THE THIRD WORLD HANDBOOK

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Preface

In this Handbook, I have tried to set forth the principal developments leading to the emergence of what we have come to call the Third World. The term has been with us for at least 30 years, but most people are vague as to just what it means. How many countries belong to it? What individual and collective policies do its members pursue? What are the problems common to the Third World? What is it that allows countries as different as Brazil or India, Kuwait or Grenada, Nigeria or Fiji each to claim membership of this huge group?

Developments in Africa during the 1980s have focused much attention, especially of young people responding to Bob Geldof. Band Aid and Sport Aid upon problems of the Third World. Too often, however, the public response to the Third World is only in terms of a disaster and there is little understanding of how the Third World came into being and why so many countries see themselves as belonging to it.

The Handbook is concerned with three broad areas: the emergence of the Third World; membership and regional collaboration; and the problems faced by its members.

The emergence of the Third World is covered under End of Empires; the United Nations; and the Third World and Non-Alignment. Membership and regional groupings are dealt with in the central part of the Handbook, while the final chapters (5 to 9) deal with problems, predominantly economic, which are common to Third World countries. Finally there is a Country Gazetteer.

Omissions are inevitable when covering so wide a subject. Volumes could be written about the activities of transnational corporations, the arms business, liberation movements or the emancipation of women. One form of liberation leads to another. Political independence has brought in its wake all the other demands. Nonetheless, I have tried to encapsulate in one volume the chief developments, achievements, problems and attitudes which between them have produced what we call the Third World.

Guy Arnold
Summer 1988

Introduction

The genesis of the Third World, or the South as it is sometimes called, lies in the fear of domination. The age of the 'end of empires' through which our world has just come represents, at least superficially, an end to domination of the weak by the strong. This development, more apparent than real, is greatly reinforced by the fact that almost all members of the Third World, except for the countries of Latin America, were until recently colonies of the major imperial powers. But exhilaration at political independence was quickly replaced by a grim awareness of the South's vulnerability to the manipulations of the developed North at almost every level of economic and most levels of political life.

Today when we discuss the Third World we are unlikely to do so in terms of its capacity to stand aside from Cold War confrontations or its ability to mediate between the big powers – a discussion that might have taken place in the 1950s during the political ascendancy of India's first prime minister, Jawaharlal Nehru. Almost certainly such a discussion would be confined to Third World problems: poor economic performance, an apparently insatiable and never-ending need for aid, mounting debts or political instability characterized by coups, small wars, revolutions or guerrilla movements fighting against the central government. The North sees the South as unable to solve its own problems and when any form of North-South dialogue takes place it always degenerates into a one-way petition: the South asking for yet further concessions, acting as a suppliant, and demanding favours over the terms of trade, aid, or debt. This is not a healthy relationship.

The Third World has emerged out of years of exploitation. As much as anything, it arose out of frustrations with the world's power structures. The world community as a whole has the capacity to solve most of its problems. We can produce enough food so that no one need starve. Distribution and the ability to pay for what is produced are the problems, not lack of land or ability to grow what is needed.

The nuclear question focuses attention upon power inequalities better than anything else. It was the stark realities of a Cold War confrontation backed by nuclear weapons with all their potentially frightful consequences that led Nehru and other leaders to create a Third Force concept in the 1950s. Arguments about the bomb have always been one-sided, weighted in favour of the maintenance of the old political order. Countries of the North first produced and used nuclear weapons. These same countries subsequently built up huge arsenals of nuclear weapons and based their military policies upon their possession and the means to deliver them on such a scale that any nuclear war would spell the end of our world. Only at this stage did the terrifying nature of the weapons appear to register with the nuclear powers. They then proceeded to lecture the rest of the world upon the frightfulness of the weapons and insist – for the sake of humanity – that no one else should produce such weapons. At the same time they refused to stop making more of them or to eliminate existing stocks. The monopoly must remain with the power brokers of the North. India's explosion of her first nuclear device in 1974, provoked much anger that the leading nation of the Non-Aligned Movement should want to create her own nuclear arsenal. Yet much of the moral indignation which ensued was in fact outrage that India had dared to break the monopoly of the North and was not prepared to behave according to the North's dictates. (In this regard China was seen as belonging to the North rather than to the South.) This attitude goes to the root of the North-South relationship. As yet we have hardly begun to move away from a situation in which the North knows how the world ought to conduct its affairs and is prepared to help the South only on sufferance, when it behaves as the North requires. The sin of Nehru and other non-aligned or Third World leaders has been their refusal to accept this arrogant assumption.

