

## SELF-RELIANCE AND GLOBAL INTERDEPENDENCE

### Some Reflections on the "New International Economic Order"

By Johan Galtung

University of Oslo

1. Introduction. Three ways of organizing the world economy are now competing for the hearts and minds of men and women everywhere:

the Old International Economic Order (OEO for short); the New International Economic Order (NEO for short) and self-reliance, combined with global interdependence. The essential features of these systems and how they structure relations among and between capitalist and socialist states is of fundamental significance to any understanding of the world at present - since so much of world politics derives from the economic infra-structure within and between countries.

2. The old system. The old economic order is well known. It is based on capitalism in its most pure form, and can best be understood by understanding the essence of capitalism. What that is a subject of debate among social scientists and philosophers in general. The view taken here is that neither private ownership of means of production nor production for profit are essential characteristics, but that unimpeded mobility of production factors and products as well as production for expansion are. If raw materials, raw labor and raw capital are to be moved to places where they can be put to "productive use", meaning to factories for the processing of raw materials, to higher and higher educational institutions for the processing of the unskilled and unschooled and to banking institutions to convert ~~raw~~ capital (e.g. from small savings accounts) into finance capital that can be invested, then the inevitable result is the creation of a center to which the factors are moved, and a periphery from which they are taken. The higher the level of processing that goes on, the more central the center, till one ends up in the world's metropolises with highly sophisticated industries,

universities and technical high schools, finance institutions, not to mention the power machineries (legislative, executive, judiciary, police, military) needed to coordinate and control. From these centers, then, emanate the products - manufactured goods, services, civil servants and others, capital for investment - all of it to be ploughed back into the periphery one way or the other. As time passes the center-periphery gradient consolidates, capitalism and the nation state grow together in the sense of being crystallized together for they are both based on the same basic principle of division of labor between center and periphery; only that the theoreticians of the former have focussed more on economic aspects, the theoreticians of the latter more on the political, administrative and, sometimes, cultural aspects.<sup>1</sup>

Some of the well-known consequences of this system can now be spelt out:

(1) The division of labor between a periphery and a center, exchanging the raw for the processed, leads to a gap in level of living within all capitalist countries. This gap can to some extent be concealed through welfare state practices, ploughing some of the surplus back to the periphery, enabling the periphery to buy more manufactured goods from the center. But the gap in taking initiative, of being master of one's own development, in short in autonomy, can never be bridged - that is built into the very structure.

(2) As the internal markets saturate and internal peripheries are being depleted and are incapable of asking high prices for the production factors the system will expand beyond state borders - and as it expands beyond state borders it will create peripheries and sub-centers elsewhere. The economic aspect of this is known as imperialism (in the Leninist sense); the political aspect as colonialism or neo-colonialism. The Center countries will create trading blocks with a high level of internal mobility brought about by special machineries for transportation/communication (including use of the Center

language), low or no tariffs on factors from the Periphery and manufactures from the Center, protection against the outside - be that other Centers or other Peripheries, even wars against them; in general through the creation of monopolistic conditions for the Center. This can also be done collectively by Center countries; the foreign economic policy of the Common Market countries up till the Lomé Convention being a good example.<sup>2</sup>

(3) In its fully fledged form the system consists of Center and Periphery countries, each with their centers and peripheries - only that the center of the Periphery countries (usually consisting of commercial, political, intellectual and military elites located in an easily accessible coastal capital) serves as a sub-center for the center in the Center country. In order to serve well they have to be well rewarded; which means the same or even higher standard of living (higher sometimes to compensate for their lower level of autonomy.)

(4) The net result of this is a system that seems, very roughly speaking, to be capable of giving a high or "good" standard of living to something like 20% of the people living in the system and various shades of poverty to the rest.<sup>3</sup> The well-off are most of the populations in the Center countries and the small elites in the Periphery countries - the poor are the rest; noting that all the time some people pass from periphery to center giving hopes to the rest (who may not notice those who pass in the other direction). There are less of the poor in the rich countries because rich and poor together share the spoils of exploiting the Periphery, making the proletariat in the Center by and large an ally of the bourgeoisie, even willing to fight colonial and neo-colonial wars for them. There are and will forever remain within this system immense poverty in the Periphery because this is where the production factors are ultimately taken from - their land is used to grow cash crops, their raw materials for export and processing elsewhere, the most capable of their youths are exported as raw pupils to be absorbed, in processed form as graduates, by the center of the

Center (the latter referred to as "brain drain"), or they are exported as raw labor to perform menial tasks in the center or the Center. At the same time their processed products (the result of craftwork, artisanry, farm processed foodstuffs) cannot compete with the products from the center (manufactures, industrialized food, services) neither where price, nor where taste is concerned (for the latter is manipulated by mass media to the point where peasants in Senegal run around drinking bottled Perrier with a baguette under their arm,<sup>4</sup> Colombians drink Nescafé and Spaniards industrialized, artificial "orange" juice). Their productivity being low and their products by and large unasked for they do not enter the market with sufficient buying power, being neither producers, nor consumers, they are thoroughly marginalized by a system which actually produces two types of peripheries: the exploited and the marginalized. Population control programs initiated by the center in the Center (such as The Population Council), assisted by the center in the Periphery, will tend to see development as a problem of getting rid of the periphery of the Periphery, defining them (openly) as a burden on the economy and (less openly) as a threat to the system because of their violence potential.

(5) Thus the system does not only produce a "gap" between center and periphery; it is based on that gap, on division of labor within and between countries.<sup>5</sup> By and large, the more centrally the country is located, the less inequality within the country; there<sup>are</sup> poverty pockets in rich countries just as there are richness pockets in the poor countries, but Center countries have been able to become rich by pushing most of the periphery outside their own borders, locating it inside the Third World. In doing so they have created the illusion of "take-off" into development, not realizing the extent to which their own development has depended on exploitation.<sup>6</sup>

(6) This exploitation, in turn, has one aspect which is for everybody to see: the terms of trade, roughly speaking the number of units of raw goods the Periphery has to pay for one unit of manufactured goods. More broadly this becomes the terms of exchange: the ratio between what the Center pays for

unskilled labor from the Periphery and the Periphery for skilled labor, experts, from the Center: or the interest paid on savings as opposed to the interest paid on loans for investment, etc.<sup>?</sup> But the exploitation also has a more hidden aspect: the gap in level of autonomy suffered by the periphery, the Periphery, and particularly by the periphery in the Periphery; to be spelt out later.

