

The challenge of the creative Third World

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This article is a contribution to recent literature on the shape of the polycentric world order. It argues that the Third World remains a valid concept for describing the interests and ideas that shape the foreign policies of many key non-Western states. However, the Third World has changed in a fundamental way. The article describes the historical emergence and contemporary manifestations of a ‘creative’ Third World in contrast to the ‘protest’ Third World of the past. It describes the nature of this shift and how it is reshaping Western leadership. It argues that the main challenge for the West is to create a coherent pluralism in international order that embraces this creative Third World.

Keywords: Third World; global South; South–South cooperation; G20; global governance

Introduction

In 1957 the Nobel-winning economist W. Arthur Lewis noted that there were two types of leaders in what was coming to be called the ‘Third World’.¹ One type, the ‘protest’ leader, followed a strategy of protesting against perceived harms and slights from the West. The protest leader was focused on tearing down the past, seeking ‘liberation’ from the international system and rebuilding some morally superior indigenous development model. The other type, the ‘creative’ leader, was less interested in anti-Western agitation than in making strategic use of the colonial inheritance as well as the international system to advance national interests through prudent and effective policies. Lewis, a Saint Lucian who at the time was working as a UN-funded economic advisor to Ghana, clearly saw himself as part of the creative generation of Third World leaders. But for the next 30 years his approach to Third World leadership was deeply out of favour.

In Ghana the post-independence president, Kwame Nkrumah, pursued a protest-oriented ‘African socialism’ that quickly sent the wealthy and stable country into a tailspin following the hurried British departure.² Lewis would eventually

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break ranks with Nkrumah, complaining that development policy in Ghana had turned into ‘political jobbery’ and that as economic advisor he was forced to ‘play nursemaid to grown men’.³

Today the question of how to respond to a vastly more powerful and advanced West remains the dominant issue in the politics of most Third World countries. Despite hopes that ‘emerging’ countries like China, Brazil and India would become supporters of the Western-led international system, Third World demands for a rebalancing of power in the international system have not gone away, and indeed are growing in many areas like climate change and UN reform. The Third World as a concept and Third World solidarity as a behaviour remain remarkably persistent features of post-cold war international politics, despite many advance obituaries.

What has changed, however, is that creative approaches to the Third World agenda have largely replaced protest approaches. Third World countries increasingly employ cooperative diplomatic and political strategies to advance their interests in the international system, strategies that in many ways borrow from and make use of the norms and rules put in place by the West. The Third World agenda has not disappeared. But the oppositional post-colonial persona is mostly gone in most capitals. Instead, it has been reformulated in creative terms. Moreover, as income levels and populations grow throughout the Third World, those efforts are being backed by more resources than ever.

This article argues that the emergence of a ‘creative’ Third World is one of the central descriptive facts of today’s world order, one that is likely to exert causal influence across a wide range of issue-areas and situations. My aim is to describe the historical emergence and contemporary manifestations of the creative Third World. A secondary aim is to identify the implications of this for the West, which remains both the dominant actor and the dominant agenda-setter in world order. The paper argues that Western leadership will survive only by taking more seriously the various demands of Third World nations, forming coalitions with them on most critical issues. In the end the West will be better off with a creative Third World. But the adjustment from Western leadership to shared leadership will be difficult. As Lewis noted in 1965, ‘When one has dismissed the rogues, one has still to meet the serious arguments of serious men’.⁴

The enduring Third World

The concept of the ‘Third World’ was suggested in 1952 by a French demographer, Alfred Sauvy.⁵ It referred those nations separate from the dominant power blocs of the West and the USSR. These nations constituted a ‘third’ estate of the world order, a *tiers état du monde* or *tiers monde*. Because of these countries’ undeveloped status, Sauvy saw the challenges of the Third World as akin to the challenges of the working class in any country: how to shape political and economic policies so that they served the needs of the majority. Lacking a democratic international system, the Third World nations were forced to engage in negotiation and conflict with the West (and to a lesser extent the USSR) in order to achieve these aims. Being ‘ignored, exploited, and scorned’, he warned, the Third World would demand its fair due. ‘The pressures increase constantly in the human boiler.’

This concept was embraced by the leaders of 29 African and Asian developing countries when they met in the Javanese hill town of Bandung in 1955. It was given an expanded and institutionalised form six years later with the creation of the Non-Aligned Movement (NAM). In 1964, 77 Third World countries formed a UN voting bloc (still known as the G77). Over the next 30 years, even as memberships varied on the margins, the developing world could claim to be a coherent third estate in world politics.