Many strands go to make up the Third World. All of them have their origins in the relationship between South and North. They are the reactions of the weak

to the strong, of those with little or no power to those with a great deal. Historically this is hardly new. What is new in our age is the extent to which the relationship between weak and strong, poor and rich or South and North has been so clearly documented, discussed and exposed. It was once taken for granted that the powerful would oppress the weak – they usually did (and do) – but today we pretend to abhor this assumption.

In 1945, when the victors of World War II created the United Nations, they saw it as an instrument (which they would control) to maintain peace or a status quo largely favourable to their dominant position. They did not envisage the United Nations which has emerged: the champion of the rights of all people to have a voice in the running of their world. This is a novel idea, unique to the 20th century. And whatever the failings of the world body, this single accomplishment justifies its existence.

In power terms, not much changes. The big powers interfere in the name of a current ideology or to sustain a 'friendly' government, but in reality they are buttressing their own interests. The Nigerians learnt a good deal about such motives during their civil war in the late 1960s, as did the countries of the Horn of Africa in the mid-1970s, or Afghanistan in the 1980s.

Broadly there are three reasons for such interference. The first, least complex motive is simply the desire to safeguard interests – investment, trade and strategic bases. The second is less precise, but comes to the same thing in the end: the determination to keep a Third World country within one's sphere of influence. And third, an arrogant assumption arising out of power and its long exercise, is that the powerful of the North *know* what is best for the development of the South. Those in the North who are basically unsympathetic to the aspirations of the South wish, nonetheless, to interfere in order to promote their own advantage. And those in the North who are sympathetic still wish to interfere because they almost always assume that the South cannot solve its problems on its own. The North knows best.

The determination of the major powers to continue interfering after their colonies had become independent was a primary reason for the emergence of Third Force politics in the 1950s. The fear among the leaders of the big powers that India under Nehru (1947-64), Egypt under President Nasser (1954-70), or Yugoslavia under President Tito (1945-1980) would go their own ways immeasurably strengthened the resolve of such leaders to do just that. And so the Third World was born.

Yet if the Third World refused to join sides in the Cold War, economic weakness did not allow it to do much else of an independent nature. Sensing this vulnerability the North substituted aid for colonialism and the aid age was born. Aid in its various forms has become the North's most potent weapon in its dealings with the South. Not that aid solves development problems. What it does is create ongoing dependency and open up endless opportunities for interference in the economic and political affairs of the South. Development assistance, military interventions, management of markets, and the reports of Canada's Lester Pearson (1969) and West Germany's Willi Brandt (1980) are part of the same equation: a Northern finger in the Southern pie – control.

Fashions change and the fashion of the late 1980s is to ask whether aid assists development, or at least (for options must be kept open) whether aid of the *kind* dispensed so far assists development. One can be quite certain that aid in some form will continue. The correct question to ask is whether aid was ever intended to help development, as opposed to providing the donors with an entry into the countries where they have interests to defend or wish to extend their influence.

President Julius Nyerere of Tanzania was correct to insist in the Arusha Declaration (1967) that aid ought only to be used as a catalyst, while the main thrust of development should come from within. But the difficulty about such a proposition advanced on behalf of any poor country is at once obvious. Once a Third World country turns to the international aid agencies, it surrenders control over part of its development. The donors decide what is needed, how much they will provide, on what terms, when they will come and go. This has now been the pattern for many Third World countries for more than a generation.

If it is objected that such major donors as the USA or Britain have cut back their aid severely during the 1980s, this does not invalidate the above arguments. Nor are reductions in aid the result of any lessening of guilt feelings in the North about former imperial activities (another fashionable argument of the 1980s). Rather, such cutbacks have taken place because, in a time of recession, the North finds it can manipulate the South by other means. In 1984 the total flow of world aid from both bilateral and multilateral sources came to approximately $36

billion, while world expenditure on arms exceeded $450 billion.

The formidable array of institutions concerned with the South established in countries of the North over the last 40 years offer a revelation of the North's determination to be involved in the Third World. These institutions range from the World Bank (technically a world institution, though in fact controlled by the North) through government aid ministries in western or communist countries, university departments and independent research bodies, missionary bodies, churches and numerous other non-government organizations, all of which are busy in the Third World. Such a spread of organizations requires careful study: who controls them, what are their objectives, what do they achieve for the Third World, and whose interests do they serve?