(7) The inevitable result of all this is the underdevelopment of the periphery and the Periphery, defined here as (1) loss of autonomy, dependence on the Center and (2) poverty, relative to the center, and - in the Periphery - even in absolute terms, so much so that not even the fundamental needs are satisfied (food, clothes, habitat, health, education). To overcome underdevelopment countries engage in district policies internally and development assistance externally, usually with the net result of reinforcing the division of labor because the policies are not only generated by the centers in cooperation with the sub-centers- but, deliberately or not, make the peripheries dependent on continued input of machineries and parts, capital, expertise and so on.

(8) But there is also another result coming right out of the system: the overdevelopment of the center and the Center, and particularly the center of the Center because it is forced by the system to lead increasingly artificial lives. Removed from nature, eating industrialized food, breathing a polluted atmosphere, living in macro societies, alienated from other human beings, subject to industrialized health (medication) and education (schooling) there are such tangible results as the need for tranquillizers, for psychiatric hospitals, possibly also for cancer cures if cancer to some extent is due to the changes in the ecology.

So much for the old system which is still, indeed, the dominant system. We have treated it at some length in order to permit a discussion of the alternative on the political horizon today, the new economic order - and the alternative we think (or is it hope?) will be on the agenda as soon as tomorrow, self-reliance. So, what are the characteristics of the New International Economic Order?

3. The New Economic Order. There is no need here to repeat that very important resolution coming out of the Sixth Special Session of the UN General Assembly (9 April - 2 May 1974, in New York), but some of the essential ideas from the Declaration (D) and the Program of Action (P) are needed for a discussion. They are as follows:

(1) "Full permanent sovereignty of every State over its national resources and all economic activities - - - including the right to nationalization or transfer of ownership to its nationals".

(D; 4e)

(2) "Just and equitable relationship between the prices of - - - goods exported by developing countries and the prices of - - /goods/ imported by them with the aim of bringing about sustained improvement in their unsatisfactory terms of trade and the expansion of the world economy" (D; 4j). " - - to work for a link between the prices of exports of developing countries and the prices of their imports from developed countries" (P; I, 1d)

(3) "Improving the competitiveness of natural materials facing competition from synthetic substitutes" (D; 4m)

(4) "Preferential and non-reciprocal treatment for developing countries wherever feasible, in all fields of international economic co-operation" (D; 4n).

(5) "Strengthening -- through individual and collective actions - - of mutual, economic, trade, financial and technical co-operation among the developing countries mainly on a preferential basis" (D; 4s)

(6) "Facilitating the role which producers associations may play within the framework of international co-operation - - (D; 4t).

(7) "To take measures to promote the processing of raw materials in the producer developing countries" (P; I, 1g)

(8) " - - each developed country should facilitate the expansion

of imports from developing countries - " (P;I,3a(v))

(9) "- - receipts from customs duties, taxes and other protective measures - - should be reimbursed in full to the exporting, developing countries or devoted to providing additional resources to meet their development needs" (P; I,3 a(vi))

(10) "Implementation, improvement and enlargement of the Generalized System of Preferences for exports of agricultural primary commodities, manufactures and semi-manufactures from developing to developed countries - -" (P;I, 3a (x))

(11) "To promote an increasing and equitable participation of developing countries in the world shipping tonnage"(P;I,3b(i))

(12) "To arrest and reduce the ever increasing freight rates in order to reduce the cost of imports to, and exports from, the developing countries (P;I, 3b (ii))

(13) "To minimize cost of insurance and reinsurance for developing countries and to assist the growth of domestic insurance and reinsurance markets - - in these countries or at the regional level" (P;I3b (iii))

(14) "Measures to eliminate the instability of the international monetary system - -" (P; II, 1b) and a high number of points aiming at the international financing institutions in general.

(15) "The developed countries should encourage investors to finance industrial production projects, particularly export-oriented production, in developing countries, in agreement with the latter and within the context of their laws and regulations" (P;IIIb)

(16) "To give access on improved terms to modern technology and the adaptation of that technology, as appropriate to specific economic, social and ecological conditions and varying stages of development in developing countries" (P; IVb)

(17) " - - an international code of conduct for transnational corporations in order to -- prevent interference in the internal affairs - - regulate the repatriation of the profits accruing from their operations taking into account the legitimate interests of all parties concerned - promote reinvestment of their profits in developing countries " (P;V)

Finally, there are many points about promotion of co-operation among developing countries, about how the United Nations systems in the field of economic co-operation can be strengthened - and there is the Special Programme adopted by the General Assembly with " emergency measures to mitigate the difficulties of the developing countries most seriously affected by economic crisis-". But what we have quoted is enough for a discussion, even a critical one.

Imagine that all the points quoted above were implemented - what would be the net result, what would the new international economic order look like? We are afraid the answer will have to be relatively simple: it will look about as before, but with two very important differences - there will be more accumulation of capital in the center of the Periphery, and there will be more independent capitalist activity carried out by the centers in today's Periphery - who, then, will become Centers in their own right - like the rapidly developing international capitalism coming out of the countries bordering on the Arab/Persian Gulf. The reasons for this conclusion are as follows.

First, the NEO is essentially trade-oriented: there is even talk of expanding the world economy. But there are very good reasons to believe that trade beyond a relatively low threshold may be anti-thetical to development - reasons to be explored below (to the extent that is true UNCTAD should be renamed UNCTOD, the UN Conference on Trade or Development).

Second, as far as improving world trade is concerned NEO only aims at terms of trade. There is very little mention of changing the division of labor. Given the present system



the industrialized countries are so far ahead where it comes to processing raw materials (including for food) that trade with them will have to be across a processing gap. But that means that they will still have the main responsibility for developing technology, even, probably, technology held to be appropriate for developing countries, and derive all the spin-offs (laboratories, educational establishments, military side-effects and so on) that follow in the wake of ranking high on the international division of labor ladder. As can be seen from the resolution the major concern is with stable and "fair" prices for raw materials, and with guaranteeing them relative to synthetic products. In addition to that there is, of course, also the possibility of exporting semi-manufactures and some manufactures to the industrialized countries - but since they would have to take something in return this may merely mean that the trading will be across an even wider gap in processing, only that the gap will be higher up on the processing ladder - e.g. textiles for color TV, rather than oil or sisal for tractors and black-white TV.

