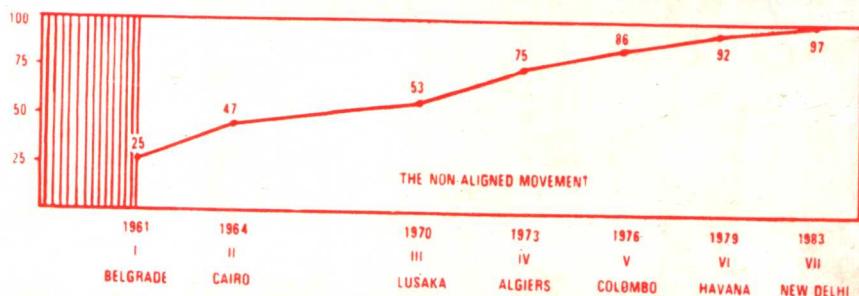


# ECONOMIC RELEVANCE OF NON- ALIGNMENT

DEWAN C VOHRA



# **ECONOMIC RELEVANCE OF NON-ALIGNMENT**

**DEWAN C VOHRA**

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*"But talking about foreign policies . . . these are not just empty struggles on a chess-board. Behind them lie all manner of things. Ultimately, foreign policy is the outcome of economic policy. . .*

*"It is well for us to say that we stand for peace and freedom and yet that does not convey much to anybody, except a pious hope . . . Undoubtedly, it has some substance, but a vague statement that we stand for peace and freedom by itself has no particular meaning, because every country is prepared to say the same thing, whether it means it or not . . .*

*"What then do we stand for? Well, you have to develop this argument in the economic field . . ."*

**JAWAHARLAL NEHRU**  
*to the Constituent Assembly  
(Legislative)*

*New Delhi, December 4, 1947*

*Dedicated to  
my Mother  
and to the memory of  
my late Father*

***By the Same Author:***

**India's Aid Diplomacy in the Third World**  
(Vikas Publishing House Pvt Limited, New Delhi 1980)

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**India and the International Monetary System**

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## Prologue

Viewed conceptually, the social science doctrine of Non-alignment, is but a tool of conducting international relations by a nation-state individually or by a group of nation-states collectively, within the global setting of superpower states' system, characterized by satellite-states' and parasite-states' sub-systems, fully reflected in the proceedings of the major world fora for discussions and decision-making. It is axiomatic that the visible *realpolitik* among nation-states is eventually traceable to the compulsions and motivations of international actors in world *bodiekonomik*. Like all social science theories, the doctrine of Non-alignment is hypothetical; it is also empirically testable. To be valid as a scientific theory, the doctrine of Non-alignment should be logically consistent and empirically valid. Placed in this hypothetico-deductive-empirical perspective, the theory of Non-alignment, especially in its collective framework, has reached its *cul-de-sac*, has lost direction and is not aware of its destination. It is high time, an empirical enquiry is conducted to prove or disprove its utility with a view to its acceptance, rejection or modification depending on whether its conclusions are consistent with reality or do they conflict with reality.

Launched by the first Indian Prime Minister Jawaharlal Nehru after India's independence in August 1947, the Non-alignment

doctrine was based on certain assumptions about the world political system: the cold war among super-powers and the production and stockpiling of arms for destructive purposes. But the process of *detente*, albeit halting, and the expanding economic and commercial interaction between the East and the West, respectively represented by Warsaw Pact-COMECON econo-political-military complex and the NATO-OECD econo-political-military complex, sucking in their fold the poverty-stricken, politically independent but economically dependent nations of the Third World, irrespective of their alignability or Non-alignability, have changed the entire system of assumptions of the doctrine of Non-alignment. The emergence of history's biggest arms transfers from the super-power-dominated industrial states to both the capital-surplus and capital-starving underdeveloped countries of the Third World, either on cash basis or under military assistance programmes, has changed the character of the global setting in which Non-alignment was born and brought up. It is common knowledge that in the race of arms transfer, the Non-aligned countries themselves have been feverishly participating under the garb of their declared threat-perceptions, only to benefit the economies of rich countries.

