

ANTI-BRANDT: A CRITIQUE OF NORTHWESTERN PRESCRIPTIONS FOR WORLD ORDER

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The Brandt Report¹ is an important document. Conceptualised as a warning (against an imminent collapse of the world system, if drastic measures are not taken immediately), a diagnosis (of the contemporary problems of international economic relations) and a (long- and short-term) strategy for righting the global order, the Report holds out the goal of a 'new international economic order' based not only on the 'solidarity' and 'humanitarianism' typical of previous Northern 'solutions' to the North-South 'problem', but also upon 'mutual interests', 'comprehensive approaches' and the 'building of a new order'. It aspires to be nothing less than a 'Programme for Survival'. These are very large claims which, if true and if realised, would amount to a permanent and revolutionary reshaping of political and economic relations between states and groups of states on a world scale.

I

An Independent Commission on International Development which has as its mandate the reconciliation of antagonistic interests between North and South within the framework of the existing world system and whose central *raison d'être* is to produce consensus and legitimacy for that system evidently must be constituted in such a way as to seem broadly representative of groups and interests from North and South while at the same time excluding persons who would advocate fundamental or anti-system changes.

This the Brandt Commission accomplished, *inter alia*, by a resort to some techniques first used by the Pearson commission² just over a decade earlier. Each commission was headed by a well-known and generally respected public figure who had apparently made the transition from politician to statesman. Each had as members a heterogeneous grouping of notables, dignitaries and prominent persons from both North and South, thus suggesting an image of representativeness, impartiality, openness and, perhaps, omniscience. In fact the Brandt Commission, with its 10:10 parity membership from North and South, was able to achieve a greater 'representativeness' than Pearson's five Westerners and two Southerners.³ The impression of disinterest and objectivity was further enhanced, in both cases, by a formidable group of contributing 'consultants' (Pearson)

and 'eminent persons' (Brandt), by large staffs of 'experts' and by an impressive list of international venues at which 'hearings' took place.

But unlike the Pearson Commission, which was financed by, and responsible to, the World Bank, the Brandt Commission can claim an ostensibly greater degree of autonomy and *neutrality*.⁴ The Report stresses that Commission members served 'in a private capacity, not under governmental instructions' (BR, 293), while funds were contributed by a variety of donors: the Dutch Government (who paid about half the total expenditures), several other governments (Scandinavia, U.K., India, Japan, South Korea, Saudi Arabia) and other sources which included regional funds, research centres and the like (BR, 304).

Of course the bringing together of eminent personalities from both North and South to deliberate in a setting of independence and good will was intended to enhance the acceptability of the Report. In particular the mass media expressed surprise and satisfaction that this diverse grouping could achieve agreement on such a broad range of issues—as though, by extension, the Commission's recommendations ought to be espoused by all right-thinking people and governments of the *world*.⁵

Yet a more careful examination of the Commission's membership reveals that not 'North' and 'South' were represented in it, but specific classes *within* North and South respectively, whose mutual interests led to a 'natural' consensus on the organisation of world order.

The Northern representatives all came from Western Europe or North America. Four of the five Northern politicians—Willy Brandt, Olaf Palme, Edgar Pisani, Jan Pronk—were social democrats while a fifth, Edward Heath, came from the more pragmatic, moderate wing of the Conservative Party in Britain. The other Northern commissioners were also selected from liberal-social democratic circles: Katherine Graham, publisher of the *Washington Post*; Joe Morris, a Canadian trade unionist and ILO official; Goran Ohlin, an economist from the OECD Development Centre; Peter Peterson, a businessman and U.S. Secretary of Commerce under Nixon; Haraki Mori, former Japanese ambassador to the U.K.; and—the only representative from Eastern Europe—Dragoslav Avramović, a World Bank executive.

The Southern commissioners for their part were entirely representative of the 'official' Third World: persons from the political and administrative classes who make up the Southern elite and who, like their Northern colleagues, could hardly be expected to advocate revolutionary changes in the world economic order. Apart from Layachi Yaker, former Algerian ambassador to the USSR and Amir H. Jamal, who was Minister of Finance and Economic Planning in Tanzania, all were citizens of countries whose development strategy is capitalist. The group included a number of prominent politicians, including former Chilean President Eduardo Frei, former Indonesian Vice-President Adam Malik, and Shridath Ramphal of

Guyana, ex-Minister of Foreign Affairs and ex-Secretary of the Commonwealth.

Many Northern commentators—so far very few Southern judgements of the Brandt Report have appeared—infer from this composition and the Report itself a pronounced bias in favour of Southern interests. The Northern half of the Commission is seen as somehow out of touch with Northern 'realities', and determined at all costs to advance the cause of the South.⁶ Dudley Seers, for example, points out that the five Northern members were not representative of 'mainstream' thinking in their own parties and indeed '... are out of office precisely because of a rightward shift in each of their countries'.⁷ And A.G. Frank remarks that these same politicians while in office had actively worked against the very policies which they now, as members of the Commission, unanimously recommended.⁸ A large and very influential group of Northerners have taken up the theme that these 'Third Worldists' and 'well-meaning liberals' have abandoned Northwestern interests and ceded unconditionally to the South all its demands and claims on the industrial countries.⁹ This in my view is a literal and narrow interpretation of the function of the Brandt Report. It overlooks the mutuality of interests between certain groups in North and South who, as the composition of the Commission reveals, are concerned with fine-tuning and adapting the existing world capitalist system, marshalling greater popular acceptance of that system and therefore forestalling conflict or demands for fundamental change. This *raison d'être* of the Brandt Report helps to explain the omission of one crucial group from representation in the unfolding 'North-South dialogue': the communist countries. (There are two further and still more grave omissions—the 'masses' of the South and their radical spokesmen on the one hand and the ruling Western political classes on the other—which will also be explained in due course.)

The inclusion of the Soviet Union and the Eastern European state-socialist countries, as well as China and other Third World communist states, would have been unthinkable in a commission of this kind. For those countries view North-South relations in fundamentally different ways than do the Northwestern states. The Soviet Union, for example, is bound to reject the North-South dichotomy which, when framed in this way, makes it (the USSR) part of the problem rather than an alternative solution to it.¹⁰ Soviet foreign policymakers deny responsibility for the present international order, which the North-South dialogue would impute to them by virtue of 'purely economic' criteria such as level of industrialisation, literacy or per capita income (thus lumping the developed communist states together with developed capitalist states; entirely analogous to the 'collective guilt' theories of war crimes which ascribe guilt to 'all the people' rather than to the classes and individuals who actually perpetrated the crimes). The Soviets stress instead an alternative

dichotomy: exploitative versus non-exploitative international relations. For the same reason they reject 'aid' payments as an admission of historical guilt (reparations?) and argue that Soviet aid dispensed to less developed, capitalist-dependent countries, would only be used to pay debts owing to the advanced capitalist nations, hence indirectly furthering the system of global capitalist exploitation, enabling Third World elites to defer necessary basic socio-economic changes, and allying the Soviet Union with the West against the South.¹¹

Besides, the industrialised communist countries generally base their long-term North-South policy on a perceived 'natural' antagonism between West and South. Rather than attempting to deal with an amorphous South, therefore, the industrialised communist states concentrate their support behind revolutionary regimes and movements, and other countries and groups attempting to dislodge themselves from the world capitalist order—the same order that Western proposals such as the Brandt Report attempt to vindicate. On one level, this 'natural' antagonism between West and South can be seen in historical terms:

The North-South dialogue on global economic relations is rarely couched in explicitly anti-Western terms; nevertheless, its development has contributed greatly to the Third World's animosity toward the West. While the Third World's grievances against the developed nations may, in theory, apply equally to both advanced capitalist and advanced socialist countries, most of the Third World's economic linkages are in fact with the West. Thus, the real antagonisms generated by international economic issues have tended to be between the nonaligned nations and the developed *capitalist* ones.¹²

And it may be considered in the context of East-West power relations. Since the desire to safeguard its territory underlies Soviet foreign policy, especially since World War II,

this search for security has one specific feature which is of extreme importance, namely that it is best served when traditional structures in the countries concerned are revolutionised. This is why Soviet help is readily extended to revolutionary movements in the Third World: revolutionary strivings there and the Soviet search for security are roughly congruent. On the other hand, such movements and strivings are opposed by the United States and other Western powers. This is the fundamental source of tension and conflict in the world today: it is somewhere here that 'Sarajevo' is located.¹³

Either way, the Soviet Union and other communist states cannot, from the standpoint of Western interests, be included in the 'North-South dialogue' so long as the West is not prepared to modify the framework within which it comprehends the international economic system and the East is unwilling to accept the basic tenets of that framework. The non-representation of communist countries on the Brandt Commission is

indicative of this state of affairs.

