

THE NEW INTERNATIONAL ECONOMIC ORDER AND AFRICA

By

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INTRODUCTION

The New International Economic Order (NIEO) is of particular importance to African states. The level of exploitation and accompanying poverty on the continent is well noted in the literature. This analysis seeks to show the genesis and progress of a movement designed to revamp the world economic system so that exploitation and impoverishment of humankind can be alleviated. Theoretically, the model deemed most useful in elaborating the issues and prospects for the NIEO is a variant of dependency theory. It is argued that the base of the NIEO movement results from an analysis of history that reveals the structural dependence of the Third World on the former colonial powers. Much of the justification for action, therefore, revolves around the inequitable and instrumental function the poor nations are forced to accept in the international economy. Our main concern is to analyze several of the separate parameters of NIEO, in light of dependency, for Africa. I am necessarily more concerned with analytic questions than applied ones because there is so little to measure in the applied context.

The NIEO as an idea has been extant for longer than the name implies. We have been formally discussing something akin to it since at least 1949. Yet, the debate about its contents is no less heated; indeed the lines have hardened to the point that we now discuss the «North-South Conflict» or the necessity for a «North-South Dialogue». This results because considerable wealth is concentrated in the North, while massive poverty exists in the South. The disagreements between the rich and poor nations are about how the world's resources and technology should be distributed so that basic human needs are universally met. The poor seek to achieve an arrangement whereby guarantees are provided for the world's wealth to be shared. In this it is assumed that all humanity has a natural right to benefit from the earth's endowments. Subsequently the poor also claim that their conditions of poverty are sustained by the unequal ability of the rich to exert power in international relations. The rich, on the other hand, concede that sharing should take place, but assert that there should be terms; no guaranteed obligations are assumed by the rich for the poor.

The conflict notwithstanding, the absolute disparity between the rich and the poor has increased. In light of these conditions, the poor have demanded, initially as a matter of protest, inauguration of a new economic order. The idea dictates a fundamental change of the philosophy, rules and structures that drive the old economic order. Such changes in economy also mean the basic alteration of political relationships whereby prevailing world regimes and formerly colonized ones must also share power.

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Demands for a NIEO emerged within the entire spectrum of the Third World – roughly formerly colonized nations of Africa, Asia and Latin America. These nations share several characteristics. The most notable are economic impoverishment and solidarity. Economically these are some of the poorest nations in the world. Many of them have per capita annual incomes of less than \$ 200 (like Bangladesh with \$ 90.00). Estimates in Africa for 1976 range from a low \$ 80 in Burundi to \$ 650 in Algeria for the poorest countries. Oil producing Libya and Gabon estimates are \$ 3360 and \$ 1560 respectively. (See table 1) Moreover, the disparity between Third World nations and the richer ones is stark. Just before the Cancun Conference (October, 1981), *Newsweek* estimated a per capita GNP for «developed countries» of \$ 6,468, compared to \$ 597 for «developing countries» (26/8/81, p. 39). Meanwhile the similarity of these economic conditions has inspired a degree of solidarity among these nations. This has been realized in a variety of conferences, and joint politico-economic efforts. In Africa this has spurred the development of several practical organizations that exceed the political purposes of some earlier Pan-African efforts. Two of the most important of these are the Lomé Convention and the Economic Community of West African States (ECOWAS). The former is an agreement since 1975 between many African, Caribbean and Pacific (ACP) nations and the European Economic Community (EEC) for favorable trade (Legum, 1977: p. 149). ECOWAS also began in 1975 and is a union of West African and Sahelian states that seek to create an economic community on the model of the EEC (*African Yearbook and Who's Who*, 1977: p. 163). Moreover, the number of similar UN and other international conference documents since 1963 fill well over five volumes, indicating the amount of work that has gone into this idea (Sauvant, 1981).

The NIEO is little more than the recognition that the world has changed considerably as a result of the decolonization of the Third World. Decolonization in fact is so recent that it has barely been completed – South Africa and Namibia are two African cases not yet settled. Latin America aside, the process of decolonization began in earnest just after World War II when the sub-continent of India achieved a transfer of power (1947) from the British. Gunnar MYRDAL has said of this «portentous change... (freeing) nearly 600 million... (that its) significance... was not confined to the region in which it occurred... (it) powerfully stimulated nationalist aspirations in West Asia and Africa» (MYRDAL, 1968: p. 129). Largely independence came to African nations post 1960, though the ubiquitous nationalist activity was well organized by the late 1940's. At present well over forty independent nations exist in Africa, and virtually all of South and East Asia have achieved similar status. Notwithstanding whether independence/transfer of power meant total liberation, the quite sudden reacquisition of sovereignty by scores of nations created the conditions for a basic rearrangement of power and economic values.

Table I — GNP for selected African States, 1976

Country	Per Capita GNP (U.S. \$)
Algeria	650
Angola	580
Burundi*	80
Cameroon	260
Egypt	280
Ethiopia	90
Gabon	1,560
Ghana	350
Ivory Coast	420
Liberia	330
Libya*	3,360
Nigeria	240
Senegal	320
South Africa	1,200
Tanzania	140
Tunisia	550
Zaire	150

Source: Rubin and Weinstein, 1974: pp. 306–308.

These so-called new states began to seek changes in economic relations *vis-a-vis* trade conferences in the late 1940's. As early as this, advanced proposals requiring commodity agreements and preferential trading arrangements were put forward (GWIN, 1977: p. 98). It was apparent in this period, however, that the colonial powers were unprepared to offer concessions to what were then powerless colonies. Subsequently, these earlier issues were incorporated into the ideology of nationalist leaders for independence. The emerging leadership in Africa and Asia thereby linked economic independence with political independence. Though economic issues remained subordinate to political ones, the linkages showed that many leaders deemed the lack of economic independence to severely limit political choices. NKRUMAH of Ghana referred to these conditions as «neo-colonialism», or the state which «has all the outward trappings of international sovereignty, when in reality its economic system and thus its political policy is directed from outside» (NKRUMAH, 1965: p. IX).

Few of the leaders were as blunt as NKRUMAH, but the stage was set for a series of conferences and meetings among Third World nations, and between them and Western powers. Many of these meetings were scheduled with the support of the United Nations via the Conference on Trade and Development (UNCTAD). This constant communication led to the development of a distinct Third World perspective on the issues and a framework for exercising political power *vis-a-vis* the western, industrialized nations. As a result of this solidarity, Africans, Asians and Latin Americans

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began to perceive their status similarly in world political economy. This developing pattern indicated a significant change since such cross-national solidarity previously had only been achieved in warfare. Moreover, it represented a semblance of what MARX had admonished – «workers of the world unite». These new alignments represented as close an approximation of a proletarian revolution as has been seen.

