Beyond Band Aid
charity is not enough

Joan Lestor • David Ward
Preface by Glenys Kinnock
Beyond Band Aid: charity is not enough

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1. Introduction: the crisis in Africa 2
2. Strategies to prevent future famine 8
3. The government's response to the crisis 13
4. An alternative policy 18

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Preface

Glenys Kinnock

The battle against poverty and hunger in our world is being lost. Millions of women, men and children struggle to survive and millions tragically lose that fight.

Television pictures of people dying from the effects of drought and famine in Ethiopia came live by satellite into our sitting rooms. Yet it was not possible to respond quickly enough or effectively enough to the emergency. And in fact nothing has changed since Michael Buerk's films were shown. The silent holocaust goes on.

Every other second of every hour of every day a child dies of avoidable hunger and disease. We who make up the best of 30 per cent of the world's population continue to consume 80 per cent of the world's precious resources. Governments, financial institutions and ideologies continue to keep people poor.

After the public generosity at the time of Band Aid and the government's miserly approach, a group of us felt it was important to make the case for a socialist perspective on peace and development. One World's message is that the root causes of poverty and underdevelopment are political and economic. We aim to give a high profile to development questions and we believe that a truly internationalist approach demands that these issues are high on the political agenda.

It is significant that Britain's own aid programme would have to be increased by 70 per cent to match the contributions of other EEC countries. There has been, in real terms, a drop of one third in government aid since 1979 and even at the time of the Ethiopian famine our government was criticised for not matching the generosity of the British people. The House of Commons Foreign Affairs Committee, with its Conservative majority, found it unacceptable that almost every penny spent on famine relief came out of the existing aid budget. There were severe budgetary restraints which for some reason meant that the Treasury Contingency Reserve which was used during the Falklands War and the miners' strike could not be used to save the starving.

Our country's aid programme and its international influence should be used to help the poorest people in the developing world to liberate themselves from deprivation, debt and dependence.

In Mozambique a small child dies every four minutes in an economy wrecked by the South African campaign of military aggression and political and economic destabilisation. Their infant mortality rates are estimated by UNICEF to be the highest in the world.

All that suffering, whether from shortage or starvation or strife, does not come because the world does not produce enough food. It is because those who need it most get least.

That need not happen if we use the resources of this planet—this One World—properly.

And that means special help to the poorest countries, particularly in Africa, that have been locked into debt and destitution. The connection between the standards of living and liberty of the people of the industrialised world and the poor countries is obvious and unbreakable. That is why as free people ourselves we work to help others to gain freedom from want, poverty and disease and freedom for self-determination, self-respect and self-fulfilment.

And the foundation of these freedoms is food.
1. Introduction: the crisis in Africa

Poverty, rather than drought, caused the famine of 1984-6 which pushed some twenty African countries to the brink of disaster—and beyond in the case of Sudan and Ethiopia. The drought, although the worst in Africa for fifteen years, need not have provoked food shortages and starvation on a continental scale.

Given a more robust economy, Africa might have held the drought in check, ensured food security and prevented mass hunger. Africa's economic base, however, is far from robust. It is the poorest region in the world suffering severely from the international recession of the early 1980s. Lack of rainfall, and the drought, only acted as a catalyst exposing the weakness especially of African agriculture. But all too often, Africa's poverty is ignored and famines are seen as temporary phenomena beyond human control. To prevent famines in the future, solutions must be found to ensure the region's long-term economic revival.

Any overview of African development risks over-simplification, especially given the size and diversity of a continent which encompasses 45 countries and 400 million people. The problems that beset the region's relatively wealthy states like Nigeria or the Ivory Coast are markedly different from the plight of the very poorest nations such as Mali or Tanzania. Nevertheless, common features do exist and there is a remarkable degree of agreement about the scale and nature of Africa's economic malaise.

After initial success in the post-independence years of the 1960s, sub-Saharan Africa's economic and social conditions began to deteriorate. The region has been dogged by a range of adverse trends, some caused by internal factors within Africa with others deriv-
by the Bank predict no growth at all and warn that “many countries would risk sliding further into a vicious cycle of economic deterioration and political instability”.

Most crucially, Africa’s food production has failed to keep pace with population growth forcing the continent to rely

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**Total Sub-Saharan Africa** 1.4 0.4 -3.6

World Bank figures

Fabian Tract 520
on ever increasing volumes of food imports—all too conveniently supplied by the Common Market’s subsidised agricultural surpluses. In the 1970s, food production dropped below population growth rates and worsened further in the 1980s. During 1980-4, food production increased by a mere 1 per cent. As a result, it is estimated that one in five people in Sub-Saharan Africa is now fed by food imports. In 1985, the grain deficit amounted to over 8 million tons. If present population/food production trends are sustained, the deficit will rise to over 50 million tons in thirty years time.

Africa’s failure to feed itself is sadly ironic since agriculture is the principle economic activity of almost every country in the continent. It provides the livelihood of 70 per cent of the population and accounted for one third of Africa’s Gross National Product in 1982. Agriculture is of paramount importance to Africa both as a source of food and income from exports overseas. But the agricultural sector as a whole, including both food and cash crops, have suffered a long-term production decline. Yields per hectare of staple foods are lower in Africa than in other parts of the developing world, whilst the region’s major export crops have experienced a serious loss of world market share.

According to the United Nations, “over-dependence on rain-fed agriculture, inadequate investment, poor incentives to farmers, inadequate application of science and technology, research and extension, absence of efficient pricing, defective marketing and distribution systems and institutional constraints” were the major causes of Africa’s poor agricultural performance (submission to UN Special Session on The Critical Economic Situation in Africa, 27-31 May 1986). There is now universal agreement on the need for a renaissance of African agriculture.

Alongside internal constraints, Africa has been forced to weather the storms of international recession. Encumbered with the colonial legacy of dependency on the export of primary commodities, more than any other region, Africa is exposed to the adverse impact of external economic events beyond its control.

The deliberate deflationary policies undertaken by the major industrialised governments since 1979 have had a dramatic impact on commodity markets. World production slumped and the demand for raw materials collapsed. Consequently, prices plummeted especially for those primary products in which Africa has a comparative advantage. In real terms, by 1982, prices were at their lowest level since the Second World War.

Africa’s foreign earnings were inevitably hit very hard since primary commodities account for nearly 80 per cent of the region’s exports. Many countries in the region are heavily dependent on exports of just one or two commodities; Zambia for example derives 90 per cent of its overseas income from copper alone. Between 1977-85, Africa’s terms of trade have declined by one-fifth. A graphic illustration of Africa’s loss of purchasing power is that in 1972 it took 38 tonnes of Tanzanian sisal to buy a seven tonne truck; to buy the same truck in 1982 it took 134 tonnes. Former President of Tanzania, Julius Nyerere complained that such changes in relative prices constitute an automatic transfer of income “made from the poor countries to the rich countries as the terms of trade for primary producers fluctuate wildly but on a downward curve” (speech to Royal Commonwealth Society, Africa—Hunger and Debt, 20 March 1985).

