

## TOWARDS A NEW INTERDEPENDENCE OF NATIONS

LEWIS PERINBAM

North and South: towards a new interdependence of nations was the theme of the Sir William Meyer Endowment Lecture delivered by Lewis Perinbam at the University of Madras, India, in August 1981. This article is extracted from the third lecture, entitled "Interdependence in the future". The first two lectures dealt with past and present trends.

Lewis Perinbam is Vice-President of the Canadian International Development Agency.

**F**uture historians will probably describe the 20th century as the century that placed the first human being on the moon, but could not provide for human well-being on earth; that demonstrated during the Second World War that nations could devote 30-40 percent of their Gross National Product to the war effort, but were unwilling, despite their enormous productive capacity and financial power, to devote one percent of their GNP to the greatest war of all, the war against world poverty.

Fortunately, there is now widespread recognition, even in the North, of the plight of the South and the need for institutional and other major reforms. For

example, one of the most important reports of our time, *North-South: a program for survival*, recognizes that the countries of the North are as vulnerable today to the forces of change as the countries of the South. The report underlines the urgency of creating conditions for a new frame of reference based on a community of interest. As the report puts it: "Economic growth in one country depends increasingly on the performance of others. The South cannot grow adequately without the North. The North cannot prosper... unless there is greater progress in the South."

People in the developing countries are often baffled

by the apparent intransigence of the North and its unwillingness to make significant changes in the status quo. This merits answer and I shall try to offer some comments.

First, there is widespread recognition in the North that aid is necessary to improve the lot of the developing South. This is shown not only by the billions of dollars that have been channeled through bilateral and multilateral aid programs on a government-to-government basis, but also by the more than one billion dollars, most of it untied, that flows annually to the developing world through the nongovernmental agencies as a result of voluntary giving by individuals.

However, aid funds come from the taxes of our citizens and taxes are regarded as a sacrifice the world over. They have to be allocated in the face of competing claims from a variety of sources, especially for domestic needs. If aid money does not reach the poor in the developing world whose condition it is intended to alleviate, as is sometimes the case, or is misused to benefit the privileged in the developing world, or used in other questionable ways, it causes resentment.

People in the developed world also find it hard to understand why some developing countries that were self-sufficient in food 20 years ago now find it necessary to import a million tonnes of food grains annually, or why a country like Zaire that was a net food exporter 20 years ago spends \$300 million a year — one third of its total export earnings — on food imports.

Second, people in the North are disappointed by the apparent reluctance of

many developing countries to pay greater attention to basic needs in their societies. For instance, the World Bank quadrupled in real terms its lending in basic needs categories from 1970 to 1980, but it found that less than 20 percent of the benefits of these programs have gone to the absolute poor in the developing countries. In these circumstances, it is sometimes argued that if the international economic order is altered in tune with the demands of the South, such changes will only increase the hold and power of corrupt or inefficient governments and thus perpetuate poverty and inequalities.

Third, the North rejects the notion that it "owes" compensation for the exploitations of the colonial era and the profits made by private commercial interests. The feeling of the South that it has a "moral" right for redress of what it perceives to have been economic injustices in the past falls on deaf ears because this way of thinking is alien to the North.

Fourth, in expecting the South to make more rapid economic progress in the light of the aid it has received, the North has difficulty in understanding the burdens of backwardness that three centuries of colonial rule have imposed on the South. People in the North often cannot appreciate that the damage of colonial rule will take many generations to overcome and that those who have been corrupted to lead servile lives cannot become creative and productive citizens overnight. They do not always realize that the former metropolitan powers of the North have contributed, in large measure, to the under-



development of the South.

Fifth, the spectre of growing unemployment is prompting many countries of the North to turn increasingly to protectionist measures. For instance, textiles are still one of the biggest employers of industrial labour in the European Economic Community, and provide about one out of every ten jobs in the manufacturing industry. Between 1973 and 1980 about 800 000 workers in the textile and clothing industry lost their jobs, a drop in employment of about 25 percent.

These observations suggest that the barriers to understanding between the North and the South are psychological as well as economic. They are rooted in historical and cultural attitudes prevailing in the North and in the South and must be treated with understanding and generosity. What is clear is that more international meetings, confrontations, and diplomacy are unlikely, in themselves, to bring about a breakthrough in the present impasse in North-South relations. It will require fresh approaches, humility on both sides, and a new vision of the world as an interdependent whole.