II

Its call for a 'new international economic order' invests the Brandt Report with an aura of dynamism and innovativeness. This, however, is misleading. The Brandt economic proposals are neither progressive nor novel; they are derived entirely from the conglomeration of economic reform proposals which during the past decade have emerged from various UN bodies such as UNCTAD, the General Assembly, or from the Group of 77 Nonaligned Nations (G-77), and which collectively have come to be called the New International Economic Order (NIEO in 'UNese'). Setting aside for a moment a number of details and nuances (in order later to examine them more intensively), the NIEO prescriptions may be summarised¹⁴ as:

- stabilisation of commodity markets, especially the establishment of floor prices for raw materials;
- higher, or at least stable, prices for commodities *vis-à-vis* manufactured goods;
- dismantling of Northern protectionist policies toward Southern low-technology manufactures;
- increased technology transfer North to South;
- larger aid flows with fewer strings attached;
- changes in flows of capital investments as part of a comprehensive programme of resource transfers; and
- institutional-structural modifications to accommodate the above changes and to increase Southern participation in the world economic system.

It is evident that these NIEO proposals do not represent demands for revolutionary change in the global economic order. On the contrary—and this will also be demonstrated presently—they are entirely **system-immanent** and do not pose a challenge to existing power relationships. But they do reflect a growing collective awareness, a discernible tendency toward reliance on the power of concerted action (expressed in such slogans as 'collective self-reliance' or 'solidarity rather than charity') in international bargaining, and hence a more assertive self-image on the part of the South—prompted, surely, by the manifest bankruptcy of 1960's Western-style development strategies predicated on 'modernisation' and 'stages of growth' models, as well as the fruitlessness of the UN's first and second 'Development Decades'. The NIEO is a conscious attempt by Southern countries to appropriate a larger share of the world's income and wealth, and to enhance their political say in the institutions which regulate these values.

But that is all it is. The South, with its some 120 countries embedded in differing degrees in the capitalist world system and containing a great diversity of economic systems, political regimes and ideologies, and socio-

cultural values, scarcely constitutes a consensual bloc. For it, the significance of the NIEO is not the content of its demands, but the fact that these diverse countries collectively perceive a common interest as against the North, and have managed to articulate that interest within a (system-immanent) minimal programme.

It is precisely this solidarity-producing tendency of the NIEO, rather than its substance, which Northern capitalist countries oppose. North-western strategy has traditionally sought to emphasise the separateness of Southern states and to avoid having to negotiate with them collectively. For this reason Southern countries important strategically or economically (say, in the Middle East, South Africa or Central America) have enjoyed special individual attention and assistance, or have been wholly or partially co-opted into the Western-dominated world capitalist system (Brazil, Saudi Arabia, Mexico or—with disastrous results—Iran). Of the American variant of this anti-bloc strategy, Roger Hansen writes:

In almost all venues over the past several years, the United States has seldom missed an opportunity not only to point out that Southern 'unity' is artificial and bound to fragment eventually, but also to argue that such fragmentation would serve the national interest of all countries, North and South. The manifest assumption buttressing this argument—often explicitly stated—is that 'bloc' bargaining produces zero-sum strategies and negotiating deadlocks. The latent assumption, however, at least in most cases, clearly is that a break-up of G-77 would narrow bargaining to 'concrete issues' within present global rules and norms—economic, political or other—thus ending Southern bloc attacks on the international institutional structures themselves (e.g., those for decision making on trade, monetary issues, and resource transfers).

The line of criticism just described, which reproaches the Brandt Report with acceding to Southern demands for institutional reforms, reflects a persistence in viewing North-South relations in terms of bilateral arrangements, one-to-one negotiations and perpetuation of direct dependency relationships. Foreign policies of Northern nations based on these premises, however, must eventually heighten conflicts between North and South, raise Southern consciousness correspondingly, and contribute substantially to precisely what these policies are intended to forestall: Southern solidarity.

These trends became obvious in the mid- and late 1970's. The capitalist North, itself beset by economic crises, consistently rejected pivotal aspects of the NIEO, such as any system of 'indexing' price ratios between commodities and manufactures, behaviour codes regulating technology transfer and the operation of multinational concerns, and the right to form producers' cartels. Since, as already suggested, the NIEO was a strategy for integrating the South into the capitalist world order, its realisation depended entirely on the agreement of the metropolitan powers. Northern recalcitrance thus pushed Southern countries increasingly toward

collective action. Groups of producers advocating 'commodity power' attempted to replicate the OPEC successes which had demonstrated that the 'unequal exchange' ratios between North and South could be at least partially reversed by collective action. The fact that such endeavours seldom achieved tangible returns (with the significant exception of bauxite) is less important than that trying to instigate them produced a certain spirit of solidarity among Southern commodity exporters which often crossed political-ideological lines. With stalemate in all areas of the NIEO dialogue, from the inconclusive 1975 Conference on International Economic Cooperation in Paris between 'mainstream' Southern countries and advanced capitalist Northern countries, to the relatively innocuous UNCTAD efforts to formulate an acceptable Integrated Programme for Commodities which failed to bring about a North-South agreement even on this single issue, the radicalisation of the South was crystallising into a genuine threat to Northern interests.

Meanwhile an important minority within the South, which does aspire to systemic change, was able to gain more adherents for its thesis that a fundamental antagonism exists between North and South, and that this antagonism is rooted in a world economic system which perpetuates economic inequalities between the industrialised countries of the North and the less developed countries of the South. This grouping has consistently pressed for a thorough-going redistribution of the world's wealth. For instance, the autumn 1974 'Coyoyoc Declaration', the outcome of a conference of Third World intellectuals and politicians, rejected the market mechanism as an instrument designed by and for the rich nations, argued that non-distributive growth benefitted only the elite groups in developing countries, and advocated fundamental changes in international and domestic economies.¹⁶ At the same time, the group of communist and communist-allied Southern countries made up a permanent 'lobby' within world organisations, especially the G-77, constantly promoting anti-capitalist structural changes in the world order. If the 5th Summit of Nonaligned Countries in Colombo had merely blamed the policies of the developed countries for the failure of negotiations toward the NIEO, the 6th Summit in Havana in 1979 defined the problem as a *structural* one, a result of the position of the developed market countries within the world capitalist system.¹⁷ This position approximated the Cuban 'natural alliance' thesis—also advanced at the 6th Summit—that an objective or structural identity existed between the interests of the developing countries and those of the industrialised communist states. Put another way: the interests of the West and the Third World are structurally antagonistic; hence nonalignment coupled with Southern solidarity is essentially anti-imperialism. Such tendencies toward socialism and Southern solidarity, however flawed by pre-existing differences of historical development and socio-economic system, were of course contrary to the interests of the

capitalist North.

