

# The New Economic Order

The *Economic Review* devoted a comprehensive issue last September for discussions of the New Economic Order. In the tables and graphs below, we give succinct summaries of the reality of the Old Economic Order. In the tables relating to the GNP per capita we see the gross difference arising from centuries of unequal relationships. This is also amply collaborated by the two index on car ownership patterns and sulphuric acid consumption. Car ownership is an index of the consumption patterns and indicates the present levels of affluence in the various countries. The country's sulphuric acid production is similarly an index of its industrialisation and the percentage distribution of sulphuric acid consumption throughout the world is an indicator of the degree of industrialisation in different countries. A central issue in the discussions at UNCTAD and on the New Economic Order is the problem of the falling terms of trade, which we have dealt with extensively in two earlier issues of the Review.

Percentage Distribution of  
Total World GNP  
(from Russett)

	1950	1975
United States ...	46	33
Soviet Union ...	9½	18
Britain ...	8	4
France ...	4	4
West Germany ...	4	7
China ...	3½	7

Motor Vehicles Production

13,937,000 1958-60 a.v.  
3,980,000 pre-war

Pre-war	Percentage	1958-60 av.
63	U.S.A. ...	47
7	West Germany ...	13
9	U.K. ...	11
6	France ...	9
5	U.S.S.R. ...	4
...	Italy ...	4
6	Japan ...	3
4	Canada ...	3
...	Others ...	6
100%		100%

Source: Economic Atlas

\* Private cars (automobiles), Commercial vehicles including trucks, buses etc.

GNP PER CAPITA (US \$)

	1950	1975
United States ...	2,300	5,550
Britain ...	1,200	1,800
France ...	750	1,750
West Germany ...	600	2,900
Soviet Union ...	400	1,625
China ...	50	190
Thailand ...	85	130
Nigeria ...	70	95
Pakistan ...	70	75
India ...	70	85
China ...	50	190
Burma ...	45	125

DISTRIBUTION OF TOTAL  
WORLD GNP

(from Russett)

	1950	1975
Chile ...	5	2
Columbia ...	1000	1000
Nigeria ...	5	2
Thailand ...	1000	1000
Venezuela ...	3	7
Burma ...	1000	1000

USA got  $\frac{464}{1000}$  in 1950 and was expected to get  $\frac{330}{1000}$  in 1975.

(from Russett and Alker)

SULPHURIC ACID TOTAL  
PRODUCTION

46,181,000 tons 1958-60 av.  
14,591,000 tons pre-war

Pre-war	Percentage	1958-60 av.
28	U.S.A. ...	45
7	U.S.S.R. ...	11
14	Japan ...	9
13	W. Germany ...	7
7	U.K. ...	3
6	Italy ...	3
8	France ...	4
1	Canada ...	3
5	Belg./Lux. ...	3
1	Spain ...	2
5	Australia ...	2
7	Others ...	31
100%		100%

Source: World Economic Atlas

## The Greatest Obstacles to Economic Emancipation

The Non-Aligned Movement has now reached that stage where through its collective action the balance of global forces could be tilted in its favour. In considering a strategy to strengthen the unity and solidarity of the Non-Aligned countries and to establish a New International Economic Order the Foreign Ministers of the Non-Aligned countries who met in Lima in August 1975 summed up the essence of the problem thus:

"The Ministers for Foreign Affairs, observed, however, that progress towards economic liberation and the affirmation of sovereignty by Non-Aligned countries and other developing countries, although it has contributed to a great extent to the questioning of the present structure of international, financial and economic relations, has been systematically opposed by imperialist countries determined to perpetuate their privileged economic situation through economic exploitation of developing countries by means of unequal terms of trade and the appropriation of surpluses through repatriation of profits, interests, royalties and over invoicing by transnational corporations. And furthermore, parts of the developing world are still subjected to foreign aggression and occupation, *apartheid* and colonial domination, this being one of the greatest obstacles to the economic emancipation and development of the developing world as a whole, as well as the greatest threat to peace and security in the whole world.

"Moreover, it is the persistence of this structure of imperialist domination that has transferred the impact of the economic crisis from capitalist countries to developing countries where poverty and social problems have become more acute.