When the Cold War ended, the concept of the Third World began to disappear in discussions of international politics. Combined usage in the *Washington Post* and *New York Times*, for example, declined from more than 1500 references in 1989 to just 184 in 2014. New terms like ‘emerging’, ‘high-growth’, ‘South(ern)’ or ‘regional’ powers were coined to capture the diversity of the non-Western world. In 2010 the former US deputy secretary of state, Robert Zoellick, then World Bank president, argued that the Third World as a bloc had disappeared because of ‘the diversity of challenges faced by different developing countries’, which meant that ‘it is ... no longer possible to presume that their biggest members ... will represent all’.⁶

Yet several factors have kept the Third World or ‘global South’ intact. Most important is that the intensity of interactions among Third World countries (so-called ‘South–South’ interactions) has risen, rivalling linkages to the West. Ironically this is creating a Third World reality for the first time, even as the term itself has waned. Since 2008 Third World countries have exported more to one another than to developed countries.⁷ South–South trade accounted for 23% of the world total in 2011, up from 8% in 1980. More than half of the infrastructure financing in Africa, for instance, now comes from the Third World.⁸ Countries like China, Turkey and India are major aid donors, which is helping traditionally Western aid-dependent nations like Zambia to reassert their Third World identity.

A second factor is that Russia, under Vladimir Putin, has reasserted its historical role as an alternative to the West, thus re-establishing the two worlds from which the Third World was distinct. Identity, not economic organisation, always lay at the root of the first and second world difference. When the UN General Assembly passed a resolution 100 to 11 to condemn Russia’s annexation of Crimea in 2014, 58 countries abstained and another 24 chose not to vote at all. The 82 abstainers or absentees (containing 62% of the world’s population) included the key major Third World powers of China, India, Brazil and South Africa, as well as many key middle powers like Vietnam, Pakistan, Argentina, Egypt and Iran. This is the enduring ‘third’ force in international politics alongside the West and Russia. As one Indian commentator put it in relation that vote, ‘The abstentions have it’.⁹

Without denying the extensive diversity within the residual category of the Third World (as well as within the West), such diversity belongs to a lower level of abstraction. At the most general level the Third World remains a coherent concept because of its distinctive ‘colonial’ identity *vis-à-vis* the West. The advance of the status and interests of Third World nations still requires that they define their strategies with respect to the West more than to one another.¹⁰ The likes of China, India, Brazil, Indonesia and Turkey have risen in global power with their Third World agendas and identities intact. Despite hopes that these

countries would become ‘responsible stakeholders’ (to use Zoellick’s term) in the pro-Western world, they have instead taken the benefits of global capitalism and reasserted their distinctive agendas. Their historical identity as outside of the West, their present-day interests in limiting Western power and their strategic incentives to bandwagon with other Third World nations drive a continued solidarity.

In a *Third World Quarterly* symposium of 2004 Berger argued that the abandonment of the utopian ‘protest’ form of Third Worldism meant that the concept itself would die out.¹¹ Yet in the past decade it has survived, even thrived. The reason, this paper argues, is that the abandonment of protest and the shift to a pragmatic ‘creative’ agenda have given the Third World a new lease on life.

It is for these reasons that the term ‘Third World’, or its post-cold war replacement, the ‘global South’, remains an apt concept for describing world order. This is not only because it properly categorises the West and Russia as two other coherent categories but also because it reasserts the fundamental cleavage in modern global history between the advanced Western centre and the various peripheries. Today coalitions of Third World countries that were born in the 1960s, like the 120-member NAM and the 133-member Group of 77 within the UN, continue to act in concert. Analysis of UN General Assembly voting by Ferdinand shows that the level of agreement among G77 and NAM members remains very high.¹² Malaysia, India, Brazil, South Africa and China still tout themselves as leaders of the Third World (using the term ‘Third World’ or ‘global South’ explicitly) and these ‘emerging’ Third World powers are sticking to their G77 roles rather than trying to set off on their own.¹³ There is an enduring push for a Third World agenda, even if the language has changed from ‘emancipation’ to ‘smart partnerships’. As Weiss and Abdenur wrote in a more recent special issue of *Third World Quarterly*, ‘despite the analytical flaws of such “clumps”, in political debates about development they matter’.¹⁴

Moreover, the Third World is more powerful than ever. A normal definition would include every country outside the West (Europe, Australia, New Zealand, Canada, and the USA, as well as its honorary member Japan) and outside Russia (and its last satellite state, Belarus). Thus defined, the Third World share of global GDP was 55% in 2014 and its share of the global population 83%. The combined financial reserves and sovereign wealth funds of Third World countries were worth \$6.8 trillion in 2012, compared to \$3.3 trillion for the West and Russia. The Third World is bigger and richer, but no less inclined to see its interests as separate from the West.