It is the special cunning of the Brandt Commission to have perceived this growing polarisation between North and South and, by granting ostensible concessions to the South in the form of the NIEO proposals and by surrounding these with impressive but empty (because non-realizable) ideological language such as a 'new international economic order' and 'global solidarity', to have anticipated and held back the looming confrontation between North and South.¹⁸ The Report is supposed to have revived the North-South dialogue by proposing compromises on some issues and by finding new, or at least resuscitating dormant, bases for further negotiations. In doing this it must take account of the Southern minimal programme while avoiding challenging the present world economic order in any fundamental way. By its very existence it denies the presence of basic conflict and sets a framework within which future conciliation and dialogue can take place; and that framework is a de-radicalised and defused NIEO.

By anticipating and channelling potentially radical demands from the South within the prevailing world order, the Brandt Report addresses the interests of those classes in North and South who are the beneficiaries of that order. Southern elites' interests are well served (and this is implicit in the preceding discussion of the NIEO) by higher commodity prices, increased flows of aid and greater transfers of funds into their countries, provided that these windfalls do not require domestic redistribution. Although the Brandt Report does allude to a possible programme of 'social and economic reforms at the national level' (BR, 127) and suggests a need for some kind of distributive mechanism to accompany further development ('equal shares of poverty do not necessarily imply a progression to equal shares of wealth'; BR, 129), these proposals are relativised and made palatable by references to overall growth and development which avoid the problem of ownership and control altogether and leave open the possibility of redistribution coming about by way of 'trickle-down' effects. Indeed, the Report almost apologises for having to raise questions about the development goals of Southern governments, adding that it does so 'without in any way wishing to suggest that changes in domestic policy must be a prior condition for reforms in the global system' (BR, 126). Naturally. The question of domestic reforms would lead to the prior question of *cui bono* in both North and South:

By not raising the question whether southern governments are really bent on welfare, a question that UN agencies have to suppress but a genuinely 'independent' commission would not, the Report diverts attention from one of the ways in which the governments of the North really are responsible for poverty in other countries, a way apparently considered unmentionable, namely helping install and keep in power the very governments which are hostile or indifferent to its alleviation. Indeed, the resource transfers which the Report advocates are precisely the principal instrument for doing this.¹⁹

But the interests of the ruling political class in the West are also accounted for by an NIEO which would stimulate world trade, increase demand for manufactures and technology and enhance the South's collective purchasing power, in addition to reducing the conflict potential between North and South. Northern opposition to the NIEO, on closer examination, relates to domestic constraints within the advanced capitalist countries. Eliminating tariffs and quotas on Southern raw materials and manufactured goods would jeopardise certain labour-intensive domestic industries; monetarist policies to combat problems of inflation are antipathetic toward global Keynesian reforms; greater outflows of aid would arouse internal opposition; and so on. Again, the timeliness of the Brandt Report is apparent. At least in theory—for the Brandt Commissioners had no political power; FDR did—the Report's prescriptions, based on a global application of Keynesianism (which will be demonstrated below), are analogous to the economic programme of the New Deal. Just as big business once attacked and attempted to undermine the public spending plans of FDR, plans which in the long run benefitted business vastly more than any other sector of the US economy, so today the conservative advanced capitalist countries, guided by monetarist and anti-inflationary fiscal policies, reject as unrealistic or inflationary the Brandt proposals which ultimately stand to benefit them more than any other group of states. Sets of measures such as those envisioned by the New Deal, Keynesianism and the Brandt Report contribute in substantial ways to the flexibility and dynamism of capitalism, even if they initially arouse the opposition of the more conservative sectors of the leading capitalist classes.

III

As essentially a 'moderate' version of the NIEO, the Brandt Report may be considered less a 'programme'—defined as a coherent strategy for fundamental change—'for survival' than a platform—a set of slogans vindicating existing power relations—for the survival of the capitalist world order.♦♦ An adequate political programme of change addressed to an international public would as a minimum have to do four things: (1) analyse the historical evolution of the world order including the nature of the relationship between North and South, (2) examine comprehensively the totality of global relations in the present including class relations, economic domination and subordination, and interdependencies, (3) define goals and objectives toward which proposed changes are oriented, and (4) specify the strategy and tactics by means of which the transformation is to be effected; this less theoretical part of the programme can obviously be no better, no more effective, than the historical analysis and normative goals upon which it is based.

The Brandt Report, however, as a platform for creating consensus

within the world capitalist system, can dispense with any diachronic analysis. Indeed—and like the NIEO itself and the Pearson Report before it—it is compelled by its *raison d'être* to exclude historical dimensions from its platform. For simply to describe and discuss any social phenomenon without considering how it got that way or how it could be changed, is a well known method of mystifying it: what exists appears as given and immutable, if the question of alternatives is not posed. Thus a 'Third World problem' such as 'overpopulation', if described in Malthusian terms of aggregate statistics and geometric growth, appears to be the result of 'frenzied copulations' by 'rabbit-like' primitives,²¹ rather than of the faulty superimposition of Western technology by colonialism and neo-colonialism on precapitalist societies. Or food scarcity, defined in terms of numbers of hungry people, seems to result from 'indigenes' inability to adapt to changing conditions, rather than from an externally imposed system of food-exports, land conversion and the alienation of farmers from their land, especially the 'commercialisation of the rural sector, which had the effect of destroying the economic, social and demographic equilibrium of the precapitalist, traditional societies'.²²

A critical examination of the diachronic dimension of North-South relations would have enabled the Commission to raise questions about the historical responsibility of capitalism and elites produced by the capitalist system for current problems of the Third World. This however, is precisely what the Brandt Report's functional ahistoricism seeks to avoid, when it asserts that 'focussing on questions of historical guilt will not provide answers to the crucial problem of self-responsibility on which alone mutual respect can build' (BR, 19). The Report thus implicitly—by default—suggests that growth and modernisation within the parameters of the present world order are the key to an improved North-South relationship. Premises such as these preclude, and are intended to preclude, more recent theories and approaches which have already eclipsed Eurocentric modernisation models and which do 'focus on questions of historical guilt'.²³

The *world system perspective*, in the words of its leading advocate, 'is based on the assumption, explicitly or implicitly, that the modern world comprises a single capitalist world-economy, which has emerged historically since the sixteenth century and which still exists today'.²⁴ From this it follows that the parts—states—of the world system are interlinked and interdependent, so that changes in one part precipitate changes in others in a permanent dialectic. These parts may occupy different positions in the international division of labour, may have greater or lesser degrees of autonomy and may exhibit different structural characteristics. But nevertheless, 'to understand the internal class contradictions and political struggles of a particular state, we must first situate it in the world-economy'.²⁵

Dependency theories of the international system are closely related to

world-system approaches. Indeed, the distinction between them can only be a conceptual one. They argue for a dynamic interpretation of the 'development of underdevelopment' within a supra-national context. The structure of the world economy is, and at least since early mercantilism has been structured in favour of the metropolises whose development can only proceed at the expense of the peripheries. In other words, development and underdevelopment are two sides of the same phenomenon rather than polar opposites. Colonialism, for example, organised the economy of the peripheries to serve the needs of the metropolises—enclaves, plantations, mono-crop or -mineral producing areas, disarticulation of local economies, destruction of indigenous commerce and industry—in order to further the development of the industrialising capitalist countries. In this view, Southern countries structurally remain marginalised objects of the international division of labour and the world market economy.

