New World Orders Without End?
An Intellectual History of Post-War North–South Relations

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Abstract
The intellectual history of North–South relations has been largely dominated by the debate between various strands of thought emanating from either Modernisation Theory or Dependency Theory. Yet in recent times what might be termed a nascent ‘post-hegemonic’ new dispensation may be discerned. Whether this new turn in North–South relations is sustainable or genuinely different is one of the biggest questions facing the South today. Is it actually possible to deregulate markets and roll back the state, allowing a free rein for international capital and, at the same time promote equity and mutual development in both North and South? In this light, is the New Partnership for Africa’s Development (NEPAD) a chimera offering little of substance? Those advocating such projects need to answer a most fundamental problem: is it intrinsic to the capitalist system that the generation of wealth is predicated upon poverty-producing principles and, must there always be a dominant sector and a dominated sector in society—in international terms, a North and a South? Is the call for a post-hegemonic order and a new phase in North–South relations a fantasy, or is it attainable? In short, in examining the history of relations between the developed and developing world, has a new page been turned?

Résumé
L’histoire intellectuelle des relations nord-sud a été largement dominée par le débat entre les différents courants de pensée inspirés de la théorie de la modernisation ou de celle de la dépendance. Cependant, un nouveau courant que l’on pourrait qualifier de «post-hégémonique» est en train de faire son apparition. Une des grandes questions à laquelle le Sud est confronté consiste à savoir si ce nouveau tournant dans les relations nord-sud est viable ou totalement différent. Est-il réellement possible de déréguler les marchés, de repousser l’État, pour donner libre cours au capital international, et en même temps, promouvoir l’équité et le développement solidaire, aussi bien dans le Nord que dans le Sud? Dans ce contexte, le Nouveau partenariat pour le développement de l’Afrique (NEPAD)

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n’est-il pas qu’une simple chimère offrant très peu de substance? Ceux qui recommandent ce type de projets doivent répondre à une interrogation fondamentale: le fait que la génération de richesses ait comme corollaire la génération de pauvreté, est-il intrinsèque au système capitaliste? Doit-il toujours y avoir un secteur dominant et un autre dominé au niveau de la société (en termes de relations internationales: un Nord et un Sud)? L’appel à l’instauration d’un ordre post-hégémonique et à l’établissement d’une nouvelle phase au niveau des relations nord-sud, correspond-il à de la pure fantaisie ou est-ce réellement réalisable? En résumé, une nouvelle page at-elle été tournée en ce qui concerne l’histoire des relations entre le monde développé et celui en développement?

**Introduction**

Although the terms ‘North–South’, ‘First World–Third World’, ‘developed world–developing world’, etc. can be endlessly unpacked and debated, the terms used in this paper when referring to ‘the North’ refer to the industrialised states e.g., the United States, Europe, Japan, etc., whilst ‘the South’ refers to the developing/industrialising countries, primarily located in the ex-colonial states of Africa, Asia and Latin America. Such states—in general—have faced immense development challenges. ‘North–South relations’ refers to how the linkages between the developed and developing world help and/or hinder the political economy and developmental trajectory of essentially ex-colonies of the North. The topic brings to the fore such issues as trade, investment, aid, capital flows and economic integration. Progressively, other issues have emerged in North–South relations that increasingly demand attention. For instance, migration from the South to the North; narcotics smuggling (invariably in the same direction); and environmental issues—often the (illicit) shipping of toxic waste from the North to the South—are now firmly on the agenda when it comes to discussing North–South relations.

**Situating North–South Relations**

North–South relations, in the contemporary sense, emerged from the maelstrom of the Second World War. It was in this post-war period that the developing world began to “fit” into the wider international political economy in a way that had not been readily apparent in the pre-Cold War era. The South was rapidly configured in a series of often overlapping layers of spheres of economic and political influence, which were continuations or developments from the colonial period. That this was intimately linked to the Cold War is quite apparent: Latin America remained under United States tutelage, with American-based transnational capital continuing to dominate the economic life of the continent. This was an
actuality that required defending at all costs, particularly in the Castroist era—hence the ‘Alliance for Progress’ in the 1960s. East and South East Asia, after massive amounts of American capital were poured into the region post-Korea was largely under the ‘direction’ of a revived Japanese capitalist class, which, acting as an effective proxy for Washington, sought to reconfigure the region as a site of investment and a particular form of state-led growth.

