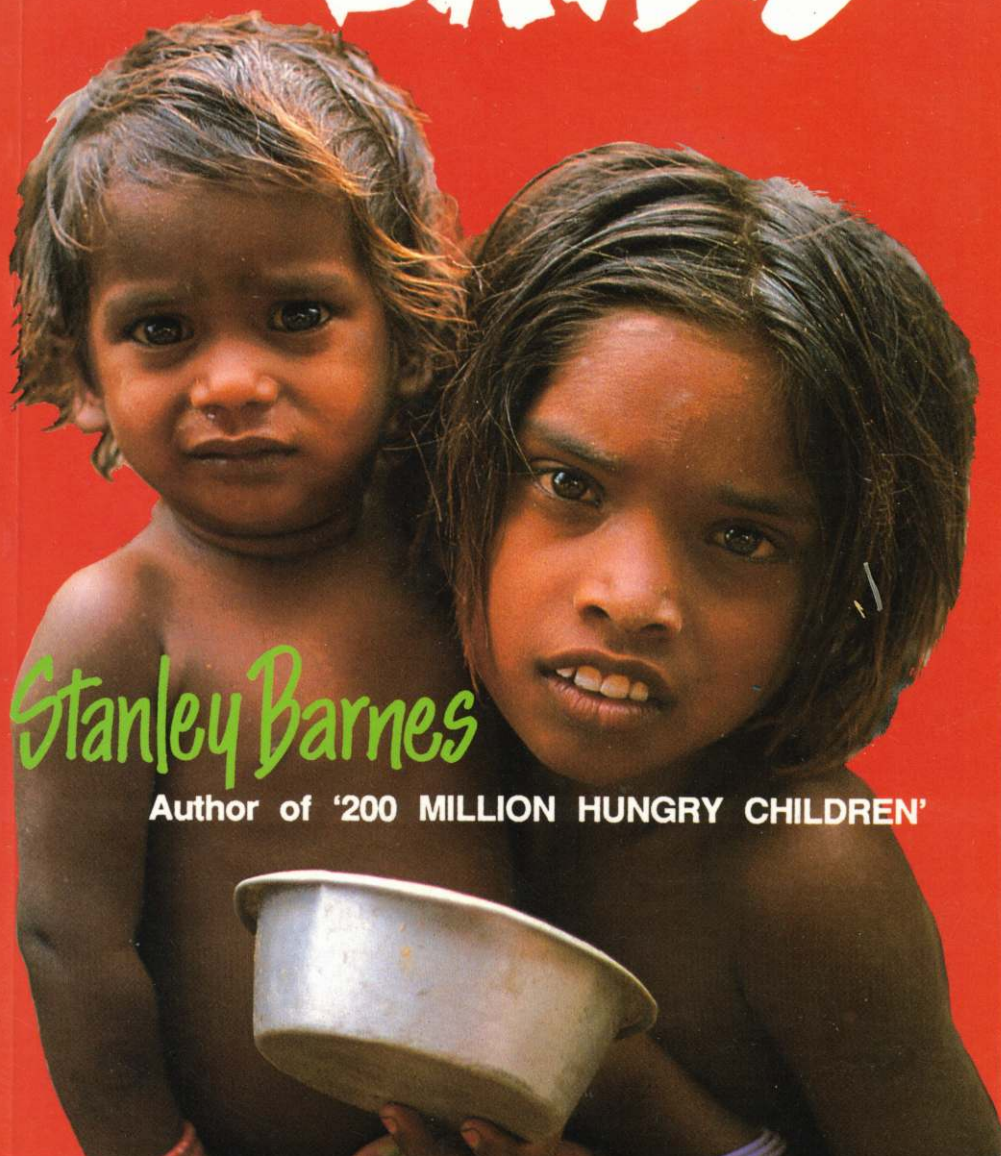


Children in *CRISIS*



Stanley Barnes

Author of '200 MILLION HUNGRY CHILDREN'

Children in **CRISIS**

Stanley Barnes

 WORLD VISION OF AUSTRALIA

Copyright © 1989, World Vision of Australia

This book is copyright; no part may be produced by any process without permission of the publisher except under the following circumstances.

Permission is granted to an individual teacher or group of teachers within a school to reproduce appropriate extracts, provided that such materials are not for use by other schools and provided that the materials are not for re-sale or any form of commercial gain.

National Library of Australia Cataloguing-in-Publication data:

Barnes, Stanley.

Children in Crisis.

Bibliography.

Includes index.

ISBN 1 875140 03 4.

1. Food supply — Developing countries. 2. Children — Developing countries — Nutrition. 3. Economic assistance. I. World Vision of Australia. II. Title.

338.1'9'1724

ILO Copyright: Notes on the High-Level Meeting on Employment and Structural Adjustment, Geneva, 23-25 November 1987 and the Conclusions in full as reported in WEP 2-46-04-03 (Doc 3), pages 27-31 (Copyright 1988 International Labour Organisation, Geneva) published with approval of the ILO.

All quotations from the United Nations Children's Fund (UNICEF) are taken from James P. Grant, *The State of the World's Children*, published for UNICEF by Oxford University Press. Used with permission.

World Vision publishes this text as one contribution to the aid debate. The opinions expressed by the author are not necessarily those of World Vision.

Printed by List Print, 45-47 Little Myers Street, Geelong, 3220.

Cover design by Fred Hickey, World Vision of Australia.

Published by World Vision of Australia,
161 Sturt Street, South Melbourne, 3205, Victoria, Australia.

UNICEF reports in *The State of the World's Children 1989* that major child health achievements are now saving the lives of at least two and a half million young children each year, in the developing countries. Yet annually fourteen million children still die — 38,000 every day — from preventable illness and malnutrition. Many millions of children continue with ill health and stunted growth.

The progress that has been made in child survival is now under threat from rising international debts and the reversal of economic development in large areas of the Third World. In many nations spending on health and education has fallen steeply in the 1980's. And in many of the poorest countries, rates of child malnutrition appear to be rising again after 40 years of steady reduction. The heaviest burden of the debt crisis is therefore being passed on to the children of the world's poor. And the children are in crisis.

Some of the facts people need to know about the rich-poor gap are outlined in this book. Ways are suggested in which all can have a part in reversing the advance of poverty. We can help to ensure that all children have the chance of a healthy start in life.

Acknowledgement

Many friends who are also deeply concerned at the extent of poverty and malnutrition in the developing countries have assisted me in the production of this book. I am deeply grateful to them.

All currency is in US dollars.

CONTENTS

Acknowledgement	v
Foreword	1
Preface	3
1 <i>Poverty and Malnutrition</i>	7
2 <i>Meeting Third World Food Needs</i>	21
3 <i>Progress in Child Survival</i>	39
4 <i>Aid, Trade and Third World Debts</i>	51
5 <i>Answering Third World Needs</i>	68
Appendix 1. <i>Operation Flood</i>	83
Appendix 2. <i>High-Level Meeting at ILO</i>	92
Summary	103
Further Reading	107
Index	111

Foreword

The experiences described in this book are not happening a galaxy away in space and time. Stan Barnes has lived much of his life in the very impoverished lands of our own small world, where people have real and tangible needs. Not everyone might find it easy to identify with those people and their needs, but such struggles are present to differing degrees in all of our lives. When we struggle with overload or despair, the shoulder of a friend or loved one is a welcome remedy, especially if they can also provide concrete help to get us back on our feet.

Children in Crisis is about such experiences, and Stan Barnes has used his life in the dairy industry to show how concrete help can be provided for people in less flourishing countries.

The book tells of advances that are helping the world's children. Many are being saved from malnourishment, brain damage and death. In rural India, for example, projects to increase production of milk have brought about amazing results.

However, the book then goes on to outline the spectres which are now looming large over this new-found hope: unequal trade arrangements and the international debt crisis are two examined here. To dispel these threats will require increased will and motivation on the part of the wealthier countries. Stan Barnes challenges us to examine our lifestyles (individually and collectively), and informs us how little efforts can mean a lot to children in need.

About 38,000 children die every day due to famine, disease, war and neglect. In the industrialised world a child dies every two

and three quarter minutes. In developing nations a child dies every two and a half seconds. These are not only statistics but are an indictment of the competitive and acquisitive values of so-called modern civilization. In fact the scale of this inhumanity is so huge that we often tend to distance ourselves from it and believe that it is inevitable or 'normal'.

It is neither inevitable nor normal. This book provides practical examples of how individuals and organisations can help, and tells of initiatives which have transformed the lives of children. It is full of often unique information for those concerned with aid and development, and as such, World Vision of Australia is pleased to publish *Children in Crisis*.

Ted Vandeloo
World Vision of Australia

Preface

In 1936, as manager of the Government of Malta milk scheme, I launched my first major dairy project: the pasteurisation and distribution of the milk of 50,000 goats on the island of Malta. The age-old custom was for goats to be driven round the streets and milked on the customer's doorstep. Unfortunately, bacteria in the milk caused undulant fever, resulting in serious health problems and loss of life. So this ancient milk supply had to be replaced by pasteurised goat's milk. Having learned a great deal through this project, I was keen to continue project work in the dairy industry, preferably in developing countries.

After the second World War I moved to Australia with my wife and two children. In 1957 the chance came to work in the Third World as Dairy Development Adviser to the Government of Pakistan. While this job only lasted a year, it led to my going to Thailand as project manager for the Australian Dairy Produce Board. In Thailand, and later in Singapore and Indonesia, I was concerned with joint venture projects for the manufacture of recombined dairy products. Following the death of my wife in Indonesia, I resigned from the Dairy Board and, in 1973, accepted an invitation to help at a new Moral Re-Armament Conference and Training Centre in Panchgani, in the heart of rural India. This was to be my base for the next twelve years.

In India there is widespread poverty and extensive malnutrition among children, over 15 per cent of whom do not live beyond five years of age. I was convinced that the large quantities of surplus milk powder in the EEC should be put to use as supplementary food

for children. So I decided to write, particularly for people in the West, giving my convictions and suggesting ways in which milk could be used to help answer malnutrition. The book, *200 Million Hungry Children*, was published by Grosvenor Books, London, in 1980. Following its publication I was asked to give evidence before the Agriculture Committee of the House of Commons, which was investigating the increased use of surplus EEC dairy produce in the Third World. *Children in Crisis* is a follow-up to the earlier book.

The past ten years have brought changes in the developing countries, but poverty and malnutrition remain at unacceptable levels. And progress that has been made in saving the lives of young children is now threatened by rising debts and the economic downturn in many developing countries. Expenditure on health and education has declined in recent years and malnutrition is again on the increase. For the past four years, loan repayments and interest paid to industrialised countries by the Third World have exceeded the amounts received as new loans, official aid and investments. To our shame the rich countries are being subsidised by the poor countries, and those who suffer most are the children of the poor.

Many people believe that these trends are so far beyond the ability of individuals to influence that they don't get involved. This is understandable. But I believe that God has a purpose for every person on this earth. There is no problem that cannot be shifted by the wholehearted commitment of a few, backed up by a more widespread understanding by the many. It is my hope that this book will help on both counts.

My own commitment stems from the time when, as a young man, I was challenged to stop sitting on the fence. A speaker at a Moral Re-Armament Conference pointed out that by the way we live, we are either part of the problem in the world or part of the cure. I wanted to be part of the cure, so I decided to get off the fence. I started to put things right in my own life. At the conference the story was told of the man who was sitting by the sea and the tide was coming in. He heard calls for help and saw a man

standing up to his waist in the water. He called out, 'What's the trouble? You're all right, aren't you?' 'Oh, I'm all right', came the reply, 'but I'm worried about the man I'm standing on'.

This story helped me to realise that I cared little for the staff of the milk factory I was managing. My own success was my main concern and I was climbing to success on the backs of my staff. So I called the staff together and apologised for the way I had been doing my job. On the next annual open day for shareholders many remarked on the improved atmosphere in the factory. There were many other things I had to put right. This was the start of discovering that God could change me and guide me.

Two years later I was in Malta launching out in faith. Now, after fifty years, I still struggle at times to find direction from God that will help me to be part of the cure. One thing I can do is to write to help others to be more aware of the needs of the children in the Third World.

Dr Frank Buchman, the initiator of Moral Re-Armament summed up the situation when he said 'Suppose everybody cared enough, everybody shared enough, wouldn't everybody have enough? There is enough in the world for everyone's need but not enough for everyone's greed.' It is simply put, and profoundly true.

Moral Re-Armament is at work in many parts of the world. It is not an organisation so much as an idea, through which anyone can become part of a force for change in the world, beginning with themselves. It starts with a commitment to search for and follow the will of God, living in the light of His absolute standards of honesty, purity, unselfishness and love. I tell more of the work of Moral Re-Armament and of my own experiences in my book, *Why Malta*.¹

A friend, writing from Canada, asks how people can be kept informed, and can learn to distinguish between programmes that will be effective in advancing aid and development, and those that will not. I find these questions difficult, but I have kept them in mind in writing this book. One thing is certain: the world, with

its outstanding advances in science and technology, has the means to meet the basic needs of all people. The question is have we, you and I, the will to make this possible?

Australia, June 1989

Stanley Barnes

Notes:

1. Stanley Barnes, *Why Malta. An Autobiography*, PEG, Malta, 1987. (Distributed in Australia by Grosvenor Books.)

1

POVERTY AND MALNUTRITION

The outstanding achievements of modern technology have not answered the poverty, hunger and disease that ravage the lives of up to 1,000 million people in developing countries: men, women and children who learn to live in poverty in order to survive. At the end of the 80s many developing countries grapple with growing impoverishment and falling living standards. The gap between rich and poor nations widens. Any improvement in the standard of living in Third World countries benefits the middle and upper classes while the poor get poorer.

Every day, in the developing world, 38,000 children below the age of five years die from a combination of malnutrition and disease. Of the children that live, millions will be malnourished, brain damaged and disabled for life. Most are likely to be stunted in growth. Chronic undernutrition is particularly severe on children. Diseases which a healthy child would quickly throw off frequently result in death for a malnourished child.

A 1987 report from the United Nations Children's Fund (UNICEF) states:

Repeated illnesses — especially the common illnesses such as diarrhoea, measles, whooping cough and other respiratory infections — are the principal underlying causes of malnutrition. They take away appetite and so reduce food intake, often for many days each month; they inhibit the absorption of the food

that is eaten; they drain the body of nutrients through diarrhoea and vomiting; they burn up calories in fever. The result is frequent weight loss.

If a young child suffers such weight losses on five to ten occasions a year (and that number of illnesses is not uncommon in poor communities of the developing world) then growth will inevitably falter and the child will stumble towards malnutrition.¹

Dr Jean Mayer, an internationally recognised expert on nutrition and President of Tufts University in the USA, explains the various kinds and degrees of hunger:

Malnutrition may come about in several ways. A person may not get enough food, which is undernutrition. A diet may lack one essential nutrient or more, giving rise to deficiency diseases such as pellagra, scurvy, rickets, goitre, or the blindness that is caused by Vitamin A deficiency. There may be a condition or an illness, either genetic or environmental, that prevents the digestion of food or absorption of nutrients, which is secondary malnutrition.

In areas where food supply is limited the first three causes of malnutrition are often found in combination. In children, a chronic deficiency of calories causes listlessness, muscle wastage, and failure to grow. Undernourished people of all ages are more vulnerable to infection and other illness, and recover more slowly and with much greater difficulty.²

The Brandt Commission, comprising nine leaders from developed and nine leaders from developing countries, after studying world needs, spoke of Third World poverty in their 1980 report:

Few people in the North [the developed world] have any detailed conception of the extent of poverty in the Third World or of the form that it takes. Many hundreds of millions of people in the poorer countries are preoccupied solely with survival and elementary needs. For them work is frequently not available or, when it is, pay is very low and conditions often barely tolerable. Homes are constructed of impermanent materials and have neither piped water nor sanitation. Electricity is a luxury.

Health services are thinly spread and in rural areas only rarely within walking distance. Primary schools, where they exist, may be free and not too far away, but children are needed for work and cannot easily be spared for schooling.

Permanent insecurity is the condition of the poor. There are no public systems of social security in the event of unemployment, sickness or death of a wage-earner in the family. Flood, drought or disease affecting people or livestock can destroy livelihoods without hope or compensation. In the North, ordinary men and women face genuine economic problems — uncertainty, inflation, the fear if not the reality of unemployment. But they rarely face anything resembling the total deprivation found in the South [the Third World]. Ordinary people in the South would not find it credible that the societies of the North regard themselves as anything other than wealthy.³

While there has been some improvement, particularly in the newly industrialised countries such as Singapore, the overall condition in poor countries has deteriorated. Living conditions in Third World cities, for all but the well-to-do, would not be tolerated in the industrialised West. Western nations have the financial means of ensuring that at least the basic needs of all their people are met. Poverty and hardship, where they exist, result from a lack of concern and a failure to use available resources in meeting the needs of the poor. But poor countries normally lack the means of providing for the basic needs of all, even when they have the will to do so.

The Widening Rich-Poor Gap

During the past decade the gap has continued to widen between the rich and the poor, and between rich and poor nations. Most aid from the industrialised countries gives relief without achieving its ultimate objective, which should be to make aid unnecessary. Large numbers of dedicated people do sacrificial work in developing countries, often at considerable personal cost. But the economic framework within which they operate, and over which they have little or no control, frequently perpetuates poverty. So

development slows down or ceases altogether and conditions remain intolerable.

The aid being given by Western governments lacks the wisdom and generosity of the Marshall Plan which helped to put the world 'back on its feet' following the devastation of the Second World War. Under this plan America gave, as outright grants during a period of four years, over 2 per cent of her gross national product (GNP) for the rebuilding of Europe. International trade was revitalised, to the benefit of America as well as Europe.

Today official aid from the industrialised nations (known as Official Development Assistance or ODA) frequently lacks the sacrifice and generosity which is the hallmark of true assistance. ODA falls far short even of the 0.7 per cent of GNP considered by the United Nations to be essential for development in the Third World. The present average ODA, about 0.34 per cent, is only half that amount and includes some repayable loans. Also Western governments and Western banks have negotiated loans with developing countries, many of them short-term and with fluctuating rates of interest. This has resulted in countries incurring financial obligations which they are unable to meet.

In spite of these economic difficulties UNICEF has, so far, been able to report progress in helping to reduce child deaths in developing countries. But increasing Third World poverty is causing the progress to falter.

