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## Book Reviews

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Guy F. Erb and Valeriana Kallab (editors), *Beyond Dependency: The Developing World Speaks Out*, Overseas Development Council, Washington, September 1975.

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Collections of articles are always difficult to review. The range of views on different topics is usually wide and the quality of the contribution uneven. This book is no exception. It has some excellent articles, some which leave much to be desired; and it covers a fairly wide range of topics. The first of its two sections includes 10 articles by various authors; the other is made up of two annexes of official and unofficial statements concerning the international economic order. Among the statements included are the Cocoyoc Declaration of October, 1974, the Communiqué of the Third World Forum Conference in Karachi in January, 1975, the Declaration and Action Programme on the Establishment of a New International Economic Order of May, 1974 and the Charter of Economic Rights and Duties of States of December, 1974. Others included are the Belmont Statement of 1974, the declaration by OPEC of March of 1975 and that of the Dakar conference on raw materials of February, 1975. The fact that all these statements and declarations are brought together in a single book is a very useful thing and, by itself, makes the book a worthwhile initiative.

As can be surmised from the statements and declarations included, this book is primarily preoccupied with the establishment of a new international economic order which would guarantee the Third World a better deal. Underlying the book and many of its individual essays is the belief that there has been a significant change in the world situation in the past two years, primarily as a result of OPEC's actions during the October, 1973 Arab-Israeli conflict. Other factors also appear to be important in explaining the recent interest in changing the international economic order on the part of the developing countries: the growing consciousness that development entails more than just increasing GNP or mimicking developed country patterns, the grow-

ing recognition that the multinational enterprises are the principal agents of international economic relations and, finally, the growing integration of the concept of non-alignment and self-reliant development. But certainly, it is OPEC's actions which have provided the inspiration and focus of much Third World activity in the past two years.

Undoubtedly, OPEC provided the stimulus for the Third World, but it also made the developed countries aware of the need for change. Their realization that a great deal of damage could be done to their economies by the resource-exporting countries, certainly made them consider a new international order as something more acceptable. It seems reasonable to suppose that the developed countries would not have shown the least interest in the matter had they not been caught unprepared by the petroleum boycott. If as now seems probable, that situation reverts to the *status quo ante*, although perhaps with some modifications, then the whole question of a new international order will retreat into semi-obscurity. The OPEC countries have not, after all, proven to be the economic powers that they were predicted to become. Some are even in financial difficulties. Also, it could be argued that once the initial outraged reactions were reconsidered, the final beneficiaries of the increase in petroleum prices were the large multinational enterprises who not only control the processing and marketing of much of the world's oil, but are the main exporters of manufactured goods and technology to the OPEC countries. This is not to say that the OPEC countries and the Third World in general might not have benefited from the increase in prices, but we should not exaggerate its long run implications.

In addition to the annexes, the book includes 10 essays in three parts: Part I, Self Reliance and Interdependence; Part II, Critical Problem Areas and Part III, Toward a North South Bargain. In Part I, Samuel Parmar sets out to define "self-reliant development" in the context of global interdependence and deals with the problem of how compatible they may be. He hedges his answer but seems to come out on the side of compatibility. His definition of "self-reliant development" is based on three main elements: the rejection of developed country models, ensuring that social justice accompanies growth and giving priority to social and institutional changes. Of

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course, compatibility depends on how interdependence itself is defined, and this is somewhat more difficult. Soedjatmoko's paper deals with the problems of a multipolar world in which the old patterns of alignment are changed. He places a great deal of importance on the need for Third World countries to achieve some consensus among themselves if they are to achieve a beneficial international order. This is a curious paper for it seems to wish for some great power to be available to guarantee order in the international scene. He states that "None of the major powers is in a position of providing the intellectual and moral leadership now so needed to give shape to a new international system, . . . ." When one considers that it was the major powers which were responsible for the abuses which are decried throughout the book, this statement is somewhat surprising. Mazrui's paper deals with alternatives for increasing benefits to the Third World from what he calls a new interdependence. To him, OPEC provides the inspiration for Third World policy in that, for the first time, resources were seen as a means of obtaining power and not merely as commodities to be traded on the basis of rules of the game determined by the developed countries. His is an interesting piece, although I must express some doubts about his suggested policy of "counter penetration" by Third World countries by investing their surpluses in the developed economies. Not only are there very real limits to this in terms of possible influence, but it is a strategy open only to a fairly small group of countries. Besides, it is worth remembering that the experience with petroleum cannot easily be generalized to other resources.