The rise of the ‘Asian Tigers’—Hong Kong, Singapore, South Korea, and Taiwan—complimented this process (and indeed, in many cases was driven by it), to bolster a capitalist-oriented-read: anti-Communist-barrier to the further spread of socialism. The desire to protect this scheme of things was one of the fundamental reasons for Washington’s (ultimately disastrous) involvement in Indo-China. Finally, Africa was left to the metropolitan powers and their transnational (or in semi-periphery states such as Portugal, national) corporations to continue ‘business as usual’, though cognisance was made, increasingly at the point of an insurgent’s bayonet, that a re-thinking on Euro-African relations was imminent and long overdue.

Modernisation Theory, Capitalism and North–South Relations

How to achieve this broad anti-Communist front, a concept that rapidly degenerated into a knee-jerk (over) reaction against virtually all forms of Southern nationalist aspirations, including even the most mildest expression of a future minus total control by the North (the fate of Sekou Touré’s Guinea being particularly famous), was predicated upon what can be broadly defined as the ‘modernisation thesis’. This owed its intellectual origins to the work of Darwin, Durkheim and Weber, but was crystallised by the sociologist Parsons (1951). The American economist, Walter W. Rostow and his The Stages of Economic Growth, however crafted its explicitly anti-socialist agenda. The intellectual history of North–South relations has, since then, been a continuous struggle between the broad vision encapsulated within Modernisation Theory and the more critical/radical postures emanating from Dependency Theory and its variants (for an early review of the literature, see Chilcote 1984). This theme has been a current throughout the discourse of post-war North–South dialogue(s), whether it is the New International Economic Order (NIEO) or Structural Adjustment. This is seen as providing an intellectual foundation to the story of the South’s debate with the North over concepts of a future global order.
At this point it is pertinent to point out that Rostow’s work had a subtitle that is strangely overlooked, but made his thesis explicitly linked to ‘containing’ the socialist menace: *A Non-Communist Manifesto*. Indeed, the Kennedy administration took Rostow’s thesis very seriously as a tool to prevent a turn to socialism in the South, and used his stages of economic development as a basis for increasing foreign aid to the developing world. By 1965, U.S. foreign aid reached $4,100,000,000 as compared with $300,000,000 contributed by all other developed countries.

Modernisation Theory drew from Durkheim the belief that the world was divided into two broad kinds of social formations: the ‘modern’, and the ‘traditional’ (Durkheim 1984; 1893). In contrast to the modern, traditional societies are backward-looking (if not primitive), and lack the dynamism required for economic ‘success’. Traditional social formations are dominated by religious authority, which is frequently linked via a metaphysical cosmology, to a rigid form of social structures predicated upon status based on inheritance. Such societies preclude the type of social mobility, or rather, the opportunities for social mobility that would spur innovative and efficient economic activity. Organised along lines of kinship, they also remain isolated from one another (Lerner 1964). At the same time, such vertically arranged societies allow for little control over arbitrary or capricious abuses of authority. According to the Rostow-inspired thesis, such above characteristics are the hallmarks of societies, which primarily revolve around agricultural production and rural life.

In contrast, modern societies emerged from such traditional formations after going through a complex process of development which was said to include the decline of magic as a basis for political authority (the demise of the ‘divine right of kings’ for instance) and a concomitant secularisation of wider society (Bauer 1976). With this rise of reason, associated with the Enlightenment, came an intense spur for science and technology, and an attempt to ‘explain’ the world. At the same time, reward systems based on merit rather than inheritance fostered a climate of incentives for innovation and efficiency (McClelland 1961; Hagen 1962). Associated with this broad historic thrust (which remains ongoing) were a limited form of government and the rule of law defined constitutionally. This process served to enshrine property relations and consciously reified capitalist modes of production. At the same time, a capitalist ‘work ethic’ à la Weber stimulated economic progress (Weber 1971).

