

Development
Demands
Justice

We're off again;
latest edition of unpleasant reminders and questionable statistics
about the conditions of our world

Well, perhaps!

Yet, something a bit different is bugging us

a noble disposition towards humanity?
a righteous indignation against so much ugliness?
a fear of eventual political consequences?
a gutty-guilt-reaction?
perhaps doubtful political motivations.....

Who really knows
But...

WHY NOT A DREAM

a crazy, half-ass, stubbron, hurting dream

a dream of life
a dream of alive beautiful people
a dream of honest being together
a dream of things and ways that can be

Why not a dream

a dream of a City where men breathe with their whole being and
are not fearful to handle the reins of their own life

a dream of a new vision where newness blast into life the rigid
confines of our dead imaginations

a dream of energy that shuns neither struggle nor conflict yet
is wise enough to listen to its own sacred music

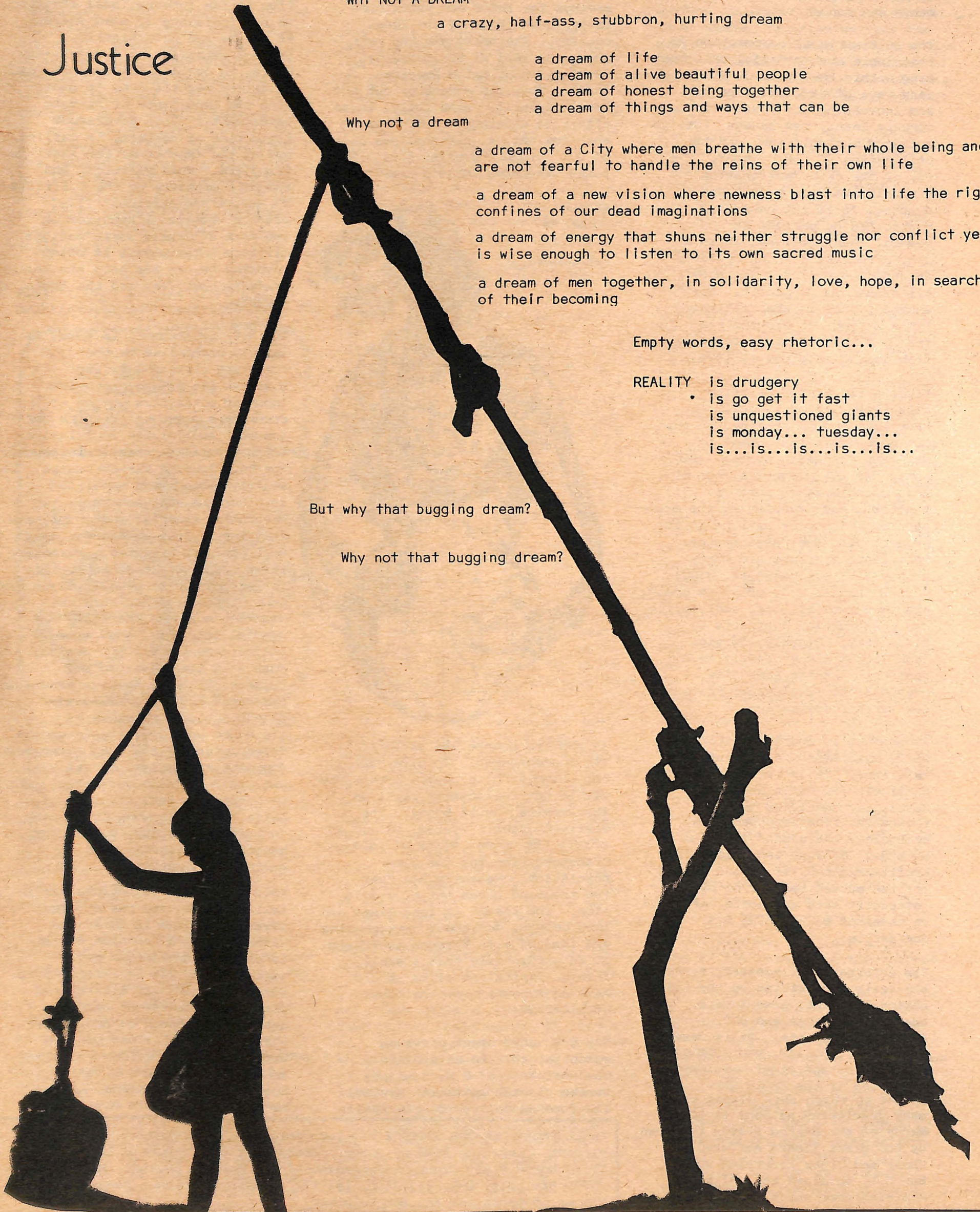
a dream of men together, in solidarity, love, hope, in search
of their becoming