Theories of dependency and world-system suggest, but do not necessarily make explicit, the crucial relationship between the dominant Northwestern elites and dependent Southern elites. This has been left to *Marxist and radical class analyses*. A leading advocate of this current is James Petras who discusses indigenous elites as collaborator classes. . .

whose function is to organize the state and economy in accordance with the core definitions of the international division of labor. The creation of an international political economic order based on the inequalities of nations is rooted in the existence of an expanding center of capitalism and a set of classes within the periphery whose own expansion and position is enhanced in the process. The insertion of particular social formations within the world capitalist market and division of labor is largely the product of classes which combine a double role—exploitation within the society and exchange outside the society. This dual process leads to the expansion of production relations and antagonistic class relations within peripheral society, growing exchange relations, and competition with the core.²⁶

What these three theories—world-system, dependency and neo-Marxism—have in common, therefore, is precisely that which the Brandt Report necessarily seeks to avoid: a critical historical dimension which specifies structures, processes and social classes and their 'responsibility' for North-South problems. Lacking this dimension, the Brandt Report can simply posit that certain countries become rich by exercising some undefined 'economic power' while others stay poor because they do not acquire it, and from this conclude that the desired reforms can be effected by 'change in the use of economic power in the world' so as to modify 'the numerous ways in which economic and even military strength confers on countries, organisations and corporations in the North the ability to manage the world economy to a considerable degree in its own favour' (BR, 64 f). Similarly, the Report, arguing for limited redistribution of wealth, seems to believe that a voluntary act by wealthy countries and classes is the

optimal means of achieving this, since 'those who benefit most from the present distribution of wealth and economic power, whether in the North or South, commonly fail to give the highest priority to their shared responsibility for improving the lot of the poorest in the world' (BR, 127). And within Southern nations the Report hopes for the evolution of a 'genuine commitment. . . to a more equitable sharing of the benefits of development' (BR, 128).

A more critical political programme, on the other hand, might have emphasised the structural parameters of the world capitalist system and the class relations, international division of labour and permanent subordination of the South which it engenders. National-international interactions over time, such as outlined by Ekkehart Krippendorff, would be a central part of this analysis:

The international system enters into history together with the modern state, and this modern state is a product of the capitalist mode of production. . . The modern state is *ipso facto* a class state, an instrument of discipline and repression in the service of and/or in the interest of capitalism and the capitalistically operating bourgeoisie. The international system therefore, by virtue of its origin, is not only a state system but also a class system. Its conflicts are qualitatively different from the limited foreign-policy, dynastic, territorial or religious conflicts of the precapitalist and premercantile epoch—they are state-mediated international class conflicts.

Thus coercive relationships are inherent in a world system of institutionalised inequality—Johan Galtung's 'structural violence' theory²⁸—in which access to or control of society's resources is reinforced by the states' institutions of compulsion. At the international-system level those institutions include international law, the international organisations within the UN orbit, systems of pacts and alliances, diplomacy and above all the political economy of the world market with its supporting institutions such as the World Bank, IMF, GATT, and the modified Bretton Woods currency system—all of which the Brandt Report would strengthen and expand.

If, as argued above, the structure of the world capitalist economy is the major impediment to greater global equality, then the reason for the Brandt Report's failure to specify those classes in the South who are structural beneficiaries of that economy, is evident. They are, of course, the classes who champion the NIEO and whose part the Brandt Commission has taken. For these are classes whose continued pre-eminence hinges upon the same structural dependency which causes their countries' underdevelopment in the first place. The quotation from Petras suggests this. In this context, the popularised notion of 'North versus South' or the 'rich-poor gap', which the Brandt Report like all its predecessors takes up,²⁹ e.g. in its chapter on 'The North-South Divide', is downright

misleading when expressed in this way. 'The real gap', as Dieter Senghaas writes, 'is between the metropolises and the dominant classes of the periphery on the one side and the impoverished population of the periphery on the other.'³⁰

Against the argument that the subordinate classes in the centre are also objects of the international capitalist order and therefore potential allies of the poor people of the periphery, Galtung advances the Leninist conception of a centre which has integrated its own dominated classes *inter alia* by economic progress and liberal democracy, so that:

Instead of seeing democracy as a consequence or a condition for economic development within certain nations, it can (also) be seen as the condition for exercising effective control over the Periphery nations. Precisely because the Centre is more egalitarian and democratic than the Periphery, there will be more people in the Centre who feel they have a stake in the present state of affairs, since the fruits of imperialist structures are more equally shared on the top than on the bottom. And this will make it even less likely that the periphery in the Centre will really join with the periphery in the Periphery against the two centres. Rather, like Dutch workers they will oppose the independence of Indonesia and like US workers they will tend to become *hardhats* over the Indo-China issue.³¹

This structural interpretation of centre-periphery relationships also illuminates an important aspect of world politics, namely that the centre of the world system—Great Britain in the nineteenth century, the USA and Western Europe today—is the sole part of that system which possesses relative autonomy, relative freedom and domestic political structures most proximate to the ideals of liberal democracy. Conversely, the further removed the other states are from these centres of the world system, the more rigid and repressive are their political institutions apt to be. Hence,

. . . for the Latin American fascist dictatorships, the capitalist structure of the international system is a condition of their possibilities, indeed a necessity, in as much as it imposes dualist economies on them with socially and politically marginalised masses and bourgeoisies who, as both objective and subjective members of the international capitalist class, are able to secure their privileges against the lower classes only (or predominantly) with fascist *methods*.³²

And even where relatively 'progressive' national bourgeoisies have evolved at the periphery, the same writer points out, they are continuously forced to resort to some form of 'etatist *dirigisme*'.³³

IV

These considerations indicate what the Brandt Report is not. As a system-immanent platform for legitimising and preserving the international division of labour it avoids precisely the issues of the beneficiaries of the international economic order, the structures of dependency and the kinds

of fundamental reform which would be necessary to overcome these problems. Instead it resorts to typically vague appeals to solidarity and good will, to technocratic solutions, and to prescriptions for more rapid growth and greater productivity. (To be sure, it does occasionally polemicise against such 'soft' targets as arms salesmen and Apartheid; but in the spirit of the dictum that 'it is possible even to excoriate sin as long as [one doesn't] offend powerful sinners'.³⁴) This is of course an effective demagogic tactic in as much as it lends the Report an image of critical commitment without necessitating specific measures against the system in which such 'sinners' function.)

The Brandt Report's underlying appeal is humanitarianism. Its motives are 'human solidarity and a commitment to international social justice' for 'there must be an end to deprivation and suffering' (BR, 64). The same 'great moral imperatives' which motivated reform in national societies, it asserts, must now be realised internationally (BR, 77). These principles do not differ substantially from those contained in practically all the extant literature on North and South, rich and poor, and if formulated solely in these terms, would surely have limited the Report's popular appeal.

But here again the commissioners insert a bold, if not original, plank into their platform: the concept of 'mutual interests' between North and South as a motive for working toward the new international economic order. This imperative, 'rooted in the hard-headed self interest of all countries and people' (BR, 77), is developed in every major section of the Report and is intended to stimulate North-South cooperation particularly in those areas in which stagnation has set in due to past failures or recalcitrance. Thus if these mutual interests are recognised—and given solidarity and good will on both sides—then both emotional and practical reasons will guide the powerful as well as the powerless in the direction of joint economic activity and reform.

This principle of mutual interests is set out on a number of levels. On a purely *abstract* level, it is undeniable that both North and South have mutual interests in economic growth, prosperity and peace. Here it is sufficient merely to declare the desirability of such common-denominator goals; the specific means of accomplishing them cannot be laid down in any case. But on the other hand, it is by no means certain, as the Report assumes, that morality and mutual interests are necessarily complementary. In reality they may also be contradictory, as in the hypothetical case of a Northern country's 'mutual interests' in supporting a friendly Southern dictatorship versus its 'moral imperative' to come to the aid of the hungry or oppressed people of that country.

