

THE INTERNATIONAL SYMPOSIUM
"THE NEW INTERNATIONAL ECONOMIC ORDER AND DEVELOPING COUNTRIES"

TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES:
Notes Toward and Action Prospectus

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Technical and scientific cooperation among developing countries is an important component of the concept of collective self reliance. Such cooperation would be a direct means of increasing communication among developing countries an effective method of reducing developing countries' technological dependence ... contribute to the more efficient use of existing technical capacities in the developing world, promote the creation of indigenous technology and strengthen the self confidence of the developing world.

Economic Co-operation Among Developing Countries, Report of Group of Experts
UNCTAD 1976

How exactly should we conceive of technical co-operation? Is it primarily a question of exchange of experts and fellowships, of consultants and experience in general? Or, is it an endeavour primarily to pool resources to find an answer to our common problems and needs? ... too much preoccupation with this "market sharing" or exchange aspect of technical co-operation is likely to divert attention from the far more urgent and difficult task of mustering the political will to initiate and sustain truly co-operative efforts to solve specific common problems and to build institutions to serve common needs.

- I. G. Patel, Deputy Administrator
UNDP, 1976

Our own reality - however fine and attractive the reality of others may be - can only be transformed by detailed knowledge of it, by our own efforts, by our own sacrifices ...

- Amilcar Cabral

Conferences, Fashions and Origins

Technical cooperation among developing countries (TCDC) is now fashionable. Previously something of stepchild in UNDP it has now become a significant focal point for attention.² In 1978 will be the subject of a major United Nations conference - surely the hallmark of arrival for a problem or concept having "arrived"! Its bibliography is perhaps not as impressive but at least two hundred entries could be identified.³

Such a wave of interest must arouse mixed feelings both among those to whom TCDC is a novel idea or one without apparent merit and among those who have been grappling with its conceptual and operational nature and problematics (even if often not under the title TCDC) for many years. Is there really a new conceptual breakthrough? An idea whose time has come? An angle of attack on real problems which will be (and be perceived as) valid and workable by real people? Why is TCDC markedly different from technical assistance as previously perceived (or is it)? If TCDC has much to offer what has hampered its emergence more centrally in the past? The fashionability of a concept is no proof that it is not valid but it may serve to mystify as much as to articulate, to confuse as much as to diffuse, to co-opt as much as to co-operate.

Before looking at TCDC it may be useful to revert briefly to the origins of technical co-operation and technical assistance as identifying terms and organizing concepts. Initially they related to the post - 1945 reconstruction of Europe and were the knowledge - institutional - ideological counterpart or complement to capital transfers. Relatively rapidly, however, they came to be focused on developed-developing country relations with technical assistance the dominant term.⁴

The shift in terminology paralleled a shift in definition and conceptualization. Technical assistance came to be defined in terms of inputs (eg. experts, scholarships, equipment) and of costs (eg. budget allocations) not purposes or benefits. The concept of technical assistance was related to gap filling, modernization, growth, encouragement of

mimetic periphery copying of the centre. True the centre was not totally homogenous - US and Scandinavian or, much more, French and Soviet - technical assistance were not promoting the same brands of mimetic modernization and growth. However, the image of development as a process of the periphery catching up - say in 20 or 30 or 50 years - to where the centre was at year one and doing so by importing the centre's knowledge as embodied in people, machines, processes, institutions transcended the First-Second World dichotomy.

Fairly evidently technical assistance - like capital aid - has come under severe and rising criticism in the past decade, not simply for being inadequate in amount or faulty in detailed makeup or specification, but more basically for promoting the wrong type of change and the wrong definition of development and thereby serving as a channel for the intensification of dependence and the development of under-development. Self Reliance, Basic Human Needs, Collective Self Reliance, New International Economic Order are concepts and goals rather difficult to relate positively to the earlier dominant concept of technical assistance or to much (by no means all) of the programmes carried out in its name.

This is not to argue that TA is irreconcilable with new concepts of and goals for development or the international political economic order. Unless autarchy is established as a central goal, exchange (transfer) among states and among communities within the states will remain significant. Unless all forms of concessional transfers are perceived as too expensive (in terms of donor domination) to be acceptable or totally unnecessary because inequality has been uniformly reduced to acceptable levels by other means, some transfers will be on concessional terms. What is needed is neither seeing technical co-operation as inevitably inappropriate nor technical assistance as inevitably enslaving but reassessing concepts, principles, practices, programmes in the light of broader changes in development and world order thinking, goals and practice.

This paper attempts to begin that exercise for TCDC. It is therefore not directly concerned with north-north

or north-south technical co-operation except as they impinge on south-south. This is neither to condemn the other areas as inappropriate per se nor to endorse their present form.

