

Aid for underdevelopment: the carrots and the sticks

By Eleanor MacLean

Many things have been called aid: from the CLC, CUSO, OXFAM and the major Canadian churches' support for Nicaragua's successful literacy Campaign last year; . . . to the funding—by both the US and USSR—of massive hydro-electric projects in Egypt; . . . to Canadian business sending candy and junk food to the wounded and homeless survivors of a Caribbean hurricane; . . . to the US's exporting of cattle prodders for torture in other countries.

In each case, these different kinds of "aid" have in fact aided someone. But the question is **who** have they aided?

What is the aid doing?

Multilateral aid—originating from an international pool of funding—frequently does not serve the interests of the people living in the recipient countries. In 1978, the World Bank, an international lending institution dominated by western funding, sent over 25 percent of its loans to four countries known for their repressive and anti-democratic regimes—Brazil, South Korea, Indonesia and the Philippines. This has not resulted in an improvement in living conditions for the people of these countries. The real income of Filipinos un-

"Aid is used by Congress both as a carrot and a stick, to reward or punish recipients depending on how the US regards their behaviours."

—US Congressman Frank Church

der the rule of Ferdinand Marcos, for example, has declined steadily since 1972. Unions are outlawed and workers earn an average of about \$2.00 a day.

Three-quarters of the World Bank's loans still go to commercial developments (electric power, railroads, highways, mining and manufacturing projects). In this way, World Bank loans finance the expensive infrastructure of a country, paving the way (sometimes quite literally!) for giant global corporations to invest there, their profits typically leaving the area as quickly as they are made.

The World Bank also promotes large-scale export agriculture instead of small-scale subsistence food production. Non-food crops such as tea, tobacco, jute and rubber received \$258.5 million in 1978, and food for export (explicitly designated as such) such as sugar, vegetables and cashews got another \$221 million. In Latin America, a startling 79% of the Bank's agricultural credit subsidizes livestock production destined for tiny local elites and export markets, according to researcher Bob Carty of the Latin American Working Group. In Latin America, 7% of all landowners possess 93% of the arable land.

In Brazil between 1960 and 1970, 6,300,000 peasant farmers had to leave rural areas to join the ranks of the unemployed in and around the cities. Food riots have erupted in recent years in Brazil, where crops for export, like soybeans, replaced food such as black beans and potatoes (those staples rose in price by 400% and 300% respectively). Milk became unavailable as dairy cattle were slaughtered to be exported as hamburger

meat.

Some experts claim that large-scale aid eventually "trickles down" to help the poor. One might ask them how they would explain a survey taken in 1971 which found that workers in the sugar-producing North-East of Brazil had a level of nutrition inferior to that of slaves in the same area of 1880.

Lest these startling figures from Brazil leave the impression that the problem called underdevelopment is "over there", we should remember that Canada lost 50% of its farmers from 1951 to 1976, and continues to lose them. Food security is daily growing more fragile, as Canada continues to grow more dependent on food imports (though remaining a net ex-

porter of food because of grain).

A nice illustration of World Bank designs to create dependency in "underdeveloped" countries comes from a World Bank country report on Papua New Guinea (PNG): "A characteristic of PNG's subsistence agriculture is its relative richness: over much of the country nature's bounty produces enough to eat with relatively little expenditure of effort. The root crops that dominate subsistence farming are 'plant and wait' crops, requiring little disciplined cultivation . . . Until enough subsistence farmers have their traditional life styles changed by the growth of new consumption wants, this labour constraint may make it difficult to introduce new crops."

Bilateral aid, channeled directly from a supporting country to the recipient, also tends to serve the donor country much better. Justifying Canada's bilateral programme, the President of the Canadian International Development Agency, said in 1973:

"We know that 80%-90% of this money is currently being spent in Canada, on Canadian goods, commodities and services . . ."

This is the rationale given to

"Seven out of ten Canadians thought that their country's aid should be increased or maintained."

The Coady Institute's brand of international aid

By Faye Chisholm

Constructive help from the west in loosening the knot of third world underdevelopment often needs to have more profound impact than temporary relief through loans and food grants. Detached from business interests and political mileage are aid programs and opportunities offering citizens of impoverished countries self-help through education.

St. Francis Xavier University in Antigonish, Nova Scotia, has since the 1920's been rooted in a co-operative movement that sought to better the lives of rural farmers and fishermen in Nova Scotia. Now its Coady Institute uses the principles of the Antigonish movement—collective self-help action through co-operatives and credit unions—to offer students from underdeveloped nations the knowledge that could mean a shift from desolation.

