

UNIT 15 ECONOMIC ISSUES

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15.1 INTRODUCTION

The importance of international trade and investment as well as the role of multinational corporations (MNCs) and the growing regional cooperation is characterised by several problems of adjustment between the rich countries of the North and poor countries of the South. Not only this, but it has also become the vital aspect of the contemporary international relations. As a whole, this dimension of international relations has come to be described as the issue of relations between the rich and the poor, the desire of the rich nations to trade and invest in the third world countries of the world. In a nutshell it can also be called global interdependence reflected through international trade and investment by the rich nations in the economies of the poor countries. And when it came to analysing the investment pattern of the rich countries and the kind of trade they are carrying with the poor countries of the world, the rise of several powerful transnational profit making economic organisations popularly called the multinational or transnational corporations cannot be ignored. An investment by individuals of one country in the economic system of another country is not new but since World War II, the volume of direct investment abroad through multinational corporations is phenomenally staggeringly big. This development has given rise to a new process of internationalisation of production and monopolisation of wealth. To counter the challenge of these (MNCs) and the pernicious dependence of the poor countries of the south upon the rich nations of the north, the birth of a large number of regional organisations along with the United Nations and other international institutions was bound to occur and this development could legitimately be described as the most important event in the international relations since 1945. Now nations regard regional associations like SAARC, ASEAN, EU, APEC, etc. as necessary and helpful instruments for conducting institutionalised relations and for promoting regional cooperation for development.

15.2 INTERNATIONAL TRADE AND INVESTMENT

15.2.1 Patterns of International Trade

The pattern of international trade and investment makes it abundantly clear that a big gap exists between the economies of the developed and the under-developed countries (and there is a considerable global interdependence). Data generated for the last 20 years show that per capita gross national product (GNP) rose significantly in the industrialised and rapidly new industrialising countries. Though industrialisation has increased in low-income countries, the disparity in income levels between the rich and poor countries has widened. The poverty situation has worsened despite a surge of world economic growth and notable social progress made by many developing countries. The developed countries find themselves dependent upon the under-developed countries for selling their goods and for purchasing raw materials. The under-developed countries continue to depend upon the developed countries mainly for (i) securing economic and technological aid, (ii) selling their commodities, and (iii) securing access to advanced technology. But there is no denying the fact that the pattern of trade and investment has resulted in a big gap between the economies of the developed and under-developed countries consequently and the global interdependence has increased. Both the developed and the under-developed countries today find themselves in a stage of increased interdependence. This global inter-dependence continues to be exploited by the rich for strengthening their economic conditions. Backed by three powerful weapons—technological, political and military power—the developed countries have maintained successfully their control and superior role over the international trade even in the contemporary era of global interdependence. This has been a source of great disadvantage for the developing countries. The concept of interdependence excited the prospects of an increased and active participation of the developing countries in the international decision-making; however, much to their disappointment, they, today, find themselves playing a secondary role in this era of economic domination by the rich over the poor. The need of the hour is that the developed countries should fully realise the importance and absolute naturality of global interdependence and must come forward to work for securing a more beneficial and equitable world economic and trading system. The developing countries are not only keen to secure development but also restructure the entire international economic system with a view to make it a fair and just system as a total necessity. For this, they want a comprehensive North-South dialogue and agreement. The developed countries, however, are not yet fully prepared to reconcile. They prefer to reform the existing economic institutions and instruments for somewhat accommodating the view of the developing countries. But still there is no word on the part of developed countries to change the trade and investment pattern vis-à-vis the developing countries of the world.

15.2.2 Pattern of Trade and Investment

Another pattern that emerged out of the changing scenario of international trade and investment is an excessive exploitation of world income and resources by the developed countries. Under multifarious disguises, the stronger and the rich countries are successfully maintaining the appropriation of world resources to the detriment of the poor and the weak countries. Being technologically and industrially advanced, the raw material markets and what practically amounts to a monopoly over manufactured products and capital equipment, they have been able to proceed at will in fixing the prices of the raw materials that they take from the developing countries. Consequently, they are in a position to drain the resources of the Third World through several

means to their own advantage. In an IMF meeting, the US sponsored a proposal, which sought to link the 50 per cent increase in its quota sources with the provision of suspension of a member for its failure to repay its loan arrears. This was intended to put further pressure on the developing countries. The developed countries have always used such tactics to put pressure on the developing countries. The developed countries, particularly the U.S.A., have been trying to control the economic policies of the developing countries indirectly through the IMF, World Bank and other International financial institutions. Needless to mention that their trade and investment pattern has always been such as to meet their own economic problems by exploiting resources potential and economic policies of the Third World countries.