It will seek to outline:

- a. a useable set of definitions critical to discussion and analysis of TCDC;
- b. the obstacles to TCDC - as defined - both historically and in the near future;
- c. possible initial elaboration of criteria for selecting and organizing TCDC programmes, projects and institutions;
- d. selected areas in which TCDC could prove effective;
- e. notes toward possible institutional arrangements.

II

Development, Technical Co-operation, TCDC

TCDC is not an end in itself nor can it be defined without reference to TC. The fact that technical co-operation is a means implies that any concrete discussion of its articulation requires an explicit definition of the ends it is intended to serve.

A simple answer is that TCDC is to be seen as a means to furthering development. To be adequate that answer must be elaborated to include a definition of development. The definition must be broad enough to provide scope for technical cooperation being feasible among states and institutions which do not have identical definitions or routes but clear and narrow enough to have some power to exclude, inform, demand certain types of technical co-operation. For example mimetic modernization and undifferentiated growth maximization are increasingly seen as part of the problem not of the answer, and therefore as barriers to development; a conclusion which has clear implications for technical cooperation in general and strengthen the case for TCDC (or at least many forms of TCDC) in particular.

Development can be defined in terms of fulfilment of basic human needs through self reliance and solidarity. That definition implies a need to achieve global, national, subnational and primary (eg. village, neighbourhood, workplace) communities informed and characterized by distributive justice (of status, power, access to services, employment as well as of purchasing power), participation (in production, other activities and decision taking) and sustainability (neither falling below the levels of productive forces and their growth required to move toward more meaningful justice and participation nor transgressing the outer limits beyond which systemic resource depletion and environmental degradation become self cumulating and irreversible). To achieve these goals clearly requires both a new International Economic Order and new National Economic Orders and either very broad definitions of economic (eg. including relations of production as well as productive forces) or additional political and social order changes.⁵

This definition is not very precise. In the first place it flows from a reassessment (in action as well as conceptualization) of development which is very much in a state of flux. Second it is deliberately broad to avoid setting up unnecessary barriers to technical co-operation. Third the primary focus of this paper is an exploring TCDC not exploring the way toward a more rigorous definition of Basic Human Needs, a just - participatory - sustainable society of NIEO. However, it is not all inclusive. Bread and circuses or efficient labour cost reduction type minimum needs strategies, regional sub-imperialisms, growth maximization and predatory or inherently authoritarian definitions (and the technical "co-operation" appropriate to them) are excluded.

Technical co-operation relates to the acquisition, transfer, diffusion, adaptation and creation of knowledge. While pure purchase and sale transactions in themselves are probably not usefully defined as TC, the framework of institution and regulations which surround them may be eg. the steady entrenching and broadening of property rights exemplified by UNESCO'S work in the copyright area and the

aggrandisement of the old Bureau of Intellectual Property Rights into the World Intellectual Property Organization represents raising new barriers to and limiting the scope of TC (and especially TCDC).

Technical co-operation can most usefully be defined broadly as any form of co-operation other than pure resource transfers or common directly productive enterprises. It can include co-operation - including institutions to create knowledge (especially "soft" technology) for promoting, facilitating or servicing such transfers and ventures.

Conceptually one could present a sequence of technical (knowledge) through investment to production to use (including trade). However, this is overly schematic in that while some technical aspects do come first logically and temporally others are integrally tied to the subsequent stages.

Technical co-operation is meaningful when linked to a substantive concern eg. finance, production, technology, trade, health, culture. However, the link may be indirect so long as it is perceived - eg. some types of educational co-operation, relatively broadly focused and exploratory research.⁶ Further, the co-operation may be limited to the technical field with the directly operational decisions and their implementation almost totally national or sub-national eg. the World Employment Conference and much of the World Employment Programme.

This is a very difficult definition of TC than the standard one. For example under it OPEC is an example (a rather successful one) of TC (and TCDC). So are the Andean Pact arrangements in respect of technology transfer, foreign investment and transfer pricing.

Technical Cooperation Among Developing Countries clearly includes as its basic component south-south TC not intermediated by the north. That definition is consistent with selective use of individual pieces of northern knowledge, individual northernness, perhaps some northern finance so long as TCDC ventures are South designed, oriented, controlled and basically south staffed and supported.