Even after the hesitant recovery in world economic growth following the recession of 1981-2, commodity price levels remain depressed. Many countries have tried to boost their commodity production with the perverse result that markets have continued to be over-supplied and so prices have fallen even further. In 1985, the continued price decline of primary products (apart from oil) led to a 5.6 per cent deterioration in the terms of trade of the poorer
African countries despite a 2 per cent increase in volume.

Unfortunately, international measures to sustain commodity prices have failed to protect African primary producers. International Commodity Agreements (ICAs) designed to ensure remunerative price levels through market interventions (eg releasing and purchasing of commodities from buffer stocks to regulate prices) have encountered severe difficulties. By the end of 1985 only four agreements (covering cocoa, coffee, rubber and sugar) were operative. The alternative approach of income compensation (much more favoured by Western governments than ICAs) has also proved inadequate. Both the International Monetary Fund (IMF) and the European Community offer facilities to compensate developing countries for loss of export earnings but neither have succeeded in cushioning Africa’s dramatic decline in commodity purchasing power.

The deterioration in terms of trade has exacerbated Africa’s debt crisis. At least as severe as the more publicised financial problems of Latin America, Sub-Saharan Africa has a total outstanding debt of about $100 billion. Although by world standards the volume of Africa’s debt is small, the burden of servicing the loans (paying interest and principal) is greater than that of the major debtor nations. The World Bank estimates that low-income African countries owed about $45 billion in 1984 which represents 74 per cent of the GNP and 349 per cent of their exports. The equivalent ratios for major Third World borrowers were 51 per cent and 239 per cent respectively.

Less is heard about Africa’s debt problems partly due to its modest size and because most of the loans were obtained from or guaranteed by official sources ie governments and international aid agencies. During the massive bank lending boom of the mid-1970s, Africa was largely ignored by the commercial banks who preferred to lend to the richer, newly industrialised countries of Latin America. Africa was just too poor to be creditworthy and today its loans are too small to pose any risk to the Western banking system. Nevertheless Africa’s financial plight is such that in less than three years more than 32 of the region’s countries have been forced to undertake debt reschedulings (involving renegotiation of the original loan terms).

Despite these rescheduling arrangements Africa’s debt problems are becoming more not less acute. The financial reality for a growing number of countries is complete insolvency rather than temporary illiquidity. Many low-income countries have extensive debts to the multilateral development banks and the IMF whose loans are ineligible for rescheduling. The IMF in particular is becoming embarrassed by the extent of repayments and arrears owed to it by African governments.

**Too little, too late**

Debt relief measures so far applied to African countries have amounted to too little and have been offered too late. Since most of the debt is owed to public bodies, African rescheduling arrangements are negotiated under the auspices of the so-called Paris Club. This ad hoc group of Western creditor governments (which traditionally meets in Paris under the chairmanship of the French Finance Ministry) will reschedule official loans but only if the debtor countries have accepted IMF reform programmes. African debtors have found that Paris Club procedures are too restrictive in their definition of debts eligible for rescheduling and also fail to mobilise additional flows of finance. As a result many countries have gained only temporary relief and are forced to reschedule again within a year or two. Even the World Bank has accepted that for a dozen low-income countries with severe debt problems “present rescheduling arrangements will be inadequate” (op. cit. World Bank Report).
Table 2
Sub-Saharan Africa's net capital flows, 1978–84
(millions of dollars)

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For those African countries undertaking debt rescheduling and IMF stabilisation programmes, there has been no alternative but to impose draconian austerity measures. The IMF routinely prescribes a short-term (one or two year) package of demand management measures involving fiscal and monetary restraint designed to restore a country's balance of payments and curtail inflation. As a result imports are drastically cut back hindering long-term economic growth, real income levels are reduced, public health and education services are undermined, and in some cases political stability is jeopardised. For example, in December last year Zambia experienced its worst rioting since independence 22 years ago when President Kenneth Kaunda's government attempted to introduce a package of IMF-approved reforms which included a 100 per cent increase in the price of maize meal, the country's staple food.

Adding to anxieties about debt are the prospects for capital flows to Africa. Net financial transfers from both public and private sources to Sub-Saharan Africa have slumped from $8.1 billion in 1982 to $2.7 billion in 1984. The most dramatic drop has occurred in net private flows which switched over the same period from a peak of $4.3 billion to a negative $0.3 billion (see table 2). Despite repeated exhortations by the United Nations, the World Bank and African governments, and the example of generosity shown by their own people, Western governments are not willing to offer substantial new flows of finance. Some improvement in the volume aid from multilateral institutions is expected because of increased provision through the European Community's Lome Convention and the recently-agreed replenishment of the World Bank's soft-loan agency, the International Development Association. But the projected aid performance of the leading bilateral donor governments is far from adequate. The World Bank calculates that Sub-Saharan Africa will require at least $11 billion a year in concessional assistance up to 1990. Allowing for known and expected aid commitments a shortfall of $2.5 billion remains.

Critical problems

In addition to economic crisis, Africa must also cope with a range of critical problems that flow from and contribute to region's poverty. The rapid spread of AIDS in the region has attracted recent publicity and poses special problems given the rudimentary health services available in most African countries. In the last decade, the increasing ecological damage occurring within the continent has become an issue of great concern. Loss of forests, soil erosion,
falling water tables and spreading deserts are undermining the physical resources that sustain Africa's economy. In particular, the demand for wood fuel, the main source of domestic energy supply, is destroying forest cover throughout the region. Once vegetation is removed, soil erosion increases and rainfall is dispersed more rapidly to the sea.

To reverse the twin threat of desertification and deforestation is a major challenge for Africa governments and industrialised aid-giving nations. Substantial technical and financial support will be required if Africa is to avoid being caught in a self-reinforcing cycle of environmental decline.

African development is further constrained by civil unrest which during the past decade has occurred in almost one third of the continent. The legacy of colonialism and the struggles to gain independence have provoked armed conflict in many countries. The Front-Line states of Southern Africa continue to face the forbidding threat of military assault and destabilisation by the apartheid regime in South Africa. Seven African countries, in particular Angola, Chad, Ethiopia, Mozambique, Somalia, Sudan and Zimbabwe, have been seriously affected by both drought and civil war. As a result military spending in Africa has increased rising from $8.5 billion in 1970 to $14 billion in 1982. A further consequence of civil strife, combined with natural disasters, has been the large number of displaced people in Africa. In 1985 the United Nations High Commissioner for Refugees estimated that the continent contained 4 million refugees.

Although this account of African underdevelopment seems depressing, there are positive signs for the future. The challenge posed by the scale of Africa's problems is no justification for Malthusian despair. Africa has overcome the worst of the famine and its agricultural performance has improved markedly. The Economic Commission for Africa estimates that in 1986 food production rose by 3 per cent matching population growth for the first time in fifteen years.