The control over international trade and investment coupled with the control over international economic institutions and world economy further strengthens the hold of the developed countries over the developing countries. By virtue of their dominant position, the developed minority finds it easy and expedient to determine at will the allocation of world resources in tune with their desired objectives.

15.3 ROLE OF MULTINATIONAL CORPORATIONS (MNCs)

The growth of multinational corporations as powerful non-state economic actors, playing a key role in international relations, particularly economic relations, has been phenomenal. Their emergence has played a key role in changing the world scenario. The MNCs have emerged as sources of transfer of capital, industry, technology and know-how from the developed First World to the developing Third World. These have also made the third world countries more and more dependent upon the developed countries. On the one side these offer opportunities to the developing countries to develop with their help and expertise and on the other hand, these have tended to be a source of neo-colonial control over their economies and policies. Even for the countries of their origin, like the US, UK or Japan, the MNCs have been instruments of profit and health for their economies. These have exhibited the tendency to remain free from the control of government of the state as well as to become a source of unemployment. All this has made the multinational corporations the object of support and opposition.

The impact of MNCs can be gauged by the estimate that by the year 2002 half or more of all industrial production in the world was accounted for by a relatively handful of MNCs. One study shows that the number of foreign subsidiaries of 187 U.S. based MNCs grew from just over 2000 in 1950 to nearly 8000 in 1967, roughly a fourfold increase in less than two decades. In the USA., the number of firms with foreign officials in other countries was 2713 in 1972. The World Bank Atlas in its 1979 edition listed 100 top economic entities (billion dollar or more firms and nations) in the world. Out of these 41 happened to be MNCs with General Motors and Exxon outranking all but 22 nation-states. Among the top fifty entities, multinationals accounted for only 9, but in the next fifty 32 happened to be multinationals. Nearly 30,400 business firms, based in nineteen first world nations, have at least one foreign affiliate in one or more host countries. The United States, Britain and Germany have control over half of these corporations. The United States alone accounts for more than a quarter. Although the growth of transnational corporations is a global phenomenon, the major part of all transnational business is located in the developed areas of North America, Western Europe and Japan. Nearly half of British and American firms

have third world affiliates.

When we analyse the MNCs network that has come to spread all over the globe, we find that it is dominated by the United States. In 1976, 54 per cent of all 411 industrial firms (with at least 1 billion sales) were American. Japan and Britain with 12 per cent and 10 per cent respectively were second and third. Among the leading firms were the giants of American firms – Exxon, General Motors, Ford Motors, Texaco, Mobil, Standard Oil of California, Gulf Oil, IBM, General Electric and International Telephone and Telegraphs. In 1977 Bank of America and Citicorp were the two largest banks. Japan accounted for 12 of the 50 largest banks in the world. The trend has been continuing. Amongst them, the US, Japan, Germany and Britain share nearly 90 per cent of the transnational business and profits. The spread of their activity and the potency of their economic potential are important reasons as to why the MNCs have commanded and are still commanding greater attention. The attention has been comparatively greater on the part of the Third World countries, since MNCs are generally more important in developing nations' overall GNP and in their most advanced economic sectors. Further more, the Third World countries regard MNCs as agencies of neo-colonial control of the developed countries over them. Though the MNCs are non-governmental, private, profit making economic enterprises, these indirectly strengthen the control of their home countries over the economies and policies of the developing countries.

The role of the MNCs can be analysed in two parts: the MNCs impact on the host nations and their impact on the home nations.

15.3.1 Impact of MNCs on Host Nations

Multinational corporations have been important transmission belts for movements of goods, diffusion of technology and managerial know-how across national boundaries. The MNCs and their supporters believe that these have produced the movement of capital and production from the First World to the Third World and it has been a big gain for the latter. Firstly, the MNCs satisfy the foreign investment needs of the developing nations. Secondly, they pay higher wages, keep more honest records, pay more taxes, and provide more managerial know-how and training than do local domestic industries. Thirdly, the MNCs usually provide better social services for their workers, and certainly provide fancy career opportunities. Fourth, these constitute the main channels through which the developed technology flows from the developed to the developing countries.