The Increasing Third World Population

The rapidly increasing population of Third World countries presents governments with a daunting task. It took until the mid 20s for the world population to reach 2000 million but only a further 35 years for the total to reach 3000 million in 1960. Fourteen years later, in 1974, the world population was 4000 million. 5000 million was reached in 1987. The population is expected to be 6000 million before the end of the present century, and over 90 per cent of the increase will be in the developing countries.

With a few exceptions the population of the countries of Asia is increasing at the rate of between 2 and 3 per cent a year, but the rate of increase is slowly declining. The population of sub-Saharan Africa,⁴ at present around 450 million, is increasing at the rate of 3.2 per cent a year. In Latin America, with 8 per cent of the world's population, the rate of increase varies from country to country, between 1.5 and 2.5 per cent a year.

People in developing countries are unlikely to plan to have only one or two children while circumstances make it advisable for them to have a larger family. Few developing countries have any social services or age pensions. Poor people have no chance of saving; they depend on their children. On average, one in every eight of their children will die before reaching five years of age. Since a daughter normally joins the family of her husband when she marries, the parents must ensure that at least one son survives to look after them in old age.

The situation in India is typical. People in urban areas normally have access to doctors and hospitals, while people living in villages are seldom within reach of medical assistance. So the death rate of children in rural areas is usually higher than in the towns. It is quite usual for a rural family to lose two or three young children.

The control of common diseases has an important role in encouraging smaller families. When visiting tea plantations in South India, I learned that the provision of medical help for the tea pickers and their families, who live on the tea estates, had lowered the birth rate, as the workers knew that their children had a reasonable chance of survival.

The late Barbara Ward, well known for her passionate concern for the needs of the poor, summed up the situation in *Peace and Justice in the World*. Referring to the growth of population in developing countries she wrote:

The great majority of this surge of growth will take place in the poorest lands since it has now been clearly established that wherever infant mortality is highest and parents risk losing

children who are added workers in their youth and providers and supporters in their parents' old age, the birth rate remains very high, largely to counteract high infant deaths.

It is only when the health, the education, the hope of employment and the advancement of women begin to make themselves felt — precisely the 'human advancement' referred to by Pope John Paul — that parents feel they can responsibly risk smaller families.⁵

Poverty is largely responsible for the rapid growth of Third World cities which, in turn, perpetuates poverty. Peasant farmers and landless labourers live a 'hand to mouth' existence and are often in debt to the village money lender who charges an exorbitant rate of interest. When crops fail or there is no work they have no alternative but to drift to the city in the hope of finding food or the chance of earning a few cents. So the population of the cities and the area of city slums grow daily. Mexico City already has a population of 18 million and is expected to have 26 million by the year 2000. Calcutta and Bombay will each have 17 million people by the end of the century.

In Latin America inequalities of income are greater than in Asia and Africa. The poorest 40 per cent of Latin Americans receive between 7 and 12 per cent of the total income, while the richest 20 per cent receive 51 to 75 per cent. The top 5 per cent alone reap about 30 per cent. Many countries of Latin America have seen their average incomes go down by 10 per cent since 1980 and the burden of this falls largely on the poor people. In Brazil 60 per cent of the population are said to be living in absolute poverty although the country has extensive industrial development and large exports. (Absolute poverty indicates an income level which cannot afford a minimum nutritionally adequate diet plus essential non food requirements.)

According to Judith Perera, writing in *South*, 'Twenty five per cent of the world's population are either homeless or live in slum settlements, and 100 million people, most in the Third World, have no shelter at all; and the number is increasing'.⁶

India's Increasing Population

India's population of 800 million is increasing at the rate of 17 million a year. The steadily increasing numbers seriously overload the infrastructure, especially transport and communications. Arriving in India in 1973 I learned that the population had doubled in 35 years. It was a revelation to move around this vast country, with its teeming millions, and to realise that, even to maintain existing standards, resources and infrastructure had needed to be doubled in 35 years.

Although India has a high degree of industrial development and a chain of universities and research establishments, many millions of people live under intolerable conditions, without proper housing, water supply or sanitation. While the progress in industrial development since independence is impressive, the failure of the 'trickle down' theory has been amply demonstrated. Few of the benefits of industry 'trickle down' to the homeless in the cities and towns, or to the 70 per cent of the people living in rural areas.

On the way to catch a train in Poona early one morning, the tragedy of slum dwellings was brought home to me. We drove along a road lined on one side with makeshift hovels. Small children were crossing the road to use the gutter on the opposite side as a lavatory. Unable to get the picture out of my mind I wrote the following lines.

You drive into the city
In the early morn before the sun breaks through.
Not all of it is pretty
And your tears well up in pity
As the kiddies cross the street
From the home-made hovels on the right,
To squat there in the gutter.

To think we've built a world
Where the children have no home.
No place to play, no park in which to roam.
Right through Asia 'tis this way,
One hundred million people have no home in which to dwell
No job of work, no money and no hope.

Child Labour

All too often the money a child can earn is more important to the family than the child's education. In Third World countries young children, in addition to doing their share of tending animals and gathering firewood, are often employed on jobs such as match and cigarette making. According to Mr Vidyaben Shah, President of the Indian Council for Child Welfare, every third child works. There are 100,000 rag-pickers between five and fifteen years of age in New Delhi alone. (Rag-pickers are street children who scrounge through garbage bins and waste dumps, to earn a living from the items they collect and sell to garbage dealers). Yet children in developing countries are usually keen to go to school.

On one occasion I was at the Asia Plateau Centre in India when temporary labour was being employed on site work. The manager gave a job to the wife of one of the regular employees. Then he learned that she had kept her daughter home from school to mind the baby. Knowing that the family was by no means destitute he put her off so that the girl could go back to school. A few days later he found mother and daughter working for a contractor on the site. The next child down the line had been kept home to mind the baby.

Although many Third World countries have taken steps to pass regulations protecting children from abuse, they are seldom implemented. Many of the existing documents on the rights of children are simply a declaration of principle and are not legally enforceable. UNICEF reports that a statement on the rights of the child is being prepared by a working group of the Human Rights Commission. This could be ready for formal presentation to the United Nations General Assembly in 1989, the tenth anniversary of the International Year of the Child. The draft convention covers civil, political, economic, social and cultural rights, including the right to safe and proper development through education. Once adopted, the provisions of a convention are binding on all ratifying nations.

Malnutrition and Learning

The impact of malnutrition on the ability of children to learn was graphically demonstrated by a meeting of 57 headmasters of primary schools with an enrolment of 34,000 children, at Nkai in Matabeleland, Zimbabwe. They were asked to identify obstacles to learning. The first priority was, by unanimous agreement, malnutrition.

Yet Zimbabwe is normally an exporter of food. Moro, Mayo and Lowenson state, in a working paper for the Zimbabwe Institute of Development Studies:

Despite being a substantial food surplus nation, Zimbabwe has a major malnutrition problem. At a time when the country was reported to be producing 109 per cent of its per capita food requirements, upward of 20 per cent of children under five years of age were reported to have second and third degree malnutrition and nearly 30 per cent were found to be stunted. While sadza [maize meal porridge] and vegetables constitute the regular diet, at times of food shortage the maize meal may be consumed with only salt. It is therefore now locally agreed that the bulk of the undernutrition does not represent a protein lack as much as a general energy lack, the bulk of the cereal diet being supplemented by inadequate energy-dense food such as oil and groundnuts.⁷

In many Third World countries, nutrition suffers with the declining consumption of traditional nutrient-rich foods such as sorghum, millet and groundnuts and the increased consumption of nutrient-poor items such as white bread, sugar and carbonated soft drinks.

I took part in the discussions of the Voluntary Organisations in Community Enterprise (VOICE) in Zimbabwe as they considered what action to take in Nkai. They outlined the problem thus:

This malnutrition was referred to as a 'general condition'; in a year of adequate food production, when the children might receive enough food, the nutrition level still falls below normal

requirements. In a drought year the malnutrition level assumes formidable proportions and will have far-reaching effects on the mental capacities of the children. Many of the children walk a considerable distance to school. Breakfast, even if it is available, is not sufficient to sustain the children throughout a working morning and take them home again. Those that stay on for extra-curricular work or further studies do not receive anything in the middle of the day, so it is often an entire day before they eat a nutritious meal.

A scheme was prepared for giving a nutritious mid-morning drink to all the children and also a nutritious midday meal during periods of drought. Implementing this pilot scheme was dependent on financial help from overseas. It was hoped that once the advantage of the scheme had been demonstrated, the parents' associations would be able to meet the cost.

Meeting People's Needs

India has some outstanding examples of action to meet the needs of the poor. In the state of Tamil Nadu, with a population of 48 million, the Chief Minister's Nutritious Meal Programme was launched to provide a free midday meal every day to poor children in the 2 to 10 age group. On 1st July 1982, over 5,500,000 children sat down in 53,217 feeding centres to eat a hot meal provided at government expense. For a poor country it was a courageous undertaking and the idea met with some opposition on the grounds that the state would soon be bankrupt.

The scheme has been an outstanding success and, with the full co-operation of the public, has been implemented in thousands of remote villages throughout the state. Materials required for preparing the meals are delivered to the feeding centres once a month. Only vegetables and firewood for cooking are obtained locally. In villages where there is some open space children are encouraged to organise village gardens to grow vegetables. The scheme has provided employment for over 100,000 women for preparing the meals and supervision, preference being given to widows and the destitute.

Older children, old age pensioners and destitute persons are now included and the number receiving a free midday meal has risen to over 6,500,000.

The total cost of the scheme is estimated to be about Rs1,750 million (\$106 million) a year, which is met by the State Government and by donations from the people. Regular monitoring by nutrition experts has confirmed that children have increased in both weight and height since the introduction of the scheme.

Operation Flood

Nowhere in the developing world is there an undertaking to match India's modern milk scheme, processing and marketing over 8 million litres of milk a day. This scheme has made India self-supporting in milk and milk products. Known as 'Operation Flood', this indigenous undertaking is revolutionising the economy of rural India.

In 1945 the first Milk Producers' Co-operative was formed in the Kaira district of Gujarat, and a modern dairy was built at Anand in the centre of the district. Twenty years later the scheme had extended to include 800 village co-operatives throughout the area, providing a market for farmers and making high quality milk and dairy products available. In 1964 Prime Minister Shastri visited the Kaira Milk Producers' Co-operative, stayed the night in a village and had discussions with the farmers. He concluded that because the farmers owned the dairy, their elected representatives managed its affairs, and they had employed professionals wherever needed, the Anand Dairy was sensitive to their needs. He called for the setting up of similar co-operatives throughout India.

To implement this decision the National Dairy Development Board (NDDB) was formed with Dr Kurien, General Manager of the Kaira District Milk Producers' Co-operative, as Chairman. The outstanding achievements of this project have much of relevance to other developing countries. The project is described in detail in Appendix 1.

For this project Dr Kurien was chosen as the winner of the 1989 World Food Prize, selected from 173 nominees from 48 countries.

The \$200,000 prize was established in 1986 by the General Foods Fund in the USA to honour individuals who have improved the quantity, quality or availability of food in the world. Chairman of the Selection Committee, Dr Norman Borlaug, referred to Operation Flood as 'the largest agricultural development programme in the world'.

Although Operation Flood is already marketing over 8 million litres of milk daily, from more than 6 million farm families, the Government of India wants Operation Flood further extended. Dr Kurien recognises that the development achieved under Operation Flood, while extensive, is by no means sufficient; given the size of India, production processing and marketing of milk must be vastly enlarged. This indigenous undertaking is having outstanding success in the development of rural agriculture by providing employment income to poor peasant farmers and landless labourers. And it is providing people with safe milk at a reasonable price.

Other developing countries have not been slow to recognise the achievements of Operation Flood and learn from it. According to Dr Kurien, Sri Lanka, Pakistan, the Philippines and China have all proposed to take up similar programmes. Most will use EEC (European Economic Community) food aid initially to increase the supply of milk and to raise capital for the programme, as was the case with Operation Flood.

Poverty and Malnutrition

A 1988 UNICEF report states:

The combination of preventable infections and undernutrition, which is the main cause of child deaths, also touches the lives of even larger numbers of children who live on with ill health and poor growth, unable today to develop to their full mental and physical potential, unable tomorrow to fully contribute to the families they will have or the communities in which they will live.

Change will come as mothers have access to health services; the money to purchase food for themselves and for their children;

education; the knowledge needed to adopt family planning and access to clean water and sanitation.

The report makes it clear that progress in meeting the needs of children is closely linked with overcoming poverty:

In many communities today, the power of the informed individual to take more control over family health is a power often circumscribed by poverty, dimmed by lack of education, frustrated by the unequal status of women, muddled by the propaganda of commercial vested interests, and limited by the availability of such basic physical prerequisites as clean water, safe sanitation, and adequate housing.

That is why the empowering of individuals to provide for their own health can never be a substitute for government action to facilitate that process by providing basic community services, guaranteeing a fair return for a family's labour, enacting land reforms, and building up the vital infrastructure of primary health care. Nor should the encouragement of individual responsibility for health be allowed to detract in any way from the international community's responsibility for helping to end the poverty and injustice which remain the fundamental cause of most illness and premature death in the world today.⁸

Paul Harrison sums up the relationship between poverty and malnutrition in his excellent book, *The Greening of Africa*:

Malnutrition is the most acute physical expression of absolute poverty: it is poverty imprinted on human flesh and bone. It drags down people's productivity, lowers their defences against disease, and stunts growing bodies and brains.⁹

Notes

1. UNICEF, *The State of the World's Children 1987*. pp.65,66.
2. The Hunger Project. *Ending Hunger: An Idea Whose Time Has Come*, Praeger Special Studies, 1985, p.9.
3. Report of the Independent Commission on International Development Issues (The Brandt Commission), *North-South: A Programme for Survival*, Pan Books, London, 1980, p.49.
4. Sub-Saharan Africa normally refers to all African countries south of the Sahara Desert, excluding the Republic of South Africa.
5. Barbara Ward, *Peace and Justice in the World*, Commission for International Justice and Peace, England, 1981, p.8.
6. Judith Perera, 'Pressing Ahead with a Housing Solution', *South*, London, November, 1987, p.68.
7. S. Munro, N. P. Mayo, Rene Lowenson, *The Root Cause of Hunger in Zimbabwe*, Zimbabwe Institute of Development Studies, September, 1985.
8. UNICEF, op. cit., 1988, pp.1, 11.
9. Paul Harrison, *The Greening of Africa*, Paladin, Grafton Books, London, 1987, p.21.

MEETING THIRD WORLD FOOD NEEDS

Among the causes of malnutrition are disease, internal parasites and ignorance of dietary needs. But the basic cause is lack of food, and a lack of money to buy food when it is available. Our world is capable of producing sufficient food, now and in the foreseeable future, to meet the needs of its increasing population. The question is whether enough food can be produced in the countries where it is to be consumed.

Food 2000, the 1987 report of the Advisory Panel on Food Security, Agriculture, Forestry and Environment, states:

[In sub-Saharan Africa] The number of severely hungry children has risen 25 per cent in the last decade. Malnutrition may now be so widespread that it will lead to increasing physical and mental impairment over the next decade. Child mortality in all of sub-Saharan Africa was 50 per cent higher than that in other developing countries in the 50s; now it is almost 100 per cent higher.¹

According to the World Bank, unless positive action is taken the African region could become a 'begging bowl for world charity'. Before the 1983-84 drought 200 million people, over a third of all Africans, were living on a diet with less calories than the United Nations considers to be necessary for survival. For over ten years the production of food in the region has fallen by one per cent a year. Now, as we approach the end of the 80s, rising debts and the

reversal of economic development in many countries is adding a further limitation to the production and distribution of food.

To maintain their political power base, governments in sub-Saharan Africa often favour the urban population, by making cheap imported food available at the expense of locally produced food. This seriously undermines rural development.

Third World Food Production

It took the 1983-84 famine to alert people to the region's growing dependence on imported food. Already sub-Saharan Africa is not able to physically handle the quantity of food it needs to import. Considerably more food must be produced within the continent. The World Bank has now made it clear to Third World governments that financial assistance will take into account the priority being given to rural areas and the prices being paid to producers. And, while the World Bank is determined to move quickly to help Third World countries, this help will only be given to those willing to help themselves.

Even with international assistance it will take many years for the countries of Africa to become self-supporting in food. At the World Food Conference in Brussels, in April 1988, some speakers suggested that food aid was doing more harm than good and should be discontinued. Mr James Ingram, of the World Food Programme, pointed out that food aid was often the sole means of feeding some of the 750 million hungry people in the world; and that it was sometimes the best means of paying people for work on agricultural projects which would help increase food production.

Food Aid

In 1954 the United States began distributing free surplus food as aid to developing countries under Public Law 480 (PL 480). Many developing countries were suffering from a shortage of food and malnutrition was prevalent. In the 60s the EEC started a similar distribution of surplus food.

In some countries the effort to help with free food soon ran into difficulties. If the imported food was distributed free, or at a low price, it tended to replace locally produced food and disrupt normal market channels. Even if it was sold at the same price as local food it tended to have the same effect. In either case it did not necessarily result in people consuming more food, and it ruined the market for the local peasant farmers, who were unable to sell what they produced. This forced them to grow cash crops, or to give up farming altogether.

Also, if donated food was not traditionally part of the local diet, poor people often sold this food on the black market and used the money to buy the food which they normally ate.

The situation was further complicated when donating nations gave whatever surplus food they had available without considering whether the recipient country could handle or distribute it. Too little attention was given to the ability of a poor country to organise distribution at short notice; this was often made more difficult when the food was given for a short period only.

Clearly there is a role for food aid. In an emergency, when people are starving, the immediate need is to save lives. Providing food is the first essential, so food aid is vital. In 1984, thanks to television, people in industrialised countries were brought face to face with the tragic situation in drought-stricken Africa. Response from around the world was immediate and generous; logistic and other problems were tackled and overcome.

But the problems have to be thought through. Arriving in Pakistan in 1957 to take up my appointment as Dairy Development Adviser to the Government, I learned that in view of the widespread malnutrition among children, milk powder, donated by the USA under PL 480, was being distributed through the schools. Teachers had been asked to mix the powder with water to make a drink for the children. But it didn't work. The schools lacked proper equipment for mixing the powder with water and overworked teachers had no time for this job anyway. So most of them gave the children the milk powder to take home to make into

a drink. Not surprisingly, so much of the milk powder found its way onto the black market that the scheme had to be abandoned.

