

EXCURSUS I

Harlan Cleveland on Economic Wisdom for the "77"

A surprising feature of modern diplomatic history has been the political solidarity of the "Group of 77"—that voting bloc, now usually 90 to 105 in any world conclave, which generally sticks together on economic issues between the rich nations and poor nations. If its economic wisdom matched its political skill, it would have a bright future. But if the "Group of 77" deals with other issues the way it is dealing with, for example, the Law of the Sea and national sovereignty, that future will be less than bright.

The bargaining on these issues must be seen in the larger context. The industrialized nations will be dealing with this "trade union of the developing countries" on a wide range of topics this year. Just in the next few months the topics for international "collective bargaining" include establishment of a world food reserve, aid to agricultural production, the price and supply of oil, raw materials agreements, development assistance, protection of the global environment, the management of ocean resources, new rules for trade, regulation of multinational enterprise, reform of the monetary system, and world requirements for decent housing.

The real problem about this planetary bargaining process is not the poor nations' demand for a fairer break in economic relations. Everybody agrees that the international war on poverty is languishing; by any standard of measurement more of the world's people are poor now than before development economics was invented. Nor is the problem the tactical tenacity of the Group of 77's "automatic majority" in the U.N. General Assembly and other world forums. The chief problem is that the developing-country caucus combines its strong political solidarity with weak economic analysis.

Some of the brightest regulars in that caucus, the people who are always found advising and helping draft at international meetings on economic policy, are now trying to establish Third World think-tanks. One such effort is the Third World forum set up last year, heeding the call of Mahbub ul-Haq, a Pakistani member of the World Bank staff, for "intellectual self-reliance" by the Third World. Another is a new Latin American institute just planted in Mexico City and headed by a moderate Chilean radical, Juan Somavía. He was, in turn, one of those who drafted the Dag Hammarskjöld report, one of the main nongovernmental inputs to the U.N. Special Session on the New International Economic Order last September. But the sponsorship and leadership of that Third World-oriented study illustrates the problem: It was financed by Sweden, located in Geneva, and directed by a Swiss, Marc Nerfin.

The weakness of the Third World in policy

analysis means that most of the monarchs, ministers, and military men who turn up as multilateral negotiators for the less developed nations do not have in their briefcases or in their heads a clear idea of what they want to achieve by bargaining with the industrial nations, except to stick together with the "77" at all costs.

To the poorest nations the economic cost of political solidarity is high, and could get a lot higher. The obvious case is the devastating effect of the hike in oil prices on the balance of payments, and therefore the development plans, of the poorest forty nations—not only India and Bangladesh, but two dozen African nations and others that together make up the resource-poor majority of the "77." In fact, the increase in the developing nations' bill for oil imports almost exactly offsets the aid they were getting from the industrial democracies. Two other cases, less well known and even more important, illustrate the propensity of the developing-nation majority to act against the interest of most of its members.

A curious feature of Law-of-the-Sea politics has been the degree to which the landlocked and shelf-locked nations—about fifty of the U.N.'s 144 members—are mesmerized by their coastal brethren into acting against their own national interests. If a two hundred-mile "exclusive economic zone" is generally adopted, that will cover some 40 per cent of the ocean. And that's where the action is: 10 per cent of gas and 20 per cent of oil production already, moving to perhaps 50 per cent in another generation; the bulk of the fisheries; nearly all the aquaculture potential; most of the scientific research; all of the shipping ports and sheltered anchorages; and the most sensitive national security considerations.

Why do the landlocked and shelf-locked nations, most of them "less developed" and some of them very poor, want the coastal states—some of them very large and comparatively very rich—to reap the economic benefits that will accrue from exploiting the oceans and the ocean bottom two hundred miles out?

It's a mystery, but they do. In 1970 the United States proposed a draft treaty that would have provided for really substantial revenue-sharing from exploitation of the deep ocean floor and the outer continental margin. The eventual return from these new sources, especially from oil and gas, may well be counted in the billions of dollars. The idea was that a big slice of these revenues would become available for financing economic development in the poorer countries. Yet the Group of 77 rejected this proposal, apparently because of its American sponsorship; the offer, which had powerful opponents within the U.S. Government, was subsequently withdrawn.