The Third World nations, however, find the costs associated with the MNCs usually excessive. The capital, jobs and other benefits they bring to the developing economies are recognised, but the terms on which these benefits come are seen as unfair and exploitory and as robbing the new nations of their resources. The flow of technology to the Third World countries through MNCs makes the former dependent. The North gets the chance to impede local development. It limits, if not kills, local initiative and retards the process of industrialisation, economic development and self-reliance.

MNCs are profit-making organisations and these always seek to maximise profits of their shareholders who mostly reside in the parent countries. The capital flow from the developing to the developed countries is excessive and is not reinvested in the Third World countries where

production occurs.

The fees MNCs charge for transferring the technology, giving know-how and granting licenses is exorbitant and constitute a big strain on the economies of the host countries. The 'transfer' pricing mechanism is another device used by multinationals that can effectively increase the MNCs profits while minimising their tax burdens. The raw, semi processed or finished materials produced by a parent's subsidiaries located in different countries are in effect traded among the subsidiaries. Since the same company is sitting on both sides of the transaction, the sale or 'transfer' prices of these import-export transactions can be manipulated so as to benefit the parent firm. The net effect of all this is increased capital flow from the South to the North. The MNCs do confer benefits to the host states at great cost. MNCs have a harmful and negative impact on the economies and developmental drives of the developing countries.

While analysing the ill effects of the activities of the MNCs on the developing states, Joan Edelman Spero has observed: "Multinational corporations often create highly developed enclaves which do not contribute to the development of the larger economy. These enclaves use capital-intensive technology, which employ few local citizens; acquire supplies from abroad, not locally; use transfer prices and technological agreements to avoid taxes and send earnings back home. In welfare terms the benefits of the enclave accrue to the home country and to a small part of the host population allied with the corporation."

The Third World countries fully subscribe to this view and hold the MNCs responsible for increasing and aggravating their dependence upon the First World.

15.3.2 Impact of MNCs on the Home countries

The role of MNCs vis-à-vis their home countries is again a matter of concern. Undoubtedly these help their parent countries to secure economic gains; yet the costs are quite high in terms of the problems they often create in their economies, and production and employment markets. Critics of the MNCs charge that these shift the productive facilities abroad for avoiding demands of powerful labour unions for higher wages. The practice of moving from industrially advanced countries to industrially backward countries, where labour is cheap and labour unions are weak, is the cause of structural unemployment in the home countries, because capital is more mobile than labour. Often the MNCs, because of their economic power are in a position to influence the policies of the host countries in their favour. In turn, the home governments try to use the MNCs as tools to further their foreign policy objectives particularly in respect of the Third World countries.

The MNCs, because of their abilities to transfer capital, goods and technology to various parts of the globe, can avoid the measures adopted by their home governments for making the domestic economies healthy and strong. For example, tightened credit policy of the home country can be avoided by the MNCs by sending the Multinational enterprise to other rich countries. The MNCs can aggravate the balance of payments problems in the home countries by withholding remissions of profits from overseas. These can avoid an increased cost of local labour by shifting production overseas. As the profit of an MNC grows, it becomes less and less amenable to control of the home country. It can, by subtle economic and management moves negate the results or targets expected by the home countries. Their ability to operate as powerful non-state high profit making enterprises can be a source of trouble for their home countries. The foreign policy objectives,

both political and economic, of the home countries can be undermined by the MNCs.

Thus, in the contemporary era of international relations, MNCs have come to influence the governments of both their host and home countries. These have emerged as giant economic actors—non-state and non-governmental actors of contemporary international relations. Politics of multinational corporations constitutes a big slice of international politics. Their role has been the object of strong criticism by the critics and the third world countries as well as an object of support by several other scholars and economists who regard these as important agents of international interdependence, human welfare, modernisation and now too powerful to be ignored by the analysts of international relations. No account of contemporary international relations can be complete without discussing the role of the MNCs.

To sum up, we can say that the supporters of the MNCs regard these as instruments of economic, industrial and technological developments, which are serving both the developed and the developing countries. As such they hold that the need is to properly channellise the resources of these international giants for securing a world free from wars, under-development and poverty. The critics of MNCs particularly in the Third world countries regard the emergence and the growth of the MNCs as a big menace of contemporary times. They advocate strong and stringent measures against the MNCs for preventing them to act as instruments of neo-colonialism. This can be done only by national and local regulations as MNCs, because of their powerful status, have become immune to the control of the United Nations and other international economic institutions.

