

WORLDLY JEREMIADS

On Poverty

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Nearly everyone concerned about world poverty has a particular Third World image in mind. Those who know Africa speak of the slums of Nairobi or Lagos; those who know Latin America speak of the favelas of Buenos Aires; and those of us who know Asia are haunted by the lepers of Bombay. Poverty in the Third World is something that few who have seen it can forget. And once seen, something keeps urging us on to take action, be it only a check made out to a relief agency.

In recent years those in America who give thought to such matters have despaired of anything "big" being done about poverty in the developing world. Foreign aid funds are limited and concentrated in the hands of the Mideast oil producers; and despite significant increases in IMF and World Bank lending, we are all aware that most aid gets "recycled" as payment on earlier debts.

Nor is there a sizable constituency for programs to accelerate economic development. Who believes any longer that aid will do any good? Such aid seems to get "lost" among the weak, inefficient, and often corrupt governments of the Third World—the "soft" regimes that Gunnar Myrdal wrote of in his now classic *Asian Drama*. After twenty-five years of aid there are more poor than there were when the process began.

A few years back Robert Heilbroner's *An Inquiry Into the Human Prospect* (W. W. Norton & Co.) concluded that there was no hope of avoiding the coming imbalance between resources and growing population. Applying Malthusian analysis, Heilbroner foresaw an era marked by wars for resources and wars between rich and poor for the distribution of goods.

Since the book's appearance in 1974 the industrial world itself has suffered a number of shocks: the energy crisis; the revolution in microprocessors; the competition from newly industrialized countries; and the inability of the West to revitalize its industry.

As an answer to Malthusian despair, in 1980 the Brandt Commission published a report, *North-South: A Program for Survival* (MIT Press), which outlined a complete program not only to accelerate economic development but to revive tired Western economies as well. The premise of the report is that a massive restructuring of the global economy and a massive aid program would also provide new markets for the goods of the Western world. This logic matches that of the 1976 Club of Rome publication, *RIO: Reshaping the International Order* (New American Library), edited by the noted Dutch economist Jan Tinbergen.

Both the Brandt Report and *RIO* offer a global solution to the very real problems seen by Heilbroner. They argue that unless economic development is stimulated and poverty eradicated, Heilbroner's vision will come true: "War and threats of war" will be our way of life.

This June, Simon and Schuster published a cri du coeur by Jean-Jacques Servan-Schreiber called *The World Challenge*—a call to Americans and all Western-

ers to wake up to such problems. Indeed, his writing is a conscious attempt to make Americans see that they have underreacted to the Brandt Report.

For Americans, according to Servan-Schreiber, the problem is that most of the ideas of what can be done about world poverty are coming from Europe, from the OPEC nations, and from Japan; Americans are no longer the leading force in the intellectual battle. Author of *The American Challenge* (Atheneum, 1969), a hymn to American innovation, Servan-Schreiber quotes at length from Michel Crozier, the French sociologist, who wrote in *Le mal Américain* (Fayard, 1980) that "The intellectual market is stagnating; people with influence have become protective of the system."

Many American thinkers, like Heilbroner and some neo-conservatives, have given up on any positive approach to the problem. As a result, according to Servan-Schreiber, the United States seems to be retreating into a shell, no longer taking a lead in the major project of the century: creating a genuinely prosperous world community. Instead, America is reindustrializing—not to help create a new and healthy world economy, but to develop a renewed nineteenth-century industrial base and a military build-up. Servan-Schreiber points out that the reindustrialization programs proposed by the sociologist Amitai Etzioni do not take into account the new technological age we live in. For the American position is the opposite of the Japanese, who see that the new technology opens up a new era:

The Japanese imperative...has a name: *Deindustrialization*....Traditional industrial development no longer represents progress but a regression, a waste of employment and investment. For the sake of production *and* of new employment opportunities, men must come to terms with computerization [emphasis in original].

So thoroughgoing is this new technological revolution, Servan-Schreiber believes, that for the first time the technological means for attacking massive poverty are at hand.

Servan-Schreiber's thesis is that economic prosperity for both the rich and the poor nations requires a huge transfer of modern "technetronics" to the Third World so that the economies of both rich and poor can be integrated into one world economy. Like Alvin Toffler in *The Third Wave* (William Morrow, 1980), Servan-Schreiber argues that the new technology is bringing about a new industrial revolution, one whose power to multiply production at low cost far exceeds the beneficial results of the first industrial revolution. Thus he argues that the essence of eliminating poverty is aid coupled with technological transfer so as to facilitate the transformation of backward economies.

It is precisely this area of aid/technology transfer/structural change in the world economy that forms the essence of the Brandt Report—and makes the Report not simply a pity-the-poor-nations document, but a serious proposal with teeth.

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