On the part of the Third World nations the call for a NIEO is much more than a political act. It is also practical. Since decolonization meant the devolution of potential power to the colonies, there were certain practical shifts in the terms by which resources were allocated. In the past the colonizers had complete control over the dispersion of Third World resources in the international market. Now, however, the former colonies seek recognition of their day-to-day control of these resources, on which sectors of the international market are now dependent. To wit, it was a practical fact in 1965, the Third World argued, that the industrialized nations had exceeded local western markets and were dependent upon the new markets of the former colonies to absorb the surplus. To many of these new leaders this merely bears out LENIN's projection that «imperialism» would become the *modus operandi* by which capitalism would be sustained.

One can see the basis of the argument by a cursory review of the data in Tables 2, 3 and 4, which illustrate the character of trade, and its dollar value, and dependence in regard to raw materials. Table 2 indicates the ratio of U.S. trade with the three world trading areas. There are two sectors where the Third World provides the bulk of U.S. imports – primary products and textiles. These raw materials are the base from which U.S. exports in the manufacturing and other technical sectors can be maintained.

Table 2 : Imports from the Third World
Percentage of U.S. Trade with selected Regions of the World (1975)

Industry		Industrial Areas *	Eastern trading area	Developing area
Primary Products	Imports	30.6	1.0	68.4
	Exports	62.9	6.1	31.0
Nonferrous Metals	Imports	67.8	4.7	27.1
	Exports	75.6	3.8	21.4
Iron and Steel	Imports	93.0	0.6	6.4
	Exports	37.4	1.2	61.4
Chemicals	Imports	86.8	1.1	11.9
	Exports	56.0	1.0	42.9
Engineering Products	Imports	80.6	0.4	19.0
	Exports	57.0	2.4	40.6
Road Motor Vehicles	Imports	98.9	0.1	0.9
	Exports	70.7	0.4	28.9
Textiles and Clothing	Imports	32.0	1.9	66.4
	Exports	65.5	0.5	33.5
Other Manufactures	Imports	73.7	1.0	25.4
	Exports	72.3	0.9	26.7
Total	Imports	58.6	0.9	40.5
	Exports	61.3	3.9	35.7

Source: David Denoon, *The New International Economic Order* (New York: New York University, 1979), p. 102.

* Includes the eighteen countries used in this study plus South Africa.

In Table 3 the goods and services that are traded are shown. Again the Third World, including Africa, is more highly engaged in the primary, raw materials sector. Yet, the return in dollars falls short of that for the rest of the world, highlighting the gap between provision of goods and purchase prices. The base for western exported manufactures is even stronger when one observes a similar condition for the importation of industrial raw materials such as bauxite, copper and tin. (See Table 4) There is obvious dependence upon these Third World raw materials. They provide the «grist for the mill» of the mechanized industries of the western nations.

Table 3: U.S. Imports and Exports, by Category, 1970
(millions of dollars)

	Imports		
	World	All developing economies	Africa's developing economies
Food and live animals	5,378.9	3,435.5	529.2
Coffee, tea, cocoa, spice	(1,602.7)	(1,516.2)	(495.4)
Beverages and tobacco	855.0	90.4	1.6
Crude materials (excluding fuels)	3,311.3	1,115.0	113.8
Mineral fuel	3,080.8	1,924.9	99.2
Animal, vegetable oil, fat	159.6	121.0	9.0
Chemicals	1,450.3	192.5	5.1
Basic manufactures	8,438.3	1,314.6	44.2
Machines, transportation equipment	11,171.3	562.1	.7
Miscellaneous manufactured goods	4,843.9	1,341.6	2.5
Goods not classified by kind	1,273.8	266.4	9.7
T o t a l	39,936.2	10,435.5	815.2
	Exports		
	World	All developing economies	Africa's developing economies
Food and live animals	4,349.2	1,567.6	142.0
Cereals and preparations	(2,588.0)	(1,125.5)	(115.7)
Beverages and tobacco	701.7	191.5	21.9
Crude materials (excluding fuels)	4,608.5	797.0	29.3
Mineral fuels	1,594.1	289.6	13.8
Animal, vegetable oil, fat	493.0	287.2	55.1
Chemicals	3,826.1	1,282.5	56.3
Basic manufactures	5,067.0	1,604.5	111.2
Machines, transportations equipment	17,875.4	4,938.4	454.9
Miscellaneous manufactured goods	2,597.7	672.7	36.7
Goods not classified by kind	1,480.6	305.0	17.9
T o t a l	42,593.3	12,603.6	986.5

Source: U.N. Commodity Trade Statistics, 1970. Adapted from Arkhurst, 1975: p. 242.

Table 4: Industrial Raw Materials
 United States, European Community and Japanese Dependence on selected
 Imported Industrial Raw Materials, 1973 (percentages)

	United States	European Community	Japan
	(imports as percentage of consumption)		
Bauxite*	86	60	100
Chromium	91	100	100
Cobalt	96	100	100
Copper	6	96	83
Iron Ore	20	59	99
Lead	26	70	70
Manganese	98	99	86
Natural Rubber	100	100	100
Nickel	72	100	100
Phosphates	**	100	100
Tin	87	99	93
Tungsten	68	100	100
Zinc	63	60	68

* *Raw material for the production of aluminium.*

** *Net exporter.*

Source: *Adapted from Jan Tinbergen, et.al., Reshaping the International Order (New York: Dutton, 1976).*

From the perspective of the Third World the western nations must begin to pay a fair price for obtaining these goods. It is argued that the occupation of the land and exploitation of its assets in the colonized nations ceases as a routine condition of independence. Thus this fundamental change in who owns and controls resources means that the industrialized nations must be subject to wholly new rules in establishing terms of economic relationships.

HISTORICAL DETERMINANTS OF STRUCTURAL ECONOMIC DEPENDENCY

Some scholars of political economy provide an analytic scheme which explains the peculiar conditions between rich and poor nations by focusing on certain patterns of dependency. Much of the base for solidarity among Third World states is provided by recognition of these patterns. The essential component of this dependency scheme, most successfully utilized by scholars of Latin America, is that European colonization of the Third World was foremost an economic machination. The metropole (colonizer) sustained its economy via an institutionalized scheme whereby satellites (colonized) became a virtual functional requisite to metropolitan economic growth. The function of the satellites was to provide the primary

materials for production at another level in the capitalist system. Production almost always occurred in the metropolitan capitals of Europe. Therefore, the satellite became a routine cog in capitalist development, bearing an independent and vital systemic function. Gunder FRANK has described this largely instrumental role as follows:

«In reality, the now developed countries have long since been incorporated and integrated into the single world embracing capitalist system, to whose development they contributed and still contribute with cheap labor, raw materials or, in a word, with investible surplus capital. In this process – that is, in the process of capitalist development and of the economic development of the capitalist metropolis in Europe and North America – the social physiology of Africa, Asia, and Latin America has been totally and uniformly changed into what it is today (FRANK, 1975: p.4)».