The period of protest leadership

The origins of Third World politics goes back to the 1927 meeting of the League Against Imperialism, a gathering of Soviet-backed and independent Third World leaders in Brussels who demanded independence from colonial rule. The League took aim at the basic question of self-determination. Their demands for independence and sovereign equality were a unifying one. Today a common thread of Third World identity is to uphold the rightful respect and equality – the status – of their countries.

As for relations with the West, the general tenor from the 1920s to the 1950s was of cooperation and cordiality. Many important liberal principles of global

governance in areas like human rights and development assistance emerged from the global South in the 1920s and 1930s.¹⁵ Ho Chi Minh in Vietnam and Ferhat Abbas in Algeria both hoped for a continued French condominium, while others paid tribute to departing colonial rulers: 'We do not forget the assistance and guidance we have received through the years from people of British stock', declared Kenyatta at independence.¹⁶

However, once independence was achieved, a split emerged. For creative thinkers, as Lewis termed them, the next task was to 'demobilise' the independence movements and establish constructive ties with the West. The unifying 'movements' needed to become pluralistic 'parties' competing over public policy issues. But for others, from Mao to Nkrumah, the achievement of independence was only the first step in the march to modernity. Next came the more difficult task of socioeconomic mobilisation, which they felt demanded a continuation of the unified struggle against the West.

For the next two decades the struggle against the agency of Western colonialism was replaced by a new struggle against the structures of Western 'neo-colonialism'. As African leaders put it in their 1980 Lagos Plan of Action, 'Africa was directly exploited during the colonial period and for the past two decades this exploitation has been carried out through neo-colonialist external forces which seek to influence the economic policies and directions of African States'.¹⁷ Non-imperial Western countries like Canada and Sweden, which initially supported the Third World bloc, withdrew their support once it became clear that the bloc was not interested in creatively transitioning to independence but in assertive displays of protest.¹⁸

In this atmosphere creative leaders were branded as reactionaries against the revolution, or as subalterns of imperialism. Political oppositions throughout the Third World were repressed. The shock of the colonial encounter, expressed vividly in the Nigerian writer Chinua Achebe's *Things Fall Apart* of 1958, was followed by the even greater shock of postcolonial tyranny, which Achebe duly catalogued (but to much less notice) in *A Man of the People* of 1966. Guinea's first president Ahmed Sékou Touré declared himself 'The Terror of International Imperialism, Colonialism, and Neo-Colonialism' and proceeded to carry out regular public hangings of cabinet ministers – 58 in one session alone in 1970.¹⁹ As the Caribbean writer of Indian descent VS Naipaul wrote somberly in *The Middle Passage*, his 1962 travelogue about the Caribbean: 'For the uneducated masses, quick to respond to racial stirrings and childishly pleased with destructive gestures, the protest leader will always be a hero...The paternalism of colonial rule will have been replaced by the jungle politics of rewards and revenge, the text-book conditions for chaos.'²⁰

Nevertheless, Naipaul's 'bitter dispatches from the Third World', as Edward Said called them, reflected the genuine disillusionment of Third World peoples with their protest leaders. The Soviet bloc was losing steam and indigenous demands for political and economic liberalisation were on the rise. The term 'Third World' had come to mean 'backward' rather than 'unaligned'. *Tiers* had become *troisième*. Citizens began to talk of how their countries could 'escape' from the Third World, as if from a bad dream. Protest leaders self-destructed and a new politics of reform was born.

The shift to creative leadership

From the earliest days many indigenous leaders in the Third World believed (along with Marx) that colonialism had been a positive influence on their national development. Statistically speaking, economic growth and health indicators were better for the countries that were colonised earlier and for longer.²¹ Ethiopia and Liberia – the two key non-colonised African countries – experienced slower gains in life expectancy and slower economic growth than the rest of the continent. The logic of colonial rulers in most places, after all, had been that the West would be better off if the Third World was rich and healthy.²² Even today the richer the South becomes, the better off is the West.²³ The ‘civilising mission’ inherent when more developed nations encounter less developed ones was eagerly embraced by most Third World people, who, like the indigenous peoples in North America and Australia, migrated to areas of more intensive colonisation. (This included virtually the entire population of Hong Kong.)

In a now-classic 1958 paper on economic development, the Burmese economist Hla Myint advocated export-led policies that ‘in their technical properties, may not be very different from those of the colonial governments in the past’.²⁴ In effect, creative leaders sought to continue the colonial inheritance rather than repudiate it. At the time that Myint was writing, South Korea’s economy was the same size as Peru’s, while Taiwan’s was the same size as Egypt’s. In the following 25 years, South Korea and Taiwan pursued colonial-style policies of export-development and financial and economic integration with the West, while Egypt and Peru pursued protest. By 1982 South Korea’s economy was more than twice as large as Peru’s (today it is five times as large), while Taiwan’s was 70% larger than Egypt’s. Today, in per capita terms, South Korea and Taiwan are three to five times richer than their protesting counterparts. Throughout the Third World the countries like Kenya and Chile that rejected the prescriptions of *dependistas* became richer than their neighbours.