To define in terms of south-south is not to imply that all TCDC would be at a Third World level. The appropriate number of partners in any venture would depend very much on the nature of its aims and operations. Bilateral, geographic, regional, like minded, interest (eg. commodity producers) or problem (eg. Desert Locust control) defined, and Third World groupings are all appropriate in some cases. Indeed attempts to fit TCDC into a neat, hierarchical, uniformly, structured pattern with one or more dominating apex institutions controlling the entire pyramid are quite as inappropriate as attempts to ram it into an unstructured, bilateral, market mechanism mould.⁷

TCDC is a means of implementing solidarity and collective self-reliance. Therefore, most of its concrete embodiments will be categorizeable in terms of the two main elements in collective self-reliance: Cooperation Against Poverty and Trade Union of the Poor.⁸ This division has at least some operational implications. In the case of TUP focused activities unity is strength and unity is largely defined in terms of the type of issue posed in the Charter of the Economic Rights and Duties Of States;⁹ therefore as broad a membership as is feasible is desirable and quite substantial domestic orientation differences may not pose serious barriers to effective co-operation eg. OPEC. In respect of CAP focused co-operation it is less clear that economics of large membership are uniformly significant (indeed diseconomies can arise) but quite clear that substantially similar domestic goals and orientations in the areas which are the subject of cooperation are often critical eg. joint industrial planning among laissez faire and socialist Third World states would be rather implausible as would similar cooperation among a would-be sub-imperial centre and its choice of extreme periphery "partners".

There is a question as to whether TCDC also includes south-south TC with indirect northern mediation ie. whether some aspects of global organization programmes (eg. UNDP, Commonwealth Fund for Technical Co-operation) can be so defined. Three lines of reasoning can be so defined. Three lines of reasoning can be advanced for rejecting this broadening

of the definition.

The first is that of symmetry. If north-north TC is not a proper subject for global organization and supervision (the status quo) then balance requires that South-South TC be a southern not a global concern and global TC be a third (any globally organized and supervised) category.

The second is that the UN system has both inherent and historic limitations as a major TCDC organizer or provider. Historically the UN system has been north dominated especially in finance, personnel and detailed programming. Further its TC has been squarely in the north teaches south, mimetic modernization paradizm. These characteristics may have been eroded significantly but they are by no means eliminated.¹⁰ Inherently the UN system's unique roles centre on global (ie. north-south and south-north) issues and programmes not on north-north or south-south. In particular this imposes on its staff the need to be able to act as honest brokers and neither be nor appear to be automatic partisans of one party - a role which is hard to synthesize with fully committed struggle for collective self reliance (including TCDC). UNCTAD's "image" problem in respect of the integrated commodity programme illustrates this. UNCTAD sought to act as an honest broker - indeed its proposals are, if anything, skewed in favour of the north¹¹ - but, largely because of the absence of a clear initial southern position and an independent southern technical secretariat been misperceived by the north (and by some in the south) as the agent of the group of 77.

Third there are clearly areas in which global body centred TC is simply not practicable because of basic north-south interest conflicts. Transfer of technology, south-south non-intermediated financial transfers; developing country multinational enterprises (the inverse of TNC's), commodity associations are clear examples. In these areas the only TC which can be based on solidarity not co-optation is TCDC.

To argue that global organization TC is not - or only peripherally or in certain fields - TCDC is not to argue that it is unsound or unimportant. This is not a

field in which either/or choices are likely to be appropriate. Nor is it to argue that the shamefully inadequate representation of Third World Knowledge and personnel in multinational (and for that matter bilateral) TC is anything other than a scandal whose actual (as opposed to verbal and token) correction is urgent. It is, however, to assert that TCDC must be centrally south-south and attempts to broaden it to include multilateral TC mystify and divert attention especially given the present magnitude of multilateral TC versus TCDC.

III

Obstacles To TCDC

What are the obstacles to the development of TCDC? The past record - with spasmodic discussion over nearly two decades, fairly intensive canvassing for at least one, a large number of launchings, a few modest successes, a few spectacular failures (or co-options) and a large number of moribund bodies - warns against facile optimism. True interest is greater now than in any previous period but unless past obstacles are identified and overcome or avoided the future results may be as meagre as the past.

Most discussion of TCDC (or of collective self-reliance more broadly) identifies the main obstacles as attitudes, absence of will and diversity. Unfortunately these terms are so imprecise that they can be used to explain anything ex post but give few clues for selection or organization ex ante. In many respects OPEC's members states are very diverse, in several cases notably unwilling to surrender or share sovereignty and not self evidently marked by uniform attitudes toward development clearly differentiating them from members of less successful commodity associations.

On inspection and preliminary analysis a number of obstacles which are of somewhat greater precision and considerably more use in framing conditions and criteria emerge:

1. Inadequacy of mass and specialized south-south communication.¹² Both within and especially among peripheral economies communication is poor and most of what there is

passes through a northern intermediary filter. This, of course, is a TCDC area in itself and are increasingly identified as such eg. at the Colombo non-aligned Conference;

2. The existing technical assistance system is apparently low cost (at any rate from the viewpoint of a recipient in any given case), relatively easy to work and moderately sure to produce an internationally acceptable "result" or a "respectable" failure. In contrast TCDC appears expensive, hard to organize and risky;