Walter RODNEY has used the same model to describe similar circumstances in Africa. In the book, *How Europe Underdeveloped Africa*, RODNEY describes the independent function of Africa to economic developments in Europe. His conclusions more clearly indicate the commitment of dependency theorists to political alternatives for the perceived exploitation of the Third World (RODNEY, 1974). Moreover, it is through this analysis that the imperative of the NIEO can be understood. This position may be summarized as follows: The nationalist and often socialist Third World leaders asked then and now: Is it right that the resources of a person's birthright should be controlled by external forces, and to the distinct disadvantage of the former? Or, is it right that the terms by which value is assigned to resources and properties should be determined by external forces? In short, they raise the fundamental question of whether European nations have the moral right to exploit Third World resources without engaging in fair exchange. This leads to a more general moral proposition questioning the operational appropriateness of an economic system which in its structural parameters responds to the needs and interests of only one portion of civilization. The answer of Third World people to all these questions is «no» – hence the need for a NIEO that will more rationally respond to human endeavours at survival.

In the long-run the nations of Africa and others similarly situated are demanding the transformation of the international economic system. They ask that certain fundamental changes be made in relations between the rich and poor (DAVID, 1977: p. 38). Because of the essential dependency of the poor states, it is believed that mere reform of the international economic system will inspire very little change. The change sought is one whereby the needs of the masses are the object of production. This would replace the present focus on privately generated production that is beneficial for the mass of society only insofar as wealth trickles down. What Third World nations require is a rewrought system to accommodate broader productive sectors. That is, a way must be found of equalizing the benefits

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to a satellite, for example, that provides cocoa to the market, *vis-a-vis* those benefits that accrue to the metropole that translates cocoa into a candy bar. At present the return of the metropole far exceeds that of the satellite; prices for processed goods far exceed those for basic materials from which the former are made. This creates little economic advantage for suppliers of these basic, raw materials. Their monetary return sustains only minimal survival, and not investment for growth. Adjustments do appear to be possible by redefining compensation values placed on resources in international trade. Basically this means that redistribution of a kind must occur.

The principles for reorganization of the international political economy were produced at the Seventh Special Session of the United Nations (1975). The ideas, however, had been discernable since the first UNCTAD meeting on the international economy in 1964. It is from the latter meeting that the bloc acquired the name «Group of 77» – for its seventy-seven founding members. The principles can be reduced to eight overlapping categories designed to: «eliminate injustice and inequality which afflict vast sections of humanity and to accelerate the development of developing countries».

A./ *International Trade*: expansion and diversification of *trade*, with a view to improving *export* earnings. The emphasis is on manufactured and processed goods, or improvement of the *industrial* sector.

Similarly, there is a proposal for the radical rearrangement of *commodity* structures, whereby exchanges are equalized by indexing and other contractual agreements. This 'Integrated Program' seeks to eliminate market uncertainty.

B./ *Transfer of Real Resources for Financing the Development of Developing Countries and International Monetary Reforms*: improvement and stabilization of concessions and aid to poorer nations, to include broad reorganization of international lending agencies are required here. These are expected to vastly improve the debt situation of the Group of 77 nations.

C./ *Science and Technology*: These resources must be used to strengthen ties for the transfer of western technology, including creation of an 'information bank' and an 'international code of conduct'.

D./ *Industrialization*: This supports the Lima Declaration, 1975 (United Nations Industrial Development Organization – UNIDO), by demanding an industrial development fund to guarantee the Third World a portion of industrial market output. Twenty-five percent is the portion of international output deemed satisfactory for achieving industrial redistribution.

E./ *Food and Agriculture*: Rapidly increased food production is to be achieved by emphasizing the agricultural sector, including direct aid from the industrialized nations.

F./ *Co-operation Among Developing Countries*: Support and assistance are required for 'subregional, regional and interregional' cooperation such as that advanced by UN organizations like UNCTAD (cf. Lomé Convention/ACP).

G./ *Restructuring of the Economic and Social Sectors of the United Nations System*: This principle requires establishment of a committee to detail how the UN may further all the provisions above (United Nations, 1975: Resolution 3362).

How do African nations fit into this scheme? We may begin to answer the question by detailing the overriding philosophical ideas that sustain the principles for the NIEO. These ideas may analytically be reduced to two, each with its own particular reference to Africa: the need for social transformation, and the desire for categorical resource redistribution. By transformation I mean the revolutionary changes required to turn the old economic system on its head; the fundamental alteration of relationships between national powers in the world. By categorical redistribution I mean the range of ideas in the NIEO documents that assume the absolute right of everyone to enjoy a reasonable amount of the benefits of the earth's resources and human scientific/technical achievement. Therefore, the relevance of the NIEO to Africa results from the centrality of the principles for international reorganization to African problems. The greatest problems in continental Africa today are believed to be poverty, exploitation (dependency), and the range of societal conflicts that result from the long period of external domination.

In the sphere of transformation, virtually the entire African continent illustrates a need for radical change in advancing the human condition of its population. The general level of poverty and unfavorable linkages with metropolitan, capitalist European nations means that the mass of Africa's population is in dire economic straits. The international political economy is structured in such a way that the independent and gradual improvement of citizens' lives in Africa is not possible. The development of an independent and strong middle class like the classical case of post-feudal Europe is untenable because the markets in which Africans bid are perennially dominated by the former colonial powers. These markets are designed to achieve the further development of external markets for European entrepreneurs. This condition shows that even if capitalism is deemed an appropriate route for development, such would not be practical due to the stage of capitalist development already achieved elsewhere. Thus the needs of Third World nations require far greater organization for the distribution of scarce resources, where the purpose is to guarantee that the greatest number of people will share in the wealth. It is not a matter of who is to live well, but rather how to meet the minimal requirements for human survival in these nations. There is hardly time or enough resources for the trickle down effect sometimes present in capitalist societies to make

much contribution to transformation and redistribution. Consequently it is not uncommon for governments in Africa to be organized along socialist lines. This model emphasizes that through state control the prospects improve for greater organized innovation in policy-making under conditions of impoverishment. Moreover, the broad range of needs in these societies almost obviates the luxury of individual amassment of wealth, the profit from which may be used in speculation. In the African nations, therefore, the areas for investment are largely restricted by the need to meet basic human essentials.

The idea of categorical redistribution is directly related to transformation. The redistribution sought is a kind of redistributive justice. In this context it is assumed that all of humanity has a right to survive and make progress. Yet, present conditions, in the international distribution system are such that African nations (and some others) are excluded. The material benefits that accrue from exchange of the earth's resources, and the advances from technology, for example, are barely discernable and almost never controlled by African nations. This results not from lack of African desire to reap such material benefits, but is a product of the exploitation of African resources for purposes most beneficial to metropolitan interests. Moreover, this is linked to the disproportionately high cost placed upon technological advances that obviate their use in Africa. Evidence of this arrangement is amply illustrated by several broad European policies in the history of relations with Africa. Perhaps the most repugnant of these was the enslavement trade which resulted in the considerable depopulation of Africa, and allowed for the expansion of capitalism with cheap labor (BEAN, 1974). The consequence of depopulation was that it struck at the core of Africa's productive laborer class. RODNEY has shown that there is a historical linkage between population growth and socio-economic development. «(On) every other continent from the fifteenth century onwards, the population showed constant and sometimes spectacular natural increase; ... the same did not apply to Africa». The data in Table 5 indicate the stagnation in African Population growth *vis-a-vis* other countries. RODNEY argues that enslavement was the cause for this lack of growth that subsequently led to stagnation in independent socio-economic development (RODNEY, 1974: pp. 95–113).