Broadly speaking, the modernisation thesis held that if the South was to follow the North into development and the chimera of higher (i.e. Northern) standards of living, then the South had to seek to replicate the
North’s historical trajectory, with particular emphasis on the development of an entrepreneurial class (Roxborough 1979: 16). In essence, the main foil to Southern development was the ‘character’ of its own societies. This retains powerful purchase in certain constituencies in the North: a recent article in *The Economist* for instance blamed Africa’s woes on its culture and its leadership (May 13, 2000). Only by a deepened exposure to the economies and cultures of the North can there be a breaking down of the traditional social formations and values that ‘hold the South back’.

Such a view believed that as modern forms began to develop in the South (through such interaction) they would foster the growth of a more dynamic, efficient and explicitly capitalist modes of production and social organisation in the South. The Eurocentric/Americocentric vision at the heart of such a project is apparent, and needs little comment: it was at the very core of one influential modernisation theorist (Eisenstadt 1966) [Although Eisenstadt was to later modify his theories to take into account more historical nuances—see his 1970 work]. The failure of most of the South to emulate the Rostow model however, combined with a fierce criticism of the Americocentric basis of the theory and this was of perhaps greater importance, its explicitly capitalist and liberal agenda, spurred a rival school of thinkers on North–South issues to emerge, loosely labelled the Dependency School.

**Dependency Theory and North–South Relations**
Dependency Theory emerged from Latin America and directly engaged the Modernisation School in a robust fashion, particularly pointing out the ahistorical weakness of the Modernisation Theory’s broad model. This weakness postured that all societies started from a comparative stage of development (the initial ‘stage of growth’) and hence would—or could—follow comparable paths to modernisation. This path however pictured the North’s model (which was diffuse and varied anyway) as the norm against which all ‘progress’ should be evaluated. Such an approach, of course, immediately granted a form of legitimising capitalist growth models as the path to modernisation, whilst delegitimising non-capitalist models: an actuality that fitted perfectly with what was after all, a ‘non-Communist manifesto’. In addition, later studies showed that societies in the South, even when they took on board technologies from the North, did not necessarily abandon their ‘primitive’ social formations and in fact in many cases actually had their own non-capitalist cultures strengthened (see Gusfield 1973; Salisbury 1962).
In reaction, the dependencistas argued that the North and the South were different precisely because of their different histories. This was a simple point to make but a necessary one in the light of the modernisers’ tendency to the collapsing of past historical trajectories. In addition, it was asserted that the South’s relationship to the North was historically contingent and that its current status of impoverishment and dependence was comparatively recent: the South had not always been poor. Indeed, Dependency Theory clearly showed that the roots of the South’s impoverishment lay in the process by which it had been integrated into the capitalist world economy during the colonial period, a theme that drew its intellectual heritage from Marx (see in particular 1976: 915), and Lenin (1966).

This had integrated the South, but at a subordinate position in the emerging global division of labour (see Rodney 1972), playing itself out in the way in which the South came to supply primary goods to the North: a highly problematic scenario for the South with the instability of markets for primary commodities acting as a sword of Damocles over their future development (Prebisch 1964). The concomitant importing of processed goods from the metropolis presented equally difficult problems—the choice being either a continual run on foreign exchange reserves or, an expensive import substitution programme.

In the process of forcibly integrating the South into the capitalist world economy, already-existing local industries situated in the South were consciously and deliberately swept aside by an emergent Northern bourgeoisie (Kay 1975; Amin 1976). The case of India’s cotton industry being the oft-cited but revealing example. In short, the colonisation process resulted in the South’s economies being oriented more toward the needs of Northern capital than the requirements of the local. This was the quintessential definition of dependency, although Dependency Theory itself was divided into various schools: orthodox Dependency Theory (Frank 1975); World Systems (Wallerstein 1974, 1979); ‘unorthodox’ Dependency Theory (Cardoso & Faletto 1979), etc.

Rather than picture an ahistorical ‘level playing field’ whereby each social formation needed to simply go through the ideal-type stages of growth, the dependencistas rather asserted that the North had an advantage from the start in that they never had to—at least in modern times—experience colonial rule nor, attempt to integrate themselves into a global economy already replete with richer and more powerful competitors. Comparing then the experiences of North and South, certainly at the early
stages of development, was a futile exercise as far as Dependency Theory was concerned.

