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## The New International Order: Economics and Communication

Johan Galtung

The basic thesis of this chapter is that it may not be so fruitful to explore the direct relations between economics and communication. There is no doubt that they exist. At the trivial level, economic surplus can be invested in a communication infrastructure, and a properly used communication infrastructure can be used to build an economic cycle (involving nature, production, and consumption nodes), to increase the volume that passes through it, to increase the speed with which it passes through the cycle, depleting the nature through extraction and polluting it with industrial waste from production and consumer waste from the consumption node, and to expand and deepen the cycle further when enough surplus has been generated. Communication reduces uncertainties and makes one see opportunities that otherwise might get lost. On the other hand, communication may also make one sensitive to risks and dangers that might prevent one from taking action. In general, however, there is hardly any doubt that economics and communication go hand in hand.

But precisely because they go hand in hand, one might ask for the nature of the body carrying these hands. Is there an underlying factor that directs both economics and communication, making it look like one is causing the other, while it might be more fruitful to see them as two different manifestations of the same underlying phenomenon? If this is accepted as a working hypothesis, what, then is the nature of that phenomenon? And given its nature, how is it likely to affect the future shape of the relation between economics and communication?

## THE NEW INTERNATIONAL ECONOMIC ORDER

It is, of course, in NIEO that we find some of the basis for looking more closely at these phenomena - a process of historical importance. It is the basic project of the Third World - the majority of humankind, the majority of the UN, but with a considerable deficit relative to its objective power base when it comes to control over the world economic and communication orders. NIEO as a project is, of course, closely linked to a related project, NIIO, the New International Information Order, as spelled out in the basic document, the MacBride report, Many Voices, One World. The underlying idea is quite simple. There is actually no challenge of the old international economic/communication orders at all except for one rather important point: the Third World (TW) wants to have (much) more of a say in running these orders. Thus, under NIEO, the world economy is still a capitalist world economy; under NIIO the world communication or information system is probably still to be dominated by news from elite people in elite countries, actor-oriented, basically negative, focusing on events rather than structures and processes. There may be rhetoric to the contrary in both cases, but what has been seen so far emanating from TW centers looks very similar to what we are used to. The change is hardly in what flows in the economic and communication cycles.

But it does not seem to be in the structure of the cycles either, at least not in the longer run. The Third World, the First World, and in a more limited sense also the Second (socialist) World, have always seemed so overwhelmingly powerful that it is hard to imagine a world run from the Third World, meaning neither with the Third World in the periphery, marginalized, fragmented, with only sectorial participation, penetrated, exploited, nor with the Third World as a partner in equitable, symmetric interaction with the other two. The Third World has also probably underestimated its own power and the vulnerability of the First World. A new order with the First World in the periphery is absolutely conceivable today, if not exactly around the corner.

To answer the question What is NIEO all about?, a third approach is needed, and it is very simple: it is neither the content nor the form of the structure or cycle; it is the location of the structure that is at stake. World capitalism is not in a crisis; the position of the West within that system is. The structure is sliding off the surface of this our earth; the center is moving; maybe it is splitting, dividing; maybe not. In any case, the center of gravity of the system is moving. It is painful for those who lose control, delightful for those who gain it after having fought for it; later on, the delight in the pain may become as obvious as the pain in the delight.

To see this more clearly, NIEO should be seen as a process, not as something static, and certainly not merely as something involving a demand for better terms of trade. More precisely, there seem to be five phases easily discernable today in the process.

1. better terms of trade for TW (leading to decreased North-South trade)
2. more TW control over productive assets (nature, capital, labor, technology)
3. more TW interaction--South-South trade (TCDC, ECDC)
4. more TW counter-penetration (investment in "rich" countries, etc.)
5. more TW control over world economic institutions, including TNCs

Thus, in the first conservative phase, the only thing at stake is the terms of trade between the commodities produced by the Third World as a result of the colonial period and the processed goods by the First World (there is no basic challenge of that "division of labor") conventionally legitimized by the principle of "comparative advantages" (the terms are in quotes because they are so obviously nothing but mystifying euphemisms for exploitive cycles). In the second phase, the Third World tries to do something about this by gaining control over the productive assets, and this is a political rather than (neo) classical economic question. It may boil down to nationalization, and the legitimizing preparation already exists in the 1974 UN General Assembly CERDS resolution (Charter of Economic Rights and Duties of States).

In the third phase, then, this is translated into increased South-South trade and interaction in general. In the old order, there were almost no links of that kind; with this move, the structure changes. In this stage, actually, the structure may start looking more symmetric because there is now trade in all kinds of directions in the world geography. But the reality is different. The First World still penetrates the Third World much more than vice versa.