The MNCs are the realities of contemporary international relations. No one can hope to eliminate these, nor should one try to put the hands of the clock back. What is needed is to introduce better regulation of MNCs with a view to prevent them from inflicting harm upon the humankind. These can pose and are in fact, to some extent, already posing a danger to the economies and power of the host as well as home countries. As non-state economic giants these can harm and limit the role of their parent nation-states in international relations by influencing and even controlling their policies and laws in their own favour. These are already acting as road-blocks in the way of transfer of capital, technology and know-how from the developed to the developing world. Hence, the need is to initiate measures for controlling the activities of the MNCs with a view to make these as instruments of modernisation and development and prevent them from developing into bigger and stronger means of neo-colonialism and economic inequalities in the world.

Both, the supporters and the critics of the MNCs should realise that since these have already developed as powerful non-state actors in contemporary international relations, every attempt should be made to harness these for serving as instruments of international peace, security and development. These should be prevented from harming the world, both the developed and developing. For this it is essential to end their present status as instruments operating outside national and international, legal and political jurisdictions. All the Nation-states must establish national and transnational institutions capable of controlling these economic giants, the MNCs. Any failure to move in this direction would surely make their menace bigger and dangerous in the 21st century.

15.4 REGIONAL COOPERATION

The existence of a large number of regional organisations along with the United Nations and

other international institutions can be legitimately described as one of the most important developments of international relations since 1945. No one can dispute the fact that the regional organisations or arrangements or alliances, have been, since ancient times, the instruments of international interactions, but at the same time one must accept that their phenomenal growth took place only in the post-war years. During the first twenty years of the post-war period, alliance-politics remained a key, almost a deterministic part of international relations. Regional Organisation/Alliances served as major instruments of the Cold War between the two super powers. Presently, their role particularly of the military or security alliances appears to have declined; nevertheless, these continue to be regarded as important instruments of international interactions. Non-security functional regional alliances have gained a good and healthy ground in contemporary times. Now, nations regard regional economic groupings like SAARC, ASEAN, EU, etc. as necessary and helpful instruments for conducting institutionalised relations and for promoting regional economic cooperation and development.

Security oriented regionalism is definitely a harmful practice. Regional security arrangements like NATO, SEATO, and WARSAW PACT etc. have been sources of militarism and tensions and not of peace, security and stability. Warsaw Pact is now dead but NATO continues. However, the emergence of several Regional Functional Associations like ASEAN, SAARC, etc. has been a source of strength for the promotion of international cooperation, collaboration and development. These can play a meaningful role in harmonising international, economic and cultural relations and thereby international politics itself. In fact, in contemporary times a large number of regional functional organisations have been acting as important instruments for the conduct of international economic relations.

Some of the important institutions engaged in securing regional economic cooperation that deserve mention are: ASEAN, SAARC, IOR-ARC, APEC, and EU etc. These are the landmark institutions, which are harbingers of exemplary success in the field of regional economic cooperation.

15.4.1 ASEAN

ASEAN, The Association of South East Asian Nations was created by Indonesia, Malaysia, Philippines, Singapore and Thailand in the year 1967, moved by an urge to establish a regional economic association for development through mutual efforts. Brunei, Vietnam, Laos, Myanmar, and Cambodia joined the organisation at different periods. India is now a full dialogue partner and wants to join this regional functional organisation as a full member.

The ASEAN is a non-military and non-security economic and cultural regional association of the South East Asian states. Its main objectives are: (i) to accelerate economic growth, cultural development and social progress in the region; (ii) to promote regional peace and stability; (iii) to promote active collaboration and mutual assistance on the matters of common interests in various fields; (iv) to promote mutual cooperation and assistance in providing training and research facilities to their people; (v) to promote South East Asian studies; (vi) to collaborate in the development of agriculture, trade and industries; and (vii) to maintain close and beneficial cooperation with existing international regional organisations with similar aims and purposes.

On 8 August 1997, the ASEAN completed thirty years of its existence as a regional association for promoting socio-economic cooperation for development of its members. It is trying to emerge

as a strong and integrated regional association. It has enabled its members to attain an economic growth rate of around 7 to 8 per cent. It is now trying to strengthen the infrastructure for undertaking a concerted programme for development in the South East Asia and Indo-China regions. It is trying hard to take and maintain a lead in this era of increasing competition and globalisation. It is now working hard towards the creation of ASEAN Free Trade Area by the year 2003. ASEAN is currently developing as an important active and useful agency of regional cooperation for development among the member countries. India is also associated with the ASEAN Regional Forum (ARF), an institution for security and strategic concerns.