3. TNC's, WIPO and northern states at best view TCDC as irrelevant and - when they understand its implications and take it seriously - as potentially dangerous. Each of these groups would lose markets (bilateral TC after all represents exports as exports), flows of funds (TC personnel no matter how unbiased will frequently tend to make proposals leading to trade with their countries of origin) and power (even if it is merely an alternative not different in kind from other TC or purchases of technology, TCDC introduces competition and strengthens the buyer's position);

4. The modernization and growth maximization paradigm of development stresses mimetic catching up. Therefore it is inherently Eurocentric and can hardly give more than very marginal roles to TCDC - one does not learn how to be like England by securing TC from Tanzania nor how to create the modernity of the Rhineland by consultation and collaboration with Sri Lanka;

5. As a result many periphery decision takers, managers and bureaucrats do have images of themselves, other south states and the north which both flow from and reinforce the communications gap, the existing TC system and the old development paradigm. Doubtless there are psychological factors but the reality of the anti-colonial struggle politically suggests these are not adequate to explain the limited struggle for collective self reliance nor, given the other contributory factors, are they even generally necessary to explain it, important as they may be in some cases. A part of the image problem is really cautiousness eg. European engineers sure of their ability to evaluate machinery in the context of

their own requirements are more likely to buy Indian than Tanzanian managers only too aware of their own limited assessment capacity and with more past experience with European products to use as a rough guide;

6. South-south ideological divisions can be critical in certain forms of cooperation. They may have been critical in the final collapse of the East African Community if Kenya's strategy of either forcing EAC back to a *laissez faire* common market or forcing Tanzania out and Tanzania's of insisting on strengthened TCDC and operating unit cooperation in production (and consequentially in trade) are taken as ideological. However low key this factor is depends on the actual content of the TCDC - it has not greatly hampered either the Desert Locust Organization or OPEC;

7. Peripheral economies are very uneven in size, power and gains from any given TCDC project. Therefore fear of being dominated and/or of having a net loss not a net gain pose real problems. The Central African Republic's withdrawal from the Economic and Customs Union of Central Africa turned on these issues and an alternative reading of the collapse of the EAC can be put in similar terms.¹³ This type of obstacle is greatest in cases in which south-south links are dominantly of a market oriented and formed type eg. Indian company relations with firms and states in south and Southeast Asia, Africa and the Pacific, several laissez faire common market attempts;

8. The inadequacy of the market mechanism and of permissive or supportive measures to allow it to lead to collective self-reliance explains the paucity of results in many free trade area, customs union, clearing and payments arrangements and similar ventures.¹⁴ Market forces are unlikely to overcome major communication and infra-structure gaps or to lead to equitable (or even viable) divisions of gains among unequals - especially when the only market oriented units with the knowledge and finance to act effectively are often TNC's illustrated by their co-optation of the Central American Economic Union;

9. Institutional frames for active (as opposed to

market facilitating) South-South cooperation are inadequate. In the first place they are full of gaps - eg. there is no serious 77 or non-aligned secretariat, flows of data to existing units are weak, channels for diffusing it are usually even worse and ability to analyse critically - adapt creatively - diffuse selectively almost non-existent. Further they are only too like the UN system agencies - slow, cumbersome, formal, diplomatic. This is not surprising as the UN family has often been a consultant on their creation or a model overtly copied. For at least some TCDC this is a serious mis-understanding of the need to suit institutions to their purposes. eg. TCDC to collect data to limit exploitative transfer pricing or to create a data base to facilitate direct south-south financial transactions would require businesslike speed, contracts, critical capacity and flexibility; characteristics light years removed from those of eg. UNDP or UNCTAD;

10. Too much attention has been given to seeking the true model, the one valid approach, the perfect institution for TCDC and for CAP/TUP more generally. That quest is part of the problem: relevant diversity, creative flexibility and custom built approaches keyed to goals not administrative theory or neatness of organizational charts are required.

IV

Criteria for TCDC Selection, Articulation

The very range of the possible areas for TCDC that any group of moderately well informed decision takers, technocrats, managers or academicians can put forward is in some ways a hinderance. Not all can be proceeded with at once nor are mammoth lists of "possibles" all that helpful in articulating the conditions for increasing the chances of success of the "probables".

An overarching criteria for TCDC as defined here is that it be relevant to development in the sense in which that concept is defined. However, except in extreme cases - e.g. cooperation in developing methods of infiltrating popular organisations and repressing struggle for change - this

criterion is by no means the easy "read off" test it seems. For example what of a joint Caribbean - Central American seed research development and multiplication project? The seed would be used in very different political economic and social contexts in Cuba and Nicaragua, Costa Rica and Haiti. Its contribution to meeting basic human needs would probably range from highly positive to moderately negative (increased concentration of landholding, expulsion of sharecroppers, strengthening of rural elites and inequalities). But should this deter basic human needs oriented states from participating? On the face of it their membership would further their development (as they define it) and would probably not contribute in any true-causal sense to injustice elsewhere.