With half its funding provided by the Federal Canadian International Development Agency, the Coady Institute offers two study programs—one, a community diploma course taking six months, and the second, a five-week co-operative study program.

The shorter course has an enrolment of 36 students from 26 countries, and focuses directly on the operation and management of credit unions. The diploma program, taught this year to 52 students from 21 countries, explores the workings of public administration in implementing changes. Co-operatives are included in its scope.

2,500 students—from Africa, Asia, the

ied the Coady philosophy since the institute's formal launch in 1958.

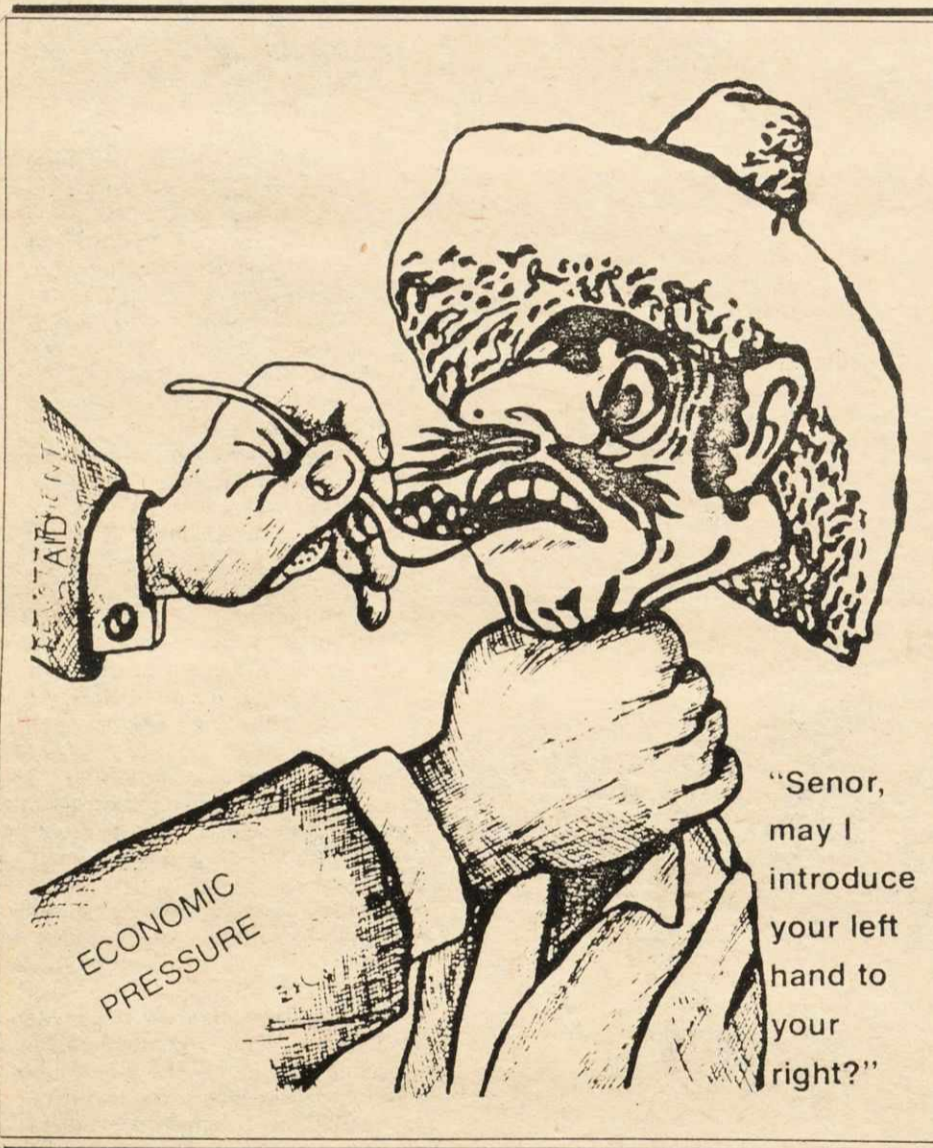
In the 1920's and 30's, Father J. Thompkins, founder of the Antigonish movement, and later Father M.M. Coady, promoted the principles of co-operatives and credit unions as a means of improving the destitute lives of farmers and fishermen in rural Nova Scotian communities.

Coady believed in a healthy mixture of private and public ownership in society, "a society where all the people participate in the economic processes and get their fair share of the wealth which all help to create . . . in a democracy, the people don't sit in the economic bleachers, they all play the game."