Third, to the extent that there is talk of improved terms of trade it is the deterioration in terms of trade that is discussed (and denied by many - the present author also has his doubts about it<sup>8</sup>) - not the absolute level. Whether the basis year is 1970, 1960 or 1950 or any other year there is no reason to assume that the terms of trade were "just" at that time. Hence, the real job that should be confronted by those who want to build a new economic order on terms of trade, i.e. what constitutes fair terms of trade in an absolute sense, has not been started. At this point there is much to learn from Chinese price-setting policies - the terms should be such that the level of living for the producers of food and of tractors becomes about the same.<sup>9</sup>

Fourth, to the extent that there is some talk of improved division of labor it centers on such tertiary sector institutions as transportation, insurance and finance institutions in general. This is probably to the good, but it should be noted that the more of these institutions in the Third World, and according

to First and Second world blue-prints, the more will it favor increased trade - a point that is also seen clearly from the way technology and transnational corporations are handled in the resolution. That this will be good for trades people is clear, it is not so obvious that it will be good for the masses in today's Periphery countries.<sup>10</sup>

To summarize: what the New International Economic Order means, when translated into world reality, is some kind of "capitalism for everybody" charter. This will be made more clear when contrasted with the third world system, based on self-reliance and global interdependence. But it can also be clearly seen when the points quoted above, one by one, are translated into the reality of the OPEC countries: they are compatible with that reality, yet it still remains to be seen (1) what will happen to the masses in those countries, (2) how autonomous will the countries really become and to what extent will they only buy themselves into dependence on the old Centers on even more sophisticated technology than before and (3) to what extent will these "nouveaux riches" at the international level make use of their riches to peripherize other countries, e.g. the least developed countries to which OPEC has pledged so much of its support, when their own markets have become saturated and their factories run out of domestic raw material? <sup>11</sup>

And yet this should not be interpreted as a negative view on the NIEO and the related Charter on Economic Rights and Duties of States,<sup>12</sup> for many reasons. Thus, there is the very important emphasis on collective self-reliance, on all kinds of economic cooperation among developing countries - although it should also be said that concretely this will also play into the hands of Third World elites, many of them commercial, concerned with inter-inter state relations more than with the level<sup>on</sup> which people live and produce/consume. Second, as a net result of NIEO more resources <sup>be</sup> will/available to the Third World - which means more possibilities<sup>if</sup>, the regimes want development - meaning more autonomy and satisfaction of at least basic human needs for all. Third, these points quoted (and the others not quoted) refer only to the international economic policies; they do not

necessarily prejudge the national policies. But to these last points some scepticism will also be appropriate: the Old International Economic Order is so strong, so pervasive, that a very strong cure seems to be needed to change it - otherwise it will transfigure, even pervert any attempt at reform. Concretely: if one tries to imagine the Spirit of capitalism reading over the back of the drafters of the resolution there are some reasons to believe that the Spirit felt quite cheerful about it, mainly reflecting that "well, well - once I left the Old World and settled in the New World - I can do that again and settle in the Third World this time - -".

But then there is another positive perspective on the NEO that should not be underestimated: the very fact that it is a UN resolution is a sign of how things are changing. The same applies to the Lomé Convention between 46 developing countries and the European Community: it is not at all a good convention by the standards expounded in this article, but it is important that the 46 acted in solidarity with each other and were able to extract a high number of concessions from the countries on top of the OEO. Thus, as a part of a process both the Lomé Convention (which can be seen as an expression of many of the ideas contained in the NEO<sup>B</sup>) and the NEO itself should be evaluated positively - provided the next steps are taken sooner rather than later.

4. Self-reliance. And the next steps can conveniently be summarized under the headings of self-reliance and global interdependence. These are realitively new verbal symbols on the international scene (although they appear already a number of times in the NEO resolution, but usually in a less clear way) - but they are not new as concepts to the Chinese, the North Koreans (juche), the Tanzanians (the ujamaa villages and very much of the entire Tanzanian development philosophy is based on that idea) - nor to socialism in Eastern Europe although its practice in later years is much closer to NEO than to self-reliance. It is also fair to say that self-reliance is a concept in search of a theory - even in search of clarification.

May be there can be said to be three basic ideas that come together in the concept of self-reliance:

(1) The idea that development should develop man, not things -- development is not the increase of GNP per capita, of world trade, nor the introduction of democracy or socialism as such -- only insofar as they can be shown to develop man. And that, concretely, means that development theory and practice have to be rooted in a theory of human needs that includes the five fundamental needs mentioned, but also goes beyond them, to such needs as freedom, work in the sense of creativity, politics, togetherness, joy, a sense of meaning of life --. Also, inherent in this concept would be the idea of developing all men, not only all of man ( and woman - but the English language has this male chauvinism built into it) - which would lead to concepts of social justice and equality, and to the idea of starting with those most in need.

(2) The idea that development can only take place through autonomy, and a first step is to rely on your own forces and own factors, on your own creativity, your own land, raw materials, capital - however limited they are, at the individual level, the local level, the national level and the level of collective self-reliance already referred to - regional co-operation. Concretely this means that one tries to produce things locally rather than to obtain them through exchange - as far as possible. When not possible locally, try within the country, if that does not work try another country in the same region and at the same level of development, and only if that does not work: trade with the developed countries! Why? In order to grow from the challenge of having to do things oneself, in order to utilize all local factors as much as possible and not give in to the temptation to trade with the factor (if any) on which one is over-endowed, getting all the others or ready-made products in return, thus underutilizing oneself and one's own resources; and in order not to be dependent on anybody.

Most important in this connection is self-reliance in foodstuffs, in order not to get into a dependency that can be

used by the food-rich to blackmail a country into submissiveness.<sup>14</sup> Hence, the basic point about self-reliance is not autarchy, or complete self-sufficiency - it is not the farewell to trade. But it does imply a decrease in vertical trade, trade across a processing gap, for that trade usually means that the periphery has submitted to the division of labor and not processed or made sufficient use of its own factors itself. And it implies a reliance on oneself to the point that own capabilities are so well developed that if a crisis should occur, then one could be self-sufficient.

(3) The idea that underdevelopment and its partner, overdevelopment are primarily products of an international structure, not due to some countries being better endowed in natural and human resources than others; which means that for development to take place that structure has to be changed. For that to happen periphery countries probably have to opt partially or entirely out of the system for a shorter or longer period, and this, in turn implies that self-reliance becomes not only a tool for individual and local and national growth, but also an instrument to bring about basic structural change. This applies not only to the international structure but also to domestic structures: as argued above they are rather similar and a strategy of self-reliance would apply to either.