A number of countries in 1985 produced exportable food surpluses including Benin, Ivory Coast, Kenya, Malawi, Togo and Zimbabwe. The bulk of the latter's bumper crop was produced by the country's peasant farmers tending small two or three acre plots, supported with positive incentives in the form of high-yielding seeds and access to credit. A new challenge facing donors and the Food and Agriculture Organisation of the UN (FAO) is to ensure that such surpluses can be made available for internal African distribution to food deficit countries. It remains to be seen if Africa's agricultural success stories can be reproduced throughout the region. Much depends on African governments and the steps they take to restore their domestic agriculture. But the international community, including major donors like Britain, can provide potentially decisive assistance to help Africans to help themselves.
2. Strategies to prevent future famine

What are the long-term development strategies that could prevent famine in the future? How have African governments reacted and what has been the response of the industrialised country donors at a time when the Western public have responded with unprecedented generosity through donations to voluntary relief agencies?

Before the famine of 1984-6 the international community—and not least African governments—have been engaged in a far-reaching and controversial policy debate. Out of these arguments, a surprising if uneasy consensus has emerged about the measures required to restore Africa's economic and social progress. It is an open question, however, whether the political will exists to translate policy consensus into action.

Although their point of view is rarely given publicity in the West, African governments have developed their own policy framework which was agreed in April 1980 by the Organisation of African Unity (OAU). The Heads of Government of the OAU approved the so-called Lagos Plan of Action, a document aiming to achieve “collective self-reliance” and African economic integration. The plan acknowledged the need to “channel a greatly increased volume of resources into agriculture” but placed heavy emphasis on the role of “industrialisation and modernisation of society” (see Lagos Plan of Action, UN Document, 21 August 1980).

The World Bank

In September the following year, the World Bank published its own report. It had been requested by the Bank’s African governors and featured a hard-hitting critique of the domestic policies of African governments. It vigorously asserted the primacy of agriculture as against industrialisation and favoured an outward looking export-orientated strategy. Reflecting the newly-elected prejudices of the administration of President Ronald Reagan, the report was skewed heavily towards laissez-faire private sector solutions to Africa’s problems (ed. Elliot Berg, Accelerated Development in Sub-Saharan Africa, The World Bank, 1981).

On agriculture, the report stressed the importance of smallholdings rather than large farms and the need to provide adequate market incentives to raise production. The Bank, in particular, attacked the food pricing policies of many African governments which, it was argued, had been held down artificially to benefit urban-dwelling consumers at the expense of rural-based agricultural producers. Berg’s report also called for sustained reductions in over-valued currencies which had encouraged imports while making exports uncompetitive—penalising Africa’s infant industries.

Not surprisingly the Bank’s analysis sparked off a major policy argument. African governments and the OAU, academics and others, were swift to condemn the report’s highly unbalanced critique of African domestic policy and its excessive ideological predilection for the private sector. The report paid scant
attention to the hostile external economic environment facing Africa and ignored the poor record of policy advice and inappropriate forms of aid provided by the major Western donors.

The thrust of the Bank's argument about agriculture, however, could not be ignored. The core analysis highlighting Africa's pronounced urban consumer bias against rural producers and the systematic disincentives to agriculture was hard to dispute. Indeed, it merely reiterated the critique offered some twenty years before by the radical agronomist Rene Dumont. With remarkable foresight, Dumont recognised the need for a "total reconversion of the agrarian economy" based on peasant farming. He warned of the obstacles facing African agriculture including "poorly oriented aid programmes and the privileges of the new elites" (Rene Dumont, *False Start in Africa*, Andrew Deutsch, 1966). Although from the left of the political spectrum, Dumont's conclusions are not incompatible with the World Bank's more recent analysis.

In the wake of the policy confrontation provoked by the Berg report, the World Bank produced a series of further documents which were less provocative and more even-handed. Whilst retaining the substance of their original critique of food pricing, exchange rates and so on, the Bank redressed the balance by acknowledging the external factors and the less than perfect role of donors. In its latest reports, the Bank calls for policy reform not only by African governments but also by the aid-giving nations.

This fresh approach challenges donors to be more flexible and generous in their provision of development aid. The Bank is scathingly critical of the aid preferences of industrialised governments "emerging from their own commercial interests or from a view that is no longer relevant to development priorities in Africa—for example, a preference for large infrastructure and industrial projects". The Bank hopes that African governments willing to undertake reform programmes designed to promote agriculture will in turn benefit from higher levels of official aid given irrespective of the donors' commercial motives (World Bank Report, *Toward Sustained Development in Sub-Saharan Africa*, August 1984).

For the present, African governments have acknowledged the criticism of their domestic policy and some countries have embarked on reform programmes. It is uncertain, however, that over the long term these efforts will be sustained. For there is little evidence to suggest that the major Western donors will pay more than lip service to the new strategies required to restore the momentum of African development. It is more than likely that policy reform will remain a one-way street with African governments undertaking painful and politically delicate policy adjustments while the donors merely provide miserly volumes of aid in the traditional poorly co-ordinated and commercially-biased manner.

Last year, for example, the United Nations organised a special session of the General Assembly on *The Critical Economic Situation in Africa*. The session approved a programme of action for 1986-90 in which African governments fully endorsed the need for structural change to promote agriculture. Before the session the OAU prepared its own *African Priority Programme of Action for Economic Recovery* and estimated that their financial requirements over the five year programme will face a shortfall of $45.6 billion. The major Western donors attending the special session accepted the OAU's figure but only after insisting that they would not be bound to any specific financial targets. The declaration of the UN Programme of Action consequently contains a predictably hollow pledge by donor countries merely to "make every effort to provide sufficient resources to support and supplement the African development effort".

However, the major donor nations
have made scant progress in achieving even the aid targets that they had endorsed previously. In 1985, total official aid flows from member states of the Organisation of Economic Co-operation and Development (OECD) amounted to 0.35 per cent of these countries’ combined GNP. Only 5 out of 19 OECD donor countries (Denmark, France, the Netherlands, Norway and Sweden) have exceeded the UN-agreed aid target of 0.7 per cent of GNP. Yet, total aid flows are actually stagnating. Real growth rates in official aid amounted to 4 per cent in the 1960s and 6 per cent in the 1970s. But they actually declined in the early 1980s and the OECD estimates that future flows (between 1986 and 1990) will grow at a mere 2 per cent annually. To reach the UN 0.7 target by the year 2000, OECD aid should have been increasing in real terms by 7.7 per cent from 1985.

In the absence of substantial new sources of aid funds, African countries are being forced to undertake policy reform without any means of easing the burdens of economic adjustment. The World Bank has warned, however, that ‘without additional resources, in the form of new aid and debt relief, to those countries that continue their efforts at structural adjustment, their attempts to help themselves must fail’ (World Bank, Annual Report, 1986).

