Yugoslavia's commitment to third-worldism in the struggle for a new world order

Sašo Slaček Brlek

During the 1970s the relationship between the third world and the U.S. turned increasingly hostile. The 1973 oil embargo by OPEC countries helped set the stage for demands for a New International Economic Order (NIEO) and a new New World Information and Communication Order (NWICO), two flagship initiatives of the third world. Through them third world countries demanded significant and wide-reaching reform of global governance of the global economy as well as in the areas of information and communication. During this time Yugoslavia continued to play a leading role in the Non-aligned movement (NAM) and the Group of 77, the main organizational forms through which third world countries pursued their goals. Yugoslavia's focus demonstrates the significance of global power relations in its strategy, focusing on maintaining third world unity in order to improve the conditions of the third world as a whole through reforms of global governance.

I will focus on the activities of NAM and the Group of 77, both of which count Yugoslavia as their founding member. While these organizations have distinct histories and largely (but not completely) overlapping memberships throughout their history, they both found a common purpose in NIEO during the 1970s. The Group of 77 emerged from the first United Nations Conference for Trade and Development (UNCTAD) in 1964 and reflected a realization on the part of third world countries of shared problems and a common interest in changing the global economic order. (cf. Gosovic 1972) NAM, on the other hand, was initially shaped by the interests of African and Asian countries in opposing colonialism and protecting their political independence, as reflected in the 1955 Bandung conference, a key milestone in the genesis of NAM. As the struggle for political independence of former colonies had been largely completed during the 1960s, the attention of NAM turned towards global economic inequalities and perceived inequities. During the 1970s, NIEO and economic cooperation between NAM members was a central point of discussion of all major NAM summits, complementing the political focus on defending national self-determination and promoting a politics of peace and non-intervention.

Growing in the shadow of U.S. hegemony

Even before third world countries attempted to define their common identity through NAM and the Group of 77, their identity was defined by the interests of the ascendant global superpower. As Daniel Lerner, an influential cold war strategist, astutely observed: "Modernizing areas were once 'colonial', then 'backward', then 'underdeveloped'. These were our words. They never thought of themselves as 'areas' at all, and certainly not in such abstract, remote categories." (1958, 217)

The categorization of a large area of the world as "underdeveloped" emerged from the fact that the U.S. had a set of common objectives for this part of the world. First of all, the U.S. was in principle supportive of decolonisation, even though this support was oftentimes tampered by geopolitical calculations. As the goal of the U.S. was to create a unified global sphere of capital accumulation, governed by newly established institutions (primarily the IMF, World bank and GATT), it saw the continued existence of colonial empires and the division of the world into spheres of interest as an obstacle. (cf. Gindin and Panitch 2012)

Secondly, the U.S. focused particular attention on the third world as it assumed a more aggressive stance towards the Soviet Union. In his 1949 inaugural address, President Truman (1949) presented the third world as a key battleground in the confrontation between the evil forces of communism and those of democracy. Aid to "underdeveloped areas" of the world was named by Truman as the fourth pillar of defense of the free world, alongside the Marshall plan, the United Nations and NATO.

The collective identity of the third world was thus defined by Truman through three elements: I.) reconceptualizing poverty as a lack of "development", rather than the outcome of imperial plundering; 2.) the assumption that development was a panacea for the problems facing poorer countries; and 3.) the promise that the U.S. was willing and able to supply the much needed development. The basic premise of U.S. policy towards the third world was that integration into the world market under the guidance and assistance of the U.S. and other rich capitalist countries would lead to economic growth and an improved standard of living. Thus, the superiority of capitalism over communism would be demonstrated in practice, incentivising the third world to reject Soviet influence (see for example Rostow 1960 for a theoretical justification of this idea).

The promise of development fell on fertile ground in the third world. In her analysis of UNCTAD documents, Bockman finds that the third world embraced the goals of global capitalism quite enthusiastically: "From the start, UNCTAD called for 'the liberalization of trade,' 'structural adjustment,' 'export-oriented production,' 'markets,' and increased financial flows." (Bockman 2015, 110) Early documents of the Group of 77 reveal that these third world countries accepted their purported lack of "development" as their key defining characteristic and saw closer integration into global capitalism through trade as the way to remedy this lack. U.S. strategy towards the third world proved to be a success, as even countries like Yugoslavia that followed a socialist path domestically, saw the West as its preferred economic partner: as a source of development aid and loans, as a destination for exports and a source of capital goods, as well as advanced technology and techniques for organizing production.