Table 5: *World Population (millions)*

	1650	1750	1850	1950
Africa	100	100	100	120
Europe	103	144	274	423
Asia	257	437	656	857

Adapted from Rodney, 1974: p. 97.

Later, colonialism was the base of the exploitation, in what BALANDIER has deemed a broad, integrated 'system' of 'domination' that challenged the very right of Africans to being (BALANDIER, 1965: p.55). Nevertheless, when we analyze the economic sector alone there is little doubt that these policies were designed to sustain the capitalist system prevalent among the metropolitan European powers.

Each colonial metropole appropriated a portion of the African continent and proceeded to impose exclusive trading rights on the hapless inhabitants. This entailed restricting the trade of the colonial population to the merchants and companies of the Colonial metropole, as well as eliminating all independent local merchants and traders who had previously performed as middlemen and traders between the Europeans and the uncolonized peoples of the interior (HARRIS, 1975: p. 11).

Not surprisingly, this historical relationship considerably structures contemporary affairs between African and western capitalist nations. «There has been a diffusion of capital *from* (emphasis by HARRIS) the underdeveloped to the developed countries». Paraphrasing Gunder FRANK, HARRIS indicates that «between 1950 and 1965 there was a capital flow of \$25.6 billion into the U.S. from the underdeveloped countries, in return for an outflow of capital investment to the underdeveloped areas of only \$ 9 billion» (HARRIS, 1975: p. 6).

The result is that Africa has been denied an independent development toward what NKRUMAH has called «African History through African Eyes» (NKRUMAH, 1965: pp. 22–26). The new order requires in certain respects that reparations be paid for the pillage of Third World resources. To this end the western industrialized nations are required to reconcile the gap between rich and poor by divesting of Third World resources. In addition, according to NIEO the metropolitan countries have a moral obligation to share the benefits of industrialization and technology acquired at Third World expense. Thus the guiding principle for redistribution is the moral invocation that humankind must act to preserve the species wherever it exists by sharing resources and know-how.

THE IMPLICATIONS OF SUNDRY NIEO PRINCIPLES ON AFRICAN NATIONS

In light of the theoretical propositions surveyed above, the remainder of the analysis centers on several of the most important principles. For our purposes these include trade, the transfer of real and technological resources (including industrialization), and agriculture or food production.

Trade is one of the most critical principles emanating from the Seventh Special Session. Richard GARDNER indicates that there has been no objective decrease in the amount of trade between the Third World and the industrialized countries. In fact there has been a steady flow of goods both ways. The problem is the instability of prices for commodities exported by the Third World (GARDNER, 1976: p. 20). There are few instances when products such as cocoa command a long-term stable price. The return on such goods tends to fluctuate at the whims of the purchasing power (KILLICK, 1966: p. 379).

Therefore a major component of dependency is the inability of the Third World nations to control the markets where their goods are sold. These countries cannot withdraw their goods, because «long term prospects for cartelization of most primary commodities other than oil are less than favorable». Some of the reasons are: «The weak financial status of these countries,... competition from noncartel sources, and the potentially large supplies from other sources» (DAVID, 1977: p. 28). Moreover, compared to the «downward inflexibility of (manufactures) – reflecting institutional organization such as industrial concentration, oligopolistic business structures, import protection, and unionization – the prices of most raw materials are highly flexible because of their sensitivity to changes in aggregate demand of the developed nations, among other things» (HOLBIK, 1977: p. 47). Julius NYERERE of Tanzania sums this up: «because of worsening terms of trade between 'North' and 'South' and other external factors, Tanzania must grow three times as many cashew nuts and 10 times as much tobacco as in the early 1970's to import the same seven-ton truck» (COWELL, 1982: p. 6).

NKRUMAH made a similar point regarding the enormous development of cocoa in Ghana and Nigeria:

In 1954/55 when Ghana's production was 210,000 tons, her 1954 earnings from the cocoa crop were £ 85 ½ million. This year (1964–65) with an estimated crop of 590,000 tons, the external earnings will be around £ 77 million. Nigeria has suffered a similar experience. In 1954/55 she produced 89,000 tons of beans and received for her crop £ 39 1/4 million. In 1965 it is estimated that Nigeria will produce 310,000 tons and is likely to receive for it around £ 40 million. In other words, Ghana and Nigeria have trebled their production... but their gross earnings... have fallen from £ 125 million to £ 117 million (NKRUMAH, 1965: pp. 9–10).

These conditions make it vital to stabilize the monetary return on local raw materials, which are often the staples in the gross domestic product of African countries. The NIEO proposals provide a framework for reorganization via formal trade agreements. These include contracts between nations that allow floor and ceiling prices to be established so that African and similar nations can reasonably project earnings and thereby

initiate planning. This would allow a nation like the Gambia, which is dependent on groundnuts, to guarantee a producer price to farmers. This level of stability would facilitate investment and provide the opportunity for crop expansion. Indeed, the evidence from Ghana shows what can happen without a mechanism for stabilizing prices. Ghana was already the world's greatest producer of cocoa well before independence. However, the great price fluctuations for the product made it uneconomic for farmers to continue investing; few could take the risks of financial loss. Subsequently, notwithstanding NKRUMAH's early efforts to institute price guarantees, cocoa production has continued to decline amidst fluctuating international pricing. At present Ghana's economy is in shambles partly because of these losses, and several other nations now are greater producers of cocoa (MORRISON, 1982: p. 139).

There are two other aspects to the trade proposal. One demands creation of buffer stock facilities so as to regulate supply when there is overproduction or shortfalls. The other, more controversial, aspect calls for indexation — a process by which prices for exports (raw materials) are tied to the costs of imports (manufactured materials) from the industrialized nations. Both of these proposals would also assist in guaranteeing returns on products. The first would provide for the natural fluctuations in agricultural production (e.g. weather) by taking advantage of good productive periods to stockpile goods. But the requirement for indexation would fully exploit a redefined valuation system that puts raw and manufactured goods on par. By this system trading of goods and services would be as nearly equalized across boundaries as possible; the price of cocoa beans would more nearly match that for chocolate bars, *inter alia*.

Many argue that these proposals will not work because of western resistance, while others find the propositions impractical. Even so, it is apparent that the proposals require a fundamental break with the past; realignment of the grossly unjust trade arrangements between the industrial nations and the Third World is sought. The Third World nations believe that such changes will necessarily improve their national treasuries because producers can expect to sell at a profit. No doubt such increased production levels will also increase the capital available for independent, national investments and diversification. At the same time, they believe this must be combined with some mechanism for indexing in trade lest poorer nations remain in an inequitable position *vis-a-vis* richer ones. Indexing is one of the surest means of guaranteeing that the system for assigning value in the international system is transformed. This would guarantee, for example, that increased cocoa sales (in Ghana or elsewhere) would match the ever increasing and inflated prices for manufactures that are purchased in the West.