More broadly the notion that Third World countries were hapless victims of ‘structural conditions’ rather than of their own mismanagement lost credibility. The common refrain, for example, that Zambia’s development was ‘undermined by the dramatic fall in worldwide copper prices’ after 1975 became untenable.²⁵ Instead, studies showed that inefficient production by the state copper company, macroeconomic policy mistakes, an over-expansion of the public sector and a harmful policy response of increased nationalisations and controls were mainly to blame.²⁶ Zambia’s economic decline began in the late 1960s, *before* the copper crash, while Chile, another copper-dependent developing country, managed prudently and thrived. The notions of subjugation by and culpability of the West, which Puchala identified as key tenets of ‘Third World thinking’,²⁷ could not survive the daily evidence of Third World misrule.

A sharp repudiation of the protest agenda came in 1979, when Singapore’s foreign minister, Sinnathamby Rajaratnam, told the UN general assembly that Third World leaders had developed a tendency ‘to adopt the vices of their former imperial masters while carefully eschewing some of their virtues’. Third World failures, he declared, were ‘largely self-induced’. He continued: ‘To reverse this drift towards disaster, it is necessary for the Third World to recognize that it has and it is committing errors – instead of attributing its difficulties to its imperial past and to the machinations of the rich advanced nations’.²⁸

If a beginning of the shift can be seen, it was the tragic reminder of Rajaratnam's message at the 1983 NAM summit in New Delhi. Three weeks before the summit inter-ethnic election violence in India claimed the lives of between 1600 and 5000 East Bengali migrants in an Assamese town with the cruelly ironic name of Nellie.²⁹ As the delegates gathered, the Nellie Massacre dominated the local press. Even for a group so obsessed with blaming the West, it was hard to ignore the reminder that most depredations were self-inflicted. The notion that the human rights of Third World peoples were threatened primarily by 'racism, Zionism, occupation, and foreign domination', to quote the 1994 human rights charter of the Arab League, gave way to a new focus on the threats from local tyrants. Alongside the enduring memories of Western massacres of Third World citizens at Amritsar in 1919 (1000 dead) or My Lai in 1968 (a high estimate of 500 dead) grew more ghastly memories of the toll exacted by Third World leaders and their militias – Bali in 1965–66 (80,000 killed) or the intentional democides carried out by Asian communist regimes in China, North Korea and Kampuchea, not to mention the many massacres to come, such as those the Iraqi Kurds in 1991 (100,000 dead) or the Kivu of the DRC in 1996–97 (20,000–200,000 killed). The media coverage in 1983 as NAM leaders gathered, wrote Vijay Prashad, 'reminded most of the leadership of their own Nellies'.³⁰

By 1992, with the Cold War over, protest leaders were finally dethroned by creative leaders within the NAM. At a summit at Jakarta the organisation called for a new relationship with the West: 'Such a reactivated dialogue should not be cast any more in terms of 'demands' on the part of the developing countries or misperceived as 'charity' on the part of the advanced countries', the summit statement read. 'Rather, it should be conducted on the basis of genuine interdependence, mutuality of interest, shared responsibility, and mutual benefit, clearly and coherently presented and rationally discussed and negotiated'.³¹

Symbolically the literary world gained a new appreciation of writers who had dissented from the orthodoxies of Third World protest, especially Naipaul, who was awarded the Nobel Prize for literature in 2001. An explosion of Third World 'wound literature' appeared to document the ravages of protest leaders. The title of the Ugandan writer Moses Isegawa's memorable 2004 novel about Idi Amin's regime – *Snakepit* – summarises the sea-change in sentiments.³² Achebe's *A Man of the People* was reissued in 1989 (by which time *Things Fall Apart* had been re-issued 14 times). The Tunisian intellectual Albert Memmi, whose 1957 *Portrait du Colonisé, Précédé du Portrait du Colonisateur* was a canonical work blaming colonialism, declared in his 2004 *Portrait du Décolonisé Arabo-Musulman et de Quelques Autres* that cases of Third World failure were largely self-inflicted. In 2014 another icon of Third World protest, the Uruguayan journalist Eduardo Galeano, admitted sheepishly that his widely read 1971 attack on the West, *The Open Veins of Latin America*, was an unreadable product of ignorance.³³

Regional variations

Creativity involved three related thrusts in Third World policies: a cooperative approach to the West; an embrace of market capitalism and deeper integration with the global economy; and a delinking of policy formulation and evaluation from nationalist political movements. It was first an attitudinal change among

educated groups that fed into ideological changes in ruling parties and ultimately into foreign policies and broader international postures.

