

3. Moreover, within the past year and a half eighteen new states have been created. For Canada, therefore, the problem of aid to Africa has become of substantial concern, and because of changing circumstances, both the magnitude and the nature of the problem have altered greatly since Canada's existing aid programmes for Africa were established.

Background

4. There are now twenty-nine independent African states. The number continues to grow. In spite of attempts to federate these states, and despite more limited efforts to develop joint economic planning, there is no likelihood of any reduction in the competition among them for available external assistance. Nor has foreign aid to Africa, probably \$1.4 billion per year, reached a level which nearly satisfies their needs. External aid has become a mark of foreign confidence and domestic prestige, as well as a means to national improvement. Perhaps most important to every African government, aid is the key to domestic political power because economic progress is the prerequisite to this power. As time passes, the need to demonstrate progress grows sharply, especially as the relative success of neighbouring states becomes evident.

5. The expanded number of donor countries and the introduction of new multilateral and bilateral aid programmes are indicative of the growing international interest in Africa generally and of the increasing competition in the aid field among non-African countries. While donors usually emphasize that their aid is disinterested, quite naturally for most international objectives provide an important reason for the increase in the flow of assistance to Africa [sic]. Meanwhile, the greater availability of aid and the greater number of potential donors make it proportionately more difficult, particularly for donor countries of limited resources, to achieve their international objectives.

6. Finally, one of the most important and yet elusive factors involved in the question of aid to Africa is the role of Communist propaganda, and in more general terms the competition in Africa between East and West. The problem of direct competition in specific projects, which it is generally agreed should be avoided by the West as an unworthy and unprofitable game, is less complicated than that of indirect competition. In the latter, Communist propaganda portrays all Western aid as evil and tied with political strings. This propaganda is spread on fertile ground. Any isolated failure by the West is magnified and the whole of Western aid or investment can be discredited, it seems, at a single stroke while the West's accomplishments often are looked at by at least some Africans with scepticism. The Communists have met with some success in their efforts to convince the African people that the present state of underdevelopment in Africa is the fault of colonialism, that Western aid is neo-colonialist inspired, and that such aid should be avoided or only accepted on terms the West cannot agree to. Also effective is the argument that the capitalistic West, dependent upon colonial profits for its success, has no examples worth following in developing a modern, dynamic African economy; and that only Communist techniques provide practical solutions for the under-developed world.

7. Therefore, partly as a result of the distinctive characteristics of the African states and partly as a result of the level of sophistication reached in international competition among donors, the problem of aid to Africa has taken on new and complicated proportions. Aid is not only a political matter of first importance on the African plane but also a political weapon of the Cold War; aid and foreign policy are inter-related and the possibility of isolating the former from the latter becomes more remote every day.

8. The implications of this situation are of utmost importance. The African countries are in a vulnerable economic position and this can be exploited easily by the Communists. These two considerations need to be taken fully into account in order to ensure that an aid policy, no matter how rational from a Western viewpoint, does not fail.