

Third World

One of the biggest changes that can occur in a world divided politically into sovereign states is the multiplication of these states. This happened in Europe with the dissolution of the Ottoman and Hapsburg Empires. A generation later it happened worldwide upon the dissolution of European empires outside Europe. This process was protracted, and not entirely complete by 1980, but much of the greater part of it was consummated during the twenty to twenty five years after the end of the Second World War. This period was dominated by the cold war in Europe, and the conflict gave the nations emerging into statehood one of their initial basic characteristics.

Both the protagonists in the Cold War, the US hardly less than the USSR, were uninhibited in their hostility to European colonialism, but as the Cold War created the Euro-American alliance embodied in NATO, American hostility to the British, French and other European presences in Asia and Africa was transformed. To nationalists in Asia and Africa this change of mood amounted to something between evasiveness and betrayal. It placed the US alongside, if not actually in the rank of the imperialists, and it was beginning of a decline in the high standing of the US in the minds of what was coming to be called the Third World.

It was a Third World because it rejected the notion of a world divided into two, a world in which only the two super powers, the USA and the USSR, counted and everybody had to declare for the one or the other. Nationalistic leaders, although anti-European in the nature of things, had at least one characteristic in common with their retreating masters: their temper was pragmatic. Moscow's rigid communist dogmatism, Washington's increasingly rigid anti-communism offended them. Above all they felt beholden neither to the US nor to the USSR for their independence from European rule, which they attained with unexpected speed and ease after the Second World War. This period is also called the period of decolonisation. Sixty six countries wanted freedom from colonialism and most of these countries were located in Asia and Africa and some in Latin America. In some case the independence process was a peaceful event. But in most cases the ending of colonial rule witnessed a long drawn violent battle. For example, Vietnam, Algeria, Angola, Namibia, Indonesia, Mozambique, Zimbabwe etc were among the Second category. In some other countries struggle against European hegemony is still going on, like in Palestine, New Caledonia. There were different historical contexts to the emergence of these new states in the process of decolonisation; but there was one particular common feature in the history of these sixty six states —the domination of European economic and political hegemony. But once they got freedom they tried to break away from this European monopoly and in this context the emergence of the Third World became important.

Despite the heterogeneous entity of the Third World countries, there was one common link which bound all these States. The common link was the total subjugation of their economy by the European countries. The countries economically dominated are called countries of the periphery while the countries dominated them are called core countries. The development of the peripheral countries depended very much on the needs of the countries of the core. All the Third World states before their independence were peripheral countries. The traditional core-peripheral relationship in context of the Third world countries tended to be terminated when the latter wanted independence and once it was achieved the traditional core-peripheral nexus was destroyed. The Third World countries were put into acute economic crisis. The ending of colonialism meant the withdrawal of the colonial finances from these TW

states which are required for rapid industrialisation to build up their own economy. The result was all the countries went for heavy loans from the two international monetary organisations — the IMF and the World Bank. The loans were conditional and the two most important conditions were that the doors of the TW countries should be left open for the foreign companies to invest their capital, i.e, absence of any restrictions on foreign investment; Secondly, the TW countries were directed to operate market economy, a capitalistic economy, i.e, general acceptance of the capitalistic method of investment. As a result of these conditions the indigenous economic development of the TW countries were limited. There were no self sustained growth. The classic example was Brazil. In 1960 Brazil compared to all the TW states went in for highest foreign loans. From statistics apparently it seems that there was a very high percentage of growth. But recent studies, for example, In I. Roxborough's *Theories Of Modern Development*, have shown that in the long run this experiment did not benefit Brazil; rather it proved to be harmful for Brazilian economy. Rox borough has shown that the major sectors of investment either consumer industry or on certain luxury oriented production. But such investments did not result in the multiplier effects, i.e, one development did not link with another development. On the other hand we find that this huge foreign investment was associated with a system of strict labour control. This was the condition under which the two international monetary organisations provided loan to Brazil. This condition had two internal implications. First it meant low wages to the workers and secondly trade union activities of the workers were prohibited. The economic growth was not reflected in the income distribution because of the strict system of labour control. The result of the low wage level was that the domestic savings rate was very low and therefore there was the virtual absence of internal capital accumulation. This further caused the non-expansion of the internal market as the people didn't have any money to buy. The consequence was the dependence of Brazil on foreign supply of capital and hence the beginning of a new kind of domination over Brazil. The country was yet to repay the huge amount of money borrowed in the late 1950s and 1960s. Thus the Latin American countries were within the trap of the system called neo-colonialism. Thus the TW countries experienced a contradictory economy. The countries were integrated into a new kind of international dependency.

By the mid of 1960s the tragedy of Brazil was quite clear to the international politics. But many TW countries, particularly Africa tended to retain the development process as formulated by the first world economists. In this connection the most influential world economist of the Anglo-American pattern was W.W Rostow who influenced the TW economic process. In his book *Stages Of Economic Growth* Rostow tried to present a particular way out for the TW economic development. His theory was based on the assumption that if the traditional societies were to make self –sustained growth then these societies were required to follow the historical pattern which had been followed in the first World countries. This particular historical modernised process was the intense heavy capital investment in the selected industries, i.e., industries which are export oriented. Rostow further argued that for this large scale industrial development the TW should be freed in accepting international loans. Once such investment in export oriented industries happen it would further boost up the local industries was what Rostow suggested. The result would be establishment of western style mass consumption economy. The society must be based on liberal bourgeois democratic political setup. There would be an introduction of western style capitalistic frame work. Then only in this way the TW countries could attempt the take off stage. Perhaps the earliest and the best example of this modernise theory of Rostow was the Green Revolution Of 1960s. It was essentially an attempt to increase agricultural productivity without any fundamental land reforms on one hand and large scale use of western technology on the other. In the short run this particular strategy of GR was successful. In many countries including India in the