One of the factors hobbling progress on North-South issues is the notion that it is primarily a matter of the South extracting concessions from the North; this forces the participants into blocs and invites confrontation. As a result, the developing countries do not often realize their own potential for action.

I wish to offer a few ideas that I hope might stimulate thought and fresh initiatives towards finding a basis for the new interdependence which is emerging.

In the past few decades we have seen interdependence being fashioned through a variety of international, regional, and political institutions. The common feature of all these associations is that they are

governmental and reflect an institutional type of relationship. The interdependence of which I wish to speak has another dimension: It is to recognize the role of the citizen in creating the interdependent community of the future. One of the ironies of history is that citizens are usually left out of the issues that involve them most. As a result they feel a sense of helplessness and neglect and become indifferent to the actions of governments.

The kind of interdependence that is now emerging is too important and too complex to be left to governments or international bureaucracies alone. They are not usually capable of being the agents of change. Change requires the active participation of all citizens.

The new international economic order is essentially a challenge to the peoples of the world, as well as to their governments, to reorganize and restructure our world in the context of the 1980s. It is also an opportunity to find innovative and even daring solutions to problems which governments and international organizations have not been able to solve.

While individuals and communities may not be able to find solutions to global problems, they can be a starting point. But more important, they can often stimulate ideas and offer new insights of the sort that seldom come from governments and bureaucrats. To this end it might be worth creating an International Commission of Citizens, drawn from the North and from the South, to add a new dimension and give fresh impetus to the efforts of governments in the search for a new international economic order. It could be a means of involving knowledgeable citizens from the North and from the South in some of the issues that have divided governments; it could also identify ways in

which the peoples of the North and the South could undertake joint endeavours in the educational, social, and cultural fields to strengthen understanding and relations between the North and the South on a human level.

Second, and as a further step, governments, especially in the South, should give greater encouragement to the vast network of nongovernmental organizations to intensify their efforts to work together in all kinds of joint ventures. They are not "do-gooders", as smug government bureaucrats often term them, but "good doers". They play a valuable practical role by undertaking the sort of development projects which governments often ignore, or are not equipped to undertake.

Third, there is the problem of massive and widespread unemployment in the South. Governments alone will not be able to create these millions of jobs that will be needed in the future. However, the private sector, and especially small- and medium-sized enterprises, can play, as indeed they are already playing, a valuable role in job creation in many developing countries.

Fourth, it may be in the interest of the developing countries to explore the potential of private foreign investment in the development process with an open mind, for two reasons. For a start, it is unlikely that the developing countries will be able to obtain all the financing they require for their development from governments and international agencies. Furthermore, it is the private sector, and not government, that possesses much of the technology, expertise, and experience that the developing countries need so desperately.

This brings me to the role of universities in the new interdependence. The traditional role of the university and its relevance in today's society are in question. Yet, at no other time in history

has the role of the university been more important. But the university must abandon the still-lingering remnants of excessive traditionalism and adherence to the status quo that characterized its past. Today's society does not tolerate the luxury of knowledge for its own sake; it also requires knowledge to be applied to the service of humankind.

The world's present condition and the problems that beset it give universities an opportunity to be instruments of change. Our world needs the universities for their ideas and imagination. They can be the heartbeat of the world's people. They can bring the benefits of science and technology to the world's toiling masses and help build the human infrastructure for modern states.

This will call for more interdisciplinary and inter-professional studies, and the cultivation of people who are capable of adapting and integrating knowledge for today's needs, and who will do so in ways that respect cultural traditions and social values. They have to prepare new generations for social responsibility in ways in which they have never dared to do. At the same time, they will be called upon increasingly to be constructive and fearless critics of governments.

If we are to rekindle the hopes of humanity for a just and stable world, we must be unflagging in our efforts. This is a matter in which both the North and the South can and must take initiatives. If the nations of the North and the South can blend their experiences and work towards limited but attainable objectives, we may be able to edge forward, no matter how slowly, toward agreements on the vexing questions of reforms in the major trade, monetary, and financial structures and institutions which at present divide the North and South. □