One of the most familiar arguments to pinpoint North-South antagonisms concerns the activities of the International Monetary Fund (IMF). Does it really exist to help economies in trouble? Or is it prepared to help only if they conform to a pattern of economic behaviour laid down by the North? In the South the IMF has become a bogeyman and is seen as a policeman acting on behalf of western capitalist interests. The IMF is hardly alone in this perceived role even if it is one of the most exposed international institutions. The World Bank, the IMF and the transnationals in particular are all viewed in a similar light from the South. They are seen as institutions designed to buttress western capitalism whose end result (whatever explanations are offered along the way) is to keep firmly within the capitalist camp all Third World recipients of their funds or investments.

The fashionable argument now carefully fostered in the North is that the time for guilt about colonial exploitation has passed. This is a lie in the simple sense that there never was much guilt. The colonial powers fought hard and long to hold on. If finally they relinquished political control, they did so because it would have proved too costly to hold on. Individuals may feel guilt, but there is little evidence in the post-imperial age that either Britain or France have any sense of remorse. Indeed the contrary appears to be the case. A wave of nostalgia about imperial achievements is now under way.

And if the rhetoric about colonialism and imperialism of Third World leaders has now become purely ritualistic, this is no more than to acknowledge a hard political truth: that guilt among nations is a rarity and that policy is always based upon self-interest. The North involves itself in Third World problems not in order to find solutions to those problems, but so as to further its own interests.

The converse is the argument, often advanced but rarely acted upon, that the Third World would do best if left to its own devices. Third World self-reliance which rejects interference from the North may be an answer in theory. In practice Third World countries are simply too weak and, as a rule, either unwilling or unable to opt for genuine policies of self-reliance. In any case they are as a rule too much in debt to the North.

It is easy to take the North to task for its endless opportunism at the expense of the South. At the same time it is important to ask how many countries of the South – or more accurately how many of the governments and ruling élites – wish to break the ties which bind them to the North. How many would choose policies of self-reliance if they demand greater local effort and a longer period before wealth objectives are attained, and if they create political hazards for the ruling élites?

Almost all the organizations of the South, such as the Group of 77*, are concerned primarily to bargain with the North: to obtain more aid, better terms of trade, greater investment, easier access to markets, and so on. Every international meeting of the UN, the United Nations Conference on Trade and Development (UNCTAD), the World Bank or those bodies concerned with such special topics as the Law of the Sea follow the same course. Battle lines are drawn up with the Rich determined to defend a status quo which works to their advantage (whose ground rules were anyway drawn up decades ago by the rich) and the Poor concerned to wring more concessions from them. That is the pattern of North-South dialogue in so far as it exists.

And sadly much Third World development is characterized by violence. In 1988, a rough count showed that about 40 wars, revolutions or guerrilla confrontations were taking their toll around the Third World. Of the major ones 9 were in Africa, 8 in Asia, 5 in Latin America and 3 in the Middle East. In other cases the world hardly knew that any fighting was in progress until a sudden flare-up occurred as was the case in northern Somalia in June, 1988, when the dissident Somali National Movement

*The group of 77 (now numbering 124) includes virtually all the developing countries. The group (and name) came into being following the first United Nations Conference on Trade and Development (UNCTAD) which was held in 1964.

briefly occupied Hargeisa. Some, such as in Iran-Iraq and South Africa were brutal in the extreme, and most have been with us for years. Festering left-overs of empire still erupt from time to time and will continue to do so until the problems are solved: the Falklands, New Caledonia and Namibia. And when all else fails, big power interventions, including the Russians in Afghanistan and the Americans bombing Tripoli to teach 'terrorist' Gaddafi a lesson, demonstrate how little if anything has changed. What the North refuses to do is bring its power to bear upon the problems which cause the bloodshed. If the western nations which do so much business with South Africa were to bring to bear upon that country the awesome economic levers at their disposal, they would soon force an end to the monstrous injustice of apartheid. The situation in southern Africa would change overnight. Similarly, if the Americans were to insist (using the threat to withhold their economic and military aid) that Israel talks with the Palestine Liberation Organization (PLO) until a solution to the Palestine problem is reached there would be no call to bomb Libya. But those who are driven to violence by deprivation, such as the PLO and the African National Congress (ANC) in South Africa, are dubbed terrorists, while those whose policies have forced them to behave in such a manner are supported by the North through thick and thin.

