

DEVELOPMENT VERSUS ENVIRONMENTAL ORDER

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It is sometimes argued that because of the tremendous social cost of economic development, industrialization should not be attempted. Rather, increased welfare through heightened agricultural efficiency should be aimed for; or industrialization, if followed, should proceed slowly. Some would disagree that what is needed is rapid economic development. They ask "why the hurry, why the obsession with economic growth?" While it is true that social change and industrialization have always entailed a high price, the price of underdevelopment is just as costly.

When dealing with the issue of development, one must realize that as with any issue, there is both a theoretical and practical or pragmatic approach. There is this pragmatic approach to development and its implication on the environment.

With the division of the world into economic zones of development and underdevelopment, there arises the precise question as to whether a developing nation can pursue economic growth while at the same time maintaining an environmental balance. I believe that such a balance, is unattainable during the initial stages.

Under the current situation of global economic interdependence and growth of the Multi-National Corporation (MNC), compromising growth for environmental order and vice-versa constitutes a definite utopia. The Global Economic System is not yet prepared to maintain the cost of both aiding developing nations and looking out for their environment. At present there is no such entity which can achieve such a goal. The economic cost is far greater than the benefit derived. More specifically, without being an advocate of the dependency theory, I believe that a key factor in the development of lesser developed countries is undoubtedly the MNC.

Whether we look at legal or financial institutions or at organized labor, we find that the bargaining power of the MNC's to maximize profits is far greater in Third World countries than in rich ones. This is because of the weakness of institutional mechanisms to control the behavior of subsidiaries. Consequently, lesser developed countries not only lack the power to enforce a policy of growth with environmental balance, but also realize it is economically unjustified and a hindrance to expansion.

The issue being put forward here is one of economic efficiency which cannot be compromised at the initial stages of development. During those stages these countries cannot function as equal partners in the global economic system, but are aided by it with each country as an independent unit of the system. Cooperation on issues other than growth will be achieved at later stages.

This economic efficiency, laissez-faire approach can be put into perspective by adjusting to today's realities the words of Karl Marx: "It is impossible to derive an ethic from economic reasoning." The choice he discerned was as follows - "either individuals manage to unite, and in order to subordinate the economic process to their collective will, replace the social division of labor with the voluntary cooperation of associate producers, or else they remain dispersed and divided, in which case the economic process will prevail over people's aims and goals and sooner or later a strong central state will, in the pursuit of its own rationality, impose by force the cooperation which the people were unable to achieve for themselves." I ask, can the aforementioned central state being referred to be none other than the independent global economic system?

In general terms, cooperation in every sphere of reference is achieved only in stages; whether for the betterment of the working class as was Marx's goal, or for a more broadly coordinated world economic order. It is not pragmatic for example, to ask a poor nation to look out for the collective interest of the natural environment when its population is malnourished.

Marx's revolution occurred in a manner other than the one he sought for. We are now faced with a revolution which has united most states under the sphere of neo-conservatism and capitalistic free-market inclinations.

When dealing with environmental issues, one becomes aware that it is the rich states that have become, or can afford to become, alert to the environmental issue arising from over-expansion. It is the economic process at its final stages that has enabled them to do so. Unfortunately, for the developing world this will have to come later. Alertness comes with development. There is no escape from this reality at present. I am trying to point out that as part of a broader, but more controlled world economic order, no developing state has the independence to dictate its policies either to foreign governments, or multi-national corporations who are responsible for their growth.

Forming international groups or organizations to alert the world to environmental issues does not seem to be the optimal solution. No-one

canseriously argue that we are not alert to the problems. Most such organizations, when having to deal with hardcore questions of economic sovereignty and profitability, seem to come up against a brick wall. Environmental issues surely entail such questions. We all need to become aware. However, we must also be pragmatic.

The issue being put forth is a part of my generation. We, as future managers, politicians, scientists, etc., will have to set forth the balancing mechanisms between environmental order and growth.

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