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INTERNATIONAL FAIR PLAY

Historians of the next century may well regard the decade of the seventies, and perhaps the entire final quarter-century of this, the second millennium, as a unique period, rich in the recasting of old international systems and the creation of new ones. For, in a sense, the world is today engaged in international constitution writing -- not in one great constitutional convention, but in a series of international forums, each with its own constituents and its own mandate.

At this Conference today, we reviewed a number of those forums dealing with great world problems: the regime of the oceans, the population explosion, present and impending world hunger, the earth's environment, monetary reform, trade reform, and reform of the investment systems. And the question underlying each review was, "What will happen to the poor countries as a result of the work of this particular international negotiation?"

A common thread runs through most of the international social and economic systems created over the past quarter-century: these systems were designed by the rich countries to meet rich country needs. The designers of the trade, or monetary, or other systems did not intend that they should discriminate against the poor countries. For the most part, they simply did not think of these countries and their needs. But too often these systems do discriminate against the poor nations and it hurts just as badly, whether or not the discrimination was intentional.

Assuming the above to be true, tonight I want to talk to you about international fair play in the current reform of these systems. More particularly, I want to talk about the spirit which we bring to the negotiations where those systems will be reformed.

After fifteen years on the Civil Rights Commission, I am familiar with how unfair systems can be within the United States. The parallel of the national with the international systems is striking. In both cases, the discrimination is organic; built into the basic rules. In America, the vicious circle runs like this: we deny our minorities equal opportunity to become qualified and then deny them employment on the basis of non-qualification. In the international arena, there is an analogy in the monetary field. In 1945, countries were given a quota in the International Monetary Fund based largely on their international economic power. Since then, the same countries have been rewarded with free assets on a scale linked to these 1945 quotas; this formula gives to those who have at the expense of those who have not. The have-nots are thus locked into their negative situation.

In a related arena, let us consider the practice of enforcing trading rules. This is done by a process called "countervailing". What this means in fact is that individual nations are authorized by the rules to retaliate against any offender. It is a "rule of the jungle" formula for sanctioning the exercise of power by the powerful. But what of the weak? What can they do when a rich nation breaks a trading rule at their expense? When the United States threatens to countervail, nations pay attention. But the same threat by Mali or Bolivia would have little effect. Again the rules of the game favor the powerful.

Let us turn for a moment to the rules for using the oceans. The euphemism for the present system is "open seas" -- a system in which all nations have equal access to the world's great common resource; what could be fairer? In fact, though, because of differences in technology, this rule blatantly favors the rich, for only they have powerful fishing fleets roaming into open seas a few miles off the coast of distant lands that lack the technology to keep up. Only they, *the rich*, have the advanced techniques required for offshore oil drilling or for harvesting the rich mineral wealth of the ocean depths. All of this is reminiscent of our own internal system, which makes private capital available to those who already have wealth, but denies it to those who lack assets -- although they may be touched with genius or dedicated to a productive dream. In both cases, the discrimination is systemic: power begets power and the weak can only helplessly watch as they get weaker.

But to make matters still worse, the rich make the rules giving the poor opportunity to be heard. This is lamentably true within our own country, as is made manifest by the cascade of current evidence of manipulation and control of elections and of elected officials by the moneyed interests. It is unfortunately true in the international field in such forums as the monetary negotiations, where, until recently, all rules were decided by ten industrialized nations and where one nation -- America -- has the power to hold the other 124 nations at ransom by the threat of using its weighted vote, without which the articles of the International Monetary Fund cannot be reformed. At the recent Nairobi

Conference, we were an active majority of one who carried the day against the better judgment of everyone else. The United States, whose balance of payments is improving with recent devaluations, is now under less pressure to secure such reform than others. So we can afford to hold out, watching other nations' trading position deteriorate. Can it be that the same standard of public morality which led the White House to counsel that erstwhile friends who have no further use be left to twist "slowly, slowly in the wind" has now infested our management of international economic relations?

