



The World Today

The Right to Development?

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There are few who would disagree (at least openly) with the notion that all human beings have a right to development. Indeed, if you review one of the most recent statements of the United Nations on this matter, which is entitled “In Larger Freedom: Towards, Development, Security and Human Rights for All”, they argue that “[t]oday’s is the first generation with the resources and technology to make the right to development a reality for everyone and to free the entire human race from want. There is a shared vision of development.”

The notion of a right to development is problematic because it requires some entity to legitimize, monitor and grant rights. Historically, development is something that countries and societies have had to earn through boosting their competitiveness, innovation and foresight. If that is the case, two things must be done for us to participate more proactively in the world today. Firstly, people who are challenged by contemporary globalization must interrogate and deconstruct the meaning and values inherent in the discussion about development. And secondly, we must have a grasp of the trajectory of global trends and how economies such as our own can take advantage of the opportunities while minimizing the threats.

The world-economy has been in a phase of massive structural change, with a myriad of imbalances, for the last three decades. Shocks to the world economy, such as the Mexican Peso crisis, the Japanese slowdown, the Russian ruble crisis, the Asian meltdown, the “dot-com” crash, the Argentinean financial crisis and the HIV/AIDS pandemic suggest that development prospects are not very good. This confirms fears among some in the development community that there is something seriously wrong with the world economy and from others a warning that a global depression is likely, especially after 9/11.

Today we are experiencing a new social redistribution of surplus value quite unlike the post World War Two model of accumulation of wealth and mass consumption that provided the push behind twentieth century economic development. Increasingly workers in developing nations, such as those in the Caribbean, are producing goods and services that neither they nor their counterparts in the developed countries can afford, because they are either unemployed, or employed in low-end, low wage, part-time and

de-unionised jobs. More fundamentally, the situation relates to the tendency for world production to outstrip world consumption, when there is a shift in the knowledge and digital economy as has been the case since the early 1970s.

For developing economies it is clear that as the new knowledge and digital economy matures, the basis for their inclusion into the world economy is becoming more fragile and vulnerable. There is the question of where the new source of world demand and consumption will come from. Regional trends suggest that the economies of Latin America, the Caribbean, Africa and most of Asia, given their level of external indebtedness and general impoverishment, are not to be that source. However, what is not captured in the data is the growth of the global middle class in developing countries like China, India and Korea, as well as the diasporic community of the North. These markets are emerging as the new engines of growth and have become far easier to tap into, with the growth of global media and, the digital and Internet economy.

Another issue is the shift towards labor-saving and material-saving technologies. This suggests weaker bargaining power for developing economies in world markets and further marginalization for most Third World societies, because their economies have largely remained specialized in low value-added processing, raw material production and basic exports. On the other hand, these economies have not reduced their dependence on the importation of basic foods, medicines, equipment, parts, technologies, and so on. This explains why the exportation of low value-added commodities to earn foreign exchange to meet import demands, is still the dominant economic model and development strategy among most developing countries, Trinidad and Tobago included.

This mode of export orientation has severe limitations given that world-markets have tended towards global oversupply of commodities in the last two decades or so. Higher value-added exports are the way to go. However, countries like China, India and the Asian Newly Industrialized Countries (NICs) have taken the lion share of lower and medium technology manufacturing at the expense of countries in Latin America, the Caribbean, Africa and the Middle East. The de-industrialization of these countries which is compounded by the current crisis of external debt, chronic unemployment, and increasing poverty, means that alternative paths to development have to be sought.

Alternatives include a whole range of innovations both in terms of production as well as consumption. For example, it may mean in the current scenario, an emphasis on the efficient use of foreign exchange (e.g., curtailing luxury imports, or prioritizing foreign exchange earning sectors or promoting import-replacement industries) rather than the strategy of earning more to import more. It may also mean that developing countries have to move beyond their dependence on preferential prices for commodity exports and foreign aid, or more technology transfer, as these tend to induce dependencies.

In summary, what is being argued for is reversing the tendency of developing societies to be overly reliant on imported goods, services and technology solutions. This is not an advocacy for autarky or to “throw the baby out with the bath water”, but for a strategic, pro-active response to the changing global political economy. It is a matter of

having selective social targets and political priorities that match indigenous technological capabilities and draw on global networking and partnerships where there is strategic alignment.