And this is where the fourth and fifth phases enter the picture. Armed with the capital gained from the first phase and the control gained from the much more political second phase (which is still to come), the Third World can start establishing itself in center roles. The first steps would be through counterpenetration of various kinds, such as investment and buying of stock and real estate. And then would come the more basic steps: control of the control positions - for example, by conquering the World Bank, IMF, and related institutions, and by conquering an increasing number of transnational corporations. The latter should not be so difficult: what was once considered the supreme instrument for TW con-

trol by the First World because of the ease with which intra-corporate communication could take place, for the mobility of factors of production, goods, and services, can now also be seen as a tool turned against the power-wielders. Precisely because of the intimate correlation between communication and economics, and the speed of both, the TNCs may prove to become the media through which assets are most effectively transferred from North to South (actually, when this process really gets started, the governments in the North will probably intervene, trying to stop the flows, but by that time it will definitely be too late).

In short, the New International Economic Order is old, but it certainly changes the world, for countries and people alike, by changing the locations of centers and peripheries rather than the notions of centers and peripheries. And the process is quick: in a sense, it started with Japan after Meiji revolution, or it started with the post-1945 fights against colonialism and neocolonialism, or with UNCTADI in Geneva in 1964; at any rate, much before the Sixth and Seventh Special Assemblies of the United Nations General Assembly in 1974 and 1975, and by the magic year 2000, much of this projet will probably have been completed. The present author is among those who believe that it will lead to a capitalist world with the center in the Japan-China-Southeast Asia triangle - meaning that the expression "Third World" in everything said above is actually a misnomer. It certainly applies to some Third World countries more than to others, and opens for a recolonization of most of the Third World, but this time from the world's Southeast rather than its Northwest.

#### THE NEW INTERNATIONAL INFORMATION ORDER

The thesis is now simply this: something very similar is going to happen to the world information/communication order. Political actors, be they at the state, group, or individual levels, are motivated by a projet, consciously or unconsciously - usually the latter. NIEO seems to be one implementation of that projet, quite successful so long as it is seen merely as an international order (and it never pretended to be anything else; it never pretended to be concerned with basic needs of those most in need, for instance). NIEO then becomes more than a model, it becomes a confirmation of the projet, an empirical projection of something deeper. Concretely, it also opens for possibilities to implement the communication aspects of the projet because the economic resources are present. But the thesis here is that this is not simply done because of economic expediency, but for a deeper reason: there is a program to be implemented, and it will be imple-

mented in all kinds of fields (the New International Language order (Chinese and Hindi), Diplomatic order, Airline order, and so on and so forth).

If this is correct, it is easy to predict what will happen in the field of NII/CO:

- Better news rations for the Third World - meaning more news about the Third World in the First World, less about the First World in the Third
- TW control over communication assets - meaning control over which events' newsmen from the First World are permitted to extract from the Third World and process into news, and control over local media
- More news about other TW countries in all TW media, less about the First World
- More TW control in the First World of what events should be processed into news, and control over local media (buying up papers and television and radio stations)
- More TW control over world communication institutions, including UN agencies in the field, if established, and the international wire agencies

Again, this is a process which is already fully underway. Anyone reading Third World press in, say, 1950, 1960, 1970, and 1980 will appreciate the tremendous increase in attention given to other Third World countries, although usually within the same region and/or within the same (more or less) former colonial empire. Just as significantly, this is accompanied by a decline in news about the First World, except for the extreme in drama and in a negative nature. A Briton, say, believing that in India or Malaysia the press will give a sufficient account of what happens in the former "mother" country, will be disappointed: the Indian press writes almost exclusively about India; the Malaysian press about itself, ASEAN, and Islam countries.

At the same time, there is the effort to control the First World image of the Third World through selective access to information, that is, to the events eventually presented as news. Not that this is exactly unknown in the First and Second worlds, but under colonialism, First World media people were used to unlimited access as they themselves controlled the access - except, of course, for the access to the secrets and atrocities of colonial rule itself. The access was differential to the "natives" - and the habitants. In all probability, a transition period of learning to treat Third World countries more on their own terms is indispensable here, the classical example being the way the conferences of the nonaligned movement have been treated (Bandoeng, 1955; Beograd, 1961; Cairo, 1964; Lusaka, 1970; Georgetown, 1973; Colombo, 1976; Havana, 1979). The West is now paying for the way in which major events in the world transformation were attempted, reduced to some kind of teenage or nouveau riches festival.

Along this line of reasoning, it is to be expected that Third World interests will buy themselves into First World media to be sure of controlling the control over the images. So far it has mainly taken the form of advertising - for example, the famous announcements from North Korea about the latest pronouncements from their leader. Here it is interesting to note that the countries rapidly gaining the economic control in the Southeast world seem least interested in putting across political messages, whereas those who are interested perhaps are less important in the world economy.