The Bank’s anxiety stems not least from its own heavy involvement in the African policy debate. Many African countries are now working closely with the World Bank on adjustment programmes using new lending facilities created to encourage acceptance of reform. So called Structural Adjustment Loans are now available to countries that have agreed an IMF stabilisation programme. The loans are quickly disbursed and not tied to any specific investment but offered for purchase of essential imports. The funds are given in tranches after agreed stages of reform have been implemented. In July 1985, the Bank also established a ‘Special Facility for Sub-Saharan Africa’ amounting to $1.2 billion which offers further finance to countries committed to policy reform.

The shift by the Bank from project lending to broad macro-economic policy advice and support is highly controversial. In some respects the Bank is seen to be taking over the responsibilities of the IMF and consequently risks becoming just as unpopular an institution. In the 1970s, under the leadership of Robert McNamara, the Bank was associated with the struggle to meet basic human needs and promoted policies of ‘redistribution with growth’. In the 1980s the focus on poverty has been obscured by the Bank’s major role in economic adjustment which, it could be argued, consists merely of the management of austerity.

The IMF

Meanwhile the IMF stumbles around Africa, its country programmes in disarray and its policy makers unable to respond adequately to Africa’s deepening financial quagmire. Given the lack of commercial credit available to Africa, the IMF became in the late 1970s the region’s only source of balance of payments financing. At the same time, the Fund deliberately increased the conditions attached to its short maturity/high cost loans; although it was increasingly obvious that excessive belt-tightening offered no solution to Africa’s essentially long-term balance of payments difficulties. IMF lending has increased three-fold since 1979 totalling $5.6 billion by the mid-1980s and the Fund now risks becoming a net recipient of finance from Africa as repayments are made. Already a number of countries including Sudan and Tanzania have fallen into arrears on their IMF loans. Reflecting the inadequacy of the IMF’s operations in Africa, is a report from its own staff which showed that in 1980-1 key targets for growth and the reduction in fiscal and balance of payments deficits were only attained in 20
to 30 per cent of its country programmes.

Yet the IMF still exercises a decisive influence over Africa's financial life. Debt rescheduling at the Paris Club, adjustment loans from the World Bank, access to official export credits are all dependent upon an African government's adoption of an IMF stabilisation programme and continual satisfaction of the Fund's strict loan performance criteria. Only very recently has the Fund begun to reconsider its policy approach to Africa. A new initiative was launched last year called the Structural-Adjustment Facility which is expected to lend a total of nearly $3 billion over three years on concessional terms mainly to low-income African countries undergoing reform programmes.

The failure of the industrialised world to provide the resources that Africa needs is especially galling given the generous response made by the people of the West to the famine. Major OECD donors are most willing to lecture African governments about policy reform but are reluctant to subject their own aid performance to similar scrutiny. This is why the apparent consensus about African policy reform may break down. African governments are likely to become deeply disenchanted with one-sided policy reform. Furthermore, they may be frustrated and destabilised if reform measures are applied and adverse trends in the world economy render reform ineffective and plunge them, deeper into economic crisis.

Food riots in Lusaka and Kitwe should not be the corollary of the Zambian government's implementation of an IMF adjustment programme. As the Financial Times commented last December in an editorial provoked by Zambia's crisis, "painful reforms cannot be sustained without additional external resources and the strains are starting to tell. The potential consequences should concern the West..." Yet Africa's pleas at the UN special session for a major restructuring of the continent's external debt and for substantial additional support went largely unheeded by the West" (Financial Times, 15 December 1986).

**Alleviating poverty**

Of prime concern for socialists is the impact that Africa's crisis of economic reform is making on those least able to help themselves, the poor. In the face of collapsed export earnings, mounting debts and rising food imports, African countries have no alternative but to make major structural changes to their economies. Without the cushion that adequate provision of concessional aid could offer, the most severe burden of adjustment falls on the poor. Weak and less favoured than those classes that sustain many African governments, it is the poor in rural communities, especially women and children who suffer the most. Public expenditure cuts in health services, for example, frequently occur in rural areas leaving urban hospitals untouched (although the latter are often inaccessible to rural dwellers). So, infectious diseases and infant mortality among poor rural families increase. Similarly, precipitous removal of food subsidies can dramatically worsen income levels of poor people living in both rural and urban areas while risking greater incidence of malnutrition.

To ensure that the issues of poverty alleviation are not totally ignored, the United Nations Children's Fund (UNICEF) is advocating policies of adjustment with a human face. "What is urgently needed," says UNICEF, "is a broadening of economic reform, adopting a longer-term perspective to address vital but neglected human dimensions." The agency proposes that adjustment programmes should guarantee minimum nutritional standards for all, but especially children and mothers; greater production of food and earning potential for low-income rural and urban households; and wider access to basic services such as health and education (UNICEF Report, Within
Human Reach—A Future For Africa’s Children, 1985).

UNICEF have argued that the IMF and World Bank should embrace this broader and more equitable strategy for economic adjustment. To date, neither the Fund nor the Bank have demonstrated a real willingness to do so. Indeed a study published in 1983 by a special World Bank task force on poverty conceded that during discussions on macro-economic policy with borrower governments, poverty issues have “seldom featured significantly,” and noted that, “the analysis of structural adjustment programme has rarely considered who will carry the heaviest burden of adjustment”.

In a remarkably self-critical passage the report further commented that “the Bank has often failed to raise, at the highest levels, politically-sensitive issues that efficiency adjustments have on poverty. While the Bank has argued forcefully for the removal or gradual reduction of subsidies, it has been less effective in finding positive ways of targeting subsidies to low-income consumers or taking steps that are more convincingly focused on poverty.” The Task Force concluded that “structural adjustment programmes should consider, as far as possible, how the burdens of adjustment are shared among income groups and how adverse effects on the poor—for example through increased unemployment, higher prices of basic goods or higher taxes—can be mitigated”.

Although a major policy reappraisal has yet to occur, the World Bank is cautiously beginning to acknowledge the arguments made both by UNICEF and its own Task Force. At the recent annual Spring meeting of the World Bank’s Development Committee, a study was presented to Finance Ministers which examined ways to protect the poor during periods of economic adjustment. The report argues that social expenditures can be made more cost effective and can be more carefully targeted to protect the poor.

At the time of writing, it is too early to judge if the Bank’s study heralds a substantial change of policy or merely represents token recognition of the issues of poverty alleviation.

UNICEF’s plea for a more humane and equitable adjustment strategy is reinforced by the horrific level of infant mortality occurring in Africa. Child mortality is almost 100 per cent higher than in other developing countries. In 1983, the total number of deaths of children under five was 3.75 million. Meanwhile, the number of severely malnourished children has risen 25 per cent in the past ten years. In most countries of Sub-Saharan Africa, 25 per cent of children below five years of age are underweight. In response, UNICEF has developed low-cost child survival schemes involving immunisation against the most lethal infant diseases, oral rehydration therapy, and monitoring of child growth. The agency maintains that the only limiting factor for their survival scheme is not the capacity to deliver the services but the willingness of donors to offer support.

