

Intellectual Self Reliance

Mahbub ul Haq

In April 1973 a group of social scientists from the developing countries met in Santiago. In a statement issued after their meeting, the group announced that they had decided "to organize an intellectual forum of the Third World" which would help make the voice of the majority of mankind better heard. The Forum was formally established at a meeting in Karachi held from January 5 to 10, 1975. It is from this meeting of about 100 leading Third World development-oriented intellectuals that the paper below, the opening statement by Mahbub ul Haq, Director of the Policy Planning and Program Review Department of the World Bank, is drawn.

No Partnership between Unequals

When we protested against deteriorating terms of trade for our countries, we were quietly informed that this was merely the workings of a free international market mechanism, and we were left to puzzle for ourselves why, by some curious coincidence, market mechanism always worked to the detriment of the poor nations.

When we embarked on our economic development, we were taught to worship the goddess of GNP growth and to chase certain per capita income targets, and when we raised questions, we were politely told that this was the essence of Western experience. We were left to discover for ourselves through our own sad experience that the character of growth and distribution of its benefits was as important as growth itself and that there could be no meaningful development for the bulk of our populations unless there was a direct attack on mass poverty and satisfaction of minimum human needs through our indigenous efforts and through our own value systems.

At the beginning of a programme of international assistance, we were assured that there would be a true partnership in development and a genuine transfer of real resources. We found out only later that there can be no true partnership between unequals and that the promised transfer of resources was both too inadequate and too burdensome.

It is rather an unpleasant truth that poor countries in the Third World have often been swindled out

of a decent return for their produce in the name of market mechanism, deprived of their economic independence in the name of world interdependence, seduced by imported life-styles, foreign value systems, irrelevant research designs—all in the name of freedom of choice. And we have also seen the same grandsounding principles change with an amazing suddenness when the shoe was on the other foot.

Principles of Convenience

When terms of trade turned for once against the industrialized countries last year, it was characterized as the beginning of a world depression and an unmanageable adjustment problem, even though it meant a transfer of merely 2% of the GNP of the developed world. But the industrialized countries conveniently forgot that the developing countries have often lost 10-15% of their GNP through the deterioration in their terms of trade in the 1960's and were forced to make a far more painful adjustment in their consumption levels at a much lower level of income.

When the OPEC nations demanded a higher price for their oil exports, it was dubbed as "exploitation" and "blackmail" rather than the workings of the international market mechanism where the price of a commodity is supposed to be determined by the opportunity cost of its substitutes. In any case, the OPEC never raised the price of oil to the consumer in the Western world but merely asked for a higher share in the price he was already paying. Even before the price

increase of November 1973, the final consumer in Europe was paying an average of \$33 for every barrel of oil and oil products. Since the cost of extraction, refining, transportation and distribution was only about \$5 per barrel, \$28 accrued as surplus rent or profits of which the OPEC members received \$2 and \$26 were pocketed by the oil companies, government taxes and royalties of European countries. Now there is no divine law prescribing such a distribution of surplus rent between producing and consuming nations. All that the producing nations demanded was that they should be paid \$8 instead of \$2 out of a surplus rent of \$28. And yet the OPEC action was not presented as a just struggle for a more equitable sharing of rent, which it really was, but as an unreasonable increase in the price of oil.

Again, when the rich nations were obliged to transfer a mere 2% of their GNP—and that too in financial rather than in real terms—they suddenly became so “poor” as to protest that they could not carry on the burden of aid to the developing countries. They quietly ignored the fact that their average per capita income was still about seven to eight times that of OPEC and that their protests were an implicit admission that whatever resources they had been transferring in the past to the developing countries were merely based on their obtaining cheap oil from OPEC.

When some of the surplus funds were used by the OPEC nations to acquire a partial control over some Western corporations, there were screams of protest from the very people who had lectured us on the virtues of foreign investment and criticized us for too much national sensitivity over issues of foreign control.

When in the political field, the majority of mankind turns today to the U.N. General Assembly for some of the political decisions to escape the tyranny of a minority veto in the Security Council, this is described as “the tyranny of the majority” rather than as the democratic expression of the will of the majority, and this by the very nations which pride themselves on their democratic principles.

One can go on compiling a list of such convenient shifts in principles which reflect either an unconscious

intellectual hypocrisy or the implicit belief that principles should only be determined to suit the interests of those in power.

Borrowed Concepts

No exploitation can continue for long except with the tacit co-operation of the exploited. I am afraid that we have allowed a minority in the developed world to shape world opinion for too long a time. If there is any fault, the fault is clearly ours.

This is where we have failed. This is where a realistic beginning must be made.

After all, what have we done to change the realm of ideas, to fashion more relevant strategies for our societies, to equip our political negotiators in international conferences with powerful ideas and concrete briefs which could become a rallying cry for the Third World?

How much work are our research institutions and intellectual forums doing today on defining concrete elements of the new economic order that the Third World seeks so ardently, so that from mere rhetoric we can pass on to specific policy action? Ironically, most of this work is still being done in the institutes of the developed world.

What international forums have we organized so far to articulate our demands in a sensible, non-polemical fashion, so as to support our case by the power of our ideas?

While we confront organized forums in the developed world protecting their own vested interests, what intellectual lobbies do we have of our own?

I am afraid the answers to these questions are not very reassuring. It is hardly surprising, therefore, that we have lived so far on concepts and thoughts largely borrowed from the West and that our own thought has often been judged by Western standards.

How else can we explain the fact that while economic development was our primary concern, it has been written about and discussed largely by outsiders?

How else do we explain the fact that the Nobel Prize, which is presumably given for excellence of

thought, is given to so few in the Third World which constitutes the majority of mankind?

Is it because we are not only poor in income but also poor in thought? Is it because we are the intellectual outcasts of the world, forever condemned to live on the periphery of international concerns?

Intellectual Liberation

I firmly believe that our national independence is neither complete nor meaningful unless political liberation is followed by economic and intellectual liberation.

Intellectual liberation is, in particular, the more difficult to achieve since many of us are prisoners of our own past training and somebody else's thought. But it is a vital part of the new order that the Third World seeks today.

In a broader sense, therefore, the Third World Forum constitutes a movement for intellectual self-reliance. On a national level, it marks a search for finding our own solutions within our own value systems. On an international level, it is an effort to organize the Third World intellectually to fight for its just demands in all international forums.

But let us make it quite clear that we come together neither in a mood of agitation nor in a spirit of protest, but to debate our problems in a serious and sober fashion.

We neither seek intellectual isolation nor needless confrontation; we seek instead to formulate concrete and constructive ideas for a more equitable and just national and international order.

We must leave today the generalities and the rhetoric behind and debate from tomorrow on the new international economic order and national development strategies—the two main items on our agenda—in very specific and realistic terms.

For our aim is a serious one. It is to help in the reconstruction of our societies by producing relevant thought. It is to re-structure the world order in such a way that the majority of mankind can have a say in its affairs. This is neither unrealistic nor immodest. It is merely the next stage in our societies' coming of age.