Once the United States had a vision of the kind of world that it would like to help build. Starting before the close of World War II, we took the lead in persuading other nations to adopt the conventions, form the institutions, and accept the principles of this world we envisioned. And our vision and efforts were crowned with success. The nations of the world convened and formed the United Nations. Great financial, development banking, and trading systems were formalized. Europe recovered from World War II and went on to create a European Community. That was America's dream as well as that of Europeans. The nations of Europe and Japan, along with America, formed the Development Assistance Committee that set standards for helping the developing countries. The Committee set up measures to assess each nation's development assistance program. And support for development has become widespread, with other developed nations gradually picking up a major share of the burden. Throughout the Third World, Western economists and statesmen preached the gospel

of development and governments of the Third World have universally opted for modernization rather than traditionalism. Sometimes we forget what an achievement that was. Barely two decades ago, traditionalism and modernism were locked in mortal combat. Today, without exception, the forces of modernization have won. All of these profound transformations took place in a short period of time, and American leadership had a great deal to do with them.

But now where is the vision of that day? Where are the Franklin Roosevelts, the Harry Trumans, the George Marshalls, the Arthur Vandenburgs, and the Dean Achesons of the 1970's? These were men who sought to build a world system that would serve all nations rather than to distort existing systems to serve America's selfish interests alone. Today, forum after forum, negotiation after negotiation, the Americans appear to have traded in this global vision of development for narrow nationalistic goals. This is certainly true in the monetary field where, now that our trade and payment balance is beginning to improve, we seem quite content to slow down or even to abandon the urgent quest for reform. The American position on a new regime of the seas -- once very open-handed in its support for the developing countries -- has likewise eroded and is now in gravest peril as special commercial interests make their weight felt in the counsels of government. The developing countries and their great needs are forgotten in the process. [¶] The situation is similar in the trade field. In spite of our promises to keep up with the rest of the developed countries in providing trade preferences to the developing countries,

we have not yet delivered on our promises. The International Cocoa agreement is handicapped, thanks to the foot-dragging of the United States. The performance of the United States in the current situation of world food scarcity also leaves much to be desired. The moment we came into a sellers' market in soybeans, we promptly imposed an export quota without consulting our traditional customers. And are now following a similar policy with fertilizer. In the case of P.L. 480 -- the food for Peace Program -- our government is renegeing on agreements to supply food to voluntary agencies and further cuts in our food program are imminent. Again, present selfishness has replaced our former magnanimity as a nation.

Our performance in development assistance is shockingly similar. Years ago, we promised \$60 million to help the African Development Bank; we recently reduced this promise to \$15 million, but still have not followed through to deliver even at this level. We are also \$100 million behind in our contribution to the Asian Development Bank. Our tardiness in paying our share likewise threatens to bankrupt the International Development Association. Even now that our share in an expanded IDA has been lessened from 40% to a third, there is still opposition to our paying up promptly. In willingness to support an expansion of the United Nations Development Program, we lag behind the United Kingdom, Japan, and others. And when our Official Development Assistance is compared to others in terms of share of GNP, we rank 14th out of the 16 major donors, and are on course to being last in a procession for development that we originally led and inspired. Finally, having pledged our best efforts to achieve the United Nations target of

7/10 of 1 percent of our gross national product in Official Development Assistance, we have dropped to less than 3/10 of 1 per cent.

American officialdom seems to have come to a time of narrow nationalism -- a time of seeking only national advantage and manipulating international institutions to insure only our own gain, despite the fact that we are the most affluent nation in the world. This narrowness of concern -- this fearfulness that other nations will get the better of us -- is all too familiar. It is the same attitude that led the White House to see serious threats to the security of the United States, justifying all kinds of unprecedented government actions, including some of which clearly were illegal. Our domestic sickness spreads malevolently to the international scene. The same sick mentality leads some whites in America to fear the economic and political advancement of the blacks, the browns, or the reds. The same fear that we are threatened somehow by those around us led the present Administration to insist that police promotion programs (presumably to put down even legitimate revolutions) be left in the U. S. aid program -- in spite of the fact that it placed the whole aid program in grave jeopardy in the Congress. Sometimes we forget that the United States began with a revolution -- we who began this way now subsidize Vietnamese tiger cages for those who speak out against repression and injustice.