Dependency Theory also pointed out that the relationships of dependency crafted during the Age of Expansionism by the metropoles were continued long after ‘official’ rule by the colonisers was over. This was recognised early on even by Southern elites—Nkrumah (1965) being a famous example. Only by recognising this can a true appreciation of North–South relations be realised. This asserted that the main obstacles to real autonomous development were not internal (such as Rostow’s caricature of ‘traditional’ societies, or The Economist’s innate ‘African culture’), but were rather external in origin and contingently bound up with the historical experiences of the spread of international capitalism (Frank 1967).

This then was Dependency Theory’s approach to North–South relations, an approach that rapidly gained ground in the thinking of many elites in the South as a means to explain the relative failure of the post-colonial states to develop according to Modernisation Theory’s remits. Though Dependency Theory was in fact a broad church, its essential premise was the same, and was highly influential. How this played out in the politics of North–South relations and its influence on Southern thinking vis-à-vis the international political economy is what we shall turn to next.

North–South Relations and the Confrontational Moment

The South’s development post-1945 was in essence a micro-process within a broader macro-process. This broader milieu was the post-war economic-political settlement, the ‘embedded liberalism’ of the Bretton Woods Institutions (BWI) and its sister groups, namely the World Bank, the International Monetary Fund (IMF), and the General Agreement on Tariff and Trade (GATT)—now the World Trade Organization (WTO) (Helleiner 1994). This was in essence a post-war ‘Golden Age’, a compromise between capital and labour via various Keynesian welfare nationalist schemes.

Under the aegis of the Bretton Woods institutions, ‘mixed economies’ and a liberalising international economy became central to this arrangement. This settlement stimulated the development of economic-political agents: externally-oriented transnational corporations, national (inwardly-looking) monopolistic/oligopolistic corporations, and state administrations (Van der Pijl 1984). These agents created in both the North and, to a lesser degree, the South, ‘triple alliances’ which overlooked the economic and political evolution of both.
Having said that, this occurred at an historic juncture when the newly-independent nations of the South were flexing their muscles; and there was a heady optimism regarding the manoeuvrability of the developing world *vis-à-vis* the North. Indeed, some writers, asserting that dependent relations constructed during the colonial period precluded development within the wider world economy advocated an autocentric ‘de-linking’ from the capitalist world economy (Amin 1985). This did not imply an autarkic utopia, but rather a development strategy that emphasised domestic requirements over excessive reliance on external demand. Such impulses have not died, and retain an attraction to a number of scholars disillusioned with the marginalizing processes at work alongside a deepening globalisation (see e.g. Carmen 1996; Mengisteab 1996).

This then was a moment when the possibility of challenging global norms regarding trade and development was potentially realisable, and when—as it became ever more apparent that Modernisation Theory was deeply problematic—there were alternatives. Both the United Nations Conference on Trade and Development (UNCTAD) and the Non-Aligned Movement’s (NAM) formation—but in particular UNCTAD’s—reflected not only the growth in membership in the United Nations of states of the South, but also a steady disillusionment with an ever-apparent unequal world order. This was particularly so as this was an order in which the new states had had no hand in crafting—as Dependency Theory made quite explicit. Indeed, UNCTAD was:

The first real confrontation of North and South, symbolic of the new, fundamental structure of international politics, in which the problems of relations of industrialised rich and agricultural poor had replaced the problem of relations between western capitalist and eastern Communist. It was an occasion to redress the injustices perpetrated under colonial regimes (Robertson 1969: 258).

Thus, as the 1970s progressed the South began to push for an agenda that sought to deal primarily with the promotion of trade between the North, the United Nations system increasingly became sites where the South pushed for the codification of alternative norms of international trade and promote agreements that sought to stabilise the prices of primary commodities. As a result of UNCTAD discussions, agreements on Generalised System of Preferences, providing for lower tariff rates for some exports from the South, and on the creation of a Common Fund to help finance buffer stocks for commodity agreements, were decided. This concession on the part of the North, however, was not nearly enough to
satisfy the South, which pressed for a wide-ranging project that sought to redistribute wealth and begin to unravel the dependent relationships that held the South in a subordinate position vis-à-vis the North.