Empty words, easy rhetoric...

REALITY is drudgery
• is go get it fast
is unquestioned giants
is monday... tuesday...
is...is...is...is...is...

But why that bugging dream?

Why not that bugging dream?



The Global Capitalist System

taken from: 'Chile versus the corporations; a call for Canadian support.'

In the global capitalist system, based on foreign private investment, the economies of the poorer nations are incorporated as sub-systems, dominated and controlled by the developed world. The basic dynamic of this system is the maximization of profits, and its power is immense and concentrated.

The multinational corporation is the single most powerful unit operating within the system. It has many ways of maximizing profit and increasing its power: inter-company loans, tax havens, foreign currency manipulation, and the utilization of cheap labor. The use of the term "multination" distorts its true nature and purpose. It is not owned and controlled by persons in several countries, but it is a U.S. corporation which operates in other countries. Its only allegiance is to profit. For example, this is what motivated ITT's attempt to prevent the freely elected Chilean government from coming to power in 1970.

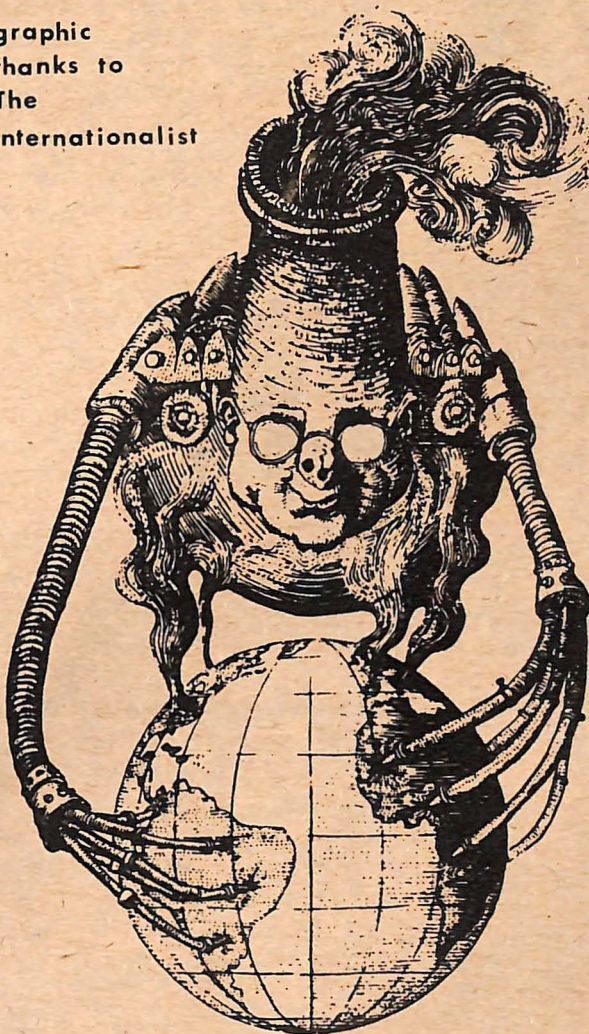
Foreign aid, far from being altruistic, as most Americans have been led to believe, is but one more power instrument to maintain the basic system. Aid money has the planned effect of developing markets for U.S. business, and orientating the economies of the poorer nations to the present U.S. dominated system. Recipients must use aid money to buy U.S. equipment and goods, pay the higher U.S. shipping costs, and award supervising, engineering and construction contracts to U.S. firms. Clearly, foreign "aid" is an aid primarily to U.S. business. At the same time it provides the ideological pretext for further domination.