The promise of development was complemented and supported by the global spread of U.S. cultural influence through the mass media. The U.S. military, department of state and intelligence services continued investing heavily in communications research after the end of World War II, significantly shaping the emerging field of communications research. (cf. Simpson 1996; Shah 2011) The belief in the power of the mass media to secure cultural hegemony was manifested in the doctrine of the "free flow of information", which became another key pillar of U.S. foreign policy. (Lemberg 2019; Schiller 1976) The principle of "the free flow of ideas by word and image" became enshrined in the UNESCO constitution in 1945, mainly under U.S. influence. The U.S. promoted free flow policies as it was confident in the superiority of its cultural goods

and believed that merely removing barriers to their circulation would guarantee their global spread.

The idea of free flow of information was a natural extension of the principles of free trade. In addition, special benefits were expected to come from the free circulation of information and communication commodities. In addition to spreading U.S. cultural influence throughout the world, the presence of mass media was believed to be an important catalyst for economic development. The theory of "modernisation", which became the dominant way of conceptualising the relationship of mass media and development (Shah 2011, 145), saw the mass media as a catalyst for economic development.

The crisis of hegemony gives rise to calls for reform of the global order

The crisis of U.S. hegemony reared its head as the 1960s drew to a close and global economic growth began to slow. Class antagonisms as well as conflicts with new social movements flared up in advanced capitalist countries. Faced with a current account deficit and stagflation, President Nixon unilaterally cancelled the convertibility of the U.S. dollar to gold in 1971, thereby effectively ending the Bretton Woods system of international financial exchange. Simultaneously the world witnessed the failure of the world's most powerful military to dominate a much weaker enemy in Vietnam, a failure that at once demonstrated the ruthless brutality and the impotence of U.S. military power.

Development, the central pillar of U.S. hegemony in the third world, was beginning to crumble as well due to a lack of results. Contrary to promises the third world as a whole was not catching up to the first, but was falling ever further behind. While per capita income of "developed market economies" doubled from 2000\$ to 4000\$ between 1952–1972, per capita income in "developing countries" rose by only 71 % from 125 \$ to 175 \$. (Sauvant 1977, 4) However, even these figures paint a too optimistic picture, as the results of economic growth were highly unevenly distributed. OPEC countries were seeing insatiable demand for oil driving fast economic growth, while the poorest countries were falling ever further behind. The problem of unequal growth between different groups of third world countries was compounded by unequal effects of growth within these countries. Particularly the rural third world, where the majority of the population of these countries lived, saw very limited effects of economic development and remained stuck in absolute poverty, while most benefits were enjoyed by elites in cities. Even by the most reductionist understanding of development as growth of per capita incomes, efforts to develop the third world were falling behind expectations.

Collective disappointment with the promise of development fuelled the view that the common problems of third world countries were symptoms of an inequitable global economic order. This view was heavily influenced by previous activity of the UN Economic Commission for Latin America and Caribbean (ECLAC or CEPAL in Spanish) and the reformist dependency theory developed by Raúl Prebisch, who served as executive director of ECLAC as well as the founding secretary-general of UNCTAD. A Yugoslav review of the literature (Popović et al 1983, 3–7), identifies the common problems facing third world countries as follows: rising power of multinational corporations, protectionism of rich countries, persisting global division of labour between exporters

of primary commodities (third world) and those of manufactured products (first world), deteriorating terms of trade for exporters of primary commodities, neglect of third world needs in global financial institutions, rising levels of indebtedness, lack of developmental assistance to third world countries and problems in food supply.

To remedy these problems third world countries focused their energies on the UN, through which they promoted far-reaching reforms of the global economic order. These reforms became known as the New International Economic Order (NIEO) and were defined by resolutions passed in the UN General Assembly, most importantly the *Declaration on the New International economic order* in 1974 and the *Charter of Economic Rights and Duties of States* the same year.