Both UNCTAD and the NAM became important sites of contestation in the South’s efforts to put forward the NIEO, sharing a broad dependencia worldview—illustrating the power of theory and the nonsensical argument that academics simply muse alone in ivory towers. This call for a NIEO symbolically culminated at the Sixth Special Session of the United Nations in 1974 where, under the NAM’s then leader (Algeria’s Houari Boumediene), the South deployed NAM and G-77 (a permanent group representing the interests of the South within the UN) texts in successfully pushing for a comprehensive normative declaration detailing the aspirations of the South’s elites. This in essence reflected responses to real problems experienced by states in the South, particularly as a result of the Bretton Woods system’s creation and operation (Laszlo et al. 1979).

Emboldened by the demonstration of economic power by OPEC during the crisis of 1973–74, Southern elites clamoured for greater development finance, an increase in the percentage of GNP allocated by the North as aid, and development issues being brought onto the agenda of the IMF, the International Bank for Reconstruction and Development (IBRD), and the International Development Association (IDA). Overall, these were the heydays of the South’s role in world affairs as active agents and the NIEO moment put on the International Bank for Reconstruction and Development (IBRD), and the International Development Association (IDA). Thus on the eve of the election to government of conservative neo-liberals in the capitalist heartland (late 1970s), both bodies ostensibly postured a vision that played itself out as an integral part of the reassertion of Western-centred hegemony—‘America’s quest for supremacy, over] the Third World’ (Augelli & Murphy 1988) and the steady demise (though not outright extinction) of a protesting voice in North–South relations.

At the same time, the failure of Dependency Theory as a grand response to Modernisation Theory became evident. A number of factors undermined satisfaction with the dependencia account of the global economy. Firstly, and most obviously, the rise of the ‘Asian tigers’ demonstrated that there was no such thing as a typical underdeveloped country: there were no identical economic and social formations that marked out the South. Indeed, a number of the tigers actively went against Dependency Theory’s assumptions. After all, according to the Theory, the entry of East Asia into the capitalist global economy should have led to calamity, or at the very least a deepening of underdevelopment.
In addition, import substitution policies were blamed for a deepening of the debt crisis in the South. Furthermore, although the *dependencia* intellectuals rightly critiqued Modernisation Theories for being ahistorical, they themselves only really began their studies at the beginning of colonisation, and ignored or at least downplayed the social formations inherited from the pre-colonialist period. Colonialism itself was a very diverse set of projects, with vastly different types active in reconfiguring the South. Yet Dependency Theory seemed to characterise all colonialism as fostering underdevelopment and dependency.

The Demise of the NIEO and the Rise of Another International Order

The reassertion over the South of Northern politico-economic dominance came at a historical juncture when financial indebtedness was acting to drastically undermine—if not emasculate—sovereignty and manoeuvrability in the developing world. Since formal independence, the South has, because of its dependent relationship on the North, continually borrowed from the North to nurture their economies. With the recycling of petro-dollars making borrowing an easy option, most of the South indulged in massive borrowing with their external debt expanding at a very rapid—and unsustainable—rate. The concomitant reckless adventurous lending practices of the North’s bankers contributed to this process. The massive debts created immense problems for the South with such debts creating a vicious Catch-22 situation whereby funds to finance development were diverted to pay off debt. In addition, the necessity to secure foreign currencies to service the debt led to a quick depreciation of many Southern currencies and hyperinflation. Paradoxically, oil prices, which had initially stimulated the lending/borrowing spree, exacerbated the problem.

As oil prices rose rapidly in the 1970s, most of the South felt they were unable to lessen their use of oil for productive purposes and, in order to compensate for the increasing outlay on importing oil, many went deeply into debt. Even countries that produced oil contracted large external debts as the euphoria around the new-found economic power of the oil producing nations led states elites in countries such as Nigeria and Mexico believe that the price of oil would continue ever upwards. With the decline in oil prices however, this produced a huge shortfall between receipts earned by oil exports and the servicing of contracted debt. The OPEC member’s usage of Northern banking institutions also resulted in a fatal
weakening of the South’s bargaining position \textit{vis-à-vis} the North, radically undermining Southern solidarity.

