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Editorial

The world economic climate grows steadily more wintry: the increasing impoverishment of large parts of the Third World now finds a growing echo in those countries whose unqualified assumptions of unlimited growth and ever-increasing prosperity are foundering upon material shortages, the burden of defence expenditures, increased profitsharing in world energy resources and the economic uncertainty generated by international monetary disorder. Yet the danger of a collapse in the Western economies is doubly menacing to the world's poorest countries, whose economic plight is already clear and whose trading position is equally vulnerable.

In this situation there is need for concerted action, in the framework of a re-evaluated United Nations system—as Marc Nerfin points out in our first article—and this is perhaps the dominant theme of this issue of DEVELOPMENT DIALOGUE. Associated with this need is a greater awareness of the necessity for change in the industrialized countries, in their fundamental ethos, and a greater realism about the role of intergovernmental agencies. The new realism finds one expression in the project for a United Nations information and research centre on the transnational corporations, the groundwork for which is described here by Juan Somavía. The role played in development by such agents as the transnational corporations—exposed dramatically by the ITT affair in Chile—has reduced the value of 'straight' aid, by making it plain that socially progressive international efforts in one direction may be nullified by largely unquantified and unrecorded effects elsewhere. Some of the elements for a more sophisticated Third World policy—in more vigorous bargaining with the transnationals, in the use of 'united front' policies among 'South' countries, in the Group of 24 collaboration—are sketched by Professor Helleiner, who provides an outline of some of the topics discussed at the Dag Hammarskjöld Seminar on International Economic Change and the Third World, held at Uppsala on 28–31 August 1974.

Another theme of this issue, and a theme of vital interest, is the need for a new commitment to an old philosophy, the philosophy of human equality and democratic solidarity. Inga Thorsson explains why this philosophy and its implementation

are now urgently necessary, in the framework of increasing interdependence of nations in a shrinking world, and why it is still essential that this should be elaborated through the United Nations.

The Dar es Salaam IDS/Dag Hammarskjöld Seminar on Education and Training and Alternatives in Education of May 1974 reflects another aspect of the same philosophy: the need to conceive of education as a humanly liberating process rather than as machinery for producing competitive units in an acquisitive society, not only for the sake of the individual but also in order to generate men and women who will act of their own volition without first passively waiting for foreign 'inputs', and in order to complete the liberation of Africa in the era of commercial and technological colonialism. If all else fails, the poor will still be left with the sheer problem of survival and the inculcation of attitudes of self-reliance is therefore essential. Asfaw Yemirru reveals the momentum that may be generated when the natural hunger for education is allied to the liberated energies of children.

The final part of this issue, 'News and Notes', is a section that is intended to be used for continuing publication of material on development subjects and for the critical comment on Nordic programmes of development co-operation that is part of DEVELOPMENT DIALOGUE's standing commitment.

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Just before going to press in mid-October, our attention was drawn to "The Cocoyoc Declaration", which had just been adopted by the participants in the UNEP/UNCTAD Symposium on "Patterns of Resource Use, Environment and Development Strategies", held at Cocoyoc in Mexico October 8 to 12. The full text of this important declaration concludes this issue of the journal and we are grateful to the organizers of the Symposium for making it available to the readers of DEVELOPMENT DIALOGUE.

Towards a New International Order: The Cross-road

By Marc Nerfin

'At a moment when there are more global issues than ever on the international agenda, the UN system appears weaker than ever', writes Marc Nerfin. The urgent need for structural changes to make the UN system a more effective instrument of world economic co-operation—as the UN itself expressed it, at the sixth special session of the General Assembly—must be taken seriously. The author believes that present circumstances may make the necessary adjustments politically possible and this account is partly an attempt to elaborate the new ideas and initiatives explored in this context at a high-level meeting on world development and international co-operation, sponsored by the Dag Hammarskjöld Foundation, held at Täljöviken (Sweden) in June 1974. Marc Nerfin is, inter alia, *a research fellow of the Institute for Development Studies, Geneva (Switzerland).*

The breakdown of the old order

Every day brings new evidence that the old world order is breaking up. The centre's equilibrium is eaten away by inflation. The European Economic Community hardly survived last winter. 'The reaction of the world community to the energy crisis seems to be pushing us faster along the same self-destructive patterns of growth which caused our environmental problems in the first place' as Maurice Strong said on World Environment Day, on 5 June 1974.[1] Contestation, in one form or another, pervades all the industrial societies.

In the periphery, which is the home of the majority of mankind, no problems seem capable of solution: drought and hunger in the Sahel or in Ethiopia, flood and hunger in Bangladesh, are only the most obvious signs of an impending food crisis, and already nutrition, with its irremediable effects on education and health, has never been so poor for so many millions of children; cities are mushrooming with neither adequate water supply nor sanitation; certain countries are virtually on the brink of disaster.

Exploitation of the riches of the Third World and transfer of value through repayment of debts and interest, through the transnational corporations and through the brain drain, has passed the level of tolerance: 'The scramble for scarce resources to satisfy the indulgent wants of the rich threatens to deny the world's poor of their basic survival needs.'[1]

As if to make things worse, some, in the periphery, have recently discovered how to use the tools of the centre; as far, at least, as prices and cartels go. A first result is to aggravate the contradictions, in the centre, between those countries which are more or less self-sufficient, the United States and the Soviet Union, and

those whose industries and level of living depend on imported raw materials and energy, i.e. most of Western Europe and Japan. A second result, more serious—albeit less so than the imported inflation from the centre—is the further aggravation of the difficulties of those poor countries that were made to import energy, fertilizers and food, which means the whole of South-East Asia, most countries in Africa, some in Latin America.

As a whole, 'development' models offered or imposed by the centre have resulted in almost universal failure in the periphery. Mass poverty and starvation are only 'corrected', or rather aggravated, by the arrogant prosperity of the privileged minorities that exist as enclaves of affluence in the Third World (as they do, for all practical purposes, in the world as a whole).

Let there be no surprise, therefore, at a growing mood of confrontation between the rich and the poor nations, and if the rich are faced by a choice between confrontation and accommodation, as was said by Mahbub ul Haq, last November, to the Swedish Royal Commission on International Development Co-operation.[2] The writing on the wall is obviously not only Haq's: witness some major statements during the sixth special session of the General Assembly of the United Nations in April, and in another forum, most clearly, the President of Mexico: 'The basic question', said Luis Echeverría, 'is obvious: *either co-operation or world chaos*, for solutions involving containment by force are not only unjust, but impractical in the present state of the new balance of power'.[3]

Thirty or forty years ago, mankind, or what was then known as mankind, appeared to be at the cross-road between further progress and barbarism, a kind of barbarism which, perhaps for the first time in history, was coming from within, not from the outside: barbarism was the very product of the internal contradictions of the industrialized world. Millions died, and some of the barbarism pervaded the culture of the victors, but the major threat was disposed of.

International machinery was established in San Francisco on 26 June 1945 'for the promotion of the economic and social advancement of all peoples'; the United Nations had, among other targets, 'to achieve international co-operation in solving international problems of an economic, social, cultural, or humanitarian character'; they wanted to 'promote higher standards of living, full employment, and conditions of ecomic and social progress and development'.[4]

This was an acceptable programme indeed, and its wording could still be used, but it remains largely unimplemented. The 'world order' contemplated by the caretakers of the earth in 1945 has resulted in the current 'great disorder under heaven'.[5] If what is at stake today is a new world order, making it possible to avoid the barbarism of hunger and squalor and to ensure real development, the agenda, beyond words, now urgently requires the mapping out of a concrete programme, the forging of the necessary instrument, the mobilization of political will and determination.

The point of departure is a realization that the world is no longer what it appeared from San Francisco, whether numerically, technologically or politically. Most of those living today were not yet born on 26 June 1945. Science and technology, depending on whether there is proper social control or not, can either solve problems or create insoluble ones. Politically,

even in the most formal sense, it is relevant to recall that the United Nations of 1945 had 41 members. In 1974, membership includes 137 nations. The world of the 1940s was by and large the world of the rich. The world of the 1970s is by and large the world of the poor, although policies and practices are still those determined by the rich, and the instruments at its disposal are still essentially those created, in different circumstances, by the rich.

But, and this is an important new factor, there appears to be a new determination in the Third World. Last year, at the initiative of the non-aligned countries, the Group of 77 (now 97) requested that the General Assembly should meet in a special session, in 1975, and the 'energy crisis' prompted the convening of the first of such sessions in 1974. What seems radically new, more than the purpose of both sessions, which were perhaps not without some antecedents in UN history, is the political origin of the initiative: the Third World.

The wretched of the earth no longer accept their *de facto* marginal status on the world scene; they have stated their intention to become full participants in the decision-making process in world affairs. They want, not only a new 'system of world economic relations based on the equality and common interests of all countries', but also, to that effect, to give 'the goal of development its rightful place in the UN system', and they want the very structure of the system to be changed so that it can become a 'more effective instrument of world economic co-operation'.[6] This obviously means that the Third World has now decided to make full use of the international machinery, as do some of the industrialized countries.

Against that background—crisis, choice, hope—what is at stake is the capacity to live up to the challenge. This is the common responsibility of a number of countries, both in the industrialized sector and in the Third World. It is in that context and, in a sense, as a follow-up to the Dag Hammarskjöld 1973 Seminar on the Basic Principles of International Development Co-operation[2] that a further international gathering met privately at the initiative of the Hammarskjöld Foundation, at the end of June 1974, at Täljöviken (Sweden). Seventeen participants from thirteen countries, assembled as a group of friends, discussed the situation emerging from the sixth special session of the United Nations General Assembly, and examined what kind of concerted action, both conceptual and political, with particular reference to the need radically to modernize development co-operation and restructure the UN system, could be launched to assist in the process initiated by the Group of 77. The Täljöviken exchange of ideas provided much of the basis for the present contribution to the discussion.

A world plan of action

The current crisis reveals more clearly than ever that there is a basic conflict of interests among as well as within nations. More people now realize that it is fallacy to believe that economic growth will eventually make it possible, through the 'trickle down' process, to improve the situation of either the poor nations or the masses within nations. On the contrary, the prevailing pattern of growth is depriving the poor of the resources necessary to meet their basic needs.

Market mechanisms have failed; what is needed is a world plan of action based on explicit values and objectives.

A new development strategy. Development and the supporting economic growth should be made purposeful, on the basis of a *redefinition of the objectives of society* in such a manner as to gear economic activity to the satisfaction of human needs.

An alternative development strategy would have to provide for the following:

A massive attack on mass poverty aiming, on a priority basis, at meeting the urgent and basic needs (food, health, housing) of the poorest categories.

Preservation of the ecological balance necessary to planetary survival and respect of outer limits to man's activities.

Self-reliance by Third World countries, defined as the autonomous capacity to develop.

Respect and enhancement of mankind's cultural diversity and alternative life styles.

Reform of existing socio-economic structures.

Enhancement of human capacities: adequate education; more productive employment, self-management.

Alternatives in education, health, shelter and community services.

Technological research and development fitted to the real situation and needs of Third World countries.

Concretization of the unified approach to development, encompassing the environment/resources/population/space interrelationship.

As a first and urgent step in that direction, it would be necessary to examine alternative means of assuring the requirements and availability of the basic resources and environmental capacity to meet the minimum needs of the poor. Many data exist, projections and studies are under way: it now seems possible to pull them together into a meaningful framework conducive to action. What appears essential is to formulate the principle that minimum needs must be satisfied and to work towards its political acceptance.

Beyond the physical or quantitative availability of resources and their further purposeful growth, what cannot possibly be forgotten is the critical problem of their distribution, i.e. the socio-economic and power structures within human societies all over the world. The division of the world between 'developed' and 'developing' countries is the mystification of our time: there are only various degrees of underdeveloped social systems, and too often their further underdevelopment is promoted by aid policies and practices. This must change.

A new world order will not emerge without structural changes in the rich societies themselves. There is a need for change in their current life styles, which are based on the waste of resources, for instance in calories and proteins or energy; the rate of growth of consumption of certain goods has to be reduced; patterns of resource use, including their consumption through armaments, have to be modified so that real resources can be released for implementing the new development strategy. There is no other choice within the limits which biological parameters impose on mankind.

The international responsibility. No new world order based on interdependence will be possible without international redistribution of wealth and income, and this will not be achieved

without radical changes in the international power structures. From that point of view, the present mood of confrontation is healthy: conventional co-operation has failed because there cannot be any co-operation between unequal partners in a context of dependence. Confrontation may create the basis for a renewed and meaningful co-operation.

The creation of a better world order, aiming at redistributing wealth among nations, would require, among other things: reorientation of development co-operation to facilitate the attainment of self-reliance; preservation and utilization of the international heritage for the financing of development; new trade policies and collective economic security.

As far as *aid* is concerned, it is essential to determine not only what aid is but also to answer the questions *aid for what* and *aid for whom*. In that context, two elements have to be borne in mind:

1. Aid is marginal: socio-economic structural changes can be achieved only from within, by the interested social actors.
2. Aid is not really given to countries as such, but rather to policies and/or to projects contributing to their implementation.

Liberal and progressive countries can help at different levels in (a) refraining from assisting régimes where aid results in increasing inequality, financing privileged enclaves and further marginalizing the masses, (b) concentrating their resources on supporting those régimes that have initiated a process of radical structural change towards a fairer internal order, and (c) supporting emerging efforts, in certain other countries, through specific actions of direct benefit to the poorest people.

The question of past debts and of their current implications on resources flows has to be re-examined, and collective rescheduling, moratoria and abolition procedures should be prepared and implemented.

Flow of resources and burden-sharing in aid should be made automatic through such devices as making the income from the exploitation of the sea-bed available to development and the creation of certain levies or tolls on the use of oceans and on certain transactions of both renewable and non-renewable resources.

In view of the availability of new financial resources in OPEC countries, it would be useful to re-examine a proposal made at an earlier UNCTAD conference, which aimed at providing interest subsidies to borrowers and at benefiting particular countries either in a general way or through specific actions. Some bilateral or multilateral aid money could be utilized to bridge the difference between the rate OPEC countries need (most of them being still poor, but having a limited absorptive capacity, in the short term, for their own financial resources) and that which other countries can afford to pay.

Beyond aid, a better world order requires *economic security* for all countries. Both industrialized and Third World countries need access to resources as well as markets, but in view of the lack of symmetry between industrialized and underdeveloped economies, special measures must be taken to increase the economic security of the Third World. The resolutions of the sixth special session of the General Assembly provide guidelines for such action.

There is ample scope for the general improvement of the *earning capacity* of Third World countries. It could be increased and made more

stable through a fairer deal in trade. This includes better terms, more processing of raw materials in supplying countries, fewer restrictions in their access to markets of the industrialized world and revision of the concessions obtained in the context of domination and inequity.

A challenging task for UNCTAD, if it is constitutionally able to do so, or for some other body, would be to provide Third World producers' and buyers' associations with systematic support and promotion.

An assessment of the situation ten years after the 1964 Prebisch 'manifesto' for trade policies shows the inadequacies of the results and calls for new and bolder approaches. One could envisage moving from individual commodity agreements, which did not prove too fruitful, towards a new look at the whole picture. It should be possible to build up a new framework and to examine whether one could establish multiple buffer stocks, possibly financed by some of the oil money, in the interest of all concerned.

Trade between Third World countries, beyond regional integration, could also be a component of increased self-reliance, which would be enhanced, for instance, by payments agreements covering the Third World as a whole.

The new political situation does not mean that one is starting from scratch in so far as the identification of many problems and of a number of corrective measures are concerned. In that respect, the task is to give effect to a progressive adaptation of the world order as the situation evolves and makes it possible. Such a process will be facilitated if liberal and progressive industrialized countries work hand in hand with militant Third World countries, both in multilateral outlets and bilaterally.

Finally, the role of a more enlightened *public opinion* to prepare the climate and to mobilize support for the necessary changes is essential. The failure of institutional propaganda calls for new and innovative approaches. Cultural co-operation should be an important element in that endeavour, in so far as it could promote a better mutual understanding of the rich cultural diversity of mankind, an asset which must be preserved.

Structural changes in the UN system. At a moment when there are more global issues than ever on the international agenda, the UN system appears weaker than ever, but it is still the only available chance of a better world order. The urgent need for 'structural changes to make the UN system a more effective instrument of world economic co-operation'[6] must therefore be taken seriously. Present circumstances may make the necessary adjustments politically possible.

If form follows function, the first task would be to redefine what the world community expects from the UN system. The foregoing part of this discussion may throw some light on this matter, but it is obviously too early to go beyond a few remarks and general principles concerning the form.

The first remark is that all UN organizations, agencies, organs, programmes, conferences, commissions, committees, councils, offices, funds, etc., in their seemingly inextricable complexity, whenever they were set up, and for whatever purpose, are the product of the decisions of the same sovereign governments. What governments have done they can certainly change but, to do so, it is of cardinal importance that they form a clear vision of what they want and that they

should have the determination to follow through its implementation, in a coherent and systematic manner, in all the many decision-making organs of the system.

Such determination would be all the more necessary if the changes imply radical surgery; after so many failures by the tinkering approach, this is probably what is required if governments really want to give 'the goal of development its rightful place in the UN system'.

As yet, the enunciation of principles can only be very general and by no means exhaustive. The following six may perhaps serve as a basis for further reflection:

1. In order to be able to deal efficiently with a host of interdependent issues as well as to tackle problems and to define and carry out solutions in a systematic manner, consultations, decision-making and implementation must be made much more cross-sectoral. Development functions, such as the normative function implicit in the definition of the International Development Strategy, and operational, funding and other functions, should be streamlined and actually regrouped across the system.
2. The General Assembly, as the supreme organ of all nations, would consequently be the only central decision-making body. It would operate through *two organs only*: the Security Council, for all political affairs, and the Development Council, which would take over functions scattered all over the system, and deal with them through a number of substantive committees, managing boards and negotiating bodies.
3. The central organization would be supported by and actually carry out much of its tasks through a similar horizontally unified regional structure.
4. The further transformation of the World Bank group into a true development agency would be facilitated by its becoming universal and through a more democratic voting structure.
5. Procedures for negotiations, whether in trade or for other international commitments (declarations, conventions, etc.) should be simplified drastically.
6. Ways and means should be found to include in the international decision-making process the non-governmental actors (e.g. transnational enterprises, trade unions, religious organizations) and, more generally, those likely to be affected by decisions.

This may appear a very ambitious agenda, and those who see no escape from such an ambition will probably be told, as was once Anatole France, 'these are the illusions of dream and desire', to which he answered, 'what is creating life, if not desire?' And indeed, as Luis Echeverría points out, there is no escape:

> The problems confronting man in the coming decades are so great that every effort must fail unless the overriding, categorical decision is taken to change and reorganize contemporary society. To reorganize it on another basis, from other moral, material and community convictions that are binding and internationally held. . . . What is involved is really a philosophical undertaking, an adventure of the imagination.[3]

The group of friends gathered at Täljöviken shared Goethe's view: 'Im Anfang war die Tat', in the beginning was action. They are ready for that beginning.

Notes

1. Statement at Spokane, Washington (press release UNEP/40).
2. *Development Dialogue* (Uppsala), No. 1, 1974.
3. *Ceres* (Rome), No. 38 March–April 1974.
4. Charter of the United Nations, Preamble, Art. 1, Art. 55.
5. Teng Hsiao-Ping, Vice-Premier of the People's Republic of China State Council, at the sixth special session of the UN General Assembly.
6. United Nations General Assembly resolution 3172 (XXVIII).

Appointment with the Third World

Experts and Volunteers in the Field: Their Work, Life and Thoughts

BY STIG LINDHOLM

The Dag Hammarskjöld Foundation, Uppsala 1974, 144 pp.

Stig Lindholm is the author of *The Image of the Developing Countries: An Inquiry into Swedish Public Opinion,* also published by the Dag Hammarskjöld Foundation (Uppsala, 1971), an investigation into the attitudes of the Swedish people to development issues and into the extent to which public opinion is in fact informed of official aid policies and programmes. The present work complements the earlier study by providing information on the problems of Swedish technical assistants actually employed in implementing programmes in four African countries. On the basis of interviews with some seventy field workers, the author describes various aspects of the life of the technical assistant, such as the adequacy of the preparatory training given in Sweden, motives for choosing development work, relationships with governmental authorities and ordinary people in the field and the salary structure for technical assistance personnel.

Stig Lindholm is Assistant Professor of Education and Educational Psychology at the University of Stockholm and has held a research post at the Swedish Council for Social Science Research since 1966.

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Transnational Corporations: Information Gathering by the United Nations

By Juan Somavía

Public awareness of the need to follow more closely the activities of international companies is now beginning to make itself felt at the level of the United Nations. In this article, Juan Somavía, who was the rapporteur for the 'Group of Eminent Persons' appointed by the UN to study the transnational corporations, describes the events that led up to the call for a UN Information and Research Centre to collate the data that will be necessary to investigate international commercial activities. The author was formerly Permanent Representative of Chile to the Andean Group, President of the Commission of the Cartagena Agreement and Chairman of the Board of the Andean Development Corporation.

For the first time since its inception the United Nations has taken operative steps to deal comprehensively with the subject of transnational corporations. Decisions taken by the United Nations Economic and Social Council (ECOSOC) at its fifty-seventh session (July/August 1974 in Geneva), if administered with imagination and foresight, may well prove to pave the way for pioneering actions within the organization.

It all started two years ago when Chile, in the wake of the revelations of the ITT intervention in that country, requested a study of the global issues posed by transnational corporations. After skilful negotiations on all sides, resolution 1721 (LIII) was unanimously approved, requesting the Secretary-General to appoint a group of eminent persons to 'study the role of multinational corporations and their impact on the process of development, especially that of developing countries, and also their implication for international relations; to formulate conclusions which may possibly be used by governments in making their sovereign decisions regarding national policy; and to submit recommendations for appropriate international action'. It was this report[1] that served as the basis for discussions within ECOSOC.

ECOSOC decisions

Although all the conclusions and recommendations of the report were not agreed to by all its members,[2] there was full unanimity in the need to maintain the subject of transnational corporations under systematic review within the UN, to establish permanent machinery in the form of a commission to assist ECOSOC in its discussions and to create an Information and Research Centre on these issues. Most of these proposals were endorsed by ECOSOC. There was a certain degree of surprise among observers to the meeting by the relative promptness with which ECOSOC acted, in view of the controversial nature of the subject and the normal standards of UN decision-making. Also worth noting is the fact that an ample majority of

industrialized countries felt action had to be taken straight away. In contrast, some developing countries expressed certain initial hesitations, which were later overcome in an important expression of cohesiveness on the part of the Group of 77.

ECOSOC, by its resolution 1968 (LVII), decided to:

1. Keep the full range of issues relating to transnational corporations and, in particular, the subject of regulation of and control over their activities under close consideration on a continuing basis.
2. Establish, in principle, appropriate permanent machinery to assist the council in dealing with the issue of transnational corporations. There was no agreement on the nature and composition of the commission or other organ that is to carry out this function.
3. Establish an Information and Research Centre on Transnational Corporations.
4. Convene a Special Inter-sessional Committee of ECOSOC to examine the different aspects and proposals of the report of the Group of Eminent Persons, the views of states not represented in ECOSOC and a report of the Secretary-General on the work already under way in the United Nations system closely related to transnational corporations. Furthermore, this committee will be required to recommend priorities for a programme of work on the full range of issues related to transnational corporations as well as for permanent machinery needed to develop such a programme of work.
5. To consider all these issues at its resumed fifty-seventh session (probably in November) and to take final decisions on the permanent machinery and its mandate.

Thus, if the timetable of this resolution is adhered to, by January 1975 the United Nations will be fully and formally involved in the subject of transnational corporations.

The need for information

I would like to concentrate here on some of the proposals contained in the report with respect to one of the principal questions raised by transnational corporations: the need to gather and process useful, comparable information. Transnational corporations can be viewed from many angles and their activities assessed according to widely varying standpoints. The mere fact that there is a number of contradictory opinions about them is, in part, a reflection of the lack of adequate objective data on many aspects of their operations and of their implications for economic development and international relations. Ignorance and mystery contribute to distrust and lack of credibility. The possession of information in which all parties can have confidence, which invites ready comparison and is presented in a form that is useful for decision-making, may well be the most important first step to create conditions for all governments—host and home—to deal effectively and unemotionally with transnational corporations.

The report reflects this view in the following terms:

> The vital importance of information disclosure and evaluation has been emphasized throughout this report. They are central to many issues discussed . . . and to the proposals for dealing with those issues whether in connexion with the promotion of

labour welfare, the monitoring of volatile short-term capital movements, the choice of appropriate technology, the protection of consumer's interest, the regulation of monopolistic practices, or the prevention of artificial transfer-pricing and taxation. Progress in this area is thus essential for a wide range of policies and programmes concerning multinational corporations, as well as for general development.

The main reason why more information is necessary is almost a truism: the parties concerned need it; both governments and transnational corporations. Furthermore, a series of non-governmental actors such as trade unions and consumer organizations would also benefit from larger disclosures and should have ample right of access to it.