15.4.2 SAARC

On the lines of ASEAN, the countries of South Asia also decided to form a regional organisation for promoting economic and cultural cooperation among its members. Hence, the seven South Asian countries joined hands to form the South Asian Association for Regional Cooperation (SAARC). They were India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan and Maldives. This body was formally launched in December 1985. Since the very purpose of forming SAARC has been to promote regional cooperation among the South Asian states, the leaders tried to realise this objective by agreeing to remove trade barriers for gradually evolving the SAARC into a collective economic system.

However, to translate this into a reality appeared to be a distant dream. The existence of political differences, particularly between the two major SAARC members—India and Pakistan and the attempts of the latter to sow seeds of discord between India and Sri Lanka and India and Bangladesh limited the SAARC attempts towards increased economic cooperation. Pakistan always thinks in terms of parity with India, wants to keep India limited and does not hesitate to create troubles for India. Its most recent example has been furnished by its attempt to raise the issue of Gujarat riots at the SAARC meet. It has been trying to woo Bangladesh and Sri Lanka into its game. Such moves are destined to curtail the objectives of SAARC for an increased economic cooperation in South Asia. Despite a ban on the discussion of the bilateral issues in the SAARC Charter, Pakistan continues to harp on Kashmir, ‘the core’ issue between India and Pakistan.

India, being territorially the biggest, population wise the largest, technologically and industrially the most developed country of the South Asia, has played and continues to play a major role in the successful operationalisation of SAARC programme for cooperation and development among the member countries. India has accepted SAARC as a voluntarily organised association of sovereign equal states for consolidating and expanding regional cooperation for development. India firmly believes that the SAARC spirit can help the countries of South Asia to develop, and to resolve their bilateral issues outside the SAARC platform. But the existence of bilateral problems among the SAARC states and their inability to secure a high level of political and economic cooperation among themselves are keeping the progress of SAARC limited.

SAARC’s decision to introduce preferential trading within the region has hardly taken off, and the proposal for free trading (SAFTA) has also been in the Cold storage. Even the annual summits of SAARC have been at times disturbed. Thus, SAARC is losing significant opportunities of regional cooperation.

15.4.3 IOR- ARC

A broad based international organisation—the Indian Ocean Rim—Association for Regional Cooperation (IOR-ARC) was created on 5 March 1997, in the Mauritius capital Port Louis. The 14 members of the IOR-ARC who came from the three continents of Asia, Africa and Australia are India, Malaysia, Indonesia, Sri Lanka, Singapore, Oman, Yemen, Tanzania, Kenya, Mozambique, Madagascar, South Africa and Mauritius.

The Organisation is designed to act as a major step of the Indian Ocean countries for enhancing regional cooperation and inter-continental trade. However, the security issues and human rights were to be kept out of the grouping's charter. The scope of activities and work programme is to focus on 'those areas of economic cooperation which provide maximum opportunities to develop shared interests and reap mutual benefits.' These include in particular, investment, promotion of scientific and technological exchanges, tourism, development of infrastructure and human resources and movement of service providers on a non-discriminatory basis. It does not, at present, constitute a preferential trade arrangement but leaves it open for the member states to pursue trading arrangements among themselves. The organisation pursues the principle of non-discriminatory treatment to each other by member states and grants the Most Favoured Nation (MFN) treatment by the WTO members towards the members of the new association.

The case of IOR-ARC is unexceptionable. The Indian Ocean, historically a trading basin, remains the only one left out of an economic grouping like NAFTA, ASEAN and APEC. Also, at a time when globalisation and ocean-centric trade relations are becoming powerful determinants of regional growth, a rediscovery of the littoral community for its potential as an economic bloc was inevitable in the long run. There is little disagreement on the rationale for IOR-ARC; the Indian Ocean offers a wealth of unique prospect, apart from tourism, which can be turned to good profit if the littorals remain firm in their resolve to stick to economic goals.

15.4.4 APEC

Asia-Pacific Economic Cooperation, the APEC as Pacific Rim forum unites some of the world's most powerful economies in free trade. The 21 nation Asia Pacific Economic Cooperation (APEC) was formed in 1989 at the initiative of the Australian Prime Minister. The present members of APEC are Australia, Brunei-Darrasalam, Canada, Chile, China, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua-New Guinea, Peru, Philippines, Russia, Singapore, South Korea, Taiwan, Chinese Taipei, Thailand, USA and Vietnam.