Food given free as aid can be a great help to a developing country when it is sold to raise capital for development as part of a well managed project. Probably the best example of food aid used in this way is Operation Flood. At a time when the demand for milk in India exceeded local production, milk powder and butter oil was given free to the country by the EEC, under food aid programmes. These raw materials were sold to dairies in the cities for recombining into milk at a price equivalent to the price of locally produced milk. Money raised in this way provided capital for Operation Flood. As soon as local production met the demand the import of milk powder and butter oil was stopped.

Use Of Surplus Dairy Products

Both the EEC and the USA are now major donors of food aid:

Food Aid Donations 1983-84

(tonnes)

	<i>cereals</i>	<i>dairy products</i>
EEC	1,900,000	240,000
USA	5,700,000	196,000

Allocation of EEC Food Aid 1984

Programme food aid to be sold or
marketed by Third World countries . . .57 per cent

Project food aid to be used in food-
for-work development projects and
in schools and clinics28 per cent

Emergency food aid15 per cent

The total value of food aid donated by the EEC in 1986 was 442 million pounds sterling (US\$708 million), which represented about one third of the EEC's total Official Aid.

In early 1989 stocks of surplus food in the EEC and North America included 200,000 tonnes of skim milk powder and 300,000 tonnes of butter.

At the same time, in the EEC large quantities of liquid and dried skim milk are used as animal feed. Latest forecasts suggest that about 750,000 tonnes of skim milk powder will be used as calf feed in 1989. For this purpose the selling price is subsidised at one third of the market price, so that it competes with other animal feeds. Substantial quantities of butter, at heavily subsidised prices, are used in the food processing industry and as animal feed.

While action was taken by the EEC to introduce marketing quotas in 1984, subsidies on the manufacture of skim-milk into milk powder, calf feed and casein continued to be one of the most costly items under the EEC's support policy. In a world where 38,000 young children die every day from disease and malnutrition and millions more go hungry, there is no economic or moral justification for getting rid of milk powder and butter at low prices, as animal feed.

While in London in 1980 I learned of an international convention which has the effect of limiting the use of surplus food as aid. Following the publication of *200 Million Hungry Children* I was invited to give evidence before the Agriculture Committee of the House of Commons. The Committee was considering increasing the export of the EEC's surplus dairy products, either subsidised or free, to undernourished people in developing countries.

The British Overseas Development Administration (ODA) was also giving evidence. When the ODA opposed any increase in food aid the Committee was obviously surprised until it was explained that, under an international convention, surplus food used in this way must be paid for with aid funds at the full market price. With aid funds limited, they could not recommend the use of these funds for additional food aid, rather than for capital works and for development in the Third World.

The Committee agreed but in their report stated: 'The convention itself, applied to a surplus product which is not only valueless but a positive expense to the owners, strikes us as indefensible

nonsense'. They recommended that the convention be abandoned as early as possible.² However, when I enquired in 1988, this convention was still in force.

The restriction this convention places on the use of surplus food for starving children was highlighted during the African famine. Although the EEC had 14 million tonnes of surplus grain in store, the 1.4 million tonnes of grain they sent to Africa for famine relief had not come from this grain mountain. It had been bought on the cheaper world spot market. The EEC could not afford to buy back the more expensive grain from their own store.

The Role of Milk

Milk is nature's perfect food, containing fat, protein, sugar and inorganic salts as well as minerals and vitamins. In the Third World, where there is a shortage of protein, milk is a valuable component of the diet, its protein having all the essential amino acids.

A few Third World countries inherited, from the colonial era, dairy industries for processing locally-produced milk. Other countries met their demand for milk by importing manufactured dairy products from the West. And in many regions, particularly in the Indian sub-continent, it was the practice to keep buffaloes, cows or goats for the supply of milk, even in urban areas.

Since the second World War, technological developments have encouraged international dairy companies to transfer the manufacture of dairy products to Third World countries. For example, countries in South East Asia previously depending on imported sweetened condensed milk, can now manufacture it from imported milk powder and local vegetable fat and sugar. This results in a considerable saving in foreign exchange and provides local employment. However, cheap surplus milk powder on world markets, which has encouraged this, will become less available as the EEC and North America limit milk production to market requirements. This factor and the extreme shortage of

foreign exchange in developing countries, is encouraging governments to restrict all imports and develop local milk production.

The proven achievement of Operation Flood, which could be adopted by many developing countries with a potential to produce milk, is the system of collection depots and producer-owned co-operatives. In this system producers, however small, can be guaranteed a market for all the milk they wish to sell while their co-operatives make available all the services and inputs they need, such as concentrated feed, veterinary services and artificial insemination. A country may choose ultimately to establish its own dairy product manufacturing industry, but in the meantime it can require that existing commercial dairies accept locally-produced milk.

While these developments may initially make only a limited impact on child malnutrition, the benefits will 'trickle down', especially as governments take more responsibility for meeting the needs of children. Dr Kurien reports that in the Kaira district, where the ideas which led to Operation Flood were introduced over 40 years ago, there is evidence that farmers are retaining more milk for their own use and that there is an increasing local demand for milk. These are developments that can be expected in other places.

A good example of the way in which an established milk processing dairy could be used to encourage production by peasant farmers comes from Zimbabwe.

Proposed Dairy Development in Zimbabwe

Zimbabwe, at the time of Independence in 1980, had 460 modern dairy farms each with an average daily production of around 800 litre of milk. Milk is sold to the government Dairy Marketing Board for processing, for sale as liquid milk, and for manufacture into a range of dairy products.

There are nearly 5 million peasant farmers in Zimbabwe who keep approximately a million indigenous cows; the small amount of milk they give is consumed where it is produced. The peasant farmers make a significant contribution to agricultural production in other ways, being responsible for 20 per cent of all cattle sales

and 40 per cent of cotton production. As stated later in this chapter, they now make an important contribution to the production of maize. Development of milk production by the peasant farmers would not only help to meet the growing demand for milk but would give them an increased income and improve their farming operations.

The communal lands occupied by these farmers extend over some 45 per cent of the country. At present these lands are overgrazed, very often by poor cattle with limited market value. Government policy is to improve the cattle and provide the peasant farmers with a viable market for milk. Unfortunately these lands are poorly served by roads, and electricity is only available in a few areas. Following the nation's Independence, the Dairy Marketing Board made plans to build a series of collection depots in the communal areas, to which farmers could bring their milk. In these depots the milk would be cooled and would be collected by bulk milk tankers for transport to one of the existing processing dairies. Once this system is in operation it would be possible to improve milk production through better breeding and feeding, and to establish dairy farming as a source of revenue for the peasant farmers. These plans, and plans to distribute free school milk, have been shelved due to lack of funds. Up to 1987, only one collection depot had been completed and was in operation.

Lactose Intolerance

Lactose, or milk sugar, is digested in the small intestine by an enzyme called lactase. If there is insufficient lactase present, undigested lactose passes into the large intestine and causes pain and diarrhoea. This condition is referred to as 'lactose intolerance'. It is often found in adults in Africa, Asia and Latin America, particularly if they have not been in the habit of drinking milk. However, it does not mean that milk cannot be taken, and in the case of children, who usually take milk in relatively small quantities, it seldom has any ill effect.

In the 70s the idea was current in the West that people in the Third World were unable to digest milk and therefore it was no use making surplus milk powder available as food aid. Following the publication of *200 Million Hungry Children* in 1980, I travelled in Europe, in Australia and in New Zealand, speaking on the needs of developing countries and in particular of the need for milk to help answer widespread malnutrition among children. I soon learned that someone in the audience would always object to this suggestion on the grounds that Asian people, including children, could not take milk. I came to the conclusion that this idea was being encouraged in the West by people wanting to justify the disposal of large quantities of milk powder as animal feed, while children starved in the Third World.

In 1972, when the lactose intolerance debate was at its height, the FAO/WHO/UNICEF Protein Advisory Group issued a statement which said in part:

Milk is considered a virtually complete food and in the developing areas of the world, where protein deficiency is widespread and protein-calorie malnutrition a serious childhood problem, the use of milk for child feeding programmes is strongly advocated by all nutrition experts. It would be highly inappropriate, on the basis of present evidence, to discourage programmes to improve milk supplies and increase milk consumption among children because of a fear of lactose intolerance.

While the lactose intolerance scare seems to have died down it is still important to make the position clear, in view of the urgent need for milk protein for malnourished children in developing countries.

Producing and Marketing Food

Peasant farmers in developing countries are usually poor and have no financial security. They cannot grow crops for sale unless there is an accessible market where they are guaranteed a fair price.

Dr Kurien, backed by his experience with successful dairy and oilseed co-operatives, stresses that productivity is not improved so much through improving the farm inputs — seed, fertiliser, pesticides and water supply — as by providing an assured market, a fair price, and a reasonably efficient system through which farmers can market their produce and receive the maximum share of the consumer's money. Whether or not one agrees with Dr Kurien on the role of inputs, one cannot dispute the need for an easily accessible market and a viable price.

I remember Dr E.F. Schumacher, author of the best-seller *Small is Beautiful*, illustrating the need for sound marketing arrangements in a talk at the Moral Re-Armament conference centre in Switzerland in 1977. He told of an overseas mission which visited a remote region of Africa and showed the local farmers how they could double their yield. These suggestions were put into practice and the mission went away happy. A year or two later they returned to see how the farmers were getting on, and were angry to find that they had reverted to their previous methods.

'So', continued Dr Schumacher, 'one of our Intermediate Technology group went to have a look. They found that communication between the region and the city was very poor. All the produce had to be carried to market on the heads of the women. After the first season of carrying twice as much on their heads the women told their men that they could choose between the second crop and their women but could not have both. So being wise men they reverted to their earlier methods of production.'

Dr Schumacher went on to explain that this was a region that had no experience of cart-building. Members of his organisation showed them how to build carts and all was well.

Hope Out Of Africa

Dr Kurien's view is also well illustrated by Zimbabwe's experience. The production of maize by peasant farmers has been more than trebled since 1980. UNICEF reports:

Well over half the nation's maize is now grown by the small-scale, mainly subsistence farmers, many of them women, who used to account for only a third of production. In 1985 small farmers harvested 1.8 million tonnes of maize, more than three times their previous average.

To boost production by small farmers, the government has set prices high enough to guarantee them a profit and provide the incentive to grow more. A network of distribution centres makes seeds, fertilisers, pesticides and tools readily available. New grain storage depots and crop collection points enable farmers to market their produce without paying high transport costs. And the number of agricultural extension workers has been increased, to help small farmers adopt modern methods.

But the single most important factor in raising small farmers' yields has been the government's agricultural lending policy. In 1985 the government loaned about \$35 million to 90,000 small farmers. Production has surged even among the 90 per cent of peasant farmers who have not taken out loans. The small farmers' share of marketed produce rose from 10 per cent in 1980 to 38 per cent in 1985; the value of their maize and cotton sales grew from \$17 million to \$218 million over the same period.³

One factor which has made this possible is the approach of Zimbabwe's government. Ever since coming to power at the end of the liberation war, it has pursued a policy of reconciliation. This has, to a remarkable degree, created the conditions whereby all the communities are contributing to national development. Ian Smith, formerly Prime Minister of the white minority regime, is still there, running his two farms. Thus the country differs from many others in Africa where conflict has halted development.

Development Needs

In Zimbabwe, as in many countries of Africa, major irrigation schemes are needed. While in the country I went to see the spectacular Victoria Falls, 1700 metres wide. I was given figures of the vast quantity of water flowing over the falls, even in dry weather.

Surely some of this water would help production in the adjoining province of Matabeleland.

Paul Harrison, in *The Greening of Africa*, draws attention to the advantages of avenue cultivation, especially for small farmers. With this system crops are grown between rows of leguminous trees. This improves soil fertility, makes mulch and green manure, improves moisture retention, reduces soil erosion and provides shelter for the growing crops. By planting trees in this way both they and the crops are looked after and much-needed firewood is provided. Trials are being carried out of planting seed through the mulch, without cultivation.

Avenue cultivation is also being tried in India with the avenues spaced the right distance apart for an animal drawn wheeled tool carrier, developed by the International Crop Research Institute for the Semi-Arid Tropics (ICRISAT). The tool carrier consists of a frame mounted on two wheels (which normally have pneumatic tyres) with a beam to which a bullock yoke is fastened. The frame has a tool bar on which a variety of implements can be mounted. A mechanical device raises the implement for transporting, and lowers it for working. A seat allows the operator to ride on the machine.

Use of the tool carrier greatly improves output from animal power. It reduces labour requirements and costs, and better cultivation increases agricultural production.

Food Production in Asia

In the mid 70s Dr Norman E. Borlaug, Nobel Laureate and a pioneer of the Green Revolution, spoke of the urgent need for long-term planning and action to increase food production in developing countries. He pointed out that the population of the Third World was expected to double in 40 years (by 2015) and food production must also double in the same period.

In Asia 80 per cent of land suitable for cultivation is already being cropped, so increased production must come mainly from growing two or more crops a year on the same land. This will call

for a considerable increase in irrigation, drainage and flood control. Asia is a continent of small farmers and it is usually the small farmers who achieve the highest yield per hectare, given the necessary inputs. In countries where there are few laws protecting the rights of tenant farmers, land reform is an essential prerequisite of increased production. A farmer must know that he and not just his landlord will benefit from improved yields.

Most governments in Asia have begun introducing measures to limit the size of holdings and provide for compensation for landlords releasing land. These have been implemented with varying degrees of success and in some cases have been largely ignored. Also, unless easy loans are available to new owners, they sometimes lack the finance and the equipment to farm for themselves.

Grain production in India had, until the mid 80s, increased at an average annual rate of 2.1 per cent and average production per hectare had gone up from 827 kg to over 1500 kg. A major factor in the increase in grain production, especially wheat and rice, was the ability of India, with a chain of agricultural colleges and research stations, to take advantage of the 'green revolution'. The large grain producing farms in particular were able to make good use of new varieties of seed and to increase the use of fertiliser — the total consumption of which, in India, increased from 306,000 tonnes in 1960-61 to 2.8 million tonnes in 1977-78.

However, in recent years this increase in production has not been maintained, and in 1988 India found it necessary to import both wheat and rice. While both floods and drought have taken their toll the government admits that other factors have had a part in slowing down grain production. Higher overseas prices have frequently encouraged the production of crops for export. For some years there has been a drop in the production of pulses, the main source of protein for the poor, as farmers have turned to more lucrative crops.

I learned recently of an interesting scheme in Thailand which is encouraging the growing and marketing of produce by peasant farmers. Along the Eastern border, the Thai Army is helping local

farmers to improve their land, and the villages now have flourishing fields of a variety of fruits and vegetables. This programme was initiated by the King of Thailand who referred to it as 'strategic development'. The King is deeply interested in rural development and parts of the gardens in the Royal Palace in Bangkok are devoted to pilot and experimental agricultural projects.

Water Management in Southern Asia

Nepal, in the Himalayan mountains, is one of the world's poorest countries. Of its 17 million people, over 50 per cent live in absolute poverty. An estimated 7.5 million tonnes of Nepal's trees are felled each year, mostly for firewood, while only 2.6 million tonnes are replaced by natural growth. This is devastating the country and causing serious soil erosion. The soil-loaded rivers, as they flow to the sea, do damage both in Nepal and in India.

Nepal has the potential to produce hydro-electric power. But to produce and distribute electricity to the scattered population in the mountains is far beyond the country's financial resources. So the Nepalese have to travel further and further from their homes to gather firewood, while topsoil, essential for the country's agriculture, is being washed away.

Bangladesh, another country where water management is crucial, has a population of over 100 million, 86 per cent of whom live in absolute poverty. Fifty per cent of the infants are born with low birth weight (2,500 grams or less), and start the struggle for survival with this handicap.

From this poverty-stricken country comes an outstanding story of how poor women are earning some income which helps them to meet their children's needs. UNICEF reports:

The Grameen Bank of Bangladesh (grameen means 'rural') has been lending to the poor, and especially to poor women, for the past ten years — and finding that the investment pays off.

'The popular belief that poor people are not bankable, that they cannot find a way to earn a living outside agriculture, that they cannot save, that they run out of ideas, that the rural power

structure will ensure that the bank fails, and that women in particular will not be able to borrow, have all proved to be myths', says Professor Muhammad Yunus, the Bank's architect and founder.

In 1976, Professor Yunus decided to test his faith in the rural poor with a credit scheme for villagers near the University of Chittagong, where he taught. He organised small groups of borrowers to share the responsibility for repayments, rather than demand traditional collateral like land. In fact Yunus excluded applicants who owned more than 0.2 hectares of land or possessions worth twice that — thereby making poverty a qualification for borrowing rather than grounds for rejection. The success of his undertaking attracted a grant from the Ford Foundation in 1979, and a \$17 million loan from the International Fund for Agricultural Development. By December 1985, 226 branches were serving over 171,000 borrowers in 3,600 villages across the nation.

More than 112,000 of these borrowers are women, and 65 per cent had no previous experience with banks or business. But the loans have been repaid. After nine years and \$13 million in loans ranging from 200 taka [US\$6] to 5,000 taka [US\$160], there were almost no defaulters. Most women borrowers have bought livestock, or agricultural tools: others have taken up trading or shopkeeping.

The Grameen Bank is continuing to expand: by 1993 some 2,000 branches are due to be serving almost half the country's landless poor — a quarter of the whole population.⁴

It has been estimated that with improved inputs — seeds, fertiliser, pesticides and extension services — grain production in Bangladesh could be increased to 22 million tonnes by the year 2003. With full irrigation and flood control, production could be increased to 50 million tonnes a year. At present a third of the country's foreign exchange comes from overseas aid, and grain received as food aid is sold to finance rural reconstruction. But Bangladesh urgently needs action taken to control the rivers of Southern Asia.

In 1987 and 1988 Bangladesh experienced vast floods. The floods of 1987 were considered then to be the worst the country had ever experienced, but those of 1988 were even more serious. The Ganges and the Brahmaputra rivers reached the highest levels ever recorded. Two thirds of the country was under water and up to a quarter of the population was rendered homeless. Many people died from drowning, starvation, snakebite and diarrhoea. The damage to roads, railways, bridges and all communications will leave the country crippled for a long time to come. The eastern states of India, through which the two rivers flow, also suffer serious flooding and drought year after year.

Talks between India and Bangladesh, aimed at bringing the two rivers under control, have been going on since 1976 with little progress. One suggestion has been the construction of huge reservoirs in Nepal and in the north east of India to hold the excess water of the Ganges and the Brahmaputra. Any action will involve Nepal, Bhutan and China as well as India and Bangladesh and will require expenditure far beyond the resources of the countries concerned. The whole matter needs to be considered by a committee representing all the countries, under the chairmanship of the United Nations and including representatives of the World Bank and the FAO.