To be sure, that transformation has been incomplete and halting throughout the Third World – even if the overall centre of gravity has moved decisively from protest to creativity. Many countries – India and Malaysia for example – remain rooted in a rhetoric of protest even as they pursue mostly creative policies.

In addition, every region shifted to creative leadership in different ways, at different times and to different degrees. Without doubt the earliest and most important transition came in the Far East – not just the well-known Northeast Asian economies like Taiwan, South Korea and China but also the Southeast Asian countries like Indonesia, Thailand, Malaysia and Vietnam, whose role in the global shift is hard to overstate. Here prudent and creative public policies saw rapid development beginning in the 1970s.

In Indonesia, for instance, Suharto hired the Swiss firm SGS to inspect all shipments at the Jakarta port of Tanjung Priok in 1985, firing all 6000 government inspectors. Partial control was given back under SGS guidance in 1991 and then fully under a newly professionalised customs service in 1997. Bringing in Westerners to manage foreign trade was an outrage to the *indignados* of Third World protest but, for the creative leaders, it made good sense. Indonesia became an export powerhouse. Thailand did the same, investing in rural infrastructure and globalising its agriculture. In 1961 Thailand exported only one-eighth as much agricultural produce as all of sub-Saharan Africa. By 2005 it exported more. Today Asian leadership is frighteningly effective on domestic policy matters, even if regional relationships are troubled.

Latin America was probably the second most important contributor to this shift, especially because so much of the intellectual foundations of protest leadership ('dependency theory', for instance, or the 'pedagogy of the oppressed') had been developed there. It took the emergence of a rival intellectual tradition to prompt corresponding political changes – embodied best in the Peruvian economist Hernando De Soto's 1986 book *El Otro Sendero* (The Other Path), which advocated freeing the poor from stifling bad laws that forced most economic activity into the dynamic informal sector.³⁴ So influential did that book become that when the English translation appeared in 1989, its subtitle was changed to 'the invisible revolution in the Third World'.³⁵ Since then, the most creative governments in Latin America have been left-wing. Brazil's president from 1995 to 2003, Fernando Henrique Cardoso, earned his academic spurs promoting dependency theory but then declared the need to 'chart a new course' as political leader, which he did through privatisation and international opening.³⁶ His successor, Worker's Party president Luiz Inácio 'Lula' da Silva, buried dependency theory in a way that only a left-wing leader could.

The shift in Africa came next and was easier because protest leadership there had been most cruel. Between 1978 and 1996 per capita GDP growth in Africa was *negative*. Indigenous demands for change were powerful. The postcolonial protest leaders were accused of being the real neo-colonials – politically unaccountable and economically predatory. Uganda's Yoweri Museveni, a cattle rancher, whose National Resistance Movement seized power in 1986, denounced African socialism: 'Museveni, with my cows, I take them to the market, and

there is a price control board to tell me that I should not sell my bull at US\$ 300,000! I cannot accept! This is my bull! I reared it myself and I will sell it according to how I bargain with the buyer. What role does the government have in this transaction?'³⁷ Nelson Mandela entered Robben Island prison in South Africa in 1964 as a protest leader but emerged from prison in 1990 as a creative one. He expressed empathy with the Afrikaners and pledged a creative engagement with their legacy. His influence on the region is immense.

Without doubt the Middle East has been the slowest to transition. Despite the Arab Spring, the region remains precariously balanced between protest and creative leadership across the great arc of Islam from Morocco to Pakistan. Radical Islam is a classic protest response to the West and to the strains of modernity that first spawned anti-Westernism within the West itself.³⁸ India too remains a puzzle: economic reforms started in 1991 have significantly reversed the self-wounding policies of the past. Yet the country's national identity and intellectual life remain dominated by the obsessive anti-Westernisms of Gandhian elites, embodied today by the prolific journalist Pankaj Mishra, who blamed the 9/11 attacks on Winston Churchill.³⁹ In both regions the protest tradition was wrapped in a militant secularism. As a result, creative leadership has arisen from within religious parties, where the creative agenda jostles with religious imperatives. The travails of Turkey's Erdogan, India's Modi and Egypt's Morsi – serious men constrained by religious bases – have all resulted from this unresolved tension.

The protest versus creative dichotomy is a vast simplification, of course. Many Third World countries are stuck in the middle, while others veer between the two. There are, in addition, serious and ongoing problems of underdevelopment in the Third World that constantly feed the temptations of a return to protest. Fragile states, illegal migration, drugs networks and insurgencies continue to bedevil the Third World and with it its ability to support sustained creative governments. Nevertheless, the centre of gravity in the Third World has shifted from protest to creativity, as Lewis understood the terms. This shift has deep implications for global governance and the West.