Space does not permit us to go into any details about self-reliance strategies. Suffice it only to point out that the way this is practised in the People's Republic of China it involves not only that enormous country as such, but each province, district, commune, brigade, team - they all function and operate under that norm, thus mobilizing an unheard of amount of creativity.<sup>15</sup> More important in this connection, however, is the way in which the Chinese combine all three points above: production is above all for the satisfaction of fundamental needs (with "politics in command", with a high level of creativity called for, with togetherness, definitely giving a sense of meaning, but hardly with freedom in the Western sense of the word); it makes maximum use of local factors, even creating factors where nobody thought they existed; and it did involve withdrawal from the system - in that case from the Soviet-dominated system (what the Chinese refer to as social imperialism), after they had withdrawn from capitalist imperialism.

To what extent they now feel they are ready for some type of reintegration they themselves can control, and to what extent they are right if they feel so, we do not know -- given the strength of the OEO and what it seems to do the system known as Soviet and Eastern European socialism there is hardly any doubt that great care should be exercised if one wants to remain autonomous.<sup>16</sup>

But will this not merely lead to a world of mutually isolated states, not only self-reliant but also to a large extent self-sufficient, egoistic, inward-looking - neither learning from each other, nor being tied together in the type of symbiotic relationship that serves as a protection against violence, for each party is to some extent dependent on the other for its own survival, or at least well-being? To this important argument there are at least three answers.

First, the OEO is no answer to the problem. There was and is learning, but only from the Center to the Periphery, e.g. in the form of technical assistance, or in the form of the Center developing expertise about the Periphery, but not vice versa. There was and is symbiosis, but it is parasitical - there is much more dependence one way than the other, although the oil crisis also taught us something about how much the industrialized countries in Western Europe and Japan depend on the oil-exporting countries.

Second, self-reliance is entirely compatible with horizontal trade, trade among equals - even with some division of labor provided there is no essential gap in processing level. There is a world of difference between exchanging tractors for oil and tractors for transistors - provided the terms of exchange are reasonable.

Third, there is another way of tying the world together than through trade: through global interdependence brought about by global institutions. After all, countries are tied together, for good or for bad, more through common institutions that command a certain amount of compliance - whether based on shared norms, on shared interest or fear - than on trade between districts. Such

global institutions are today emerging: the UN Specialized Agencies in addition to the UN herself; in the future there will definitely be a trend towards globalization (the world level parallel to nationalization) of trans national corporations; some kind of International Seabed Regime may be around the corner,<sup>17</sup> etc.<sup>18</sup> It should be pointed out, however, that such institutions may also constitute a threat to self-reliance and produce client states just as welfare states have a tendency to produce client human beings.<sup>19</sup>

5. Conclusion. These were the three "systems" - "what will the future be", as the song goes? In general our prediction will be that we shall go through some kind of transition from OEO to NEO and from there to self-reliance - in some cases straight from OEO to self-reliance, particularly when the true nature of NEO becomes more clear. These changes will hardly take place without violence - but the transition from the old to the new economic order need not be accompanied by violence. If the multinationals are given the time they need to regroup, to operate out of new quarters, to change investment patterns, to train officials in new languages (not necessarily needed) so as to administer a new international division of labor,<sup>20</sup> there may be no source of major violence. The Lomé convention is in and by its/<sup>elf</sup> testimony to how far old dominant countries are willing to go, meaning how high a price they are willing to pay if they still can remain Center countries in a division of labor, and can influence the Periphery through sub-Centers that may themselves be powerful, as long as they remain "co-operative". It may be that the rich countries will receive more semimanufactures than raw materials, but given the cheap labor this may even be advantageous.

The moment self-reliance is on the horizon this picture changes, for basic to self-reliance is that none or only a very limited role is given to the Center countries at all. By and large they will no longer receive raw materials, raw labor or raw capital for all that is needed in the Periphery for its own self-reliant development, and there will be less

demand for Center expertise and manufactures as long as the purpose of production is to satisfy fundamental needs in a way the marginalized masses can make use of -- and that is definitely not what the Center knows how to do.<sup>21</sup> Consequently the Center might react, and one way of reacting is by supporting the New International Economic Order with the hope that this might be sufficient and timely enough to stem a tide that might ultimately abolish the whole classical Center-Periphery system. Another way is the military way, particularly through local military coups - still another is through economic manipulation before the countries can marshal sufficient strength to go in for self-reliance. There are many ways of keeping Western predominance, and the elites in those countries know most of them very well - and have training from recent practice.

And nevertheless these are the types of paths the world probably will follow in the years to come. The best, and the rational, answer and response in today's developed countries, the Center, would be to do the same: to go in for self-reliance too, at the collective, national, local and individual levels - meddling as little as possible into the affairs of that vast Periphery Western capitalism and empire building have created, relying on own creativity and own production factors in general.<sup>22</sup> That is the real challenge to the statesmen of the developed countries of today: to have the courage to see that the key to the development of the poor world is located in the rich world and in the total system much more than in the poor world - and that in approaching this problem more rationally than has so far been done there is also a chance to come to grips with the problem affecting the rich countries: the problem of overdevelopment.<sup>23</sup>



Today it is probably not fully realized how different SR is from the other two, and how similar the old and new international economic orders are to each other. The latter is seen particularly clearly by studying the five major demands into which much of the NEO may be said to have crystallized: <sup>24</sup>

- (1) An Integrated Commodities Program (ICP) for the 18 major commodities (meaning essentially raw materials) that are said to account for 80% of the revenue of the Third World.
- (2) A Common Fund to finance the buffer stocks of the 18 commodities in the ICP, estimated at about \$ 6 billion.
- (3) Debt Relief - essentially a question of allocating much of the debts (estimated at a total of \$ 150 billion incurred by the Third World) to such alternatives as cancellation and debt moratorium.
- (4) Access to markets of the rich countries for manufactured products of the Third World. This is partly a question of extending the Generalized System of Preferences (under which some products of that kind can enter the industrialized countries on a special, non-reciprocal tariff for a period of 10 years) to more products and for a longer period, and partly a question of eliminating some of the non-tariff barriers (quality minima, quantum maxima, sanitary conditions, etc.)
- (5) Increase in Aid - from the present 0.33% of GNP, as an average for the industrialized countries, to UN target of 0.7%.