In *200 Million Hungry Children* I described Project Garland Canal, a far reaching scheme to link the rivers of the Indian sub-continent, control floods, store water for irrigation and produce hydro-electric power. This project, the brainchild of an Indian engineer, Captain Dinshaw Dastur, had been thought out in considerable detail and, if implemented, would revolutionise the rural life of Southern Asia. The project envisaged the construction of 11,000 kilometres of canal connecting all the rivers, storing sufficient water to double the area of irrigated land during the dry period. The project has been considered by various authorities, including the FAO, but the project is so vast that no authority has been ready to consider its implementation. However some scheme along these lines is the only long-term answer to water management in southern Asia.

Early in 1989 Professor Masaki Nakajima, a director of Tokyo's Mitsubishi Research Institute, spoke in Delhi of a super project under consideration for hydroelectric power development in the Himalayan water system. He said it would cost \$5 to \$6 billion and would provide power generation of 2 to 3 million kilowatts by using the Brahmaputra water system. The power generated could meet the additional needs of Asia for energy and the scheme would save Bangladesh from floods.⁵

South America

Of all developing countries, the countries of South America are best placed to meet their own food needs, as well as the other needs of the poor. South America has a high proportion of land suitable for cultivation, only 15 per cent of which is at present arable land. The production of food has more than kept pace with population increase, although much of this food has been exported. Food distribution is extremely uneven, with the poorest section of the population having insufficient.

The question is not whether enough food can be produced in the world for the increasing population, but whether farmers in developing countries can be encouraged to produce the food needed. Given the inputs, a fair price and a guaranteed market within easy reach, the opinion is that most countries could meet their food needs. But this will call for co-operation from the industrialised countries and a better sharing of the world's resources.

Notes

1. *Food 2000*, A report of the Advisory Panel on Food Security, Agriculture, Forestry and Environment to the World Commission on Environment and Development. Zed Books, London 1987, pp.13, 14.
2. Agriculture Committee of the House of Commons, Session 1979-80 *Economic, Social and Health Implications for the United Kingdom of the Common Agricultural Policy on Milk and Dairy Products*. H.M. Stationery Office, London, 1980.
3. 'Zimbabwe: growing more food', UNICEF, *The State of the World's Children 1987*, p.68.
4. 'Bangladesh: credit for women', *ibid.*, p.60
5. *The Hindu Newspaper*, New Delhi, 19 Feb 89.

3

PROGRESS IN CHILD SURVIVAL

It is among children that ill health takes the greatest toll. The poorer the family the greater the likelihood of diarrhoeal disease, respiratory infections, stunted growth and early death. Therefore it is encouraging that UNICEF reported in *The State of the World's Children 1988* a slowdown in illness and in the death rate of children in the developing world.

Our generation is seeing, for the first time in human history, a fall not only in the rate but also in the absolute numbers of child deaths. In 1950, for example, the annual toll of under-five deaths exceeded 25 million. By 1980, that figure had been cut to just under 16 million. Today, it has almost certainly been brought down towards, and possibly even below, the 14 million mark. And this has been achieved despite a 25 per cent increase, since 1950, in the absolute number of births per year.

Such progress in reducing both child deaths and child births has been one of the greatest human achievements of this or any other century. Yet there are still an estimated 38,000 young children dying every day — yesterday, today, and tomorrow — from the combination of common infections and poor nutritional health.¹

Threats to Progress

But in 1989, UNICEF report that progress in child survival is threatened. While poverty has always seriously affected the lives of many millions of children, rising debts and the resulting

slowdown in development in large areas of the Third World are reversing the gains in child survival. In many nations spending on health and education has fallen steeply. And in many of the poorest countries rates of child malnutrition appear to be rising again after 40 years of steady progress. Urgently needed action on Third World debt reduction to restore development, is discussed in the next chapter.²

UNICEF also reports:

In a growing number of developing countries, AIDS is now a serious threat to the child survival gains of the 1980s... Recent reports indicate that, in some African countries, as many as one third of all cases occur in the very young. In some parts of Africa, 25 per cent of urban women of reproductive age are infected with HIV — meaning that approximately one in every ten urban children is being born with the AIDS virus.³

With no effective treatment or cure available the war against AIDS calls for a massive mobilisation effort involving all available means of education and communication. In the struggle against AIDS developing countries are now beginning to employ some of the social mobilisation techniques which have been so effectively used to promote child survival programmes, and which are outlined below. But any attempt to control the spread of AIDS will be restricted by a lack of development and a reduction in expenditure on health and education.

Child Survival Programme

UNICEF has been convinced that the death rate among children in the developing world is largely preventable, and can be halved if countries and people commit themselves to action in the child survival programme.

This includes:

1. Growth monitoring using growth charts to enable the mother to detect early signs of malnutrition and to deal with them.

2. Oral rehydration therapy (ORT), the simple treatment with salt and sugar or glucose in water for a child suffering from diarrhoeal dehydration, the number one child killer.
3. Breast-feeding coupled with good weaning practices.
4. Immunization against tetanus, measles, polio, whooping cough, diphtheria and tuberculosis.

Growth Monitoring

Growth monitoring is a valuable means of informing mothers of any slow-down in growth, before it becomes obvious. By regularly weighing a child and recording the result, lack of growth is made visible. UNICEF considers that in many developing countries over a third of the children are not growing as they should and will not therefore fulfil the physical and mental potential with which they were born.

Oral Rehydration Therapy

The biggest single killer of the world's children is dehydration caused by diarrhoea. Oral rehydration therapy is so effective in combating dehydration that it is being used in the world's most sophisticated hospitals, so simple that it can be used by all parents in their own homes, and so inexpensive that it can be afforded by almost every family on earth. According to WHO, ORT may be preventing 750,000 to one million dehydration deaths a year. Global production of oral rehydration salts has reached 300 million litres annually. Countries are increasingly encouraging parents to use ORT through health services, schools, mass media and non-governmental organisations. UNICEF gives the achievements of Egypt as an example:

In Egypt . tens of thousands of medical personnel at all levels have been trained to show parents how to use ORT and the message has been reinforced with massive television and radio coverage. The result, according to the chairman of the Egyptian Physicians Association, is that child deaths from diarrhoeal

dehydration, which used to exceed 100,000 a year, have been 'approximately cut in half by the ORT effort'.⁴

UNICEF reports that the most serious problem in extending the use of ORT is the lack of doctors, nurses and health workers who have been properly trained in the management of diarrhoea using ORT. Many doctors and health workers continue to prescribe anti-diarrhoeal drugs which are either useless or harmful. Many still advise parents to withhold food from a child who has diarrhoea — the worst possible advice.

Breast-Feeding

Breast-feeding is one of the best ways of ensuring that infants born to poor parents will survive. Breast-milk is nutritious and hygienic and helps to immunize the infant against common infections.

It is one of the remarkable gifts of nature that a malnourished mother can meet the needs of her infant from breast-feeding for at least the first four months of the baby's life. Mothers are encouraged to continue breast-feeding well into the second year, with the addition of suitable weaning foods at four to six months of age. Continued breast-feeding also helps to prevent another pregnancy. Although not totally dependable, it is considered that breast-feeding still prevents more conceptions than family planning programmes. And it is now accepted that a period of at least two years between births considerably reduces the risk of child deaths.

In the 70s there was a trend in the developing countries away from breast-feeding and towards bottle-feeding with prepared infant foods. The commercial promotion of bottle-feeding among illiterate women, as a superior modern practice, was fraught with serious consequences. Bottles were used without proper washing or sterilising as most poor women lacked an understanding of sterilisation or the means to carry it out. Nor could poor mothers afford to buy relatively expensive prepared foods, and they used less than the prescribed amount, resulting in serious infant malnutrition.

Growing evidence from around the world clearly indicated the tragic results of the promotion of bottle-feeding with prepared infant foods. After surveying 33 comparative studies of breast- and bottle-feeding in different parts of the world, Dr Anne Hill of the London School of Hygiene and Tropical Medicine concluded that the risk of death in infancy was three times higher for 'mixed fed' babies (both breast and bottle) and five times higher for babies exclusively bottle-fed.

The dramatic effects of changing from bottle-feeding to breast-feeding were illustrated by the experience of the Baguio General Hospital in the Philippines. Over the years the practice had developed of separating newborn babies from their mothers and feeding them powdered milk. All this changed when, in 1975, Dr Clavano, Chief Paediatrician at Baguio, returned to the Philippines after working with Dr David Morley at London's Institute of Child Health. She had become convinced that the decline in breast-feeding was one of the most serious threats to the health and lives of infants in the developing world.

Determined to start a campaign for breast-feeding in Baguio City and the rest of the country, she stopped the practice in the General Hospital of starter doses of infant formula for babies and ensured that they were breast-fed only. There was a noticeable drop in infant illness, and when the effects of the change were evaluated the result was startling.

A comparison was made between 4,720 babies born during the two years before the change, and 5,166 babies born during the two years after the change. It was found that the incidence of clinical infection had fallen by 88 per cent, diarrhoeal infection by 93 per cent, and that infant deaths had fallen by 95 per cent. Over the whole four-year period, 67 babies died in the hospital. All but two had been bottle-fed. Of the babies who died, 38 were victims of diarrhoea: all had been bottle-fed.⁵

WHO and UNICEF combined to draw worldwide attention to the dangers of artificial feeding. In May 1981, an International Code of Marketing of Breastmilk Substitutes was passed by the

WHO Assembly, meeting in Geneva. This code restricts the advertising and promotion of milk substitutes. A number of developing countries have introduced laws based on this code, and other countries are taking action to prevent misleading advertising. There has also been some return to breast-feeding in industrialised countries. Breast-feeding is still the common practice in most of the countries of Africa, with infants being breast-fed well into the second year of life.

Bottle-feeding with prepared infant foods is still being promoted commercially in some Third World countries, calling for continual vigilance on the part of health authorities. In the case of illness of the child or mother, including severe child malnutrition, the use of prepared foods may be necessary. Prepared foods are also often used in refugee camps and in supplementary child feeding programmes.

Immunization

According to UNICEF, six children are dying and another six are being physically or mentally disabled every minute of the day and night because immunization, a technology which has been universally available to the rich for over 30 years, has not yet been made available to a majority of the poor. In the developing countries, governments are responding to the call to achieve the goal of immunization of all children.⁶

UNICEF records that, in the 80s, just three vaccine-preventable infections — measles, whooping cough and tetanus — have killed approximately 25 million young children — more than the entire under-five population of the United States or Western Europe. And that we have the low-cost means to stop this unconscionable carnage, and to stop it within the next few years. If we do not use these means then our pretensions towards civilization and our hopes of human progress will not stand up to any further examination. In the last five years immunisation has gathered momentum, and it is vital that this momentum be maintained.⁷

Present trends suggest that approximately thirty nations will fall short of the 1990 target unless a supreme effort is mounted.

The main problem is not finding the vaccines or the syringes or the refrigerators. It is in finding the political commitment, finding the management and organisational skills, and finding the ways and means to inform all parents that pregnant women need to be vaccinated against tetanus and that all children need a full course of vaccines before the age of one.⁸

Many governments have already taken up the challenge. UNICEF reports that the Finance Minister of Pakistan told the annual meeting of the International Monetary Fund and World Bank in Seoul in 1986:

Must we spend a good part of our development budgets to provide facilities for the rich and privileged? For I discovered from my own experience that it took only the postponement of one expensive urban hospital to finance the entire cost of an accelerated immunization and health care programme for all our children. Is it not our own responsibility to correct our distorted priorities and prices before making fervent appeals for the correction of international irrationalities?⁹

In Pakistan 50 per cent of the children were immunized in 1985-86 compared to 3-11 per cent in 1981.

The following examples of action taken to immunize children are taken from UNICEF's reports.

At the end of 1984, in the West African nation of Burkina Faso (formerly Upper Volta), one of the poorest nations in the world with a population of nearly seven million, over a million children were immunized in a single three-week vaccination 'commando'. This campaign, which protected 70 per cent of the nation's under 14-year olds against three major diseases — yellow fever, meningitis and measles — has led to the 'one village-one health post' programme which aims to put a health worker in each of the nation's 7,500 villages.

In Colombia, the immunization crusade began in 1984 with the help of 60,000 volunteers, and the rate of vaccination of children under five was lifted to 60 per cent. Colombia plans to have a

trained force of 362,000 volunteers who will shield the vast majority of Columbia's four million children from needless death and disability.

In India, Prime Minister Rajiv Gandhi has decided that the immunization of all the country's children by the year 1990 is to be a living memorial to the memory of his mother, the late Prime Minister, Indira Gandhi.

Every year for three years, the civil war in El Salvador was stopped for 'three days of tranquility' so that the nation's children could be immunized. And in September 1987, Lebanon's capital, Beirut, also saw the first of 'three planned days of tranquility', as leaders on all sides co-operated to allow the city's children to be vaccinated.

The immunization programme is receiving valuable assistance from non-governmental organisations, from both developed and developing countries. Rotary International has chosen as a major project the immunization of children against polio in developing countries. By mid-1988 over 100 million children had been immunized under Rotary's PolioPlus programme. The World Health Organisation calculates that this programme has prevented the development of polio in 500,000 cases, of which 10 per cent would have resulted in death. This estimate is based on Rotary's delivery of more than 402 million doses of polio vaccine to the governments of developing countries, for ongoing immunization programmes.

Blindness

Newborn infants depend on the vitamin A stored in their livers before birth, and from their mother's breast milk. When the mother is deficient in vitamin A there is a high risk of blindness for the infant.

It is difficult to obtain an accurate estimate of the number of children in the developing world blinded by xerophthalmia, which is caused by a lack of vitamin A in the diet. In 1988 WHO estimated that globally, irreversible sight loss occurs in more than

250,000 children every year due to vitamin A deficiency. A high proportion die soon afterwards, and at least five million other children become night blind. Even mild vitamin A deficiency increases the rate of infections and child mortality. Children between one and five are at greatest risk.¹⁰

Each year, vitamin A deficiency blinds 30,000 Bangladeshi children and leaves several hundred thousand more with impaired vision and vulnerability to infections and respiratory diseases. Under the latest programme of the Bangladesh Rural Advancement Committee (BRAC), over the next four years every child, aged from six months to six years, in a quarter of the country's population, will get a vitamin A capsule every six months.

In 1987, while in India, I visited the Moral Re-Armament conference centre in Panchgani, Maharashtra. My visit fortunately coincided with that of 23 members of the Blind Graduates Forum of India, who were attending a three-day seminar. During discussions I mentioned my understanding that 10,000 to 12,000 Indians, mostly children, were blinded every year. They considered this to be an underestimate and put the figure at not less than 80,000 a year. Being with this cheerful group who, although blind, were keen to participate in all that was going on, was a humbling experience.

Action in Indian Villages

India has over 500,000 villages and, in a number of them, progress is being made in improving health and hygiene, in helping village farmers to adopt better methods of production, and in training women in embroidery and other crafts. In one village I visited in the state of Bihar, I was taken into a house where the wife of the personnel manager of the local factory was teaching women to embroider saris, which were then sold in Bombay.

It is quite usual for commercial companies and city organisations to 'adopt' a group of villages, and make themselves responsible for their development. In Jamshedpur, Bihar, the Tata group of companies 'adopt' a number of the surrounding villages. These villages are encouraged to produce a range of items needed

by the Tata factories, such as cleaning cloths, floor brooms, wooden boxes for spare parts, and lettuces and other garden produce for the canteens.

Eye specialists give their time to running voluntary 'eye camps', and I know of one group of medical students from Bombay who give their weekends to help in village clinics.

Dr Berke Vaughan, an Australian friend of mine who is a medical doctor, visited Jamkhed, in the heart of rural India, to see the local health project. This project was started in 1970 by Dr and Mrs Arole, both medical doctors. On his return Dr Vaughan sent me a copy of the following report:

Early in the project the Aroles discovered an important principle, that Indian villagers are suspicious of outsiders, even other Indians, but will listen to their own village women who have been trained. The Aroles decided to select one woman from each village nearby and to train her. These Village Health Workers (VHWs), have eagerly taken up this work and scepticism among their menfolk has changed to strong support as the effects of their work became evident. Medicine, minor surgery, midwifery and public health teaching have become the centre of their lives. 175 villages have so far entered the scheme and the number is growing.

The results have been spectacular. Infant mortality has plummeted; ninety-one per cent of preschool children have been immunized; childbirth has become safe; family planning has been popularised and a mantle of safety has been spread over 250,000 people. There is no ostentation in the work. The base hospital in Jamkhed is strictly functional but adequately equipped. Wards are small and patients are admitted to each ward as a village unit regardless of sex. Patients are assisted by their relatives who keep the wards clean and there is a notable family atmosphere. In fact the dominating impression was an unusual blend of compassion and efficiency. No need escapes attention.

To the Aroles health is indivisible. Tuberculosis is cured as much by nutrition as it is by drugs. The whole gamut of village

life comes under scrutiny — food, clean water, hygiene, superstition, employment, agriculture — all these are discussed in open village forums. Young farmers clubs are springing up in each village; reafforestation, water conservation engineering and veterinary medicine are having profound effects. In one area visited, 375,000 trees have been planted.

Probably the most profound effect of this work is the liberation of women. Village women function only as wives and mothers, their opinions are never sought, they exist only to serve their husbands. Now womens' clubs have sprung up all over the district, caste and religious barriers have broken down and, at the regular meetings of the VHW, women of all castes are meeting together and pooling their experiences. Women are the traditional keepers of superstitions, customs and prejudices, so enlightenment alters the whole core of village life.

The Jamkhed project is being taken up by the World Health Organisation as a model for developing countries and the Aroles' visitors book has much of the Third World in its pages. The Aroles do not parade the source of their commitment but it is clearly to the One who said, 'I am among you as one that serveth'.

In many countries of the Third World one finds similar dedication and commitment, which is vital to child survival programmes.

In Zimbabwe, in 1982, I visited some of the Play Centres which are scattered throughout the country. At one, a large hall with a concrete floor, I was greeted by 70 women, some with young babies. They were spending a week together, receiving instruction on simple hygiene, nutrition and child care. After an interesting discussion with the group, as I turned to leave, the lady in charge asked me to wait as they would like to sing for me. Anyone who has heard Africans sing will appreciate why I found this to be a moving experience. It is the care and commitment of the many thousands of people in the Third World who give their time and knowledge to teach, and the eagerness of those who want to learn, that helps to give one hope for the future. Yet one longs to see the advantages of modern medicine made available to all men, women, and children — especially the children!