Both African governments and donors, says UNICEF, must “seize opportunities to protect the health and survival of children and limit the severity of the ongoing crisis”. UNICEF forcefully points out that, “unless broadened and reoriented, the adjustment programmes and their indiscriminate austerity formula will at best only partially extricate some of the governments from their immediate plight” (op. cit. UNICEF Report).

Inevitably, however, poverty-focused adjustment will require a substantially increased flow of resources to Africa. A pre-condition of “adjustment with a human face” would have to include a range of positive steps: more official aid must be provided by both bilateral donors and through multilateral institutions such as the UN agencies, the World Bank and the European Community; support to increase export earnings through agreements to stabilise commodity price levels and greater use of
funds to compensate for loss of income when prices fall; more generous debt relief including multi-year rescheduling and outright cancellation of existing debts. Given their dishonorable performance at the UN special session last year, there is little prospect that the industrialized countries are willing to support such a recovery programme.

3. The government’s response to the crisis

As soon as the horrific scale of the African famine of 1984-6 became apparent, the reaction of the British people was both immediate and generous. Provoked by the BBC’s excellent news coverage and Bob Geldof’s Band Aid initiative, the public more than doubled the level of donations usually given to Britain’s major voluntary relief agencies such as Oxfam, Christian Aid, War on Want, etc. (The charities raised £67 million in 1983 rising to £130 million in 1985.) Despite this popular demonstration of concern, the response of the British government has been mean and callous by comparison. Blighted by severe budget cuts, the Overseas Development Administration (ODA) has lacked the resources to match the example set by the British people.

Since gaining office in 1979, the Tories have slashed aid spending and achieved a complete reversal of the poverty focus encouraged by the last Labour government. Overall aid spending amounting to £1.1 billion in 1985-6 has fallen by some 18 per cent since 1979. (Only the housing sector has suffered a more serious reduction in the round of public spending cuts.) The drop in resources has drastically reversed Britain’s progress towards the UN aid target of 0.7 per cent of GNP.

Labour left office in 1979 with an increasing aid budget amounting to 0.52 per cent of GNP. Under Mrs Thatcher’s administration, the figure has slumped to a mere 0.33 per cent of GNP in 1985-6. As a result, Britain’s aid effort has fallen below the average figure achieved by the OECD countries (0.35 per cent in 1985). Our performance is even worse if the paltry level of United States aid (a mere 0.24 per cent) is discounted from the OECD total. Leaving out both Britain and the US, our immediate neighbours in the European Community give an average of 0.5 per cent of their combined GNP. A comparison of OECD official aid per capita provides a further illustration of our below average performance (see table 3).

Not surprisingly, the Conservative government’s aid squeeze has been the single most important factor inhibiting Britain’s response to the African crisis. Once the BBC’s spotlight on Ethiopia

Fabian Tract 520
forced the international community to act, the British government responded with emergency assistance. Relief expenditure was provided amounting to £955 million in 1984-5 and an estimated £755 million in 1985-6: a level of response that was comparable to that of other major donors.

### Manipulating the aid budget

It remains scandalous, however, that this emergency aid has been financed almost entirely from within the existing, hard-pressed, official aid budget. Only £115 million towards the cost of the RAF Hercules operation (met by the Ministry of Defence) counts as additional spending. No new money has been made available to the ODA to cope with the emergency, so resources have been found by switching funds within the existing budget. Thus, long-term development aid has been sacrificed to pay for the requirements of emergency relief. The Tories have shed crocodile tears over the African famine and dodged the expenditure dilemma— behaviour that insults the individual generosity of millions of British people. Sadly, there has not been sufficient public exposure of the Tory record, although their sleight of hand has not passed completely unnoticed. In 1985, the House of Commons’ Foreign Affairs Select Committee published a damning account of the government’s performance. Its report Famine in Africa noted that “the generosity of the British people has not been matched by the British government” and highlighted the transfer of funds to emergency relief “which would otherwise have gone to development work”. The MPs concluded “that it is not acceptable that almost the entire costs of the UK response to the crisis should fall on the previously-agreed ODA budget. The emergency is of such a degree that it must be regarded as a new situation and substantial new money should be provided to help with it” (2nd Report, 1984-5 Foreign Affairs Committee, HMSO 56). The government has refused to act on the report’s recommendation and the Select Committee has reiterated its concern in its regular reviews of
ODA's expenditure plans. In the Committee's report on ODA estimates for 1986-7, the MPs state that "we continue to believe that the aid vote should be substantially reimbursed in respect of the money it has had to devote towards famine relief" (4th Report 1985-6, Foreign Affairs Committee, HMSO 225).

A second example of the Tory's cavalier manipulation of the aid budget is Britain's failure to contribute directly to the World Bank's Special Facility for Sub-Saharan Africa. In 1985, the Bank launched the new facility which provides loans for countries undertaking domestic policy reform programmes. But despite the government's strident rhetorical support for the Bank's increasing role in Africa, they refused to make any direct contribution to the proposed fund; a step described by Labour's Shadow Foreign Secretary Denis Healey as 'one of the most shameful decisions of Mrs Thatcher's entire reign'.

Subsequently, and only after intensive lobbying and public pressure, the government agreed to make £75 million ($111 million) of ODA's planned African budget available to the Bank. But this amount, which would have been disbursed in Africa anyway, has not been directly contributed to the facility. It has only been offered under a complex formula of so-called 'special joint financing' in which Britain still retains control over the use of its funds. Again the Tories succeeded in avoiding any new provision of funds by simply switching resources within the ODA budget; another instance of robbing Peter to pay Paul. In contrast, the socialist governments of both France and Italy made direct contributions to the facility amounting to $206 million and $189 million respectively.

Should further proof of the government's dismal record be required, then its reluctant support for the International Fund for Agricultural Development (IFAD) provides conclusive evidence. IFAD is a Rome-based UN agency which is the only international financial institution exclusively concerned with Third World agriculture and, in particular, food production by and for the benefit of the rural poor. Concentrating on small scale farming, IFAD provides cheap loans to support projects that directly assist poor farmers and the landless.

Since its creation in 1977, it has earned praise and respect for its poverty-focused approach to agricultural development. However, the agency has recently endured a major funding crisis caused by disputes between the United States and the mainly Middle Eastern oil-producing nations about the relative size of their contributions. Early last year, a compromise agreement was reached which will provide IFAD with $460 million over the next three years. This sum is less than half the amount made available to the Fund in previous replenishments. To help offset this drastic loss of resource, IFAD launched in May 1985 an appeal for a $300 million special fund for Sub-Saharan Africa for use in low-income, food-deficit countries. The finance would be used to provide basic inputs from hand tools to fertiliser and on projects to help reduce soil erosion.