But this process will go further. There is no reason why the "international" wire agencies should be less susceptible to the sliding along the new power gradients than other transnational corporations. In the first phase, the Third World agencies will start competing - as they now do in the economic field - Prensalatina, Inter-Press Service, etc. But in the next phase, takeovers might be contemplated, at evident points where again Western governments will intervene to control and protect the control over the agencies - AP, UPI, Agence France Presse, Reuters, Tass, and others. Just as for the economy, this might lead to a breakdown in the "world" aspect of the cycles, as the West probably will prefer a breakdown to control by others. There is also the possibility that Third World papers will emerge as world papers, like the International Herald Tribune today (which already is also printed in Hong Kong).

#### ECONOMICS AND COMMUNICATION: THE INTERFACE AND THE REACTION

As mentioned in the introduction, not if, but when, all of this happens, there is no doubt that the efficiency in conventional economic growth in terms of a tight correlation between economic and communication cycles will become evident. Just as the Third World learned from the textbooks in capitalist economics something about the market mechanisms and practiced it by rising the price of oil, knowing that the demand was, practically speaking, inelastic within a wide range, they also learned the intimate relation between economics and communication, and not only for such trivialities as information about business opportunities, but for image control, self-presentation, and transfer of ideology in the broad sense. The question is what the reaction in other parts of the world, such as in the West, will be when they are forced to take their own medicine, but as patients, not as physicians.

In a sense, this may be a reason why the fight over the New International Information Order in UNESCO has been more bitter than the fight over the NIEO in the UN and even in

UNCTADI. Perhaps it is because NIIO goes one step deeper, at least potentially, touching the very identity of the countries of the world - not only the way they want to look to others, but to themselves. If Third World country X starts writing with the same distance and lack of understanding about developed country Y as Y used to write about X - describing it as a Boeing 707 not ready for takeoff (in the Rostow sense) because this and that is wrong or missing, because the crew is without training, and in addition corrupt, when X perhaps did not conceive of itself as a Boeing 707 at all - this is in itself not so bad. But if X starts having power over the mass media in Y and reports this image of Y back into Y, then it starts hurting. And all of that is probably going to happen, for the simple reason that the two orders are steered by the same logic.

It can be compared to the standard theory of the relation between discrimination (a pattern of behavior) and prejudice (a pattern of attitudes). According to one way of thinking, discrimination is enacted prejudice, and that makes some sense. But it can also be put the other way: there is a structure of discrimination - for instance, of black people or black countries; the corresponding prejudice serves as a theory of justification. Correspondingly, when the countries in the former First World become objects rather than subjects of investment, when they become an external sector in the economies of these countries (but particularly the countries of the Southeast), what kind of images will then be produced and reproduced? When, for instance, the Japanese can run factories in the United States using less expensive, yet productive U.S. labor and using the advantage of being close to the market, what kind of images will the Japanese tend to develop of the United States and the North Americans? As spoiled people not capable of managing their resources rationally? Will they send technical assistance missions to develop the North Americans, or be content with receiving them or with study tours when they try to understand the tricks that make the Japanese tick? Whatever the answer, control over own mass media is a condition for harmony between objective position in the economic structure and the subjective imagery. It will hardly last long until such imagery develops. For a foretaste, some of the notions Brazilians have of the Portuguese and Spanish-Americans have of the Spaniards may be indicative: neither dirty nor lazy, but hopelessly behind, uncomfortable with modern machinery, not quite knowing which buttons to push, dressed in quaint clothes, speaking the language of the grandparents. It is far from easy to escape from this; the raw material is already there in the form of jokes. But the next step, to let it color news stories and background material and elevate it to the status of social theory, requires control, that is, power - the New International Information and Communication Order.

Could it be that the new center(s) created through the NIEO process will treat the old centers better than they used to treat the world? The answer is that we do not know. There is a certain Western arrogance that might be unique for the First World. On the other hand, there may also be reasons to believe that this will come with the changes in the objective basis, neither as a cause nor as a consequence, but simply together with it. When one discovers one's own strength, the idea may occur that the other side is weak and that there are reasons for the weakness. We shall see, and even relatively soon, how these factors are related.

### ECONOMICS AND COMMUNICATION: TWO DIFFERENT PARADIGMS

Let us now change the focus and explore another meaning of the word "communication." In what we have said so far, the similarities between economics and communication have been the basis on which the argument has been built. They have been seen as two institutions concerned with the processing of raw materials, of natural resources in the first case, of images in the second, so as to make them fit each other and fit the new world structure in the process of formation.