The Third World, then, has come into being in reaction to the arrogant, omnipresent power of the North. Even its collective power is small and puny and when we consider that there are about 140 members of the Third World it is hardly surprising that they do not often achieve a consensus. In terms of its total gross national product (GNP), Britain ranks fifth in the western world after the USA, Japan, West Germany and France. Yet none the less Britain has a GNP equivalent to one and one third times the combined GNPs of all the countries on the African continent. American power – her GNP is about eight times that of Britain – is truly awesome in relation to the South (for figures see Gazetteer).

The main concern of the Third World is to assert its collective and individual identity in relation to the powerful North – whether the West or the Communist East. What is startling – given the normal patterns of history – is the extent to which the Third World has managed to maintain its independence, its Non-Alignment and its ability to pursue its own policies despite aid, debt, transnationals and all the other mechanisms of control which are exerted from the North. The Third World owes this achievement at least in part to the media. The spread of information, the fact that arguments and events are instantly publicized through television has provided the Third World with a platform unimaginable even a generation ago. And that is true even though the North overwhelmingly controls the media.

The title of the radical writer Frantz Fanon's book *Wretched of the Earth* highlights the most important single difference between North and South – poverty. If the South can overcome poverty, then its other aspirations – for greater equality and a bigger say in the ordering of the world – will follow. But poverty remains the key. That is why almost all North-South dialogue concerns aid, trade and the transfer of technology. Once Third World countries achieve economic breakthroughs which enable them to improve the condition of their people and become self-sustaining economies, then other political objectives will come within reach.

1 End of Empires

When in 1940 Winston Churchill said 'I have not become the first minister of the Crown in order to preside over the liquidation of the British Empire', he was employing political rhetoric at a time of high drama. Even so, few then could have believed that the end of the European-ruled empires was so near. When World War II ended in 1945, the British Empire was intact (though it had been a close thing) and the other imperial powers, most notably France and the Netherlands, which had been occupied by Germany, hastened to regain control of their overseas possessions. The assumption was a return to 'business as usual'.

But this was not to be. In French Indo-China and Malaya, the Communists who had fought the Japanese from the jungle now became the spearhead of the nationalists fighting against the returning imperial powers. As Britain disbanded its wartime armies and sent the troops home, about 250,000 soldiers recruited from her African colonies returned home. As soldiers, they had been taught that they were fighting for liberty against tyranny, but at home, they discovered that they were second class citizens without any voice in government. One such young soldier from Kenya, Waruhiu Itote, later became famous as 'General China' during the nationalist Mau Mau uprising in the 1950s.

Then the United Nations came into being. Its Charter proclaimed equal freedom for all people and naturally, therefore, it exercised a particular attraction for the subject peoples of the old empires. Increasingly it became a forum in which imperialism could be denounced.

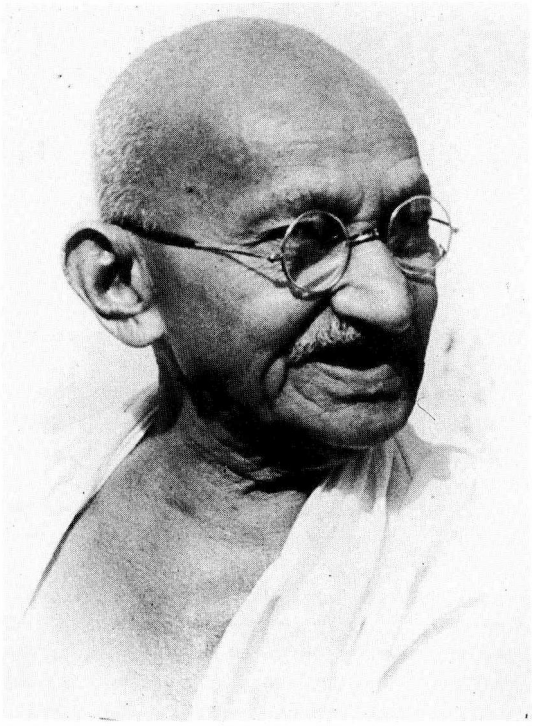
Still more important as a factor for change was the emergence of the two superpowers – the USA and USSR. Neither was an imperial power like Britain or France and each, for historic reasons, was fundamentally opposed to the idea of empire. Both, therefore, began to exert major pressures upon the old imperial powers to hasten the end of empires. The confrontation between their rival ideologies, which rapidly developed into the Cold War, made the process of their pressures all the more insistent.