Surely, it was narrow nationalism that led our Secretary of the Treasury in the Nairobi meeting of the International Monetary

Fund to stand alone against the judgment of 125 other nations that were willing to reform the system for the distribution of Special Drawing Rights so that the poor countries, too, could reap benefits from that system. This kind of narrow nationalism not only hurts those other nations who are pushed aside by the powerful Americans in their quest for national advantage, it also hurts the whole system. It hurts the sense of community among the nations and, therefore, in the long run it hurts America, too.

I have criticized our Government for present lack of world vision and leadership. Let me not be misunderstood. I am not counselling interventionism of the kind that got us into Vietnam. Let us pray that day is past, that lesson learned. But let us not allow our past mistakes to turn us blindly ^{inward} toward a short-sighted isolationism. The world still badly needs responsible, shared leadership and whatever our desire to avoid past mistakes, we are so large and powerful that whatever action we take, even inaction, profoundly affects the rest of the world. Let us therefore not try to avoid a world role, but to fulfill it more responsibly. In particular, let us not try to impose our view of the world upon others, but recognize that they, too, have convictions about the shape of the international order. And, finally and most importantly, let us begin, together with others, to build institutions that represent all of the world's people, and not least, those who are poor.

I have spoken of the unfairness in some of the international economic systems and of the shortcomings of the U. S. Government in

moving to correct those systems. But it is not enough merely to remove the discrimination inherent in these systems. Rather, in many instances, they should be revised to treat the developing countries on a preferential basis. This is no pipe dream. There are ample precedents for it.

Nearly every nation on earth follows a similar pattern: their basic allocative mechanisms allot wealth unequally among their citizens. But, side by side with these mechanisms, they have constructed a series of policies and institutions to reallocate income from their richer to their poorer citizens.

Hence, one sees the ubiquitous phenomenon of death taxes or graduated income taxes which take from the rich, complemented by educational and social programs which distribute to the poor. Once -- not so long ago -- such redistribution depended on private alms. Now it is built into such public automatic systems. But on the international front, we are still at the alms-giving stage -- a real throwback to the nineteenth century. The foreign aid programs of the developed nations are entirely voluntary, and are even mistakenly considered by many -- indeed, by a majority of our citizens -- to be charitable, give-away programs. There is no automatic international mechanism for transferring resources from rich to poor. Indeed, as I have said, most of the automatic systems that do exist, discriminate against the poor. This need not be the case. *Charity should urge us to do better, but justice obliges us.*

It is entirely right and proper that these systems be reformed not only to remove the injustice, but to become automatic systems for redistributing income from rich to poor. Thus the trading system

should open the markets of the rich to exports from developing countries on a preferential basis. The distribution of international assets (special drawing rights) by the IMF should favor the developing countries. The present distribution is 75%-25% in favor of the rich countries. National and international rules governing the movement of private investment and the taxation of the profits earned therein should give preference to developing countries. The international rules on the servicing of debt should make special provision for the problems of poor countries. The rules for tapping the resources of the oceans should favor the developing countries -- particularly those that are land-locked or shelf-locked. And institutions should be created to assure food availability on generous terms for countries which cannot now grow food or afford to import it on commercial terms. In the long run, we should back plans to help them grow their own. In these and other ways, the international community of nations, acting through a variety of forums, should create a flow of resources to the poor countries which does not depend on the whim of annual budget reviews and appropriations processes.

Some may well ask: Why should we build into the international economic order a bias that favors the poor? There are two basic reasons: first, they need it and the rich can easily afford it. The case of food illustrates the point. To a visitor from another planet, it would surely seem immorality unrivaled throughout the universe that millions should die or be stunted from lack of food in the poor countries while obesity threatens life in the rich

lands -- which also possess the tools and the technicians who could help the poor countries grow food. Moreover, a developed world that spends more annually on armaments of destruction than the poor half of the world earns annually for its total human sustenance, had better not talk of not being able to afford help to suffering humanity.