On a *technocratic* level, however, the concept becomes still more problematic. In many ways, as the Report suggests, all people of the world are interested in cleansing the environment, establishing an effective Law of the Sea, conserving energy sources, achieving nuclear nonproliferation,

increasing food production or minimising social disruptions. These, and other issues the Brandt Report treats in purely technical terms, so that its solutions do not point beyond the institutional and power-political structures within which the problems occur. While this approach occasionally appears feasible for some carefully delimited problems, it also, in too many cases, prevents an adequate comprehension of the problem and hence elicits only partial solutions. The point can be concretised with reference to the Report's proposals concerning population and armaments.

Although the Brandt Commissioners rightly observe that economic growth is correlated with a declining birth rate and infer that more, and more even, development is a precondition for reducing 'overpopulation' (BR, 106 and ff.), their technocratic predisposition prevents them from conceiving the problem as originating in the maldistribution of resources within a basically inequitable international economic system. Yet there is considerable evidence that overpopulation is not the problem, but a symptom of the structural problems produced by international capitalism. When theories of overpopulation—Malthus, Ricardo, *et. al.*—are propagated within an elite-dominated society, as David Harvey argues, then such theories will justify the oppression of the non-elites, for

. . . if we accept a theory of overpopulation and resource scarcity but insist upon keeping the capitalist mode of production intact, then the inevitable results are policies directed toward class or ethnic repression at home and policies of imperialism and neo-imperialism abroad.

He adds that:

If a poverty class is necessary to the processes of capitalist accumulation or a subsistence wage essential to economic equilibrium, then what better way to explain it away than to appeal to a universal and supposedly 'natural' law of population?¹⁵

But, for reasons just suggested, the Report cannot consider the problem in such terms, and therefore its solutions are family planning programmes in the short term, and international support, increased aid and a greater exertion of will in the long term (BR, ch.6).

The question of armaments is approached in much the same way. The scope of world arms production is well presented, complete with boggling statistics and comparisons with expenditures for development aid. The quotable phrase is coined: 'more arms do not make mankind safer, only poorer' (BR, 117). But then, it is asserted, the conversion from guns to butter would not be as difficult as commonly supposed, 'because the economic problems are easier to tackle than the political ones'—as though economics and politics can be separated on this issue; as though indeed the

weapons-producing countries did not harbour a whole array of economic interests who are vitally concerned with arms production, upon which investments, jobs, prices and stable demand utterly depend. The Report's superficial assumption that simple 'human aggression' is the sole obstacle to disarmament and that conversion to peaceful production is merely a technical problem ignores important theories of the crisis-susceptibility of advanced capitalism, and the social functions which armaments production performs in closing the supply and demand gap, maintaining economic stability and sustaining the socio-economic status quo.³⁶

V

On the third level, that of *political economy*, the principle of mutual interests pervades the Commission's concepts of the entire global economic order. Only three central aspects will be examined here, including their interrelationship: commodity production and trade, Southern industrialisation, and international finance, especially development finance. For, taken together, these are the pivotal areas of the Brandt Commission's 'new international economic order'.

This 'nieo' presupposes continuous economic growth; the possibility of stagnation or regression does not exist for it. A broad overview of the nieo, framed in terms of mutual interests, is laid down in the Report:

The South has called for a new regime to protect the commodities which they export against price-falls and fluctuations. The North has only slowly moved towards this, while being concerned about future supplies of raw materials and low investment in minerals, which cannot improve without remunerative and more stable prices. The South wants access to the markets of the North for its manufacturing, which raises problems for specific industries in the North—but overall the North can expand employment by a balanced increase in its trade with the South. The South needs to buy from the North, and to repay its debts, but for that it must earn foreign currency in the North by selling its goods there. The South wants a code to provide more harmonious relations with multinational corporations—but both sides can benefit if these corporations can invest confidently in the South, and if the South can have more confidence in the multinationals' behaviour; future mineral investment in the South depends on such arrangements. Above all, we believe that a large-scale transfer of resources to the South can make a major impact on growth in both the South and the North and help to revive the flagging world economy (BR, 35 f.).

Historically, the South has provided primary products in the form of crops and minerals to the South, while the North has furnished manufactures, industrial goods and know-how to the South. This in fact is the basis of any definition of the international division of labour and the centre-periphery relationship which evolves from it. Processes of this nature have always worked to the disadvantage of the commodity producers, i.e. have resulted in an 'unequal exchange'³⁷ between metropole

and periphery. The complex of economic factors contributing to this dialectic of 'structural enrichment' of the centre and 'structural impoverishment' of the periphery³⁸—such as slow demand growth in relation to supply, wide fluctuations in production due to natural factors, susceptibility to speculative pressures, subordinate position of producer countries in the world economy—cannot be examined here. But what this process means from the South's viewpoint has been neatly described by Julius Nyerere:

In 1965 I could buy a tractor by selling 17.25 tons of sisal. The price of the same model, in 1972, needed 42 tons of sisal. Even during the much talked of commodity boom in 1974, I still need 57% more sisal to get the same tractor than I did 9 years before.³⁹

The Brandt Report with its functional ahistoricism of course fails to account for the role of unequal exchange in appropriating for the centre the surplus value created at the periphery. But it does note that most of this surplus value generated by commodities is lost to the primary producers when they are processed elsewhere: it cites UNCTAD studies showing that 'for ten commodities local semi-processing could provide the developing countries with gross additional export earnings of about \$27 billion per year, more than one and a half times what these commodities now earn' (BR, 142). The developing countries' share of the final consumer price of their raw materials is therefore usually less than 25 per cent. This is not a fortuitous situation. The Northwestern countries have hitherto found it in their interests systematically to discourage processing in the South. Thus the less developed countries may export unprocessed rice duty free to the European Common Market, but processed rice and rice products face a 13% tariff while the US taxes milled rice at 15%. Similar arrangements prevail for timber, palm oil and many other commodities and minerals. Also freight rates are usually much higher on processed materials. The Brandt Report mentions all this (BR, 142 f.). But, apart from local processing, its prescriptions are all for remedies within the same international economic order which gave rise to the present international division of labour: price stabilisation, international commodity arrangements via the IMF's Compensatory Financing Facility, finance of resource exploration and development through private and public sources, adoption of UNCTAD IV's Integrated Programme for Commodities. These proposals are intended to correct imperfections in the 'free market' and certainly 'should not be seen as unnecessarily interventionist but as having a positive role' (BR, 151). The regulation and streamlining of this 'free market' is what constitutes the 'mutual interest' of North and South in agreeing to this scheme.

However, two important questions are not even raised by the Brandt

proposals. First, proclaiming the desirability of a (regulated) 'free' market as in the 'mutual interests' of more and less developed countries pre-empts the possibility of a real antagonism between raw materials producers in the South and consumers in the North. As suggested earlier, the formation, e.g., of producers' cartels such as OPEC may in fact be an optimal strategy for altering the basic terms-of-trade which underpin the disequilibrated world economy. In any case, some form of producer solidarity seems necessary, from the South's point of view, to counteract a situation in which a relatively few rich and powerful countries are able to combine to keep raw materials prices low while the numerous and fragmented producers are unable to formulate a common strategy to improve their position. Peter Donaldson makes the point that the producers' situation today in many ways resembles the formative stage of Northwestern trade union organisation during the early phase of industrialisation.

Under the Combination Acts in Britain, for example, associations of workers were banned—on the argument that fair competition demanded that each employee should be free to strike his own individual wage bargain with the employer. This notion of 'fairness' bears a strong family resemblance to the liberalism of free trade. In both cases it is illusory. Free bargaining between individual workers and employers would only be fair if they were of equal strength—which they are not. The employer clearly has the whip hand because he has more reserves to fall back on and a wider range of options in the use of his resources.⁴⁰

And second, the Brandt Report never reflects on whether commodities production is the adequate role in the world economy for the countries engaged in it. In other words, it accepts the economic patterns imposed by colonialism and continued by neocolonialism as a 'natural factional distribution' for each country. Implicit here is some notion of comparative advantage according to which the international system functions best when each nation-state specialises in the production of those goods for which it is optimally suited in terms of its endowments of land, natural resources, capital, labour power, technological know-how etc. In this scheme of things, the South ought to continue to produce primary products and minerals. This theory, it is evident, is a rationalisation of the existing international division of labour.