That means that monies that could have been devoted to international purposes are now likely to accrue mostly to those affluent coastal nations and those industrial powers (the United States, the Federal Republic of Germany, France, Japan, the

Soviet Union, and a very few others) with the advanced marine technologies to drill for oil and gas and mine the seabed minerals on their own initiative and authority. The developing-country bloc would be well advised to take a fresh look at this idea before it is too late—if it isn't too late already.

The developing-nation bloc has also been insisting, in U.N. debates and elsewhere, on rigid roles of national sovereignty over natural resources. The historical reasons for this insistence, the resentment of colonial preemption of their land and labor, are thoroughly understandable. But they are also thoroughly dated.



Janice Stapleton

A study of where future minerals and metals are likely to be found reveals that (except for the oceans) the favored expanses of resource-rich territory are already under the sovereign control of a very few nations with the most square kilometers of the world's surface—the U.S., Canada, Brazil, USSR, South Africa, Australia, Indonesia, and China. The forward-looking interest of most geographically smaller countries would clearly be to maximize international jurisdiction over (and therefore their own participation in decisions about) the key world resources they will *need*, but do not *own*, for their own development—oil, coal, iron, copper, uranium, manganese, nickel, and the rest. Yet "sovereignty over natural resources"—a doctrine that, looking ahead, will heavily benefit a few nations—is still the backward-looking battle cry of the many.

Those who now control these nonrenewable minerals, and those with the greatest capacity to produce renewable riches such as food and fiber, are prone to regard them as "gifts from God." That's how the Iranian planners describe their storehouse of oil and natural gas. In the United States our national hymn implies that our "waving fields of grain" are the consequence of God's grace especially shed on America.

The gifts of abundance scattered so unevenly on and under the earth's surface, and in and under the oceans, are certainly gifts *from* God. But does it follow that they are gifts *to* the people who happen as of 1976 to have conquered or inherited them? A more logical, equitable, and persuasive theology would make them gifts to humankind, to be con-

served and exploited through international cooperation to meet the minimum needs of people regardless of race or creed or nation—and the needs of the unborn who have an interest in these resources if not yet a voice in their disposition.

Harlan Cleveland, Assistant Secretary of State and U.S. Ambassador to NATO in the 1960's, is Director of the Aspen Institute's Program in International Affairs, Princeton, New Jersey.

EXCURSUS II

Barry Rubin on Misunderstanding Lebanon

Misconceptions abound in the popular misunderstanding of recent events in Lebanon. A country that has for years been the symbol of stability in the Arab world has for more than a year now been torn by a bitter civil war that has left over 15,000 dead and tens of thousands wounded and homeless. It is easy, viewing pictures of Beirut's modern sections, or of fighting over the Holiday Inn and the Hilton, to see the strife in Western terms. That perception is misleading on at least three issues.

First, it is said that since the struggle is not "religious" in a theological sense, the real cause must be sought primarily in economic or ideological motivations. Religious differences in the Middle East, however, are not so much covers for these factors as they are indicators of competing nationalisms.

In the West, for better or worse, "religion" has come to mean a once-a-week affair—a matter of private conscience, of personal belief, which has (or in theory should have) relatively little to do with politics of identity. Not so in the Middle East. "The primary divisions inside the Near East," writes Albert Hourani, "are, as they have been for over a thousand years, religious: whether a man is Moslem, Christian, or Jew, and which branch...he belongs to." Historically, the empires ruling the Fertile Crescent distinguished among their citizens in terms of rights, duties, and position in society on the basis of their religion. Jews and Christians were accepted and "protected" only as second-class citizens. The idea of a Christian or Jewish-ruled state was intolerable in this scheme. Arab nationalism became integrally related to Islam, which is more than what most Westerners mean by "religion"; it is a worldview, a set of laws and way of life, a self-conscious political reality.

Any attempt to apply American "melting pot" concepts to such societies can lead only to confusion. In a region where every Arab state (except Lebanon) has declared Islam the state religion, the idea of a "secular, democratic state" is a prop-