Several somewhat narrower and more technical criteria or test questions can be devised:

1. Presence of a genuine and perceived common interest which can on the face of it be pursued more effectively with than without TCDC. The interest must be real not illusory but it must also be perceived to be common or action is not possible. Central banking is an example of an area in which a real interest may exist but is rarely perceived (or indeed perceivable). On the other hand, building up data, analysis, communication, personnel to facilitate direct South-South Central-commercial-development bank safety net, trade facilitating and investment credits would be an area in which a genuine common interest exists and is likely to be perceived;

2. Identification of appropriate TCDC partners. There must be enough and appropriate enough cooperators to move toward the common goal e.g. Sri Lanka and Burma are probably an inadequate base for a serious rice seed and cultivation improvement effort while Tanzania and Mexico are probably not entirely relevant partners for a transfer pricing control data collection and analysis unit. There must not be so many partners that the project is unworkable either because the commonness of the goal is too diluted or for more mundane technical reasons. For example, if OPEC included all minor Third World oil producers it would have severe problems because of rather divergent goal perceptions while a 140

member shipping corporation would either founder in a blizzard of joint owner negotiations or steer an unpredictable course under a management which had effectively neutralized owner control over its decisions;

3. Adequate means must be identified to further the common goal. For example, in the case of partial economic unions free trade alone does not lead to satisfactory levels of division of benefits. Therefore TCDC is needed to identify means more closely linked to production (with trade a consequence and realization not a central target and end in itself) and its location;

4. Priority should be given to areas in which TCDC is either the only option or is very markedly superior to others, e.g. a 77 Secretariat is needed because overall TUP strategy development and review and CAP coordination require a Third World controlled technical secretariat which cannot be provided by a global (N-S) body or a single Third World government and still less by a Northern regional body or a Northern state;

5. An acceptable (and so perceived) division of net benefits must be identified along with ways to achieve it and methods for reviewing and altering these means if the division becomes unsatisfactory. There is no merit in vaguely hoping the division will be acceptable nor in having means not subject to review and alteration. This criterion is critical for technical as well as production or trade cooperation e.g. a number of joint educational institutions and research bodies have broken up precisely because the division of costs and benefits was perceived as unacceptable by some of the cooperators;

6. Consideration should be given to whether the main focus is one of market or exchange transactions (e.g. pooling and sharing data already created or to be created in any event by national units) or whether it is one of creating a new body of knowledge with - at least initially - a larger joint operational component (e.g. by the TCDC unit itself or by national unit programmes specifically keyed to the TCDC venture). In the former case there is a general presumption

that more members will cause few problems and will raise the pool of knowledge to be exchanged; in the latter the nature and number of members appropriate is much more likely to be determined by the specific content of the cooperation project and will often be smaller and more narrowly geographically or development orientation defined;¹⁵

7. Similar consideration may be needed as to whether the proposed TCDC falls primarily into the TUP or CAP category. In the former case there is to a considerable degree, an external definition of appropriate membership (e.g. major Third World exporters of a commodity, the states able to negotiate for associate status with EEC) and a common interest in struggle (by negotiation, confrontation or both) with the North. In the CAP case much more consideration is likely to be required in many cases (e.g. a TCDC grouping of countries seeking transition to socialist and communal rural production structures might include Algeria, Tanzania, Angola, Mozambique. Whether Vietnam and Cuba or Jamaica and Sri Lanka would also be logical members would require serious consideration as to how similar their goals, means and contexts are). The assumption that geographically contiguous groups are appropriate for all TCDC projects and still more its extension to argue that non-contiguous groupings are never appropriate are almost certainly misperceptions.¹⁶

V

Areas For TCDC

No listing of individual TCDC possibilities could be complete. Nor is it self evidently useful to attempt a catalogue of rather artifactual examples. It may be more to the point to identify a number of probable priority categories for TCDC in both the TUP and CAP areas.

In the Trade Union of the Poor field at least seven main areas with major TCDC potential appear to exist:

1. Integrated Commodity Programme and Food Programme articulation, analysis and negotiation. Neither UNCTAD, WFP nor IFAD can play this role especially in respect to preparation

for and detailed analysis and advice during negotiations. This is a key area because the Common Fund has come to have a symbolic significance as a test case of whether any serious NIEO is to be negotiated or not; because commodities, commodity marketing and raw material based industrialization are critical to many of the 77; and because both global food programme delineation and control and national/intra - Third World food production, trade and mutual support programmes are critical to strengthening the periphery position in north-south negotiations as well as in meeting basic human needs directly. An articulated structure is evidently needed including commodity producer association (possibly including certain quasi-periphery economies like New Zealand, Australis, Canada?), a co-ordinating and solidarity body for producers associations, probably regional as well as Third World institutions (or sections in broader Regional and 77 secretariats?);