1960s there was a 50% increase in production in certain selected parts of the country and that occurred within a short span of time. But the Marxist historians suggested that in the long run the GR did not create any self-sustained economic growth in agriculture because the TW countries had to depend on the first world countries for the supply of essential requirements for production. For instance, none of the TW countries could produce the particular HYB seeds required for production and hence were depended on the superpowers. Similarly higher quantities of fertilisers, tractors along with the HYB seeds were exported from the western countries or depended on western knowledge, products and supply. Scholars like Susan Georg argued that the GR created a new kind of dependency of the TW countries on the Anglo-American block and thus recreated the neo-colonial domination of the first world countries over the third world countries. In 1954 the US Congress enacted a law-US Agricultural and Development Act which empowered the US Government to prohibit any commercial transaction with any enemy countries. In the law the idea of enemy country was left vague. But at the time of the execution of the law the countries with socialist connection became the victims of this Act. Vietnam, Kampuchea, Ethiopia etc had developed an anti-American stance and were brought under the orbit of this act. Ethiopia was denied any food supply from US at time of severe famine as the Ethiopian Government was considered to be pro-Soviet. Recent researchers have shown that this Act was increasingly operative against the spread of Marxist ideology. Any country that accepted the revolutionary doctrine was immediately brought under the operation of 1954 Act.

L.Surendra argued that the environmental economic imbalance of the TW countries aimed to have maximum possible results within the shortest possible time. The result was the large scale destruction of older plants and this affected, in the long run, the ecology of the country. The attempts of the TW countries to borrow the western pattern of growth resulted in various sorts of contradictions in these countries. In this context we see the emergence of a new school of opinion in international politics, The Neo-Marxist School which helped in shaping the foreign policies of the TW countries. This new School not only challenged the existing international political structure but also argued in favour of breaking economic ties with the former colonial powers. They argued that unless this economic linkage is destroyed there is no chance of growth of the TW countries. The first important effect of this new philosophy was the development of non-alignment movement and the subsequent separation of these countries from the two super powers.

The first important result of the Non-Align Movement was the formulation of new economic demands of the TW countries. The demands for restructuring the international economy were put forward in the Colombo Conference In 1976 of the NAM. In this conference the economic demands of the TW countries were given a complete shape which was further strengthened in the next conference in New Delhi. As a result of these two conferences a new idea, concerning international economy developed in the sphere of international politics. From 1970 onwards scholars started developing the idea of 'Rearrangement Of Global Economy'. It was argued by them that as the developed countries, i.e, the western states, developed themselves by exploiting the underdeveloped countries, i.e., the TW countries. Therefore, they argued, it was their moral duty to share their developmental growth for the upliftment of these developing countries. Once this demand of transfer of technology from the developed countries to the developing countries was formulated, particularly under the initiative of US, some schemes were undertaken, for example,—FAO, UNESCO, UNCTAD etc. All these bodies developed important pressure groups to urge the first world states to help in the developmental process of the TW countries.

From 1970 onwards UNESCO introduced a number of pamphlets to highlight the economic miseries of the TW countries and to wake up the conscience of the first world. By the late 1970s we find all around the world the development of certain awareness for the TW economic development. The annual flow of foreign aid from the western countries to these TW countries phenomenally increased during this period as is evident from recent researches. During this period a new type of non-governmental organisation was founded like the Save the Children's Fund. This particular organisation have a international character. It gave a huge quantum of financial aid to Africa. While this initiative were taken by the western countries, the third world states were were also not far behind. They adopted certain concrete measures of which the main aim was to strengthen the economic connection between themselves. This created a new idea in international politics of the TW countries—the South-South dialogue. One of the main consequence of this S-S dialogue is the creation of the new organisation, i.e. the 'Exporters' Association' which was to enable the TW states to extract the fair price for the goods they export to the First World countries. As the TW states were essentially agricultural and primarily supplied raw materials for the industries of the west countries they received an unjust price. The TW states put up a united front in price negotiation and as a result of their effort they began to receive fair prices. In the New Delhi conference a new measure was undertaken by which a Non-Align Bank was to be set up. The cause for this decision was that the international financial agencies are controlled by the western states. Therefore, a bank controlled by the TW states would be helpful to improve the living standards of people of the TW. But unfortunately not much headway was made for the establishment of the bank.

It was argued by the TW states that the world media like the Reuters, Associated Press, BBC, Voice of America, all are controlled by the western countries. They feared that it was quite possible that the media might present the TW political development in a distorted shape in the international circuit to justify their own interest. Therefore, the TW countries leaders called for a new information order of their own. In the late 1960s India founded her own media organisation and started working together with the other TW countries within the UNO.

From 1970s onwards a new progressive ethics in the international politics came up and the TW deserve credit for this development. Though since 1960s onwards the TW acted as an active political force a contradiction revolves around the TW question and this contraction lies in a particular ambivalence. This ambiguity is in the fact that while on one hand the TW states are trying to be self-reliant, on the other they have not been able to completely deny themselves of western financial assistance. Therefore, in spite of a good headway the TW failed to establish a new international economic order. Nevertheless there is a renewed prospect for global economic restructuring in recent years because of the reduction of the super powers rivalry and the growth of regional co-operation movement. The TW countries in their own regions started cooperating each other through some specific organisations, such as, SAARC, OAU, OPEC, ASIAN. If this these two trends continue then the colonial hold on international economy can be eliminated and the importance of the TW lies in this crucial fact.