The APEC members endorsed the declaration of a framework of principles for economic cooperation and development in the APEC. The member-states were asked to intensify work on sustainable growth and to report on their progress. The body is working closely with both national and international institutions. It is engaged in facilitating the movement of business people, enhances investment flows and strengthens investment protection and involves the private sector in infrastructure planning. APEC is an epitome of great success in regional economic cooperation.

15.4.5 European Union (EU)

The European Union is the most effective and well-organised economic grouping. In its present

form (as European Union) it is based on the Maastricht Treaty signed in 1992. It entered into force on November 1, 1993. The EU is the expanded and revised form of the European Coal and Steel Community set up on 1 January 1952. Its six members were Belgium, France, West Germany, Luxembourg, Italy and the Netherlands. The six countries had decided, to begin with to pool their coal and steel resources for economic cooperation and eventual integration. Later, as a result of 1957 Treaties of Rome, the six countries also created the European Economic Community (EEC) and the European Atomic Energy Community (Euratom). Together known as the European Community (EC), it was joined in January 1973 by Britain, Ireland and Denmark. Having restored democracy Greece sought the membership in 1977. It became a member in 1981. Spain and Portugal became EC members in 1986, raising the membership of the Community to 12. As the community became EU in 1993 with restrictions on trade and travel removed, many more countries sought its membership. Austria, Finland and Sweden were admitted to EU in 1995, making it a 15-member body. In 2002, the EU agreed to admit 10 more members by May, 2004. These are Poland, Hungary, Czech Republic, Slovakia, Slovenia, Latvia, Lithuania, Estonia and the island countries of Cyprus and Malta. That would make the EU a 25-member grouping. Its institutions include a European Parliament, European Council and the European Commissions. India is working to strengthen its ties with the EU. The EU-India summits held in 2002 went a long way in the EU investment in several projects in India.

The Organisation has emerged over the years as a developed economic community with an integrated economic base. It is now having a single currency Euro and a single Banking Union. However, UK, Denmark and Sweden have still not adopted the Euro. Its success in the economic field has been so overwhelming that it is now trying to supplement the existing economic integration with a viable political integration of the European Union.

The narration of the above account makes it amply clear that regional cooperation has been the single most important event in the contemporary international economic relations. There has been a significant increase in the number of global institutions as well as regional organisations. While the former are engaged in securing global cooperation for peace, prosperity and development, the latter are trying to increase regional cooperation for development among their members and all this has resulted in several important changes in the nature of contemporary international relations.

15.5 SUMMARY

The above discussion on the four aspects of economic issues namely the international trade, investment, the role of multinational corporations and the growing importance of regional cooperation leads us to a conclusion that there is a growing trend towards international integration despite the fact that there still exists a wide gap between the rich and the poor countries of the world. There is a growing feeling in the minds of the scholars that sooner or later these two extremes are bound to merge in their own interests. The reasons as to why it is likely to happen can be traced to the distinct advantages that the international integration and regional cooperation offer to the world community. The integration of the Western Europe bears out the fact that it augurs well for an all-round development and prosperity. It can secure the benefits of progress through mutual cooperation, collaboration and accommodation, although it can also be admitted that it is going to be a slow and steady problematic process.

15.6 EXERCISES

- 1) Critically examine the issues of international trade and investment in the contemporary international economic relations.
- 2) Critically examine the role of MNCs in the contemporary international economic relations.
- 3) Discuss the role of growing regional cooperation in the contemporary international relations.

UNIT 16 SOCIO-CULTURAL ISSUES

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16.5.5 The Kyoto Meet on Climate Change

16.5.6 Buenos Aires Convention on Climate Change (1998)

16.6 Summary

16.7 Exercises

16.1 INTRODUCTION

This Unit covers several topics and each different in nature. Therefore, it needs detailed examination of all the subjects, mainly the problem of ethnic and religious movements. Although ethnic and religious movements are inseparable, they need exclusive treatment. As such both the topics have been thoroughly examined. The role of ethnicity or ethnic movements had been explained by highlighting the case of the Sri Lankan ethnic crisis. Likewise the contribution of different elements in the religious movements in the light of the secularisation theory which tried to negate the role of religiosity or religious movements of different nature in different parts of the world is also deeply examined. Then there are two inter-connected topics that is human rights on the one hand and their violations by