The key reforms under the NIEO umbrella were the following (Kerim 1983, 161–232; Sauvant and Hasenpflug, eds. 1977): securing more favourable terms of trade for exporters of primary commodities (liberalization of world trade in commodities, preferential and non-reciprocal treatment of third world countries in world trade as well as measures to stabilise price fluctuations of commodities on the world market); reforms of the global monetary system and transfer of resources (increase in development aid, better access to loans under favourable conditions, reform of the IMF); transfer of technology; international support for the industrialization of the third world; binding multilateral regulation of the conduct of multinational corporations; support of south-south cooperation in order to decrease the collective dependence of the third world on the first.

At the same time NIEO envisioned changes in the forms of global economic governance by increasing the role of the UN system. Several new bodies were created primarily due to third world pressure, for example the United Nations Conference on Trade and Development (UNCTAD) in 1964 as well as the United Nations Industrial Development Organization (UNIDO) in 1966. While the U.S. naturally favoured the IMF, World Bank and GATT, where it had a decisive voice, the third world attempted to increase the role of these newly established UN agencies, where the third world could use their numerical advantage to pass resolutions even in the face of first world opposition.

However, the goal of NIEO was not to dismantle global capitalism. The goal was to secure reforms of the global economic order that would make it more favourable to third world countries and enable them to better integrate into global capitalism. As Rist (2008, 150) claims: "When it was proclaimed, the NIEO was widely seen as expressing the 'revolt of the Third World.' In reality, however, its aim was to realize a long-standing dream of world capitalism: that is, to ensure continuing growth of the system as a whole by better integrating the peripheral countries."

When looking at the NIEO demands, it becomes immediately apparent that they hinge on the active cooperation of the first world, for example in the form of increased development aid, transfer of technology, unilateral removal of trade barriers, and increased contributions of first world countries to fund third world industrialization. Even as discussions about the NIEO turned increasingly acrimonious in the second half of the 1970s, third world demands assumed an underlying common interest in reforming the global economic order.

This assumption, however, was not based on reality. Quite the contrary, the U.S. viewed its existing policies as "positive, sensible, economic, and justified by results." (Olson 1981, 128) As the U.S. remained opposed to NIEO reforms, the third world was faced

with the realization that the power to pass resolutions at the UN General Assembly is not the same as real power. It became obvious that the third world did not have the bargaining power to support the far-reaching concessions it was demanding from the first world. Even though oil was a powerful bargaining chip – as demonstrated by the 1973 oil crisis - it was by far not enough to make the U.S. reconsider some of the central tenets of its foreign policy.

The U.S. on the other hand, was unable to offer anything but opposition. Third world demands fuelled resentment that led to an "ideological backlash from leading writers and academics, a hostile reaction from Congress, and a policy of defense in the administration rather than an imaginative response." (Olson 1981, 14) It was clear that U.S. hegemony was in crisis, its ability to lead other capitalist countries as well as count on the consent if not outright enthusiasm of the third world largely diminished. However, it was equally clear that no other capitalist country was stepping forward to attempt to take the mantle of global hegemon. This challenge was not coming from the East either, as the Soviet Union had by the 1970s made its peace with global capitalism and was unprepared to counter U.S. economic influence in the third world, even counselling states under its tutorship to open themselves to foreign capital and the world market. (cf. Brun and Hersch 1990)

It was therefore up to the U.S. to rebuild its hegemony on a new foundation. The contours of this foundation took shape as the seventies drew to a close and the conflict with the third world over NIEO reached its peak. A new international economic order did indeed emerge, based not on third world demands and their needs, but on the Washington consensus. The third world, on the other hand, entered the 1980s weak and divided. Throughout the 1970s third world countries significantly increased their foreign debt in pursuit of the elusive goal of development. This accumulated debt became an important source of vulnerability in the 1980s following the U.S. turn to a more restrictive monetary policy (the Volcker shock). The debt crisis left third world countries open to the imposition of structural adjustment programs with well-known priorities: privatization of state enterprises, deregulation of the economy, financial liberalization and strict austerity for the working class. Like many other third world countries, Yugoslavia was seeing rising foreign debt during the 1970s, reaching \$ 19 billion in 1979, leading it to turn to the IMF and being forced to implement harsh austerity measures. Economic weakness of the third world was compounded by political weakness, as NAM was left without leadership and divided as Cuba, the acting chair of the movement, was unwilling to condemn the 1979 Soviet invasion of Afghanistan, an active NAM member.