At the same time, leadership fractions within the South were increasingly drawn into the ongoing restructuring process as promoted by neo-liberalism. Indeed, the call for liberalisation—dressed up as it was in the rhetoric of economic ‘realities’—gave space for conservative elements within the ruling elites of the South, who had always been reluctant to concretely commit themselves to the NIEO. Their seizure upon the growing globalisation discourse to help explain away unpopular policies to cope with the debt crises reflected a long-standing minimal commitment to any major restructuring of the global economy (except where it benefited Southern elites).

This, combined with an ever-increasing hegemonic consensus amongst elites over the liberalisation of economic policies, meant that ‘alternative’ visions regarding the international political economy were conceived as largely redundant among elite circles. Confrontationist expressions, which had been omnipresent in much of the NAM and UNCTAD’s rhetoric in the 1960s and 1970s, were now deemed incongruous in a world where there was ‘no alternative’ to neo-liberalism. Impulses generated by Dependency Theory’s insights gave way to what was essentially a return to Modernisation Theory with the imposition of Structural Adjustment Programmes (SAPs) (Lensink 1996).

As the debt crisis worsened in the South, growth stagnated, employment declined, monetary arrangements collapsed and financial agreements between creditors and debtors were increasingly undermined by mass bankruptcies. In short the room for manoeuvre by Southern elites became more and more constricted (Little et al. 1994). The means to overcome the crisis was with a resort to borrow from two old theoretical approaches: neo-classical economics, and Modernisation Theory (Mengisteab & Logan 1995). This combination was part and parcel of the SAPs that reconfigured all swathes of the South in the 1980s. Within SAPS was an implicit echoing of the modernisers’ argument that the ‘fundamentals’ had to be in place to assure economic development. Failure to do this, particularly by African states, was blamed for the failure of SAPs in many countries (Harvey 1996).

It was in this context that the state elites within Southern-dominated bodies such as UNCTAD and NAM sought to re-package their organisations. Certainly, whilst the logic of neo-liberalism was broadly accepted by most, the negative effects of globalisation were equally felt. An acceptance of the normative principles of neo-liberalism, whilst advocating
ameliorating policies to cope with this ‘actuality’ emerged as defining principles upon which the two organisations now operated. This process gathered pace as the 1980s wore on. At the ninth summit in Belgrade in 1989, Yugoslavia ‘pleaded for the modernisation of the Movement, [thus] discarding the NAM’s attitude of assertiveness vis-à-vis the two power blocs. Instead, the NAM [adopted] a more tolerant and flexible position with emphasis on co-operation and dialogue’ (Syatauw 1993: 129).

The next Summit in Indonesia in 1992 produced the Jakarta Declaration, which many saw as ‘the first major reaction of the NAM to the emerging world order’ (Sesay 1998). Post-Jakarta, the NAM changed its approach and orientation from one that was often viewed as confrontational to one that was conciliatory and co-operative. This process was also exhibited at UNCTAD VII in Cartagena, Colombia in 1992 where the ‘Spirit of Cartagena’ recognised the central roles of private enterprise and the market for growth, and recognised the ‘shared responsibility and partnership for development’ (‘The Spirit of Cartagena’).

This ‘Spirit’ reflected an essential acceptance of neo-liberalism, with the abandonment of any confrontational posturing in the final communique. Instead, there was talk of the need to overcome confrontation and to foster a climate of genuine co-operation and solidarity. The Cartagena Summit of the NAM, held in October 1995, continued the broad trajectory that Jakarta had exemplified. For sure, the ‘Call from Cartagena’, whilst containing many of the old familiar non-aligned themes such as sovereignty, disarmament and anti-colonialism, also contained within it a commitment to ‘sound macro-economic management’ and growth as a precursor to development. This reflected what Mittelman and Pasha described as the underpinnings of international organisations in the globalisation era:

Changes in global production and politics are reflected in the ideology of international organisations. They disseminate values and norms that contribute toward redesigning the global political economy. From the height of the Cold War to the more recent concerns of globalisation, international institutions have absorbed the realities of global political economy and its contradictions. Imbued with neo-liberal doctrines, the current remedy for all ills is the market (Mittelman and Pasha 1997: 53).