UNICEF writes:

The driving force behind the next advance in child well-being will not be medical or scientific. It will be political and social. For it depends upon a political commitment, at all levels of national life, to mobilise all possible organised resources behind the task of informing and supporting parents in applying today's knowledge.¹¹

But much depends on whether the massive problem of Third World debt can be solved. For that is denying precious resources to such programmes.

Notes

1. UNICEF, *The State of the World's Children 1988*, p.23.
2. Ibid., 1989, pp.1-2.
3. Ibid., 1989, p.70.
4. Ibid., 1988, p.17.
5. Ibid., 1984, p.28.
6. Ibid., 1987, p.34.
7. Ibid., 1988, p.13.
8. Ibid., 1988, p.14.
9. Ibid., 1987, p.17.
10. *Expanded Programme on Immunization*, WHO Update, December 1988.
11. Op. cit., 1988, p.23.

AID, TRADE AND THIRD WORLD DEBTS

Overseas Aid

The first major programme of aid for developing countries was initiated by the United States in 1949. President Truman, in launching this programme during his inaugural address in January 1949, said, 'We must embark on a bold new programme for making the benefits of our scientific advances and industrial progress available for the improvement and growth of the underdeveloped areas'.

Official Development Assistance (ODA) or government aid, is donated by member countries of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD).¹ In general, development assistance is part of the International Development Strategy formulated by the United Nations. Overseas aid is also donated by the Organisation of Petroleum Exporting Countries (OPEC), and the Eastern bloc make some donations, mainly to countries within their own sphere of influence.

In 1970 it was agreed by the United Nations that developed nations should contribute 0.7 per cent of their GNP as development aid. Industrialised nations, with the exception of the United States and Switzerland, ratified this decision but without making any commitment as to the date when their ODA would reach 0.7 per cent. In 1987 only four countries, Norway, the Netherlands, Denmark and Sweden gave more than 0.7 per cent of their GNP

as ODA. Over 75 per cent of the aid given by Norway and Sweden is given 'without strings attached'.

From 1970 to 1986 the average annual ODA from DAC countries varied between 0.34 per cent and 0.37 per cent of the GNP of donor countries.² The average ODA for 1987 was 0.34 per cent of the GNP. ODA from Australia, which reached 0.5 per cent of GNP in the early 80s, has fallen steadily in real terms and for the 1989-90 financial year will be just over 0.3 per cent of GNP.

ODA donated by Japan was 0.27 per cent of the country's GNP in 1986 and just over 0.3 per cent in 1987. According to reports Japan is considering increasing ODA to 0.4 per cent of GNP, with a commitment to reach 0.35 per cent by 1992. In money terms, Japan has topped the USA as the world's largest provider of ODA with a pledge, in 1989, to provide \$10 billion. Consideration is also being given to relaxing some of the tight conditions which have meant that, in the past, much of their aid has been tied to the use of Japanese equipment and companies. It is also proposed that in future the grant element of their assistance to the poorest countries will be increased.

At the present time of financial crisis for developing countries, it is essential for industrialised countries to reach the target of 0.7 per cent. This would mean an extra expenditure of some \$50 billion a year, about the same amount as the military expenditure by the industrialised world every four weeks.

Generally around 25 per cent of ODA is given as multilateral aid to institutions such as the World Bank, the Asian Development Bank and the United Nations agencies. The balance is given as bilateral aid, usually as the result of direct negotiations between donor and recipient governments. About half of all bilateral aid is tied to goods and services from the donor country. While this can develop valuable links, it is subject to abuse when aid is tied to goods the use of which favours the donor rather than the developing country concerned. It has been estimated that aid is worth at least 20 per cent more to a developing country if it is not tied, leaving the developing country free to obtain lower prices by buying on the open market.

Some donors give aid in the form of repayable loans which, to qualify as ODA, must be on concessional terms with a long payback period. There is often a lack of co-ordination between the donor countries which, coupled with inexperience in economic planning in some developing countries, can lead to the inefficient use of aid. Supplying the same equipment from different sources can also create problems. Lack of standardisation increases the cost of training personnel and the cost of spare parts.

Bilateral aid is at times used as an instrument of political advantage or military strategy, and this leads to public disillusionment with aid. There is also an understandable temptation to withhold aid from a government acting in a way that inflicts hardship and suffering on its own people. Unfortunately when aid is withheld it is usually the poor, especially the children, who suffer rather than members of the government concerned.

The poorest, or least developed countries, most of which are in Africa, are in the greatest need of overseas aid. But they tend not to attract it, due largely to their inability to trade with the donor countries. Their needs were discussed at a meeting of donors in Paris in 1981. It was agreed that, to be able to develop, the poorest countries needed aid annually of 0.15 per cent of the GNP of the donors. Since that Paris meeting, donations have averaged less than 0.09 per cent. At the United Nations Conference on Trade and Development (UNCTAD) in July 1987, officials from Bangladesh and other developing countries again asked for an increase in aid to the poorest countries.

In *The State of the World's Children 1989*, UNICEF report:

Taking the Western industrialised nations as a whole, over half of all bilateral aid is now tied to the purchase of goods and services from the donor country; less than 25 per cent of the assistance given goes to the 40 least developed countries; less than 15 per cent goes to the agricultural sector, which provides the livelihood for the poor majority in almost all developing countries; less than 11 per cent goes to education; and less than 5 per cent goes to health and birth spacing combined.³

In order to assist the least developed countries, 15 industrialised countries have cancelled their debts to the extent of \$3.9 billion. The Netherlands has cancelled all the debts of the least developed countries, totalling approximately \$10 million.

Economic Co-operation

Following the Bretton Woods conference in 1944, the International Bank for Reconstruction and Development (The World Bank), the International Monetary Fund (IMF) and the General Agreement on Tariffs and Trade (GATT) were established to foster economic co-operation between rich and poor nations.

The World Bank, with its affiliated bank lending on concessional terms, is the major source of finance and technical assistance in Third World development. It recognises the importance of rural development and the critical need for increased food production, especially in sub-Saharan Africa. However the World Bank is not organised in a way that encourages projects related directly to the needs of peasant farmers. It is at times criticised for concentrating on major developments at the expense of grassroots projects of more immediate benefit to peasants living in poverty. While the World Bank is an important channel of multilateral ODA, the growing trend of making greater use of non-governmental aid organisations may help to rectify this situation.

The task of the IMF was to regulate exchange rates, to provide bridging finance to countries with external deficits and, more recently, to give balance-of-payments assistance to countries whose reserves come under pressure. However, since 1980, the IMF has been concerned mainly with the task of regulating international debts. It lends from its own resources and assists in negotiations between debtor and creditor countries. The IMF is frequently regarded by developed countries as the agent of the banks, whose duty it is to obtain the best possible deal from Third World debtors. At times the IMF has imposed strict conditions on loans, including a requirement that currency be devalued and food subsidies be withdrawn. The resultant hardship has in some

countries led to riots, and breakdown of the agreements which had been reached.

Francis Blanchard, Retiring Director-General of the International Labour Office (ILO), commented that while IMF prescriptions have produced dramatic results in many countries, 'the world cannot go on applying huge doses of medicine that runs the risk of killing the patient'. The increasing search for a satisfactory solution to the problem of Third World debts will, no doubt, clarify the role of the IMF.

EEC Overseas Aid

In November 1982 the European Communities Commission reviewed their official overseas aid. They reported that, despite many good intentions, development aid over the previous twenty years had failed to live up to the high hopes originally placed in it, in bridging the gap between the world's rich and poor. Concern was expressed that, in two decades, the poor had grown relatively poorer; the hungry had increased in number, and fragile environments had deteriorated. It was admitted that, despite the effort, something had gone wrong. The report continues:

Although there has been a rise in life expectancy since 1960 from an average 53 to 61 years, and remarkable strides in adult literacy, the per capita income of 2 billion people (including India and China) has increased by no more than \$70 in twenty years, compared with industrialised countries where it went up on average by \$5,081.

The situation is not only a reflection on Community aid policies but on aid policies world wide. Although Official Development Aid (ODA) — that is, from public bodies — has increased by 2.7 per cent a year over the last twenty years, it has barely stayed ahead of population growth rates and, ironically, does not go to those who need it most. In 1979, middle income countries were receiving bilateral aid to the tune of \$12 a head, against \$5 a head for the poorest countries.

The Commission went on to propose a number of changes and concluded:

Despite criticism that can be levelled at it, Community development policy has been more generous and innovative than that found in other major industrial countries, and Lomé is a genuine attempt to engender close co-operation and partnership between donor and recipients of aid.⁴

The Lomé Convention, one of the world's most important aid agreements, was signed in 1975 by the EEC and 46 African, Caribbean and Pacific States (ACP); the agreement has since been extended to include a total of 66 ACP countries. Under this agreement, which is negotiated every five years, the EEC removes tariff restrictions on a range of imports, and assists the 66 countries in other ways. An income stabilising mechanism, Stabex, is included. This is a form of insurance against losses in the value of exports from the Third World countries concerned.

A task force of the joint World Bank-International Monetary Fund Development Committee recently conducted a three year inquiry into overseas aid and concluded: 'Though there remains room for improvement in the provision and use of aid, most aid has been productive and helpful in development'. The unanimous agreement of the 18 members of the task force was that aid is likely to be inadequate in the coming years, unless donor governments redouble their efforts to increase aid flows as a matter of urgency.⁵

Non-governmental Aid

Non-governmental organisations (NGOs) have an increasingly important role to play in developing countries. A member of the OECD's Development Co-operation Directorate stated recently that several thousand NGOs from developed countries are active in development, and that their aid for people in poor countries is out of proportion to their financial size. The report continues:

NGO staff, although not always as highly qualified or experienced as others, are usually very committed to their work and can operate more flexibly, subject to fewer rules and regulations, and hence more rapidly.

In general, NGOs obtain most of their funds from voluntary donations; official contributions represent on average about one third of their expenditures. In 1985, NGO grants from privately raised funds amounted to \$2.9 billion, the equivalent of just under 10 per cent of all official development assistance from DAC countries.

A particular feature of the 1980s has been the appearance of local partners in developing countries — the so-called 'NGOs of the South'. It was estimated in 1985 by the Club of Rome that local NGOs may involve as many as 60 million people in Asia, 25 million in Latin America and 12 million in Africa. They have thus become significant agents and catalysts of development in their respective countries.⁶

A number of countries, including the EEC and Australia, channel a portion of their official aid through NGOs. In this way advantage can be taken of the speed and flexibility with which NGOs work. The government of Australia decided recently to channel an increased proportion of its official aid through Australian NGOs, of which some 80 are approved as eligible for government funds, under the Project Subsidy Scheme administered by the Australian International Development Assistance Bureau.

UNICEF sums up the important role of NGOs:

Especially over the last decade, development projects funded by voluntary organisations in the industrialised world, and increasingly administered by their indigenous counterparts in the developing world, have pioneered the path towards the kind of aid-assisted development efforts which meet the needs and enhance the capacities of the poor, which encourage the participation of communities they seek to assist, which recognise the role and the needs of women in the development process, which are sensitive to environmental considerations, and which give thought to the sustainability of that which is being initiated.

Such efforts are examples of the true spirit of development aid. And the fact that their primary purpose is to alleviate poverty — by helping to empower people to improve their own lives — is the main reason for the vast public support they have received in the 1980s.⁷

The Third World Economy

Aid cannot remain indefinitely the basis of a country's economy. Trade is essential to enable a country to earn foreign exchange, to pay for imports necessary for development. Apart from the few Newly Industrialised Countries, developing countries earn the bulk of their income from the export of a limited range of primary products and minerals. During the 70s, when international trade was good and commodity prices high, governments of these countries, anxious to implement their new development programmes, entered into short term loans, often with the encouragement of overseas banks. Since 1980, recession has slowed international trade. By 1988 the average price of commodities had fallen by 36 per cent.

A Common Fund for Commodities was adopted within the United Nations Conference on Trade and Development (UNCTAD) in 1980, to come into force in June 1989, following ratification by 103 countries. The Fund will act as banker for the buffer-stock operations of International Commodity Organisations (ICOs) associated with it, and will finance commodity development measures. While the Common Fund will be a catalyst for the negotiation of price stabilisation agreements, developing countries in particular are interested in commodity development measures.⁸

The reduced demand for the developing world's raw materials is partly the result of weak economic growth in the industrialised nations and advances in materials science and production processes. In 1986 alone falling raw material prices reduced the export earnings of sub-Saharan Africa by \$19 billion, about four times the amount received as overseas aid.

Thirty three per cent or more of the overseas earnings of many developing countries goes into making capital and interest repayments on overseas loans. UNICEF reports that if sub-Saharan Africa were to meet its debt and interest payments for 1988-89, then such payments would claim more than half of the region's export earnings. The difference between the amounts due and the amounts paid will be added to the region's debt.⁹

Oil-importing developing countries, after paying for essential imports, frequently lack an economic framework essential for development. Where developing countries attempt to increase foreign exchange earnings by processing their commodities prior to export, they are likely to find overseas markets closed by protective tariffs.

Even the advantage of relatively low-cost labour is being offset by technical developments. Australia, a major importer of tea from Indonesia, India and Sri Lanka, could not grow tea in the past, due to the high cost of labour. Tea is now being grown in Queensland, and harvested with the help of a mechanical plucker. Rice is exported by Australia, as well as by the USA, at prices that compete with Thailand, the main supplier of rice on world markets. This has been made possible by the extensive use of mechanisation during production, and by export subsidies in the case of the USA.

A number of developing countries have a climate which is suitable for the production of sugar cane, and would like to increase their production in order to increase foreign exchange earnings. However world markets are already over-supplied, and prices are depressed, mainly due to the EEC export of beet sugar at highly subsidised prices. Until 1975 the EEC imported sugar, but it is now the largest exporter of sugar onto world markets.

In the late 60s farmers in the South Island of New Zealand considered growing sugar beet. Neighbouring Fiji was, at that time, dependent on the New Zealand market for the sale of its sugar, which earned over 60 per cent of the country's foreign exchange. A group of New Zealand farmers, aware of the impact the loss of the New Zealand market would have on Fiji, convinced

their government that the country should continue to import sugar rather than grow its own. New Zealand has continued this policy to the benefit of countries like Fiji.

A New Partnership Between Rich and Poor

A similar largeness of vision was shown in the agreement to stabilise the price of jute on the world market, which demonstrates that the price of a basic raw material can be freely negotiated between industrialised and developing nations as between equal partners.

It started with Robert Carmichael, a leading French industrialist in the textile industry, whom I met for the first time during one of his visits to Pakistan in 1957. At a Moral Re-Armament conference dealing with the rebuilding of Europe after the Second World War, he had talked with a group of people from the Welsh mining valleys. They told of enduring hunger and unemployment during the Depression. But they had broken out of a circle of resentment and revenge, and spoke with conviction of a sense of responsibility for their industry. Carmichael was shaken by their spirit, realising that his own life was full of useless activities and that his only concern was for the success and profitability of his business. He felt the need to put his whole life on a different basis — to search for what God wanted of him.

It gave him a new awareness of his responsibilities. 'It is no longer enough for us in management to work only for our profits, nor for the workers to aim only at earning their wages,' he told his colleagues. 'We must combine our strengths to meet the needs of all men.'

Carmichael's new approach brought about an agreement between the textile employers and trade unions signed 'in complete openness, in the common interest of workers, firms and country', which benefited 600,000 workers and for 20 years remained the foundation-stone of a policy of co-operation in the industry.

Then Carmichael started to think about the people who supplied his raw material, jute. He went to Calcutta. There he saw

misery encamped in the streets. A clear thought came to him, 'I am responsible for the millions of jute-growing peasants who are dying of hunger.' He accepted this responsibility as a vocation.

He decided to work to establish the industry on a sound basis. His aim would be to ensure a fair return to growers, a reasonable return to middlemen who performed a useful function, a just margin to the processing industry and the right price to consumers.

He formed an association of all the European jute importers, and became its first president. At its annual conference in 1959 he outlined his aim: 'If the European jute industry makes an effort to create a sane economy in this sector with India and Pakistan, it can find its true mission. To do this, the basic motives of European industrialists must undergo a fundamental change.' A tide of opposition threatened to stop him. But gradually others grew to appreciate his new way of thinking.

In 1965, all the countries that produced or processed jute met in Rome, under the auspices of the Food and Agricultural Organisation (FAO). The demand of the Third World countries for a stabilisation in the prices of raw materials was making itself felt, and this was the first free negotiation on the price of one particular commodity.

The conference proved difficult, several delegates having arrived with instructions that would have made a conclusion impossible. Also, a number of Carmichael's European colleagues did not want their president to commit himself. For fifteen years, however, Carmichael had been building friendships with each of the men at the conference. So in Rome he was able to overcome the obstacles one after the other. It had been expected that the figures put on the table at the opening of negotiations would be so far apart as to make agreement impossible. However one of the Asian delegates, encouraged by the spirit of total frankness which Carmichael had introduced, proposed a figure that was agreed upon immediately. The other details then settled themselves as a matter of course. As the Director-General of the FAO recognised, the jute industry had shown to nations which were opposed on the question

of other raw materials that there was a way to co-operate in complete openness.¹⁰ It is unfortunate that, since this agreement, the availability of synthetic substitutes, plus other economic factors, has undermined demand for jute, causing prices to fall.

Third World Debts

The most critical financial problem facing the world today is that of the rapidly growing debts of developing countries. As the cost of servicing loans increases, development declines or ceases altogether in many Third World countries. International trade is jeopardised and poverty and hunger increase. Unless an internationally-agreed solution is reached, Third World governments will be compelled to unilaterally reduce payment of interest and capital sums.

During the 70s and early 80s the majority of developing countries depended largely on aid funds, loans and capital investments from industrialised countries to finance development. Since 1984, the net flow of capital has been from the developing to the developed countries. The repayment of loans, including interest, by developing countries has exceeded the amount received by them in the form of aid, loans and investments. In 1986 the amount of capital paid to the West by developing countries exceeded the amount received by them by \$29 billion. To put it bluntly, since 1983 the poor countries have been subsidising the rich.

