

ALWAYS THIRD?

Development from
three different
perspectives

"The Third World: must it always be third?" was the question asked of five leading experts in development issues. Their answers formed IDRC's 10th anniversary lecture series, held in Ottawa during November and December of 1980.

The following excerpts present regional views from Africa, Asia, and Latin America. The full text of these lectures, as well as those by Shridath Ramphal, Commonwealth Secretary-General, and Paul-Marc Henry, former president of the Development Centre, Organization for Economic Cooperation and Development, are published in the March/April issue of *International Perspectives*, Suite 302, 150 Wellington St., Ottawa, Canada K1P 5A8.

AFRICA PERMANENT UNDERDOG?

Not only are the forecasts for the immediate future very gloomy, but the prospects for development and economic growth in Africa up to the end of the millenium are heartrending. Indeed, if these projections are to be believed, the 1960s and 1970s may, by the end of the century, appear in retrospect to have been a golden age.

Our own ECA (Economic Commission for Africa) projections indicate plainly that unless the orientation of the African economy changes, there is a danger that poverty and the attendant problems of political and social instability will become considerably worse in Africa in the next two decades.

The extreme vulnerability of the African economies, the deepening economic crisis or series of crises, and the disenchantment with the international economic system, including the growing belief that it is colonial and exploitative in its effects on the African economies, are all factors which are making an increasing number of people wonder whether the struggle for economic emancipation would not need to adopt and adapt some of the strategies and tactics of the nationalist movements. Consequently, there is increasingly widespread acceptance by African leaders that the continent has no choice but to adopt a development strategy based on achieving an increasing measure of self-reliant and self-sustaining development, based on the internalization of the factors of development, distribution, and consumption. There is a growing awareness of the fact that this kind of development can only take place if the following conditions are satisfied: the democratization of the development process; the initiation of a process of de-alienation; the creation of the right political and social environment; the recovery of self-confidence by the peoples of Africa in themselves; and the willingness to achieve effective and meaningful intra-African cooperation.

Africa today presents a remarkable paradox: on the one hand, an increasing population of mostly young, energetic people, eager to learn and to work, but without jobs, sinking gradually into poverty and despair, and, on the other hand, a staggering regional endowment of resources. The missing factors are not simply the know-how, the self-confidence, and the will to cooperate, but the lack of purposeful, single-minded, development-oriented leadership that is determined to engineer the socioeconomic transformation of the country with a minimum of delay.

As far as African countries are concerned, they have to go back to first principles of development and economic growth — knowledge of natural resources that underlie all development efforts; knowledge of population and its dynamics as the basis of factors of production, distribution and consumption; development of technologies appropriate to the use of these resources; establishment and management of relevant institutions for organizing production and distribution, and provision of the necessary factors of production and distribution; and acceptance of the relevance of political and social stability.

These ideas form the base of the Strategy for the Development of Africa in the United Nations Third Development Decade. With African countries pulling up their socks, determined to make the sacrifices needed for the achievement of these objectives, and with their leaders providing the political will, without which they cannot be achieved, the necessary external assistance should not be late in coming. With the objectives achieved, Africa should not remain forever the underdog of the world. And since African problems constitute the heart of the problems of the Third World, the Third World will not always remain at the periphery of the international economic system. It is our hope that the whole world will rise to this challenge.

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ASIA

NOT THIRD-RATE

When the phrase "Third World" was introduced to international politics by a French political scientist in the mid-1950s, it was used to describe those nations that refused to be drawn into the policy of international confrontation pursued by mutually hostile blocs. There was a certain dignity to the phrase then: a "third way" was possible in world affairs, the phrase implied. Unfortunately, the phrase has gone down in common use as a symbol, in global shorthand, to encapsulate conditions of backwardness as opposed to the comfort and overall superiority of the First World. I reject the widely prevalent connotation of "third-rate" or "third class".

Excavations have shown that India's Indus Valley civilization was highly developed. The Maurya empire developed a sophisticated system of administration, nurtured irrigation and agriculture, engaged in regional diplomacy, and was characterized by sparkling intellectual activity. Also, in Sri Lanka, the existence of a flourishing agriculture based on a network of irrigation systems that covered some 600 miles bears witness to knowledge of, and familiarity with, many sciences. All this was part of Asia's patrimony. There was nothing third class or third-rate about that patrimony.