Technology is another factor which maintains the present power imbalance. It is extremely difficult for Chile and other developing countries to free themselves from dependency on technology introduced from the outside. Because technology is profit-oriented, it is not shared for the mutual benefit of all. Instead it acts as another effective means of maintaining U.S. domination.

The international monetary system, the basis for pricing on the international market, also favors the United States and U.S. business interests. It is based on the U.S. dollar, and controlled by the U.S. and other developed countries of the GATT. The degree to which this places the many developing nations at the mercy of the United States is shown by the great losses suffered by Chile and other countries when the U.S. devalued the dollar, a decision over which they had no control.

Banks and finance corporations are extremely powerful and pivotal to the whole system. They control investment and expansion, capital and credit. The fact that U.S. banks are the only ones with affiliates in all the Latin American nations gives them frightening control. U.S. commercial banks mobilize local savings for their own priorities rather than those of the local country. The banks are the main source as well as the principal beneficiary of Latin American trade. They can extend or cut off credit at will. When Chile, in an effort to liberate itself from such domination, nationalized sectors of U.S. owned business, five U.S. banks suspended Chile's credit.

graphic
thanks to
The
Internationalist



It was the people who suffered the consequences. To give just one example Chile cannot obtain credit to buy replacement parts on its American-built buses. The Santiago transit system, which offers the normal means of public transportation for the city population, presently has over two thousand buses out of commission. The result is long lines and long delays, dangerous overcrowding and loss of life through accidents. It is unthinkable that a small foreign capitalist elite should have such power over the lives of millions.

The U.S. government plays an essential role in maintaining the dominance of U.S. business in the global capitalist system. Its foreign policy is principally

geared toward providing a favorable climate for U.S. foreign private investment, and to protecting that investment. In former Secretary of State Dean Rusk's own words: "We do think as a matter of policy it would be wise and prudent on their side (other governments) to create conditions that would be attractive to the international investor. So our influence is used wherever it can be and persistently, through embassies on a day-to-day basis, in our aid discussions, and in direct negotiations to underline the importance of private investment." This government protection of business is carried out at the expense of the American taxpayers. When political and economic pressure by the U.S. fails to secure "pro-American" (i.e. pro-U.S. business) behavior on the part of "third world" nations, military intervention is often resorted to, as has been the case in Guatemala, Cuba and the Dominican Republic.

The U.S. government, in turn, is largely controlled by the corporate elite. Only big business can afford extensive lobbying activities giving it tremendous power to pressure for domestic and foreign legislation which favors its special interests. The interlocking directorships, i.e. wealthy businessmen appointed as directors and members of key government agencies and committees also insure that government does what business dictates. Moreover, it is becoming almost impossible for any person to be elected to high public office, other than the wealthy, most of whom have special interests. And those politicians who are not wealthy must sell themselves to big business in order to wage expensive campaigns. It is small wonder that U.S. foreign policy is geared to U.S. business interests. It explains why the U.S. government supports repressive, dictatorial regimes in Bolivia and Brazil, while it becomes at best tolerant of Chile, precisely when Chile seeks to build a more just society by becoming independent of U.S. business domination.

This new spirit of nationalism in Latin America, and the movement toward socialism in Chile and elsewhere, is a reaction to this intolerable domination and exploitation. It is a refusal to compromise national dignity and personal value for an economic development based on capitalist structures which often utilize the concepts of freedom, equality and justice as ideological pretexts for profit-making, exploitation, and economic domination.