Creative Third World diplomacy

The West was gratified to see the unravelling of protest leadership in the Third World. From 1992 until the global financial crisis of 2008, the West seemed content to encourage the Third World to make up for lost time. The 'rise of the South' was at first thought to mean just one thing: billions of new middle class consumers. Most analysts believed that the abandonment of protest politics would mean the end of the Third World itself.⁴⁰

But rather than being abandoned, the Third World agenda was refurbished. With effective governments and strong growth to finance innovation, the restlessness of the Third World to play a co-equal role in global governance was for the first time possible. Domestic democratisation also played a role by bringing to power political parties with populist or working class constituencies, the very constituencies that Sauvy believed were the most explosive force in 'the human boiler'. In a sense the many advance obituaries of Third Worldism erred in being too Marxist, obsessed as they were with material differentiation among

Third World states (indebted or not, oil exporters or not, fast growing or not, etc.) and paying insufficient attention to the enduring identity of being ‘ignored, exploited, and scorned’ by the West. As a result, while the tactics of Third Worldism changed and the capacity rose, the strategy remained the same.

Today the innovative diplomacy of countries like Brazil, South Korea and Turkey is grounded in innovative policy at home. Since they have more recently been through the ‘struggle for modernity’, and because they work with larger populations, Third World governments and societies often have more effective ways to propel their societies forward. They have managed to stimulate growth, expand education, create infrastructure, build social mobility and tackle climate change. Their domestic governance is often more institutionalised and innovative than in the North, where contemporary governance is increasingly trapped in postmodern struggles.⁴¹

In 2013 the executive and administrative agencies for South–South cooperation within the UN were both upgraded to a status equivalent to the organisation’s bodies for peace building and refugees. Promoting the ‘rise of the South’ has gone from being a marginal concern to a core mission of the UN. The theme of UN-sponsored South–South technology transfers is ‘solutions, solutions, solutions’, a reflection of the creative drive that now infuses Third World solidarity.

Third World countries see themselves as ‘knowledge hubs’, an ugly phrase that conceals a dawning reality: the Third World has become as much a source of global innovation as the West.⁴² Conditional cash transfers, for instance, where welfare payments depend on recipients meeting certain goals with respect to school attendance, health check-ups, job searches or adult education, are now common throughout the Third World. Despite opposition from rights advocates, such transfers are being tested in the USA and Canada, usually through private foundation funding.⁴³ Key innovations in mobile banking, to take another example, have emerged from the Third World, beginning with the Philippines wireless provider SMART in 2000 and CelPay of Zambia in 2001, and then been diffused to the West.⁴⁴ The Third World has also done better at improving essential services provision without privatisation, a movement that has latterly spread to the West.⁴⁵ This South-to-North policy diffusion represents a sea-change from the era in which the West was best practice and the Rest were catching-up.

In the early 2000s this new creative thrust in domestic governance began to show up in diplomacy. Morphet saw in 2004 that the ‘pragmatic’ and ‘thoughtful’ approaches of Third World countries were having more effect in areas like international law and trade than had the ‘old-fashioned and bitter’ emanations of the past.⁴⁶ In peacekeeping and state-building, for instance, Third World actors reaffirmed ‘old fashioned’ norms like regionalism and host-nation approval that had been abandoned by an increasingly revolutionary West.⁴⁷

With the passage of another decade this trend is clearer. On climate change, for example, Third World leadership can be seen in efforts to protect forests. Since 2005 the global mechanism to support forest protection known as REDD+ (reducing emissions from deforestation and degradation plus the improved conservation and expansion of existing forests) has been one of the few aspects of global climate change negotiations that has moved forward with some success.

The initiative was founded by Costa Rica, the two Congos and a handful of other Third World states, and has been driven forward mainly by the efforts of Brazil and Indonesia.⁴⁸

On aid there has been a shift from the traditional aid principles of the West towards a new set of principles, usually known as the Busan principles after a meeting held in that South Korean city in 2011. These new principles draw directly on the recent experiences of Third World success stories: spend on infrastructure and education, in order to boost growth, not on poverty alleviation or food aid; put central governments and the private sector, not NGOs, at the centre of aid delivery; allow host-nations to 'own' foreign assistance programmes rather than having to jointly design and manage them with donors; and transfer skills and technology, not just money.⁴⁹ Countries like Brazil and Turkey are redefining aid in Africa, and with it the notion of how to develop.⁵⁰ 'Tied aid', long a dirty term when it involved the West, is now celebrated as an innovation of the global South.⁵¹