The principle of comparative advantage also underlines the Brandt Report's prescriptions for Southern industrialisation. It starts from a Eurocentric concept of development:

The successive industrial revolutions of the past two hundred years in Europe and North America are now being followed by industrialisation in Latin America, Asia and Africa, a natural and indeed inevitable development which is already beginning to change the pattern of comparative advantage in the world economy. (BR, 172).

For Southern countries with large internal markets and abundant natural resources, the Report prescribes economic growth via import substitution, for other countries via exploitation of comparative advantage. In both cases, the export sector of these countries is urged to enlarge and gear itself increasingly to the markets of the OECD countries. The Northwest, for its part, must deploy capital and labour away from domestic labour-intensive and low-technology industries and into high-technology and capital-intensive spheres, in order to make room for the advancing developing countries:

As the economic development of the Third World progresses, newcomers will take the competitive lead in the production of many traditional goods [shoes, luggage, textiles, clothing, etc.], forcing change upon their competitors both in the South and the North. But these competitors in turn will be moving forward into other sectors and lines of activity. Contraction of employment in many traditional sectors will be required in the North in order to accommodate the new industrial capacity of the South, but this structural change of the world economy is inevitable and will bring many mutual gains in the long run (BR, 177).

Several points must be made about these proposals. For one, they amount to a prescription for development through trade. Adherence to such a strategy negates other roads to development based on autochthonous growth, self-reliance or socialist-collectivist strategies, and locks countries following it firmly into the world capitalist system. Here the export sector becomes the motor for development of exogenously oriented countries and the point of reference (and dependence) the capitalist North. This contrasts with the development process in the advanced capitalist countries where foreign trade, generally, has been an extension of endogenous economic development.

In the second place this is not a coherent programme of industrialisation in Southern interests, but a means of resolving at the periphery contradictions which develop at the centre. Experience so far shows that low-level manufacturing at the periphery normally represents a partial shifting of unproductive industries—frequently under the aegis of transnational corporations—from the centre to locations where cheap labour or other 'comparative advantages' are present (technocratically referred to as 'subcontracting component industrialisation'), and is induced (1) when labour productivity at the centre cannot be increased because, e.g., capital intensity has reached its limits, or (2) relative wage costs cannot be reduced on account of trade union resistance.⁴¹

From this perspective, it is certainly correct to proclaim Third World industrialisation in the 'mutual interests' of North and South (BR, esp. 178 8.)—or at least of the respective dominant groups. But from the viewpoint of Northwestern subordinate classes, substantial structural changes would be required in the receiver countries. The 'inflation-dampening'

lower consumer prices which Northerners would pay for cheaper—due to lower wages—Southern imports would be made possible partly at the cost of making redundant Northern workers in the same sectors—Quebec textile workers, Scottish shipbuilders, West German electronics assemblers—whose higher wages are the result of past class struggles. Without some broad, effective apparatus for retraining the displaced, increasing mobility, community development and assistance to bridge the transition, organised labour in the North is likely to resist being made the object of international comparative advantage. Their resistance already accounts in large measure for the considerable protectionism against Southern imports which the North has implemented and which the Brandt Report would repeal.

Furthermore, the 'new' structures would probably operate to the advantage of the most efficient and advanced capitalist countries. The Brandt Report argues that the Newly Industrialising Countries' (NICs') increased earnings from industrialisation will largely be spent, after a lag, in the North (BR, 178). But this will not necessarily happen in all Northern countries granting aid and technological assistance or dismantling protectionist barriers. Rather, the already successful manufacturing exporters (FRG, Japan) would probably gain a substantial share of Southern markets, while less efficient countries (Great Britain, Canada) would lose. In fact, a rapid surge in Third World industrialisation would almost certainly exacerbate problems of unemployment and stagnation in all but the most flexible and advanced economies of the North.

And third, dependent capitalist industrialisation⁴² is already taking place in some parts of the South, namely in the NICs. Here it is quite obvious that low-technology, labour-intensive industrialisation is not a strategy for balanced and total development, but a refinement and extension of the pre-existing international division of labour, a 'higher' stage of dependency, since it precludes the periphery from producing the means of production thus perpetuating technological dependence. Only a handful of Third World countries have attained NIC status—Taiwan, Brazil, Singapore, South Korea, Mexico, Hong Kong—and already their manufactures have begun to inundate other Southern countries' markets, thus retarding their industrialisation and invoking protectionist measures. This raises serious doubts about prospects for the universalisation of low-level industrialisation throughout the South. Moreover, only four countries supply about half the developing world's manufactured exports, and they have already seen the terms of trade for those exports decline substantially. The ownership and control of these dynamic sectors of the economy also tends to be overwhelmingly foreign; in Singapore for instance nearly 90 per cent of exports originate in enterprises owned or controlled by foreigners. And, bearing in mind what was said above about centre-periphery relations, the progress of these NICs is punctuated with labour repression, huge debt-servicing ratios, gross inequalities of income, regional imbalances, social

discipline including periodic military interventions, and a whole series of indicators of social tension.

The role of multinational corporations (MNCs) in this international division of labour, with respect to both industrialisation and commodities in the Third World, has been thoroughly discussed and examined. Characteristically, the Brandt Report alludes to aspects of intra-firm trade and political influence, mentions past abuses, then suggests measures to regulate, improve and enhance the competitiveness of the MNCs within the world economic system. It proposes nothing less than a best-of-both-worlds policy: the simultaneous promotion and regulation of private investment because 'the restraint of restrictive practices by transnational corporations, alongside the reduction of protectionist barriers by governments, will lead to greater benefits from free trade' (BR, 191). Again, lacking a programmatic framework within which to analyse the MNCs' structural role, the Report is unable to propose more than cosmetic reforms, so that 'even the OECD's strictures on TNC's had more bite than [the Brandt] commentary on the failure of the international economic system'.⁴³

A third central plank of mutual interests is the question of international finance, especially development finance. The situation of the North is said to be one of stagnation and underutilisation of capacity and manpower: the OECD countries have about 18 million unemployed and perhaps twice as many partly or underemployed, while productive capacity is under-utilised to the extent of at least \$200 billion; immediate future prognostications are for continued low growth rates. At the same time, debt in the South is mounting and growth also slowing, thus preventing it from buying Northern goods, services and know-how, which it urgently needs to develop (BR, 237 ff.). The solution therefore is relatively simple and in the interests of all concerned: the 'massive transfer' of purchasing power from North to South (BR, 241), coupled with 'intermediation' by governments and international institutions, since the private banks and the international capital markets 'can no longer be counted on to conduct the recycling process unassisted' (BR, 240). All this would 'sustain effective demand in the world and promote an expansion of world trade' (BR, 240 f.).

Obviously, this is an attempt to transpose onto an international level the Keynesian principle of pump-priming, i.e., transferring money and thus purchasing power on a large scale to the poorer members of society in order to create sufficient aggregate demand and take up the spare productive capacity in the economy. At the same time the government adopting such measures can be seen to be attempting to overcome gross income inequalities and therefore appears as a champion of social justice.