That this was broadly so with the NAM was shown by Cartagena’s demand for a better working relationship with the World Bank, IMF and the WTO. This wish to further increase the dialogue between the disciplinary institutions of neo-liberalism and the Movement was to remain a feature of
both the NAM’s and UNCTAD’s position. Such actualities reflected a playing out of the increasing integration of the world’s markets and the desire by local Southern-based elites to benefit from this process wherever possible.

Combative posturing against the structural inequalities of the capitalist system, characteristic of the *dependencia* position, were seen to be of little use in facing up to globalisation, particularly when—as has been pointed out—much of the elites in the South subscribed to neo-liberalism. Even those that did not fully accede to this ‘New World Order’ were painfully aware of the ongoing marginalisation that much of the South was enduring. It was in this context that, with the exception of Cuba and North Korea, no state elites openly rejected the ideology of neo-liberalism.

**Another NIEO? A Free and Fair International System**

This scenario currently marks the contemporary period, where neo-liberalism is the hegemonic ideology *vis-à-vis* economic organisation. Having said that, there has begun to emerge a nascent call for another NIEO. This is still very much at an embryonic stage as yet, and needs further clarification. But it seems to the observer that there is what might be gathering momentum for what might be called a ‘post-hegemonic NIEO’. This is in essence a synthesis of Modernisation Theory-inspired precepts associated with neo-liberal SAPs and what constitutes ‘good governance’, but which equally asserts that the world order is currently heavily weighted in favour of the North and needs redressing, a position that links up (though its advocates would never admit it!) with the insights of Dependency Theory.

Both UNCTAD and the NAM have continued their broad trajectories, but concern has increasingly been expressed that the historic bargain by the South to drop its confrontational posture in return for benefiting from globalisation has been a largely one-sided affair. Certainly, how UNCTAD’s developmental remit related to the WTO emerged as a site of concern for the South, particularly as the North opposed any reference to the implementation of ‘specific WTO agreements, especially if developing countries suggested that their developed counterparts were not honouring their obligations’ (Carim 1996: 3). Thus whilst the South has accepted a less-overly hostile attitude to various international financial institutions and dominant global players, and has actively facilitated forums where business can be involved in economic matters, the reform of various facets
of the world economy has also been put onto the agenda. At the last NAM Summit, held in South Africa:

[A]. paragraph which said “globalisation and liberalisation…impact negatively on developing countries generally”, was replaced with a paragraph that accepted in principle the World Trade Organisation (WTO), a group NAM has regarded with some hostility. The new text says NAM ‘acknowledged that the emergence of the strengthened rules-based trading system, as institutionalised in the…[WTO], may facilitate positive integration of countries into the global trading system if the commitment to this objective is strengthened’ (Cape Times: Cape Town) September 9, 1998).

In this post-hegemonic world order, the WTO is seen as having strengthened the rules-based trading system, furthering liberalisation and opening up opportunities for sustainable development and growth. Confrontation with the North has given way to ‘dialogue’. As the then South African Foreign Minister, Alfred Nzo, put it, ‘the previously confrontational and sterile style of the worldwide debate on North–South issues has made way for a vigorous and healthy debate on core issues. This too mirrors our own change in which matters that previously caused division and dissension are now open to wide discussion’ (Nzo 1997: 3).

Yet, as the nascent ‘post-hegemonic NIEO’ emerges, it is apparent that with the acceptance of the hegemonic norms of trade liberalisation and the implicit acceptance of the modernisation project of the SAPs, goes a recognition of the uneven process of globalisation. This has translated itself into a partial counter-hegemonic position that has called for a lessening of the worst aspects of this process (see Mkandawire & Soludo 1999). This position ‘has largely taken on board the ‘realities’ of the liberalising globalised world order, although, [they] adopt a more holistic and questioning approach, raising issues of particular concern to the developing world’ (African NGO Declaration to UNCTAD IX). Such impulses have informed the evolution of Africa’s latest development plan, the New Economic Partnership for Africa’s Development (NEPAD), although the fundamentally neo-liberal (or at least post-Washington Consensus) underpinnings are quite clear (Taylor & Nel 2002).