Commonwealth Currents for April 1987 reported that the net transfer from developing to developed countries had totalled \$60 billion since 1983, seriously constraining growth in developing countries. They commented:

Like middle-income indebted countries, the poor countries of Africa are making impressive adjustment efforts. These countries rely mainly on official grants and loans, but about one-half of their net flows are taken back in interest payments. While they will benefit from the increased resources of IDA (the International Development Association, the World Bank agency which lends on concessional terms), further flows of concessional assistance as well as relief from their crippling debts are

necessary if they are to show any improvement in their per capita incomes.¹¹

According to the World Bank the Third World's foreign debt totalled \$1320 billion by the end of 1988 and the net transfer of money from the Third World to industrialised countries that year was \$43 billion: the fifth consecutive year of net transfer from poor to rich countries.

In attempting to meet payments due, poor countries are being compelled to limit expenditure on health and education as well as restricting development. Imports from developed countries are being severely restricted. In 1986 poor Third World countries imported a third less from industrialised countries than they did in 1980.

Francis Blanchard, the outgoing Director-General of the International Labour Office (ILO) said, at a Moral Re-Armament conference in Switzerland in 1987:

The burden of debt has inflicted tremendous hardship on the poorest 25 per cent of the human family. When it first reached crisis proportions immediate steps were necessary. Within its charter, the International Monetary Fund (IMF) has done a remarkable job in containing the monetary crisis; but now it is time for a 'change of orientation'. This has been recognised within the IMF itself, where a recent report of its role in the debt crisis had contained an amazing degree of self-criticism.

Blanchard felt that there could be no justification for continuing the present massive net flow of money from poor nations to rich ones.

Two years later, in his final report to the ILO Congress in Geneva, Blanchard said:

Much of the Third World is sinking deeper into poverty. The 1980s, for most developing countries, particularly in Africa and Latin America, has been a lost decade. These countries experienced a major recession in 1982 and 1983 and have had to cope with severe debts and balance of payments crises for most

of the decade. The result is that in many of them, per capita income is lower today than in 1980. Social conditions have been particularly affected as poverty and unemployment have increased.

Droughts, famine, domestic conflicts and depressed exports have pushed many national economies to breaking-point. One social result is that some 25 million Africans of working age, about 10 per cent of the labour force, are estimated to be physically or otherwise handicapped.¹²

Some industrialised countries have cancelled part of the debts of the poorest countries. However, in a number of cases debts have been rescheduled with the unpaid amount due being added to the total debt, resulting in an increase in the amount on which interest is charged. The total amount of the Third World debt continues to increase at an alarming rate.

An Ethical Approach to International Debt

In December 1986 the Catholic Truth Society published a booklet on international debt which states:

The debt of developing countries must be placed in a broader context of economic, political and technological relations which point to the increased interdependence between countries, as well as to the need for international collaboration in pursuing the objectives of the common good. In order to be just, this interdependence should give rise to new and broader expressions of solidarity which respect the equal dignity of all peoples, rather than lead to domination by the strongest, to national egoism, to inequalities and injustices. The monetary and financial issue therefore commands attention today in an urgent and new way.

After reviewing the responsibility of the industrialised countries, the developing countries, and the multilateral financial organisations, final proposals include:

Has the time not come for the industrialised countries to draw up a broad plan of co-operation and assistance for the good of the developing countries?. Is it not imperative to start work-

ing on a new system of aid from the industrialised countries to the less prosperous ones, in the interests of all and especially because it would mean restoring hope to suffering populations? Such a contribution, which would constitute a commitment of several years, would seem indispensable in order to enable the developing countries to launch and conclude successfully, in co-operation with the industrialised countries and the international organisations, the long-term programmes they need to undertake as soon as possible. May our appeal be heeded before it is too late!¹³

In November 1987 the ILO held a conference to tackle the problem of International Debts — financial, social and trade. Participants were invited from Governments, international organisations involved in social and economic fields, and representatives of employers' and workers' organisations.

The meeting lasted for three days and was attended by high level delegations from a wide variety of governments and from a complete cross-section of competent international bodies. The conclusions reached provide a comprehensive base on which action can proceed at global level to work out an equitable programme, country by country, for alleviating the burdens of unemployment, poverty, financial instability, economic maldistribution and advancing technology. A report of the Meeting, including the Conclusions, which are particularly worthy of careful study, is given in Appendix 2.

There is more at stake than solving the debt problems of developing countries; answering poverty will depend largely on the willingness of governments, in both the developed and the developing nations, to make policy changes. One thing is certain: action is long overdue to correct a situation in which the poor — the many millions of people living in absolute poverty — get poorer. Surely the words from the Catholic Truth Society quoted above must be heeded, and the industrialised countries take action to draw up a broad plan of co-operation and assistance for the developing countries and for the good of all peoples.

Notes

1. The Development Assistance Committee (DAC) comprises Australia, Austria, Belgium, Canada, Denmark, Finland, France, the Federal Republic of Germany, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, the United States, and the Commission of the European Communities.
 Organisation for Economic Co-operation and Development (OECD) members are Australia, Austria, Belgium, Canada, Denmark, Finland, France, the Federal Republic of Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom, the United States.
2. Gross National Product (GNP) is the total market value of the goods and services produced by a nation's economy during a specific period of time, usually one year, computed before allowance is made for the depreciation or consumption of capital used in the process of production. In other words GNP is a convenient indicator of a nation's economic activity or wealth.
3. UNICEF, *The State of the World's Children 1989*, p.32.
4. European Economic Commission, *Background Report*, 15 November 1982, p.3.
5. Melvyn Westlake, 'A Few Home Truths about Aid', *South*, January 1986, p.90.
6. Elena Borghese, 'Third World Development: The role of Non-Governmental Organisations', *The OECD Observer*, April-May 1987, p.11.
7. UNICEF, op.cit., p.33.
8. Abdelaziz Megzari, 'The Common Fund for Commodities', *The Courier*, July 1989, p.72.
9. UNICEF, op.cit., p.2.
10. Charles Piquet & Michel Sentis, *The World at the Turning*, Grosvenor Books, London, 1982, provided information on Carmichael.

11. 'IDA Improves — But Poor Countries Need Capital',
Commonwealth Currents, April 1987, p.4.
12. William Jaeger, 'ILO Congress Report', *The Industrial Pioneer*,
August 1989, p.2.
13. *International Debt, An Ethical Approach to the Question*, Catholic
Truth Society, London, 1987, pp.11, 31.

5

ANSWERING THIRD WORLD NEEDS

In the preceding pages examples have been given of the remarkable progress being made by some Third World countries that have refused to allow poverty and the lack of many essentials stop development: the Grameen Bank in Bangladesh; increased production of maize by peasant farmers in Zimbabwe; progress made in the reduction of child deaths with the help of UNICEF. Recent reports tell how Bangladesh is helping Malaysia to form the 'Ikhtiar' Bank along the lines of the Grameen Bank, and how the Ikhtiar Bank is helping the Philippines and Indonesia to form similar banks. (Ikhtiar means 'helping oneself to be useful in society'.)

Country by Country

Surely the time has come to plan for the elimination of poverty and malnutrition from whole countries. It is not sufficient to expect the benefits of financial adjustment to 'trickle down' and answer the problems of poverty. Improved conditions can benefit the few while the poor get poorer.

The need is for each country to have a long-term programme for food production, health and education, for trade and investment, and for development targeted on full employment and health for all. While such a plan needs to be prepared by each country they will need help and co-operation from international

organisations and from the industrialised countries. The World Bank and the EEC have already made it clear that they are ready to help countries prepared to make changes in policy and, in particular, to give priority to the rural areas. A programme to enable poor countries to meet all their needs will call for policy changes in the West. The World Bank and other UN agencies will need increased funds for this purpose; and Third World governments must be given the opportunity to earn the foreign exchange they need for essential imports.

While much depends on the leadership of people like Francis Blanchard, who act with courage and conviction, leaders need to know that they have the backing of the people. In 1980 the Canadian External Affairs Minister, M. MacGuigan, told a special session of the United Nations General Assembly, meeting on Third World needs, that he wished the Canadian public would besiege him with requests to increase aid to the Third World. 'Canadians have not been fully aware of the depth and intensity of human misery and need and we therefore have not framed our policies accordingly,' he stated. 'We need to become more aware of the needs of our fellow citizens on earth'. We all need to support in writing and, if possible, by personal approach, a Minister or member of Parliament who takes a stand towards meeting Third World needs.

Child Survival

The progress being made in child survival by UNICEF, acting in co-operation with people in developing countries, needs to be fully supported. UNICEF states that one factor in the struggle for primary health care for children lies in people of all ages, and in all nations, informing and supporting families everywhere in putting knowledge already available into practice.

UNICEF stresses the ability of Non-Governmental Organisations to reach a majority of communities with child health information which every family has a right to know. The report continues:

In both developing and industrialised nations, members of the public can also play a part by supporting the many voluntary agencies which are now involved in the struggle to realise today's potential for saving the lives and protecting the growth of children. But there is also a broader role to be played in influencing the policies of governments which provide the framework for that struggle.

Mention has already been made of the support from the governments of such countries as Italy, the United States, Sweden and Canada. In all of these cases, public concern, expressed in thousands of newspaper editorials, letters to the editor, and responses to appeals, has played an important part. But there is an even broader role, in all industrialised nations, for an informed public questioning of government policies on aid and trade and debts.

Support may sometimes take a form which seems a long way removed from the subject of child health. It may mean support for debt relief and restructuring, or for increases in real aid and a renewal of loans, or for restrictions on arms sales and a lifting of trade barriers against manufactured goods. But these are matters of legitimate concern for UNICEF and all who wish to see an end to unnecessary suffering among the world's young children. For in its day-to-day work, UNICEF sees too often how short a step it can be from a balance-of-payments crisis to a shortage of essential drugs, from a rise in oil prices to a mobile vaccination unit without fuel, from a debt falling due to a clinic being closed, from the withdrawal of a food subsidy to the stunting of a child.¹

UNICEF believes that, with public support, the death of 38,000 children a day in the developing world can be halved by the end of the present century. I am sure that, given support in both developed and developing countries, even more is possible: child deaths reduced to a figure nearer to that of the industrialised countries.

Free milk for all children would make a major contribution to health, as it has already done in many industrialised countries. Studies by nutritionists and doctors have shown a clear

improvement in the intellectual and physical performance of children who drink milk regularly.

With milk powder and butter oil available in industrialised countries and milk recombining dairies now established in many developing countries, industrialised countries should have no hesitation in making free milk available for all the children of poor countries. Even if surplus milk powder and butter oil is no longer available, the long-term supply of these products free, could mean the chance of a healthy life for countless hungry children.

Food Production

For a number of years the overproduction of food in the EEC and in North America has resulted in the accumulation of mountains of surplus food. The disposal of these stocks has distorted world markets and has often damaged the economies of poor countries.

The European Communities Commission has recently restated the fact that agriculture must obey the laws of supply and demand. Farmers must recognise that they cannot create huge surpluses which have to be disposed of on world markets, and start to bring food production into line with world demand. The USA is reducing its surplus food by recompensing farmers who take arable land out of production.

Following the European Community's decision to transform food aid into a development strategy, four countries in Africa — Mali, Kenya, Rwanda and Zambia — were prepared to experiment with the Community in improving their food self-sufficiency and guaranteeing effective nutrition. The scheme, based on ensuring that imported food does not compete with locally produced food and motivating farmers to produce — in short offering them incentive prices — has proved a success. There are now proposals for extending the food strategy approach by improving the efficiency of food marketing and support services such as credit facilities, training and research. It is considered that the status of women as agricultural producers should be raised and that there should be greater attention to the consumption of local food products.²

In recent years farmers in developed countries have been building their own links with developing countries. In France the *Agriculteurs Français et Développement International* was formed in 1975. In England there are bodies such as the Farmers' Overseas Action Group in Worcestershire. In 1987 British farmers collected thousands of hoe blades and sent them to Ethiopia where there was a serious famine.

Pat Evans, a Herefordshire farmer, pioneered the formation of a group of farmers in his area with the title 'British Farmers for International Development'. The group has four aims:

1. To make known to British and French farmers the realities of life for farmers in the Third World.
2. To make farmer-to-farmer links with a particular village or area, and to work with such farmers to identify needs and help where possible in tackling them.
3. To recognise that human relations are as important as economics, if we are to see the world get fed. To make honest dealing and care for people the basis of the search for right action.
4. To encourage farmers everywhere to a fresh recognition of the significance of their calling.

A number of groups of British farmers in other areas have similar links with farmers overseas.

One non-governmental organisation in India with which the group has formed a link is the Verala Irrigation and Development Society, based in Sangli, Maharashtra. The leader of this NGO, Mr Arun Chavan, resigned his job as a university professor nearly 20 years ago to give all his time to the work of the Society. His wife supports the family. The Society has concentrated on helping a group of 12 villages with a total population of 30,000 people in a chronically drought-prone area. Five of the British group, including Pat and Kristin Evans, have visited the Verala Society, and Mr Chavan visited the Evans' farm after attending the World Food Conference in April 1988.

Pat Evans says that instead of feeling that farmers must produce to feed a starving world, he now feels that farmers everywhere must develop together. 'For me', he says, 'it may mean producing less but it does mean accepting a broader responsibility for world agriculture'.

During the twelve years I was based in India, I got to know Arun Chavan and visited some of the projects being developed with the help of the Verala Society. I came to understand and appreciate the value of the 'NGOs of the South' who act as go-betweens through which NGOs in the industrialised countries can give financial assistance, with the knowledge that those on the spot have studied the situation. The Verala Society impressed me with the way in which they take full responsibility for a project, get to know the people and make the best possible use of donated funds.

World Food Conference

A World Food Conference was convened in Brussels in April 1988 by Lord Plumb, President of the European Parliament and himself a farmer. Delegates from 100 countries tackled the problem of abundant food in the West and widespread hunger in the developing countries.

The 200 delegates brought together by the conference were an unusual mixture of politicians, representatives of international organisations and non-government bodies, and farmers. It represented an attempt to bring agricultural policies worldwide within a single focus.

President Kaunda of Zambia, who opened the conference, spoke of surplus food dumped by the EEC and America on poor nations as 'a powerful fertiliser for a rich crop called hunger'. He said that it is now widely accepted that this weakens markets in recipient or importing nations, making it impossible for their farmers to produce.

There was general recognition of the need to reduce excessive food stocks to avoid subsidised dumping on world markets and to open markets to low-cost producers in developing countries.

The sessions were targeted towards GATT (General Agreement on Tariffs and Trade) negotiations on agricultural trade reforms, to be held later the same year. Agbo-Ola Fayese, Executive Secretary of the Co-operative Federation of Nigeria, suggested that tariffs imposed by industrial countries on tropical products should be either drastically reduced or abolished.

US Agriculture Secretary Richard Lyng spoke for the Americans, who are calling for the abolition of subsidies by the year 2000. 'All developed countries have to some degree adopted self-centered policies designed to protect their own farmers', he said.

Meanwhile Frans Andriessen, EEC Commissioner for Agriculture, believed that subsidies cannot be abolished, but must be reduced. Europe's food mountains were on their way out, he said. The French Minister for Agriculture, François Guillaume, suggested that governments should give some of the cash they save on subsidies to a fund for rural development in the Third World.

Professor Jesse Williams, Professor Emeritus of the University of Minnesota, with a lifetime's experience as an agricultural adviser in developing countries, expressed the conviction that Africa can feed itself.

Almost all speakers shared a broad understanding that higher agricultural prices and access to world trade are crucial to development in the poor countries. The conclusion of one correspondent was that it was much less clear that governments and the larger aid agencies are willing to change their habits sufficiently to make the new wealth reach the very poor.

This two-day Food Conference fulfilled an important role in stressing the needs of poor countries in order to enable them to meet the food needs of their people. While Dr Kaunda rightly expressed doubts as to the ability of poor countries to increase food production, there is no technical reason why the majority of poor countries should not produce the food they need, *if both developed and developing countries give this task the necessary priority.*

Development in the Third World

Governments, United Nations Agencies and Non-Governmental Organisations have been ceaselessly at work throughout the developing world, giving both financial and technical assistance, to help improve conditions, advance development and bring an answer to hunger and disease. Yet in the majority of poor countries, poverty remains as widespread as it was thirty years ago, and the poor are probably poorer. And of more importance is the fact that, under present conditions, *there is no possibility of the majority of poor countries trading their way out of poverty.*

Only in the few Newly Industrialised Countries has good progress been made in providing shelter for the homeless, making schools and medical services available to all and providing safe water and sanitation. During the International Drinking Water Supply and Sanitation Decade (1981-1990) a great deal has been achieved. By 1989 clean water had been made available to an additional 700 million people and sanitation to another 480 million. Tremendous gains have been made in nations such as China, India and Pakistan. Yet in the rural areas of the developing world 60 per cent of families are still without safe water and 85 per cent without adequate sanitation. Impure water and poor sanitation cause 80 per cent of illnesses and water-related diseases claim 25 million lives a year.

Long-term development in the Third World will only be possible if funds are available at a level far beyond the resources of the majority of its countries. The Brandt Commission estimated that projects for water management, hydropower, transport, mining, afforestation, the prevention of soil erosion and desertification and the elimination of diseases in Asia and Africa, would require extra finance of at least \$4 billion a year for over twenty years. As this estimate was made ten years ago, the figure today would no doubt be considerably higher.

In 1980 the Brandt Commission drew attention to the advantages of raising revenue for development by automatic

mechanisms which would work without repeated intervention by governments. They suggested such possibilities as a levy on international trade or on arms sales. At the Franco-African summit in mid-November 1986, President Mitterrand of France proposed a 'Marshall Plan' to aid African economic recovery.

Whatever action is proposed to meet the financial needs of Third World countries and enable them to develop, major changes will be needed in the policies of industrialised countries. There is evidence of a growing concern among people in the West that the majority of aid fails to meet the needs of the poor. Less than 25 per cent of official aid from Western industrialised nations goes to the 40 or so least developed countries, and less than 15 per cent goes to agriculture, on which the majority of the poor depend. Because the poor have little influence in developing countries, their governments tend to favour industry rather than agriculture, and urban rather than rural areas.

What Ordinary People Can Do

In the West, changes in policy may well depend on the willingness of each one of us to make it clear to our member of parliament, and in every other way possible, that we want effective action. As UNICEF says, it is difficult to take seriously the plea of industrialised nations — on average 60 per cent richer than they were 20 years ago — that they can only afford to give as aid a smaller share of their wealth than they could then.