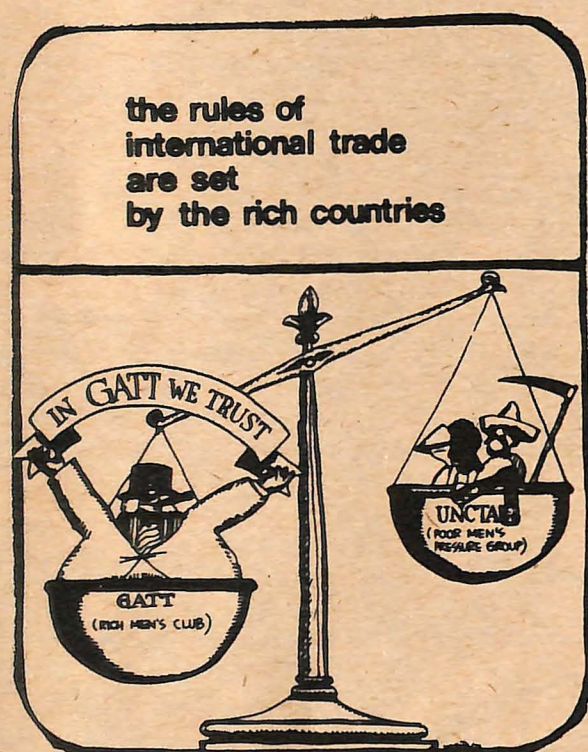
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Help Or Hindrance

by David Millwood

"Aid" is usually applied to a wide variety of loans, grants, private investment and credits, some of which have nothing to do with development. For 1969, \$13.5 billion is quoted as the total aid provided to the third world. But consider, that more than half of that 13.5 billion was private investment and commercial credit, which may or may not assist third world development but in all other contexts would merely be called good business. Five-sixths of the balance was aid tied to purchases from the lending country, which usually reduces its value to the creditor country (which is prevented from purchasing from the cheapest source) by about 20% and is a notorious means for industrial countries to unload onto poor countries uncompetitive products that would find no buyer on the world market.

When account is also taken that multilateral aid (less than 8% of the



total) can bring important returns to the lender; that the figures also hide enormous sums provided for political and strategic purposes, and that, if present aid terms and trends continue, by 1977 there would be a large net flow of money from the South to the North (without taking into account returns on private investment, it seems legitimate to ask the question: who exactly is aiding whom?).

Trade is proportionately of far greater importance to poor countries than aid as a means of obtaining the foreign currency they need to buy the materials and equipment, technology, services and skills for their economic progress; in fact, export earnings provide no less than 80% of such scarce income for the Third World as a whole.

The Third World participates in international trade mainly as an exporter of raw materials such as food stuffs and minerals and as an importer of manufactured goods. Exports of crude and refined oil alone

account for one-third of export earnings exports of a few other products (mainly coffee, rubber, sugar, cotton, vegetable oils and fats, cocoa, tea, copper, and iron ore) for an overwhelming proportion of the balance. Manufactured goods account only for roughly 10%. The western industrial countries purchase about three-quarters of all Third World exports and supply a major part of Third World imports.

The share of the poor countries in world trade has slipped from almost one-third to one-sixth in the past 20 years and is still falling. Although recently the overall value of their exports has been rising, the prices of the goods they sell have for long not kept pace with the prices of the goods they buy.

For example, third World countries were losing some \$1.3 billion annually between 1965 and 1967 on account of the decline in their terms of trade with industrial countries - equivalent to one-fifth of the official aid flows.

It is important to consider that when looking at statistics of the value of exports of industrial goods from the Third World, which are a little over 4 billion annually, the lion's share of this income is taken by only five exporters - Hong Kong (21%), India (11%), Yugoslavia (7%), Mexico (6%), and Taiwan (4.5%). The balance is unevenly distributed among more than 80 other countries (many of which have hardly any exports of this kind to speak of).

The movement of world prices also plays a major part in determining which Third World countries benefit most if they manage to increase their exports. For example, in 1969 certain food exporters were favoured over exporters of minerals, the rise in prices paid for food was 5%, while export prices for minerals rose only by 0.7%

A factor of major importance for all poor countries is effective demand for their products in their major markets, in particular the four main ones (U.S., European Common Market, U.K. and Japan). Increases in export earnings by Third World countries (and hence their ability to pay for imports for their state of their economic development) depend to a great extent on the behavior on these four major markets, the state of their economics the extent of their demand for imports, the prices they pay for them, and the trade policies they pursue.

