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BOOK REVIEWS

The Challenge of World Poverty: A World Anti-Poverty Program in Outline, by Gunnar Myrdal. New York: Pantheon Books, 1970. $8.95. Pp. xviii, 518.

This book represents a distillation from Myrdal's *Asian Drama* plus policy recommendations. Just as the Carnegie Corporation hired him three decades ago to prepare "the *blueprint for a more effective exploitation of the South's natural, industrial and human resources,*" "the plan for a more efficient and subtle manipulation of black and white relations" (Ralph Ellison, *Shadow and Act,* p. 299), so now he enters into the service of the Twentieth Century Fund in order to project that exploitation onto a world scale. Yet Gunnar Myrdal is not a crude apologist in the Viner or Rostow price range: as theoretical and political representative of one of the world's few Social Democratic states, he is subject to the theoretical and practical critique Marxists have made of social democracy since the turn of the century.

For Myrdal, as for all social democrats, the contradiction between labor and capital has been permanently abolished: "The Marxian concept of 'class struggle' . . . is in all Western countries a superficial and erroneous notion. It minimizes the distinctions that exist within each of the two main groups; it exaggerates the cleft between them, and, especially, the consciousness of it" (*An American Dilemma,* p. 676).

Inasmuch as class distinctions have been overcome, the real problem seems to lie with the people as such:

> *The welfare state is nationalistic.* . . . Thus, tremendous forces of vested interests, often spread out among broad layers of the citizens, are so created that they can be mobilized against abstaining from policies that hurt underdeveloped countries. In this case it is wrong to put the blame on the "capitalists," as is often done by some ignorant radicals. *On this point, the people are the reactionaries.* [*Challenge,* p. 297] Governments and officials should not be blamed. . . . They respond to their peoples who are prejudiced. [p. 301]

Despite the "created harmony of interests in the mother countries," the specter of Communism still haunts the world:

> . . . To me, as a student in the great liberal tradition of the Enlightenment, it is a hateful experience to be driven to the conclusion that the awakening of the masses

and their becoming conscious of their interests and prepared to fight for the radical reforms needed for development shall happen in a world political constellation where *they find themselves projected into a movement of national Communism.* [p. 435]

As consolation, we are told that the masses in the Third World are "mostly passive, apathetic and inarticulate. They seldom become organized for promoting and defending their interests" (p. 62). He then reiterates this as a warning: ". . . The now increasing spread of actions of violence [in Latin America] should not deceive us *into believing that the masses more generally have become, or are now becoming, activated.* Many of the romantic enthusiasts for violent revolution among leftist intellectuals in Western Europe and the United States are suffering from that deception" (p. 460).

With respect to Latin America, he supplies us with "proof" in the form of this touching piece of social democratic state fetishism: the "non-voters are mostly the underclass" (p. 460). As for the "ignorant romantics," their problem consists in having been born too late to see the role the U.S. played in averting fascism; having, however, been born in time to see its role in fostering fascism, they are regrettably susceptible to a "doctrinal anti-capitalism" (p. 468).

Since "compared with all other modernization ideals nationalism is the easiest to spread among the masses in underdeveloped countries," and "this is particularly true of a resentful nationalism directed against foreigners from the rich, white Western world" (p. 70), it would be wise to withdraw the United States' overwhelming military and economic presence from these countries. In this context he cites a "brilliant article" by M. Bronfenbrenner, which suggested that American capitalists cease investing in most of the Third World lest they be victimized by the economically quite rational act of confiscation.

Although Myrdal testifies to the fact that "the present generation of businessmen can feel personally quite innocent," he admits that "it cannot be an easy decision [!] to take to pay back and retreat from unjustly acquired rights and properties" (p. 265). Yet neither Myrdal nor Bronfenbrenner nor any other naive "liberals" can make any realistic proposals as to how capitalism could utilize its surplus value more profitably than in imperialist endeavors.

Although during the past 40 years Myrdal has written a number of books on the methodology of the social sciences in general, and the epistemology of economics in particular, the banality of this cumulative wisdom is truly astounding. Thus, for example, *"there is a tendency for all knowledge, like all ignorance, to deviate from truth in an opportunistic direction"* (p. 3). That there might be something specific in the objective structure of commodity-capitalist society which produces an increas-

ingly more powerful layer of *Gegenständlichkeit*—viz., reified appearance —over that which things mean to people immediately, escapes this proponent of the Mannheimian vulgarization of Marxism (Sociology of Knowledge), who is content with pointing to the triviality that "conceptions about reality, and ideologies and theories, are influenced by the dominant groups in the society" (pp. 3 f). For Myrdal, the only chance for attaining "objectivity" in the social sciences consists in openly stating one's "valuations" (see his *Objectivity in Social Research,* pp. 55 f).

Once one has made a clean breast of one's "biases," the most insipid type of empiricism can reign supreme: "My confidence is built upon the trust that research has an inbuilt, self-cleaning capacity. Facts kick. . . ." (p. 20). With our fresh black and blue marks we are equipped to confront the objective world in its total disarray: "except within the framework of concepts and theories, there are no scientific facts but only chaos" (*Objectivity,* p. 9). But this approach serves an eminently practical purpose, for in this topsy-turvy world:

> Neither from a theoretical point of view nor from a practical point of view . . . is there any reason, or indeed, any possibility of singling out "the economic factor" as basic. In an interdependent system of dynamic causation there is no "primary cause" but everything is cause *to* everything else. [*An American Dilemma,* p. 78]

On this basis, then, Myrdal can question everything and attack nothing, for as C. Wright Mills has pointed out in his *Sociological Imagination,* "According to the 'democratic theory of knowledge' . . . all facts are created equal. . . . For any social phenomenon there surely must be a very great number of minute causes. Such 'pluralistic causation' . . . is quite serviceable to a liberal politics of piecemeal reform" (p. 85). But in the end, Myrdal does not recoil from delivering his own sentence: "Science is never anything else than highly rationalized common sense" (p. 450).