Host governments, particularly developing countries, need it because any policy vis-à-vis transnational corporations can only be sustained on the basis of a selective approach. Most developing countries feel that, one way or another, some of the capacities inherent to the activities of transnational corporations can be useful for economic growth. At the same time most have surpassed the idea prevalent in the 1950s and 1960s that foreign investment was good whatever its characteristics. Rather to the contrary, the realization is growing that (p. 28):*

> Their activities are not *per se* geared to the goals of development and that, although powerful engines of growth, they tend to accentuate rather than reduce inequalities in the absence of proper governmental policies and, wherever necessary, social reform.

Thus, countries confront the increasing necessity to define clearly in their national plans the relative role that transnational corporations can play in their development, in order to maximize its benefits and minimize its dangers. This involves choices. Adequately processed information is a fundamental component of the capacity to choose. This is what has been called in the report the *technology of choice*:

> This technology consists of the ability to gather more relevant data of more kinds than ever before, to treat a whole situation as the complex system which it truly is, to calculate the effects of the interactions of the components of the system, together with the ultimate trade-offs between conflicting goals, while including within such a system social, economic and cultural values (p. 67).

The report adds that while in the last analysis fallible human beings must make the choices, present-day technology as just described offers the opportunity to remove significant areas of ignorance and uncertainty and to lessen the possibility of bad choices caused solely by the lack of knowledge. These capacities will help, among other things, (a) to enhance the negotiating power of host developing countries in the specific technical areas; (b) to develop methods and systems of analysis that will enable the host to determine what is the lowest total social cost of a given project; (c) to monitor better the distribution of benefits between transnational corporations and host countries; (d) to find alternative ways of obtaining the particular benefits that the transnational corporations may be offering.

Many developing countries also need a better understanding of the basic rationale of transnational corporations and the differences that exist between them. One of the main areas of misinformation found in developing countries is in the objectives and rationale of a given cor-

* Page numbers refer to the report.

poration with which they are dealing. Knowledge of its general organizational structure, the relative role of its international division, the implications for the host country of geographic, product-line or functional forms of world-wide organization; the process, orientations and format of its long-range strategic planning; the general production, marketing and finance strategies as they may affect the operation of the affiliate in question; its acquisition and ownership policies; the relative role of centralized decision-making and its international control strategy, etc., are all aspects that need to be researched before going into a negotiation. Further still, an effective negotiator needs to be sufficiently familiar with the quantitative techniques used by private firms to assess their own objectives in order to analyse proposals by potential investors within a framework understood by them. This requires information on specific issues such as discounted cash flows, payback periods, profit accounting, depreciation, etc.

Understanding their motivations is basic if unnecessary mistakes are to be eliminated. For example, there are still many developing countries that believe in the need to afford transnational corporations special privileges and concessions, over and above those applied to national companies, in order to attract their investment. Such an outlook lacks a minimum understanding of the fact that the size of its real and potential market is the main bargaining power which a country has. In his individual comments to the report (p. 134), Irwin Miller[3] makes this point clearly:

> Where a country does not, within its borders and without exports, present a market sufficient to justify a minimum investment by a given industry, no amount of short-term incentives will attract that industry. In bargaining with multinational corporations, therefore, developing countries must be careful not to 'give the shop away' with especial exemptions and closed borders, or enter into ruinous competition with their neighbours.

Thus, if a country has a small market, economic integration or co-operation with other developing countries, which increases its natural market, may prove more effective than excessive concessions.

In the same way, the search for stability and an adequate investment climate is an important aspect of decision-making by transnational corporations. Too often this has been understood by governments of developing countries as the need to maintain the status quo in their societies and to impede social changes. Here again, it is important to perceive correctly the changing attitudes of corporations. Irwin Miller's comments (p. 134) to this effect are illuminating:

> Stability in today's world means that inequalities are perceived to grow less and injustices to diminish. Degree of stability is not an easy judgement for multinational corporations to make today. Apparent stability is too frequently coupled with repressive policy and terrorism. Too often there is insensitivity to the problems of wealth distribution and excessive emphasis on growth first. Recent history seems to make it clear that without change in such policies apparent stability may be short-lived . . . a fact that multinational corporations will have to weigh increasingly in their decisions.

Another danger stemming from insufficient information is the tendency to generalize. The capacity to distinguish with certain sophistication between the working methods of companies in different sectors and even within a certain sector is indispensable. Equally important is to have a clear mind as to the implications of

receiving investments from certain countries rather than others.

Transnational corporations also need more information. They, of course, know their business and what they want out of a particular deal. This is not always coupled with an adequate feeling for the way things are done in a particular country. This is very often a complex subject because the understanding of local sensitivities or particular interests is often difficult. Moreover, many mistakes on this account on the part of the local manager are not likely to have an immediate effect on the balance sheet, but will rather create an ambience for a certain company that will be a long time simmering and will one day explode to the total surprise of the central management. There is definitely a cultural gap here. The wide differences in developing countries are not always correctly understood. Good experiences in some regions are sometimes transferred without qualification to others, with totally different results. Thus, cognizance of the value structure and the rationale behind the social systems of societies where they operate is a fundamental component of successful business decisions in developing countries.

Another type of information transnational corporations need is knowledge of the relevant general and specific framework within which they are going to operate. They feel it is unjust to be criticized for not doing what they were not asked to do in the first place. A clear definition of the functions to be performed and the objectives to be achieved in the context of the national development plan is fundamental. A caveat is none the less necessary. Experience has proven that national development planning can commit serious mistakes and introduce changes on the way. However, both from the point of view of the enterprise and the government, it is convenient to have such a plan, together with the ground rules according to which transnational corporations have to evolve their activities. Without this information, the country runs the risk of not getting what it wants and the corporation runs the risk of being sanctioned for it.

Government policies are not unilinear. They change in the course of a government's tenure and they also change with governments. Changing circumstances are a reality of today's world. Decision-making under conditions of uncertainty is a characteristic of the present conjuncture. It applies equally to events in industrialized and developing countries. Transnational corporations like other actors in international life need to learn to live with that fact. An important way to cope with this situation and to continue to render the services they feel they can render to the countries in which they are located is to recognize adequately these changes and the mood of restlessness in which many developing countries find themselves. The majority of transnational corporations should be better prepared to gauge the social and political evolutions of the countries in which they operate. Many high executives at the home and local level lack the training in sociology or political science that would give them a working understanding of the political environment that surrounds them. More commonly, efforts in this field are limited to obtaining free and easy access to the 'right people'. There is here a sort of reverse information gap that accounts for many 'non-accountable' mistakes, mistakes, that is, that do not stem from wrong business decisions but that

originate in a false understanding of the national trends. It would be interesting to conceive a technical-assistance programme for high-level executives with respect to some of the main preoccupations of developing countries in general, of certain regions in particular, or even of specific countries or subjects. It would be interesting to know, for example, how many high-level executives of transnational corporations have read the principal UNCTAD recommendations or are aware of the objectives of developing countries as expressed in the recent General Assembly resolution calling for the establishment of a new international economic order.

A final remark on the need for more information. Only knowledge of the subjects and their implications will enable governments, trade unions, consumer organizations and the transnational corporations themselves to deal adequately with the multiple situations that arise. A greater transparency in the activities of transnational corporations can only work to the benefit of all. To the extent that those concerned can dispose of undisputed facts as a basis for their allegations many areas of disagreement may disappear, and many preoccupations will either be confirmed—and they can be dealt with accordingly—or prove to be non-problems.

United Nations Information and Research Centre

In such a context the creation of an Information and Research Centre within the United Nations acquires particular importance and places a formidable responsibility on the UN system. It is worth noting that most of the persons who testified at the hearings[4] held by the group were favourable to the idea of establishing a centre. There was widespread agreement that this was an area that required immediate action.

It is important to note that there are already a number of important efforts under way. Most are concentrated in industrialized countries. A considerable volume of data has been gathered that will be extremely useful for work to be initiated under UN auspices. The most exhaustive single research project undertaken anywhere on the nature and behaviour of transnational corporations has been centred at the Harvard Business School, financed largely by the Ford Foundation, and under the general direction of Professor Raymond Vernon. The Centre d'Études Industrielles in Geneva has served as its European counterpart. By the end of 1973 the project had contributed to the completion of twenty-one doctoral theses, 119 articles in various journals and publications, two major compilations of basic data stored on computer tapes and eight books. Governments, congressional committees, business organizations, organized labour and consumers have also initiated important studies on this issue. It is quite significant to note that there is no comparable effort on the part of developing countries. A subject that has acquired such serious implications for their development is practically unresearched. There are many national studies but no overall initiative to gather systematically data on comparable terms and according to their requirements. In this respect, it would appear urgent to implement the decision to establish an information and research centre for non-aligned countries taken at the Conference of Heads of State in Algeria. An information centre for

unaligned countries would be able to pinpoint matters in areas of particular interest to developing countries. It would also serve as a forum for the interchange of experiences and permit a more coherent and articulate participation by these countries in the UN debates.

The first task of the UN will be to establish a programme of work and its relevant priorities. With respect to the Information and Research Centre the following considerations should be borne in mind:

1. The mass of potential information is so vast that it is possible to inundate the United Nations with flows of information without any of it being reduced to a comprehensible form for use by developing-country governments. Thus, the decision must be made to determine what kinds of information are needed, how it could be collected effectively and to what purpose it shall be used.
2. Information gathering can cover global or specific aspects of some of the following fields: balance of payments impact, employment, technology, restrictive business practices, transfer pricing, monetary movements, local sourcing, taxation, structure of transnational corporations and nature of their affiliation with other enterprises or financial institutions, exports, import substitution, legislation and policies of host and home countries, geographical and industrial distribution of transnational corporation activities, organization and global strategies, methods of entry, methods of exit, principal markets, principal customers, and role of transnational corporations in the present international economic system.

The report mentions some activities which could be initiated forthwith. Among them are the following:

Standard accounting and reporting. The use of corporate accounting data as at present organized raises two questions. From a substantive point of view, it contains information made available by the administration of a corporation to the shareholders in order to report on the activities of the enterprise during a given period of time. That information may not necessarily be the same that governments may require in order to evaluate the performance of a given corporation against national development objectives. From the formal point of view, accounting sheets have to be submitted according to the specifications of national legislation in each country of operation. Consequently, they are more than often non-comparable. The group reflected, however (p. 95),

> that governments need corporate reports which are comparable regardless of national origin, and which will disclose, in usable form, the economic and social information they require for effective decision-making. Thus the group believes that an international comparable system of standardized accounting and reporting should be formulated.

Among the types of information mentioned that would be particularly useful to governments and other interested bodies are: valuation and revaluation of assets and currencies in which they are denominated, inventories, research and development expenditures, start-up expenses, transfer prices, pension and other reserves, sources and timing of income, wages and other workers' benefits.

The form in which the information is supplied would be designed primarily to suit the needs and uses of governments and thus may not correspond to the usual custom and practice of corporations. For the foreseeable future, the group envisages that corporations will continue to report to their countries according to the various standards required by them. The international standard then, together with the reconciliation, might constitute additional data to be included in the annual report of multinational corporations.

The group felt that to implement the system, once devised, an attempt should be made to secure the voluntary agreement of a significant number of transnational corporations.

Information on existing agreements. Agreements under which particular transnational corporations are operating in a given country are seldom made public. Both governments and the enterprises may feel that they contain data—of a government's long-term objectives in certain sectors or a company's strategy—which would be best kept private, or that there are certain conditions attached to the agreement that for different reasons they do not wish to disclose. In other cases, governments may not have access to the relevant information with respect to agreements between private parties.

The group felt that public disclosure of the principal terms of agreements should be the rule rather than exception:

Such disclosure would assist enormously in increasing the confidence of both parties, in diminishing the present tendency towards too rapid obsolescence of agreements and in reducing the variations that now exist between similar arrangements in different countries (p. 96).

This is a highly sensitive issue and headway can only be made if the matter is handled cautiously. All would stand to gain from a well-administered system of information gathering based on existing agreements. One of the first tasks of the Information and Research Centre would be to classify the type of information that could be requested. Care should be taken to distinguish between factual, operational and policy-oriented information contained in the agreements. Although this work has to be undertaken with care, its importance cannot be minimized. The knowledge that would become available to developing countries would be enormous and highly significant. It would go to the heart of many questions and enable one to focus on precise aspects of the issues involved. The bargaining capacity of many developing countries would be considerably enhanced by the knowledge of what has been done elsewhere in similar circumstances. It would also enable one to differentiate between companies and sectors. The rationale of particular transnational corporations and the way to deal with them might become clearer, removing suspicions and mistrust.

Information that transnational corporations could make available during initial negotiations. In addition to the general areas of action that have been mentioned with respect to the information gathering, there are other proposals made throughout the report that should be mentioned. Among them are:

Centralized decision-making: One of the main preoccupations among developing countries, expresssed very forcefully in the discussions of the group and during the hearings it held, is the possibility that transnational corporations affect, in varying degrees, the objectives of the

national development plan through the control of strategic or key sectors of their economies, the control by the parent company of important decisions by the affiliate, and the impact of the affiliate on overall monetary, financial and trade policy. All these questions are related one way or another to the extent to which corporations apply centralized decision-making mechanisms with respect to decisions by their affiliates. These issues are seldom a part of the agreements with transnational corporations. They result rather from the administrative or managerial practices that corporations have evolved over time. If a country does not adequately perceive these problems at the outset, the corporations may legitimately point to the fact that these are internal questions related to the particular ways in which a company conducts its business. Thus, it is recommended that an understanding be reached with transnational corporations about the nature of the decisions that a country feels should be taken locally. The group felt that, at the initial stage of the negotiations, the multinational corporation should explain its general decision-making network and the manner in which the affiliate would be affected by it. Such information would permit the host country to determine whether its basic policies would be likely to be affected by foreign control. Thus, an evaluation could be made by the host country and an appropriate decision taken.

Market allocation policies. One of the principal reasons why developing countries may be interested in transnational corporations is the possibility of increasing their export capacity. However, a corporation pursuing its world-wide strategy may have an 'in-the-house' market allocation scheme that limits certain of its subsidiaries or affiliates exclusively to the production for the local market. These sorts of decisions are sometimes difficult to detect because they are not the result of specific agreements. The report proposes a series of actions in this respect. In the information field it proposes that transnational corporations detail clearly, upon entry into the host country, the conditions of operation, explaining the extent and duration of, and the reasons for, any possible export limitation to be applied to the subsidiary. With that knowledge the matter can become subject to negotiation and the host country can take a final decision with adequate overall knowledge of its implications.

Health and safety standards. The protection of workers through adequate health and safety standards is a basic consideration of the report. It is felt that transnational corporations could play a positive role. Because of their experience of production in varying circumstances and contexts, they have been able to develop sufficient knowledge of risks involved for workers. Many jobs carry certain hazards to the health and safety of workers. To guard against them many measures have been adopted on the initiative of workers or corporations, or through governmental regulations. Developing countries, particularly if a production line is being introduced there for the first time, may not be aware of the hazards and the measures taken in other countries to guard against them. In this respect, the group recommended that

> home countries should require multinational corporations to declare, in all countries in which they operate, all measures of safeguard and special working conditions which they observe in the home countries to protect the health and safety

of workers and to observe those measures in similar production processes in host countries with such changes and adaptations as the host government may specify.

Similar considerations were taken into account with respect to consumer protection in quality control and safety. A number of companies and governments have already prescribed standards for the sale of certain products. On such occasions the group recommended that

> host countries should require that affiliates of multinational corporations reveal to them any sales prohibition and restrictions in manufacturing imposed by home or by other host countries with respect to the protection of the health and safety of consumers.

Issues for research. One of the conclusions of the report is that not only is further information gathering necessary, but also that more research will be required into a number of issues. Except for the need for additional studies in the service sector (i.e. banking, tourism, land development, transport and communications) these are not specifically mentioned.

Many of the most sensitive issues with respect to transnational corporations are precisely those in which factual information may be most helpful in giving objective orientation; because they are sensitive, the tendency on the part of those concerned may be to become restrictive about it. Some of them are the following:

Political intervention. The report deals in no uncertain way with political intervention by corporations. It states (p. 46):

> *The Group unequivocally condemns* subversive political intervention on the part of multinational corporations directed towards the overthrow or substitution of a host country's government or the fostering of internal or international situations that stimulate conditions for such actions, and *recommends* that, in such an eventuality, host countries should impose strict sanctions in accordance with due process of law of the host country concerned. Home countries are encouraged to consider ways of ensuring that their investment guarantee schemes do not make these sanctions ineffective.

The relevant chapter of the report elicited the following comment by United States Senator Jacob Javits (p. 109):

> This chapter represents a reaction of the group to the activities by ITT in attempting to intervene in the affairs of Chile rather than a case strengthened by adequate examples. While ITT's action in Chile was a reprehensible affair that resulted in the denial of ITT's claim for OPIC insurance compensation for its expropriated Chilean properties, it has not been established that it is the norm for multinational corporations. Therefore, the report tends to feed the fears of those who believe that multinational corporations are subverting governments of developing countries, without the faintest shred of evidence beyond the ITT example to prove that this fear is justified.

It would no doubt help all concerned if adequate information on these questions were made available, using existing and potential knowledge that goes beyond the ITT case.

The problem, of course, is that in this area lack of public information is a condition for success. No company that may have felt tempted to intervene politically will declare so in its annual report. Governments that have been the object of intervention or that have accepted pressures in the interest of a transnational corporation may be hesitant to have these events made public, lest they create a bad image or give ammunition to opposition political parties. Worse still, it can happen that governments do

not survive if they try to clarify the complex ramifications that may lie behind political actions by transnational corporations.

Thus, this research is not easy, and pitfalls are present everywhere. None the less, it seems worth attempting. An objectively constructed research programme that would shed light on the conceptual and practical sides of this question would definitely be in the interest of companies that do not indulge in political activities. It would permit the executive and legislative branches of home governments to assess the issue on the basis of factual evidence and, finally, it would permit host countries to differentiate among corporations.

Level of profits. The actual level of profits of transnational corporations in industrialized and developing countries is an issue that has been present in discussions about foreign investments for a long time. The debate has been recently stimulated by the rise in petroleum prices and the consequent spectacular increase in earnings by the oil companies. Also, the inflationary situation in which developed countries find themselves has given impetus in some quarters to the feeling that, through the price mechanism, companies can more easily defend themselves from the effects of inflation than workers and employees in general.

It is usual to find recurrent attacks on the excessive level of earnings by transnational corporations. One of the better known cases in question is the studies made on the pharmaceutical industry by Charles Levinson,[5] Secretary-General of the International Federation of Chemical and General Workers' Unions, himself a pioneer in these issues and an advocate of joint trade unions' reaction to the power of transnational corporations. On the subject of profits, Hans Schaffner (Switzerland), Vice-Chairman of the Board of Sandoz, S.A., makes the following comments to the report (p. 158):

> The maximization of profits has never been the *raison d'être* of private enterprise. The aim was rather to '*optimize* profits', but this is already antiquated and has been abandoned both in theory and practice. The basic criterion today is to ensure that profits are sufficiently high to cover the potential risks involved and thus avoid losses. A moderate, but long-term profit is preferable to a very high short-term one. *Sufficient* profit is really indispensable for the survival of enterprise but is not its only, not even its principal motive. Social responsibility is becoming increasingly important. But only a profitable venture can shoulder these responsibilities and provide better jobs, better services and a better environment.

These opinions indicate that the organization of available information, plus adequate research, when necessary, would permit much greater knowledge and thus the possibility of establishing policies resulting from objective analysis. The nature and structure of any investigation would be extremely important because of the complexity of the subject and the need to take into account a series of interrelated issues. Efforts have already been made and much worthwhile information exists (particularly in Latin America). The discussions, none the less, linger on, and it would appear that, as yet, one cannot find a study that commands the wide acceptance of all parties concerned.

Accountability. Many feel that corporations wield substantial power in the societies where they operate, but that in fact they are not duly accountable to anyone for the way in which they exert this power and conduct their global

activities. Some transnational corporations heatedly dispute this fact and argue that they are very definitely accountable to governments, and not only to one government but to the governments of all countries where they do business. Consequently, they draw the conclusion that their operations are, in fact, excessively regulated and controlled.

Here, further conceptual development would seem to be required. The legislative and political structures of most developed and developing countries were established before it was possible to consider in all its implications the manner in which the power of corporations could be used. As the report states,

> At present, national and especially international institutions do not deal adequately with the various ways in which multinational corporations can use their power in a manner which may run counter to the needs of the societies in which they operate. This underlines the need for public involvement and for discussion of the goals and policies that multinational corporations should pursue and the means whereby corporate power may be oriented in the interest of world development.

This question is closely related to the values underlying the ethics of investment decisions. While some may still argue that business has no social responsibility, the survival in the long run of transnational corporations will be dependent upon their acknowledging their responsibilities to society, as much as in a responsible technological, financial and production performance. Thus, the concept of 'social audits' of a company's activities is increasingly gaining momentum. All these are areas for research and thought. Much analysis has to be done of the social investment issues raised by foreign operations of transnational corporations. In this respect, for example, the group recommended that home and host countries should ensure through appropriate action that transnational corporations do not violate sanctions imposed by the UN on countries suppressing human rights and following racist policies.

Relationship of transnational corporations to the international economic system. Transnational corporations react to the environment in which they live, but they also help to shape it. The extent to which this happens is not always clearly discernible, and there are many areas in which the influence of transnational corporations may be minimal or nil. However, were transnational corporations not to exist, we would certainly have a different international economic order. Thus research into the nature of the relationships may be an extremely useful instrument in the hands of governments.

For some countries this is considered to be the basic issue. For them, concentrating on the sectoral expression of transnational corporations' activities cannot possibly help to change the role they play in the international system. Emerik Blum[6] in his comments to the report makes the following point (p. 99):

> I do feel it is necessary to stress that multinational companies are a component part of the present system of international economic relations which, as is generally accepted today, rests on inherited privileges and relationships of exploitation, on neocolonialism. . . . It is important to underscore this, as regulating the operations of multinational corporations should be placed within the context of establishing a new system based on equality. In this framework many dilemmas associated with the principle of sovereign disposal of national resources, including the right to nationalize, as well as categories such as vested rights, negotiating power

and so on, should be dealt with and treated more adequately.

The same question was brought up by the representative of Algeria during the discussions of the report in ECOSOC.[7] He expressed the feeling that it would be illusory to analyse partial aspects of the behaviour of transnational corporations, because that analysis does not consider the phenomenon which originates them, i.e. the capitalist system of production.

Conditions for the gathering of information

The manner in which the Information and Research Centre goes about its business will determine its success. A series of questions are important in this context:

Confidentiality. Although nobody disputes the fact that more information is necessary, it must be recognized that careful standards of confidentiality would have to be devised. Multinational corporations may be reluctant to release some kinds of information if they fear that it will eventually be used by their competitors. If these standards are not set, there will be the tendency to regard failure to release information as evidence of wrongdoing rather than as what could be the legitimate preservation of corporate know-how and financial data. Also, there may be occasions when governments will not want to see certain information disclosed, for internal or international reasons. But it is important to ensure that transnational corporations do not use confidentiality as a smoke-screen, which might become the best way to block effectively any action on the part of the UN.

Non-discrimination. Many of the data to be collected will refer to aspects of the activities of transnational corporations directly related to the fact that they are international in nature and therefore have a different structure and basis of operation from that of national companies. Thus, some disclosures will apply exclusively to the foreign companies. On the other hand, when the required information is available from local companies, provisions calling for mandatory disclosure of information should, in principle, be enacted on a non-discriminatory basis.

Role of government co-operation. The gathering of information that, on occasion, may be considered critical or confidential will require a high level of co-operation among governments. Very often this information will already be in the hands of tax or anti-trust authorities in the countries concerned. If adequate co-operation is not developed, information collected directly could fall significantly in value.

Conditions of trust. Whatever agreements governments arrive at, the voluntary co-operation of transnational corporations will be essential. The latter can either help create the conditions for effective information gathering or, on the contrary, limit or stall the effectiveness of any effort undertaken by the United Nations. Their basic concern will be, of course, the extent to which they feel that these efforts are necessary. It may well be that, whatever precautions are taken to ensure confidentiality and non-discrimination, negative attitudes will still occur. There is a generalized scepticism in many quarters as to the real willingness of transnational corporations to co-operate in this. Whatever

their final decision it is necessary to launch this exercise under conditions of trust. Experience will show the extent to which it is necessary to resort to mandatory regulations.

Management and organization of the Information and Research Centre

Transnational corporations are not a subject that lends itself to bureaucratic handling. It is worth recalling a comment by one of the members of the group (p. 131):

> Effective management of the proposed Information Centre is more important than we have implied. There is considerable risk that the centre will never develop the capacity for adequate response. With large amounts of information to be processed, correct choices about what to do first will not be easy. This will require great insight and technical competence. People with such skill are rare and in the highest demand. They are not likely to reside now within the United Nations organization. This suggests both the payment of competitive salaries and the widest possible search among governments, academic institutions and private enterprise to assemble a team of the highest calibre; short of a committed effort of this nature, the Information Centre will be only another bureaucracy.

It may be exaggeration to imply that the UN does not have adequate competence. UNCTAD, in particular, has shown incisiveness and taken opportune initiatives to study some issues related to transnational corporations. But the risk of this occurring should not be minimized. Unless the centre is given the mandate, the funds, and the status that will stimulate the interest of competent people within and outside the UN, it may lack the necessary driving force and conviction indispensable to tackle the momentous questions it will have to deal with.