It is the interaction of these factors that makes up the economic effect on the Third World. If prices of a poor country's exports decline, no matter how successful it is in increasing the volume of its foreign sales, it may find that it cannot afford to import as much capital goods and equipment as it did before, when crops were poorer but prices higher. For example, in 1958 one ton of Ivory Coast coffee earned enough foreign exchange to pay for 24 tons of imported cement; it

paid for only 18 tons in 1965.

The importance of earnings from trade for the countries of the Third World, their vulnerability to forces mostly beyond their control and their heavy dependence on the major Western markets, do not alone explain why the focus of attention has switched from aid to trade in the development controversy. One factor which has played an important role in this switch is that of a growing realization that the present international trading system fails to take sufficient account of the interests of poor countries and, in operation, discriminates against them.

The absence of an international trade law and an international trade organization can itself be interpreted as discrimination - against the Third World, on the grounds that the absence of a set of rules to govern any area of human activity tends to favour the strong and discriminate against the weak.

Two attempts since the second World War have been taken to establish a truly international trade organization. General Agreement on Tariffs and Trade (GATT) is one attempt, which reflects in its rules and procedures the interests of the rich countries more than those of the poor countries that today make up two-thirds of its membership. GATT is often called the "rich man's club". It regulates 80% of the world trade and determines the day to day trading regulations of the majority of nations. But due to the fundamental fact that GATT negotiations exclude the majority of Third World exports namely agricultural products, and concentrate on those manufactures traded mainly among the industrial countries, GATT cannot be expected to yield results for the Third World as great as those for industrial countries.

The other attempt is the United Nations Conference on Trade and Development (UNCTAD) which is an organ of the General Assembly, without executive power. UNCTAD is concerned with trade in relation to development and with ways of linking trade and aid policies and measures so as to speed up economic growth in the third World. But UNCTAD's recommendations are not legally binding. UNCTAD is referred to as the "poor man's club".

UNCTAD however, can take a good deal of the credit for the current attention to trade in the context of development; for the acceptance by industrial countries in GATT that they should not expect Third World countries to give as much as they get in trade negotiations; for easing the industrial countries into a commitment to a scheme of unilateral tariff preferences; for a growing acceptance of commodity agreements and other devices that interfere with the free market mechanism; and for an increasing willingness to question accepted trade dogma.



*Education
is
not
dependent
on
expensive
buildings*

Development the New Name for Peace.



The Situation Now

by Grant Maxwell

One-quarter of the world population consumes more than three-quarters of the global production. The U.S. alone, with only 6 per cent of the people of Earth consumes 40 per cent.

During the 1960's per capita income in the wealthy nations increased by \$650, but by only \$40 per capita in the developing world. Even this small gain was limited to the top half of Third World populations.

The Third World's share of world trade has declined the last decade from 21.3% to 17.6%. This for two-thirds of mankind.

Meanwhile, poor nations owe \$60 billions in debts to the rich. The president of Chile claims Latin American states export \$4 in repayments and exported earnings for every \$1 invested by wealthy governments and multinational corporations.

Global corporations -- "international private governments" and sometimes "international con artists" -- are not accountable to any supranational tribunal. Major cartels have the resources and technical know-how to out-bargain many Third World governments.

Population growth in most of the Third World adds members to the labor force faster than new jobs

can be created, while birth rates are declining in the urbanized countries.