Nor of course is any Myrdal book complete without a few mindless criticisms of Marx. In addition to the never-failing characterization of Marx's theory of value and surplus value as metaphysical and an outgrowth of natural law philosophy (p. 390), it is also hinted that Marx, had he lived to see positivism in its heyday, "would . . . of course stand freer from his dependence on Hegel" (pp. 517 f., n. 28). Yet this is all mild compared with the treatment Marx receives in the magnum opus itself, where Marx's concept of the development of capitalism is identified as belonging to the same type of teleology which characterizes Smith's invisible hand and Rostow's stages of growth! (See *Asian Drama,* III, 1851 ff.)

Although the publication of *Asian Drama* and this, its sequel, was

accompanied by a great deal of promotional fanfare, there is little in them that Myrdal had not described in earlier books, such as *Development and Underdevelopment*. His more interesting theses revolve around agriculture and trade. Since he assumes that "in an underdeveloped country in broadly the same political situation as India there is no hope of honest, effective land and tenancy reforms," and that "a political revolution, implying an uprising of the poor masses against the present holders of power is not within sight," "it was deemed worthwhile to try *an entirely fresh approach in regard to the agrarian structure*" (p. 108). This "entirely fresh approach" turns out to be one with a slightly stale air about it: viz., it would "be preferable to make a deliberate policy choice in favor of capitalist farming by allowing and encouraging the progressive entrepreneurs among the group of peasant landlords and privileged tenants to reap the full rewards of their striving" (p. 109). But since this only deals with the productivity aspect of development, Myrdal must also propose something that enhances one of his other stated valuations—equality: "A high priority should be accorded to a program to give a small plot of land—and with it dignity and a fresh outlook on life, as well as a minor independent source of income—to members of the now landless underclass in the villages" (pp. 110 f.). These two programs taken together, we are told, "add up to *a very radical land reform*" (p. 111).

But he recognizes that these plans will remain academic unless the practical political resistance both of the absentee landlords and of the "rural underclass" are overcome; for the latter in particular cannot be expected to be "sophisticated enough to see their paramount interest in the spread among the landowners of progressive entrepreneurship, least of all as it would imply that sharecroppers should become employed workers, which many of them would see as a social degradation" (p. 112). The problem is further complicated by the fact that in the underdeveloped countries power is "monopolized by political elite groups within a tiny upper class whose short-term interests are not in line with honestly and effectively carrying out the progressive reforms" (p. 262).

At this point a "vision" comes to Myrdal: the Advanced Welfare States, lacking naturally any selfish ruling class, will use "their considerable influence to strengthen the progressive forces in underdeveloped countries." "Such a turn of policy would be in line with cherished ideals and also with what the developed Western countries have done at home" (p. 266). And as if building toward a new moral rearmament, he assures us that it is "only by appealing to peoples' moral feelings" that a popular basis for aid to the Third World can be created (p. 368).

After this melodramatic interlude, we return once again to the "meat-

ier" sections on trade. In a partially correct critique of the bourgeois theory of international trade (e.g., Ohlin, Heckscher, Viner, Samuelson), Myrdal points out that the thrust of this theory is to explain away inequality, whereas in fact "comparative advantage" has not led to an equalization of the international distribution of the "factors of production," but rather to their even more unequal distribution (pp. 277 ff.). But beyond this, he himself falls into the usual bourgeois illusions about the ability of the state to abolish the contradictions inherent in the capitalist mode of production. Thus although "unregulated market forces will not work toward reaching any equilibrium" (pp. 279 f.), "no individual developed country . . . is prepared to internally let the market forces cause large regions to remain underdeveloped and sometimes even lapse into further impoverishment" (p. 294). (Southern Italy, Wales, Appalachia?) And after the underdeveloped countries become independent, they too can work the same Keynesian wonders the peoples of the Advanced Welfare States have come to enjoy (p. 284).

During this entire discussion, Myrdal has absolutely nothing to say about the specifiic mechanism of unequal exchange (rather than its superficial form *qua* worsening terms of trade), which is rooted in the modifications of the law of value on the world market.

As for industry, he has words of caution for all those who have been misled (by Marx of course!) into overestimating the "spread effects" of industrial development (p. 418).

After having thus forged ahead to the essence of the problem of development in Asia, Myrdal treats us to an Appendix on the "Latin American Powder Keg." Here, he concludes, "what we have to fight for" is *"a redefinition of the United States policies toward Latin American countries in terms of the American nation's cherished liberal traditions"* (p. 487). This "would mean returning to the principles of the Alliance for Progress" (*ibid.*). Not content with this moralistic euphemism for the imperialistic exploitation of Latin America, Myrdal has the audacity to suggest that Marx himself would have been on the same side of the barricades: "From a study of how he [Marx] worked, I rather believe that in regard to Latin America he would have reached conclusions not very far from those presented in this appendix, though of that I cannot, of course, be certain" (pp. 517 f., n. 28).

In fact, however, it appears much more likely that Marx, seeing $8.95 on the cover, would have considered this book an example of how "a thing can formally have a price without having a value."

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