It is this urgency to expose the hypocrisy of the North in its calculated push for free trade in the South—whilst keeping various of its own markets closed to Southern competition—that impels elements in the South to engage with initiatives rather than confront them. Many Southern elites now accept the call for neo-liberalism restructuring, but turns this rhetoric around and urges the North to engage in supposed real free trade, rather
than the ‘actually existing free trade’ situation currently marking international commerce. This urge for a critical engagement with the North tends to be characterised as ‘partnership’—no less exemplified by the NEPAD—which attempts to deal with both the positive and negative aspects of the ongoing globalising process. Such ‘pragmatic’ policies have increasingly been transposed to specifically continental institutions, such as the Organisation of African Unity (now African Union).

Indeed, at the OAU Heads of State meeting in Algiers in July 1999, it emerged that there was some movement towards a shift in the overall approach of the body towards a more engaging and ‘constructive’ dialogue with the North (*Business Day*, Johannesburg, July 14, 1999). President Thabo Mbeki of South Africa for instance argued that past ‘negative’ rhetoric had to be ditched in order for the Organisation to move on. As Mbeki said, ‘the Draft Algiers Declaration contains a paragraph on globalisation, which I believe is, in many respects, fundamentally flawed and should be changed. It reads:

> …Ushered in with promises of progress and prosperity for all, (globalisation) has today aroused fears, in that it poses serious threats to our sovereignty, cultural and historical identities as well as gravely undermining our development prospects. We believe that globalisation should be placed within the framework of a democratically conceived dynamics, and implemented collectively to make it an institution capable of fulfilling the hope for a concerted developmental of mankind, sic] and prosperity shared by all people.

I am certain that in our discussions today we will help one another, among other things, to understand better the objective process of globalisation and its positive and negative features (Mbeki 1999).

Such notions have broadly underpinned the NEPAD initiative as advanced by three lights of Mbeki, Obasanjo and Wade.

This being said, the nascent post-hegemonic NIEO should not be caricatured as being an abject surrender by the South before the North. Though at a basic level elites in the South have embraced neo-liberalism, with all its modernising implications, they are aware of the negative downside and pressures that are concurrent with globalisation. Thus leading elements within the South promote a reformist agenda aiming to ‘improve’ the global system whilst promoting a more rules-based international regime.

According to South Africa’s Minister of Trade and Industry, Pretoria in a ‘very strong supporter…in the WTO as a rules-based
Correctly administered and managed it prevents the abuse of ‘might is right’ (Ervin 1998: 63). Here, and in other multilateral forums, the post-hegemonic NIEO strives to match the rhetoric of liberalisation with its universal application. The call for ‘partnership’ between North and South is conducted within this free trade framework, and aims to move towards some form of workable relationship with the North in order to lessen the more negative aspects encountered by the South as they seek to engage with the ‘objective process’ of globalisation.

However, the viability of this post-hegemonic call for a new world order remains open-ended. The intellectual history of North–South relations, with its concomitant struggle between the precepts of Modernisation Theory and Dependency Theory may well now be turning towards a nascent post-hegemonic NIEO. Whether this new turn in North–South relations is sustainable, is one of the biggest questions facing the South. Is it actually possible to deregulate markets and role back the state, allowing a free rein for international capital and, at the same time promote equity and mutual development in both North and South? Those advocating such a turn need to answer a most fundamental problem: is it intrinsic to the capitalist system that the generation of wealth is predicated upon poverty-producing principles and, must there always be a dominant sector in society—a dominated sector in society—in international terms, a North and a South? Is the call for a post-hegemonic NIEO a chimera, or is it attainable? Indeed can this turn actually be seen to exemplify how hegemonic neoliberal ideas have become, with key elites in the South—through such projects as the NEPAD—clamouring to sign up to economic prescriptions that have actually helped to immiserate the developing world? A new page may well have been turned in the intellectual history of North–South relations, but it seems doubtful that anything fundamental will change.

References


Mbeki, T., 1999, ‘Statement at the 35th Ordinary Session of the OAU Assembly of Heads of State and Governments, issued by the Office of the President’, Algiers, Algeria, July 13.