Globalised Keynesianism is however predicated on the wrong assumption that poor nations occupy in the international order the same position

which poor people hold in a national system. It has already been demonstrated that masses and elites in Southern countries are dependent in different ways on the world capitalist system. The massive transfer of aid and investment advocated by the Brandt Report, if dispensed without prior reforms in the recipient countries, would merely enrich the ruling classes there and further widen the elite-mass gap. For Southern industrialisation has hitherto been overwhelmingly geared either toward direct production for elite needs or export products to pay for the import of luxury and high-technology goods consumed by the elites. The injection of still more capital would reinforce these trends. This is a highly functional process, in terms of Northwestern interests, since the further-enriched ruling classes in the South would spend the extra money on imports of high-technology, capital-intensive and luxury goods—precisely the products for which the advanced capitalist countries enjoy an optimal 'comparative advantage'. The effect of such Keynesian transfers of capital, therefore, considering the deficient spatial application of Keynesianism proposed by the Report, would be to subsidise and stimulate Northwestern industry and manufacturing. On the other hand, money transfers coupled with structural changes to benefit the Third World poor would, in this context, be dysfunctional:

For if there really were to be a massive increase in the income of the poor masses, they would demand basic food, housing, clothing and services. The productive apparatus in the South cannot now provide these goods in rapidly increasing quantities (as the Allende government found after it raised the income of the poor by 50 per cent in 1971), and the productive apparatus of the North, by and large, does not want to supply them. The reason is that the economic crisis and its solution lies not in northern technological downgrading to low wage consumer goods for the South, or even to machinery to produce them in the South, but in northern industrial upgrading to more advanced technology in the capital-goods and technology-producing industries. Thus, paradoxically, even if there were a big increase in southern demand for low wage goods, this demand would soon encounter a supply constraint; and yet this demand would be unable to solve the apparent demand problem of productive overcapacity and idleness.⁴⁴

To be sure, the Brandt Commission does propose certain reforms in the means by which financial resources are to be transferred from North to South. These are aimed at encouraging stability (in order to 'increase the confidence of holders of assets be they surplus oil producers or other potential investors') and achieving 'universality and automaticity in raising revenues' (BR, 74). The transfers may come from Northern private investors, especially for the relatively well off NICs. Or they may come from official development aid (ODA) needed for poorer countries who otherwise receive few private loans. At the same time, ODA can contribute to stabilising loan rates and thus reducing high debt-service payments, particularly if the Northwest moves away from bilateral and project aid

toward multilateral and programme lending. The resultant order and predictability of the international economic system would help to ensure that funds were equitably applied to the other aspects of the Brandt platform, *viz.*, encouraging investment, increasing trade both among Southern countries and between North and South, and stabilising commodity prices.

Here too, it is evident that the Brandt financial prescriptions are aimed at bringing stability and efficiency to the world capitalist system rather than at directing it toward any real 'new international economic order'. For they are all confined to the sphere of circulation (monetary policies, trade, transfers) rather than production (mode and relations of production). They carefully establish a special position for private investment, complete with warnings against restrictions and nationalisation (BR, e.g. 192), even though foreign capital demonstrably decapitalises the target countries over time and increases their dependency on the metropolises. Rosen and Jones show, for example, that while the US invests about \$1 billion annually in less developed countries, it simultaneously takes about \$2.5 billion in profits.

Moreover, each incoming dollar buys about four times that amount of control over the local economy, since foreign firms borrow from local banks about \$2 for every \$1 of new money that they bring in plus the reinvestment of a fourth dollar of local earnings from past investment. The result is a geometric rate of expansion of foreign economic penetration.⁴⁵

Logically, then, the Brandt Report proposes to leave in place, albeit with some modifications, the institutions which regulate and control the world economic system. It would adapt the Bretton Woods monetary system, for instance, by substituting Special Drawing Rights (SDRs) for the gold standard, and replacing the US dollar with a basket of currencies. More conscientious regulation by the IMF and greater global planning would ensure reliability and predictability. But the fundamental problems of market fluctuations, private speculation, differential pegging and crisis-susceptibility are not even approached. Yet these are among the most important factors causing the world currency system to work against the poorer Southern countries.⁴⁶

The Report would also increase the role of the World Bank and its component parts, the International Development Agency (IDA) and International Finance Corporation (IFC) by enlarging Third World representation on its managing boards and by making its loan conditions more liberal. But such measures would leave the essential nature of the World Bank as a primary agency of international capitalism intact and hence would not affect its systemic propensity to impose free-trade conditions and capitalist management techniques—'open' economies, wage

constraints, comparative advantage maximisation, currency devaluation, anti-socialist measures, price controls, etc.⁴⁷—on borrower countries. The Report also proposes the creation of a new institution, a World Development Fund, but is at pains to point out that it would not be in competition with existing institutions: 'rather it is intended to complement and complete the existing structure' (BR, 253). The actual functions of this new institution are nowhere clearly defined.

VI

At bottom, then, the Brandt Report is a Northwestern prescription—Southern elites' agreement with it notwithstanding—for a continuation of the existing world capitalist order, including the subordinate position of the South within it. Like the Pearson Report before it, it merely rationalises and vindicates global economic relations while asserting nebulous but ostensibly novel ideological phrases such as 'humanitarianism', 'mutual interests', and 'a new international economic order'. All its proposals and 'solutions' amount to fine-tuning, adapting or strengthening the institutions of the world capitalist system rather than conceiving that system as the source of the world's inequities, dysfunctions and imbalances. As such it may be seen as a necessary, timely and, due to its broad appeal and acceptance, essential prop of Northwestern capitalism. Discussing UN deliberations on economic and other issues, the Report remarks:

However, such deliberations have often ended in resolutions which exhort everyone, without binding or committing any of the parties; the differences are drafted away to create an appearance of agreement, but they persist in reality (BR, 262).

The observation is a not inaccurate summary of the Report itself.

NOTES

1. *North-South: A Program for Survival*. The Report of the Independent Commission on International Development Issues under the Chairmanship of Willy Brandt. Cambridge, Mass., 1980. Henceforth all references to the Report given in the text itself, in this manner: (BR, 101).
2. *Partners in Development*: Report of the Commission on International Development, Chairman Lester B. Pearson. New York-Washington-London, 1969.
3. Exclusive, in both commissions, of the chairman.
4. Although it too owed its creation to a proposal advanced by World Bank President Robert McNamara in a speech in Boston early in 1977.
5. Some evidence that this is in fact happening is already in. All the Scandinavian countries, for example, have integrated aspects of the Report into their official foreign policies. The Canadian task force on North-South relations has explicitly recognised its debt to the Brandt Commission in its 1980 Report to the House of Commons. And the British Labour Party, at its 1980 Blackpool Conference, unanimously agreed that the Brandt Report *in toto* should become part of government policy.