But communication can also be seen in another way, and so can economics, although with more difficulty. Communication can be something different from two parties processing events into news and images and then trying to push these images on each other using the power of a communication structure; at times it becomes a dialogue. Characteristic of a dialogue is the possibility of change. Both parties enter some kind of tacit pact: "I make myself open to what you say on the condition that you do the same for me and we both try to rethink the problem together, from the beginning, with a view to arriving at something different from what we would have arrived at independently." Thus, dialogue actually goes beyond debate. In debates, there may be winners or losers (or a "draw"). Dialogues may be successful or unsuccessful, and the criterion of success is not only the growth of the participants individually, but their growth together in the effort to constitute something new. This part is relatively unproblematic; everybody has experienced the miracle of synergy, of how two or more parties come together to discuss something, and suddenly out of that process of communication comes something sui generis, something nobody had thought of in advance, because the process creates something new in all the parties.

The problem is that this is not so easy in economic life. There is, of course, the concept of the positive or better,

increasing-sum game: both parties win relative to what they were before; there is not just one winner and one loser, as when economic competition comes to its more brutal conclusion and one of them is forced into bankruptcy. There is the idea of the expanding cake where both can win, maybe one more than the other, because their joint participation in the economic system, even as competitors, makes that system expand.

There is no denial that it may work like this for some time. But the problem lies with that little clause above, "maybe one more than the other." When one party gets an edge over the other, the system often works so as to increase that "edge" until the point that oligopoly/monopoly is approached, and from that point on, the system can be dominated by one party setting the prices and defining the terms of participation. It is like the logic of a war, only just the opposite: the argument that "there is no winner; both parties lose" is insufficient as an argument against war: parties go to war also because they think they will win in the sense of losing less than the other party. As long as there is a competitive spirit including the idea of gaining (or at least not losing totally) at somebody else's expense, and as long as the structure (business) and even the rationalization referred to as the "theory" of economic activity or strategic activity (war) point in that direction, the relation will tend to be vertical, with winners and losers. Of course, this applies not only to the fields of business and war, but also, for instance, to schooling: to get ahead, better than others, even seeing their falling behind as one way of making for more room at the top, is another species of the same genus. For more, many more examples, see the Guinness Book of Records.

Again, there are areas of social life where this social logic presumably does not hold. One of them is called love; another, friendship. The idea of building each other up, of not exploiting the weakness of others, but trying to remedy them in order to make the other one as strong as possible, is basic in such relations. Critics of the present period of history point to how the logic of business - or even of war, for that matter - penetrate into institutions such as marriage, family, and clubs or associations, presumably built around love and friendship. More constructive people with a utopian or romantic bent will try to explore the possibility that the social logic of love and friendship might penetrate into institutions such as business and even war. In that case, business would more be a question of cooperative work and war would, needless to say, be excluded, as its basic purpose is to destroy the other party.

The realist and social scientist trying more dispassionately to analyze all of this would, of course, say that the two extremes, the fully competitive and the fully cooperative,

tain only under very special circumstances and that normally there will be an element of cooperation in the competition just as there will be an element of competition in that cooperation. Which element prevails certainly varies over time. But the point in this connection is the possibility of another type of communication somehow pushing the economics part of the total equation in another direction.

Many would say that this is already happening. There is considerable difference between the diktat of colonialism and the seemingly endless series of North-South "dialogues" currently taking place, just as there is considerable difference between the highly exploitative relation the North had to the South before and what is now emerging. But the problem is already clearly seen: the new rhetoric is a sign that at the verbal level, something new has emerged. There has hardly ever been so much talk about harmony of interest, cooperation, interdependence, and partnership, and in certain economic relations, this is also to some extent put into practice - for example, by paying for oil what the market can take, something more like what it is worth to the consumer. The logic of the system being the same, however, the impact of this is limited among other relations because of the flexibilities of the economic system known as capitalism. It is a system capable of instituting a cooperative relationship where before there was none - for example, in the form of a joint venture which may join together the managerial levels on either side; but at the same time, the pressure on the workers may increase and so may the pressure on third countries.

Given this propensity of the system, the present author is led to the conclusion that it is much easier and more productive to push forward toward a meaningful global interdependence on the communication side than on the economic side. With the former, it is not too impossible to proceed from manipulation via a winner/loser debate to a dialogue; with the latter, it seems almost impossible to arrive at an exchange relation that is not exploitative one way or the other. This is not an absolute argument against any form of exchange, but it is an argument in favor of more self-reliance economically so as to let the exchange part of the economy become a smaller portion than it is today.

## CONCLUSION

The purpose of this paper has been to show some of the complexity, at the macro level, of the relationship between economics and communication within the new international order. From a First World point of view, what happens is not necessarily that the two relate to each other in a new way,

but that whereas before they both worked for us, now they are not working against us, and vice versa for the elite levels in the Third World.

And the conclusion is simply this: whereas the old international economic order was based on much economic exchange and not much dialogue, one relatively viable new international order might be based on much dialogue and not so much economic exchange. But most likely "development" is that it will be based on much rhetoric that sounds like dialogue and on the old international order located at new places.