Then, too, the colonial powers were exhausted by the war in Europe. The fact that they accepted American Marshall Aid to assist their economic recovery made them more susceptible to other American pressures. When confronted by prolonged resistance by determined nationalists, as the Dutch discovered in Indonesia and the French in Indo-China, the will to hold on no longer existed.

Even more important, however, was the simple demand for independence, for freedom, for an end of empires. The strength of this demand gathered ground every year after the end of World War II. Nothing is more powerful than an idea whose time has come. And the time to end empires and allow the emergence of independent states throughout the old colonial dependencies had indeed arrived.

A key to the break-up of empires was India. This huge subcontinent had long been regarded by Britain as the centrepiece of her empire. Quite simply, while Britain held India she was in the superpower bracket, but she ceased to be so when India went. Indian demands for independence had been growing ever since 1919 and by 1945 were focused in the extraordinary figure of Mahatma Gandhi. During the war, the British had, however reluctantly, promised independence in return for India's support. When the Labour Party under Clement Attlee swept to power in Britain in 1945, the new government, unlike its Tory opponents, was committed to Indian independence. Two years later, the British Indian Empire ceased to exist. Two new nations, India and Pakistan, emerged instead and Burma and Ceylon (now Sri Lanka) became independent soon afterwards. The key dates in the advance of India and other former colonies towards independence are set out below.

Once Britain had conceded independence in India, the process of decolonization was bound to speed up. It was a matter of logic. Having admitted the right of Indians to govern themselves, Britain could not easily argue that Malays, Africans or West Indians should not enjoy the same right. The only argument left (though many were used to delay in-



GANDHI, Mohandas Karamchand (Mahatma) (1869—1948)

This extraordinary man mounted an unique campaign against the British in India. Where other nationalists resorted to force he preached non-violence and urged civil disobedience and more than anyone else helped make British India ungovernable. When India became independent in 1947 Gandhi remained outside the government though he was regarded as the ultimate nationalist leader.

His fasts, his non-violent philosophy and his exaltation of individual conscience placed him on a different plane to all other nationalists and for millions of Indians he became a saint. For the subject peoples of other countries then struggling to emerge from the imperial age he became a symbol, unrivalled then or since.

dependence elsewhere) was that of timing. Moreover, the effect of Indian independence was immense throughout the remaining empires.

Then in 1949 Mao Zedong (Mao Tse-tung) and the Communists triumphed in China and that huge country became menacingly united (as the western world saw it) for the first time in the 20th century. Cold War considerations at once became of even greater importance. For example, an independent India was seen in the West more as a counterbalance to China in Asia than simply a non-aligned country (despite Nehru's insistence that it should be so).

Meanwhile independence struggles were growing in intensity. The Dutch failed to regain control of their East Indian Empire and in 1949 the United States of Indonesia were proclaimed. The French found themselves fighting an increasingly bitter and apparently endless war in Indo-China. The British were fighting Communist insurgents in the Malayan jungle. In French Madagascar (1947) an almost unheard of uprising took place and some 10,000 people were killed. In British East Africa the 1950s were dominated by the Mau Mau struggle in Kenya. And in Algeria a long and brutal struggle between the French settlers (*colons*) backed by France and the Algerian nationalists resulted in independence in 1962. These and other struggles had consequences far beyond the borders of the territories where they were fought. On the one hand they encouraged general opposition to the imperial powers throughout the colonial empires. On the other hand they helped persuade the imperial powers that the time had come for them to quit. If one colony after another was only to be held by force and costly wars, then empire had ceased to be a paying proposition. It made more sense to grant independence and work for good subsequent relations.

It was not an easy process. The humiliating 'defeat' of the Anglo-French intervention in Suez in 1956 helped to destroy the old idea of gunboat diplomacy with the imperial powers policing lesser nations. Then in 1960 when Britain's prime minster Harold Macmillan made his famous 'Wind of Change' speech in Cape Town, South Africa, he effectively signalled that Britain had accepted decolonization as the policy for the remainder of her empire. Indeed, 1960 was to be called the *annus mirabilis* of African independence. Seventeen African countries, including Britain's largest African colony, Nigeria, the Belgian Congo (now Zaïre) and France's West and Equatorial African possessions, Somalia and Madagascar, became independent. Problems remained. For example, white-dominated Southern Rhodesia did not become independent as Zimbabwe until 1980 after 15 years of illegal white minority government and bitter guerrilla warfare. But 1960 may be taken as the year when the old colonial powers accepted that the end of their empires was in sight.