The involvement of the UN in the issue of transnational corporations is a major breakthrough for the organization. It reflects the political conviction of governments that the international community can no longer ignore the subject. It opens the way for more knowledge on the issue, thus for better judgement and better decisions and choices.

Notes

1. *The Impact of Multinational Corporations on Development and International Relations* (UN publ. E-74.II.X.5), also referred to as the 'Report of the Group of Eminent Persons'.
2. The group was composed of twenty members with differing technical expertise and professional experience, with backgrounds in government, business, academic circles and trade unionism, acting in their individual capacities.
3. Irwin Miller (USA) is the chairman of Cummins Engine Co. Inc.
4. One of the working methods of the group was to hold a series of hearings, during which forty-seven persons testified.
5. Charles Levinson, *The Multinational Pharmaceutical Industry,* Switzerland, ICF, 1973.
6. Emerik Blum (Yugoslavia) is the General Manager of Energoinvest.
7. ECOSOC, Summary Record, 708th session, 19 July 1974.

Standing Up to the World: The New Mood in the Less Developed Countries

By G. K. Helleiner

Development co-operation principles have depended to a great extent, in their elaboration, upon moral and legislative commitments within donor countries, interpreted in the framework of international agency and financial institution guidance. The tacit acceptance of this schema has been increasingly questioned in the light of its limited results and the climate of growing international economic instability. It is in this context that the Dag Hammarskjöld Seminar on International Economic Change and the Third World was held at Uppsala, 28–31 August 1974, in order to provide a forum for a number of international and development economists from Africa, Asia, Latin America, Europe and North America to prospect and explore, not new 'wonder solutions', but fresh ways of thinking about the problems of the Third World countries in the changed economic environment. Professor Helleiner, who was chairman of the seminar, here reflects on some of the theoretic and suggestive territory over which the seminar ranged. This is not so much a summary of the seminar discussions as a personal view of some of the issues discussed and it should therefore not be taken as necessarily representative of the views of other participants. *G. K. Helleiner is Professor of Economics at the Department of Political Economy, University of Toronto, Canada. He was,* inter alia, *a Research Fellow at the Nigerian Institute of Social and Economic Research, Director of the Economic Research Bureau, Dar es Salaam, Tanzania, and Visiting Fellow at the Institute of Development Studies, Sussex, United Kingdom. He has written or edited many books and articles on international trade and development and related issues and acted as a consultant for numerous organizations in this field.*

Relationships between rich nations and poor have entered a distinctly new phase during the 1970s. For all but the poorest of the poor countries, the era in which 'foreign aid' was perceived as the fulcrum for these North–South relationships has ended. Aid never did deserve the relative emphasis it received. The effects upon the less developed countries of the North's activities in the fields of trade, investment, technology and monetary affairs have always been slighted by the 'donor' nations, for whom it was simpler to focus upon the 'soft option'. But the recent

stagnation and even decline in the real value of official development assistance and the very limited results achieved in the international community through humanitarian appeals, together with the growing experience, sophistication and expertise of Third World planners and policy-makers have generated a new mood in the less developed countries—a consensus that further gains can and must be extracted from international economic relationships through the use of new instruments. The OPEC experience has not been without influence—less in terms of the potential for similar action in other commodity markets than as a demonstration that the shrewd and determined use of new policy instruments and levers of power can be made to work.

There has been no abandonment of 'traditional' demands from the less developed world—for better prices for primary products and market access for manufactures, for the introduction of the aid–SDR link, for the many other reformist 'gimmicks' which have been suggested over the years. Nor has the general rhetoric on the subject of international economic injustice abated at all, as the United Nations special session in April 1974 should have made quite clear. Rather, there has emerged a new determination carefully to analyse and agree upon Third World objectives and priorities and to bargain with sophistication and skill in their pursuit, rather than continuing to plead and advocate on the basis of a 'Wouldn't it be nice if . . .' mentality. This new self-reliant and pragmatic mood in the less developed world happens to have emerged during a period of considerable economic disarray in the developed world. The developed countries seem to be viewing these developments with rather more anxiety than they otherwise might have, in the light of their general nervousness about monetary order, the prospect of a severe recession and the possible breakdown of the post-war consensus on international economic organization and behaviour.

A 'new mood' can be no more than a beginning, for there are never easy answers to complex questions even when there are new reserves in the form of determination and stiffened backbone upon which to draw. In the belief, however, that the emergence of this new mood constitutes a watershed in the development of economic and political relationships between the world's North and South, and that it creates both new opportunities and new risks, the seminar participants met to discuss them. In a series of papers and discussions on commodity markets and cartels, transnational enterprises, international financial markets, debt relief and international institutions, they sought to analyse—in the words of one participant—'imaginative visions of alternative possibilities' for the transfer of resources from the world's rich to the world's poor 'with close and precise attention to detail'. Political complexities, interdependencies and the absence of detailed information limit all such efforts to agree on more productive strategy and tactics for the Third World as a whole. Still, despite even greater overall uncertainty than usual, a useful beginning was made, and the edited papers from this seminar will be published, together with an introduction, as quickly as possible in the hope that they may contribute to international debate.

Some of my own views on certain of the issues discussed are outlined below.

Trade initiatives

Great hopes have been aroused in the Third World by the experience of the petroleum-producing countries, which seem successfully to have extracted larger revenues from the rich consuming nations. Cannot the OPEC 'model' be duplicated, it is asked, in other commodity markets? On closer examination, demand conditions, the nature of the established oil cartel and other factors do seem to make the petroleum case a very special one. Producer government attempts to manage supplies more rationally, independently of agreements with consuming countries, will nevertheless undoubtedly continue and probably be intensified in such commodities as bauxite (which many rate as the most likely to succeed), copper, tin, iron ore, bananas, coffee, tea and cocoa. Joint action by governments in producing nations may instead take the form of unification of fiscal and other policies, where supply management is not pursued. Some developed countries like Australia and Canada may well co-operate as producers in some of these arrangements. Success in raising and maintaining the less developed countries' 'take' from these commodities is most likely in those cases where demand prospects are buoyant and where there are reasons for believing that the intergovernmental cartel or other agreement can hold together. Unfortunately, it is difficult to be very precise about the factors that influence the latter prospect which, in any event, can be expected to vary from case to case.

In the longer run, there are risks that transnational enterprises facing increasingly hard-nosed and co-ordinated suppliers in the less developed countries will respond by developing alternative sources, not the least important of which is, in some cases, the sea-bed (the importance to the Third World of which is therefore greater than might at first be apparent). There may also be retaliatory or countervailing measures taken or pressures exerted by the relevant firms or countries. All things considered, and the 'scare' about world resources scarcity notwithstanding, the medium-term prospects for the terms of trade of nearly all the primary-exporting less developed countries are generally assumed to look quite bleak.

The distribution, as among less developed countries, of the extra income from successes in the field of commodity policy is self-evidently not very equitable. (The catastrophic effects of petroleum and related price increases upon the poorest countries are a lesson not to be forgotten.) Whether the extra income within the gaining countries trickles down to the poor is also an open question and depends upon a variety of other country-specific circumstances. Such international 'successes' are necessary but not sufficient for effectively transferring resources from rich to poor.

An important and relatively unexplored area of commodity policy in which the less developed countries might be able to act more effectively is in wresting control or at least a more equitable share of earnings in processing, marketing and distribution from the hands of transnational enterprises. A very high share of Third World primary-product exports is actually intra-firm trade in which the produce is transferred between establishments which, though in different countries, are controlled by the same transnational enterprise. This creates obvious problems for fiscal control and supply management. The de-

velopment of local processing and alternative marketing channels can be undertaken at the national level, but any such measures will presumably be still more effective if pursued jointly with other producing countries.

Existing financial institutions, freight rates and infrastructure are biased against South–South trade and favour expansion of trade along North–South lines. There is great scope for Third World production and exchange of less luxurious and more 'appropriate' products, particularly if demand expands. Some argue that the expansion of South–South production and trade requires the imposition of restrictions on North–South trade but it is not evident that such restrictions would necessarily generate the desired effects and they might well produce some undesirable ones. There is general agreement that much can and should be done to remove existing biases in the services which support trade and to stimulate more trade among the less developed countries themselves.

Bargaining with transnational enterprises

Just as one may say that the era in which North–South relationships were seen primarily in terms of aid has ended, one can say that the era in which the activities of transnational enterprises in the less developed countries are seen primarily in terms of direct investment is drawing to a close. The old debates as to the benefits and costs of direct foreign investment are being rendered obsolete by the less developed countries' increasing insistence upon decomposing its 'package' of capital, various types of technology, management and marketing into constituent components that can then become the object of independent purchasing decisions and be obtained from a variety of sources. Direct investment, like aid, will continue to flow but only when its advantages have been compared by the recipient country with the available alternative sources of the inputs thereby acquired. More strenuous Third World bargaining with each supplier can certainly safely be predicted.

The less developed countries' capacity to 'shop around' in world input markets depends upon their development of relevant skills, the acquisition of the necessary information and the regularization of channels for the acquisition of recurrent requirements. Their greatly increased resort to borrowing on Eurocurrency markets (see below) in the past few years indicates that one major alternative source of the capital component has effectively been developed. The purchase of technology and management skills frequently involves greater difficulties, however, since the sellers of these inputs typically are monopolists or oligopolists. Access to restricted foreign markets is also likely to be a matter of especially difficult bargaining. Most less developed countries do now seem to recognize, however, that bargaining power is of the essence in relationships of whatever type with transnational enterprises. Exchanges of information and unified policies among host countries, such as are practised by the members of the Andean Pact, clearly raise their bargaining strength and therefore are likely to improve the terms of whatever deals are struck with foreign enterprises. The experiences of the Andean Pact can and should be transmitted to other parts of the less developed world both through direct exchanges and through the further elaboration of 'codes of conduct' for foreign investors and

technology suppliers which, though based on one region's problems, can be applied, at least for preliminary purposes, in another.

It is easy to make mistakes or to be misled by superficial appearances in this area of policy. Nationalization of foreign enterprises for the sake of acquiring greater national earnings and control can leave the nationalizer with neither, if his expertise and bargaining power are insufficient to prevent the granting of major concessions on management and technology contracts. Bargaining with foreign enterprises is extremely complex and difficult, and one must be totally clear as to one's true objectives. For example, the acquisition of 51 per cent of a firm's equity makes very little economic sense if the object is to secure control of its activities. One can normally gain the necessary information for effective control at considerably smaller cost. On the other hand, if there are cogent economic grounds for nationalization—usually in resource-exporting sectors or on 'the commanding heights'—it may well make more sense to acquire 100 per cent ownership in the relevant firms.

Similarly, requirements for local private participation in the ownership of foreign enterprises may actually increase the long-run strength of the transnational enterprises in the relevant country vis-à-vis the government and the entire society by creating a powerful set of allies or, more broadly, a dependent *rentier* class. Real national bargaining power may thus be reduced by measures undertaken under the banner of economic nationalism. Less dramatic and lower-profile measures which are implemented on an ongoing daily basis may be more effective in regulating the activities of the transnational enterprises.

More from the international financial system

The less developed countries have expressed themselves vigorously and in a unified fashion on the subject of international monetary reform since they formed themselves into the Group of 24 (eight central bankers from each of the relevant continents). Their preferences for an SDR-aid link taking the form of an altered distribution formula governing future SDR allocations, and for fixed exchange rates among the currencies of the major powers, are soundly based. While these preferences may not be obviously reflected in the eventual reform of the IMF they are certainly being employed as bargaining counters in the continuing debates, for the less developed countries as a group possess enough votes to exert a formal veto against an 'unsatisfactory' IMF reform. If the status of the new SDR can be preserved and built up as the basic reserve asset in the international monetary system, there will be significant advantages for the Third World in terms of easier reserve management and relief from pressure to join the currency area of one of the major powers. It need hardly be added that any means by which the newly acquired Arab oil balances could be onlent, preferably at subsidized interest rates, could be of enormous significance to the non-oil-producing poor countries.

In the meantime, although the data are by no means comprehensive, it is clear that the less developed countries are relying, to an unprecedented extent, upon borrowing on Eurocurrency markets. Whereas national capital markets, particularly in Europe, contain all manner of restrictions which limit the potential for borrowing by less developed countries, the un-

regulated Eurocurrency markets have emerged as an important source of commercial capital, either competitive with or complementary to suppliers' credits, transnational enterprises and official development agencies. While effective interest rates for some less developed country borrowers are still very high on these markets, this alternative source of capital increases the degrees of freedom available to a great many poor countries as they shop for capital and other inputs.

For the poorest countries—those for whom Eurocurrency interest rates are prohibitively high—grant assistance is really the only reasonable means of acquiring adequate capital from abroad, as it should have been from the beginning of the aid era. For the majority, however, provided that capacity to service the debt rises at an adequate rate, there is no reason not to continue to expand foreign borrowing even in cases where the accumulated debt already appears quite heavy. The rapid inflation of recent years has provided less developed borrowers with a significant windfall gain by reducing the real burden of their international debt.

There remains, however, a considerable debt 'mess' left over from the mistakes of the past two decades, which overhangs the international financial scene. It would be in the general international interest, as well as that of the relevant debtor countries, if a way could be found for writing this 'bad debt' off and beginning again. Now that portfolio capital is again flowing in large amounts into the less developed countries, a rash of unilateral defaults could be very harmful in their effects for future borrowing potential. It might be possible, however, to construct a set of principles or a 'code' outlining the circumstances in which default could 'honourably' be undertaken without fear of penalty, just as bankruptcy can, in some circumstances, be declared in the private sector. Such a 'code' would involve the international lenders' participation in development risks for the first time. There exists an obvious rationale, for example, for writing off loans which should have been grants and were clearly for consumption purposes—food and disaster relief loans that were offered for projects which subsequently turned sour and that portion of loans' principal which was absorbed in what is now universally recognized as having been the excess costs of tying. Those less developed countries for whom debt relief would be most important might well devote some energies to the development of a 'default code' for collective introduction. In putting forward these proposals for debt relief (rather than rescheduling, which merely postpones the day of judgement), one must bear in mind the likelihood that any resulting gains to debtor countries will take the form of better-quality resource flows rather than increased quantity since debt relief will be subtracted from unchanged total development assistance budgets.

New institutions

In virtually every field one examines it is clear that the less developed countries stand to gain through close co-operation and joint bargaining. It is difficult to generalize about what it is that enables groups of countries to stand together for different lengths of time on different occasions. How for instance, did the African and Caribbean associates and associables manage, against all odds, to present such a coherent and

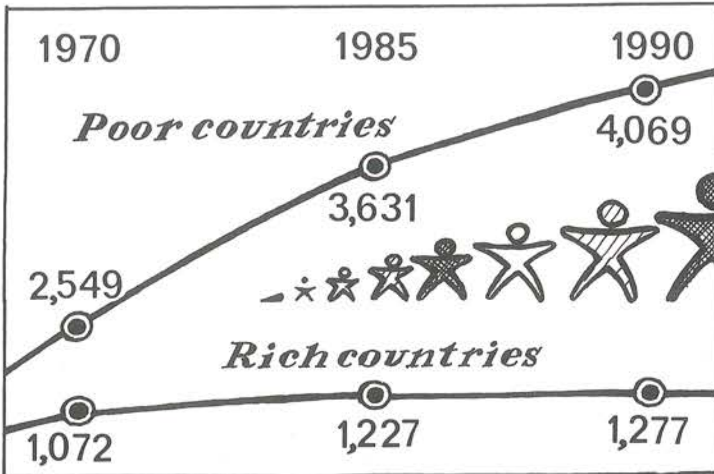
coordinated position to the divided EEC? What is it that provided that extra element of co-operation in OPEC and the Andean Pact?

On the other hand, it is also clear that, other things being equal, Third World joint initiatives are most successful when they are relatively narrowly focused. The UN agencies no doubt have roles to perform in the elaboration of the psychology and politics of the 'new mood', and the provision of opportunities for general discussion and research support, but they are too comprehensive in membership and aspiration for very effective action of the type now under discussion. The institutional instruments of real change are more likely to be functionally or geographically restricted, and therefore much smaller, less given to rhetoric and posturing, and much better at giving 'close and precise attention to detail'. Whether the 'new mood' can be translated into significant new power for Third World countries will depend, above all, upon the successes of these newer and smaller multinational institutions. Upon them, and more accurately, upon their member governments, will rest the major responsibility for ensuring that the 'new mood' results in much more than a mere renegotiation in the terms of their peoples' poverty and dependence.

The world's food: what lies ahead

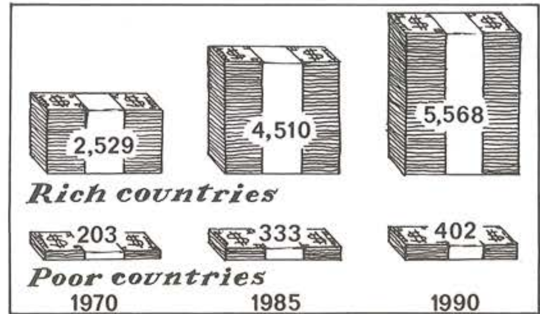
See overleaf

The world's what

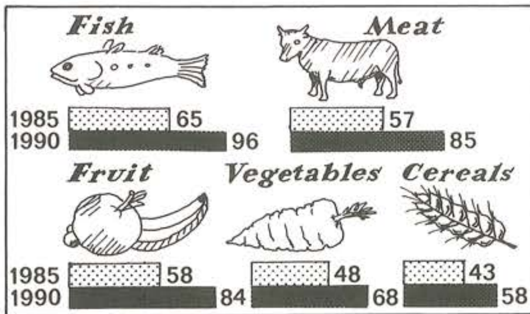


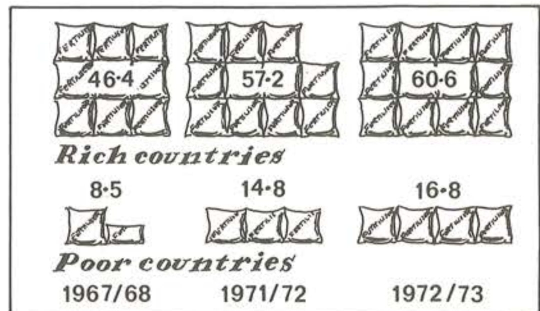
World population estimates (in millions)

Estimated wealth per head (in US$, 1970 value)

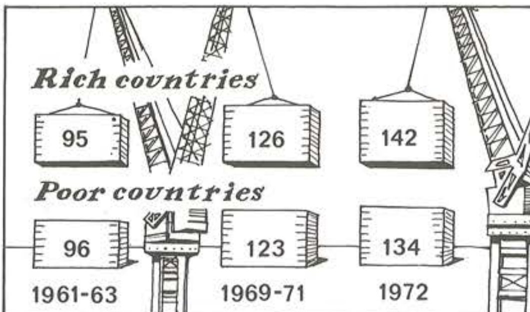


Estimated increase in food demand from 1970 (%)



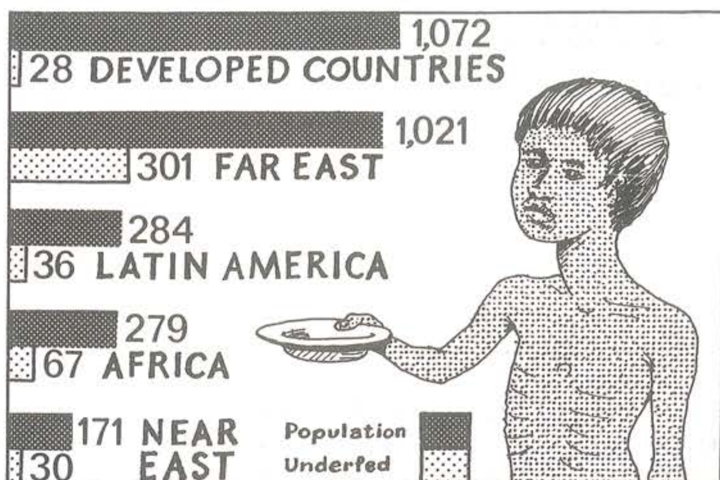


Fertilizer consumption (in million tons per year)



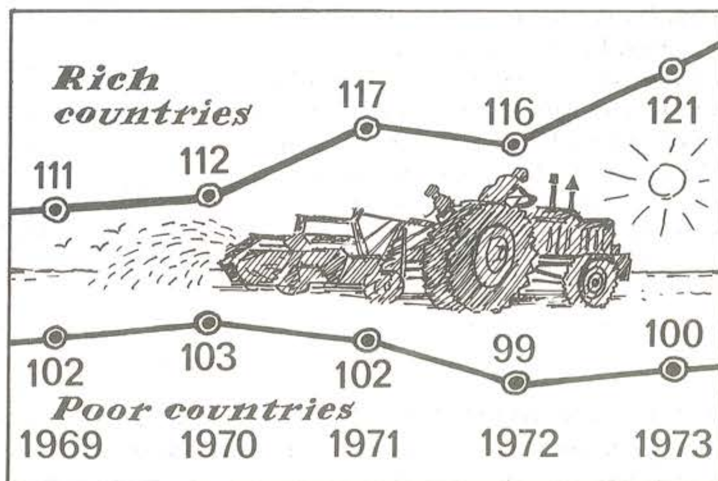
Food imports (1965 = 100)

food: lies ahead

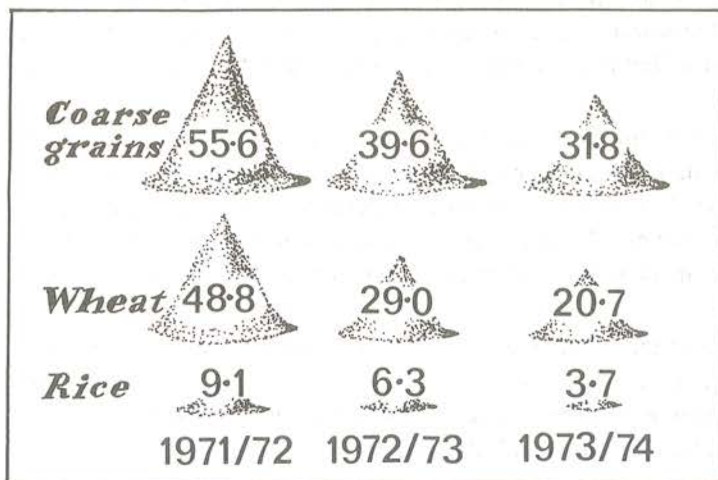


Estimates of numbers underfed in 1970 (in millions) (excluding Asian centrally planned economies)

The index of malnutrition: five years' food production per head (1965 = 100) (excluding Asian centrally planned economies)



World food stock, 1971–73: coarse grains, wheat and rice (in million metric tons)



(Adapted from an article by Harold Jackson by courtesy of *The Guardian;* figures taken from *Assessment of the World Food Situation: Present and Future,* Item 8 of the Provisional Agenda, United Nations World Food Conference, Rome, November 1974.)

The Necessary Utopia: A Socialist World

By Inga Thorsson

The socialist society can only be realized within an international setting, since our world is one of increasing interdependence of nations, writes Inga Thorsson. In this personal statement, the author explains why she considers that the solutions to global problems may only be found, democratically and pragmatically, in the creation of a socialist world. Inga Thorsson is a Member of the Swedish Parliament and an Under-Secretary of State in the Ministry of Foreign Affairs. In her latter capacity, she is one of the chief negotiators of the Swedish Government in international fora.

The new society—international, socialist, and openly democratic—is now vitally necessary, vital to the survival of the human race, to control the immense economic and technological forces developed by man in the late phase of capitalism, whose decline and collapse with the market economy comes as no surprise to socialists. This society will emerge from the strategy of today if—and only if—equality is recognized as the model: in a fair distribution of the world's material resources, in technological, economic and political power distribution, in human equality among individuals and societies.

Any realistic latter-day blueprint for a socialist society must recognize that it cannot be achieved except within an international framework, in the present world nexus of increasing interdependence of nations, of psychological, social, commercial and cultural interdependence, of a few hours' flying time that can shift an army to fight or supplies of food to save a starving people.

It is increasingly evident that in the capitalist mixed economies the so-called play of market forces will not provide requisite solutions that will enable the economic system to satisfy basic human needs and to guarantee human rights. Moral and political obligations point to the practical conclusion: the need for

a socialist society, defined and designed not merely to meet the criteria of private or state profitability, but rather to give priority to the satisfaction of fundamental human values. Inevitably, this points to change in existing economic and hence political power structures.

Can this be done by democratic methods, so that the free and open character of our society is preserved and developed? It is clear that the democratic character of the necessary social revolution can only be assured by the fullest participation of the people, whose unrestricted right to criticize will provide the only sure guarantee of a defence against totalitarianism and the unsanctioned abuse of power by elected leaders. How the model society may be extended, geographically and politically, and how the indispensable foundation may be laid so firmly that it can stand and even be strengthened in the face of those difficulties and strains that will undoubtedly ensue, are questions well worth the technical examination now being carried out in many quarters.

I have developed my utopian picture of the new society through a series of questions that are, on the one hand, an expression of deep dissatisfaction with existing economic and political structures, but, on the other, symptomatic of the conviction that with honesty of purpose and the maximum exploitation of advanced technological, logistical and organizational skills we may more nearly approach the ideal society than ever before.