The second and third principles of the NIEO are interrelated. The second is that the transfer of real resources from the wealthy, industrialized nations must be increased. The specific objects of this principle are the international institutions, including the World Bank, the International Monetary Fund (IMF), and some governments. On the other hand, the third principle is more concerned with individual governments in that it requires the transfer of technology.

The transfer of real resources is important in the NIEO for several reasons. First, the large lending agencies are the chief institutions designed to provide such real resources. Table 6 shows the extent of lending of the World Bank in the past ten years, and table 7 shows how these funds were distributed. Commitments range over several broad areas in which Third World nations are required to borrow heavily, such as agriculture, energy, telecommunications, and transportation. Thus, there is substantial dependence on these institutions for the provision of certain real resources. Most of these funds have come from the International Development Association (IDA), where in 1981 over eighty percent of the commitments were made to nations with a GNP of under \$ 370.1 (World Bank, 1981: p. 13).

Table 6: The Record for Ten Years, 1972-81
Fiscal year (US \$ millions)

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
WORLD BANK										
Loan amounts*	1,966	2,051	3,218	4,320	4,977	5,759	6,098	6,989	7,644	8,809
Disbursements**	1,182	1,180	1,533	1,995	2,470	2,636	2,787	3,602	4,363	5,063
IDA										
Credit amounts	1,000	1,357	1,095	1,576	1,655	1,308	2,313	3,022	3,838	3,482
Disbursements	261	493	711	026	252	298	1,062	1,222	1,411	1,878
Usable resources, cumulative	4,204	7,019	7,433	11,608	11,514	11,789	18,062	19,661	20,773	22,331

* Excludes loans to IFC of \$ 60 million in FY 1972, \$ 40 million in FY 1973, \$ 110 million in FY 1974, \$ 50 million in FY 1975, \$ 70 million in FY 1976, \$ 20 million in FY 1977, and \$ 100 million in FY 1981. Includes amounts in FY 1976 and FY 1977 lent on Third Window terms.

** Excludes disbursements on loans to IFC.

Source: Adapted from World Bank, *Annual Report* 1981.

On the other hand, the terms for lending seem peculiarly out of step with the problems of scarcity in material resources and expertise in recipient nations. While institutions like the IMF and World Bank are designed to provide capital for loans and technical assistance to needy nations, present policies often obviate such responsibilities. Indeed, these institutions appear most responsive to interests and modes of economic organization that do not exist in African and other Third World nations.

These conditions result from the guiding philosophy of these institutions and their organizational structures. The IMF is a good example. In a large measure, the operations at IMF are sustained on the belief that capital formation is the *sine qua non* for stability and growth in Third World economics. The argument is that only through surplus available from capital profits is it possible to invest and stimulate growth. The free market and private enterprise operations consequently are the optimal

Table 7: Distribution of Bank and IDA Commitments, by Sector-Amounts
(In millions of current US dollars. Fiscal Years)

Sector	Through	Amounts					
		1968	1969-73	1974-78	1979	1980	1981
Agriculture and Rural Develop.		1,089	2,586	10,019	2,522	3,458	3,763
Development Finance Companies		724	1,224	3,053	591	818	1,113
Education		162	723	1,339	496	440	735
Energy, Oil, gas & Coal		76	111	279	112	457	659
Power		3,986	2,245	4,320	1,355	2,392	1,323
Industry*		915	672	2,806	843	423	886
Non-project and Structural Adjustment		1,743	722	1,556	407	522	1,012
Population, Health, and Nutrition		—	66	188	114	143	13
Small-Scale Enterprises		7	7	468	86	260	229
Telecommunications		198	695	732	110	131	329
Transportation		4,220	3,144	5,328	1,904	1,445	1,063
Urbanization		—	52	812	310	349	501
Water Supply and Sewerage		130	589	1,329	1,019	631	535
Other**		—	16	90	143	13	131
Total		13,250	12,849	32,320	10,011	11,482	12,291

Note: Details may not add to totals due to rounding.

* Includes nonfuel minerals and mining.

** Includes technical assistance and tourism.

Source: World Bank, Annual Report, 1981: p.12.

means for achieving the goal. Subsequently this leads to the application of IMF policies on issues like indebtedness and inflation that are peculiarly in-apposite for Third World problems. The policies are more appropriate for already industrialized nations (HOLBIK, 1977: p. 53). Yet, the structure of the IMF sustains this approach. This results from a system which awards voting power on the basis of monetary contributions to the fund. At present, since most capital is provided by the industrialized nations, they control the most of the votes and control policies.

From the perspective of the African and other poorer nations, both the structure and philosophy of the international organizations are anachronistic. The special needs of these nations require the provision of functional «techniques of financial programming... and assist(ance) in mobilizing domestic resources for development», as opposed to a mechanism overly concerned with debt settlement (DALE, 1976: p. 26). The latter may have been appropriate for the reconstruction of postwar Europe, a region that was already at the core of industrialization. Edouard NZAM-BIMANA of Burundi «makes the point that poor nations simply cannot be propelled into the world market in the foreseeable future without basic services... that are almost certain to be expensive, long-term public sector enterprises» (*New York Times*, 1981: p. 24). At this stage in the development of the Third World, current international transfer policies only exacerbate the difficulties of poorer nations. Present debts for these countries

are so high that they exceed local productive effort and even assistance programs. UNCTAD has shown that between 1965–73 disbursements from the World Bank to the Third World increased by 13%. At the same time, however, debt service payments increased by 16%, meaning that the nations were never quite able to get debts to a level where investments could be made. They were in a perennial state of «catch up».

Therefore, the terms placed on recipients are widely shown to be out of line with the independent development potential of the Third World. Poorer nations deem their development tasks to be longer term and to require fundamental commitments to raising the productive capacities of their non-industrial economies. This means that Third World policies are structured so as to accommodate broader start up industries and food production. Central planning is often required for these purposes. In addition greater controls are necessary to sustain minimal foreign exchange for trade with metropolitan nations for manufactures.

Yet these policies are anathema to the international financial institutions, whose concern is the elimination of debts. This linkage between debt control and real transfers has established a pattern whereby loans are greatly restricted because of outstanding debts. Then when loans are granted they often «undermine national resolve, conflict with national planning priorities, transfer irrelevant technologies, education systems, and development concepts, tie the recipients down to the source of assistance at a prohibitive cost, and promote the interests of a privileged minority in the recipient country rather than the vast majority» (UL HAG, 1977: p.250).