Economic history helps to explain how the inequities of the past interact with those of the present to keep poor countries poor, despite their best efforts. The age of political liberation has not brought us economic liberation because the levers of international economic power continue to be manipulated in distant capitals. Our quest for economic liberation is thus no less than a logical and inevitable continuation of our struggle for political freedom.

Political freedom did not close the power gap between North and South countries. What political freedom gave us was parity in decision-making with those big powers and superpowers. We are able to exercise our sovereign rights to the best of our judgment, in keeping with our perception of our best interests. We do not expect economic liberation to close the gap between rich and poor nations overnight.

The quest for international partnership will make little or no difference to the lives of people most affected by disadvantages and disparities, if it is not accompanied by a parallel dynamic domestically. It is the responsibility of developing countries to construct domestic structures designed to take maximum advantage of international arrangements, and to share the product of domestic and international gains equitably.

Global initiatives, sectoral initiatives, national initiatives . . . none of these comes cheap. Development requires both a national and international effort, whether by way of nurturing equity or mobilizing resources. Economic self-interest demands that the North cooperate with the South in building new economic and financial arrangements to replace those post-World War II arrangements which are now dysfunctional.

Similarly, political self-interest requires that the North responds to the South's demand for economic liberation no less than it did to the struggle for political freedom. Anarchy, as a response to continued economic deprivation, will affect us all.

The South will not wait indefinitely for responses, whether at the global or sectoral level, from the North. There is a growing feeling of impatience among many developing countries, leading to renewed thoughts of "delinking" — getting out of the global system, and concentrating purely on South-South relationships. Do not underestimate that feeling, which bites deeply into the economic and political self-interest of the North.

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LATIN AMERICA

ACTING TOGETHER

I think that when we look at the perspective of recent years, in the first place there are new opportunities for the South in its relation with the North and we must exploit them. And, at the same time, I think that everybody is coming to the conclusion that the traditional pattern of negotiation must go more and more toward some sort of ground where mutuality of interests prevails.

In order to achieve this, we must avoid some basic temptations. In the case of the developed countries, there are two temptations which I think are creating limitations to our capacity of negotiation. One is to consider that it would perhaps be good business, in the long run, to break the unity of the South. This idea of differentiation — to divide the South and to try to bring the newly industrialized countries (NICs) into the North as new partners — is wrong politically because the NICs are not developed countries. We are still underdeveloped. If the North wants to have solid political negotiations, it must consider the South as a unity.

The second temptation is also dangerous. It is the attitude of "first, let us settle our own problems, and then let us look to the South". One thing appears clear to us: it is that the South can play an active role in settling the major economic problems of the North.

Now there are other temptations in the South. One is solitude. From time to time, some countries might believe that acting alone is good. The other temptation for the South is to delink some countries. This would be completely unrealistic.

If we escape from those temptations, both in the North and the South, then I think that the idea of building a new international economic order is a valid one. It should be based on three major pillars: a realistic exploitation of the idea of mutual benefit; a realistic approach to the problems of the less developed countries; and the real development of South-South cooperation.

In this context, Latin America appears to be one of those cases of intermediary type of development. If you look at our situation of the past 20-25 years, we have shown a vigorous capacity to mobilize our productive forces. Latin America's production today is five times what it was in 1950. Of course, there is also a dichotomy in Latin America because one-third of our population still lives in conditions of extreme poverty.

When we look at the possibilities of a pragmatic mix of the major engines of growth — internal market, regional cooperation, international cooperation, expansion of our relations with the external market — Latin America could become an active partner in the world, but not by neglecting our capacity to produce and to cooperate among ourselves. It is very different to think of a Latin America linked to the world alone than a Latin America deeply strengthening its internal capacities to cooperate, and then becoming solidly united to move in the world as a force. That is the way we see Latin America in the future.

I believe that, together with a national effort to rethink our priorities, we must continue doing our best to move into a new international economic order in which equal partners are better than a division between first, second, and third worlds. The question is to make them all capable of participating in a joint effort to move ahead, under a new international economic order, in which moral incentives go hand in hand with mutual interest.

It is not a question of asking only for moral ideals as a basis for moving ahead, it is a question of identifying the capacity for moving together and, therefore, achieving things that will be useful for us and for all the countries participating in this fascinating adventure of constructing a new world.

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