NWICO: fighting imperialism in the sphere of information and communication

As the beneficial role of U.S. hegemony was being challenged in the economic sphere, its global cultural influence and the influence of other rich capitalist countries also came under increased scrutiny. In analogy to NIEO, demands of third world countries for significant reforms in the fields of information and communication came to be known as the call for a New World Information and Communication Order (NWICO). Unlike NIEO, where Latin American and Caribbean countries took the lead in shaping

NAM and Group of 77 positions, leadership in the area of information and communication sphere was assumed by Yugoslavia, India and Tunisia. Bogdan Osolnik from Yugoslavia emerged as a key figure in coordinating NAM activities within UNESCO and participating in the International Commission for the Study of Communication Problems under the leadership of Sean MacBride, set up by UNESCO in 1977. (see Slaček Brlek and Amon Prodnik 2017a for an interview with Osolnik about these events)

NWICO grew in the shadow of NIEO, which served as both inspiration and a blue-print for action. The basic starting point of both initiatives were perceived inequities between rich countries of the centre of global capitalism and the poor countries of its periphery. While NIEO focused on imbalances in global trade, NWICO applied this focus on imbalances in global information and communication flows, which several studies under the auspices of UNESCO proved to be highly unbalanced. (see for example Nordenstreng and Varis 1974) While NIEO focused on building up industrial infrastructure, NWICO focused attention on underdeveloped communication infrastructure in the third world. The focus on the role of multinational corporations in upholding global inequities can be seen in the case of NWICO as a focus on the role of the big four global news agencies, which were believed to be a key factor in upholding the global dominance of the west in the circulation of news.

Both initiatives focused their energies on the UN, where third world countries were hoping to use their numerical advantage to their benefit. Finally, NWICO shared the fate of NIEO, as the initiative was left stranded on the cliffs of U.S. opposition. The U.S. left UNESCO out of protest in 1984, followed by the U.K. and Singapore the following year, a move that left UNESCO without a third of its budget. At that point NWICO was buried never to be heard of again and remains a taboo topic within UNESCO to this very day. (see Slaček Brlek and Amon Prodnik 2017b for an interview with Breda Pavlič, who witnessed these events first-hand from within the UNESCO general secretariat)

The Non-Aligned News Agencies Pool as a tool of "self-reliance"

A key watchword of both NIEO and NWICO was "self-reliance" (Pavlič and Hamelink 1985). It was referring to strengthening cooperation between third world countries in order to secure their collective independence from the rich capitalist countries. While third world countries were demanding reforms of the global economic order, they were also attempting to increase cooperation between themselves in the fields of trade, finance, industry, science and education, as well as the mass media. (Cizelj 1982) The most significant forms of cooperation in the area of mass media were the Non-Aligned News Agencies Pool (NANAP) and the Broadcasting organization of the non-aligned Countries (BONAC). NANAP was launched in the beginning 1975 by the Yugoslav national news agency Tanjug in order to facilitate news exchange, while BONAC followed in 1977, with a similar goal of increasing collaboration between NAM broadcasters.

I will focus on the Non-Aligned News Agencies Pool (NANAP). It enjoyed strong NAM support at the highest level, as is evident from the documents of NAM summits. The goal of NANAP was not to establish itself as a standalone third world news agency, but to act as a news exchange mechanism between participating news agencies and information services. The most immediate goal of NANAP was therefore to increase

news flow between non-aligned nations and decrease their reliance on global news agencies.

The success of NANAP was mixed. By 1992 national news agencies and government information services from 103 non-aligned countries had joined the pool (Boyd-Barrett and Thussu 1992). The pool did have some modest success in increasing news flow between non-aligned nations, even though this success varied widely between non-aligned countries. For example, the average pick-up of pool news items in India was just 7% (Peruško 1990). This number is particularly significant as India, was along with Yugoslavia and Tunisia among the most active NAM countries in terms of formulating the policies of the movement in the field of information and communication.