The scale of contribution sought by IFAD from the British government was about $20 million over three years. But the government bitterly resisted making any contribution whatsoever to the special appeal. After more than twelve months of intense lobbying by voluntary aid agencies (including a mass lobby of Parliament in October 1985), the new Minister of Overseas Development, Chris Patten announced in October last year that Britain would offer $10 million to IFAD. Although the cash represents a modest but welcome reverse, the embarrassing delay in reaching agreement and the scale of contribution (half that of comparable countries like France and Italy) are an appalling indictment of the government's response to Africa's food shortages.
Poor quality

The decline in the quantity of British aid under the Tory government is made even worse by a parallel deterioration in its quality. Early in Mrs Thatcher’s administration, the government announced its intention to give “greater weight in the allocation of our aid to political, industrial and commercial considerations”. Thus, without formally renouncing the last White Paper on overseas development policy published by the Labour government in 1975, the Tories have almost totally re-ordered the priorities of the ODA. In 1975, Judith Hart’s White Paper set the objective of ensuring that Britain’s aid primarily benefited the poorest people in the poorest countries of the Third World. The White Paper placed special emphasis on rural development and the needs of low-income groups. It established a policy framework for Britain’s overseas aid that is certainly even more relevant today (More Help To The Poorest, HMSO 6270, October 1975).

Having distanced itself from the White Paper, the government has been determined to squeeze the maximum commercial benefit from the much reduced aid budget. The most visible result of this policy change has been the increase in resources devoted to the so-called Aid-Trade Provision (ATP). This device provides aid to soften commercial loans in the form of mixed credits and helps British companies to win industrial contracts abroad. The ATP was created in 1978 by the last Labour government but was strictly limited not to exceed 5 per cent of the total aid budget. The Tories have waived this control and use of the provision has grown. In 1986–7, the government is expecting to provide about £90 million of ATP expenditure—compared with only £12 million spent in 1978–9.

The increased use of the ATP is a matter of growing concern, adding to the problems of a shrinking total aid budget. The Foreign Affairs Select Committee has expressed its concern about the continuing squeeze imposed on the purely developmental aspects of the bilateral programme by forms of aid which have additional non-developmental motives (op cit 4th Report). Since the most attractive contracts for British business tend to occur in richer developing countries, the ATP is siphoning resources away from the poorest countries further weakening the principles set out in the 1975 White Paper.

A worrying example of ATP support was the £2 million in aid provided to assist a coach and bus body manufacturer in the Midlands. Against the advice of the British High Commission in Zambia, the firm was awarded a contract to supply 50 buses to the Zambian government; but within a year almost all the buses had fallen apart. Commercial pressures in Whitehall clearly caused officials, either at the ODA or the Department of Trade and Industry, to overlook the basic unsuitability of the vehicles to Zambian road conditions.

Criticisms of the government

The most disturbing qualitative decline in British aid under the Tories has occurred in the agricultural sector. As was explained earlier, in the African context, agricultural development is of supreme importance to ensure the region’s economic recovery. Yet this concern is not reflected in the distribution of British aid to Africa. Far too low a proportion of our aid directly benefits agriculture, especially rain-fed peasant farming. On examining the breakdown of expenditure since 1979 of our total bilateral aid to Africa, the share that can be attributed to agriculture amounts to less than one-third.

A detailed critique of Britain’s support for African agriculture was published in late 1985 by the All-Party Parliamentary Group on Overseas Development. The Group’s study, called
UK Aid to African Agriculture, is an important challenge to present government policy. The report claims that from 1979-84 “the real value of UK agricultural aid has been reduced by one-third” and argues that “there is a strong case not merely to restore the cuts in aid to African agriculture but also to expand the aid programme overall”.

Among the report’s major conclusions are the following:

- that in financial terms the bulk of our aid of direct benefit to agriculture is concentrated on export crops such as rubber, sugar, coffee and tea. (Commodities in which British multinational companies have major commercial interests.) By implication, very little assistance is provided to subsistence/rain-fed farming. The Group, therefore, recommends that more aid should be “directed to support the African peasant farming community, particularly in the food production sector”.

- that aid of indirect benefit to agriculture has been increasing but mainly consists of large-scale infrastructure projects (roads, land development, etc). The report notes that “as the aid programme has been cut back, it has been the relatively large infrastructure projects that have survived best. The question is whether African agricultural interests are similarly served by such UK priorities”.

- that rural development spending allocations have fallen from £10 million in 1980 to under £0.2 million in 1984. These project categories were pioneered under Labour’s 1975 White Paper with the aim of concentrating resources on the poorest communities. Termined “Integrated Rural Development Projects” (IRDPs), their purpose was to offer a package of assistance covering such sectors as health, education and agriculture in particular regions or districts. Although IRDPs encountered numerous problems, partly due to their ambitious scale, the All-Party Group is critical of the government’s failure to pursue the initiative.

Taken together, the non-partisan but highly critical reports of the Foreign Affairs Select Committee and the All-Party Group expose the disturbing resource constraints and policy distortions imposed on the ODA since the Tories took office in 1979.

Other issues of concern arising from the government’s performance include: the painfully slow recognition of the role of women in development and the failure of the ODA to take sufficient account in project appraisal of women’s needs (particularly critical in Africa where women are major producers of food); the huge cuts in the budgets of the ODA’s scientific units (notably the Tropical Development and Research Institute which could play a potentially crucial role in agricultural research if adequately funded); and the almost total loss of funding in the UK for development education through which the public can gain a deeper understanding of Britain’s complex relations with Africa and the Third World in general.

The response to such critical assaults is a predictable government’s mix of budgetary sleight of hand and worship of the role of the private sector. The Tories have always been uncomfortable with official aid which is intrinsically a device of government intervention. They would rather emphasise the merits of foreign investment and plead that real development can only be derived from the magic of the market-place. But for much of Sub-Saharan Africa, Tory private sector aspirations are mere ideological fantasy. Between 1979 and 1983, Africa obtained a mere 13 per cent share of total foreign investment in the Third World. In 1984, private capital flows either from foreign investors or commercial banks have slowed
to a trickle causing a net negative transfer of $0.3 billion. The private sector is becoming another burden rather than a benefit to Africa.

Even more cynical is the government's opportunistic praise for the genuinely laudable efforts of voluntary relief agencies. Charities such as Oxfam, Christian Aid, and, of course, Band Aid have successfully raised both millions of pounds and public awareness. The Tories hope that their own parsimony will be obscured by the unprecedented extent of private generosity. But the charities, themselves, do not claim that they can substitute the role of government aid. Indeed the funds attributable to all of Britain's private agencies, totalling £130 million, are dwarfed by the official aid budget of £1.1 billion (1985 figures).

Nonetheless an editorial in the Sunday Telegraph enthusiastically claimed that 'Bob Geldof showed the way forward in respect of poverty and misery overseas, inspiring unprecedented outpourings of individual generosity and goodwill. State foreign aid, by contrast, is more and more seen as pretty useless, if not positively harmful' (Sunday Telegraph, 21 December 1986). Such immersion in Victorian values and prejudice doubtless satisfies the Tory faithful. However, both the Labour Party—and the voluntary agencies—must ensure that Africa's urgent needs for official aid and debt relief are never again treated with the contempt shown by the present British government.