2. Industrial export development (to the north) including issues of secure access attainment (probably more critical than tariff preferences), market data, collection and analysis, marketing institution development etc. Certainly one or a limited number of units serving Third World GATT delegations would for the first time make it feasible for medium and small periphery economies to participate to some purpose and perhaps to secure both procedural and substantive changes to reduce GATT's historic role of promoting north-north and hampering (at least relatively) south-north trade. The market and institutional data and analysis areas could be equally critical - selling FOB to foreign firms is no way either to identify and enter new markets, to engage in sensible export production planning or to secure equitable prices but for some poor countries and for the lesser products of all the personnel and cost requirements of a purely national approach are prohibitive;

3. Technology transfer - in terms of data on what is available where appropriate reference criteria (or perhaps formal codes) as to transfer terms, exploration of possible joint purchasing (or onward sale or sub-licensing as in the case of lorries from India to Malaysia after the much earlier Indian acquisition of technology) means to unpackage (to keep

control and to allow fuller use of Third World prices in the package) is a critical area. Again it cannot really be handled for the Third World by UNCTAD and UNIDO beyond the basic research and broad proposal identification stage. A campaign based on serious analysis of the proposals to reform existing intellectual property laws - presumably conducted and serviced primarily at 77 level - would appear to be a priority as would pushing ahead with preparing guidelines and supporting analysis for national and regional "codes";

4. TNC relations are less easy to categorize under a few heads for TCDC. Some of the basic data collection can be done by global bodies (eg. the UN Centre and UNCTAD) but other parts seem to require one or more small, flexible, business oriented units able to secure specific current data rapidly and accurately on demand. A data bank on what TNC's can do what and with what experiences in Third World countries is also a TCDC field (a UN body could not be adequately critical in its presentations). As with technology transfer, business practice is a field in which systematic analysis leading to various criteria and guidelines suitable for national and regional adaptation and use could be highly productive;

5. Transfer pricing and import institutional structures are related to the TNC issue cluster but have some special features. Detailed analysis of existing realities is perhaps less critical now than creating means to get usable reference price data (whether via banks, commercial information units or Third World "confirming house" type multinational enterprises) and to create international trade institutions less uniformly north dominated up to cif arrival in the LDC port or border post. The nature of these activities suggests small group TCDC units with some provision for exchange of data;

6. Foreign investment is an area analogous to technology. Data on sources, costs and conditions, guidelines for national or regional codes, joint negotiations (eg. on debt rescheduling guidelines and access to capital markets) are urgently needed but can hardly be expected to come primarily from north or UN sources nor to be practicable in personnel and finance terms for unilateral action by more than a handful

of the largest of the 77;

7. Negotiations with foreign firms could have data, analysis and operational components. At present TNC's have a much better knowledge of the range of recent negotiation results than do LDC's. Further negotiating strategies and tactics (and the personnel to use them) are very weak in a majority of peripheral economies. Finally use of specialized Third World personnel to bolster national teams could be a very profitable form of technical assistance via TCDC.

~~Cooperation Against Poverty~~

~~Trade Union of the Poor~~ priority potential fields of TCDC are not, perhaps, so easily categorized. As argued earlier the number of institutions needed is likely to be greater and typical membership of each one smaller. Further the linking of TCDC and production or financial flow collective self reliance is likely to be much closer in a number of TUP cases. However, six broad clusters do appear to have some organizing validity:

1. Creating the data base, analytical capacity, personnel and institutions needed to increase non-intermediated south-south financed flows. At least three types of such flows are needed: central bank joint support (analogous to north central bank arrangements), commercial bank co-ordination and co-operation to facilitate other south-south economic co-operation, investment of financial surpluses. At present the south is a net provider of such flows to the north yet up to \$25 billion of flows are triangular south-north-south. The reasons are complex (and analysing them in detail would be an early step in TCDC designed to increase flows) but data, analysis, personnel and institutional gaps are critical and most unlikely to be soluble by national action even by the largest Third World lenders and borrowers;¹⁷

2. The technical data, analysis, articulation and negotiation base for identifying, creating and servicing Third World Multinational Enterprises needs urgent improvement. MNE's can be a tool in achieving greater, better co-ordinated, less costly production in peripheral economies, in facilitating and carrying on more intertrade among them and in building up alternatives and countervailing power to TNC's.¹⁸ However, to

date with rare exceptions they receive infinitely less attention than joint ventures with TNC's or the formal structures of free trade areas;

3.- Knowledge creation (and south-south technology transfer) is a critical field but one in which the first need is probably a number of regional and sectoral surveys as to what knowledge exists now which could be diffused, what programmes exist to create more at national level and how - in precisely defined cases - TCDC could facilitate the process. For example, solar energy is a frequently canvassed area for a major joint effort but small scale, low cost, low loss food storage may be equally critical and with a higher short run potential;