Meanwhile, there is the sensitivity Third World nations feel to the manner in which international financial institutions go about their business. A country's budget and budgetary policies are matters over which it likes to maintain prerogative; one does not like the idea of others (especially non-partners) knowing how much money is in the bank. Yet the World Bank and other lenders require complete access to these matters as well as the right to determine policies for recipient nations. Under terms of membership in the IMF, for example, a nation must provide a multitude of financial data in order to maintain good standing. Since the organization operates as a kind of «super-central bank» it requires much financial information merely «to carry out its responsibilities» in the international economic system. Moreover, virtually any type of financial assistance requires such data for internal evaluation by the IMF (SOUTHARD, 1979: p.2). The government of Tanzania rejected assistance as a result of such requirements (KIWANUKA, 1982: p. 34), and NKRUMAH complained bitterly about this aspect in the analysis of neo-colonialism:

«Still another neo-colonialist trap on the economic front has come to be known as 'multilateral aid' through international organizations... having U.S. capital as their major backing. These agencies have the habit of forcing would-be borrowers to submit to various offensive conditions, such as supplying information about their economies, submitting their policy and plans to review by the World Bank and accepting agency supervision of their use of loans (NKRUMAH, 1965: pp. 242–243)».

However, the NIEO requires that there be a recognition of the basic differences in Third World economies and those of the industrialized world. For the international financial organizations, for example, this would mean that «an element of automaticity must be built into the resource transfer system». That is, the system would be regularized to a degree that risks could be lessened or at least controlled. UL HAG has spelled out the details of such an arrangement from the perspective of Third World nations. (1) «A larger share of (the) liquidity created by the IMF» would be available. (2) This would advance the prospects for developing new financing mechanisms «such as tax on non-renewable resources, tax on international pollutants, tax on multinational corporation activities, rebates to country of origin of taxes collected on the earnings of the trained immigrants... (royalties from commercial sea and space activities), etc.» And (3), taxes may be placed on consumption of Third World items such as oil (UL HAG, 1977: pp. 250–251). Finally these financial institutions and the industrial nations must concede the legitimacy of the Third World as a party in establishing broad international economic policies. It must be seen that the current level of dependency and unfavorable trade in virtually all arrangements between rich and poor are inequitable, deeply resented by the Third World, and therefore do not bode well for international peace.

The next principle – transfer of technology – is very much related to the preceding. The NIEO requires acceptance of the philosophy that no country owns the inherent and perpetual rights to technology. Indeed this would defeat the purpose of technology which must be used if it is to have any meaning. Civilizations throughout history have shared these new developments and that is how dispersion and ultimately progress is measured. NABUDERE sums up the continuing need for this in the NIEO:

«The 'New order' requires all states to recognize that every state has the 'right' to benefit from the advances and developments of science and technology, and hence their transfer should be facilitated, including assistance towards creating an 'indigenous technology' for the benefit of the developing countries (NABUDERE, 1977: p. 33)».

The principle of technology transfer is important from the perspective of African nations because of the lure of industrialization as a by-product. Nevertheless, there are certain other aspects to this process embedded in NABUDERE's phrase «indigenous technology». That is, few African leaders believe that their overwhelmingly large agricultural sector can be surpassed by industry in the near future. What is desired from technology is its utility for improving the indigenous bases of Third World economies that are different from the high technology needs of the West. This region-sensitive approach in Africa, therefore, means despatching scientists in sufficiently large numbers to study the peculiarities of tropical climate to certain agricultural products. We already know, for example, that agro-climatological problems in Africa do not always respond to the scientific results that so brilliantly benefit crop production in the West.

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What is significant, however, is that the technological base for asking appropriate questions exists and can be transferred with good benefits (MYRDAL, 1970: p. 98). The International Institute of Tropical Agriculture (IITA) at Ibadan is a prime example of what can be achieved in this regard. IITA is the African link in a worldwide network of institutes where modern science is being put to work in the service of agriculture. (The primary function of the Ibadan institute) is the improvement of food crop production capabilities in the nations of the lowland humid tropics... Research is concentrated in four principal areas: cereal improvement, grain legume improvement, root and tuber improvement and the development of farming systems with special emphasis on proper management of soil, crops and water (USIA, 1974: Topic, # 79).

At the same time, there are many areas in which technology can be transferred without desensitizing for local circumstances. Some of these that come readily to mind are in the fields of medical research, general health and communications. Many of the benefits for understanding human anatomy can and should be transferred directly in the view of the proponents of the NIEO. Moreover, the same should be the case for medical knowledge that advances general health and hygiene. And, in the sphere of communications technology it can be easily seen where and how benefits can accrue for African nations. One of the greatest problems of technological expansion on the continent, even the dispersion of benefits available in other sectors (e.g. medicine), is the extreme lack of communication facilities. The use of technology to improve even pedestrian aspects of communications like roads and public transport systems will considerably advance all manner of indigenous activities.

Yet, this NIEO demand for dispersion of Western technology to African and other Third World nations does not satisfy the critics who argue that this only increases dependency and accelerates poverty. These critics say that such inappropriate technology does not create jobs for the massive populations because appropriate skills for staffing do not exist. The NIEO proponents retort that it is not desirable to continue living in squalor while better prospects are available; the challenge is to achieve betterment, and the redistribution of world resources facilitates this. But Gunnar MYRDAL has answered these critics more successfully. He has shown that there is no general connection between the utilization of greater amounts of technology and decrease in employment prospects. On the contrary, the general pattern is that technology improves such prospects:

«Technological reforms generally do not decrease the demand for labor but, almost without exception, increase it. This is true when it is a question merely of reaching a wider use of techniques that are generally known and applied by some cultivators in the local surrounding. It is equally true when the problem is one of technological innovation, that is, the introduction of entirely new techniques or the improvement of old ones.

All types of technological improvement should lead to more abundant crops requiring more work at harvesting. Most improvements also raise the demand for more work in the period of preparing the soil, sowing, weeding, and caring for the growing crop. Some improvements consist in, or depend upon, considerable labor investments in advance, for instance, in constructing irrigation works and keeping them in good repair (MYRDAL, 1970: pp. 90–91)».

In the course of this analysis, the major focus has been upon the fuller integration of the African continent into the world economy. Virtually all the principles so far have been concerned with the achievement of industrialization by the use of improved technology and sharing of certain economic benefits that have accrued to the western nations at the expense of Africa. Therefore, I shall dispense with further discussion of the individual principle of industrialization. Suffice it to say that the NIEO requires that resources be marshalled toward the industrialization of African and similarly situated economies. This principle merely reiterates the preoccupation of the Third World with full partnership in all aspects of international economy.

The last principle – increased food supply and production – is one which refers to some conditions quite unique to the African nations. There is an overwhelming dependence in these countries on some form of agriculture. Most have over 80% of the population concentrated in rural areas, where some form of subsistence agriculture is practised. These individuals are hardly integrated into the wage economy and receive little benefit from it. At the same time, the population of the African nations is increasing and food production is decreasing. This leaves a good portion of the population hungry, and stimulates the concern for improved food production within the NIEO. To this end, the intent is to «rapidly increase food production» (7th Special Session, United Nations, in Sauvant, 1977: p. 31).