A few years ago I had a talk with Bert Kelly, who was for 19 years a member of the Australian Federal Parliament, on the value of letters to members of Parliament. As I left he gave me a copy of a book he had written and it is worth quoting what he had to say on the subject:

I cannot speak for other members of Parliament but I have to confess that the commonly drawn picture of a member being overwhelmed with a great spate of letters telling him how his constituents want him to behave, was certainly not true of Wakefield [his constituency]. I can only remember two issues

that stirred my electorate enough to make them put pen to paper in large numbers. These were increases in Parliamentary salaries and abortion. There were some tired attempts to whip up a campaign of rage and concern about education but an experienced politician soon gets to know when these campaigns are artificial. One symptom of this is when a lot of roneoed letters come in; these are easily picked. But then there are those written in the author's handwriting but are word for word the same as many similar letters. You know then that the campaign is better organised, and, though there is nothing wrong with this, it is not so effective as the letters that come welling out of people.

I have frequently told my people that if they do not feel deeply enough about a subject to go to the trouble to write to their member, then they should not be critical if he doesn't do anything about it. So if you do feel deeply about a subject, you should go to the trouble of writing a careful letter to your member. A wise member will cherish the few people in his electorate who will go to the trouble of writing careful and considerate letters, particularly if these are not written to get something for the signatory, but because the person is really concerned about some issue that does not affect him financially.³

A New Zealand Initiative

A New Zealander, a concerned Christian, longed to see her country doing more for the poor and hungry in the Third World. Both Jean and her husband Jim have been active in lobbying members of parliament on this matter.

In 1987 Jean wrote a personal letter to each of the country's 95 members of parliament stressing the need for increased official overseas aid, and was very heartened to receive 75 replies. I have no doubt that her action, and that of other concerned people, encouraged the New Zealand government to review overseas aid. Mr Anderton MP, Chairman of the Parliamentary Foreign Affairs and Defence Select Committee, said in October 1987 that the Committee would be looking at all aspects of New Zealand's development aid, including the type and quality of the aid. He

stated that the government was committed to achieving the UN target figure of 0.7 per cent of GNP and had set an interim target of 0.51 per cent by the 1990-1991 financial year. (According to Mr Anderton, New Zealand's Overseas Development Assistance has fallen to about 0.3 per cent of GNP.)

Sewing Machines for Zimbabwe

Recently I received a letter from a friend, Miss Irene Owens, a pensioner living in London, telling of a different kind of help that she has been able to give to women in Zimbabwe. In 1983, Irene spent eight months in Zimbabwe doing voluntary work. When relations between Great Britain and Zimbabwe were strained over the imprisonment of white Air Force Officers, the British Government threatened to suspend aid to Zimbabwe. Irene wrote to the Prime Minister, Mr Mugabe, expressing her distress and asking him to remember that many Britons love Zimbabwe. To her surprise, Mr Mugabe's Chief Private Secretary replied that the Prime Minister had derived great joy from her letter.

When she visited Zimbabwe again, the following year, Irene was able to meet Mrs Mugabe in her office. Before going to see her, she had the thought to ask Mrs Mugabe how the women of Britain could help her women of Zimbabwe. Mrs Mugabe pointed to a pile of letters on her desk and said, 'See all these letters, I am trying to organise clubs to teach the women baking and sewing skills, and we need sewing machines. If you can raise any money please send it to me.'

On her return to Britain Irene had a spring cream tea in her flat, sold marmalade and cakes and raised 100 pounds sterling. Mrs Mugabe wrote saying, 'This money will help to buy a sewing machine for a group of twenty-seven women. They are now going to live a better life making school uniforms, etc.'

Then Irene saw a brand new hand sewing machine in a shop for 60 pounds sterling, very much less than it would cost in Zimbabwe. She wrote to Mrs Mugabe asking how she could send it to her and back came the reply, 'I will be in London next week, thank you for

the sewing machine.' Irene told her friends and several remembered that they had sewing machines they were not using and would be happy to give. One friend, 99 years old, gave her the machine she had bought 66 years earlier when she got married. Five sewing machines went back to Zimbabwe with Mrs Mugabe. So far some 50 sewing machines had gone to Zimbabwe, many of them given by ladies who no longer used theirs. Early in 1989, Irene again visited Zimbabwe at the suggestion of Mrs Mugabe, and went to the co-operatives to meet many of the women who are using the machines. Now, back in Britain, she is trying to find a market for the crochet work done by women in Zimbabwe.

In a letter I received from Irene since writing the above, she brought me up to date on the sewing machine saga. At the time she wrote, 65 machines had gone to Zimbabwe and 10 more had been promised; she said that Mrs Mugabe had written saying, 'All the machines have arrived safely, every Province in Zimbabwe receiving one. The President is intrigued with our sewing machine project. The first group of women we helped now receive 90 to 100 Zimbabwe dollars each month from their co-operative. They sell chickens each week to the local hospital and they have sent 50 Zimbabwe dollars and a box of clothes to the women in Mozambique who are in such need. This is their second donation.'

Just as I was finishing writing, another letter arrived from Irene to say that her story had been published in Britain by World Vision and letters were flooding in.

All Can Have a Part

In his book *Freedom of Simplicity*, Richard Foster, writing on world poverty and hunger, makes the point that relief alone will not solve the problem and we need public policies that speak to the issues. He suggests ways in which we can all have a part in helping to answer poverty and hunger:

It is easy to feel that these issues are far beyond our small abilities, but there is much that we can do. First we can open ourselves to the possibility that God may well want to use us in a

large way. History is full of ordinary people who, like Amos, were called to positions of influence far beyond their intentions. Second, we can get the facts. We become global citizens by caring enough to be informed about what happens to our neighbours in Chile and Mozambique. Third, we can become advocates of the powerless and exploited. Our comfortable dinner parties and Sunday School classes need to hear the whimpering cry of the poor. We are strong on love, but soft on justice. Fourth, we can support relief agencies in their good work; they need our help. Fifth, we can go beyond relief and become involved politically. Life is political; and if we refuse to influence public policy, someone else will. Sixth, we can use our literary skills in the cause of the poor. Letters to the editor, newsletters, magazine articles, good books are all needed. Our hymns and gospel songs need social content. We must write forcefully, honestly, tenderly. Seventh, the ministry of prayer must be taken into the social arena. It is hard work, but necessary to defeat the demonic principalities and powers infesting so many social institutions.⁴

For our actions to carry conviction, we need to learn to discipline our consumption and use of resources. The world cannot support indefinitely the rate at which they are being consumed in the West. I hope young people will take every opportunity to visit the countries of the Third World. If possible, do this in a way that enables you to move among the people and get to know them. You may not have much to give technically, but you can give friendship and understanding and you will learn from them.

Let us not forget the story of Irene Owens. I am sure that when she sought direction on what to say to Mrs Mugabe, she had no idea where the thought would lead her, but she was ready to follow where it led.

There are hard roads ahead if the present increase in poverty and malnutrition is to be halted, and progress made once again in giving children of the whole world the chance of a healthy start in life.

One must keep in mind the failure of the 'trickle down' theory. In India the benefits of advanced technology and industrial

development have not 'trickled down' to the poor. A third of the population still lives in absolute poverty and of its 27 million babies born each year, 4 million die before reaching five years of age.

Solving the debt problems of the Third World, and even giving them priority in the marketing of raw materials, although crucial, will not automatically answer poverty. The challenge to rich and poor is to give priority to solving poverty in the Third World and to making education, health and rural development major policy objectives. To achieve this will call for dedicated commitment by many concerned people.

My life has been full of the unexpected and I am sure God is the God of the unexpected. I am equally sure that his is a power that we have not really availed ourselves of. In all my store of memories the ones that stand out are the times when I have done the unexpected because the whisper in my heart told me to do so.

As you and I learn to listen to the whispers that come in our hearts, and are willing to take action, our hopes and dreams of a better world, in which the basic needs of all people are met, are more likely to become a reality.

The conclusion to *200 Million Hungry Children* is as relevant today as it was in 1980:

Finally it is my belief that there is a God who cares deeply for each man, woman and child here on earth; a God who has given man freedom to choose whether he will do what is right and what is the will of God, or what is in his own interest without regard for the effect on other people. The world needs today men and women willing to learn to live on a moral and spiritual basis, and to use aright the vast material wealth of this world. Only then will development be truly in the interest of people.

To this I commit myself today as I did fifty years ago.

Notes

1. UNICEF, *The State of the World's Children 1988*. p.48.
2. European Communities Commission, *Background Report*. London, 25 June 1987.
3. The Hon C.R. Kelly, *One More Nail*. pp.168,169.
4. Richard Foster, *Freedom of Simplicity*. Triangle, 1981, p.182.

Appendix 1

OPERATION FLOOD

India's nation-wide milk scheme, Operation Flood, is an example of sound, long-term rural development in a Third World country. Under this scheme rural milk producers are guaranteed a market for their milk, and urban areas are assured of a hygienic, modern milk supply. The scheme will ultimately pave the way for the exclusion of milking animals from the towns and cities of India.

The Scheme

Following its launch in 1970, Operation Flood has already been extended to include 168 milk producing regions, referred to as milk sheds. By 1989 there were 60,000 village milk producer co-operatives having a membership of over six million farming families. Prior to 1976 India was importing butter, milk powder, condensed milk, baby food and other dairy products. The country is now self-supporting in dairy foods and there has been no commercial import of dairy products since 1976, with the exception of small quantities of exotic cheeses required for the tourist trade. When fully developed, Operation Flood will provide a market for ten million rural families wishing to sell milk, and will ensure that every town and city in India has a safe, modern milk supply.

An average of over eight million litres of milk is marketed through Operation Flood every day, of which approximately 80 per cent is processed and sold as liquid milk. The balance is

manufactured into a range of dairy products. Of the six million families already marketing their milk through Operation Flood, over 70 per cent have no more than two milking animals and only 10 per cent have more than four milking animals. Of the total suppliers 66 per cent are small marginal farmers owning less than four hectares of land and 21 per cent have no land. Undoubtedly the people who benefit most from Operation Flood are the peasant farmers and the landless rural labourers. The latter graze their animals on common grazing land or at the roadside and buy concentrated feed from their co-operative. Payment for milk is made daily or weekly, usually to the farmers' wives who use the money to buy food or other household needs.

Since the introduction of Operation Flood, milk production in India has kept ahead of the increase in population. In the past 16 years the daily milk consumption per head has increased from 107 grams to 154 grams.

The ground work for Operation Flood was laid in 1945 when farmers in the Kaira district of Gujarat state, who were selling milk to middlemen for the Bombay market, revolted against the low prices they were receiving and the uncertainty of the market. They were at the mercy of buyers who had the equipment to pasteurise milk so that it would keep on the 400 km journey to Bombay. The producers went on strike for better prices and for more stable conditions; for 15 days no milk was sent to Bombay. At the end of this period the government agreed to their proposal to form a co-operative which would be equipped to process milk for the Bombay market.

Kaira District Milk Producers' Union

The Kaira District Milk Producers' Union, (better known in India by its trade name 'Amul') was formed, and shortly afterwards Dr V. Kurien, a young graduate, was appointed General Manager. The Union was to be owned entirely by registered village milk producer co-operatives, all of whose members were required to be milk producers. A dairy was built in Anand, in the

centre of the Kaira district, and was equipped to receive and pasteurise milk. Dairy products were also manufactured from milk not required for the liquid milk market, so that all the milk offered by the village societies could be accepted.

I made my first visit to Anand in 1957; I had met Dr Kurien earlier when he visited Australia to study our dairy industry. At the time of my visit over 800 village milk producer co-operatives were supplying milk to the dairy in Anand. Here milk was being pasteurised for Bombay and high quality butter, milk powder, cheese and baby food were being manufactured for sale throughout India, under the Amul brand. A visit to a village co-operative one evening was a revelation. A line of people, mainly women and teenage children, were bringing their evening milk to the collecting depot in metal containers, carried on heads or shoulders. None of the ones I saw seemed to have more than a few litres of milk and I was told that this was quite normal. Having experience in the dairy industry I would have expected that to receive milk in such small quantities would be uneconomic. Yet I knew that this co-operative and the others in the district were supplying the dairy in Anand with as much as 600,000 litres of milk a day. And that the whole operation was economically sound.

One didn't need much imagination to appreciate what such a scheme was achieving for poor rural people. As mentioned in Chapter 1, when Prime Minister Shastri visited Anand in 1964 and talked to village milk producers, he soon decided that 'Anands' must be replicated throughout India.

To implement this decision the National Dairy Development Board (NDDB) was formed in 1965 and Dr Kurien was appointed Executive Chairman with headquarters at Anand. The Board was to be appointed solely by village milk producers, through the village milk producer co-operatives, and would be responsible for the organisation of village co-operative societies, on the Anand pattern, throughout India. The Board would also be responsible for overall organisation of the dairy industry throughout the country and for co-operating with state authorities in the supply of

milk to towns and cities. The government formed a sister organisation, the Indian Dairy Corporation, to be responsible for accounting for donated commodities and funds.

Organisation of Operation Flood

Operation Flood was formed in 1968 to implement the development programme. In 1970 arrangements were completed for the World Food Programme (WFP) to fund Operation Flood, by the donation of free dairy products as food aid.

Over a period of five years 126,000 tons of skim milk powder and 76,000 tons of butter oil were donated by the EEC, through the WFP. These dairy products were sold to the city dairies, at prevailing prices, to be recombined into milk. The recombined milk was added to locally produced milk to meet the demand which, at that time, exceeded the quantity available. The money realised from the sale of imported dairy products provided finance for the development of the scheme as a whole.

A second phase of Operation Flood was financed by a further gift of 186,000 tons of milk powder and 76,000 tons of butter oil, and by a loan from the World Bank. A further donation of 105,000 tons of milk powder and 35,000 tons of butter oil was received later, from the EEC. I understand that Dr Kurien considers it possible for the future development of Operation Flood to be self-financing.

The capital raised through food aid has thus been used to establish a modern dairy industry with collection systems, rural receiving centres, and transfer systems which include chilling centres and feeder balancing dairies. In this way a network of dairy factories has been created through which milk produced in the rural areas can be made available to the cities and towns.

The facilities for processing milk in the four metropolitan centres — Delhi, Madras, Calcutta and Bombay — have been increased. In addition the supply of milk and dairy products has been extended to over 500 cities and towns throughout India. Most of the feeder balancing dairies, in addition to processing milk, are equipped to manufacture milk powder. This makes it

possible for milk in the peak production season to be conserved as milk powder and butter, to be recombined in the season of low production.

Each village milk producer co-operative is a voluntary association of milk producers who wish to market their milk collectively. All the co-operatives in a district are members of their milk producers' union. Any milk producer has a right to become a member of his village co-operative and a management committee is elected from among the members. Each member's milk is tested and is paid for according to quality. While the co-operative agrees to operate in accordance with a method of procedure established by the NDDB, the staff of each co-operative is employed by its own management committee. Staff of the NDDB have an important role in pioneering the formation of village co-operatives and in giving advice and assistance at all stages in their development and operation.

In order to coordinate and integrate marketing, the unions in each state form state Co-operative Milk Federations. The Apex body of the State Federations is the National Co-operative Dairy Federation of India. This body monitors the movement of liquid milk and collects and disseminates information on the dairy situation to its member Federations.

Each district union has a number of veterinarians on its staff who provide routine and emergency services in animal health care and an artificial insemination service using both frozen and liquid semen. Thirteen semen production centres have been established by the Board and a fully equipped embryo transfer laboratory carries out experiments on cows and buffaloes.

Milk production in India depends largely on crop residues. Cattle-feed plants, owned and operated by the district unions, make concentrated feed which is sold to members at 20 to 30 per cent below the price normally charged in the market. The NDDB provides an advisory service to cattle-feed plants, and their nutrition laboratory tests ingredients used in the cattle feed. During a visit to the cattle-feed plant in Anand, which was producing 400 tons of concentrated

feed a day, I was particularly interested to see the wide range of locally grown products and crop residues being used.

As well as producing concentrated cattle feed the NDDB encourages farmers to grow green fodder. The Board has its own fodder demonstration farms, and provides farmers with fodder microkits. These kits contain improved high quality seed together with a package of practices to allow the farmer to grow the fodder in his or her field and compare its yield with that of the local variety.

The national milk grid is capable of transferring large quantities of pasteurised milk, which has been chilled to just above freezing point, over long distances by road or rail tanker. Milk is supplied on a regular basis to Delhi and Calcutta, for example, from far off places, providing the farmers in surplus producing areas with a remunerative market. Insulated road tankers, carrying 40,000 litres of milk, routinely travel from Anand or Jalgoan to Calcutta, a distance of 1500 to 2000 km, in 30 to 40 hours.

In addition to supplying milk to the existing city dairies the NDDB has, where necessary, built new processing dairies. Distribution of milk in the cities includes the use of coin-operated bulk-vending refrigerated booths where the sale potential is high. In other locations, insulated, hand-operated dispensers which deliver a measured quantity of milk are used. Milk packed in sachets and bottles is also on sale. A recent development is the sale of UHT or long life milk in special cartons which are now manufactured in India. It is proposed to package 10 per cent of the milk in this way, especially for the rural areas, as long life milk in sealed cartons requires no refrigeration.

The Improving Rural Economy

By 1987, 360,000 milk producers in the Kaira district were receiving an average of Rs2,800 (US\$170) per producer per year, for milk supplied. In addition individual village milk co-operatives have received an annual bonus of more than Rs100,000 (US\$6,070). In each co-operative the Management Committee decides how the bonus is to be used. Over the past 40 years many

improvements such as the building of village schools, providing a piped water supply, a biogas plant or new roads, have been made possible by these funds. The Kaira Union itself spends over Rs20 million (US\$1.21 million) on research and extension. In this way the Kaira Co-operative Union has brought both a substantial increase in income and considerable development to the district.

One aim of Operation Flood is to ensure that other rural districts benefit in the same way and that suppliers receive a reasonable return for their milk. This includes paying an even price throughout the year, regardless of seasonal fluctuations in production. Between 1970 and 1985 milk prices to consumers, under Operation Flood, have increased by around 7 per cent a year, while over the same period, food grain prices have increased by 8 per cent. This is lower than the annual inflation rate of 9 per cent. Most important of all, because producers have been assured of a regular market for all the milk they wished to sell, they have not been at the mercy of the exploitative traders. The price paid to farmers in the Kaira district for their milk has always been between 70 and 75 per cent of the price paid by consumers. This is a considerably higher percentage of the consumers' price than is normally paid to milk producers in other countries.