4. Closely related to knowledge creation are training and consulting. (Indeed they might on occasion be handled by specialized research - training - consultancy multipurpose bodies). The former area requires careful study as to when there are common interests effectively furthered by what type of TCDC; the latter (outside Latin America) is a relatively new one and suffers from the present biases (ranging from the IBRD's Platonic Guardian complex through bilateral experts as experts orientations) against Third World technical and feasibility studies when northern finance is involved. Broadening direct south-south financial flows would, therefore, probably be important to rapid TCDC development in consultancy type work;

5. Regional economic integration has often been hampered by inadequate built in TCDC. The old neo-classical customs union paradigm dies hard and has no easy replacement so that in negotiation, articulation, operation and revision substantial quantities of difficult analysis and proposal formulation are needed - but frequently absent. Here mundanely the number of trade preference and payments arrangement areas suggests that some forum and secretariat for exchange of data and experience and taking initial steps toward inter-group collaboration (eg. selective inter-group preferences and cross clearing) would be timely;

6. Special problem or project clusters (rather like

MNE's) offer both needs and opportunities for TCDC but ones usually very specific and issue or action oriented. For example River or Lake Basin development among projects and Desert Locust or Quelya Bird control among problems have major technical as well as operational requirements. In a majority of cases these are not well met. Indeed so bad is the data and proposal base (and so dominated by north TC system personnel) that putting the blame for failures on lack of political will may be wrong; the decision takers correctly perceived they really did not have adequate data and formulations upon which to act.

All of the examples and - to a lesser extent - the categories are political economic in underlying thrust. There are two reasons for this - the bulk of south-south TCDC is likely to be justified by political economic common aims, resource savings and capacity increases and this is the field in which the author has some claim to expertise. Neither reason implies that cultural, social and political TCDC less directly linked to a political economic substructure is undesirable nor that it may not be quite important for some communities, states and regions.

V

Some Institutional Notes

An opening caveat is needed which can perhaps best be stated in the words of the 1975 Dag Hammarskjold Report:¹⁹

The identification of appropriate issues, institutions and approaches can be the critical factor determining success or failure There is no single appropriate group of countries, set of joint activities or pattern of institutions In each case geographic and functional coverage, structure, and the division among joint action and coordination of national activities should be negotiated with a clear relationship to particular objectives, interests, historical experience and resources.

Flexibility not an orderly, ordered hierarchy, diversity not a neat organization chart, rapid change not a permanent set of institutions are likely to be appropriate. What follows are suggested elements not a complete list or pattern.

1. A Third World (77 or non-aligned) Technical Secretariat is urgently needed. It is particularly critical in respect of TUP activities at 77 level and of coordinating more specialized actions (eg. producers associations). In CAP activities it probably should - at least initially - be more a data collection, proposal floating specialized unit promoting "brokerage house" more than actually operating a large number of TCDC programmes itself. The key problem is to define its capacities, powers and obligations in such a way as to reassure a large majority of the 77 that it will take account of the diversity of 77 views on many (especially many CAP) issues and not become a pre-committed spokesman for one point of view in serious intra-77 disagreements;

2. Parallel regional coordinating secretariats based on the UN Regional Commissions (albeit the presence of northern members in the cases of ECLA and ASCAP creates problems) deserves serious study. The idea that these should be the apex bodies for TCDC is much too rigid but that TCDC should be a central theme in Regional Commission activity and one closely related to other RC work is a sound idea;

3. Specialized coordinating bodies - eg. of grain research institutes - are clearly needed in some fields;

4. Secretariats with specialized briefs - eg. ACP negotiation servicing and association assessing - to be carried out in large part by their own staff are likely to be particularly important in fields requiring frequent south-north negotiation;

5. Other operating institutions eg. in research-training - consultancy would need varied forms and differing types of "work sharing" with national institutions. These might vary from member to member eg. the UN Dakar Centre's formal course work has a different role for countries - eg. Senegal, Togo - with limited national capacity than for those

- eg. Algeria, Tanzania - with national second degree programmes functioning;

6. Where speed, accuracy and commercial data and advice are needed an MNE form (analogous to that for production MNE's) may be appropriate. For example a unit to collect and analyse data to be used in regulating transfer prices should be more analogous to a confirming house or purchasing agent than to a research institute, a negotiating secretariat or OECD.

Finance and personnel are often seen as major problem areas. This is less than clearly valid in most cases. If the common interest is perceived as critical and the institution as critical to meeting it unwillingness or inability to provide finance is not usually likely. Peripheral economy contributions to UNDP and CFTC (Commonwealth Fund for Technical Cooperation) are substantial and rising. For some TCDC there is no absolute reason not to seek limited foreign support so long as it does not dominate the programme. Training and health research are examples. In such cases a diversity of sources - hopefully including some Third World countries - and avoiding heavy dependence on any one would appear likely to minimize risks, conflicts and control problems.