The food problem is severe for several interrelated reasons. In the first instance, as MYRDAL and others illustrate, there are problems with the land and the schemes utilized for extracting agricultural products. In Africa, much of the land is poor and requires special techniques for effective use (FORDHAM, 1972: pp. 17–39). The schemes for extraction are usually «characterized by extensive land use combined with a high man/land ratio. Naturally, this correlation results in disastrously low real incomes. For not only is agricultural yield per acre low, but a very large portion of the total labor force is tied up in producing that low agricultural output» (MYRDAL, 1970: p. 79). These two factors are complicated by other natural conditions that exacerbate the problem. On the one hand, increased population means that a far larger number of people are hungry. «Women and children are hunger's principal victims. Some 40% of the world's underfed are children in the Third World» (TINBERGEN, 1976: p. 28). Much of this became evident in the 1970's when worldwide declines in food production hastened the day when population growth in the

Third World would exceed food production. Some scholars suggest that even current productive levels of 2.5% will need to exceed 5% to keep up with minimal daily requirements in the Third World (GUERNIER, 1976: P. 16). Very few Third World nations currently meet the 2500 caloric or 30–40 grams of protein required for a minimally sufficient diet (GUERNIER, 1976: p. 15). Therefore the penury of the land when coupled with increased population growth only exacerbates the food problem. The land produces more or less the same, while the number of beneficiaries continues to rise. Without outside assistance, then, everybody's caloric and protein needs are reduced.

There are also political circumstances that greatly contribute to the food shortage. These circumstances make it especially relevant to include the agricultural sector in any proposals for a NIEO. In the first place, there has been considerable debate among African leaders about the place of agriculture in development. Many leaders believe that agriculture ought to be secondary to industry as the route to post-colonial growth and development. NKRUMAH tendered such a proposition for Ghana, for example, in light of political considerations. «Agriculture was a codeword for bondage; its most prosperous sector, cocoa, was deeply contaminated by capitalism and was the very monoculture Ghana needed to escape» (YOUNG, 1982: p. 155). By industrializing, Ghana could be seen entering the mainstream and controlling the nation's destiny, if only symbolically. NKRUMAH also based his position on what he deemed to be necessary for controlling a part of the international economic system. The conclusion of his analysis was that industrial enterprises were in the forefront. «The flight from poverty (and dependency) was possible only by rapid construction of an industrial base. The focus of public investment should shift from social overhead to directly productive industrial undertakings» (YOUNG, 1982: p. 155). What African nations consequently had to achieve before they could bid in this system was some appropriate products with which to bargain. In this context, NKRUMAH believed that trading terms could be equalized (CARD, 1975, pp. 49–92), and raw materials could be locally processed. Policies similar to this or at least ambivalent toward agriculture, have led many African states to neglect agriculture.

On the other hand, continuing relationships between the formerly colonized and the colonizer often stifle agricultural development for internal use. Many sources have pointed out how profit-making agricultural enterprises were only developed by colonizer nations insofar as benefits accrued for the metropolitan market. Agriculture was not seen as a means by which indigenes could boost food production for internal use, but rather as a means for supplying overseas markets. Hence one finds a circumstance in Ghana whereby cocoa as an industry was almost entirely oriented to an export market. The development of the crop did little to boost local improvement in food production; cocoa was rarely consumed locally. Indeed processing for consumption only took place abroad and had to be repurchased for Ghanaian use at a much higher price. Also, because cocoa farming was a typical capitalist venture, only a few estate owners could profitably

invest (YOUNG, 1982: pp. 155–156). The private profit-making concerns of these investors, therefore, yielded minimal trickle down of excess earnings to the masses prior to NKRUMAH's «development» schemes (FITCH and OPPENHEIMER, 1966). In other countries, there were similar conditions, where producers rarely made goods suitable for local consumption and the development of an independent commodity system. Nevertheless, these local needs were supplied in an organized import system from the metropolitan country. Clearly, the system was designed to maximize the benefits for the colonizer.

The fallacy in this system is what the NIEO attempts to circumvent by demanding the reorganization of Third World economies. It is agreed that NYERERE is correct when he says «the continuing dependency on the importation of technology which then requires us to produce for export, regardless of our peoples' present hunger», is sheer folly (*New York Times*, 1982: p. E6). Third World nations must reemphasize agricultural production and focus on developing an independent, local system for feeding themselves. Shehu SHAGARI's policy in Nigeria is a prominent example of what would seem to be required. He has designed a program aimed at massively increasing the production of suitable foods that are locally consumed. He hopes to achieve self-sufficiency in rice, maize and food oils by providing incentives for expanded farm operations. These even include some lessening of the indigenization restrictions so that foreign interests may invest in certain of these ventures. In short, even an African nation as wealthy as Nigeria realizes that a basic dependency remains if a nation is unable to feed itself.

In large measure, the NIEO agrees with the assessment and attempts to provide a framework of fundamental alteration. There is a call for cooperation from the industrial world to provide scientific knowledge and to alter trade arrangements that impinge upon general investments. In short, it is believed that while low food production results from poor physical endowments, there is a dearth of opportunity available for exploitation of unique Third World agricultural potential. This is, of course, linked to the general economic condition of poor countries. Most of these countries have so high debt levels that they are unable to take advantage of local prospects for improvement. Western industries continue to satisfy their economic self-interest because of their unique facility for providing processed and manufactured goods to this overseas market; there is little incentive to contribute to the agricultural sector. Subsequently, a vicious circle is set in motion where dependency in other economic sectors severely limit possibilities in agriculture. It is this cycle that the NIEO hopes to forestall by requiring that the rich countries share wealth and technology in assisting the Third World to achieve independence in the agricultural sector.

Finally, notwithstanding the argument about whether African nations should emphasize agriculture or industrialization, there is considerable linkage between the two sectors. Many of the problems that retard agricultural development can significantly be altered by technological advances that have occurred due to industrialization. For example, the problem of

agricultural yield is in many cases tied to poor soil conditions that might be altered by certain fertilizers that any scientific discovery in the age of technology can make available. Similarly, as most African societies are still agricultural, this might be an easier route to the sustained growth necessary for industrial developments. For example, a strong agricultural base could provide much of the local capital to fuel locally derived industrial growth.

The NIEO aims at the achievement of bonafide independence for these nations by requiring that appropriate technology be shared on a broader scale. The basic assumption is that technology is not the private preserve of any nation or group of nations. This approach also recognizes that there is little virtue in making technological advances if they are not to be used for the general betterment of civilization. To wit, a wonder fertilizer for boosting rice production is of little use in the lab at an American agricultural school, if it cannot be made available to a government like that in Liberia that can hardly meet the local demand for this dietary staple.