As stated above the NEO is trade-oriented and as such essentially terms-of-trade - oriented. All five points can be seen in that perspective: the net flow between poor and rich countries shall become more favorable to the poor countries by stabilizing and improving the revenue from commodities (points (1) and (2) ); by decreasing the outflow in servicing debts (point (3) ); by getting the value-added by processing at home in the Third World, then exporting to the rich countries (point (4) ); and by increasing the in-flow of aid (point (5) ).

In a sense there is a problem of public relations here: the protagonists of the NEO have not, so far one may add, been able to convince the world sufficiently that the basic idea of the NEO

is not only to change North-South relations (as the five points above are clearly examples of). There is much less public emphasis on such aspects as gaining control over all economic factors nationally, of increased cooperation among Third world countries and of priorities to the basic needs of those most in need. Of these three points the first two figure very prominently both in the NEO Declaration and in the Charter. The last point, as mentioned is more hidden away, and less specific.

What is the reason for this? One among many reasons may be that the NEO comes out of the same basic paradigm where economic thinking is concerned as the OEO, according to which the fundamental task in international economic deals is to accumulate wealth; that the countries accumulate wealth, that is. If the GNP is accepted as a measure of the extent to which the countries have, in effect, accumulated wealth, then it would be tempting to go in for those policies that increase the GNP. If in addition these policies can also decrease the GNP of today's rich countries, or at least slow down their GNP growth, then there is even a chance that the famous gap will be bridged. In a sense it would not be strange if this were even a relatively good explanation, for the power of GNP as an indicator, and thereby as a way of communicating goals, has been considerable.

But this has a number of consequences, some of which should be spelt out.

First, if GNP is essentially a measure of value-added (market value, that is) by bringing capital, labor and research to bear on nature, then in general terms: the more processed, and the more marketed the better. A population living very well off the fruits of nature (eg. the proverbial bread fruits), with no processing and no marketing, would not register any economic growth regardless of how much (or how little) their basic needs are satisfied. In the GNP as a concept both the Western ideas <sup>25</sup> of "Man over Nature" (to make gains from trade, which - of course - are better the more favorable the terms of trade for oneself) are embedded. One can do this by specializing in high levels of processing (incidentally, also in processing human beings through education, thereby making it possible for them to render increasingly complex "services", increasingly removed from "nature" meaning what human beings do to each other anyhow); one can also do it specializing in trading - obviously, the best would be to do both, which

is what the industrialized countries of today, by and large, have done. Consequently, the goal becomes that of increasing the percentage of world manufacturing capacity, the participation in world trade, and - more particularly - the participation in the world trading with manufactures. And all five items above can be seen as aiming in that direction, directly or indirectly.

Second, at the same time they can be seen as measures aiming at reducing the GNP/capita growth in the rich countries, by making them less able to speculate in terms of trade favorable to them, and in less of a monopoly position relative to the Third world when it comes to manufactures, not only in and for the Third world countries, but also for themselves. In addition to the "aid minus debt services" the flow should be turned in favor of the Third world by increasing the former and decreasing the latter, thereby having wealth flow downhill, with a redistributive effect.

Third, and that is the main point in this connection: of the goal of national policy is GNP growth, then the goal of international policy could be GNP equalization, or "bridging the gap" - consistent with the two foregoing points, which in turn are consistent with the five demands articulated within the NEO. It is against this goal, so clearly consistent with NEO since they are both offsprings of the same basic paradigm of national economics, that the following arguments are directed: to bridge the GNP gap is in general impossible, and to bridge the GNP gap is in general undesirable. We shall now look into these arguments.

To bridge the GNP gap is in general impossible. For one thing, the rich countries of today think in the same ways, and when they resist the five demands, it is because they know that this will reduce the GNP gap - although the arguments at either side may not be expressed in such terms. But the point is rather that the lead of today's rich countries is based on a capacity for independent<sup>t</sup> research in certain directions, and not easily recreated in today's poor countries. New ways of processing and marketing would be highly research intensive. In addition, and this is perhaps an even more important point: there has to be somewhere to market the products, regardless of level of processing. The gradients of world trade, set up by the Western world, have favored the Western world. They can be made less steep, possibly even eliminated.

But for the Third world to bridge the GNP gap, considerable as it is, this would hardly be sufficient. The gradient has to be turned the other way; there has to be an automatic flow of wealth from today's rich to today's poor - which means that it has to be built into the world trade structure. Or, if this does not work out - as indicated above it probably will not - there is the alternative method of creating a gradient of exploitation in another direction, by the Third world exploiting the Fourth world, the Fourth world the Fifth world, and so on. Whether the Fourth world is identified as the "least developed countries" or as "the poor in the Third world" does not matter much for the conclusion is the same: They do not have much to offer in terms of resources, and even to the extent they do - whom shall they exploit? Where is the Fifth world - - -? !

To this it may be objected that the country on top of the 1976 GNP/capita list is Kuwait - followed by Switzerland, Sweden, Canada, the United States, Norway, Denmark, Western Germany, Belgium and France.<sup>26</sup> But this case is rather atypical, not so much because the GNP is based on oil, in a period of steeply increasing commodity prices, as because the "capita" is rather small, and - more importantly, consists of those people living around the oil quells. Many GNP/capita rich countries can be created in the Third world simply by drawing a circle around that <sup>27</sup> point in the economic cycle into which there are a net flow of wealth.

To bridge the GNP gap is in general undesirable. One reason for this stems from what has just been said: if today's poor countries are to be rich by making others dependent on them more or less the same way this has been done during the history of capitalist imperialism, then this is undesirable. The objection to this would be that it may still be highly desirable from the point of view of the countries that benefit from it, the proof being that the rich Western countries are gradually forced out of those positions of dominance; they do not retreat from them simply because one day they feel they are wrong positions to be in (although this may also be one factor).<sup>28</sup> The question, then, is one of tracing the impact of the process that leads to GNP/capita growth in other fields of social and human life, and this leads to the (today) open, and expanding library of the ills of the rich, industrialized societies. This is not the place to repeat all or

any of those arguments, based on more or less substantiated research on causal connections, of which the present author would but much of the causal burden on the social structure <sup>29</sup> vertical, fragmenting, marginalizing, segmenting, that is used to accommodate Western techniques socially, but also has a number of undesirable consequences - not only the consequence of being compatible with high levels of economic growth.