More profound shifts have taken place within the institutions and forums that make major decisions on global economic governance. At the height of the protest era in 1974 Third World countries called for a New International Economic Order (NIEO) that would give them a greater voice in global economic governance. Predictably, since they had less stake in the global economy at the time, the NIEO was largely redistributive. In the decades since, as Third World countries have benefitted from globalisation and become major stakeholders in the global economy, their approaches have changed. At the centre of this shift has been the G20, which began as an annual meeting of finance ministers and central bank governors in 1999, but which was upgraded to a leaders' summit in 2008. Of the 19 member states of the G20 (the EU also sits as a separate member), 10 are from the Third World (Argentina, Brazil, China, India, Indonesia, Mexico, Saudi Arabia, South Africa, South Korea and Turkey). Of these 10 all except Brazil, South Korea and Turkey have at various times been part of the NAM (the most protest-oriented Third World grouping). Yet G20 statements have been about as far from the NIEO as it is possible to be. The 2010 Seoul summit document advocated deregulation, tax reform and infrastructure for foreign investment. As Cammack puts it (disapprovingly), under Third World leadership 'the G20 has not challenged either liberal principles or global competitiveness. On the contrary, it has advocated their active promotion on a genuinely global scale.'⁵²

Still, the broader voices are making 'active promotion' more fair. On financial regulation, for example, the G20 – mainly through a Financial Stability Board (FSB) created in 2009 (and with an expanded G20 roster that includes Singapore, Switzerland and The Netherlands) – has acted to stem the profitable risk-taking of Western financial institutions whose costs are often borne by the Third World. New rules also reduce the power of Western credit-rating agencies, and make all members subject to peer-review of financial system risk. In 2014 Germany's banking and financial policies were peer-reviewed by a five-member FSB group made up of Hong Kong, India, France, The Netherlands and Singapore. Gandhi's heirs, in other words, are advising the Bundesbank on how to manage derivatives.

Meanwhile, UNCTAD, founded in 1964 to give Third World nations their own forum on trade issues, is today indistinguishable from the WTO. Indeed the WTO director-general from 2002 to 2005, Supachai Panitchpakdi from Thailand, went on to serve as UNCTAD secretary general from 2005 to 2013, shifting its focus to one of encouraging investment in the Third World.⁵³ The World Bank's first Third World chief economist was chosen from China in 2008 and then India in 2012. In 2012 for the first time the US nominee for president was challenged by two Third World candidates (from Nigeria and Colombia) in what may presage a Third World president next time in 2017, as sentiments and voting powers in the body shift.

Seeking coherent pluralism

While there is a growing awareness in research communities about the rise of the creative Third World, it remains largely overlooked in political and advocacy settings because it does not fit the dominant narrative of either left or right. For the left the fact that the Third World has largely abandoned the revolutionary agenda and embraced global capitalism and Western power is unsettling, even depressing. For the French academic Philip Golub, the behaviour of this new Third World 'has blurred and in some cases completely erased the emancipatory message and critical vision of early anticolonial nationalism'.⁵⁴ For the right the belief that the rise of the South would lead to a disappearance of the Third World and its integration into the Western-led order as a 'responsible stakeholder' has caused a wilful blindness to the enduring Third World identity. Noting the persistence of this identity in his 2012 book *No One's World*, the American policy analyst Charles Kupchan warned that rising Third World powers could pose a threat with a variety of 'alternatives to the Western way' if they were not integrated.⁵⁵

Yet if integration of this newly creative 80% of the world's population and 55% of its economy is unlikely, then how can the West respond? In its 2013 report *The Rise of the South*, the UNDP called for a 'coherent pluralism' in global governance, in which innovative coalitions of developed and developing states would exert leadership in discrete issue areas. This 'sectoral' global governance will be more fragmented but it will also be more legitimate and thus, potentially, effective.⁵⁶

A recent example is the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants, an initiative conceived in 2012 by Bangladesh, Ghana, Mexico, Canada and Sweden to tackle emissions like black carbon and methane that are particularly potent greenhouse gases. After initially staying on the sidelines of the initiative the USA eventually reached an agreement to join and the United Nations Environment Programme was brought in to administer it. The coalition now has 36 member states and \$50 million in funding.

At the same time Western nations engage with the new South-South institutions at their peril. Attempts at 'triangular cooperation', for instance, where a Western country partners with a Third World country to help another Third World country, can easily result in a lowering of standards, an increase in administrative costs, and a focus on political rather than policy success.⁵⁷ Vague principles of 'horizontal cooperation, solidarity, and partnership' do not tell an

aid officer what to invest in, how to organise that investment, or whether it has succeeded. In any case, such efforts may be dismissed in the Third World as ‘symbolic operations aimed at neutralizing the negative aspects’ of Western power, as a suspicious group of Brazilian researchers puts it.⁵⁸ If so, then the West loses out twice, once at the operational level and again at the strategic level. In other words, the era of seeking coherent pluralism in global governance may easily lead to incoherent pluralism.