The second reason for a bias favoring the poor is that it will help them to develop. And, after all, we do want them to develop if only because we have to share this crowded fragile planet with them and, together with them, we must attend ^{to} its health. Human nature being what it is, they are more likely to share in the responsibility for the planet's well-being ^{and peace} if they share in its bounty. The goods of this world were not created for the overconsumption of one-fifth of its people while the other four-fifths starve.

Are these views the hopelessly utopian dreams of an impractical priest? On the contrary, they are what I regard as the new realism. It is in our self-interest for nations to attend to the international economic, social, and political health of our planet today, just as surely as it is in the interest of the people of any local community to accept restraints on individuals for the common good of the whole community.

Paul VI said well in "Populorum Progressio": The new word for peace is development -- the development of all the world. The writers of the Federalist Papers at the time of the birth of our nation found a strong common interest among the thirteen former colonies, even though in many ways they had less in common than

nations do now. Each of the panels in this Conference we are conducting today is a case study of this increasing interdependence of nations.

To my friends in the developing countries I say: We can understand your impatience, your desire to turn against the world systems, your own temptation to seek national or regional or group advantage. I have watched the process in our own land when our colored minorities were deprived, demeaned, and discriminated against. I have seen them want to get Whitey, and I have understood this urge. I have seen them suffer for decades without any progress. Then I have watched them band together and at times lash out in anger. Unfortunately, it took tragedy, violence, and fear to shake us out of the lethargy of long-standing injustice. I would hope that the world community would not have to follow this same path before it corrects the injustices that cry to heaven today.

It need not be this way in international affairs. We who are in power need not ignore the weak and the poor until in desperation they choose to hurt themselves in the hope of hurting the powerful. We could begin now, in this year, in this unique, open moment in history, when the international economic order is up for change, to share opportunity and hope.

Nor do those in developing countries need to repeat the mistakes of our own deprived minorities. Their attempt to smash the existing systems was painful. But by becoming aware of their own identity, they took the first essential step of a long journey toward equality and dignity -- a journey that is bringing benefits to all of us. To

my friends in developing countries I venture to say: Whenever you find a broad world vision -- a concern for what works best for all -- on the part of those in power, support that vision. And when you find narrow nationalism and fearfulness, try not to respond with your own narrow separatism, but rather supply your own world vision. And when you know in your heart of hearts that your cause is just, press that cause in every forum, ⁱⁿ every negotiation with patience, with expertise, with unity, and with quiet passion. You have more allies than you think, for the young people of this world are disgusted with the inequities they see and many are determined to build a new future of liberty and justice for all.

The world has had enough of small-minded paranoid men clinging to the past, fearful of the world beyond their narrow parochialisms, fearful of those whose skin is of a different hue, whose tongue or vestments are exotic, who worship in alien forms, whose life styles dare to differ. It has had enough of men who are fearful of the future itself. I speak of attitudes of separatism, of divide and conquer, of we against them. The past was steeped in these attitudes and they led us to grief and violence, again and again. It is high time for the nations of men to learn to give, to trust, to love, to be universal instead of parochial, to be cooperative instead of competitive, and to think of how to make the world work for all of us, with none left out, instead of sitting in our narrow corner thinking of how we can manipulate the world to obtain our own national advantage. In short, we need a new ethic of responsible world citizenship; a concern by

all world citizens for international fair play, which alone will make our world work. And international fair play comes down to this: that the least of us count for as much as the most exalted among us, that the voice of the weak be heard as clearly as the voice of the powerful, because as Archibald McLeish said of the vision of the earth from the moon: "To see the earth as it truly is, small and blue and beautiful in that eternal silence where it floats, is to see ourselves as riders on the earth together, brothers on that bright loveliness in the eternal cold -- brothers who now know that they are truly brothers".