To this it may be objected that the Third world knows about these shortcomings and for that reason is in a better position to counteract them. Although this certainly is not born out by the examples of the countries that so far have undergone this type of change, with quick economic growth for an extended period - with the possible exception of Japan <sup>30</sup> - the counter-argument would be that the forces put into motion by the structures engendered by Western type techniques seem so strong that most local cultural and social pattern easily crumble, simply because they are incompatible. It is possible that these patterns could be compatible with sustained economic growth, but in that case other techniques, engendering other social (and cultural) patterns would have to be introduced, and at present it does not look as if there is much initiative in that direction in the Third world - with the exception of China. <sup>31</sup> Hence, in the meantime it is expected that GNP/capita growth will be accompanied by alienation, mental illness, somatic illnesses due to pollution, pollution and continued depletion of nature, increased criminality, and internationally domination of other countries for economic reasons, including the use of force for that purpose.

Self-reliance would differ from all of this, simply by rejecting the modelling effect the "bridging the gap" dogma has, setting out to chart, for each society, its own course - not even necessarily referring to it as "development". <sup>32</sup> The way it is seen here the idea of self-reliance is only meaningful if it is linked to the idea of meeting basic needs, material and non-material. Of course, there is also the narrow concept of self-reliance as "collective self-reliance", essentially meaning collective bargaining based on Third world unity. There is the more advanced concept of self-reliance as regional, national or local "mainly-doing-it-ourselves", which can also be used to harbor an ideology compatible with continued misery at the bottom and exploitation of the masses

by ("self-reliant") elites. But the concept of self-reliance does not, or should not end with the word "local": it should, as is stated in the Arusha declaration, essentially benefit and be based on the individual culminating in, and deriving from individual self-reliance. This linkage with the basic needs approach does not follow logically, or empirically, it has to be forged politically. But the argument would be that the individuals most in need stand a better chance under a politic consistently informed by the ideas of self-reliance than under the trade-based, bridging the GNP/capita gap policies discussed above.

For this to be the case, however, the goal-setting has to be in other terms than the Gross National Product. One such alternative set of goals would be in terms of level of satisfaction of basic needs, measured at the bottom of society.<sup>33</sup> A policy that gives control over land to those who fill it and are least fed is likely to ensure that priority will be given to foodstuffs that can be consumed on the spot - meaning that neither processing, nor marketing will be pronounced, at the same time as at least one basic need, for food, will be met. An organization of the countryside into federations of villages, allocating the factors of production so that food, clothing and shelter are guaranteed while at the same time creating sufficient surplus to set aside for such services as medical treatment and schooling, and for small-scale industries to produce labor-saving devices for the production of what is needed to meet basic needs might not be possible everywhere, but it could carry the population a far distance towards a more decent life. Given this it constitutes a goal, but in that goal should be included what the policies imply for such non-material need-categories as identity and freedom. Economic well-being is not enough as a goal-setting; although it helps if it is measured in what might be called "basic needs unit" (BNUs).<sup>34</sup> The gross national product makes no discrimination at all between "good" and "bad" products and services; the basic needs perspective would only rate a country high to the extent that its productive machinery is used to meet basic needs, obviously measured at the bottom,<sup>35</sup> as any country can display well-fed elites.

This is not the place to spell out what the concrete indicators<sup>36</sup> might look like, but countries would obviously fare more or less well on such indicators, as on any other. Thus, there may be a gap, and the question is whether it is both possible and desirable

to bridge it. Off hand the answer seems to be affirmative to both: to catch up with a group of countries higher when it comes to meeting basic human needs for those who are most in need seems like a goal worthy of being pursued. But there are problems also in this connection, especially if "catching up" is taken very literally.

Thus, the leading group will easily be used as a model, and this may have the same implications as for GNP/capita: an imitation also of the more dubious practices used to attain the goal, and a tendency to import methods rather than letting them grow out of own traditions and practices. Moreover, why should the leading group serve as a norm? For the case of GNP/capita there is a good argument for this: it means exactly, or - in other words - some form of social justice, a fair distribution of the world wealth. But in the case of basic needs, and the whole thinking underlying it, equality would not be the only normative concept that would enter the calculations and the policies. To meet the basic needs, or the "inner limits" in UNEP parlance, is something more absolute - and if the leading group is below this minimum it is not sufficient for others to catch up - it has to be passed. Similarly, the leading group may be so high that if others should catch up, this would transgress the "outer limits" set by nature - which means that the problem would be one of "catching down", of meeting somewhere in the middle. Obviously this should/could be done by cutting down on the consumption above as stipulated maximum by the elite top of societies, rich and poor - not by curtailing the gains made by the poor in the rich countries. The same reasoning actually also applies to GNP/capita equalization.

In general, however, this kind of "bridging the basic need gap" seems both possible and desirable, at least more so than the "bridging the GNP/capita gap" - and particularly if non-material needs are taken into consideration. It is possible because the gap in the basic needs situation for the bottom, say, 25% of society may be less awesome than the GNP/capita gap. It is desirable, because the effort to raise the level of those at the bottom would turn the allocation of productive capacities in another direction. However, the question may be asked, is it important? Is it not much more important that these needs are met all over the world on a sustained basis, which means with no lasting, irreparable prejudice to nature, than that some type of mathematical equality based on more or less arbitrary cutting points both where what constitutes minimum and

maxima, and segments of society one would focus on, are concerned?

And then there is the whole force of the concept of self-reliance with and without a basic needs approach. Self-reliance is built on self-respect, on a certain amount of self-sufficiency, and on fearlessness - it is not based on imitation/submissiveness, dependency on import from other countries, and fear of these countries. All these are tied to non-material needs that can be formulated in many ways - suffice it only to say that it is not enough that basic needs are met, the way they are met is also important - for the Third world and its sub-regions (and for any other region in the world), for the individual countries, for the local community. This also enters the indicator field because it enters the goal-setting: not only meeting basic needs, but also being autonomous, eg., in the three senses mentioned above. For an OEO - and probably also for an NEO-oriented country, using GNP/capita as a brief formula capturing many of the goals set for the national economy increasing trade will be a goal worth struggling for; for an SR-oriented country this may also be the case, but only if autonomy is not endangered, in other words, only if the exchange is not essentially between a center and a periphery, and across a processing gap. Concretely, the indicator (not easily measured!) would be to what extent the country could withdraw from the world system and retain its capacity to meet basic needs, even on a sustained basis. And not only the country, one might add - but even the local community further down, and the region higher up.