That the doctrine of Non-alignment conflicts with reality is obvious from the fact that as a collective protest movement for the past 22 years it has been urging an imaginary disarmament-development scenario in which the funds released from disarmament should flow for economic development to poor countries, in addition to its resolutions about larger aid doles and trade concessions sought at UN and non-UN fora both by the aligned developing countries and the Non-aligned developing countries. But the reality is one of the armament-development syndrome in which developed countries view arms sales as an economic activity and as a tool of diplomacy in the conduct of their foreign policies and seek markets both in the capital-surplus and capital-starving countries eventually as a purely economic proposition of maintaining their own rates of economic growth. In the process, the Non-aligned Movement itself has been sucked in by the super-powers-propelled econo-political-military system which operates by proxy in the Non-aligned assemblages.



The Non-aligned doctrine viewed in this context seems to have come in conflict with reality and needs a quantitative probing into the empirical data built in the Non-aligned nations' conferences in the continents of Asia, Africa, Europe and Latin America, during the past two decades. As a scientific theory, the Non-alignment policy in its collective framework, must answer questions posed by facts which run contrary to whatever the Non-alignment has stood for and whatever it has sought during its operations during 1960s and 1970s; and, if, in its present state Non-alignment doctrine is inconsistent with reality, it must be modified so as to become relevant in the rest of the 20th century and in the next century. Hence this study is presented to throw up the issues that prove or disprove the economic relevance of the Non-alignment theory and policy of relations among nations.

—AUTHOR

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## **The Non-aligned Movement: An Overview**

The concept of Non-alignment since its inception and in the course of its operation for the past three decades has acquired two distinct connotations: one, Non-alignment as a policy option or postulate of a particular nation; and two, Non-alignment as an informal collection of nations sharing certain common principles and objectives. This distinction is important although "it is evident that the Non-alignment, as a national foreign policy and Non-alignment as a collective Movement in the context of international relations do have an intricate and historically significant link".<sup>1</sup> The imperatives, both domestic and international, which make a nation adopt Non-alignment as a policy, to the extent they are common would help in the growth of the Movement; and at the same time, the support which the Movement could lend to the policy would, to that extent, make the policy valid and acceptable to a nation. It is only through an understanding of these two aspects that researchers in international relations can see in correct perspective the genesis and growth of the Movement, its heterogeneous and complex character, its strength and weakness and above all its relevance in the political and economic problems that afflict the world today.



## **2 *Economic Relevance of Non-alignment***

### **Scientific Framework**

The efficacy and relevance of Non-alignment can be judged only when viewed in a scientific framework. As a theory about the conduct of international relations, Non-alignment is a social and political philosophy and suffers from all the weaknesses of social science theories; their testing and verification involves the problem of examining empirical data spread across massive documents, couched in verbosity and vagueness, rhetoric and generalities. Amongst social sciences, only economics has developed some quantitative techniques of measuring the validity of theories; only economic variables can be used as reliable indicators to prove or disprove the utility or futility of social science theories and policies pursued by nations. Eventually, the policies and practices pursued by nation-states, whether in the domestic setting or in the international arena, must stand the rigours of economic analysis. In the context of present study, it must be said at the outset that the Non-alignment, as a foreign policy instrument by an individual nation as well as a collective effort by a community of nations, must be given an economic interpretation. The touchstone of the success or failure of the political theory of Non-alignment thus lies in its contribution to the solutions of the economic problems faced by its adherents because in the ultimate analysis "politics is handmaid of economics".<sup>1</sup>

### **Scarce Resources**

To view in economic terms, the Non-alignment protagonists must take cognizance of the fact that nations, like individuals and families, are faced with the optimum utilisation of their scarce resources amongst competing wants, for economic growth and welfare. As most of the Non-aligned states are Welfare States, wedded to the objectives of economic development of their peoples, they are aware of the rude reality that, no other division of the world is more relevant from this point of view than the one between the rich and the poor nations. The pursuance of Non-alignment as a foreign policy instrument and participation in the Non-aligned congregations to promote it as a Movement might be materially or psychologically beneficial to