If there is one relationship that exemplifies this new era it is US ties to India. Washington has expanded its commercial and military ties with India since the 1990s. A deal to provide civilian nuclear technology to New Delhi in 2007 was hailed as the beginning of a grand strategic relationship. Yet coordination, much less convergence, remains elusive, in part because closer cooperation has revealed the fundamental identity gap between the two sides.⁵⁹ New Delhi is a closer but also a more difficult partner for Washington. In India, as elsewhere, the protest leaders are gone. But in their place have come not ‘responsible stakeholders’ but creative leaders no less intent on pressing national interests and reducing Western domination. The rogues were in many ways less troubling than these serious men (and women). Learning to operate in this new environment is the grand challenge of the West.

Notes on contributor

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Notes

1. Naipaul, *The Middle Passage*, 254.
2. Killick, *Development Economics in Action*.
3. Tignor, *Robert L. W. Arthur Lewis*, 170, 172.
4. Lewis, *Politics in West Africa*, 34.
5. Sauvy, “Trois mondes, une planète”; and Solarz, “‘Third World.’”
6. Zoellick, “The End of the Third World?”
7. United Nations, *The State of South–South Cooperation*, 2014.
8. United Nations, *The State of South–South Cooperation*, 2012.
9. Sidhu, “Resolutions.”
10. Hurrell, “Narratives of Emergence.”
11. Berger, “After the Third World?”
12. Ferdinand, “Rising Powers at the UN.”
13. Weiss and Abdenur, “Emerging Powers.”
14. Weiss and Abdenur, “Introduction,” 1751.
15. Helleiner, “Introduction.”

16. Meredith, *The Fate of Africa*, 92.
17. Organization of African Unity, *Lagos Plan of Action*.
18. McKercher, "The Center cannot Hold."
19. Meredith, *The Fate of Africa*, 164, 272.
20. Naipaul, *The Middle Passage*, 254.
21. Fieldhouse, *The West and the Third World*; and Riley, "The Timing and Pace of Health Transitions."
22. Manderson, "Public Health Developments in Colonial Malaya."
23. Hubler, *South–North Convergence*.
24. Myint, "The 'Classical Theory' of International Trade," 336.
25. Alden et al., *The South in World Politics*, 77.
26. White, "Zambia in the 1990s."
27. Puchala, "Third World Thinking."
28. Rajaratnam, "Speech by Mr. S. Rajaratnam."
29. Kimura, *The Nellie Massacre of 1983*.
30. Prasad, *The Poorer Nations*, 209.
31. Republic of Indonesia, *Final Documents*, chap. 2, Sec. E61.
32. Isegawa, *Snakepit*.
33. "Author changes his Mind."
34. De Soto et al., *El Otro Sendero*.
35. De Soto, *The Other Path*.
36. Cardoso, *Charting a New Course*.
37. Gilley, *The Right to Rule*, 118.
38. Berman, *Terror and Liberalism*.
39. Mishra, *Exit Wounds*.
40. Harris, *The End of the Third World*; and Arnold, *The End of the Third World*.
41. Dubash and Morgan, *The Rise of the Regulatory State*.
42. Reddy, *Global Innovation*.
43. Smith et al., "The Oligarchic Diffusion of Public Policy."
44. Van der Boor and Braguinsky, *Innovation and Diffusion*.
45. McDonald and Ruiters, *Alternatives to Privatization*.
46. Morphet, "Multilateralism and the Non-Aligned Movement," 528.
47. Richmond and Tellidis, "Emerging Actors in International Peacebuilding"; and Braveboy-Wagner, *The Foreign Policies of the Global South*.
48. Allan and Dauvergne, "The Global South in Environmental Negotiations."
49. Binder and Meier, "Opportunity Knocks."
50. Akpınar, "Turkey's Peacebuilding in Somalia"; and Russo et al., "Brazil–Africa Technical Cooperation in Health."
51. Esteves and Assunção, "South–South Cooperation."
52. Cammack, "The G20," 7.
53. Toye, "Assessing the G77."
54. Golub, "From the New International Economic Order," 1002.
55. Kupchan, *No one's World*, 8.
56. Fraundorfer, *Brazil's Emerging Role in Global Governance*.
57. Ashoff, "Triangular Cooperation."
58. Abdenur and Fonseca, "The North's Growing Role," 1486.
59. Mahadevan, "India–US Relations"; and Vickery, *The Eagle and the Elephant*.

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