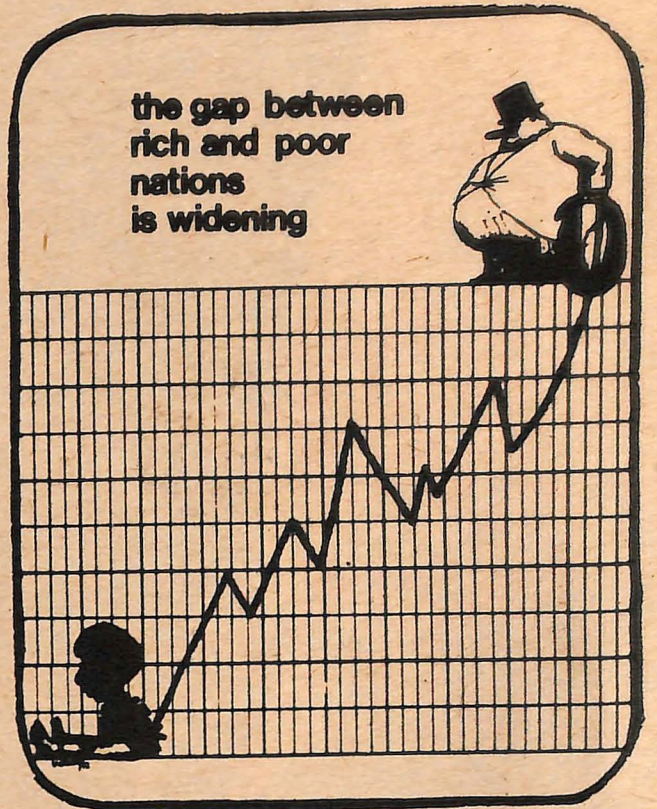
If such trends continue, the day will soon come when only 10 per cent of the world's rich hoard over 70 per cent of global incomes.

What does this disparity mean in terms of individual lives? It means, for example, that children under five years of age account for 60 per cent of deaths in the poor lands. And most of the children who do survive have a protein deficiency which stunts their physical, mental and emotional growth for life.

Twenty some Western members of action groups and churches represented at UNCTAD III offered their analysis of some major causes of this intolerable situation. They indicted the market-economy system which prevails in their own homelands: We believe that the underlying causes of this situation are an unwillingness of the rich all over the world to share their wealth and a failure of political will in our nations to change a system under which the rich grow richer and the poor grow poorer. Consider:

- The desire to obtain raw materials as cheaply as possible, which results in exploitation;
- The desire to protect internal

the gap between rich and poor nations is widening

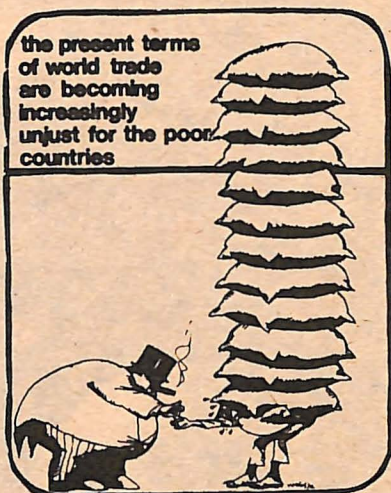


industries, which results in discrimination against processed and manufactured goods from the developing countries;

- the desire to retain an excessive concentration of wealth and power in the hands of multinational corporations, which denies the basic rights of developing countries and suppresses their developing industries;
- The desire to retain power, which results in a refusal to share it effectively in reforming the international monetary system.

"When shall we have the courage to outgrow the charity mentality and see that at the bottom of all relations between rich and poor there is a problem of justice?"

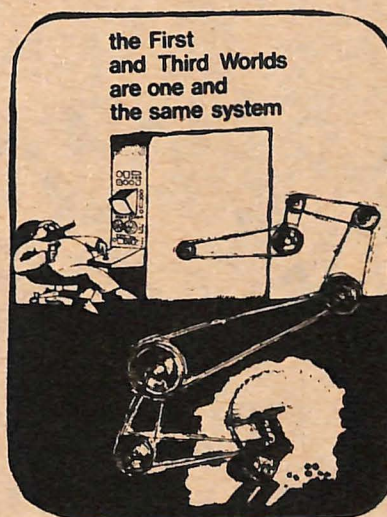
Don Helder Camara



The Lord enters into judgement with the elders and princes of his people:

'It is you who have
devoured the vineyard,
the spoil of the poor
is in your house
What do you mean
by crushing my people,
By grinding the face
of the poor?'