Five questions for a socialist

What kind of society do we want to see developing in the future?
What forces in society today are promoting this development and what are working against it?
What features of contemporary society are likely to assist the hostile forces?
Is it sufficient merely to try to encourage the positive forces and to discourage the hostile elements?
Or should we aim at a more positively radical transformation of society with elements of coercion as well as of persuasion?

There is no valid case for isolationism in a world that is daily growing smaller; world resources and the calls upon them are ever more narrowly defined and no answer to these questions is possible without prior recognition that our formulations for this society need to be truly international.

It is increasingly recognized that though the search for individual and national self-aggrandisement has led to rising material prosperity, at least in the minority of rich countries, much of this has been achieved in the past at a cost that is only now being realized. The systematic plunder of the world's resources, their steady diminution, both absolutely and in relation to population growth, and growing dismay as their limits are progressively exposed, are linked with rising concern about world poverty. This global drama calls for the creation of new national and international counter-forces, themselves the product of remodelled democratic societies, as a check and as a beginning on the road to global democratic management.

This is a difficult task, yet it ought not to be impossible at our present technological level:

> We belong to the generation that has used radio telescopes to uncover 100,000 million other galaxies each with 100,000 million other suns. We belong to the generation that has brought nuclear energy to earth, made possible by computers the simulation, acceleration and forward projection of infinitely complicated human activities and provided us with instantaneous world-wide and interplanetary visible and audible communication. Above all, we are the generation to see through the eyes of the astronauts the astonishing 'earthrise' of our small and beautiful planet above the barren horizons of the moon.[1]

Barbara Ward is of the opinion that these revolutionary changes, created by technology, in our vision of time and space necessitate a corresponding 'Copernican leap' in our thinking and in our capacity to create new structures and new ways of making decisions.

The absurdity of today's situation must be obvious to any detached observer; what is depressing is that we are so deeply involved in the present system that we often fail to see its absurdity and why we should revolt against it. Nevertheless, I hope that in a historical perspective—in which the past two centuries of unparalleled material and population growth in a small part of the world will probably be regarded as a parenthesis, as one of the more abnormal periods in the history of mankind—the latter part of the 1960s and the early years of the 1970s will be seen as a turning-point in the way we deal with our economic, social and political problems as well as in our approach to the environment in which we live, by which we are affected and which we influence.

A few simple facts will illustrate the five main areas of concern—population growth, the life conditions of the poor in the developing countries, the continued economic growth of the rich countries, the supply, use and distribution of natural resources, and the threat to the environment—which together form a complex of problems facing all people and nations, problems that must be dealt with at the global level and within the framework of a universal approach.

The most optimistic population growth projections indicate that during the first decades of the twenty-first century the population of the earth will be twice as great as it is now—over 7,000 million people instead of the present 4,000 million. The rate of growth is itself accelerating and this means, for instance, that the 1970s will witness the greatest population growth so far in history: over 800 million will be born, of whom nearly 90 per cent, some 700 million, will be in the developing countries.

Demographers are not agreed on how long and how far this exponential population growth can continue. Probably the rate of growth will slow down in the early part of the twenty-first century, and what is now being discussed is the possibility of achieving a reasonably stationary population somewhere around the middle or in the latter half of that century—in the region of 12,000, 15,000 or 20,000 million people. Nobody can really imagine conditions in a world with three, five or ten times as many people as there are now. But it is of no little importance where, and at what level, growth will be halted. Even the lowest estimate—in a situation where the then comparatively poor peoples of the world still constitute 90 per cent of the world's population—will present us with a situation with serious international tensions and conflicts, leading to appalling strains in international co-operation if the world is then still being run on the same lines as at present.

This is very much due to the widening gap between the world's rich and (relatively) diminishing minority and its poor and ever-increasing majority, i.e. to the unequal international distribution of our total resources. Each inhabitant of the rich world consumes more and creates more environmental pollution than any inhabitant of the developing world, in which poverty itself is one of the greatest obstacles in the way of overcoming poverty.

The much-discussed energy crisis serves very well to illustrate the disparity between world rich and poor, if we examine the reality behind it: for example,

36 per cent of total energy consumption is accounted for by only 7 per cent of the world's population (United States and Canada), but the developing countries with 70 to 75 per cent of the total population consume only 14 per cent of world energy output. Energy consumption is rising at such a rate in the rich world (in Sweden an 8 per cent annual growth is forecast) that there are both immediate and long-term supply problems. What has been largely overlooked in the attention paid to the Western oil 'crisis' is its effect upon those developing countries without energy resources of their own, whose cash crisis is now much more serious. The accompanying acceleration in the decline in the share of world trade by the poorer countries is also an expression of commercial neo-colonialism: in the case of oil, the industrialized countries appropriate an overwhelming proportion of the world's petroleum output not just to generate energy, but also as raw material for a rapidly growing petrochemical industry, producing synthetic textiles, rubber, leather, and plastics, and thus stealing the developing countries' markets for natural raw materials.

We must also stress the great dependence of the poor countries on the rich as far as technology is concerned—what has been called technological colonialism. We may recall that 90 per cent of all the technological and scientific specialists that have ever lived belong to our generation, but that 98 per cent of these are inhabitants of the rich world with its 25 per cent of the earth's population, and 99 per cent of their activities are concentrated on research for the rich world and on converting their findings into protected technical processes. The rich minority commands nearly 100 per cent of techno-scientific development.

In a world dominated by poverty and human misery, the industrially advanced countries continue their economic growth. In the 1960s the wealth of the industrialized countries of the West grew by $900 billion and for the 1970s it is estimated that growth will be $1,000 billion, at fixed prices. The wealth gap between the world's rich and poor countries continues to grow, with the former increasing their control over the world's technological, economic and political development.

At the same time it is becoming more and more obvious that the ill-planned use by the rich countries of this increasing wealth has led to a growing number of problems. Unemployment and rising prices, trade gaps and monetary problems are sources of worry and anxiety in the midst of prosperity. In our

tragically divided world, this leads to a self-centred concentration on problems that in the wider context and in the longer perspective must appear as secondary. But cutting across the concern within the rich countries for continued economic growth, enlarged markets and a stable monetary system there is the more fundamental debate about the gross maldistribution of the earth's resources that may be summarized as follows:

1. In most of the rich commercialized industrial societies the unparalleled economic growth has not been accompanied by growing social equality and increased power-sharing.
2. Industrial life in the developed world has often been marked by the short-sighted misuse of science and technology and disregard of the social costs that accompany technological advance. Today's environmental problems may well be dwarfed by those of tomorrow.
3. The growth ideology that is a characteristic of the rich world, both of market economies and state-controlled economies, is a constant stimulus to overconsumption of goods, the pursuit of quantity and the wasteful use of resources at the expense of fair distribution of wealth and quality of life.
4. Fundamental human values are in danger from the philosophy underlying the mania to consume.

These characteristics of the consumer society generate dissatisfaction, uncertainty and anxiety, keynotes of the alienated society, and I believe that these will be felt with mounting distress. The case of transport and the problem of waste provide two good examples of the self-defeating nature of the material-growth philosophy.

Transport problems are, of course, the inevitable accompaniment of growth in the modern industrial society. As far as we can judge, society will be characterized by increasing mobility, and as a consequence the transport system will play an increasingly important role. But a balance needs to be struck between private traffic and public traffic and the problem this poses clearly illustrates the dilemma of the affluent society. Rising prosperity, shorter working hours and increasing car ownership lead to traffic saturation. The towns are filled to bursting point with private cars and on the roads car-owners sit bogged down in traffic jams: mobility evaporates and private motoring

defeats its own end. Public transport, at the same time, deteriorates and becomes increasingly expensive as it struggles with under-utilized stock and falling revenues.

In the long run the private motor car, that creator of traffic chaos and polluter of the environment, will become an anachronism. New methods of easy and effective public transport will be evolved. But as long as the car is regarded as a glorious symbol of private ownership, it will also remain part of the price we have to pay for affluence.

The handling of waste is also typical of the modern industrial society: industrial waste, virtually indestructible in the case of some radioactive sludge that remains lethal for hundreds of years, and household waste, often 'non-biodegradable' (i.e. not subject to natural decomposition), are accumulating at a frightening rate, on land, in the oceans, and even in the debris of space colonialism orbiting the earth. The garbage dumps of the big towns are overflowing and every new method of waste disposal seems to create new problems. The consumer society is suffocating in its own garbage. The fundamental problem is that in the closed cycle of nature there is no 'waste'—everything must be stored or absorbed somewhere—but in the industrial world a constant stream of new technological products entails the disposal of waste, much of which is hazardous to health and to the environment.

Satisfactory transport solutions and an answer to the problems of waste generation, accumulation and disposal are merely two illustrations of the intractable problems of the capitalist 'free' economy: market forces provoke the demand to consume, often by artifice or enticement, at the price of human alienation. Even in the rich market economies large sectors of the population have unsatisfied legitimate needs, while further, more dubious, needs appear, mirage-like, as soon as earlier needs are satisfied.[2]

In the general social context, one result of this situation is that the public sector has to bear the brunt of the pressure of overstimulation of private consumption demand on total resources. It is not always realized that it is the public sector that frequently has to provide the requisite infrastructure to match the rise in private consumption. Recognition of private indebtedness in the pressure on the social environment is often still more tardy.[3]

On the world scale, the populations of the poor countries are in desperate need of new social and economic systems to escape the prison of poverty and those in the rich countries are becoming trapped by their own riches. But it is not possible to see these problems in isolation: population growth, the steady slide of the poor into greater poverty, the disproportionate economic growth of the rich countries, the problem of natural resources and the threat to the human environment are all globally interrelated—no local action is without repercussion elsewhere.

That public recognition of these problems has so far found little expression in national policies is a reflection of inertia and innate conservatism but also of a refusal by the advanced countries to admit that post-colonial technological and economic domination add up to a political domination every whit as strangulating as that exerted by direct colonial rule.

At present there is still a blind belief in self-interest—that what is good for the superpowers and for international big business is of necessity good for everyone—mitigated by an aid target of 1 per cent of GNP as a corrective flow from rich to poor. No one can believe in the permanent validity of this recipe: global resources will not withstand the doubling of consumption, every twenty years, by the rich countries and meet the needs of mushrooming population growth in the developing world. If we are not to fall back upon a despairing Malthusianism, at some point in the future we shall come to realize that the upkeep of the world must be based on careful management and an economical utilization of available resources, and on a way of life in harmony with the elementary laws of ecology. Probably mankind will reach crucial limits in particular areas long before this, and even if new technology provides substitutes for some minerals that will be in short supply, it would seem essential to establish scientifically the ultimate limits to the exploitation/destruction of such essentials to life as the earth's oxygen supply and the ozone belt of the stratosphere and to the rapid and continuing impoverishment of soils. Only by such a global balance of resources will it be possible to achieve effectively intelligent and purposeful earth management, based on a new kind of planning and political action.

In order to achieve such a balance in the future, we need to act now. Some developing countries have themselves already begun to question the social and development models imported or inherited from the industrially advanced

countries and there is a growing awareness of the need for social reforms and efforts to reduce disparities of wealth, property and income within the developing countries.

But the rich world is primarily responsible for seeing that new directions are followed. This is not an easy task and, moreover, it will have far-reaching political consequences.

First, the rich world must show that it is prepared to replace the growth philosophy by an overall welfare concept, augmenting the present 'economic' profit ethos by a social profitability concept, moving away from the ostentatious waste of the affluent society towards a sensible and planned management of resources.

Second, the rich world must promote the economical use of available resources, with a greater emphasis on quality than on quantity, in order that they should be more fairly distributed nationally and internationally, with a greatly increased flow from the affluent world to the poor world. Developing countries should be given a reasonable opportunity of establishing themselves in world markets and this will entail a further alteration in the structure of the world economy.

Third, the rich world must urgently come to grips with its most pressing problem, the sky-rocketing costs of armaments, exposing mankind to continuous risks of extinction and constituting the most appallingly wasteful use of limited world resources and contributing substantially to environmental pollution.

While there is general recognition of the need to stabilize world population, which will by the very nature of the problem focus the attention on population growth rates in the developing countries, we must also face the fact that the rich countries will have to reconsider their own population policies. This is due to the relation in those countries between consumption patterns—the average *per capita* consumption levels resulting in exploitation of resources and environmental pollution—on one hand and continued even if limited population increase on the other. The population problem will have to be recognized as a global problem which for its solution requires the contribution of all.

Research and technology must be directed along new lines; the mechanism of growth in the developing countries must be triggered by research and its technological fruits should be closely related to the special development requirements of these countries. This work should be elaborated by the developing countries themselves with resource flow support from the rich.

We must submit technological development to the values of the new society. We must remember that the control of technological development is even more important than economic planning, since uncontrolled technology pre-empts the economic options for the future, in advance of economic planning itself, as has been pointed out elsewhere. In particular, the social costs of technological advances must be carefully monitored; it should also be clearly recognized that technological development affects directly and deeply relationships between individuals and groups of individuals as well as societal structures. Some kind of international initiative is now overdue, since national controls, alone, are already inadequate.

Perhaps most important, we must promote a new kind of thinking to reflect a growing awareness of human interdependence and man/resources/environment relationships on a world scale. Our society cannot continue on its present path without accepting a much greater degree of self-discipline and without a determined struggle to combat our short-sighted devotion to material growth as a goal in itself.

This new analysis will show that it is impossible to combine, on the one hand, the fixing of limits to resource exploitation and growth, sensible management with respect for the environment, and a socially just distribution of wealth, with, on the other hand, the preservation of an expansive capitalist market economy. It will show that it is impossible to combine the building of a new economic and social world order with the preservation of present-day power structures, technological, economic, military and political, since privileged power groups have never as yet been persuaded voluntarily to concede their positions. It will be found impossible to combine the creation of effective balancing forces to counteract superpowers and multinational corporations, which can exercise technological and economic colonialism in small countries and developing countries, with the preservation of the nationalistic state exercising traditional powers of sovereignty.

The urgency of mankind's struggle to survive must lead to global management on democratic socialist lines. More and more of us believe that this will be possible by a progressive internationalization of important functions of the world community: control of the world's land resources, the oceans and the earth's air envelope; fair marshalling of world energy supplies; and supervision of technological development by an international agency with executive powers. To finance such new initiatives will call for an international taxation system, drafts for which are already under consideration in various international organs.

The way ahead must be through the United Nations—'the United Nations is an institution that has become indispensable before it has become possible'. If this seems utopian, given the evidence of selfishness, we must remember, none the less, that there is today an organized collaboration and co-operation between strong and weak states, not exclusively founded on conditions laid down by the strong, that owes its existence to the United Nations.

This organization must be developed as the natural tool of the international community for work of the kind outlined above. In this process we must ensure that democratic decision-making, inspection and control are built into the emerging supranational organization. This is an essential safeguard: people are not saints nor will they become saints under a democratic socialist system, and the risk of concentration and abuse of power will also be present in tomorrow's world.

No doubt my picture of future society is in one sense utopian. But, in our time, utopian thinking, free and imaginative thinking, unfettered by narrow values and attitudes, is an imperative necessity. With a vision that is both realistic and imaginative, we must prepare ourselves for the future of our world and the survival of mankind.

Notes

1. Barbara Ward, lecture to the United Nations Conference on the Human Environment, Stockholm, June 1972.
2. 'The process of economic growth multiplies perceived needs more rapidly than it generates the additional wealth to fulfil them'; quoted from the OECD report, *Science, Growth and Society*.
3. 'The private interests of each individual consumer are not the same as the common interests of all consumers' (OECD, op. cit.)

Education and Training and Alternatives in Education in African Countries

The 1974 Dar es Salaam Institute of Development Studies/ Dag Hammarskjöld Seminar, 20–31 May 1974

However one may view the gap between intention and fulfilment, between the ideal and reality, the fact remains that conventional educational systems exclude the great majority of the people in almost all African countries. The lack of places in the formal school system is in any case a reflection of the general level of development: the shortage of capital and skills in the economy in general. Moreover, the ladder of conventional education leads to no assurance of certain employment for new school graduates, who may be over-qualified in skills that find few outlets in the existing social structures. The First World orientation of much of the formal educational system, unrelated to the present needs of society, provides a formula for discontent and breeds disillusionment. It is against this background and as part of the effort to explore new approaches and to generate better possibilities for self-motivated, locally inspired initiatives—to generate, in Julius Nyerere's words, 'a system of education which makes liberated men and women who are skilful users of tools, and not a system of education which turns men into tools'—that the Institute of Development Studies of the University of Dar es Salaam and the Dag Hammarskjöld Foundation decided to convoke this seminar.

The selection of seminar papers published here is necessarily limited: however, the 'Summary Conclusions' have also been made available in an abbreviated version and give some indication of the thinking of the seminar, although they do not necessarily represent a consensus reached by all the participants. We should note that massive literacy campaigns are deemed imperative, that education should be recognized as a lifelong affair and much more as a part of ordinary life—in the furtherance of job-related knowledge, skills and attitudes—and that attitudes need to be changed in order to combat elitism and indifference and to generate self-reliance. The 'Summary Conclusions' suggest that these changes appear to be more effective in a socialist-oriented society. The seminar was directed by Ibrahim Kaduma, of the Institute of Development Studies (Tanzania), Professor Joseph Ki-Zerbo (Upper Volta) and Patrick van Rensburg of the Serowe Brigades Development Trust (Botzwana), whose book, Report from Swaneng Hill, *may be said to have provided the seminar with its original inspiration. Mr J. S. Kazunga, Permanent Secretary in the Zambian Ministry of Education, served as chairman of the seminar.*

President Nyerere's Opening Address: Education and Liberation

Dar es Salaam, 20 May 1974

No better definition of the ends of education could be provided than that of Mwalimu Julius Nyerere himself, and perhaps no fitter introduction to him: 'The purpose of education is liberation through the development of man as a member of society . . . [it] is not to turn out technicians who can be used as instruments in the expansion of the economy. It is to turn out men and women who have the technical knowledge and ability to expand the economy for the benefit of man in society.' The address given by the President of the United Republic of Tanzania is printed here in full.

Africa has not really given much thought to the problem of education. We know, or we think we know, that something called 'education' is a good thing. And all African states therefore spend a large proportion of government revenue on it. But I sometimes suspect that, for us in Africa, the underlying purpose of education is to turn us into black Europeans, or black Americans. I say this because our educational policies make it quite clear that we are really expecting education in Africa to enable us to emulate the material achievements of Europe and America. That is the object of our activity.

We have not begun to think seriously about whether such material achievements are possible. Nor have we begun to question whether the emulation of European and American material achievements is a desirable objective for Africa. I believe that these two matters are now in urgent need of our consideration.

This seminar is planning a thorough reappraisal of what we in Africa are doing educationally, and what the alternatives are. Few things could be more useful to our continent. But although you must not be hidebound by the past, the seminar must be very practical in its approach. Our peoples do have a conception of what education is; and although it might be wrong and contrary to their own real needs, this conception cannot be wished away. On the other hand, there is no point in this seminar if it is simply going to accept the current framework of educational policy in Africa as if it was the only conceivable concept, or necessarily the best concept.

This seminar needs to consider what kind of education is both appropriate to the needs of Africa, and possible for Africa. And as if this were not a big enough task, you have to go on from there to consider what your ideas imply in terms of organization and approach. And finally, you need to think about how we can move from what is, to what should be.

My job here is different and easier. All that I hope to do is to put before you some ideas derived from our experience in this country. For I am becoming increasingly convinced that we in Tanzania either have not yet found the right educational policy, or have not yet succeeded in implementing it—or some combination of these two alternatives.

In 1967 I defined the purpose of education

as 'to transmit from one generation to the next the accumulated wisdom and knowledge of the society, and to prepare the young people for their future membership of the society and their active participation in its maintenance or development'.

Today, seven years later, I still think that this is a good definition. But it was a definition intended to cover all kinds of societies—it was designed to be universal, objective and descriptive. As a guide for action it therefore needs some expansion and emphasis, especially for Africa. And I believe that the necessary emphasis can be stated very simply: the primary purpose of education is the liberation of man.

To 'liberate' means to 'set free', and to 'set free from something'. It implies impediments to freedom having been thrown off; it can therefore be a matter of degree, and of a process. Thus, when a man succeeds in untying his wrists and liberating his arms, he can use his hands to liberate his feet from the shackles which bind them. But a man can be physically free from restraint and still be unfree if his mind is restricted by habits and attitudes which limit his humanity.

Education has to liberate both the mind and the body of man. It has to make him more of a human being because he is aware of his potential as a human being, and is in a positive, life-enhancing relationship with himself, his neighbour and his environment. Education has therefore to enable a man to throw off the impediments to freedom which restrict his full physical and mental development. It is thus a matter of attitudes and skills—both of them. Education is incomplete if it only enables man to work out elaborate schemes for universal peace but does not teach him how to provide good food for himself and his family. It is equally incomplete and counter-productive if it merely teaches man how to be an efficient tool user and tool maker, but neglects his personality and his relationship with his fellow human beings.

What I am suggesting is that a liberated nation, in Africa or elsewhere, is not just a nation which has overcome alien occupation. That is an essential first part of liberation, but it is only the first. Liberation means more than that. A truly liberated nation is a self-reliant nation, one which has freed itself from economic and cultural dependence on other nations, and is therefore able to develop itself in free and equal co-operation with other members of the world community.

Similarly for man. The first essential of a liberated man is an awareness of two things: his own manhood, and the power of man to use circumstances rather than to be used by them. He must have overcome any ingrained feelings of inferiority, or superiority, and therefore be able to co-operate with other men, on the basis of equality, for their common purposes.

In this sense a man can be liberated while his country is still colonized, and—theoretically at least—while he himself is still physically unfree. Indeed, it is only after men have been to some degree liberated mentally that the struggle for physical liberation can be waged with a hope of success. The man who believes himself to be inferior to others because of his birth will remain inferior to them in the organization of society. A man who has been so far liberated that he rejects the concept of slavery and colonialism, as well as his own status as a slave, has taken the first steps towards overthrowing his slavery and his colonialism. For no man's freedom is secure while slavery exists; it is not possible to be a free man in a slave society without working against slavery. A liberated man in an unfree society will inevitably be working for freedom; and he will be turning even the most unfavour-

able circumstances to his ends. Even if, for example, he is conscripted into the colonial army, he will learn how to use weapons, and how his enemy fights, and in due course he will make an opportunity to use this knowledge for the cause of national liberation.

And when his country has thrown out an alien occupation, a liberated man will recognize that his task is not yet ended. For he will reject poverty and disease and ignorance in the same way as he rejects slavery, knowing that these are as effective in destroying the humanity of man as an overseer with a whip. A liberated man will work with others to defeat these evils, and will again use whatever resources are to hand. These resources may be his own knowledge, the knowledge of others, the land, the water, or simply his own sweat. By this kind of self-reliant struggle, a man will be further liberating himself, because by fighting the things which degrade humanity he will be expanding humanity.

It is the task of education in Africa to effect this mental liberation, or at least to begin it. Education has to liberate the African from the mentality of slavery and colonialism by making him aware of himself as an equal member of the human race, with the rights and duties of his humanity. It has to liberate him from the habit of submitting to circumstances which reduce his dignity as if they were immutable. And it has to liberate him from the shackles of technical ignorance so that he can make and use the tools of organization and creation for the development of himself and his fellow men.

The purpose of education is therefore liberation through the development of man as a member of society. The purpose is not the development of objects—whether they be pyramids, or irrigation ditches, railways, or palaces. The development of things—what is usually called economic development—can be involved in the development of man. It is so involved in Africa. But the purpose of education is not to turn out technicians who can be used as instruments in the expansion of the economy. It is to turn out men and women who have the technical knowledge and ability to expand the economy for the benefit of man in society.

That is not merely a play upon words. Nor is it a distinction of no importance. It is certainly true that Africa has great need of men with technical knowledge, and that our freedom is restricted by the absence of such men. I am not arguing against technical training in favour of what are sometimes called the liberal arts. On the contrary, in Tanzania just now we are engaged in a major exercise aimed at giving our education a practical and technical bias. What I am trying to do is to make a serious distinction between a system of education which makes liberated men and women who are skilful users of tools, and a system of education which turns men and women into tools. I want to be quite sure that our technical and practical education is an education for creators, not for creatures. I would like to be quite sure that our educational institutions are not going to end up as factories turning out marketable commodities. I want them to enlarge men and women, not convert men and women into efficient instruments for the production of modern gadgets.

I do not think that in saying these things I am giving an unnatural extension to the word liberated. For I am talking about the liberation of man's humanity. Nor do I accept that education has liberated a man who regards his knowledge as a tool for the exploitation of others. For such an attitude means that he is seeking to suck sustenance from society without a greater, or even a comparable, contribution to the society. He is thinking of his knowledge as having taken him out of society, as having put

him on a pinnacle. They are not free, those who do not value the freedom and humanity of others as they value their own freedom and their own humanity.

For man is a social animal. A man in isolation can be neither liberated nor educated; the words are meaningless in relation to an abandoned child brought up by wolves. And education is a social activity, with a social purpose. It is individuals who are educated. But they are educated by their fellows, for the common purpose of all members of the society. The intention is to develop them as human beings who are part of mankind.