In respect of personnel somewhat similar considerations apply. If, for example, each member of the Group of 77 supplied one competent citizen professional a quite substantial staff base would exist at once. Similarly in cases of real gaps in available manpower TCDC institutions can fruitfully use limited numbers of north personnel so long as the institutions retain control over their selection, work schedules and phasing out.

These notes appear scrappy but not because institutional machinery is seen as unimportant. Such machinery cannot cause anything to happen but its absence or inappropriateness can hamper or prevent any number of happenings. However, what can be said at the high level of generalization of an overall survey of TCDC is limited because as I. G. Patel puts it:

When we talk of creating things anew, of cooperation in creating that which does

not exist, there can be no rule about the horizons of such cooperation. Each purpose, each potential will define its own horizon ...

N O T E S

1. The author is a Professorial Fellow of the Institute of Development Studies at the University of Sussex. He wishes to acknowledge his obligation to fellow participants in the 1975 UNCTAD Group of Experts on Economic Co-operation Among Developing Countries, the 1977 Tunis Symposium (PSD-IPALMO) Economic Co-operation and Trade Among Developing Countries and the 1977 Workshop on Technical Co-operation Among Developing Countries held at IDS for many of the ideas presented in this paper.

2. See for example United Nations Development Programme Report Of Working Group On Technical Co-operation Among Developing Countries On its Third Session, UNDP, 1974; UNDP General Review of Programmes and Policies of UNDP, DP/114, 1975; Preparatory Committee Decisions For United Nations Conference on Technical Cooperation Among Developing Countries, 1977. A somewhat more radical approach more closely integrated into collective self reliance as a whole in respect to TCDC is found in UNCTAD, Economic Cooperation Among Developing Countries, Report of the Group of Experts, Geneva, 1976 (hereafter cited as Group of Experts).

3. An "Introductory Selective Bibliography - Economic Co-operation And Regional Integration Among Developing Countries", Ljubljana, 1976 contains 287 entries of which over 100 appear from their titles to deal at least in part with TCDC.

4. This is not to say that there is not TC among industrial economies (particularly among industrial capitalist and among industrial socialist taken separately but a growing volume across these sub-group lines). However, the bulk of it is in market oriented transactions and the professional, academic and state component is largely through bodies which are not seen as proper subjects for global forum analysis or guidance. Technical assistance - at least since European reconstruction - is part of the aid vocabulary and therefore of north to south relations.

5. For three fuller and overlapping discussions see What Now: Another Development, 1975 Dag Hammarskjold Report, Dag Hammarskjold Foundation, Uppsala, 1975; Employment Growth and Basic Needs, International Labour Organization, Geneva, 1976; R. H. Green, "Basic Human Needs, Collective Self-Reliance and Development Strategy", Self-Reliance and Solidarity In The Quest For International Justice, Ecumenical Institute, Chateau de Bussey, Coligny, 1976.
6. Patel, op cit. places rather more emphasis on TCDC not tied to operational action on the cooperative level; C. Vaitsos on Andean Pact experience doubts the significance of this element.
7. The proposals to centre TCDC on and in UNDP or to make Regional Economic Commissions its principal organizers are examples of excessive centralization, neatness and rigidity.
8. cf What Now, op cit., Part 2.
9. United Nations, 6th Special Session, 1974.
10. cf Patel, op cit.
11. For more detailed argument of this case see R. H. Green, "The Common Fund: Prolegomena To Cost/Benefit Estimation", Vienna Institute For Development, Vienna, 1977.
12. A more elaborate presentation can be found in R. H. Green "Mass Communications, The New International Economic Order and Another Development: Notes on Myths, Realities and Methods", Latin American Transnational Studies Institute, Mexico City, 1976.
13. For a fuller discussion see "East African Community" chapters in Africa Current Report, 1976 and 1977, London, 1971 and 1977.
14. The primacy of active rather than market facilitating

measures was heavily stressed by the Group of Experts Report, op.cit. and the reasons for and implications of this emphasis examined in some detail.

15. Joint operations require more joint control and relatively greater financial contributions. Therefore they tend to require a clearer, closer joint interest than projects based on exchange of information.
16. Common technical problems and common political economic aims are critical. In technical cooperation - as opposed to, say, land transport coordination - there is no automatic reason to assume geographic contiguity is a key factor.
17. See Group of Experts Report, op.cit.
18. Cf. R.H. Green "Developing Country Multinational Enterprises: Notes Toward An Operational Component of Third World Economic Co-operation", International Conference on Economic Cooperation and Trade Among Developing Countries, IPALMO/PSD, Tunis, April 1977 and also Group of Experts Report, op.cit. for more detailed presentations.
19. What Now, op.cit.