By extension the NIEO requires that certain elements of dependency between rich and poor in the production of food be dismantled. These elements are those which retard the development of mass agricultural projects, designed to independently furnish the local market with goods. Largely this retardation has been achieved by the development of an agricultural sector for an external market and the exploitation of raw materials for metropolitan manufacture. Then, the formerly colonized nation can re-purchase processed goods required for local consumption from the metropolitan country. In this arrangement there is dependency at every stage for African nations. The NIEO seeks to circumvent these conditions by requiring metropolitan nations to invest in projects that improve the infrastructure of Third World nations so as to prevent such heavy dependence on external sources for the satisfaction of basic needs. This means that nations will be assisted with the development of roads and a transportation system that can facilitate not only improved rice production, but improved distribution as well. In this context, therefore, African nations would be encouraged to produce for African markets and to invest in the growth of these markets.

CONCLUSION

In many ways the prominent ideas in the NIEO are related to those of the 1940's and 50's in Africa that demanded independence. The issues that are raised anew, with an economic angle, are no less concerned with the exercise of self-determination by formerly colonized peoples. Therefore, it may be concluded that NKRUMAH was correct when he observed that economic dependence on the part of African nations would significantly thwart political independence.

A major difference in the NIEO movement is the fusion of most dependent nations to achieve their economic goals. These nations perceive themselves as a 'class', whose circumstances are not accidental, but due to the systematic policies of the more powerful metropolitan economic interests. There is a recognition of interdependence between the political and

economic sectors, whereby there can be no independence in the one without the other. The reorganization of the economic order is seen as the means for the achievement of complete independence.

The NIEO focuses on several strategic areas in establishing a new order. The first is conscience. These original seventy-seven nations sought to appeal to the moral conscience of the rich nations. It was hoped that rich nations would recognize the inequity of the international economic system and thus be moved to take humane, corrective actions. However, in light of certain political realities, a range of actions were specified by which reorganization could be advanced. These are: (1) the expansion and diversification of international trade; (2) the transfer of real resources from metropolitan nations to the Third World; (3) the transfer and broader utilization of science and technology; (4) assistance in achieving industrialization; (5) increased emphasis on local food production; and (6) the formal cooperation between Third World nations towards these ends, within and without the United Nations structure.

This analysis has evaluated these specific proposals in light of African conditions. It has shown that, indeed this debate about the NIEO is viewed in Africa as fundamentally a question of independence and reparations. Few African leaders are unaware of the connection of their economies to Britain, France, Portugal, and the United States. Moreover, it is clear that most of them see these relationships as detrimental to the independent pursuit of African goals. The NIEO, if workable, promises some answers to this dilemma by orienting African productive capabilities to African needs. At the same time, metropolitan countries are not absolved of responsibility to desperately poor African societies. The former are required to provide parts of their wealth, expertise and high technology to facilitating a more equitable international economy.

The final question, which it is too early to answer, is what is the impact of the NIEO? There are already proponents and skeptics. But it is fair to say that since hardly anything resembling a new order is in place, it is very difficult to evaluate. Some leading questions may nevertheless be posed for future analysis. A central question is to what degree do the propositions of the NIEO actually amount to anything new? Is this a fundamental break with the past, or is this a mere reform movement? Secondly, what is the potential for cooperation between the Third World and the rich nations, as is required by the NIEO? To this there is at least a partial answer. Experiences so far indicate that this cooperation, while possible, can be tedious. It has taken close to fifteen years to achieve metropolitan recognition of the issues and some discussion. Finally, one must ask if there is time enough for a slow process of give-and-take, while the rich gets richer and the poor gets poorer? Or, is there likely to be some kind of confrontation?

This movement for an NIEO is but the culmination of the process of decolonization. The bulk of the membership of the Group of 77 and subsequent affiliate nations are former colonies of European nations. Since the

1950's, most of the colonized nations have achieved political independence. This has provided the opportunity for local leadership to predominate in public business. Yet there is the economic reality of attachment to the metropolitan colonizer nations of Europe. The emergence of a movement to respond to these conditions, which NKRUMAH labelled «neo-colonial», is quite logical. It represents the effort of Third World nations to indigenize their economies.

As such, the movement has many of the marks of the nationalist movements of the 1940's and 50's, whereby certain tendencies toward chauvinism and isolationism are prominent. In Africa during the nationalist period, for example, one could hardly find a country where long-term resistance had not culminated in a massive mobilization of particularistic interests in support of independence. This could most easily be achieved by generating intense hostility toward the presence of Europeans, while eliciting equally intense feelings of national pride and patriotism toward indigenous symbols, among other things. This is not unlike some of the sentiments that have been generated in support of the NIEO. Some of the tenets of the new order are specifically designed to have such appeals. This is evident in the instances where certain requirements focus on the use of indigenous resources for local purposes. On the surface it seems to suggest rank isolationism. And indeed, philosophically this is part of the aim – to reorient resource developments so that the independent standing of Third World nations is improved *vis-a-vis* other power blocs in the world.

Meanwhile, there is a dimension about the NIEO that makes it profoundly different from the earlier nationalist movements that sought isolation from world powers for a time. The philosophy, the individual tenets of the NIEO, and commentary from African and other leaders indicate a strong recognition of the importance of interdependence in the economic sphere. It is evident that this sphere involving physical exchange of goods and services is one which cannot thrive without all manner of international linkages. This is as true for the rich as for the poor. In fact, it is the necessity of international exchanges that makes a new order so vital. The task is to strengthen interdependence so that the full partnership of the Third World can be recognized. In this vein, all of the requirements for metropolitan involvement in «reparations» type agreements and the transfer of science and technology can be justified. This gives credence to the argument that international exchanges will always be desirable for even wealthier traders; they constantly need markets for their manufactured products and from which to acquire raw materials. Thus the NIEO differs from nationalism in that matters of economic exchange always represent «a two-way street».

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RESUME

Les démarches entreprises aux fins de mettre en place un Nouvel Ordre Economique Mondial (NOEM) sont actuellement bien avancées ; cependant parmi les défis lancés en vue d'un changement, seul un petit nombre a été entièrement relevé. Cette étude examine le défi posé pour l'Afrique en particulier. Elle développe la thèse selon laquelle il conviendrait de percevoir le NOEM comme une réponse à ce que les peuples d'Afrique et du Tiers Monde considèrent comme une situation de dépendance politique et économique vis-à-vis des anciennes puissances coloniales. Vu sous cet angle par les Africains, le NOEM constitue par conséquent un autre aspect de la «question nationale» suivante : comment forger l'indépendance nationale, compte tenu de la complexité des liens unissant l'Afrique aux puissances capitalistes européennes ? Ces liens, pour les Africains, nuisent à l'indépendance fondamentale de l'Afrique ; raison pour laquelle ce mouvement cherche à ré-orienter les politiques en vue de mettre en valeur, encore une fois, l'importance capitale des intérêts africains et de compenser, dans certains cas, les effets nocifs de la domination passée. L'analyse démontre que, même à la lumière du réformisme qui caractérise essentiellement les réclamations d'un NOEM, les puissances occidentales ont fait preuve de beaucoup d'opposition et que très peu a été fait dans le sens d'un Nouvel Ordre.