It was Thompkins' conviction that education should serve a practical purpose in giving people insight into their problems, and encouraging each to play an active role in effecting change. "The job of all educators," Coady wrote, "is to give the mass man a chance to appreciate his rich heritage and to express himself."

Individual expression in the Coady's curriculum includes a major independent project required of students, involving an economically-sound project practically linked to the economic area that is home to the student. An assigned guide consults with the student, but the project's success calls on independence through preparation and initiative.

Strongly tied through the university to the Roman Catholic efforts in the Third World, the Coady Institute's work in 1975 was endorsed by Mother Theresa of Calcutta: "Your leadership role is deservedly acknowledged and universally acclaimed."



"Senor, may I introduce your left hand to your right?"

ECONOMIC PRESSURE

ARCUP International

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ARCUP International
c/o ARCUP Bureau
3rd Floor, Student Union Building
Dalhousie University
Halifax, Nova Scotia B3H 4J2

out this massive repression is another example of foreign aid.

U.S. President Reagan has recently announced resumption of this aid to the junta (suspended temporarily because of the American killings). His official spokesperson on Latin America and Ambassador to the United Nations, Jeane Kirkpatrick expressed the need to support "moderate autocrats friendly to American interests." By American interests, Kirkpatrick means American business interests.

Medical aid

Yet El Salvador is receiving another brand of aid as well—this kind not from the American administration, but from ordinary Americans—and Canadians, and Germans, Dutch and others. Through independent, non-governmental organizations this aid is going **not** to the junta but to the popular resistance movement, the FDR (Democratic Revolutionary Front, a coalition of all popular opposition movements).

In Nova Scotia, student councils, the Latin America Information Group, OXFAM, churches and other groups have raised money for Medical Aid, with benefit concerts and fundraising letter campaigns. Throughout the country Canadians are also registering their political views with the government: even as early as last fall the Canadian Government had received more mail about El Salvador and the atrocities of the U.S.-backed regime than it had over Vietnam or Biafra.

Solidarity, not charity

The people of El Salvador, and of Zimbabwe and other Third World countries don't need "hand-outs". They don't want "sympathy". They want justice and ask for the solidarity of world citizens in their pursuit of it. Their need is urgent.

Support for Medical Aid to El Salvador, the Nicaraguan Literacy and Health Campaigns, Zimbabwean reconstruction are all visible proof that **many** Canadians are not standing idly by in the face of the grotesque inequalities in the world or the calculated suppression of popular movements. Their objective is to end needless world poverty. It is the equitable distribution of wealth and power amongst all peoples, and health, food and shelter for all.

A recent poll conducted by a private firm for CIDA found that seven out of ten Canadians thought that their country's aid should be increased or maintained. Of these, almost half—46%—thought it should be channeled through voluntary development organizations.

This short poem, written in the midst of tremendous struggles in southern Africa, hints at what this other kind of "aid" is about:

*Solidarity
is not an act of charity
but mutual aid between forces
fighting for the same objective.*

Eleanor MacLean is on the staff of the Halifax branch of OXFAM-CANADA, a group working to assist underdeveloped countries through self-help and long-term development projects. OXFAM is active in the Caribbean, Southern Africa and South American nations. Its operations are largely dependent on public support. The group's Halifax offices are located at 1649 Barrington Street, Halifax, N.S. B3J 3G5.

Name games in Aid

"When I use a word," Humpty Dumpty said, in rather a scornful tone, "it means just what I choose it to mean—neither more nor less."

"The question is," said Alice, "whether you can make words mean so many different things."

"The question is," said Humpty Dumpty, "which is to be master—that's all."

—Through the Looking Glass

Words can have a way of clouding reality sometimes. What are "vital interests"? What do we mean by "aid" to the "less fortunate"? What do others mean by using the same words? Why are some "less fortunate than others"?

"Underdeveloped" and "less developed countries" have only been in existence since the early 1960s, when the terms became commonly used—right about the time many nations, especially in Africa, were gaining political independence. Before that they were called "the colonies".

This change of terminology is significant. As the political reality of colonies became unacceptable, the language of bureaucracy came up with "underdeveloped" countries. (Were they falling victim to a mysterious, dreaded disease—"Underdevelopment"—genetic in nature perhaps?)

The unequal relations in reality between rich and poor continued, but the vocabulary used to describe that reality underwent change.

The most recent nomenclature for relations between the same countries is the "North-South Dialogue". The distinguishing feature is supposed to be geographical location. No doubt buried in the volumes of the Brandt Commission are eminently logical explanations for Australia and New Zealand being considered part of the "North" . . .

—E. MacL.