the industrialized market economy countries and 308.2 in the Eastern European

countries. That average figure of 95, not surprisingly, is not evenly distributed. The range is from 157.6 in Asia down to 9.6 in Africa. The figure for technicians is even more dramatic, revealing a difference between North and South of an order of magnitude of 10.

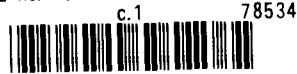
The numbers of scientists, engineers and technicians engaged in R & D in the developing countries is less than 1.5 per 10,000 inhabitants, compared with 16.6 in the market economies of the North. It follows that R & D expenditures as a percentage of GNP are heavily in favour of the North. In Africa and Latin America the figure is only 0.2%, and in Asia 0.5%. These show no significant increase in the two decades since the Pearson Commission.

The apparent inability of the developing countries to enhance the quality of their human resources, and to dedicate for this purpose a meaningful fraction of financial expenditures, condemns those countries for the foreseeable future to pursue outmoded, low-value economic activities increasingly irrelevant to world market demand. In human terms, it means that the grip of absolute poverty will not be eased and that the scourges of malnutrition and ill-health will persist. The effects of these circumstances are not containable within the developing countries even were that morally defensible, which demonstrably is not so.

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in the Uruguay round of the multilateral trade negotiations as
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proprietary knowledge; in the world's stock markets as they
reflect the declining absorptive capacity of developing countries
for imports of high-price, high-tech manufactures; in the health
care systems of Europe and North America where tens of millions
of dollars must be dedicated each year to life-support systems
for incurably-ill persons infected with a virus of foreign
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