Thus, whereas NEO is compatible with imitation, and probably presupposes it, thereby preserving a Western-dominated structure, SR presupposes a more autonomous goal-setting that could/should be built around a nucleus of basic needs satisfaction. Potentially this means not only an alternative development for the Third world - with the People's Republic of China as one example of what this may imply in terms of creating a pole in the world contrasting with the Western poles.<sup>37</sup> It also means many developmental patterns in the Third world, not only one - given the tremendous span in culture and social structure. Thus, it is hard to believe that the highly individualistic Hindu culture could easily adapt itself to the collectivism that seems to be a basic underlying assumption for the People's Commune; a factor even Gandhi may have underestimated. But the answer to that kind of problem would not necessarily



be to accept Western type individually oriented liberal capitalism but, for instance, to equip the People's Communes with much more diversity and much more individual freedom than the Chinese have done. This, however, in the spirit of self-reliance, is for the Indians to decide - and for the rest of us - possibly - to learn from - for mutual enrichment.

N O T E S

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1. There could, of course, be different centers - as in the Netherlands - where there is a certain economic-political-cultural division of labor between Rotterdam-Den Haag-Amsterdam. However, such multi-centered ways of organizing a country (and the pattern can also be seen in Germany - Frankfurt-Bonn-München(?) - and in Italy - Milano-Roma-many places and Switzerland - Zürich-Bern-Genève(?) ) are probably either unstable or simply irrelevant; the level of coordination is so high that the whole country, for all practical purposes, has become one city - la città-territorio. What is likely, however, is a certain division of labor between people given the complexity of these tasks in the center, in modern societies - and their reintegration by webs of kinship, friendship, graduation from the same centers of tertiary education, etc. See Johan Galtung, "A Structural Theory of Imperialism", Essays in Peace Research, Vol. IV, Ejlers, Copenhagen (forthcoming). The basic point, anyhow, is the center-periphery gradient along which there is a pattern of uneven development which can be utilized, usually, then, to more benefit to center than to periphery.

2. See the author's The European Community: A Superpower in the Making, Allen & Unwin, London, 1973 and "The Lomé Convention and Neo-Capitalism", Papers, Chair in Conflict and Peace Research, University of Oslo, No.20.

3. This is very intuitive, indeed. But if one looks at the systems in the world dominated by the US, the EC countries and by Japan respectively, and reckon that they are dominating economically Latin America and Africa (for the US and the EC respectively) and Asia (for all three); moreover, that something like two thirds are well off in the center countries and one tenth in the periphery countries, then it comes out something like that - a 15% - 25% rule-of-thumb. Of course, our standards of what constitutes "well off" and "good" will differ and change over time - but it is remarkable how unable these systems, even over long time periods, have been in producing a more equal standard of living. Of course, to discuss these problems at all the unit of discourse is the economic system, meaning the set of countries and peoples linked to each other economically so tightly that the economy of one depends to a large extent on the economy of the other - not the single country, which today is more likely than not to be but a node on a number of major economic cycles.

4. Thus, my own observation was that in Algeria south of the Atlas mountains the ability to produce the desert-adaptive nan type of bread has decreased in favor of European type bread, mass produced, that does not stand up well in the dry heat of the desert.

5. Thus, the gradient remains, only both center and periphery move, the former probably more quickly, thereby increasing the distance, keeping the sign of the position difference. There are several ways of measuring this, difference in average degree of processing, difference in buying power, etc. - see Johan Galtung, Dag Poleszynski, Anders Wirak Indicators for Development (forthcoming, 1978). Thus, the so-called "new" divisions of labor are usually not very new, as pointed out by Frobel, Heinrichs and Kreye in "Tendency Towards a New International Division of Labour", Economic and Political Weekly, February 1976.

6. To stick to the take-off metaphor: this analytical fallacy, the result of discussing international economic using countries as the unit of analysis, is like ascribing the take-off properties of a plane to the pilot, or - to be more generous - to the plane alone; neglecting any reference to the infrastructure - the people in the factories producing the plane, the airport, the crews on the ground, etc. Yet, this type of fallacy persists and is probably very important in forming conventional wisdom. It should be noted that if perfectly similar planes are compared under similar conditions - in other words ceteris paribus - then the take-off may be ascribed to the pilot; but this is a very poor approach to the study of international relations where it is hard to identify similarity even one variable. What is not so hard, however, is to make a long list of variables affecting economic performance, of which one cluster deals with position in the international economic hierarchy.

7. Unfortunately, no general index has been developed for a general theory of exchange. A basic point, however, is that the center gets more of its products than the periphery, even when these products are quite similar - as when they are exchanging money - saving money vs. investment money.

8. Obviously, the oil example is in itself a proof that this is not an iron law. On the other hand, the very fact that the law held for some period served to focus attention on the phenomenon, raise the political consciousness and stimulate action.

9. In other words, the theory of prices would be based on what happens to the producers as a result of the prices rather than on the costs of production. In a two-party, two-commodities economy the terms of exchange could be set so that the level of living in either party would become the same; also counting the internal consequences in the two parties. Thus, if the other party is lagging behind, the terms of exchange would be adjusted so that they would get more of what they demand for each unit they produce - meaning that the leading party would get less. Rather than an economy of the survival of the fittest this would be an economy of compassion where those who are ahead would be willing to see their terms of exchange deteriorate in the name of more equality. An equitable exchange relation, then, would be the terms of exchange that produces equality. For a compassion of this type to dominate a high sense of solidarity, eg. of belonging to the same collectivity, might be one condition. Another condition could be the intervention by a third party, eg. the state - either

directly or indirectly in the form of subventions. For direct compassion to work some form of closeness is sometimes needed, which would be one argument in favor of redirection of economic relations in directions where compassion might be more operative. The idea that compassion should emerge from classical trade relations, essentially based on getting as favorable terms of exchange (to oneself) as possible, seems off-hand less plausible.

10. The Green Revolution is probably a good point here, as an example. For a good analysis of documentation of how it has not helped the masses in the countries where it has been tried, see Frances M. Lappe and Joseph Collins, Food First: Beyond the Myth of Scarcity, H. Mifflin, New York, 1977. The only difference entailed by NEO principles would be more Third world ownership of the factors of production so that more profits, probably/possibly, would accrue to Third world countries, meaning those - private or public elites - who control the factors of production and decide to what extent there will be any internal distribution downwards.

11. On the one hand the answer is obvious: they will do what other rich capitalist countries, dependent on raw materials and markets abroad, have done. The question is whether, or to what extent, they will line up with the old capitalist countries or form a middle layer in some kind of three-tier arrangement that has been emerging for some time.