These things are difficult to express in positive terms simply because each individual is unique as well as being part of mankind. Therefore each man's liberation will lead to a unique kind of contribution to the totality of humanity. But the antithesis of education in the sense that I am trying to describe can be easily understood. As I have already indicated it is the kind of education which teaches an individual to regard himself as a commodity, whose value is determined by certificates, degrees or other professional qualifications.

Yet this antithesis of education is still too often the effect of what we call education in Africa—and in Tanzania. There are professional men who say, 'My market value is higher than the salary I am receiving in Tanzania.' But no human being has a market value—except a slave. There are educated people in positions of leadership in government, in parastatals, and still seeking jobs, who say, 'I am an educated person but I am not being treated according to my qualifications—I must have a better house, or a better salary, or a better status, than some other man.' But the value of a human being cannot depend on his salary, his house, or his car; nor on the uniform of his chauffeur.

When such things are said, the individuals saying them believe that they are arguing for their 'rights', as educated people. They believe that they are asserting the value of their education—and of themselves.

In reality they are doing the opposite. For in effect they are saying, 'This education I have been given has turned me into a marketable commodity, like cotton or sisal or coffee.' And they are showing that instead of liberating their humanity by giving it a greater chance to express itself, the education they have received has degraded their humanity. For they are arguing that as superior commodities they must be exchanged with commodities of equal value in an open market. They are not claiming—or not usually claiming—that they are superior human beings, only that they are superior commodities. Thus their education has converted them into objects—into repositories of knowledge like rather special computers. It is as objects, or commodities, that they have been taught to regard themselves and others.

With such an attitude a person will inevitably spend his life sucking from the community to the maximum of which is capable, and contributing the minimum he is able to contribute and live as he desires to live. He sucks from the local community as he is fed, clothed, housed and trained. He sucks from the world community when he moves like a parcel of cotton to where the price is highest for his acquired skill.

Such a person is not a liberated human being. He is a marketable commodity.

We condemn such a person, or feel sorry for him as one of society's failures. But it would be much more appropriate to condemn the system which produces such people, and then to change that system.

For it is the education we are now giving in Africa, and the social values on which it is

based, which is creating the people we condemn. It is our educational system which is instilling into young boys and girls the idea that their education confers a price tag on them, and which makes them concentrate on this price tag. It is our educational system which ignores the infinite and priceless value of a liberated human being, who is co-operating with others in building a civilization worthy of creators made in the image of God.

In thus describing what our education is doing, and what it should be doing, two things become very clear.

The first is that we in Africa have a definite responsibility to challenge the social values and the educational system which produces people who look upon themselves as commodities, and whom we must regard as social failures. This should not be a matter of political attacks on Africa's current leaders; for our present system is a product of history. But we leaders will be—and should be—criticized in the future if we now refuse to acknowledge the need for change. We will be, and we should be, condemned by later generations if we do not act now to try to find and institute an educational system which will liberate Africa's young people.

The second point is that education cannot be considered apart from society. The formal school system cannot educate a child in isolation from the social and economic system in which it operates. Of course it is a commonplace to say that education must be part of society. But the truth is that education is unavoidably part of society. Children, like adults, learn more from their experience of life than from their books and teachers.

Only a moment's reflection is needed to confirm this. Suppose a child is taught in school that the supreme virtue is co-operation with others, and help to those with greater difficulties than himself. What happens if selection for a privileged place in the society—whether it be higher education or some other economic or social benefit—is then based solely upon academic knowledge? The child who has learned his lessons well will fail to qualify. For the good pupil will have spent time working with others so as to raise the general standard of knowledge, while the bad pupil will have concentrated on his own learning of the things which are to be the basis for selection. The facts of life will thus teach all the pupils that while co-operation may be a religious virtue, the pursuit of self-interest is what determines a man's status, his income and his power. Two things will have taught this lesson. First, the very existence of privilege in the society; and second, the basis on which selection is made for that privilege.

Formal education in a school or adult classes system is no substitute for the informal education provided by life experience. Nor can a formal system operate effectively in opposition to the social practices. Yet Africa needs change; and change has to start somewhere.

Without venturing into the wider debate, it is quite clear that in Africa at any rate the problem of integrating education with the society cannot be solved by abandoning a formal education structure. We cannot go back to an exclusive dependence on the traditional system of what I previously called 'learning by living and doing'. We cannot go back because modern knowledge is not dispersed in our societies. Even the social values of co-operation have in many places been undermined by the effects of imported capitalism and the techniques of modern production, exchange and organization were unknown in traditional Africa; they are still unknown by the majority of our adults.

Thus we have the position where a formal school system, devised and operated without

reference to the society in which its graduates will live, is of little use as an instrument of liberation for the people of Africa. And at the same time, learning just by living and doing in the existing society would leave us so backward socially and technologically that human liberation in the foreseeable future is out of the question.

Somehow we have to combine the two systems. We have to integrate formal education with the society. And we have to use education as a catalyst for change in that society. That, I believe, is our task. It is one which various African nations, or groups within nations, have been trying to fulfil over the last decade. Interesting work has been done and valuable experience gained. We need to examine this carefully and to implement the things which it teaches us.

It is not my job to give a 'Country Report' for Tanzania; that will de done by others. But I think it is fair to say that we have at least recognized the need for education which is relevant to our conditions and our aspirations. In 1967 we adopted a policy with the somewhat ambitious title of Education for Self-Reliance. And our resulting present structure and system is certainly an improvement on our previous practice.

Inevitably it takes time to change an education system, and even more time for the results of any changes to be seen. Young people who entered Standard I of the Primary Schools in 1967 are only now coming out of Standard VII, and pupils who entered Secondary School seven years ago are only now in the first year of their post-secondary training or employment. It is too early to be sure what has been achieved.

Yet even so, I think we must admit that we have not done all that is necessary. We have been too timid—too unliberated—to effect the required radical transformation of the system we inherited. We have made important changes, especially in the curriculum and syllabuses. But we are still mentally committed to 'international standards' in education. We still apparently believe that a Tanzanian is not educated unless his education takes a form recognizable by, and acceptable to, other countries—and in particular the English-speaking countries. It is from others that we seek our certificates of respectability.

So the first problem we have not solved is that of building sufficient self-confidence to refuse what we regard as the world's best (whatever that may mean), and to choose instead the most appropriate for our conditions. In education, industry, agriculture and commerce, we all too often prefer blind imitation to relevant initiative or rational adaptation.

The second problem is our apparent inability or unwillingness really to integrate education and life, and education and production. I am not suggesting that we have made no advances in this direction. Nor am I suggesting that our failure to advance further can be attributed simply to the prejudices of our educationists. Parents, politicians and workers, as well as educators, are suspicious of, or hostile to, the educational innovations required. But the total result is that few of our schools are really an integral part of the village life, except in the sense that they occupy village children for so many hours a day. And what is true in the villages is even more true of the towns. Further, few schools—if any—can really claim that their production makes any large contribution even to their own upkeep, much less to the society in general.

Our third failure is in not overcoming the belief that academic ability marks out a child or an adult as especially praiseworthy, or as deserving a privileged place in the society. We still have the idea that a child who is not selected

for secondary school has 'failed'. And that idea will persist until we have eradicated the idea that a person who does receive post-primary education must receive a greater monetary income just because of that extra education, and regardless of how he uses it. For it is this practice of fixing wage rates according to the final year of education which epitomizes the concept of education as the processing of human raw material into commodities.

Once again, this is not just a failure within the formal education system. It is a failure of the society as a whole. Indeed, the educationists have advanced in these matters more than other sections of the community. We have therefore downgraded examination results in selecting pupils for secondary school; we have included course work assessment in determining degree awards. But our society has not accepted that character, co-operativeness and a desire to serve are relevant to a person's ability to benefit from further training. We have not really begun to consider the value of experience with small jobs as a necessary preliminary to more advanced training. You cannot enter a Tanzanian secondary school except straight from primary school. Even mature entry to university is often regarded as a concession to political doctrine rather than a valuable system in its own right!

The Tanzania Government, like governments elsewhere, is faced with real problems of choice and priorities in education and in the organization of society for human liberation. If we knew how to effect all the changes which are necessary—or even knew all those for which there is necessity—I would not be telling you of our failures. We would be too busy correcting them.

For I have been raising questions here, not answering them. All that I have been saying is that the function of education is the liberation of man. I have not been arguing that academic training is bad, unnecessary or unimportant. I have not been saying either that technical and professional training are unimportant. What I have been trying to suggest is that education must not be thought of only, or even primarily, as a matter for schools, or as an instrument for academic and technical advance.

The dissemination of academic, professional and technical knowledge is important, and indeed vital to Africa. But it is vital only because it is a necessary part of the education which liberates man, and enables him to work as an equal with his fellow men for the development of mankind.

Historical Aspects of Education in French-speaking Africa and the Question of Development

By Joseph Ki-Zerbo

Professor Ki-Zerbo confirms the analysis by Julius Nyerere, laying stress on the need for work to match study throughout schooling, on the need to fight elitism and, perhaps above all, on the need to work for change in the mental attitudes of everyone concerned, be they students, teachers or parents. Joseph Ki-Zerbo is a distinguished scholar and historian and a noted statesman of Upper Volta. A member of the Executive Boards of UNITAR and of the Unesco International Institute for Educational Planning, and Secretary-General of the African and Malagasy Council for Higher Education, he is also the founder of the journal Tam-Tam *and author of* Le Monde Africain Noir *(1964) and* Histoire de l'Afrique Noire *(1972).*

This short exposé will not be exclusively descriptive or analytic. Africa, it has been said, is the graveyard of educational experiments. And there is no lack of accounts, very often lucidly exact, given by foreign experts. And statistics also abound, sometimes masking the true reality.

It is more urgent, above all in the perspective of an educational 'New Deal', to think about the problems, the reasons for failure and the strategic points of attack for a qualitative change.

Thus, after recalling the characteristics of traditional education, I propose to consider three periods: 1500 to 1944; 1944 to 1967; and the present day, with its problems. (Of course, for countries such as Guinea, for example, which have undergone profound changes, the periodization would be different.)

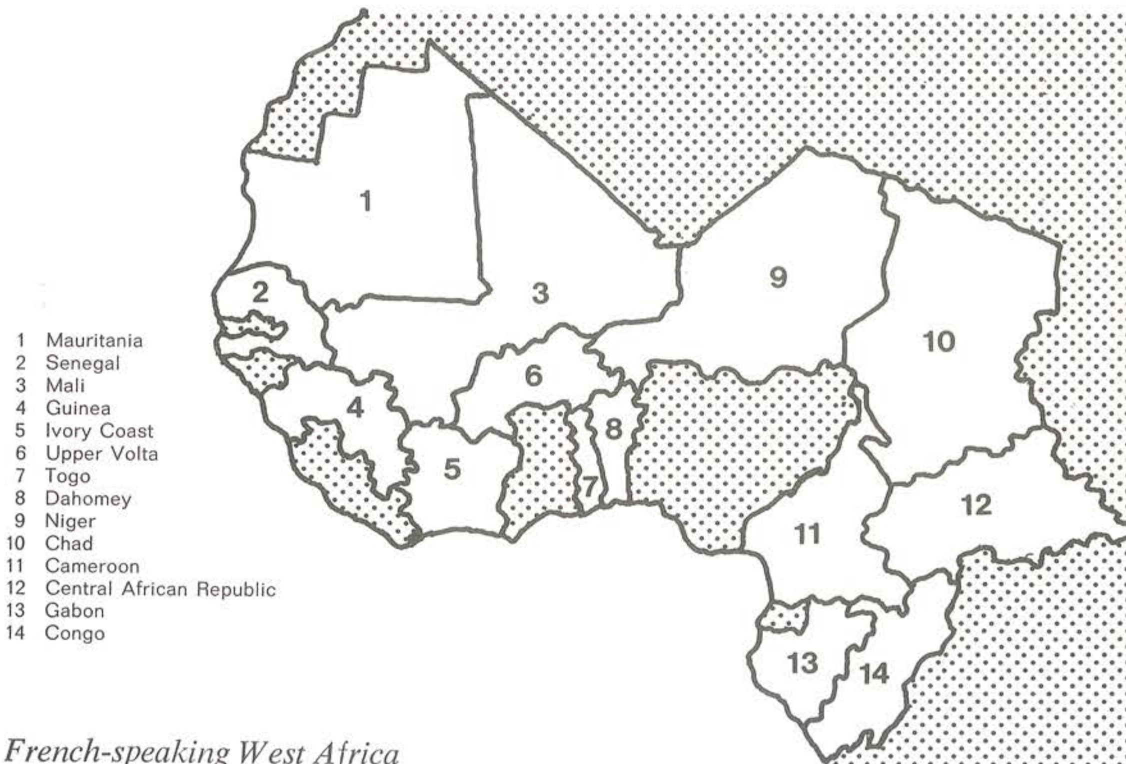
Traditional education

This education has been disturbed by outside influences. It is being transformed under our very eyes, but it continues to exist and it should not be underestimated. In fact, it is this education, which lies deep within the mass of the people, that one seeks to transform by a new type of education. But one cannot properly change that which one does not know. For example, the African languages learnt by the students influence their pronunciation and their study of European and other languages. In the same way, their traditional attitudes can play a role in their approach to technology.

Traditional education developed in closed or, at least, withdrawn societies, with a low level of technology and a low coefficient of change, but with a very high degree of social and ideological integration, whence the principal characteristics of this education 'model':

1. *It was an education by and for the community.* There was no specialized body of teachers. All, according to their age, were given the duty of educating others. The goal was the formation of the social man, the useful producer and the considerate citizen.

2. *The education was concrete and pragmatic;* it was acquired through active life. It was while tending goats with my friends that I learnt to know the properties of plants, the habits of animals and the resources of nature. But while listening in the evenings to stories and tales, one learnt the elements of geography, history, philosophy, natural science, morality, linguistics, etc.
3. *It is a global education;* it puts together the manual and the intellectual, the body and the spirit, and it is functional because it is linked to the group's activities, including its leisure and its games.
4. *It is a progressive education,* moving forward by stages. During its heyday, it started at the age of 7, when the child entered as an auxiliary into the world of production, and at the age of about 15, when he entered the world of adults, generally through initiation.
5. *It is a democratic and an egalitarian education,* just like the society concerned. The introduction of writing and the socio-economic evolution brought about the first differentiations. One knows of the privileged status of the Egyptian scribe. In the fourteenth century, in the commercial metropolis



French-speaking West Africa

> of Timbuctoo, there are statistics available which allow us to state that primary education was given to 100 per cent of the children of free men.

We note also that even in the traditional world, there existed a specialized form of education through guilds and even an esoteric and a 'reserved' form in the areas of religion, pharmacopoeia, etc.

This education naturally reflected the limits of its historical age. In particular, the absence of writing obstructed the capacity for abstraction, generalization and capitalization of knowledge. Hence a certain conservatism. But its strong oral tradition gave it more sap and savour, and more truth also. Hence its profound humanism and its efficacy in development, deriving from the fact that this society had almost, in its own way, realized the Unesco ideal, i.e. the educative society.

From 1500 to the mid twentieth century

From 1500 to the beginning of the nineteenth century. Education of the Western type began, in an embryonic form, in the fifteenth century. This was limited mostly to the training of managers and accountants, or for the creation of missionary and professional schools. In the Los Islands, off the coast of Guinea, the Dutch set up a naval dockyard in the seventeenth century. King Affonso of the Congo (1506–43) set up schools where 1,000 pupils, sons of noblemen, learnt the rudiments of reading, writing and grammar. A professional school was also set up where Portuguese artisans from São Tomé whipped their Congolese apprentices, who took the first chance to escape. In the eighteenth century the Jesuits set up workshops for masons, blacksmiths and carpenters in Luanda. Afro-Brazilians and other freed slaves also developed educational activities on the coast of Benin.

This 'education' was utilitarian and exploitative. By force of circumstance, these clerks and qualified workers were integrated as auxiliary agents into the vast economic apparatus which traded their own brothers in slavery and took agricultural and mineral products in exchange for guns and knick-knacks.

From the beginning of the nineteenth century to the mid twentieth century. This was the great period of colonialism. Education in this period was essentially a form and an instrument of colonization. When in March 1817, the French teacher Jean Dard was sent to open the first elementary school in St Louis in Senegal, the schools of the Church Missionary Society of Sierra Leone already had 350 pupils—the English colonies being more advanced in this field. At the end of the nineteenth century, there were in Senegal only nine primary schools run by the government, of which eight were in the hands of nuns and priests. Among these was the École des Otages, founded in St Louis by Faidherbes for the education, that is to say, the indoctrination, of the sons of chiefs. The legal and administrative framework was elaborated from about 1903–4 (the creation of the General Government). But it was a decree of May 1924 which laid down with precision the educational system in its entirety.

At the base, at the level of primary education, there were the preparatory, elementary, regional schools and primary superior schools.

At the federal level, there was the École Normale of St Louis, transferred to Goree in 1913, which became the École Normale William Ponty where, after a general two-year course, specialized teaching was given for the training of administrative clerks, teachers and doctors. Later on other federal schools were created: the Medical School of Dakar, the Veterinary School of Bamako, the Girls' School of Rufisque (1939, the Rural School of Katibougou and of Dabou, and the Technical College of Bamako, while two secondary schools were opened in Senegal, at St Louis in 1842 and Dakar in 1912. As for technical education, each colony was provided with an establishment for qualified workers.

This framework as a whole was the same for the group of colonies of French Equatorial Africa, although the participation there of missionary teachers was rather higher.

By its purpose and function, this type of school was an integral part of the colonial system. The following sections of the decree of 1924 are explicit:

Article 2: The essential objective of primary and junior education is to bring closer to us as large a number of natives as possible, to make them familiar with our language, institutions and methods, and to lead them gradually to economic and social progress by a careful evolution of their own culture.

Article 64: French is the only language to be used in the schools. It is forbidden for teachers to use their own language while talking to the students.

The result was that little African children learnt to recognize their 'ancestors the Gauls' and to consider the heroes of their own countries' resistance against the invaders as being sanguinary agitators. And when they spoke their mother tongue, they were put in the corner with the dunce's cap. Moreover, the teaching, considered to be a precious and a dangerous thing, was distributed sparingly. From this arose a cultural Malthusianism and a mystification which inculcated a complex of racial inferiority in the young African.

For the decade 1922–32, we have the following figures for actual development in French West Africa: 1922, 28,200 students, of whom 3,820 were in private education; 1932, 56,000, of whom 8,000 were in private education.

Certainly, the agricultural education was very developed, but nothing very new or modern was taught. And sometimes in the schools it was an academic version of forced labour. Nevertheless, thanks to the compulsory manual work, the schools of that period seemed to be more rooted than those of today. Since the syllabus was more limited, as was the number of students (157 at the William Ponty School and 41 at the Medical School in 1932), these schools formed an élite corps which constituted the administration's structure before taking the lead in the movement for independence in 1960. The historical role of these cadres is far from unimportant, especially as some of them were to lead the movement for emancipation. But the majority continued, objectively, to function as auxiliaries in the colonial shops in a system where the techniques and the forces of production were working for the profit of the foreign masters. In this dualist system where 80 to 90 per cent of the population devoted itself to a subsistence agriculture or to exploitation under the rod of administration linked to foreign capitalist companies, they constituted, by will or by force, the dregs of the imperialist system.

They also crystallized, by their privileged position, a certain image of the role of the school conceived as a factory for the production of white-collar workers.

From the mid twentieth century to the present day

It should be immediately stated that the date of the accession to independence does not, unfortunately, constitute for most of these countries a turning point in their educational policies, except in rare cases, as in Guinea. After the Second World War and after the participation of Africans in the liquidation of Nazism, political liberalization was coupled with educational expansion, important mostly in the secondary and higher educational spheres. But the qualitative structural character developed very little; expansion rather perpetuated and sometimes even aggravated the faults of the preceding period.

Quantitative aspects. During this period there occurred a considerable increase in numbers because of the aspirations of the students to go on with their studies whatever the cost and because of the need for experienced cadres felt in countries which had just acquired their territorial assemblies (1952) and national assemblies (1960). The part of the budget devoted to education was increased while the French Fund for Investment for Economic and Social Development (FIDES) and then the Fund for Aid and Co-operation (FAC) also gave contributions. The Addis Ababa Conference in 1961, at which it was proposed to generalize primary education for Africa by 1980, also helped in this regard. (In 1962, the annual rate of increase in the Francophone countries for primary education was 20 per cent instead of 12 per cent.)

Primary education. In French West Africa the numbers increased from 127,000 in 1942 to 356,000 in 1956. In the entire group of Francophone countries, the number increased threefold from 1956 to 1966, from 1 million to 3 million, an annual rate of growth of 12 per cent.

Secondary education. Here the number increased from 3,820 in 1948 to 14,124 in 1952, to which should also be added the 6,954 students of the technical colleges. For the whole of the Francophone group, the number increased in the ten years between 1956 and 1966 from 60,000 to 360,000, at an annual rate of growth of 20 per cent.

Qualitative structural aspects. In this area, the tendency has been a negative one.

1. Assimilation into the French system has increased in the syllabuses, examinations and certificates, contrary to the tendency during the preceding period. The Loi Cadre of 1957, which gave internal autonomy to the French colonies, kept in the hands of French authorities the right to control the syllabus, together with diplomacy and the army. This turned the content of education completely away from African culture.
2. Elsewhere, from 1960, the disintegration of the political federation of French West Africa and French Equatorial Africa was accompanied by a disintegration of the vast federal educational system which had functioned until then, and this happened first at the primary and then at the secondary and higher levels. The break-up for political reasons made many national systems uneconomic and made it impossible for a number of countries to

establish expensive institutions such as faculties of science or of medicine.

3. Education during this time moved further away from society and manual labour was dropped, as had been forced labour previously for Africans. Technical education being considered inferior, many of those having acquired it (locksmiths and carpenters, for example) for lack of jobs ended up by joining the administration and the police. The field of research, monopolized entirely by the French ORSTOM, was more devoted to the study of ethnology and cash crops than to the problems directly connected with African development. Certainly the first cadres with higher education appeared at this time, but the brain drain also began here. Thus it is that there are more Togolese doctors working in France than there are French doctors serving in co-operation projects in Togo. At the same time, there has been a failure of ambitions in the quantitative field. Since the Addis Conference, the school enrolment rate has been on the increase, but painfully so, and sometimes hardly at all because of demographic increase and overburdened budgets. Education takes about 15 to 25 per cent of the total budget, that is, about 3 to 4 per cent of GNP. This is to educate up to 11 per cent of the children, whence the overcrowded classrooms and the fall in standards. A student in secondary education being looked after by the state consumes five to six times the annual revenue of a peasant family, and with increasing pressure for education, the few available places in public or private schools risk being taken by children from the privileged classes. The countryside remains largely ignored. Drop-outs and repeaters increase at a high rate. In some countries, out of an entry of 10,000 pupils, only 1,500 finish the course at the primary stage. In one richer country, out of 10,000 beginning the primary cycle, only 5,050 or 50 per cent finish and only 1,460 obtain the certificate of primary education. Out of 10,000 students entering school, only 1,125 continue at the secondary level and only 55 obtain the *baccalauréat*. At the same time, no proper programme for literacy exists for the masses. After three years of school, the child is usually cut off from his roots and tempted by the movement away from the countryside; the out-of-work intellectuals usually gather at the homes of relatives or friends in the towns, thus using up their savings and transforming the school into an economic vampire and a social powder-keg.

Present-day problems: the current crisis

New ways of looking at things are an attempt to resolve contemporary contradictions, under the impetus of development, of educational planning and by the elaboration of more precise tools of analysis. But too often one remains at the level of fancy, of timid experiments, and of preserving the old colonial heritages to which too many leaders are tied spiritually and I should say by their bellies, because it is there that they themselves were born and have grown up. Creative imagination and energy are absent, except in Guinea, and, in a lesser measure, in Mali, Congo-Brazzaville and Upper Volta. The efforts to effect a change are mainly through the economic and African culture functions of the school.

The economic function of the school. Accent is placed increasingly on high-level scientific and

technical institutions and on their apparatus of first-rate personnel and equipment. The Nairobi Conference of 1968 further encouraged states in this path. Today, one wonders whether, instead of emphasizing secondary education, as was recommended at Addis Ababa, it would not be better to adopt a strategy which attacks the problem from two opposing directions: by setting up high-level technical schools and by carrying out mass literacy programmes. This would allow one to pass immediately on to the intensive production of middle-level technical cadres in all sectors. As for literacy projects, nothing substantial has been done except the omitting of false cries of victory. Some fortunate countries, such as the Ivory Coast, want to increase rapidly the rate of schooling by means of television, but is not this to avoid the real problem, which is to recuperate all brains, for science and for Africa? One talks at length about schools for collective promotion in Francophone Africa and about the ruralization of instruction in order to integrate the school into the village and the village into the school. Centres of training in active methods integrated into the economy of society are being created almost everywhere. But the impact is not basic. Some countries have tried going further by creating a short course in centres of rural education to run parallel to the ordinary primary course (as in Upper Volta). This system has had to be abandoned because the results—economic, social and pedagogic—were not satisfactory. The school is not yet a source of energy. In those countries whose economic growth is weak, the main employment is within the administration, and where the budget is small the manpower projections forecast a saturation of high-level cadres and the impossibility of recruiting even university graduates. It appears that there is no long-term solution to this problem beyond the creation of large common markets where the movement of cadres could take place from one country to another.