A key handicap of the pool was that with some notable exceptions like Yugoslavia's *Tanjug* the participating news agencies and information services were struggling with severe financial constraints. This meant that they were operating on outdated equipment and were lacking trained personnel. It also meant that many of them were completely reliant on state support and were reduced to outlets of government propaganda. Boyd-Barrett and Thussu (1992, 136) summarise the financial situation of third world news exchange mechanisms (including NANAP) thus:

Few NEMs [news exchange mechanisms] are self sustaining in financial terms, and the economies of most are very fragile. Payment of subscription fees is too often erratic or non-existent, and other sources of income are very variable. Markets are often small and limited. Access to the wealthiest markets in the developed countries is very difficult to achieve due to strong competition. The investment that is needed to fight this competition on its own is generally not available. Staff numbers are small, and some NEMs survive without staff who have been specifically assigned to NEM operations. There are pervasive problems of staff payments, training and language competencies. The technology of most NEMs generally lags well behind the state-of-the-art.

Western media were ideologically hostile to the entire NWICO debate, as is demonstrated by the extremely biased and one-sided coverage of the 1980 UNESCO general conference in the U.S. (Raskin 1981) and French (Roach 1981) press. It is therefore not surprising that NANAP made no inroads into western markets. But even in the absence of ideological hostility, the previously mentioned shortcomings of its output would have made it extremely hard for NANAP to be taken seriously as a news source in western media. Due to severe financial constraints many news items coming from NANAP were lacking in terms of basic journalistic standards, were poorly written or were in some cases even outright state propaganda. Additionally, the political slant of NANAP, which explicitly aimed to promote the goals of NAM, did not accord with the predominant normative conception of journalism in the West as an "objective" observer of social reality.

Conclusion: the paradox of dependant self-sufficiency

The fate of NANAP reveals a key paradox of "self-sufficiency", namely that it was heavily dependent on outside aid and assistance. Even when non-aligned countries pooled their resources, they remained collectively poor and unable to successfully compete with

western news agencies even within many non-aligned countries. While Yugoslavia did offer some support, for example in the form of training at the Yugoslav Center for Journalism in Belgrade for journalists from third world countries, it could not provide poorer countries with the resources they needed. That is why NIEO and NWICO called for increases in foreign aid from rich countries, access to loans as well as increased funding through the UN system. Even though NAM leaders railed against western imperialism and neocolonialism, the central role of increased aid and assistance from rich countries within NIEO and NWICO reveals that this boisterous rhetoric was an expression of weakness rather than strength.

This is not to underestimate achievements of third world collective action. As NANAP demonstrates, third world countries showed incredible ingenuity in the face of material scarcity. Through their concerted efforts, they were able to slowly increase the share of their exports to other third world countries (from 20,4% in 1970 to 25,8% in 1979), thereby strengthening their trade links. (Cizelj 1982, 132) Likewise, NANAP was able to increase news flow between non-aligned nations by creating a framework for news exchange between national news agencies and government information services.

Efforts at increasing "self-reliance" were not without results, however these efforts did not manage to significantly impact the peripheral status of third world countries in global capitalism. I do not believe that the failure of NIEO and NWICO demonstrates a faulty strategy of third world countries. These countries were successful in building and sustaining unity. They were keenly aware of global power relations and their choice of the UN as a battleground was a smart strategic move. However, even their combined strength was not enough to overcome first world resistance.

The failure of third world reform efforts demonstrates the degree to which the U.S. had by the 1970s succeeded in building a global sphere of capital accumulation under its control, capable of integrating third world countries as well as marginalizing and subjugating the communist bloc. It also demonstrates the continuing relevance of a global perspective for social justice struggles. Even though Yugoslavia was considered a success story with record levels of economic growth in the 1950s and 1960s and successful industrialization, it shared the dependant position of poorer countries in the world system and ultimately shared their fate, with rising levels of international debt leading to IMF imposed austerity, which contributed significantly to rising national tensions and the ultimate bloody breakup of the country. These processes seem to validate the significance that Yugoslav leaders ascribed to creating third world unity and fight for reform of the global economic order.

Notes

This paper is based on research supported by the Slovenian Research Agency grants P5-0051 and J5-1793

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