Isaiah 3: 14-15



IT COSTS:

- \$1.00 to prevent the death of one man by malaria,
 - \$10.00 to prevent the death of one man by hunger,
 - \$6.50 to convince one American to consume more products through advertising,
 - 50 billion dollars to send on Russian or one American to the moon.
- For a new prototype bomber, fully equipped, it costs:
- One year's salary for 250,00 teachers
 - 30 science faculties, each with 1,000 students
 - 70 fully equipped 100 bed hospitals
 - 50,000 tractors or 15,000 harvesters

'Earth provides enough to satisfy every man's need but not for every man's greed.'

Gandhi

"I sit on a man's back choking him and making him carry me and yet assure myself and others that I am sorry for him and wish to lighten his load by all possible means - except by getting off his back."

Leo Tolstoy

"If you give a man fish he will eat only once; if you teach him to fish, he will eat the rest of his life."

Kuan Tzu, 4th century BC

Coffee Break

Mid-morning. Time for that "coffee break" at home, the office or on the construction site.

When we're having our coffee break do we ever wonder about its origins? Do we ever consider how we as consumers may be affecting the producers of our coffee breaks?

Consider the story of Juan... Juan Diaz is a coffee worker in the Central American Republic of El Salvador. He and three of his five daughters spend long hard days in the coffee fields of Montenegro. On a good day Juan picks enough coffee to earn \$.44; and his daughters a total of \$.35. With \$.24 of these wages, Juan and his wife Paula are able to feed their family for a day.

The hacienda provides a simple dwelling for the Diaz family, but no modern facilities. Candles are used for light, water has to be hauled from a well and furnishings consist of little more than a table and some chairs. Whatever money isn't spent for food is spent for visits to the health clinic (40 cents each time), the high interest on bills at the company store, expenses for the children at school.

Some place the burden of responsibility for Juan's condition on what may be called the "rules of the

game". The "game" encompasses all the national and international systems (economic, political, societal, military) which govern the life of Juan and the development of his country.

Do these rules of the game in fact account for Juan's plight? Examine them and decide for yourself.

Coffee ranks first among agricultural commodities in terms of importance in world trade. Latin America is the traditional coffee producing area of the world

The significance of coffee to the economic and political life of the producing countries can hardly be exaggerated. Almost all producing countries are poor, single-crop economies which lean heavily upon coffee exports for the foreign earnings they need to pay for imports for current consumption.

Coffee is a tree crop. Coffee beans are the contents of coffee cherries, which are picked at harvest time, cleaned, dried, and fermented. Coffee in this stage of production --green coffee-- is the main subject of international trade.

The conversion of green coffee to coffee beverage is characterized by a complex channel of processing and distribution. All coffee beans are

grown in underdeveloped countries. The overwhelming proportion of processed coffee is manufactured in the rich countries. This means that the poor countries are consigned to being "hewers of wood and drawers of water" - merely the suppliers of raw materials for the rich countries. The latter will continue to derive the lion's share of the benefits from the manufacture of these raw materials. The absence of trade barriers against green coffee enables the manufacturers in the rich nations to obtain their raw material inputs at the lowest price. The tariffs on the end product act as a deterrent to countries seeking to import processed coffee into rich countries. Originally tariff barriers were designed to protect domestic industries in rich countries from competition from other rich countries. But now they also act as an effective deterrent to those underdeveloped countries who might wish to process their own raw materials.

How Canadians are involved.