4. An alternative policy

The Labour Party's record on overseas development, although not unblemished, is infinitely more creditable than that of its political opponents. The achievements of successive Labour governments and its clear policy pledges give the Party an unequivocal moral and political authority in the debate over Third World issues. All the evidence derived from opinion polls, recent mass lobbies of Parliament and, above all, the response to the African famine, show that a majority of British people want their government to adopt an approach to overseas development that is almost identical to the Labour Party's current policy commitments.

Innovation has been the hallmark of Labour's development policy. The Labour government of 1964-70, with Barbara Castle as Minister, established the first Ministry of Overseas Development, creating a new self-contained government department charged with the overall co-ordination of all aspects of Third World policy. (The Fabian Society, incidentally, played a key role in determining the structure of the new Ministry through a special working group set up in early 1964 and chaired by the late Lord Balogh.) The Tories, by contrast, have consistently weakened the department, diminishing its independent status to an Administration under the direct control of the
Foreign Office.

After Labour’s return to power in 1974, Dame Judith Hart used her term as Minister of Overseas Development to draft the White Paper published in October 1975. As mentioned earlier the policy statement shifted the emphasis in British aid policy towards poverty alleviation. The fact that the White Paper still serves as the major reference point for criticism of the Tory aid record, illustrates its influence and the validity of the policy principles it espoused.

In addition, the last Labour government left office with an increasing aid budget, making real progress towards the UN target of 0.7 per cent of GNP. Given the IMF-induced public spending cuts forced on the Labour government in the mid-1970s, its aid performance was impressive. (Joel Barnett, then Chief Secretary to the Treasury, has explained in his book, Inside the Treasury, the reluctance of the Cabinet to cut the aid budget at all despite enormous pressures exerted by the IMF.)

Another significant achievement was Judith Hart’s successful agreement in 1978 to cancel debts owed by the poorest countries to Britain, by turning the outstanding loans into grants. Negotiated through the United Nations Conference on Trade and Development, the so-called Retrospective Terms Adjustment (RTA) has benefited 21 countries, including 13 in Africa. The Tory government now claims spurious credit for the RTA having inherited what they describe as a “generous policy” from the last Labour government. Indeed the Chancellor of the Exchequer, Nigel Lawson, promoted the RTA concept at the Spring 1987 meeting of the IMF packaged as a new deal for Africa’s poorest countries.

Building on its past experience in office, the Labour Party now has a policy framework for overseas development that is both realistic and compassionate. A detailed statement of policy is contained in the charter published in February this year (Labour Party, For the Good of All, 1987). The main commitments include:

- the doubling of aid spending within the first five years of office to meet the UN target of 0.7 per cent of GNP — and restoration of the ODA to a full ministry with the Secretary of State a member of the Cabinet;
- targeting of aid on the poorest countries and the most disadvantaged groups, including women — with more attention paid to rural areas and the promotion of food production;
- cancellation of the Aid-Trade Provision;
- support for higher and more stable primary commodity prices combined with trade preferences especially for the poorest developing countries;
- new initiatives to cut the cost of Third World debt, including writing off debts of the poorest countries and the introduction of ceilings on interest payments and on export earnings spent on repayments;
- reform in the policies and structure of the international financial institutions, including the IMF and the World Bank to make them more responsive to the needs of the Third World countries and their people.

Apart from points of fine detail there is broad agreement over the thrust of Labour’s development policy. The biggest challenge concerns policy implementation. Two aspects, in particular, warrant special attention — the quantity and quality of aid, and reform of the international financial institutions.

Labour’s record on the size of the official aid programme is creditable. The pledge to reach the UN target of 0.7 per cent of GNP seems a well-established priority of both the Party conference and parliamentary leadership. Yet it would be all too easy for a Labour government to offer a generous aid budget which subsequently falls
prey to the commercial pressures of the Department of Trade and Industry—or, additionally, the job creating ambitions of the Department of Employment.

Both Britain's urgent need for jobs and the refurbishment of our industry are the crucial priorities for the next government. But the aid budget should not be required to achieve them. The Tories have wrought commercial havoc with ODA, an official agency charged with the task of promoting economic and social development in poorer countries and not in our own. Above all else the next government must ensure that the developmental integrity of Britain's aid programme is restored. When the aid budget is doubled the achievement in increasing resources must be matched by a parallel improvement in the quality of Britain's overseas aid.

**Institutional reform**

Secondly, the reform of the international financial institutions, the IMF and the World Bank must be seriously tackled. In this respect even Labour's past record is disappointing. During the mid-1970s the Third World, prompted by left-of-centre governments such as Algeria and the Non-Aligned Movement demanded a radical restructuring of the international economic system. They promoted a programme known as the New International Economic Order (NIEO) which called for, inter alia, schemes to regulate the international commodity market, reform of the IMF, and control of multinational corporations. But the entire negotiations over the NIEO, conducted under the auspices of the United Nations in which developing countries have substantial voting power, were dogged by caution and conservatism on the part of the last Labour government and the major Western powers.

The Labour government was reluctant to accept the legitimacy of the United Nations as a negotiating forum. For example, in 1979, the government submitted a paper to a Labour Party National Executive Committee Study Group which refused to accept that the UN's Conference on Trade and Development "would be a suitable forum for the negotiation of questions already dealt with in the GATT and the IMF". (The General Agreement on Tariffs and Trade and the IMF, of course, are both dominated by the major Western powers.) Although the government accepted the principle of international financial reform, it insisted that "decisions must be taken in the competent bodies, notably the IMF and the World Bank". These statements are indistinguishable from the more contemporary pronouncements of the Thatcher and Reagan administrations. In the future, the British government must take the lead in promoting democratic reform of the international financial system and its major institutions.

Some critics, however, argue that the Labour Party's policy commitments are too weak or reformist and advocate in their place a so-called socialist development strategy. This approach would concentrate the bulk of British aid on left-wing Third World governments alone. Teresa Hayter, for example, has argued that Labour should drop its "slogan" of "aid to the poorest" in favour of a "much clearer commitment to solidarity with democratic socialist governments and movements" (see article in *New Socialist*, February 1985).

At first glance, Hayter's strategy might seem attractive. Ideologically-sound aid for ideologically-approved countries. But the world is not so simple. The diversity of Third World socialism makes the choice of a favoured recipient for our aid both impossible and intrinsically undesirable. We cannot adopt a leftist *Top of the Pops* in which we identify those countries that currently conform to our vision of socialist transformation. (Try ranking Ethiopia, for example, in a list of desirable socialist regimes.) Even
assuming criteria for such a choice, what proportion of our aid should go to our favourite five and how much to marginal countries, like Zambia, for example, that are neither purely socialist nor capitalist?