6. Cranford Pratt calls the Northerners the 'development establishment' made up of 'that body of internationally minded persons who are active in the major Western aid agencies or who are their champions within Western political circles'. 'From Pearson to Brandt: Evolving Perceptions Concerning International Development', in *International Journal*, Fall 1980, p. 626.
7. Dudley Seers, 'North-South: Muddling Morality and Mutuality', in *Third World Quarterly*, Vol. II, No. 4 (Oct. 1980), p. 689.
8. A.G. Frank, 'North-South and East-West: Keynesian Paradoxes in the Brandt Report', in *Third World Quarterly*, *loc. cit.*, p. 672.
9. This is the tenor, for example, of the articles by P.D. Henderson, Kenneth Minogue, William Letwin and Elie Kedouri in *Encounter* (special issue on the Brandt Report), December 1980.
10. On this, see Toby Trister Gati, 'The Soviet Union and the North-South Dialogue', in *Orbis*, Summer 1980, p. 241 ff.
11. See, e.g. I. Olenik, 'The October Revolution and International Economic Relations', in *International Affairs* (Moscow), December 1977, p. 72.
12. 'Evolution of the Nonaligned Movement', in *Problems of Communism*, Jan.-Feb. 1980, p. 52 (emphasis in original).
13. Ralph Miliband, 'Military Intervention and Socialist Internationalism', in *Socialist Register* 1980, London 1980, p. 21.
14. Some of the relevant NIEO documents are: 'United Nations Declaration on the Establishment of a New Economic Order, Adopted by the General Assembly at 6th Special Session', General Assembly Resolution 3201 (S-VI) 1 May 1974; the 1973, 1976 and 1979 'Declarations' of UNCTAD III, IV and V respectively; Club of Rome (under the direction of Jan Tinbergen), *Reshaping the International Order*, New York 1978; the World Bank's *Annual Development Report*; Wassily Leontief, *er. al.*, *The Future of the World Economy*, New York 1976; 'Final Declaration' of Summits of Heads of State of Non-aligned Countries, esp. 5th Summit 1976 in Colombo and 6th Summit 1979 in Havana. Secondary literature on the NIEO is proliferating.
15. Roger D. Hansen, 'Can the North-South Impasse be Overcome?' (ODC Development Paper No. 27), Washington, D.C., November 1979, p. 12 (emphasis in original).
16. Reproduced in Guy F. Erb and Valeriana Kallab (eds.), *Beyond Dependency: The Developing World Speaks Out*, Washington, D.C., 1975, p. 170 ff.
17. See Para. 2f of the 'Economic Declaration' of 'Final Declaration of the Conference of Heads of State or Government of the Nonaligned Countries', 3-7 September 1979, Havana, n.d. (mimeograph).
18. Admittedly, much more can be made of these differences than is warranted by actual circumstances. The South is after all bound to the Northwest in a number of ways from comprador and dependent elites to technology flows, foreign aid schemes and ideological-cultural affinities; and outright, immediate conflict is therefore unlikely. But the Northwest is vitally interested in maintaining an overall climate of good relations, especially economic relations, and in preventing the formation of any anti-Western front.
19. Seers, *op. cit.*, p. 684.
20. The conceptual distinction between programme and platform I owe to Wolfgang Abendroth, 'Warum Parteiprogramm?', in *Die Neue Gesellschaft*, No. 4, 1956, p. 287.
21. Terms borrowed from Ahmed Ben Bella, interview in *Le Monde*, excerpted in *The Globe and Mail*, 13 January 1981, p. 8.
22. Equbal Ahmad, 'The Contemporary Crisis of the Third World', in *Monthly Review*, Vol. 32, No. 10 (March 1981), p. 16.

23. In the necessarily simplified discussion of world-system, dependency and Marxist explanations of underdevelopment which now follows, many important nuances and controversies are omitted, since the point is to suggest some dimensions which an adequate North-South programme might incorporate, rather than to write such a programme. Some useful guides to the approaches and literature mentioned here are: R.D. Waller, 'The Political Economy Literature on North-South Relations', in *International Studies Quarterly*, No. 22 (December 1978), 587-624; I. Oxaal, T. Barnett and D. Booth, *Beyond the Sociology of Development*, London 1975; R. Owen and B. Sutcliffe (eds.), *Studies in the Theory of Imperialism*, London 1972, esp. T. Kemp 'The Marxist Theory of Imperialism' there; A. Foster-Carter, 'Neo-Marxist Approaches to Development and Underdevelopment', in E. DeKadt and G. Williams (eds.), *Sociology and Development*, London 1974; C.P. Bath and D.D. James, 'Dependency Analysis of Latin America: Some Criticisms, Some Suggestions', in *Latin American Research Review*, Vol. 11, No. 3 (1976); T.T. Evers and P. von Wogau, 'Dependencia: Lateinamerikanische Beiträge zur Theorie der Unterentwicklung' in *Das Argument*, No. 79 (1973). There are many more. A timely plea for a reconciliation of dependency theory and Marxist approaches comes from William Hansen and Brigitte Schulz, 'Imperialism, Dependency and Social Class', Working Paper No. 45, African Studies Centre, Boston University, 1981, to be included in a forthcoming anthology edited by I. Gendzier and W. Hansen.
24. Immanuel Wallerstein, 'The Present State of the Debate on World Equality', in Wallerstein (ed.), *Origins and Perspectives on the World System*, Montreal 1975, p. 16.
25. *Ibid.*, p. 16.
26. James Petras, *Critical Perspectives on Imperialism and Social Class in the Third World*, New York 1978, p. 36.
Ekkehard Krippendorff, 'Das internationale System zwischen Stabilisierung und Klassenkampf', in Krippendorff (ed.), *Probleme der internationalen Beziehungen*, Frankfurt 1975, p. 11 f.
28. Johan Galtung, 'Violence, Peace and Peace Research', in *Journal of Peace Research*, Vol. 6 (1969), pp. 167-191.
29. And which underlies a number of (liberal) dependency theories as well.
30. Dieter Senghaas, *Weltwirtschaftsordnung und Entwicklungspolitik. Plädoyer für Dissoziation*, Frankfurt 1977, p. 65.
Johan Galtung, 'A Structural Theory of Imperialism', reprinted in Ingolf Vogeler and Anthony de Souza (eds.), *Dialectics of Third World Development*, Montclair, N.J. 1980.
32. Krippendorff, *op. cit.*, p. 28.
33. *Ibid.*, p. 28.
34. Kenneth Minogue, 'Between Rhetoric and Fantasy', in *Encounter*, December 1980, p. 20.
35. David Harvey, 'A Marxian Analysis of the Population-Resource Problem', in Vogeler and de Souza (eds.), *op. cit.*, p. 222.
36. On all this, see Fritz Vilar, *Rüstung und Abrüstung im Spätkapitalismus*, Frankfurt 1965, esp. pp. 58-82.
As explicated by Arghiri Emmanuel, *Unequal Exchange*, New York 1972. Further see the references above to dependency theory; and Klaus Busch, 'Ungleicher Tausch—Zur Diskussion über internationale Durchschnittsprofiteure, ungleichen Austausch und komparative Kostentheorie anhand Arghiri Emmanuel', in *Probleme des Klassenkampfes*, No. 7/8, 1973, pp. 47-88.
38. Senghaas, *op. cit.*, p. 27 ff.

39. Julius Nyerere, 'Stability and Change in Africa', in *Man and Development*, Oxford 1974, p. 111.
40. Peter Donaldson, *Worlds Apart The Economic Gulf Between Nations*, Harmondsworth, Middlesex 1971 (1978 reprint), p. 142.
41. See Wolfgang Schoeller, *Weltmarkt und Reproduktion des Kapitals*, Cologne 1976, p. 149 ff.
42. The line of argument of this paragraph is derived in large part from Hansen and Schulz, *op. cit.*, pp. 19-22; Raul Fernandez, 'Third World Industrialization: A New Panacea?', in *Monthly Review*, May 1980, p. 14 ff.; Petras, *op. cit.*, ch. 4; and Senghaas, *op. cit.*, p. 41 ff.
43. Sanjaya Lall, 'Brandt on Transnational Corporations, Investment and the Sharing of Technology', in *Third World Quarterly*, *loc. cit.*, p. 701.
44. Frank, *op. cit.*, p. 674.
45. S. Rosen and W. Jones, 'The Radical Theory of Development', in A. Mack, D. Plant and U. Doyle (eds.), *Imperialism, Intervention and Development*, London 1979, p. 253.
46. See, e.g. G.K. Helleiner, 'Structural Aspects of Third World Trade: Some Trends and Prospects', in *Journal of Development Studies*, Vol. 15, No. 3 (April 1979), p. 80 and *passim*.
Here see J.P. Lewis and I. Kapur, *The World Bank Group: Multilateral Aid in the 1970's*, Toronto & London 1973, p. 89 ff.; and, more critically, Tatjana Ghahoud, 'Multilaterale Entwicklungspolitik am Beispiel der Weltbankgruppe', in Jose Linhard and Klaus Voll (eds.), *Weltmarkt und Entwicklungslander*, Rheinstetten 1976, 217 ff.