The African culture function of the school. The school remains a growth external to the flesh of African countries, to their environment, their society, their problems and their destiny. An unrelenting struggle is fought by a group of patriotic intellectuals and politicians to africanize the school. The syllabus has been refashioned first at the primary, then at the junior and finally at the secondary levels, beginning with history, geography, natural sciences, and so on.

In countries which are 80 to 90 per cent rural in their populations, the emphasis should be put more on rural law rather than on industrial legislation. Sociology should be rural and pastoral rather than industrial. Taking into account the importance of the administration and the state, administrative instruction, or at least information, should be given to all students, and bearing in mind the sociology of groups in Africa, development studies should emphasize the communal aspects, and thus the techniques of planning and the idea of co-operatives in relation to the traditional forms of work organization, rather than the subtleties of Roman law.

But it is not enough to change the syllabus. We must change the books, the methodology, the teachers, the structures, the qualifications. An immense work—especially when the ministries and the governments are preoccupied with

more immediate needs, sometimes those of simple personal survival. Little by little, Africans are publishing their own textbooks. The training of teachers remains a crucial problem and the professional schools are far from carrying out their vocation, the teaching profession, because of its limitations, being avoided as much as possible. This being so, foreign teachers in many of the countries continue to rule over the selection of national cadres and national qualifications are identical and not merely equivalent to the French qualifications. Even when the syllabus is the same, the study courses and the examinations are made to be the same as in France. These change each time there is a change in France. Thus the identity of qualifications facilitates the brain drain because they allow one to work in France. There is here an obstacle to the proper flowering of autonomous systems of African education, an obstacle which is dealt with from year to year under the pressures of need or of opinion. But in general, the structure of the system as a whole resembles that in force in France: primary education, six years; secondary education, seven years, crowned by the *baccalauréat*; higher education, four to seven years. This is true also of the administrative organization.

The African and Malagasy Council for Higher Education has been trying with great difficulty (due to a nationalistic or micro-nationalistic spirit) to co-ordinate the efforts of universities on certain points in order to make them effective. An Inter-African Convention for the Recognition of Degrees has been signed by fourteen heads of state. An exchange of university teachers has been tried, for the situations are very varied. The campuses of Dakar and Abidjan have respectively 5,000 and 4,000 students, but the former's teaching body is only 50 per cent African and the latter only 20 per cent. In the other countries there are only few students and the investment and running costs are prohibitive for the poorer countries.

If there is an area where Africanization is still difficult in the Francophone countries, it is in that of the language of instruction. Everywhere, and at all levels, it is the French language, except in Guinea. Today, the introduction of African languages at several levels is envisaged, either in the mass literacy projects—as in the Unesco experimental project in Mali, where *Nibaru*, the Bambara newspaper, has articles in it signed by peasants—or in the area of school education. In this last area, there are still hesitations. These are due to objective difficulties in the enterprise: the choice of language, study material, working out of texts, teacher training, pedagogic and administrative organization. But other hesitations are mostly due to the fear of parents or culturally alienated politicians, to the refusals of tribalist and reactionary leaders. It will need great patience and determination to carve out the royal road linking the inexhaustible wealth of universal knowledge to the unending source of African culture.

Conclusions

The history of education in Francophone Africa is that of the acquisition of technical civilization by means of a vast economic and cultural alienation. This is a situation which is historically irreversible for all our peoples but for whom the cost has been manifestly too high. Efforts must be made to minimize and to do away with

this cost by trying to make the school a dynamo producing multifarious energies, economically and culturally. There is the need here for a total revolution, in the Copernican sense. We must make actual African reality the sun around which everything else revolves. The link which the school should have with our civilization is not that of the pipeline but that of the umbilical cord.

Will the African school be the instrument of colonization as in the time of the slave companies? In reality, too many of the Africans coming out of these schools become intellectual eunuchs charged with watching over the exotic harems of imperialism.

Will the African school, on the contrary, be a weapon in the struggle for freedom, and a tool for reconstruction? This depends essentially upon the choice of leaders. It is for them to make the correct diagnosis and to explain it to the masses in order to turn them away from alienating mirages and to assign to them new objectives, more difficult to attain but more salutary in the long run. It is for them, the leaders, to create eventually that economic space most favourable for the growth of an African education. It is for them to preach, by example, a strategic return to our own heritage, not for reasons of reactionary self-satisfaction, but for a release of that spiritual energy which could be our own starting-point.

For we must avoid like the plague the servile imitation of foreign models. The ape has no personal strategy of development—he only repeats and imitates. But the African school must produce men who are allergic to stagnation and to the *status quo,* men who, instead of fleeing their societies, confront them with all the lucidity of science, and with the courage of a civic spirit, men who will be the engines and the locomotives of progress.

Finally, I would like to emphasize the three major ideas which have a role to play in a strategy for a revolutionary new deal in African education:

1. To match work with studies from the beginning of school so that the student knows that his degree constitutes not his capital, with which to exploit, but a tool for more and better work. For it is no use waiting for the drop-outs and the early school-leavers to appear before worrying about the failures of the system. It is better to prevent than to cure.
2. To change the mentalities of all the people (the children, the teachers and the parents) concerning the role of the school. This will need a powerful political and ideological motivation.
3. To reject elitism: by democratizing and popularizing education; by changing the methods and contents of syllabuses; by introducing African languages in order to bring the people themselves directly into the world of science and technology.

But the central principle which must govern all the rest is that of the Copernican revolution: we state that African reality, African development, must be the sun of our system and that everything else, especially alien imports, must revolve around this centre as do the planets around the sun. This must be the beginning and the end, the alpha and the omega of the new strategy for education in Africa.

Report on Asere Hawariat School, Addis Ababa

By Asfaw Yemirru

Asfaw Yemirru provides a concrete example of individual initiative, proving that the ends can will the means if the right attitude of mind is already there. The existing pedagogic establishment may not always approve of the non-conformism of such 'fringe' activities: it may be, however, that only at this fringe are we at the heart of the matter. Asfaw Yemirru is director of the Asere Hawariat School, Addis Ababa (Ethiopia).

Beginnings

There is really no date we can pinpoint as the beginning of the school. It just seemed to evolve in response to circumstances ('a sign for such as ponder').

At that time I was a student at General Wingate School, a posh secondary school in Addis. I was from a poor family and had won my place in a competitive exam. While in Wingate, getting the benefit of an élite education, I was always reminded of the plight of my less fortunate brothers outside the walls of the school who had not even food, let alone education. So I started saving scraps from my meals and giving them to these kids. Then I organized all the students of Wingate to do the same.

Building up together—social equality in every respect

But then the street kids told me that food wasn't enough. They wanted to learn. So I started teaching them on Sundays, in the graveyard of the church next to Wingate. The thing kept growing. When we got to about 300 students we had to have some kind of shelter. About this time I left the school to work full-time with the kids.

We have never had much money at the school and we had none then. Yet somehow, when things looked bleakest, we always got a helping hand. Many friends from Ethiopia and abroad helped, and the Emperor was one of our earliest supporters. Our philosophy was then—and continues to be—to act, not to wait and worry about finances. We just keep on expanding to meet the needs of the children.

Oh, young man! Is it heavy work?
A nation cannot grow by being spoon fed

The school today

At the moment there are over 3,000 students in the original school. Our grades run from first to twelfth. Unlike, I believe, any other school, public or private, in the nation, we demand no fee and have no uniforms. The education is free to the children of the poor. Students from Asere Hawariat School have consistently scored very highly in the national grade exams. And our school has been uniquely free of student disturbances.

In addition we purchased some land fifteen kilometres west of Addis Ababa in Beriyou. There, two years ago, we built a twenty-room school of mud plaster. The programme at Beriyou has concentrated on literacy training so far.

We get support from the Ministry of Education in the form of salaries for some of our teachers. There are also about half a dozen volunteer teachers (from England and America) serving at the school. Our operating costs, like our capital costs, come almost entirely from private donors and agencies (like Save the Children), mainly from abroad. We are trying now to move in the direction of self-support.

As in the earliest days, we have no fixed budget. And as in those days, we are continuing to expand to meet the need as we see it. That means, of course, that funds are always short.

There are so many things that need doing, but lack of money puts them off. But we don't give up.

Ethiopia today

As the world has witnessed recently, Ethiopia seems to be at a historic cross-road. The old stresses and strains of the system in the nation seem to be at breaking-point. There is a fast-increasing awareness of the need to find solutions.

Ethiopia has been a traditional society in which land-holding, and with it wealth, was quite unevenly distributed. But in recent decades change has been coming to Ethiopia, pointing up the inadequacies of the old system.

The educational system in Ethiopia has been both a part and a cause of the change. The system was originally from outside, based on European educational models. Just now the Ministry of Education is working to develop a more Ethiopian model of education. It is high time. For the old system was by its nature elitist. A very small percentage of the children of the nation can enter the system and there for twelve years they follow a curriculum concentrating on academic subjects. There is a series of national exams, constantly weeding out 'failures' and convincing everyone that going on to the university or a scholarship abroad is the only way to success. And many of the 'failures' swell the ranks of the malcontents of the cities. Then we find today that the few products of the system who do make it to the top, to be university graduates, sometimes don't even find jobs, for the economy is growing at a slow rate, in part for lack of people with a practical education, especially in the agricultural sector. And the 'educated' people who do find jobs seem quickly to forget the mass of the poor, from whom, often, they came. They look for a 'villa' and a new car and all the other material lures. And they try hard not to have to see the poor at all.

And so the system has effectively cut off the educated from the masses. I've seen it even with our school. Many times I've seen kids growing up here in the school who were bright and could do something for the nation. But they follow this elitist schooling system and wind up accepting its values. And they are lost to the nation, useless to society.

When I saw all this clearly, I knew we had to change.

The Moya

'Moya' is an Amharic word meaning a place where people come together to share knowledge and to work together. Our Moya is a new kind of school system, suited, we believe, to the real Ethiopia today.

Specifically, the Moya programme is designed to avoid these three major faults of the existing educational system:

1. Students with a specialized education are unable to find suitable or useful employment.
2. With so much of the nation's resources spent on improving higher education, there remains a great lack of even basic schooling for the mass of school-age children, especially in the rural areas.
3. The gap between the well-educated and the uneducated or lesser-educated continues to grow and the separation benefits neither

group. Most of the educated people refuse to leave the few cities to go to the countryside where development is most needed.

The Moya is an educational centre to which students will come. First, the children will enter a basic four-year comprehensive course. They'll get in those four years the basics of science, maths, Amharic and English, geography and history (mainly Ethiopian), and health. The programme emphasizes educational self-reliance —how to ask questions, how to read for content, how to use a library or consult an expert.

This Moya comprehensive course has been running for some time. The first students began the course almost four years ago.

When they complete the four-year basic course, 90 per cent of the students will go to study and work for two to three years in the practical streams of the Moya. Since Ethiopia today is overwhelmingly an agricultural nation, agriculture will be the core of the Moya experience. What will happen is that the students will be given a piece of land and be guided in developing it. And the techniques and equipment we use, as well as the non-agricultural streams we are developing, will all be only those that fit in with the real possibilities in Ethiopia today. That means that our tools will be so basic that the students can be expected to make or buy them when they leave the Moya.

To show what we mean, we have already begun work on the first Moya site of the school. We bought the land on credit—we still owe over $(E)100,000. The land was forested with eucalyptus. In the year since we bought it, we have cleared the forest on the bottom land. We have built twenty-nine classrooms and two giant (600 sq m) halls, the first for the weaving programme, and the second for the 'Community Library'. These buildings are of the traditional local type: mud plaster over a eucalyptus frame, roofed with corrugated tin. We managed to get broken bricks from a neighbouring brick factory which have been used to face the buildings. The construction is not elaborate, or expensive, but our experience has convinced us that it is fully adequate to the task.

The community library (600 sq m), entirely built by students.—Let us share all that we have: one for all, all for one

As the first Moya centre goes into operation this year, the Moya students will carry on the development. From now on the agricultural development will rely on ox-drawn equipment. But we will not show just the traditional plough. Rather the students will be introduced to and use a new oxen yoke that lets the team pull harder. And the students will build and then use an ox-cart, and ox-pulled equipment for earth-moving: grader, ditcher, bund-maker and Fresno scraper. These will all be used in building the terraces, ditches and beds for the irrigated section of the Moya centre. The students will also construct the dam and pond.

They will learn by doing, by laying out the system and then building and using it.

To build some of the equipment, there will be need for a woodwork shop and a simple metalwork shop with forging. Thus these streams will be established and they will work together with the agricultural stream.

We are going to introduce new techniques (like the animal-drawn earth-moving equipment mentioned above), but only when they are techniques that seem to be a clear advantage over traditional ways and when the tools or techniques are such that the students can understand and build or buy them themselves in the countryside after the Moya. For example, we are currently installing a simple, animal-powered pump for the well at the first Moya site. Besides novel equipment, the students will learn new ideas in land management, like rotation grazing, strip cropping, contour ploughing and terracing. And they will be raising, too, selected varieties of plants and animals. They will also have a practical experience in marketing as they sell the produce of the Moya to cover expenses and to build up funds for expansion.

The community library will be a major focus of the Moya. It will serve three groups:

1. Illiterate people of the neighbourhood (served by a bank of audio-visual aids like slides and tape recordings, models and displays).
2. Students of the Moya and people in the surrounding community with basic literacy skills (served by the same audio-visual aids, plus basic written material).
3. Advanced students and staff (served by a small library of more advanced texts in the practical fields of the Moya).

The community library will also be a gathering place for people to discuss and find solutions. And therefore it will be an important contact point between the Moya students and the neighbouring community.

In preparation for the Moya programme on the original school site, we have built some twenty weaving looms (cloth and rugs) of local pole lumber. By now we have developed a good and growing market for the lovely and novel products of the weavers—a first step to self-support. We have also established a basic pottery room with one simple wheel. An oil-fired kiln of simple design has been built and used. And we have a very basic woodwork shop that is producing simple chairs and beds of eucalyptus poles, the major building material in Ethiopia. All these activities will be continued and expanded on the new land in the Moya programme.

In sum, unlike vocational schools, the Moya will not try to train a student in a special trade. Although a student may choose to learn a particular skill intensively, all students will take part in several parts of the Moya. Rather than prepare students for employment which depends on the demand for labour, the Moya will provide students with the ability to improve their standard of living while they are in the countryside. Students will be given no certificate to pride themselves on nor any promise of employment. Their only alternative will be to go back and make a living for themselves in the countryside, or to contribute to development by starting new Moyas or literacy centres.

A small secondary school will be kept for those 10 per cent of the original students who do not go to the Moya. The main purpose of

the secondary school is to provide a steady stream of teachers for the scheme. The secondary school students will be required to give one year's service to the Moya before sitting for their eighth- and twelfth-grade exams. Their service will be teaching in the four-year course or in adult literacy classes at the community library. We have already been practising very successfully for some years at the original school the idea of secondary school students teaching lower grades.

The first Moya centre, which we are putting into operation this year, is seen to be a seed. When it succeeds, the most motivated graduates will be urged and supported to start similar Moyas elsewhere in the country. In this way the idea will spread widely in the nation. And the students who do not start new Moyas at least can set an example in their neighbourhoods, using the practical techniques they learned in the Moya centre.

We cannot be productive and self-reliant by 'manpower' alone

Principles

On leadership. No one can be a good leader in a country like Ethiopia by trying to separate himself from the masses, putting himself on the top. He may be good in planning and knowing the problems, but unless he is with the mass he will never become 'human' instead of bookish. If he wants to introduce new ideas, he should be involved with people, living at their side.

But leaders are always ready to create 'boards of governors', and 'steering committees', and 'authorities' which can separate them from the masses. Any committee, board or governing idea, like socialism, should be a human one. So far there has been no system that has stuck with the masses. That's why there is dissension.

An élite leadership ignores what's happening. The people below don't want to be gravel. The man on top creates his own cage—he can't know what those below are thinking and feeling. Gossiping and jealousy grow. And jealous people just try to climb and be on top like him.

On regulations. In the same way, regulations can be dangerous. They may protect the leader, not the order. We never had any regulations in the school. If someone throws a rock, telling him it's forbidden doesn't help. It must be

explained to him why it is wrong. Intelligence may be restricted by regulations. Unexplained, they dull the mind.

On attitudes. How should the kids be? We don't want in the Moya plan just to create a lot of practical vocational streams. We want to create an interest in the kids to help their neighbours, their surroundings, like repairing old houses, or improving sanitation. Or helping themselves in development by passing on to others what they have been taught. The idea of service is essential. In the Moya, working with local materials and in close contact with the surrounding community and working together to develop the land, the students can develop this attitude.

On choosing. None of these schemes should imitate blindly foreign patterns. First we should work to improve the traditional techniques the people know. Then introduce carefully chosen new ideas. It's important to make the best use of the surrounding crafts and materials, because if you introduce new ideas with no base in the culture and the surroundings, you create a new world, often needing lots of money, and not necessarily either helpful or productive.

Finally, we need some skilled engineers and doctors—technically trained people. But not those filled with foreign ideas only. They should be able to work in their surroundings. Such experts must remain with the masses, not create their own little world. By being with and appreciating the people a man can and should actually get to hate coming to the top.

Whatever alternatives we introduce, unless we have people who are satisfied to be with the mass of people, we will never be successful.

Summary Conclusions[1]

The formal system of education, to which the hopes of so many have been pinned, has failed the great majority of people. At each stage fewer pupils are retained, with a minority completing primary school, and a very small minority only at secondary level in most African countries. The content of education is such that it does not prepare people to participate in economic life. It does not give them any understanding of their societies. It does not show them the need for and possibilities of transformation of the physical and social environment. Work and skills—especially manual work and skills—are required. But the children have acquired a distaste for manual work and skills. The methods of education have encouraged passivity and dependence, and discouraged creative thinking and initiative.

The shortcoming of the system reflect the lack of real community involvement, inadequate planning, management and organization, and the quality, attitudes and sometimes lack of motivation of teachers. The early school-leavers who are left jobless will constitute an unbearable burden and a source of social turmoil.

New objectives in education

The major components of a new deal in education are the democratization and universalization of the system. This is defined as the existence of a state organizational structure in which equal opportunity in education is guaranteed and which brings education through its various types, levels and forms to the entire population. This structure must constitute an objective for all states, based on the recognition that education is the right of everyone and a prerequisite for the nation's socio-economic development. The state cannot and must not surrender or renounce the obligation to educate and train all its people. Indeed a state meeting its obligations in this respect should exercise complete control over the educational system and not allow individuals or organizations to develop their own systems; these will be unnecessary and are likely to reflect sectional interests. Innovations in education should, however, be encouraged.

The goal of universalization of education will be achieved through the expansion of the formal system and the non-formal systems and through literacy campaigns, adult education and training and a continuing informal programme of mass communication. This recognizes that education is a lifelong process and should be as far as possible directed in all its stages. It is recognized that the universalization of education depends on the universalization of work.

It is felt that the use of alien languages has been a hindrance to the effective development of education in African countries. In order to maintain African social and cultural values, and in order effectively to democratize and universalize education, it is essential for all African countries to aim at adopting one indigenous language as a national language and also as a medium of instruction. The situation whereby a state is prepared to accept a foreign language rather than a local language is deprecated.

Massive literacy campaigns are deemed an imperative within the scheme of universal and permanent education. Mass illiteracy perpetuates

[1] The Summary Conclusions are printed here in a somewhat abbreviated form.

a state of ignorance which in turn maintains an attitude of fatalism and exposes man to exploitation and eventual dehumanization. In these campaigns to wipe out illiteracy, full use should be made of all material and human resources, enlisting the efforts of political parties, students and all able citizens engaged in various occupations. The examples of Cuba and the Democratic Republic of Viet-Nam are noted and considered worth emulating.

Time does not allow for consideration in detail of curriculum, syllabuses, organization of school life, and the other activities of the formal school through which the desired changes will be achieved. What is noted, in this respect, are the various innovations being attempted in several countries represented at the seminar. It is strongly recommended that studies be made of these and that countries should circulate information to each other on innovation in their own educational systems.

It is recognized that changes in the educational system cannot by themselves remedy the various deficiencies in it which we have noted. A change in society is a necessary prerequisite. If Africa is to witness an upsurge in the provision of education for the masses, African countries should adopt a progressive ideology in hastening transformation and development for the masses. It has been conclusively demonstrated that countries which have opted for socialism are moving faster in the field of education than those countries which have not.

It is noted that the existing structure of educational systems in independent African countries is too compartmentalized to be efficient. It results in wastage in material means and potential manpower through the high proportion of drop-outs or school-leavers.

In order to combat this, the first or primary stage should provide continuous education unhampered by examinations or artificial compartmentalization for a period sufficiently long to allow the child to grow up to an age at which he can reasonably be expected to respond effectively to training in production processes and to assume increasing responsibilities in the social, economic and political life of the nation.

It is also noted that, for lack of better methods of evaluation, it may be impossible to avoid some forms of examinations at certain levels. They still seem to be the most reliable and objective methods of selection for employment or further education. It is nevertheless recommended that the present methods of selection for higher stages of education should be changed in favour of those that are based on day-to-day assessment regularly and carefully recorded by teachers.

In a school where work and production become a dominant feature, examinations and other methods of evaluation may have to be reoriented so as to facilitate accurate assessment of course work, quality and speed of production, natural inclinations and dedication to social and communal work.

Practices which tend to emphasize and perpetuate status symbols in education, rather than usefulness and commitment to society, should be done away with; for example, the issuing of certificates and the donning of academic gowns.

Changing attitudes

The keys to changing the attitudes of the people as a whole lie, first, in convincing them that the social, economic and political system, and the educational system which serves it, are designed for the benefit of all of them, second, in demonstrating to them realistic ways in which it can improve the lives of all, and third, in involving them all fully, meaningfully and sincerely in consultation and decision-making.

This means communicating with the people in the languages they command and in inculcating pride in those languages and in the culture of the people as it is now. It means removing any sense of inferiority or shame for what they are. It means the universalization of manual work and production, in which all levels of leadership are involved with the people, and to achieve this, political orientation, precept and persuasion, rather than coercion, should be used.

Changing the attitudes of people in this way will take place best under a socialist society. It has been proved, practically, that countries which have opted for socialism are moving faster than those which have not.

We must communicate with the people through mass media like newspapers, television, dramatic productions, radio and films and through discussions and seminars which encourage inquiry and investigation and free discussion. One of our objects, as it is in Cuba and in the Democratic Republic of Viet-Nam, should be the inculcation of a scientific outlook amongst the people, and the ways and means used by those countries should be studied closely. It is also important to use all the available means and systems for dissemination of the information identified above, to spread knowledge of authentic African history, of the traditional educational systems, and of the changes brought about by colonialism and its educational system, so that the people fully understand that it cannot be provided universally, and must be changed. Information about development must also be disseminated.

The cost factor and resource constraints

Most African countries spend, on average, some 20 per cent of their budgets on education. There is clearly a resource constraint on expansion of the formal system. We must confront this constraint by making more efficient use of available resources, reducing costs and creating new resources through the universalization of work.

A variety of cost-reducing measures is possible which do not reduce effectiveness in achieving social and educational objectives and may in some cases actually strengthen opportunities for a more relevant education.

Buildings, furniture and equipment should be simple and inexpensive, designed to be multipurpose and functional—rather than for appearance—capable of construction and manufacture, wherever possible, from durable local materials, using the skills of school and community, both in erection and maintenance. Imported

materials have expensive maintenance implications and should be minimized. Churches should be encouraged to offer their buildings for educational purposes during the week.

Boarding facilities should be provided only when essential—and then as cheaply as possible in multi-purpose buildings—and nutritious African dishes prepared, in schools, wherever possible from the school's and community's own production. Pupils and students should undertake as much of the work associated with these services as possible, and not be waited on by older members of the community.

The supply of teachers could be accelerated—at reduced cost—by shortening the training period, by on-the-job and in-service training, by intensive courses, and through correspondence and radio tuition. Greater use of local language at all levels will help to increase the use made of mature and intelligent people from the community. This will also make possible crash programmes to train nationals to fill expatriate-held teaching and administrative posts. Too much reliance on expatriates in our institutions bears heavily on the costs of education.

Every effort should be made to undertake the production of books and other reading material locally, not only to reduce costs and promote local employment, but also to minimize irrelevant and harmful foreign influences and concepts, and to promote the dissemination of local language and culture. Cross-frontier co-operation is possible where countries share common languages.

African countries should develop inter-institutional co-operation for training urgently needed manpower instead of sending people outside Africa, which is very expensive, time-consuming and alienating.

In general, the reorganization and shortening of curricula are desirable and necessary from a social and educational point of view, and the shortening of courses and improvement of methods will also have beneficial effects in cost-reduction.

At the university level there is wastefulness: in the residential system and the services provided to students; in the overproduction, in so many countries, of arts graduates; in the often too high ratios of staff to students; in the inflexible entry regulations; and in the high salaries of university staff.

Education and production

Savings in all these areas can marginally increase the enrolment within the formal system. But the resource constraint can be effectively overcome to the extent that production can be organized in conjunction with education, at all levels and in all its modes, in order to create resources while educating and training. An even more important advantage is that of making the education more relevant to the processes of production. And the new objectives of education will be more effectively achieved in the blending of theory and practice.

