

Aid for underdevelopment 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.

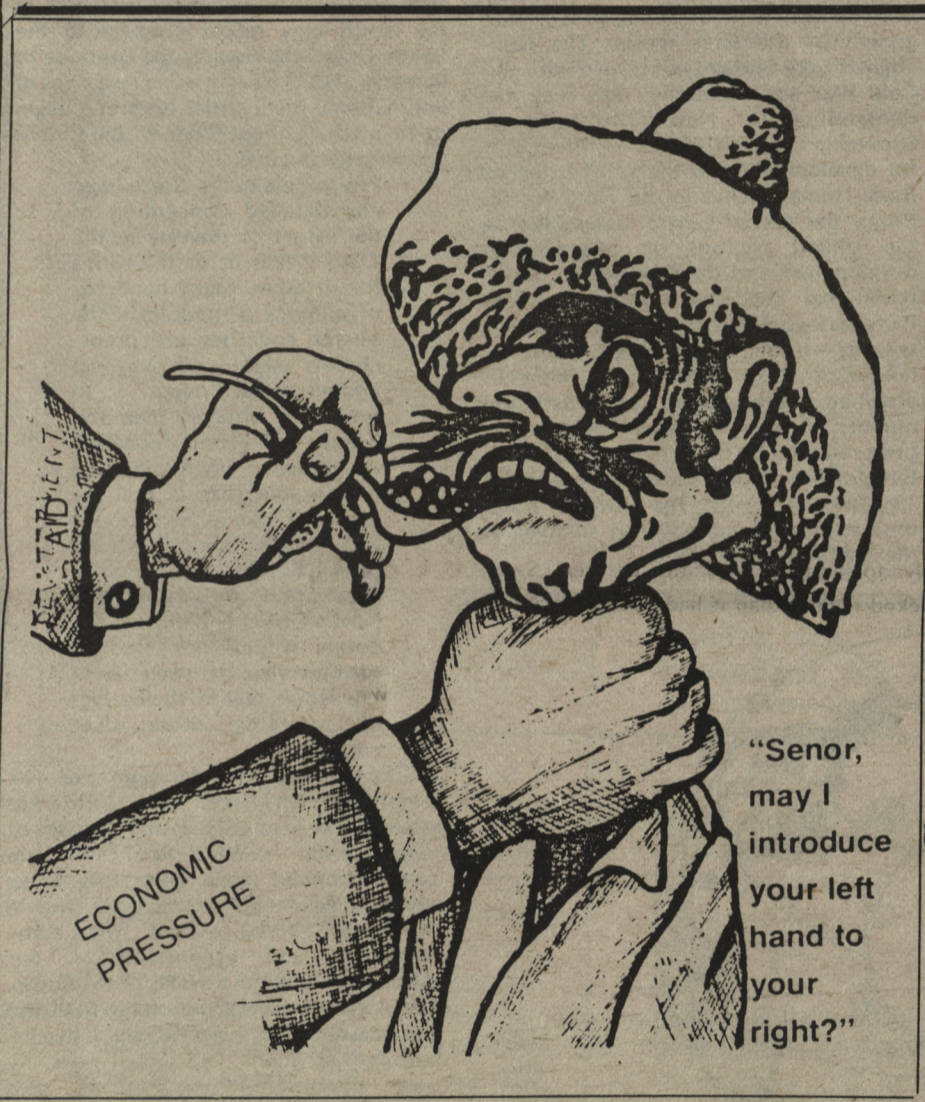
In each case, these different kinds of "aid" have in fact aided someone. But the question is **who** have they aided?

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-

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.



"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

The Coady Institute brand of international

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

ARCUP International

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