"For this reason, the Ministers of Foreign Affairs refuted with firmness accusations according to which the origin of the economic crisis was to be found in the developing countries which started to recuperate their natural resources and to improve the prices of their raw materials, where as in fact the responsibility lies with opulent societies characterised by monopoly concentration and

## THE NON-ALIGNED MOVEMENT'S 84 MEMBER NATIONS

- |   |  |
|---|--|
| 1. Afghanistan                              | 43. Liberia                              |
| 2. Algeria                                  | 44. Libyan Arab Republic                 |
| 3. Angola                                   | 45. Madagascar                           |
| 4. Argentina                                | 46. Malaysia                             |
| 5. Bahrain                                  | 47. Mali                                 |
| 6. Bangladesh                               | 48. Malta                                |
| 7. Belize                                   | 49. Mauritania                           |
| 8. Bhutan                                   | 50. Mauritius                            |
| 9. Botswana                                 | 51. Morocco                              |
| 10. Burma                                   | 52. Mozambique                           |
| 11. Burundi                                 | 53. Nepal                                |
| 12. Cambodia                                | 54. Niger                                |
| 13. Cameroon (United Republic of)           | 55. Nigeria                              |
| 14. Cape Verde                              | 56. Oman                                 |
| 15. Central African Republic                | 57. Palestine Liberation Organisation    |
| 16. Chad                                    | 58. Panama                               |
| 17. Comoros                                 | 59. Peru                                 |
| 18. Congo                                   | 60. Qatar                                |
| 19. Cuba                                    | 61. Rwanda                               |
| 20. Cyprus                                  | 62. Saudi Arabia                         |
| 21. Dahomey                                 | 63. Seychelles                           |
| 22. Egypt (Arab Republic of)                | 64. Senegal                              |
| 23. Equatorial Guinea                       | 65. Sierra Leone                         |
| 24. Ethiopia                                | 66. Singapore                            |
| 25. Gabon                                   | 67. Somalia                              |
| 26. Gambia                                  | 68. Sri Lanka                            |
| 27. Ghana                                   | 69. Sudan                                |
| 28. Guinea                                  | 70. Swaziland                            |
| 29. Guinea-Bissau                           | 71. Syrian Arab Republic                 |
| 30. Guyana                                  | 72. Togo                                 |
| 31. India                                   | 73. Trinidad and Tobago                  |
| 32. Indonesia                               | 74. Tunisia                              |
| 33. Iraq                                    | 75. Uganda                               |
| 34. Ivory Coast                             | 76. United Arab Emirates                 |
| 35. Jamaica                                 | 77. United Republic of Tanzania          |
| 36. Jordan                                  | 78. Upper Volta                          |
| 37. Kenya                                   | 79. Viet-Nam (Socialist Republic of)     |
| 38. Korea (Democratic Peoples, Republic of) | 80. Yemen Arab Republic                  |
| 39. Kuwait                                  | 81. Yemen's People's Democratic Republic |
| 40. Laos                                    | 82. Yugoslavia                           |
| 41. Lebanon                                 | 83. Zaire                                |
| 42. Lesotho                                 | 84. Zambia                               |

irrational use of technology and natural resources.

"The Ministers of Foreign Affairs recognized that the qualitative and quantitative transformation of the present system of international economic relations envisaged by the Non-Aligned and other developing countries requires the effective application of the principles of The New International Economic Order, especially that of permanent sovereignty over natural resources and the adoption of a joint strategy for reciprocal assistance, the basic foundations of which are, on the one hand, a joint action to strengthen and co-ordinate the actions of the developing countries with respect to raw materials so as to obtain their revalorisation, and to halt the disequilibrium that originates from unfavourable terms of trade as well as decisive action to establish a common approach for the treatment of foreign private investment for interested

countries, and on the other, the intensification of economic, financial, monetary, commercial, scientific, technological and cultural co-operation among the Non-Aligned themselves and the other developing countries.

"The economies of most of the developing countries are still closely integrated towards "vertical" exchange of primary products with manufactured and capital goods from the developed countries. Their economies are exposed to the changes in the developed countries which limit the ability of governments of developing countries in taking viable decisions in the course of their economic and social progress."

The effort to overcome this dependence, to restructure their economies and devise new strategies and new concepts of development calls for policies and firm action based on principles of collective self reliance.