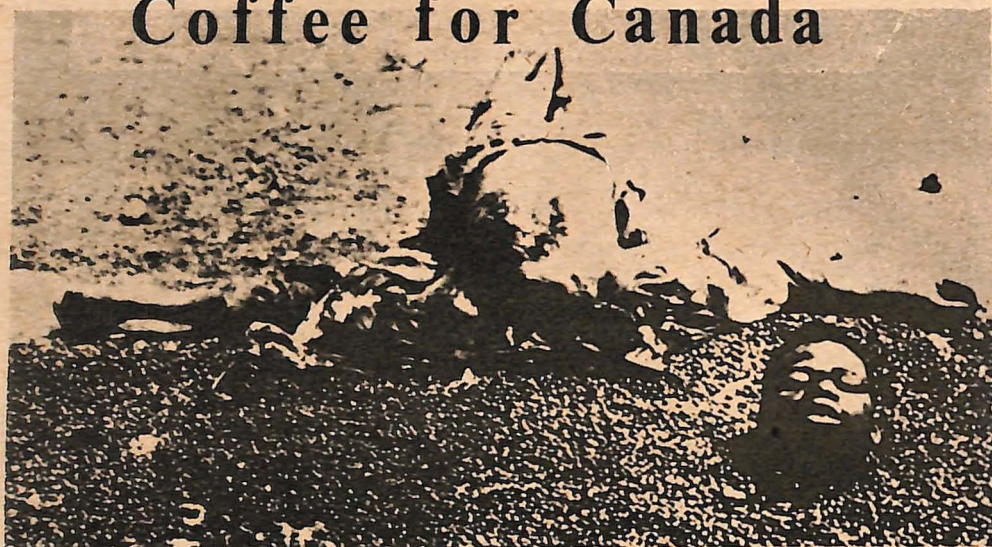
Canada ranks eighth among importers of green coffee. It stands to reason that the activities of the Canadian government will have an important influence on upcoming negotiations. In fact, Canada has already made her presence felt in a very negative manner.

After the devaluation of the U.S. dollar which reduced the value of reserve holdings of Third World countries by over \$500 million, the coffee producing countries requested an increase of 4c per pound of coffee to counteract their loss --surely a reasonable demand. The oil-producing countries (OPEC) by uniting and threatening to cut off valuable oil supplies, were able to swing a similar deal. But the coffee-producing countries were less successful. Some of the importing countries of the International Coffee Organization were willing to accept a 2c increase as a compromise, but the United States, backed by Canada, refused. The governments of both countries were undoubtedly strongly pressured by the multinational concerns like General Foods and Nestle's as well as by smaller domestic processors, to hold the line on coffee prices.

It is important that concerned Canadians, conscious of the plight of Third World countries and their poor bargaining position make strong representations to their government from the point of view of developing countries. What is most unfortunate is that most Canadians are totally unaware how the attitudes and activities of their government vitally affect the lives of so many people in poor countries.

If we did pay a bit more, the life of Juan Diaz and other neighbours like him just might be a bit more liveable.

Coffee for Canada



The above photograph was used as poster to spearhead the Dutch Angola Committee's successful campaign to boycott Angolan coffee earlier this year. In a well-documented background booklet, the Angola Committee described the appalling conditions in Portugal's African territories and showed how revenue from Angolan coffee exports was helping to finance Portugal's colonial wars and vicious repression in her Angolan colony.

Angolan Africans, for example, are subjected to a system of forced labour which falls little short of slavery, and workers of the coffee plantations are cooped up at night in compounds surrounded by barbed-wire, patrolled by guard dogs, and looked over by searchlights and machine-gun turrets. The photograph shows how any African resistance to Portuguese oppression is likely to be dealt with. 5000 people in Holland took part in the campaign to boycott Angolan Coffee. 25,000 posters were put up, 100,000 stickers displayed, 300,000 leaflets distributed, and demonstrations took place outside chains of super-markets throughout Holland. Trade Unions, churches, and major political figures supported the campaign.

In three weeks, 90% of all Holland's coffee imports from Angola had been stopped, Portugal had lost over thirty million dollars worth of foreign trade, millions of people had been informed of the facts about Angola, and a major blow had been struck by ordinary people against cruel colonial rule in Africa.

PEOPLE NOT THINGS

Any action that gives them more control of their own affairs is an action for development, even if it does not offer them better health or more bread. Any action that reduces their say in determining their own affairs or running their own lives is not development and retards them even if the action brings them a little better health and a little more bread.

To us development means both the elimination of oppression, exploitation, enslavement and humiliation, and the promotion of our independence and human dignity. Therefore, in considering the development of our nation and in preparing development plans, our main emphasis at all times should be the development of people and not of things. If development is to benefit the people, the people must participate in considering, planning, and implementing their development plans.