Part II papers deal with specific topics such as population policy (Krishna Roy), ocean issues (Benson Varon), multinational enterprises (Felix Pena), the experiences with pre-cooperative village pools in Upper Volta (Soumana Traoré) and foreign investment and technology (Constantine Vaitzos). Pena's paper is a most interesting piece on the importance of non-governmental actors in international relations, specifically the large multinational firms and the problems that this poses in developing a new international economic order. Vaitzos writes about foreign investment by multinationals, with special reference to problems related to transfer of technology. As usual his article is interesting and is supported by reference to empirical data that substantiates his conclusions. Especially interesting is Vaitzos' argument that a "Code of Conduct" for multinationals at an international level may very well do more harm than good. Such a code, he suggests will have little impact on the multinationals them-

selves, which may explain why "the transnational enterprises will be among the strongest supporters of international codes of conduct . . . ."

Finally, Part III includes two articles on the bargaining involved in establishing a new international economic order. Guy Erb, one of the editors, argues that negotiation is essential, for the costs of confrontation to both developed and developing countries is too high. Collective self-reliance on the part of Third World Countries strengthens their ability to negotiate and makes the bargaining approach more feasible. Mahbul ul Haq sets out some areas which should be the subject of negotiation between developed and developing countries: international trade, the international monetary system and international resource transfers. There is no disagreement with the specific topics included in his three categories, except perhaps that they are somewhat narrowly conceived. He seems to attribute to changes in the international economic system an importance which some would consider exaggerated.

Although the very brief mention of some of the articles does not do justice to the authors, some conclusions can be derived. The book is a curious mixture of optimism and pessimism concerning the prospects for the Third World. Optimism seems to prevail, but it does so against much of the evidence presented in the various articles. It is as if the authors are willing the proposals to succeed. One gets the impression that the proposals are put forward as "last chance" propositions aimed at salvaging some kind of world order in the face of impending doom or, at least, a very threatening future. It will be very difficult, however, to achieve the proposed changes for a number of reasons among which the lack of cohesion in the Third World and opposition by the developed countries are perhaps the two most important. Of course, it may very well be in the interests of the developed countries to permit adjustments to the international economic system, but only for the purpose of ensuring that the system itself will remain. At the risk of being unfair to some of the authors, one gets the impression that this is, after all the reality behind much of the rhetoric of the new international economic order. If it is more than just this, then it is almost certain that the developed world will utilize all the means available to it to prevent major alterations in the international economic system. It is hardly enough for the Cocoyoc Declaration to say, after listing the means at the disposal of the international power structure to resist change: "To those contemplating the use of such methods we say: 'Hands off'. Leave countries to find their own road to a fuller life for their citizens."

Development is a subject full of ambiguities. To a large extent this book reflects this condition. One encounters words such as “equitable”, “social justice”, “optimum” and many others which can be interpreted in various ways and which, if not carefully defined, can be misleading. In fact even talk of the “developing countries” or the Third World can be most misleading, for there are a great many differences among the countries included, in terms not only of income levels, but of political systems, class structures and ideology. There seems to be some ambiguity too in the definition of the future international order. One gets the impression that there is no alternative open to the developing countries except that of remaining integrated with the developed capitalist countries under somewhat better conditions than in the past.

Finally, a word about the authors. All those coming from the developing countries, with one or two possible exceptions, work for some international organization. Many of them appear as signers of one or another of the declarations included, which means that the various pieces reflect the content of these statements and declarations and, in a more general way, the views of the international development establishment. This raises the question of whether the views expressed in this book reflect the thinking of the Third World or that of a transnational élite.