Furthermore, many middle-income Third World nations, socialist or otherwise, really do not require aid at all; trade concessions would be more appropriate. It would be totally unjust to offer aid flows to relatively prosperous socialist governments whilst denying funds to poorer countries that fail to meet our ideological demands. Why penalise the poor because they are not living under democratic socialist rule?

The essence of the “poorest country” category is that these low-income nations, many of which are African, are so poor in terms of their productive capacity that improvements in their economic base and provision of essential needs will require concessional funds from overseas. Rather than drop the concept of more aid to the poorest, the Labour Party must ensure that policies of poverty alleviation remain at the heart of Britain’s development programme.

The next British government must make relief from poverty the centrepiece of its bilateral overseas aid. It must promote the same concern within the major multilateral institutions to which Britain contributes. This country enjoys a powerful influence within the IMF, the World Bank, the European Community and the United Nations. It must ensure that in discussions within the World Bank and the IMF about African economic policy reform, austerity measures are opposed and UNICEF’s plea for adjustment with a human face is not ignored.

The challenge to Labour

In 1972, the Fabian Society published a statement by former Tanzanian President Julius Nyerere in which he wrote that “socialist parties of Europe have to carry over into the international arena that struggle for equality which they have conducted and are conducting within their own nations”. Nyerere noted that, “charity—however well meaning—is no way out of the present appalling poverty in the world. The poverty of the underdeveloped world is as much a function of the world economic organisation as it is of anything else” (reprinted in Freedom and Development (selected speeches), Oxford University Press, 1975).

Today the challenge that faces the Labour Party is to persuade the millions of people who participated in Band Aid and Sport Aid that only a Labour government will be able to fulfill their aspirations to take action to prevent famines in the future. Part of the reason for Bob Geldof’s astonishing achievement was its apolitical appeal; everyone regardless of their political stance felt free to make their own contribution. The Left has found it difficult to know how to respond to a mass movement united primarily by compassion. Socialist reactions have ranged from euphoric praise to outright condemnation.

It is churlish to condemn Band Aid’s success in raising both public consciousness and millions of pounds. But anxieties remain. The public may unwittingly endorse the Thatcherite aversion to official aid and, positive attitudes towards Africa may give way to Malthusian despair, if the long-term causes of underdevelopment are not understood. Labour must convey ex-President Nyerere’s message that charity is not enough. The world economy is systematically impoverishing Africa and no amount of voluntary donations can reverse this structural injustice. We share the responsibility to sustain and deepen public awareness of the crisis in Africa.

Twenty years ago, Rene Dumont in False Start in Africa sounded a warning note for democratic socialists. “Western socialism is regressing,” he wrote, “because it is firmly woven in-
to the constricting framework of the semi-privileged nations, and does not think on an international scale. It cannot renew its dynamism and unleash the enthusiasm of the young unless it seeks international social justice more forcefully and sincerely. In the 1980s, Band Aid has unleashed the enthusiasm of the young, a force which, if politicised by the Labour Party, can demand justice and a fresh start for Africa.
The Fabian Society

Socialism isn't simple. Every thinking person knows that (though in some company you may not dare say so). And you can't base a strategy for democratic socialism on slogans. That's why the Fabian Society remains at the centre of Labour Party debate. A living force within the movement — stimulating ideas and action through serious debate, writing and now our own research programme, which will help in the development of party policy.

Our aim is nothing less than sound, practical strategies for a society built on the principles of democratic socialism.

That approach hasn't changed since the Fabians were founded. But the theory has become more complex, and more challenging. Fabians try to unravel the debate, so we can create new solutions.

Local socialism
Politics lecturer Alan Alexander looked at the management of local socialism in Britain.

The French experience
Denis MacShane analysed five years of the Socialist Government in France, to see what lessons there were for Labour.

Defence
How do we plan a safe, socialist defence? Denis Healey gave his answer.

Market socialism
We examined what that means — and whether we want it. We also took a fresh look at how Labour can increase its support among young people.

The Fabian Society is a forum for thoughtful socialists from the whole Labour Party spectrum and from all sections of the labour movement: trade unions, CLPs, local councils and parliament. Together, we have a positive contribution to make to socialist debate — and we recognise we have a lot to learn from it too. Debate takes place in an open atmosphere — free of dogma and faction.

Fabian membership gives you access to Fabian pamphlets (eight a year) on a broad range of topics; regular news bulletins; weekend and day schools and seminars; and international study tours. (In 1987 we're hoping to take members to Austria.) We also have a lively Young Fabian group.

Fabians are famous for the part we've played in the history of the British socialist movement. As Labour prepares for power and Thatcherism enters its demise, we can help Labour plan positively for the future. There's never been a better time to join the Fabians.

You can join as an individual member (full or associate membership) or as an affiliated organisation. Our trade union supporters include NUPE, GMBATU, SOGAT, COHSE, TSSA, T&GWU, NUR, USDAW, NUS, ISTC, FBU, CSU, IRSF, NCU, AEU and UCW.
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
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**Order by telephone:** ring 01-222 8877 during office hours, quoting Access or Barclaycard number (also Mastercard and Eurocard).
Beyond Band Aid: charity is not enough

Between 1984-6, Africa suffered its worst drought for fifteen years. The response of the British public was immediate and generous and the money raised did much to avoid death and suffering. Yet contrary to popular belief it was poverty and not drought that caused the massive food shortages and starvation which dominated Western news coverage during this period.

While the British public was digging deep to relieve the effects of the famine, the British government has slashed official aid—down 18 per cent since 1979. Overseas aid now represents a mere 0.33 per cent of GNP in 1985-6, less than half the United Nation’s target figure. And even when forced by domestic and international pressure to provide emergency relief to Ethiopia, the UK government refused to give additional money, preferring instead to switch funds from within the existing budget.

Joan Lester and David Ward examine the economic problems of much of Africa and the long-term prospects of the countries in the region. They show how the international financial institutions such as the World Bank and the International Monetary Fund have exacerbated the problems of African countries. And they argue for a UK aid policy which would not only deal with the symptoms of starvation but also the disease of poverty.

Among their recommendations are that the government should:
• double aid spending within five years;
• target aid on the poorest countries, paying more attention to rural areas and the promotion of food production;
• provide initiatives to cut the cost of Third World debt;
• assist in the reform of international financial institutions to make them more responsive to the countries and the people of the Third World.

Fabian Society

The Fabian Society exists to further socialist education and research. Since 1884 it has enrolled thoughtful socialists who wish to discuss the essential questions of democratic socialism and relate them to practical plans for building socialism in a changing world. Beyond this the Society has no collective policy. It is affiliated to the Labour Party. Anyone who is not ineligible for membership of the Labour Party is eligible for full membership; others may become associate members. For membership and publications details write to: John Willman, General Secretary, Fabian Society, 11 Dartmouth Street, London SW1H 9BN.

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