Primary level

The combination of education and production must be approached differently at different levels and in different modes of education. In

primary schools, the main objective of including manual work in the activities of the school is to inculcate in the children a positive attitude to work. But the work has to be meaningful to the children if it is to achieve this objective. Work undertaken by the schoolchildren must, as far as possible, relate to the productive activities taking place within the surrounding community. Ideally the schools should be controlled by the local community and the work of the children should be directed, however marginally, to increasing the community's total resources.

Post-primary level

The load and variety of work can increase as children grow older and stronger, and as they acquire greater knowledge and confidence. At the secondary level, there are two questions to be asked. Should the production be undertaken in, and for the benefit of, the community, or in and for the benefit of the institution? Should the production be directly related to the acquisition of a particular skill or in work not necessarily related to the aquisition of a particular skill in a student's curriculum? In answering these questions we have to consider the motivation of the students, for work is best done and lessons are best learned when motivation is good. It is felt that in a socialist society, the work would be for the benefit of the society, and it could be both related and unrelated to skills being learnt formally. The society takes care of the motivation. In a non-socialist society it will be harder to maintain work in the community; the motivation can be through making the students aware of the importance of production in creating resources for the institution that helps expand the formal system; and motivation can also be through the recognition by the students that the acquisition of a skill takes place best in circumstances resembling real life and industry, in which the demands for speed and quality are met. Production can be achieved by schools either by attaching students to industry, where available, against a subvention to the school, or by the school technical departments' engaging in production of goods and services.

In general, the purpose of post-primary education is the further development of production- and service-oriented knowledge, skills and attitudes learned at primary schools, with a view to providing for the middle-level manpower so badly needed in African countries. This requires a heavy vocational orientation. It is felt that the purely academic school curriculum is not geared to education and development. The expansion of such schools has taken place because they are less expensive in terms of capital and recurrent costs than technical schools. The engagement of students in production is facilitated within the technical school and can help considerably in cost-recovery, thereby making possible the expansion of this type of institution.

Tertiary level

The functions of the university are teaching, research and service to the nation. It is too often an ivory tower that does not serve the nation; its research is rarely related to the community's needs. The university tends to be isolated from the economic and planning systems of the country.

At this level links with the economy can be established (a) by relating research to development, to technology and production, in urban and rural areas; (b) by seconding students to industry or agriculture and to various branches of government; (c) by the inclusion of field

work and work in the community as part of degree requirement; (d) by undertaking feasibility studies related to the diversification of industry; and (e) by the designing and planning of industrial projects in conjunction with government and development corporations. Plant and equipment, such as farms attached to universities and agricultural colleges, should be made productive, aiming at surpluses; demonstration of such productivity is an essential feature of the function of a demonstration farm.

In the case of polytechnics and other forms of tertiary education, provided the skills and plant are available, it is possible, given the right attitudes of staff and students, to undertake production in conjunction with training and to encourage the sandwich system.

All levels

Consideration should be given not only to production during school terms but in terms of national service and school holidays.

Implications of combining education and training in the formal system. If the programme is to work in the formal system it requires the reorientation of teachers, administrators, parents and students. It also requires that the training of technical teachers be stepped up. The production must be organized in conjunction with a serious training component, under the supervision of properly skilled staff. Examination and evaluation systems might have to be reoriented as proposed earlier. It is absolutely essential that imposition of manual work as a means of punishment and maintaining discipline should be forbidden. There is an apparent conflict between the time demands of production and those of the curriculum. The curricula we follow in our schools should be drastically changed and shortened so that we can make more use of new teaching methods, releasing time for production. Various countries represented at the seminar have attempted innovations in these fields, which are recommended for study. Education and production must be combined in the right proportions to avoid promoting one at the expense of the other. Production can, incidentally, provide important learning opportunities. It helps improve the system of education and makes it better able to achieve our educational objectives. It provides opportunities and a framework for new approaches, and for methods of problem-posing education and activity learning. All sorts of qualities like patience, respect for manual work and the people who do it, persistence, endurance, co-operation, manual dexterity, initiative, self-confidence, responsibility, striving for excellence, for quality, for precision, can be learned and gained by involvement in production that cannot be learned or acquired so well in the formal classroom activities of the school. Production can help descourage elitism and laziness.

The non-formal system

Non-formal education is a term used to describe programmes organized outside the formal system, providing education and training for people of all ages that is complementary and alternative to the formal system and a substitute for it.

The non-formal systems for young people exist

because the formal system has so much wastage. The non-formal system is for those with incomplete formal education and for those who have not had the opportunity of entering the formal system. They are victims of resource constraints. The non-formal system will offer only palliatives unless it can overcome the resource constraints with measures that are replicable. *The need to combine production and training is an imperative in this mode.* Examples of systems that are related to creating resources while teaching and training are functional-literacy programmes, extension services to agriculture and small industry and to producers in the informal sector, various crash training programmes undertaken by industry and government, and programmes like the Brigades in Botswana, which maximize cost-recovery in combination with on-the-job training. The Brigades are an example of a cost-recovering production-oriented training organization.

It is noted that programmes like the Brigades aim at partly or wholly self-financing units. This is largely because they are primarily sponsored by non-governmental organizations that are unable to rely completely on recurrent grants and are seeking to demonstrate the validity of the principle of combining production and training.

Programmes like these would appear to be more effective in a socialist-oriented society; in any case their success depends on well-trained instructors, organizers, managers and other staff, on the motivation and attitudes of such staff, on motivating the trainees and students, on the availability of employment after training, on successful marketing of produce, and on the effective organization of the production and the proper integration of training into it.

Aspects of resource constraint and employment creation

In developing countries rising unemployment is a typical phenomenon due, among other reasons, to lopsided income distribution. The market economy in this setting influences the allocation of resources in favour of a few, who have a purchasing power to express their demand that ignores the interests of the bulk of the population and hence limits production and employment.

There are various aspects of resource constraints. We can see them in terms of lack of finances, or lack of skills, whether managerial, organizational or technical skills. It is these resource constraints that limit our formal education systems just as they account for the shortage of employment opportunities.

The creation of employment is to a large extent a function of government policy, especially with regard to allocation of resources and educational structure. It requires the existence of technical skills and management and organization skills, since technical skills alone cannot ensure production and employment. But the supply of raw materials, tools and equipment and the availability of land are indispensable. Organizations like the Brigades can teach management and organizational skills along with the training skills taught on the job. The more the training and production resemble a real-life situation and the more the trainees are drawn into the management and organization the better will they be fitted for self-employment projects. The most that a training institution like a Brigade can do

is to use surpluses, if it is profitable, to assist trainees to set themselves up. But it is here that government action is necessary. If government programmes for the creation of self-employment are to be replicable, then initial capital investments must be modest, and tied to appropriate and inexpensive technologies, and the self-employed must be encouraged to save and improve their equipment. Co-operatives may be necessary because the profit motive usually follows the most lucrative openings and does not always promote the diversification essential to employment creation; land reform, credit, price supports, may all be necessary.

In the final analysis, expansion of the secondary and tertiary levels should be geared to the manpower needs of the country.

The role of foreign aid and technical assistance in African educational development

Foreign aid has its negative and positive aspects and implications depending on how it is given and accepted. It is often offered with strings—concealed or openly attached to it. It may also be noted in passing that foreign aid has been dwindling in recent years.

It comes in one or more of the following forms:
1. Training of local 'experts' in foreign countries.
2. Foreign experts offering their services to African countries.
3. Provision of goods and money.

There is no doubt that our development can be greatly helped through foreign aid. However, self-reliance should be the basic mainstay and guideline. Developing countries should first exhaust their own local resources before seeking foreign aid. They should further reject outright any foreign aid which has strings attached to it aimed at their exploitation and misguidance.

Foreign aid in most cases does not use local materials and its actual value is thereby greatly diminished. The imported goods are not geared to local conditions. Expertise is also expensive and foreign aid is not as effective as it should be since recipient countries do not derive maximum benefits from it. In general the reason is that the aid plans are approved according to standards and specifications prevailing in high-income donor countries, where the materials and technologies are also obtained.

Another disturbing feature is the fact that such forms of conditional aid tend to disturb the desired patterns of development in African countries and frustrate the nation's efforts at utilizing local material and human resources, especially in the way of providing more suitable buildings and equipment, and reaping the rewards of greater employment opportunities and challenges to originality and inventiveness.

Foreign aid should, in the final analysis, reflect a sense of moral responsibility on the part of both the 'giver' and the 'taker'.

The crucial question is: what forms of aid do the African developing countries want?

In the context of our present education and training system we want to be agents of development, not objects of development. Foreign assistance should be directed mainly to the

establishment of production-oriented institutions. It may therefore take the form of:

1. Strengthening the training capacity of our institutional resources and setting up African institutions. We want to be self-sufficient.
2. Financing the initial capital expenditure for buildings and equipment, which must be based primarily on local material and human resources.
3. Supplying instructional materials locally unobtainable.
4. Facilitating appropriate expertise for the effective transfer of technology. The donor country should undertake training of local manpower and manufacture of equipment and spare parts, etc., where possible, in the receiving country. The period during which this is to take place must be clearly stipulated in the aid agreements.

LIST OF PARTICIPANTS, LECTURERS AND RESOURCE PERSONS

Participants

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LIST OF OTHER SEMINAR PAPERS

'Alternative Systems of Education and Training', by Patrick van Rensburg
'An Anatomy of Underdevelopment and Unemployment', by Mahbub ul Haq
'The Building of Viet-Namese Education', by Duong Thiet Son
'The Development of Education in Cuba and Efforts to Improve the Educational System', by Max Figueroa
'The Educational System and its Improvement in Connection with the Economic and Social Development Programmes in Cuba', by Max Figueroa
'Historical Survey of Education and Past Role in African Development', by Anza A. Lema
'Mayflower School, Nigeria: Workers' Brigade', by Tai Solarin
'New Strategies for Development and Employment Creation', by I. M. Kaduma

'Processes of Education', by Gerson A. Meyer
'Rethinking Development Strategy', by Ernst Michanek
'The Role of Education and Training for Employment Generation in Africa', by C. R. Tett
'The Role of Formal Education in Developing Countries', by G. Mmari

Sixteen reports, on the following countries and organizations, were also submitted: Botswana, Ethiopia, Ghana, Guinea-Bissau, Kenya, Lesotho, Nigeria, Somalia, Sudan, Swaziland, Tanzania, Uganda, Upper Volta, Zambia, Frelimo, MPLA.

Report from Swaneng Hill BY PATRICK VAN RENSBURG

Education and Employment in an African Country

In this book, Patrick van Rensburg describes his attempt to pioneer in Botswana a programme of secondary education appropriate to an emerging African country with a per capita income of about £35 per year. The search for measures to implement this aim met with some success, but it also revealed that questions which were ostensibly educational had vital social, economic and political dimensions: this realization led the author to doubt whether some of the aims he had set for his school could in fact be achieved by schools. Although he concludes that education cannot by itself bring about social change, and that effective educational reforms require prior changes in the socio-economic system, he nevertheless believes that much can be done to combine programmes of employment/creation and education, and that work in this field can help promote social change. Models of such employment-oriented educational programmes are described and discussed in detail.

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News and Notes

The Hammarskjöld Foundation receives a steady flow of material that is of general interest to the readers of Development Dialogue: limitations of space, however, mean that much of this matter is destined to remain restricted. None the less, it is our intention, without directly soliciting contributions, to publish in this column from time to time and in so far as editorial exigencies permit, those items that bear on development preoccupations. Rasmus Rasmusson, who writes from Nairobi, contributes a study on the relationships between rural development planning and international aid. Renée Erdos, who is best known for her work in correspondence education, has kindly forwarded some notes on the Swedish contribution to the development of correspondence education in Africa.

Rural Development Planning and International Aid: Some Observations

By Rasmus Rasmusson

Rasmus Rasmusson, who has a special interest in research into aid and development problems, is the author of a number of articles on related subjects; he is First Secretary at the Swedish Embassy, Nairobi (Kenya).

Notes on planning for rural development

Both the recipient and donor aid planner will find it useful to have a brief summary of the kind of planning process into which foreign financial and technical assistance is to fit. Very briefly, the planning process would seem to have the following functions or components:

The goal-searching function. It is for politicians to set the targets in spelling out what sort of society one is aiming for. This can be done with greater precision and with closer links to implementation language if planners produce some alternatives and their projected consequences. In doing this, the planner must have general policy directives to guide him in the search, or he is in fact taking the role of the politicians.

At *local levels,* there should be a similar interaction process between *local leaders* and the *local administration* to have a wider range of alternatives presented and discussed. This will help produce more imagination and adaptation to local needs and potentials, as interpreted at the local level.

The vertical link. A second role of planning is to *link the central and local levels to one another* so that each of them can influence the other in a new series of vertical interactions. Central planning cannot take place without some mapping of local ideas and needs. Local planning is a useless exercise without some central directives and commitments, including information on what inputs the central level can make. Without this vertical link we risk having planning without implementation.

Providing data. A third role of planning is to *provide data by the vertical link just described.* Macro and sector planning at the central level is an empty exercise without data inputs in the form of project ideas and local resource estimates. Nor will local project planning be meaningful unless it is done within some sectoral framework.

It is most important that the collection of data on social, economic and political conditions should be guided by their planned use. The opposite is also true—the data base should be a guide to the methods of planning. The nature of data available at reasonable effort and cost must have repercussions on planning and implementation. Without these links, we again risk planning without implementation.

Generating commitment—the horizontal links. A fourth role of planning, implicit in the ones already mentioned, is that of *generating commitment and engagement from as many groups and levels of society as possible.* How can we otherwise implement our plans, or know that they are possible or even desirable? Planning is a political process, and it is in itself more valuable than the end products, the documents. We have already mentioned the need for top political control of planning, and interaction between central and local levels. We must also have horizontal interaction. The Ministry of Works and the Ministry of Agriculture must not work in different directions. Local administration and self-help movements must find some common ground, increasing it in the planning and implementation process. Note that horizontal coordination is also a way of drawing more widely on available expertise, resources and pressure groups.

Training the administrative machinery. A final role of planning, and this is a corollary of what has just been said, is that of *training the administrative machinery at all levels of a society,* to help it streamline and possibly standardize its procedures so that planning and implementation become one continuous process.

The description brings out a few points on the kind of aid desirable. First, in a rather highly political and locally oriented process like the one outlined, technical assistance must have a low profile, with few personnel. Second, technical assistance can have a useful role in suggesting procedures other than the existing ones, which are geared to central control of large conventional projects, and in bringing some extra imagination into the generation and discussion of alternatives for local development. Third—and this will be substantiated more in the following section—untied financial assistance, provided in limited amounts but speedily, seems necessary to implement plans produced in the process outlined.

Some major bottlenecks and constraints

With considerable oversimplification, we can say that most African countries after some five to twenty years of independence from their former British or French rulers have progressed in the following manner in terms of the simple Chenery-Strout bottleneck framework. During the first years, lack of skills and functioning institutions and organizations have been a major bottleneck to almost any development programme. From this stage an increasing number of countries have moved into a second one, where the lack of national savings, and government revenue in particular, is more commonly the bottleneck in plan implementation.

Rural development plans are made by an increasingly competent administration, but are held up by lack of finance. What finance there is, tends to be sucked up by the larger, seemingly safer and more tried projects and programmes of the urban and 'modern' sectors. The budding plans for small-scale rural development come last in the queue.

In key with the evolution sketched above, a particular kind of administrative constraint tends to stand out more clearly. This is the reluctance to decentralize and delegate to an extent that would appear appropriate and desirable with the development of skills and functioning institutions witnessed in African countries. The central bureaucracy in an African developing country, observing the shortage of government funds, is reluctant to let the planning and use of these resources be delegated to local echelons of the same administration. We are caught in some kind of evil circle where lack of funds prevents local experimentation and initiative, and lack of such experimentation and initiative prevents the allocation of scarce funds for employment-oriented small-scale rural development. The central planners do not quite know what such programmes and projects look like, and there is little encouragement for those who might design them to do so. In this tight situation, an imaginative and flexible donor can assist in moving the obstacles.

Some desirable characteristics of aid for employment-intensive rural development

We need a commonsense checklist of what the recipient and donor aid planners might look for when designing assistance, adapted to small rural/local projects and schemes under the planning procedures and constraints outlined above. *Financial assistance,* which should dominate the aid package, comes first.

The aid resources must largely cover *local costs.* Imported equipment and materials may certainly be parts of the rural development programme, but its locally conceived and employment-intensive character assumes that the bulk of expenditure will be in local currency. Hence, if the donor wishes to help the recipient solve the financial constraint, the best help is budget support, in foreign exchange, strengthening the reserve. Government income from the sale of imported equipment and goods can then be used for the rural development schemes. The donor gives a two-pronged aid.* Present donor policies usually favour a high import content by

* Specifically, this kind of assistance permits the income multiplier generated by increased employment to materialize unhindered by the foreign-exchange bottleneck.

only making foreign-exchange costs reimbursable. This biases recipient planning in favour of high import content, meaning usually capital-intensive methods and programmes/projects not found at the local/rural level, but in the urban industrial sector.

Aid resources should be *untied,* first as to *source* of purchase and second as to *utilization.* 'Doubled-untied' aid will, first, permit the recipient to choose the appropriate technology or product, wherever this is found, and, second, permit him to decide which part of the rural development programme he will use the aid funds for. The first choice should permit extensive subcontracting, using local initiative and resources whenever they can be found. The second choice will permit the recipient to use aid resources where they prove most needed as the programme proceeds. He might for instance push feeder roads or cattle dips, if these components are to be given priority when compared with others previously foreseen, e.g. dispensaries or a small-scale farmers' credit scheme.

A third point is that aid should *not distinguish between development and recurrent costs.* In small-scale rural development using local productive resources extensively, the problem is one of finding the socially optimal mix of initial investment and subsequent maintenance. Costs must be calculated at shadow rates, not at nominal monetary rates. If the donor covers only 'development' costs, this may again bias the rural development planner towards capital-intensive investment with, considered economically, low maintenance costs.

It can also bias the planner to multiply the number of production or treatment plants without adequate funds for maintenance and material inputs. A tree-planting programme, considered to be 'recurrent' costs, may also be turned down when the donor favours 'development' costs. Irrelevant issues arise, reinforcing the recipient Treasury's concern about not 'unnecessarily' permitting increases of recurrent expenditure, even if such recurrent expenditure may be more conducive to employment-intensive rural development than 'development' expenditure.

A fourth desirable aid quality refers to its *risk-taking* character. Small-size, largely experimental, largely decentralized rural development schemes with limited in-built control mechanisms pose considerable risk. There will be failures. This is why donors, and the central recipient bureaucracy, have tended to postpone the start of such schemes, or feed them with only very limited resources on a short-term basis. If the donor has a basic confidence in the general development policies of the recipient, assistance for a rural development programme should not be extended on a tight indenting basis, with complicated reporting procedures and with disbursements in arrear. Rather, the assistance should be extended as seed money in the form of a general advance-budget support, with reasonably simple reporting systems geared only to *what information can be utilized by the recipient* for improving internal performance. Such reporting systems are the ones aimed at improving the planning procedure outlined above.

A fifth, closely related, point, is the *demand for flexibility.* An employment-creating rural development programme is made up of a great number of small schemes. The schemes in the

latter part of the programme may not even be identified yet. The internal order of projects currently and subsequently identified may well have to be changed in the process of quick switches between planning and implementation, and the learning process needs to be based on local imagination and initiative. The aim is to push ahead to get momentum and confidence, not to get stuck in eternal planning.

We find that donor practices often do not permit this. Extensive planning, seemingly endless investigations and missions, detailed plans of operations, project targets and descriptions, etc., are demanded. Sectoral financing, which runs counter to the idea of small, cross-sectoral, rural-development programmes, is favoured.

A sixth, also closely related, point, is the need for *more long-run donor commitments*. A largely experimental rural development programme, at first moving ahead slowly precisely because of the need for horizontal and vertical interaction, facing some setbacks and dependent on the gradual build-up of new bodies at the local level, cannot be financed on a year-to-year basis. Short-term donor commitments will rather tend to reinforce conventional recipient-Treasury prudence, and the two taken together might again kill the programme.

A seventh point on desirable aid characteristics relates to the role of *intermediaries*. Rural Development Funds, District Development Committees and the like may form the focal points for planning and implementation. Donor and recipient might agree to choose such intermediaries as the destination for funds and the units for progress reporting.

A last point on financial assistance stands out rather clearly. It is difficult to imagine that small-scale, labour-intensive rural development will give the high short-run economic pay-offs associated with modern-sector projects. There is a strong case for a *high grant element* of financial assistance.

On technical assistance, we have already noted the need for a low profile, but also the need for imagination and improved procedures.

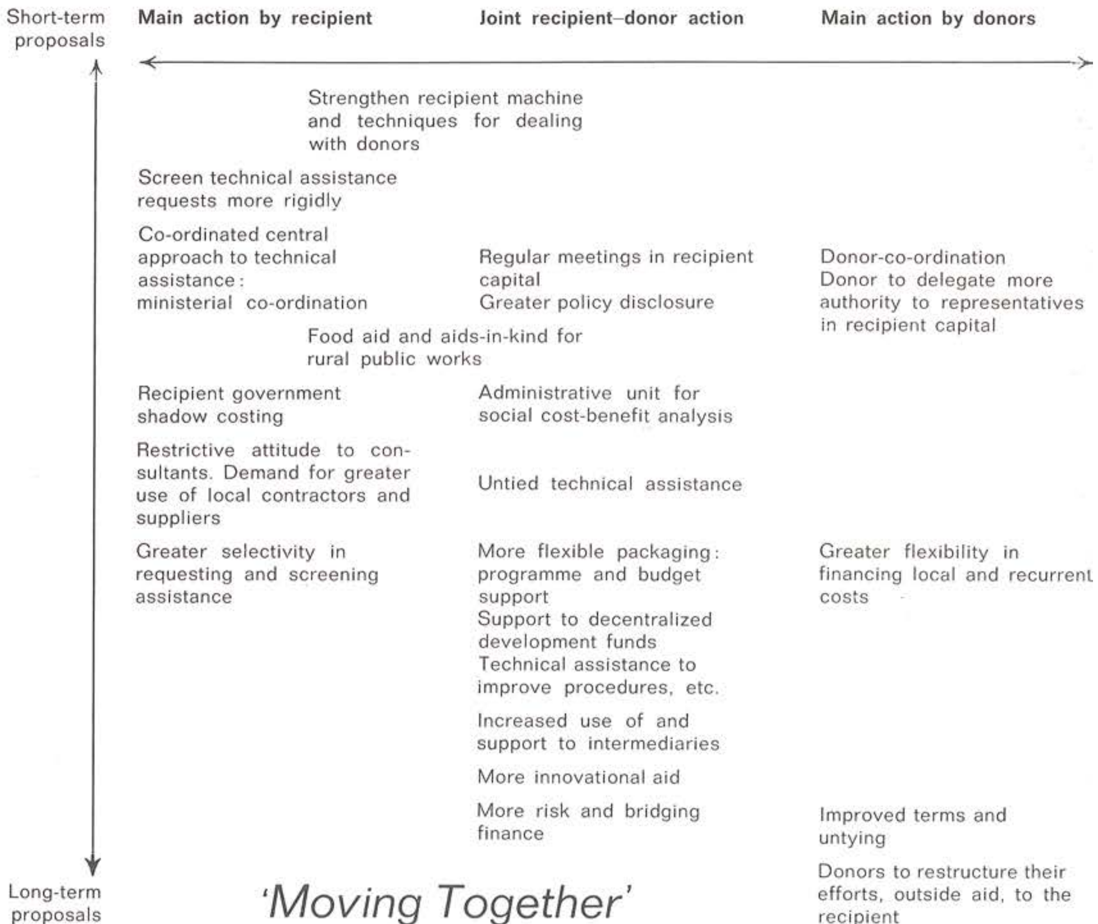
First, we can note that conventional consultants are not likely to be of great use. We are again going to find ourselves bound to methods of high capital-intensity and high import component. Rather, we need *a new type of consultant* with profound understanding of social and economic conditions and recipient potential or with great ability to grasp those conditions. The persons we want might be found among volunteers or among middle-level technical practitioners of the recipient's own society.

Another type of technical assistance that could be desirable is in the form of *the soft-spoken trouble-shooter*. In the planning process outlined, foreign expertise can play a role in organizing, channelling and making more concrete ideas produced within the recipient machinery. The need is not for operational technical assistance, which easily has the opposite effect of stifling initiative by taking too much strain and responsibility off the shoulders of indigenous staff. Foreign expertise, used sparingly, can help assemble the components of the desirable rural development programme, by tapping systematically the planning capability of existing government and local machinery, by suggesting amendments in the functioning of this machinery and finally by pointing to obstacles to implementation. The foreign technical assistance thus injected must be limited

and clearly *advisory* in nature. It must stand out very much as a *part of the existing machinery* for planning and implementation. It should probably be attached to ministerial headquarters and/or the administrative level below that, but with some discretion to move up and down the hierarchy in order to broaden its contacts.