The results of this (historically) incredibly rapid process were almost incalculable. In 1945, 50 nations created the new United Nations. By 1980 when Zimbabwe joined the world body it had more than 150 members and a majority belonged to the Third World. This large group of new nations has become one of the key factors affecting the policies of our

present world. Not only do they have a majority in the United Nations, they have also created organizations of their own, such as the Organization of African Unity (OAU) and the Non-Aligned Movement. They are wooed by both sides in the Cold War. And they present the rich North with awkward but compelling questions of how our world should be run: the aid debate; the idea of a New International Economic Order (NIEO) advocated by the UN General Assembly in 1974; the concept of Non-Alignment; and the North-South dialogue. All are the direct outcome of the end of empires.

India: a Special case

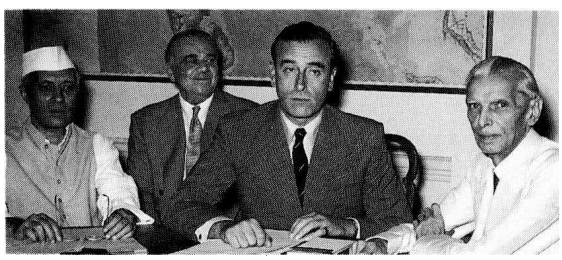
The sheer size of British India made it the key to Britain's imperial policies. It was an empire on its own. Had the British attempted to hold on to India after 1945, the story of world decolonization would have been very different – and probably far more violent – than in fact was the case. The decision of the British Labour government to agree to Indian independence immediately after World War II had immense consequences for the whole Third World.

Key Dates

1885 First meeting of the Indian National Congress.
1919 Punjab riots; the Amritsar Massacre; constitutional reforms introduce limited democracy.
1920 Gandhi begins civil disobedience campaign.
1922 Gandhi arrested (for civil disobedience) for first time.
1931 London Round Table Conference: Gandhi insists upon all India government but is opposed by Moslems.
1935 Government of India Act: a reshaping of the Indian Constitution, Burma is separated from India.
1939 By the outbreak of World War II, it is no longer a question of whether or not India should have independence but only of when she will gain it.
1941 Britain offers Congress autonomy after the war, but is met with a demand for immediate independence; unrest follows.
1942 Widespread unrest; Congress leaders arrested; Britain maintains full control. The fall of Singapore is followed by the Japanese invasion of Burma: both events contribute to a collapse of British and western prestige in Asia.
1945 The Labour Party wins the general election in Britain and is committed to independence for India.
1946 Growing communal strife between Hindus and Moslems; Britain offers full independence and sets a timetable.
1947 Independence and the partition of India Into India and Pakistan; both decide to become members of the Commonwealth.
1948 Burma becomes independent, does not join the Commonwealth; Ceylon (Sri Lanka) becomes independent in the Commonwealth.
1950 India becomes a republic within the Commonwealth.

Results

The break-up of the British Indian Empire had momentous consequences:
1. It led to the partition of the subcontinent and the emergence of four independent Asian nations – India, Pakistan, Burma and Ceylon (Sri Lanka).
2. India became the world's largest democracy.
3. Modern aid programmes came into operation: the Colombo Plan was founded in 1950 in response to the development needs of these new countries.
4. Indian independence made decolonization elsewhere inevitable.
5. Indian independence relegated Britain from the first rank of world powers.



MAKERS OF MODERN INDIA

The historic New Delhi Conference of July 1947 at which Lord Mountbatten disclosed Britain's plan for the partition of India. Nehru, the first Prime Minister of India, sits on Mountbatten's right, Mahomed Ali Jinnah, the first Governor-General of the Dominion of Pakistan, on his left.

Egypt

Although technically fully independent since 1922, Egypt remained subject to British political interference and sometimes control. She was used as a British base throughout World War II despite her 'neutrality'.

Key Dates

1951 The Egyptian government abrogates the 1936 Treaty with Britain; British troops occupy the Canal Zone.

The World in 1945