12. The Charter, adopted by the UNGA on 12 December 1974, is very similar to the NIEO Declaration and Program of Action, but less specific, hence less useable as an approach to defining the content of the NIEO. It suffers from the same deficiency, openly stated in its title, of being a charter of States. There are some scattered references to people:

- Preamble (a): - - higher standards of living for all peoples;
- Article 7: Each State has the primary responsibility to promote the economic, social and cultural development of its people - - - and to ensure the full participation of its people in the benefits of development.
- Article 14: Every State has the duty to co-operate in promoting a steady increasing expansion and liberalization of world trade and an improvement in the welfare and living standards of all peoples, in particular those of developing countries.

Vagueness characterizes the presentation of how to raise the living standard of peoples; it is almost as if the framers of the Charter either believes that to come as an automatic consequence of a changing structure of the world trade or are not really interested in the topic, drafting a State-oriented, not a people-oriented charter.

13. Of course, the reason for this is that they both come out of the same mainstream of thinking about how to restructure the world economy.

14. This is the most important confusion about self-reliance: it is confused with autarchy, self-sufficiency, with building a wall around the country. The truly self-reliant will never fear to interact with others. But self-reliance should also imply capacity for self-sufficiency in essentials so as to be able to survive a crisis- and this is

where foodstuffs enter. For details, see Galtung, O'Brien, Preiswerk, Self-reliance, George, Lausanne, 1977.

15. This is a basic theme in Johan Galtung and Fumiko Nishimura, Learning from the Chinese People, Oslo, 1975 (in Scandinavian languages and German): to organize work in such a way that everybody gets something challenging to do, thereby stimulating creativity. Has this changed after the death of Mao Tse-tung? There seems at present to be no way of knowing, as the principle of "walking on (at least) two legs" combining (improved) traditional technology with (adapted) Western technology is an old one, and certainly not discontinued. It should be noted that this principle presents people with a triple challenge: that of being innovative in either field and in ways of combining them.

16. In retrospect, when still some years have passed, my guess would be that it is marxism as such rather than some marxists or others that will be seen as crucial here, simply because of its very limited theory as to the effects of technology, focussing far too one-sidedly on structures of ownership, too little on the social relations embedded in the technology and capable of transforming a social order or steering it away from the wishful thinking of ideologists who do not take the power of technology sufficiently seriously. For one treatment of the topic, see Johan Galtung, Development, Environment and Technology, UNCTAD, Geneva, 1977.

17. For some details, see Johan Galtung, The True Worlds: A Transnational Perspective, New York, 1977 - chapter 7.3.

18. The United Nations Conference on the Law of the Sea still not concluded three years after its start in Caracas summer 1974.

19. The Welfare states distribute goods and services, but not the challenge in providing for these goods and services - those challenges are concentrated at the top. The same would be the case with a welfare world, only there would be client states rather than client human beings - in a chain of clientelism.

20. For one analysis of the "new" international division of labor, see the article referred to in footnote 5 above, by Frobel et al. Also, see the analysis by Dieter Senghaas, "Der Weltwirtschaftsordnung neue Kleider", Wirtschaftsdienst, Vol. 55, No. 5, May 1975, pp. 229-235.

21. For one example of what may happen, see Johan Galtung, "Development from Above and the Blue Revolution: The Indo-Norwegian Project in Kerala", Essays in Peace Research, Vol. V, ch.12, Ejlers, Copenhagen, 1978. A short version has appeared in CERES, 1975.

22. In a sense the United States, the Soviet Union and the European Community are such examples of regional self-reliance - with the exception of the EC where energy is concerned. The internal trade is high, the external trade (relative to the total size of the economy) low.

23. For one analysis of overdevelopment, see Dag Poleszynski, "The Concept of Overdevelopment: Theorie, Causality and Indicators", Papers, Chair in Conflict and Peace Research, University of Oslo, No. 53.

24. This presentation makes use of the excellent summary by Sylvain Minault in International Affairs Report, American Friends Service Committee, Philadelphia, January 1977.

25. For one presentation of a set of ideas held to constitute a Western cosmology, see Johan Galtung, Tore Heiestad and Erik Rudeng, On the Last 2500 Years in Western History; And Some Remarks on the Coming 500", The New Cambridge Modern History, ch. 13, Vol. 13. For a short presentation, see Johan Galtung, Development, Environment and Technology, UNCTAD, Geneva, 1977, ch. 1.

26. La Suisse, 7. July 1977

27. Singapore may be a case in point here.

28. The role of moral conviction should not be underestimated: there is a difference between an exploiter who sees what he does as perfectly natural, and one who sees himself as an exploiter.

29. For one attempt at analysis, see Galtung, Development, Environment and Technology, ch. 3.

30. Many important indicators of negative development, such as criminality, do not behave in Japan the way they do in Western countries - possibly due to the protective shield spun around Japanese individuals in the famous pattern of vertical collectivism.

31. And even in China there was/is not that much inventiveness where the techniques themselves are concerned. A factory looks pretty much the same; it is mainly the social organization built around it and into it that differs.

32. It may very well be that this word should gradually be phased out of the vocabulary, and seen as an expression of the Western Idea of Progress syndrome. Self-reliance could take its place, or Autonomy, or Liberation - or else the concept of "development" has to be given a new and fresh content - contaminated as it is from the conceptual proximity to "economic growth".

33. For one (preliminary) formulation of indicators in such terms, see Johan Galtung, "Towards New Indicators of Development", Futures, June 1976, pp. 261-65.

34. These would be units like "what is needed to keep an infant alive one year", "what is needed to give schooling to a child one year" etc.

35. This can be done by computing the average for the bottom 10, 20, 25, 33, 40 or 50% - or by finding how many are above a minimum floor level.

36. A preliminary investigation of this is being completed at the Chair in Conflict and Peace Research and will soon be available as a book manuscript with the title Indicators for Development: Towards a Theory of World Indicators, by Johan Galtung, Dag Poleszynski and Anders Wirak. More important is the big project to be launched by the United Nations University under the title "Goals, Processes and Indicators of Development".

37. It is also interesting to note the tremendous power that emanated from a self-reliant China. If China now is to embark on a less self-reliant course, then she may run the risk of being judged as a shoddy copy of the West, not as a new opening in the field of development - and be ranked lower than before in prestige and as a source of inspiration.