Moving together towards employment-intensive rural development

Our discussion so far indicates that a developing country and a flexible donor can in interaction move towards the implementation of an employment-intensive rural development programme.



'Moving Together'

The role of the donor should not be overemphasized, but the donor can, by limited and yet imaginative action, support the recipient in removing the numerous obstacles to implementing such a programme.

Moving together implies mutual trust. The recipient's first move must be to screen assistance more carefully, and consider doing away with assistance that more or less completely lacks the qualities discussed above as desirable. If the recipient is to put successful emphasis on rural development, a reasonable part of the assistance received must possess the qualities outlined. Such quality may be achieved only by sacrificing some quantity.

A more trustful donor–recipient relationship and a greater donor understanding of an emerging rural development programme require *donor decentralization.* The understanding and close relations needed cannot be achieved by correspondence between two headquarters, or by intermittent missions. The donor must delegate authority to his representatives in the recipient country, to let them gain insight at close quarters and utilize this insight for decisions or recommendations in a dialogue with the recipient.

Assuming that we can achieve close liaison, we can foresee a step-by-step evolution of recipient and donor commitments in favour of employment-intensive rural development. The subsequent moves, their place in time and the delegation of responsibilities are shown in the diagram. (The classification is largely arbitrary and merely intended to indicate approximate order in time or responsibility.)

The Role of Sweden in the Development of Correspondence Education in Africa

By Renée Erdos

Renée Erdos, who was head of the School of External Studies, Sidney Technical College, Australia, and who is a past president of the International Council for Correspondence Education, is now an adviser at the National Correspondence Institution at the University of Dar es Salaam (Tanzania). She is the author of Teaching by Correspondence *(1967) and coeditor of* Mass Education: Studies in Adult Education and Teaching by Correspondence in Some Developing Countries *(1970).*

Looking back over the last decade one can trace through the development of correspondence education in Africa an unbroken thread of Swedish aid.

In the early 1960s many newly independent African countries, faced with a grave shortage of trained teachers, administrators and accommodation in educational institutions, were looking for means of providing quickly more education for the masses—particularly teacher and adult education. Sweden, with a long history in

the use of correspondence education, felt that this medium could provide an educational tool of great usefulness in the African context. Indeed, African countries were already making use of correspondence education but from overseas institutions. Their national need was for correspondence courses written in their own national languages on the subject content of the syllabuses which they were developing for their national systems of education and manpower training. They needed aid in the 'know how' of establishing indigenous correspondence institutions. In 1964 the Swedish International Development Authority began to investigate the possibility of giving this aid.

The International Council for Correspondence Education was arranging to hold its seventh international conference at Saltsjöbaden in 1965. SIDA invited some delegates to arrive a week before the opening of this conference to participate in a seminar to consider the possible usefulness of aid to African countries to establish indigenous correspondence education within the national systems of education which they were developing. This seminar recommended sending a person experienced in correspondence education to investigate in African countries at ministerial level whether policy-makers were interested in introducing indigenous correspondence education. Dr Lars-Olof Edström's report on this mission indicated sufficient interest to justify implementing the second 1965 recommendation, which had been to hold a seminar for participants from interested African countries who would be involved in shaping policy and in establishing institutions.

As a result participants from Ethiopia, Kenya, Sudan, Tanzania, Uganda and Zambia met in Uppsala in April–May 1967 for a five-week seminar on 'The Use of Correspondence Instruction in Adult Education: Means, Methods and Possibilities'. Some of these participants were already involved in developments in correspondence education in their own countries: in Kenya the Adult Education Department of the University of Nairobi was setting up, with aid from the University of Wisconsin, USA, a correspondence course unit to offer some secondary education to primary teachers; in Tanzania the Co-operative Education Centre was conducting some correspondence courses for the training of co-operative officers; Zambia had established within the Ministry of Education a correspondence course unit for some secondary education, and, with Unesco aid, the University of Zambia was establishing a department of correspondence study in the University of Zambia for its external students. The Uppsala seminar provided a forum for an exchange of ideas and experience, for consideration of solutions of common problems and for discussion of guidelines for future development. It was reported to be so useful that requests came from several African countries for a second seminar on the same topic. Therefore in May–June 1968 participants from Algeria, Ethiopia, Kenya, Lesotho, Malawi, Nigeria, Sudan, Tanzania, Uganda and Zambia met again in Uppsala.

Thus through these two five-week seminars aid had reached forty-three African educators representing between them eleven African countries. And the usefulness of these seminars was further extended through the publication by the Dag Hammarskjöld Foundation of the seminar papers as *Studies in Adult Education in Africa* (1969) and *Mass Education* (1970).

In preparation for his participation in the 1968 Uppsala seminar Mr Antoine Kabwasa, Manpower Training Section, United Nations Economic Commission for Africa, had prepared a survey of correspondence education in Africa from the findings of a questionnaire he had circulated to educational authorities in African countries. This brought together information from English- and French-speaking Africa, and led to a conference in Abidjan in 1971, organized by UNECA with SIDA support.

The country papers presented at this conference revealed a rapid growth in African interest in, and experimentation with, correspondence education for a variety of purposes. The seventeen nations represented decided to explore the possibility of setting up an African Association of Correspondence Schools. Mr Martin Kaunda, Director of the Correspondence Education Department of the University of Zambia, was elected chairman of the steering committee to consider the proposal. As a result this association was formed in 1973 at a Conference on Correspondence Education in Africa organized in Nairobi in June 1973 by the association with financial aid from, *inter alia*, SIDA. Another result of the Abidjan conference was the publication of the conference papers edited by Antoine Kabwasa and Martin M. Kaunda in *Correspondence Education in Africa* (London and Boston, 1973). Both of them participated in the Uppala seminars.

Meanwhile SIDA had been active in both multilateral-aid and bilateral-aid projects in correspondence education in African countries. It had built the Francistown Teachers' Training College in Botswana for a programme of in-service training for the 40 per cent of Botswana's primary teachers who had had no pre-service training. Probably SIDA's largest aid programme to date in correspondence education has been the setting up of the National Correspondence Institution as a department of the Institute of Adult Education in the University of Dar es Salaam.

SIDA sent a Swedish expert in correspondence education for some months to Tanzania to help draw up the plan of operation for the National Correspondence Institution. By a five-year agreement between the Governments of Sweden and the Republic of Taznania, SIDA gave a grant of 350,000 Swedish kronor for capital costs, 250,000 Swedish kronor for running costs for each of the first five years, and the services of five SIDA personnel with experience in the skills in establishing an institution teaching by correspondence. The growth of Tanzania's National Correspondence Institution, which is manpower-oriented and planned to help all Tanzanians, wherever they may live, to become politically conscious and to contribute to the manpower Tanzania's national development needs, is a measure of the usefulness of SIDA's aid. Within two years of enrolling its first student the National Correspondence Institution has a cumulative total enrolment of over 9,000 students, and the enrolment is growing at an increasing rate each month as more correspondence courses become available. The fact that 92 per cent of all its students are in rural areas is proving that it is fulfilling its purpose of reaching Tanzanians throughout the nation. For this large operation SIDA is providing a grant to erect a specially designed building for its headquarters which will, indeed, become a symbol of the story of Sweden's aid to the development of correspondence education in Africa.

The Cocoyoc Declaration

The 32 social and natural scientists and UN officials whose names appear below met at Cocoyoc near Mexico City from 8 to 12 October 1974 to discuss 'Patterns of Resource Use, Environment and Development Strategies'. The symposium was organized by UNEP and UNCTAD in close cooperation with the Mexican Government. The President of the Republic of Mexico, Luis Echeverría Alvarez, addressed the symposium and actually took part in the discussion of the declaration before its adoption. The text of the Cocoyoc statement appears here for the first time in print.

Thirty years have passed since the signing of the United Nations Charter launched the effort to establish a new international order. Today, that order has reached a critical turning point. Its hopes of creating a better life for the whole human family have been largely frustrated. It has proved impossible to meet the 'inner limits' of satisfying fundamental human needs. On the contrary, more people are hungry, sick, shelterless and illiterate today than when the United Nations was first set up.

At the same time, new and unforeseen concerns have begun to darken the international prospects. Environmental degradation and the rising pressure on resources raise the question whether the 'outer limits' of the planet's physical integrity may not be at risk.

And to these preoccupations must be added the realization that the next thirty years will bring a doubling of world population. Another world on top of this, equal in numbers, demands and hopes.

But these critical pressures give no reason to despair of the human enterprise, provided we undertake the necessary changes. The first point to be underlined is that the failure of world society to provide 'a safe and happy life' for all is not caused by any present lack of physical resources. The problem today is not one of absolute physical shortages but of economic and social maldistribution and misuse; mankind's predicament is rooted primarily in economic and social structures and behaviour within and between countries.

Much of the world has not yet emerged from the historical consequences of almost five centuries of colonial control which concentrated economic power so overwhelmingly in the hands of a small group of nations. To this day, at least three quarters of the world's income, investment, services and almost all of the world's research are in the hands of one quarter of its people.

The solution of these problems cannot be left to the automatic operation of market mechanisms. The traditional market makes resources available to those who can buy them rather than those who need them, it stimulates artificial demands and builds waste into the pro-

duction process, and even underutilizes resources. In the international system the powerful nations have secured the poor countries' raw materials at low prices (for example, the price of petroleum fell decisively between 1950 and 1970), they have engrossed all the value added from processing the materials and they have sold the manufactures back, often at monopoly prices.

At the same time, the very cheapness of the materials was one element in encouraging the industrialized nations to indulge in careless and extravagant use of the imported materials. Once again, energy is the best example. Oil at just over a dollar a barrel stimulated a growth in energy use of between six and eleven per cent a year. In Europe, the annual increase in car registrations reached twenty per cent.

Indeed pre-emption by the rich of a disproportionate share of key resources conflicts directly with the longer term interests of the poor by impairing their ultimate access to resources necessary to their development and by increasing their cost. All the more reason for creating a new system of evaluating resources which takes into account the benefits and the burdens for the developing countries.

The overall effect of such biased economic relationships can best be seen in the contrast in consumption. A North American or a European child, on average, consumes outrageously more than his Indian or African counterpart — a fact which makes it specious to attribute pressure on world resources entirely to the growth of Third World population.

Population growth is, of course, one element in the growing pressures on world supplies. The planet is finite and an indefinite multiplication of both numbers and claims cannot be endlessly sustained. Moreover, shortages can occur locally long before there is any prospect of a general exhaustion of particular resources. A policy for sane resource conservation and for some forms of management of ultimately scarce resources within the framework of new economic order must soon replace today's careless rapacity. But the point in the existing world situation is that the huge contrasts in per capita consumption between the rich minority and the poor majority have far more effect than their relative numbers on resource use and depletion. We can go further. Since a lack of resources for full human development is, as the Bucharest Conference on Population clearly recognized, one of the continuing causes of explosive population growth, to deprive nations of the means of development directly exacerbates their demographic problems.

These unequal economic relationships contribute directly to environmental pressures. The cheapness of materials has been one factor in increasing pollution and encouraging waste and the throwaway economy among the rich. And continued poverty in many developing countries has often compelled the people to cultivate marginal lands at great risk of soil erosion or to migrate to the physically degraded and overcrowded cities.

Nor are the evils which flow from excessive reliance on the market system confined to international relationships. The experience of the last thirty years is that the exclusive pursuit of economic growth, guided by the market and undertaken by and for the powerful elites, has the same destructive effects inside developing countries. The richest 5 per cent engross all the gain while the poorest 20 per cent can actually grow poorer still. And at the local as at the in-

ternational level the evils of material poverty are compounded by the people's lack of participation and human dignity, by their lack of any power to determine their own fate.

Nothing more clearly illustrates both the need to reform the present economic order and the possibility of doing so than the crisis that has arisen in world markets during the last two years. The trebling of the price of food, fertilizers and manufactures in the wake of world inflation has most severely hit the world's poorest peoples. Indeed, this winter the risk of a complete shortfall in supplies threatens the lives of millions in the Third World. But it cannot be called absolute shortage. The grain exists, but it is being eaten elsewhere by very well-fed people. Grain consumption in North America has grown per capita by 350 pounds, largely in meat products, since 1965 — to reach 1900 pounds today. Yet this extra 350 pounds is almost equal to an Indian's total annual consumption. North Americans were hardly starving in 1965. The increase since then has contributed to super-consumption which even threatens health. Thus, in physical terms, there need be no shortage this winter. It requires only a small release from the 'surplus' of the rich to meet the entire Asian shortfall. There could hardly be a more vivid example of the overconsumption of the wealthy nations contributing directly to the underconsumption of the world's poor.

The quadrupling of oil prices through the combined action of the oil producers sharply alters the balance of power in world markets and redistributes resources massively to some Third World countries. Its effect has been to reverse decisively the balance of advantage in the oil trade and to place close to 100 billions a year at the disposal of some Third World nations. Moreover, in an area critical to the economies of industrialized states, a profound reversal of power exposes them to the condition long familiar in the Third World — lack of control over vital economic decisions.

Nothing could illustrate more clearly the degree to which the world market system which has continously operated to increase the power and wealth of the rich and maintain the relative deprivation of the poor is rooted not in unchangeable physical circumstance but in political relationships which can, of their very nature, undergo profound reversals and transformations. In a sense, a new economic order is already struggling to be born. The crisis of the old system can also be the opportunity of the new.

It is true that, at present, the outlook seems to hold little but confrontation, misunderstanding, threats and angry dispute. But again, we repeat, there is no reason to despair. The crisis can also be a moment of truth from which the nations learn to acknowledge the bankruptcy of the old system and to seek the framework of a new economic order.

The task of statemanship is thus to attempt to guide the nations, with all their differences in interest, power and fortune, towards a new system more capable of meeting the 'inner limits' of basic human needs for all the world's people and of doing so without violating the 'outer limits' of the planet's resources and environment. It is because we believe this enterprise to be both vital and possible that we set down a number of changes, in the conduct of economic policy, in the direction of development and in planetary conservation, which appear to us to be essential components of the new system.

The purpose of development

Our first concern is to redefine the whole purpose of development. This should not be to develop things but to develop man. Human beings have basic needs: food, shelter, clothing, health, education. Any process of growth that does not lead to their fullfilment — or, even worse, disrupts them — is a travesty of the idea of development. We are still in a stage where the most important concern of development is the level of satisfaction of basic needs for the poorest sections of the population in society. The primary purpose of economic growth should be to ensure the improvement of conditions for these groups. A growth process that benefits only the wealthiest minority and maintains or even increases the disparities between and within countries is not development. It is exploitation. And the time for starting the type of economic growth that leads to better distribution and to the satisfaction of the basic needs for all is today. We believe that thirty years of experience with the hope that rapid economic growth benefiting the few will 'trickle down' to the mass of the people has proved to be illusory. We therefore reject the idea of 'growth first, justice in the destribution of benefits later'.

Development should not be limited to the satisfaction of basic needs. There are other needs, other goals, and other values. Development includes freedom of expression and impression, the right to give and to receive ideas and stimulus. There is a deep social need to participate in shaping the basis of one's own existence, and to make some contribution to the fashioning of the world's future. Above all, development includes the right to work, by which we mean not simply having a job but finding self-realization in work, the right not to be alienated through production processes that use human beings simply as tools.

The diversity of development

Many of these more than material needs, goals and values, depend on the satisfaction of the basic needs which are our primary concern. There is no consensus today what strategies to pursue in order to arrive at the satisfaction of basic needs. But there are some good examples even among poor countries. They make clear that the point of departure for the development process varies considerably from one country to another, for historical, cultural and other reasons. Consequently, we emphasize the need for pursuing many different roads of development. We reject the unilinear view which sees development essentially and inevitably as the effort to imitate the historical model of the countries that for various reasons happen to be rich today. For this reason, we reject the concept of 'gaps' in development. The goal is not to 'catch up', but to ensure the quality of life for all with a productive base compatible with the needs of future generations.

We have spoken of the minimum satisfaction of basic needs. But there is also a maximum

level, there are ceilings as well as floors. Man must eat to live. But he can also over-eat. It does not help us much to produce and consume more and more if the result is an ever increasing need for tranquilizers and mental hospitals. And just as man has a limited capacity to absorb material goods, we know that the biosphere has a finite carrying capacity. Some countries tax it in a way that is far out of proportion with their share in world population. Thus they create environment problems for others as well as for themselves.

Consequently, the world is today not only faced with the anomaly of underdevelopment. We may also talk about overconsumptive types of development that violate the 'inner limits' of man and the 'outer limits' of nature. Seen in this perspective, we are all in need of a redefinition of our goals, of new development strategies, of new life styles, including more modest patterns of consumption among the rich. Even though the first priority goes to securing the minima we shall be looking for those development strategies that also may help the affluent countries, in their enlightened self-interest, in finding more human patterns of life, less exploitative of nature, of others, of oneself.

Self-reliance

We believe that one basic strategy of development will have to be increased national self-reliance. It does not mean autarchy. It implies mutual benefits from trade and cooperation and a fairer redistribution of resources satisfying the basic needs. It does mean self-confidence, reliance primarily on one's own resources, human and natural, and the capacity for autonomous goal-setting and decision-making. It excludes dependence on outside influences and powers that can be converted into political pressure. It excludes exploitative trade patterns depriving countries of their natural resources for their own development. There is obviously a scope for transfer of technology, but the thrust should be on adaptation and the generation of local technology. It implies decentralization of the world economy, and sometimes also of the national economy to enhance the sense of personal participation. But it also implies increased international cooperation for collective self-reliance. Above all, it means trust in people and nations, reliance on the capacity of people themselves to invent and generate new resources and techniques, to increase their capacity to absorb them, to put them to socially beneficial use, to take a measure of command over the economy, and to generate their own way of life.

In this process education for full social awareness and participation will play a fundamental role and the extent to which this is compatible with present patterns of schooling will have to be explored.

To arrive at this condition of self-reliance, fundamental economic, social and political changes in the structure of society will often be necessary. Equally necessary is the development of an international system compatible with and capable of supporting moves towards self-reliance.

Self-reliance at national levels may also imply a temporary detachment from the present eco-

nomic system; it is impossible to develop self-reliance through full participation in a system that perpetuates economic dependence. Large parts of the world of today consist of a center exploiting a vast periphery and also our common heritage, the biosphere. The ideal we need is a harmonized cooperative world in which each part is a center, living at the expense of nobody else, in partnership with nature and in solidarity with future generations.

There is an international power structure that will resist moves in this direction. Its methods are well known: the purposive maintenance of the built-in bias of the existing international market mechanisms, other forms of economic manipulation, withdrawing or withholding credits, embargoes, economic sanctions, subversive use of intelligence agencies, repression including torture, counter-insurgency operations, even full-scale intervention. 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'. To those who are the — sometimes unwilling — tools of such designs — scholars, businessmen, police, soldiers and many others — we would say: 'Refuse to be used for purposes of denying another nation the right to develop itself'. To the natural and social scientists, who help design the instruments of oppression, we would say: 'The world needs your talents for constructive purposes, to develop new technologies that benefit man and do not harm the environment'.

Suggestions for action

We call on political leaders, governments, international organizations and the scientific community to use their imagination and resources to elaborate and start implementing, as soon as possible, programs aimed at satisfying the basic needs of the poorest peoples all over the world, including, wherever appropriate, the distribution of goods in kind. These programs should be designed in such a way as to ensure adequate conservation of resources and protection of the environment.

We consider that the above task could be made easier by instituting a new more cooperative and equitable international economic order.

We are aware that the world system and the national policies cannot be changed overnight. The major changes which are required to answer the critical challenges facing mankind at this turning point of history need some time to mature. But they have to be started immediately, and acquire a growing impetus. The Special Session of the General Assembly of the United Nations on a New Economic Order has given the process a right start and we fully endorse it. This, however, is a very preliminary step which should develop into a great tide of international activities.

The Charter of Economic Rights and Duties of States, proposed by the President of Mexico, Lic. Luis Echeverría, and now under discussion at the United Nations, would be a further important step in the right direction. We urge that it be adopted as early as possible.

In a framework of national sovereignty over natural resources, governments and international institutions should further the manage-

ment of resources and environment on a global scale. The first aim would be to benefit those who need these resources most and to do so in accordance with the principle of solidarity with future generations.

We support the setting up of strong international regimes for the exploitation of common property resources that do not fall under any national jurisdiction. We especially emphasize the importance of the ocean floor and its subsoil, possibly also the water column above it. An oceans regime has to be established with all countries of the world represented, favoring none and discriminating against none, with jurisdiction over a maximum area of the oceans. Such a regime would gradually develop the type of resource-conserving and environmentally sound technology required to explore, develop, process and distribute ocean resources for the benefit of those who need them most.

The uses of international commons should be taxed for the benefit of the poorest strata of the poor countries. For instance, tolls could be levied from vessels crossing the high seas. This could be a first step towards the establishment of an international taxation system aimed at providing automatic transfers of resources to development assistance. Together with the release of funds through disarmament, international taxation should eventually replace traditional assistance programmes. Pending the establishment of these new mechanisms, we strongly recommend that the flow of international resources to Third World countries should be greatly increased and rigorously dedicated to basic needs of the poorest strata of society.

Science and technology must be responsive to the goals we are pursuing. Present research and development patterns do not effectively contribute to them. We call on universities, other institutions of higher learning, research organizations, scientific associations all over the world to reconsider their priorities. Mindful of the benefits deriving from free and basic research, we underline the fact that there is a reservoir of underutilized creative energy in the whole scientific community of the world, and that it should be more focussed on research for the satisfaction of fundamental needs. This research should be done as far as possible in the poor countries and thus help to reverse the brain-drain.

A rejuvenated United Nations System should be used to strengthen the local capabilities for research and technology assessment in the developing countries, to promote cooperation between them in these areas and to support research in a better and more imaginative utilization of potentially abundant resources for the satisfaction of the fundamental needs of mankind.

At the same time, new approaches to development styles ought to be introduced at the national level. They call for imaginative research into alternative consumption patterns, technological styles, land use strategies as well as the institutional framework and the educational requirements to sustain them. Resource-absorbing and waste-creating overconsumption should be restrained while production of essentials for the poorest sections of the population is stepped up. Low waste and clean technologies should replace the environmentally disruptive ones. More harmonious networks of human settlements could be evolved to avoid further congestion of metropolitan areas and marginalization of the countryside.

In many developing countries the new development styles would imply a much more rational use of the available labour-force to implement programmes aimed at the conservation of natural resources, enhancement of environment, creation of the necessary infrastructure and services to grow more food as well as the strengthening of domestic industrial capacity to turn out commodities satisfying basic needs.

On the assumption of a more equitable international economic order, some of the problems of resource maldistribution and space use could be taken care of by changing the industrial geography of the world. Energy, resource and environmental considerations add new strength to the legitimate aspirations of the poor countries to see their share in world industrial production considerably increased.

Concrete experiments in the field are also necessary. We consider that the present efforts of the United Nations Environment Programme to design strategies and assist projects for ecologically sound socio-economic development (eco-development) at the local and regional level constitute an important contribution to this task. Conditions should be created for people to learn by themselves through practice how to make the best possible use of the specific resources of the ecosystem in which they live, how to design appropriate technologies, how to organize and educate themselves to this end.

We call on leaders of public opinion, on educators, on all interested bodies to contribute to an increased public awareness of both the origins and the severity of the critical situation facing mankind today. Everybody has the right to understand fully the nature of the system of which he is a part, as a producer, as a consumer, as one among the billions populating the earth. He has a right to know who benefits from the fruits of his work, who benefits from what he buys and sells, and the degree to which he enhances or degrades his planetary inheritance.

We call on governments to prepare themselves for action at the 1975 Special Session of the United Nations General Assembly so that the dimension and concepts of development are expanded, that the goals of development are given their rightful place in the United Nations System and the necessary structural changes initiated. We affirm our belief that since the issues of development, environment and resource use are essentially global and concern the well-being of all mankind, governments should fully use the mechanisms of the United Nations for their resolution and that the United Nations system should be renewed and strengthen to be capable of its new responsibilities.

Epilogue

We recognize the threats to both the 'inner limits' of basic human needs and the 'outer limits' of the planet's physical resources. But we also believe that a new sense of respect for fundamental human rights and for the preservation of our planet is growing up behind the angry divisions and confrontations of our day.

We have faith in the future of mankind on this planet. We believe that ways of life and social

systems can be evolved that are more just, less arrogant in their material demands, more respectful of the whole planetary environment. The road forward does not lie through the despair of doom-watching nor through the easy optimism of successive technological fixes. It lies through a careful and dispassionate assessment of the 'outer limits', through the co-operative search for ways to achieve the 'inner limits' of fundamental human rights, through the building of social structures to express those rights, and through all the patient work of devising techniques and styles of development which enhance and preserve our planetary inheritance.

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Members of the symposium participated in their personal capacities and therefore were not necessarily representing the views of their Governments or of their Organizations. Affiliations are given for identification purposes only.

Development Dialogue is intended to provide information about and critical discussion of development problems, international development co-operation in general and Nordic development co-operation in particular.

Development Dialogue is addressed to aid administrators and politicians in both developing and developed countries, to officials in international organizations, and to researchers and other interested persons.

Development Dialogue is intended to present the views of the developing countries on the development process and on the aims and priorities of their development programmes.

Development Dialogue also provides information on the Nordic programmes in development co-operation and invites critical comments on this subject.

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