Operation Flood has resulted in a substantial increase in the supply of milk to urban populations at a reasonable and stable price. For the poorer sections of the population toned milk (milk with a reduced fat content) has been made available at less than half the price of normal milk.

The basic principle of Operation Flood is being applied to other farm products in order to help farmers obtain reasonable prices in a stable market. Thus marketing schemes have already been implemented for oilseeds, vegetable oil, cotton, jute, and fruit and vegetables.

Improving the National Economy

The Engineering Division of the NDDDB plans, designs and executes engineering projects on a turnkey and consultancy basis.

This division also designs, fabricates and tests prototype equipment and machinery for milk and oilseed processing. Since the inception of Operation Flood the NDDB has completed 292 projects, creating milk processing capacity of some 11,700,000 litres a day, milk drying capacity of 622 tonnes a day and 3575 tonnes daily capacity for the manufacture of concentrated cattle feed.

The implementation of Operation Flood has resulted in the establishment of a dairy engineering industry in India. This includes more than 130 indigenous dairy equipment manufacturers, including five large public sector companies. Most of the dairy equipment required in India can now be manufactured locally and the country is exporting more dairy machinery than it imports.

The National Dairy Development Board is bringing development and progress to rural India and is making safe milk available to many millions of people in the urban areas. While the overall management and control of the Board has remained in the hands of the producers, through their co-operative societies, success has been largely due to the policy of employing professionals, in all divisions of the organisation. In this way the project has taken full advantage of the availability of qualified graduates in India. While occasional use has been made of experts from overseas, Operation Flood is essentially an indigenous achievement, of which the country has cause to be proud.

The NDDB acts with the authority and approval of the Government of India, but Dr Kurien has always insisted that it must remain totally owned and controlled by the milk producers. It receives no government subsidy, and any suggestions that the Central or State governments should intervene to compel producers to join a co-operative have been resisted. While the NDDB gives every help to producers, including showing them, at Anand, what has been achieved, the final decision to form a co-operative and become part of Operation Flood must be made by them.

The far-reaching changes being brought about by Operation Flood have not come easily. They have at times been misunderstood and have met with strong opposition. The success

achieved has been due in a large measure to the leadership and singleness of purpose of Dr Kurien, who has not allowed privilege or corrupt practices to undermine this national dairy operation.

All-Women Dairy Co-ops

An interesting comment comes from *World Agriculture* under the heading, 'India's all-women dairy co-ops'.¹

The women in the northern Indian village of Halipur, in the state of Bihar, drape their saris casually over their heads as they gather in the small building that serves as a headquarters for their dairy co-operative. They say that conditions are better now than before the co-operative was born. 'We never used to talk or even come near one another', says Jelabya Devi, a woman of the Chamar (an untouchable) caste as she sits shoulder to shoulder with women of several upper castes. 'Now we work together, even eat together,' she adds. 'Now our faces are uncovered. Now we can get loans for more animals. Now we have money for things we need to buy'.

In 1983 a small pilot project was funded in the southern state of Andhra Pradesh to train women extension workers who would help organise all-women dairy co-operatives. The extension workers, in turn, trained illiterate village women in ways to breed, feed and care for their animals, and also taught them how to apply for loans. By the third year of the project, more than 6000 women had enrolled in 90 dairy co-operatives, and more than 900 of them had become leaders in their organisations. The Andhra Pradesh women-in-dairying project became a model for all of India.

Note

1. 'India's all-women dairy co-ops', Ford Foundation, *World Agriculture*, IFAP News, April-June 1987, p.10.

Appendix 2

HIGH-LEVEL MEETING ON EMPLOYMENT AND STRUCTURAL ADJUSTMENT

**International Labour Organisation (ILO)
Geneva, 23-25 November 1987**

The agenda of the Meeting had been adopted by the Governing Body at its 234th Session (November 1986) and read as follows: 'Examination, in the light of the ILO's social objectives, of the present world economic relations and, in particular, the consequences of international trade, financial and monetary practices on employment and poverty'.

The meeting was attended by representatives of governments, international organisations and representatives of employers' and workers' organisations from both the developed and developing countries. Eleven Third World countries sent delegations headed by a Minister or Minister of State. From the Eastern bloc Hungary sent a delegation of six, headed by the Secretary of State for Labour and Wages. Four international organisations — the U.N. Conference on Trade and Development (UNCTAD), the International Fund of Agricultural Development (IFAD), the General Agreement on Tariffs and Trade (GATT), and the Organisation for Economic Co-operation and Development (OECD) were represented by their top men.

The Director-General of the ILO, in opening the meeting, referred to the staggering extent of unemployment and poverty in the world. Statistics showed that in 1986 there were 35 countries where unemployment exceeded 5 per cent and 20 countries where unemployment exceeded 20 per cent. During the first half of this decade the number of people living in absolute poverty had increased by at least 60 to 80 million persons. For the developing countries the previous year had been among the toughest ever. He saw the main significance of the current Meeting in the establishment of a closer dialogue between organisations engaged in implementing structural adjustments and alleviating world poverty, in order to establish a higher level of convergence. He referred to a recent declaration of the Managing Director of the International Monetary Fund who insisted that the developing countries needed three types of action: appropriate domestic policies, a better international environment, and an adequate flow of capital.

Two days of discussion included reference to the interdependence of the world economy and the need for greater commitment of resources to the World Bank and the IMF, to enable structural adjustments to be made in the economies of countries overburdened by debt, and to secure minimum standards for the poorest. The discussions were in the main constructive and relevant, and the conclusions provided a comprehensive base on which further action can proceed at global level towards an equitable country by country programme for alleviating the burdens of unemployment, poverty, financial instability, economic maldistribution and advancing technology.

Conclusions

At the end of the plenary sessions the following conclusions were unanimously adopted:

The international community, through its competent bodies, has on various occasions in recent months agreed on the main difficulties confronting the world economy, which particularly affect the developing countries.

Bearing in mind these agreements, the seriousness and urgency of the world economic situation and the growing interdependence of the countries of the world, the High-Level Meeting adopted the following conclusions. In adopting these conclusions the Meeting took into account the role of the ILO according to its special responsibility in the United Nations system for labour and social matters, including the promotion of full, productive and freely chosen employment. It took also into account the mandate of the ILO and, recalling Article 2 of the Declaration of Philadelphia, its responsibility to examine and consider economic and financial policies and measures in the light of their impact on employment and social conditions.

1. The number of unemployed and of the poor in the world is alarmingly high and, according to the latest forecasts, rising. The crushing problem of international indebtedness is affecting many countries. Efforts must be made, by combined and concerted measures both national and international, to accelerate employment-generating growth, and to combat long-term unemployment. There is general understanding of what these measures should be, but adequate action is now urgent. Large imbalances remain in the world economy, as evidenced by the recent instability on financial markets, threatening, in an increasingly interdependent world, the prospects for future growth. These imbalances must be corrected. A major effort of world-wide structural adjustment is needed, linked to the promotion of more dynamic and non-inflationary growth. This can be a painful process and its burden should be shared equitably both among countries and within them. Efforts should be made to protect the poorest and most vulnerable groups, including particularly women and young people, against sharp falls in their standards of living and social protection, while adjustment policies should be designed in such a way that they provide the basis for future growth of employment and incomes.

2. In order to promote sufficient growth to bring about fuller employment and a reduction in poverty, concerted action is needed

on the part of the industrialised countries both as regards macro-economic and financial policies and as regards policies for expanded trade, capital flows and aid, as well as appropriate policies in the developing countries. International organisations should support and facilitate action by governments to this end. At the same time, due consideration should be given to the protection of the environment to ensure future sustainable growth and employment creation.

3. The maintenance and extension of an open world trading system is a necessary prerequisite to the efficient and effective promotion of growth, employment and the improvement of living standards. Protectionism in all its various forms delays needed adjustment, reduces the scope for growth in the world economy and denies comparative advantage where it exists. Protectionism is unacceptable because it exports unemployment from one country to another.

4. The heavy debt burden of developing countries has had serious consequences on employment. Agreement on the measures to overcome the debt problem has been reached recently in UNCTAD VII, which, in its Final Act, stated:

The debt crisis is complex and an equitable, durable and mutually agreed solution will be reached only by an approach based on development, within the framework of an integrated, co-operative, growth-oriented strategy that takes into account the particular circumstances of each country. The response to the debt crisis should continue to evolve, through continuous dialogue and shared responsibility, and the strategy should be implemented with flexibility in an environment of strengthened international co-operation, bearing in mind General Assembly resolution 41/202. It is important that this agreement be implemented urgently in a manner that contributes to employment growth and poverty alleviation.

Policies and Programmes for More Dynamic Adjustment and Growth:

The Industrialised Countries

5. All industrialised countries face six inter-related challenges pursuant to commitments they have already taken in other fora:

- (1) to co-ordinate macro-economic policy management (including, where appropriate, active stimulation of demand);
- (2) to facilitate and promote the necessary adjustments in their own economic structures which will ease technological change and shifts in the international division of labour, encourage investment and generate new employment;
- (3) to make fuller and better use of their labour force through policies of education, training and retraining, the encouragement of mobility and by high levels of investment;
- (4) to maintain and enhance the open multilateral trading system, to facilitate international investment and finance, and to allow greater access to their domestic markets for the products of developing countries;
- (5) to pursue flexible policies in addressing the international debt problem; and
- (6) to increase the resources being made available for official development assistance and to encourage other financial flows from private sources to developing countries.

Developing Countries

6. Developing countries have a corresponding challenge to pursue structural adjustment policies which should enable them to participate better in an inter-dependent world economy. Together with the industrialised countries, they share, according to their possibilities, responsibility for maintaining and expanding an open international trading system. Structural adjustment policies can only make a lasting contribution to their economies and to employment if they lead to a greater mobilisation of resources and a more

efficient use of those resources. Stabilisation policies should be accompanied by structural adjustment policies.

7. Governments and employers should be encouraged to undertake or promote employment-intensive investment schemes as a means of easing the transition of the workforce into new jobs.

8. Adjustment policies should be designed in a way to increase the productive capacity of the poorer groups of the population in order to lay a basis for sustainable growth and the satisfaction of basic needs. Strategies for growth and equity must include measures to increase employment opportunities for vulnerable groups, particularly poor women and youth, and to increase their access to income earning assets, skills, credit, markets and production techniques adapted to their needs. In this connection, adjustment policies must continue to give attention directly to the rural sector. The participation of organisations of rural workers, amongst others, in the formulation and implementation of these policies should be encouraged.

9. Special attention should be given to the contribution that the development of small and medium-sized enterprises can make to employment promotion, while ensuring that workers' rights are safeguarded and adequate standards of social protection are provided for workers engaged in such enterprises.

10. Structural adjustment will require a better management of human resources, since it might result in a displacement of workers, whose redeployment presents a particularly difficult problem in many developing countries. Adequate policies for training and retraining and to facilitate labour mobility are essential.

Problems Common To All Countries:

Building a Social Consensus

11. All countries need to pursue policies that enable adjustment to the changing conditions of an interdependent world economy. Such policies should contribute to an international effort to

promote growth, increase investment and overcome the debt crisis. There can, of course, be no general or universal prescription for the achievement of these goals; each country's situation is different, and policies need to be designed that are specific to national problems and perspectives. The impact of stabilisation and adjustment programmes on poverty groups should be scrutinised. In the process of restructuring government expenditure special care needs to be taken to safeguard the interests of the most vulnerable groups of the population and, if necessary, to improve the efficiency and the targeting of such programmes, while reducing unnecessary or unproductive expenditure.

12. Successful adjustment policies require action at all levels of the economy — the enterprise, the industrial sector, the national economy and in particular the labour market — and in international economic relations. As an important part of an emerging international consensus on measures to encourage stable, sustained non-inflationary growth and recognising the need for a flexible response to change, all countries will need to improve the adaptability of enterprises and the economy as a whole. To this end an important contribution can be made by improved dialogue and co-operation between workers and employers and, where appropriate, their representative organisations. Such dialogue and co-operation can contribute to improved training, higher levels of investment and the facilitation of the introduction of new technologies.

13. In the light of these considerations:

- (1) Governments must confront the difficult challenge of ensuring that adjustment policies, and the need for them, are widely understood and are based on the broadest possible social consensus.
- (2) A much greater involvement in decision-making on adjustment by all authorities responsible for labour and social matters, would contribute to full integration of the social dimensions, the social consequences and thus the social acceptability into the policies under consideration.

(3) Free and independent organisations of employers and workers have a major contribution to make to the formulation of general economic policies, particularly adjustment policies. Collective bargaining on wages and working practices needs to be promoted.

(4) The current period of economic difficulty and uncertainty highlights the value of strengthened tripartite discussion for the creation of social cohesion and broad-based support for policies of national development.

The Potential for Joint Action by the International Organisations, and in Particular the Role of the ILO, in Promoting Socially Oriented Patterns of Dynamic Adjustment and Growth

14. A number of international organisations, especially those represented at the High-Level Meeting, have important roles to play in promoting growth-oriented adjustment programmes. Each of these organisations has its own mandate and its own sphere of responsibility which must be respected.

15. These agencies should share their knowledge and experience and help to devise measures to achieve adjustment and growth with minimum social cost.

16. They should assist developing countries in particular to devise and implement policies and programmes which take explicitly into account the needs and problems of the poor. For instance, they can help countries to devise programmes which achieve their adjustment objectives yet maintain essential social services and provide the poor with productive assets.

17. As adjustment affects the whole structure of society, the broad support of all social groups will help to ensure its success. International organisations should make every effort to encourage governments to promote participation and dialogue with and between different social groups, including organisations of employers and

workers, in devising and implementing adjustment policies. In doing so they should pay due regard to basic international labour standards.

18. Based on the documents presented to it, the Meeting considered a number of fields of ILO action which, in co-operation with other agencies, could be intensified in order to assist countries upon request in the process of structural adjustment. Such activities could include:

- (1) Assisting countries in establishing or developing statistical and other mechanisms to monitor the evolution of the employment and social situation and to assess the impact of employment policies and measures on different target groups within the adjustment process.
- (2) Assisting in designing programmes which would enhance the productive capacity of the poor sections of society and help to satisfy their basic needs, through provision of technical assistance and other inputs.
- (3) Assisting in improving the efficiency of the public sector, including advice and assistance on public sector wage structures and salary scales, on improved planning and management of manpower in the public service and in public sector enterprises, and on measures to facilitate the redeployment of redundant public sector employees.
- (4) Documenting successful cases of employment-generating structural adjustment programmes in developed as well as developing countries, in order to draw the lessons from such cases and give appropriate advice.
- (5) Promoting small and medium-sized enterprises and self-employment, through such measures as the injection of entrepreneurship development into educational curricula.
- (6) Promoting the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and

the positive role which private foreign investment can play in economic development.

(7) Developing its training and retraining programmes so as to:

(a) raise levels of productivity and performance in public and private sector enterprises through more effective work organisation, quality improvement, waste reduction and other measures;

(b) facilitate the geographical and occupational mobility of human resources, in particular the retraining of workers affected by structural adjustment;

(c) provide people, particularly young people, entering or re-entering the labour force with appropriate skills.

(8) Continuing and developing, in co-operation with other international organisations and governments concerned, the examination of the relationship between employment creation and technological development.

(9) Continuing to monitor the evolution of flows of migrant labour.

19. The ILO should promote tripartite consultation and co-operation on adjustment. The ILO should, of course, remain vigilant in ensuring that full respect for its standards on employment, human rights and tripartism, including freedom of association and collective bargaining, form an integral part of adjustment policies. Assistance should also be given in the establishment of machinery for tripartite dialogue and consultation on adjustment programmes, and in strengthening the parties to that dialogue — ministries of labour and employers' and workers' organisations.

20. The Governing Body may indicate that the views of the Meeting on this matter should be taken into account in the preparation of both the Medium-Term Plan 1990-95 and the Programme and Budget for 1990-91 and in the implementation of planned activities.

Summary

In the developing countries, thirty years of Official and Non-Governmental aid, and the dedicated work of large numbers of people, has brought some relief but has not lessened overall poverty.

Despite an encouraging reduction in the number of child deaths as a result of Child Survival programmes, UNICEF report (in *The State of the World's Children 1988*) that 38,000 Third World children are still dying every day from the combined effects of disease and malnutrition, and many of those who live will have limited physical and mental development. If the present progress in immunization and other health measures can be maintained, UNICEF expects the present child death rate to be halved by the end of the century.

However, today in the Third World, more people are living in poverty, and many countries are poorer and less able to finance development or to meet the needs of their increasing populations. An appreciable drop in the birth rate in poor countries is unlikely while poor people must depend on their children for support during illness and old age, yet know that not all of those born will survive. A reduction in the death rate among young children would do much to encourage poor people to have smaller families.

There are outstanding examples of action being taken by poor countries themselves in meeting peoples' needs. In India, in the state of Tamil Nadu, the government's free meal scheme is providing 5,500,000 free daily meals for the children of the poor. Since the inception of the scheme old age pensioners and destitute persons

have been included and the total number receiving a free meal has risen to 6,500,000.

Also, in India, Operation Flood is making hygienic milk available to towns and cities throughout the country and is bringing income to the rural areas. Already over six million rural milk producers, seventy per cent of them small farmers or landless labourers with not more than two milking animals, are guaranteed a viable market for their milk by their village producers co-operative society.

In Zimbabwe the peasant farmers have achieved a threefold increase in maize production. In Bangladesh, one of the world's poorest countries with over fifty per cent of the people living in absolute poverty, the Grameen Bank loan scheme is making it possible for even the poorest people to earn an income. And this example from Bangladesh is being followed by other countries.

Meeting Third World food needs, especially in sub-Saharan Africa, with the lowest per capita food production in the Third World, depends largely on small farmers increasing production. To do this they must be assured of a satisfactory price and freedom from competition from cheap imported food. Food donated by overseas countries as food aid has often been sold at low prices by governments wishing to benefit people living in the urban areas. Food aid, essential in times of emergency and to supplement local production, must be used in a way that does not inhibit the production and marketing of local food.

In Southern Asia long-term schemes, co-ordinated and largely financed internationally, are urgently needed for water management, including irrigation and flood control. This would facilitate food production and help reduce soil erosion.

Greater use could be made of milk powder and butter oil from the industrialised countries in schemes for free milk for children. Such schemes, properly managed, can pave the way for the development of local milk production. In view of the widespread shortage of protein in the Third World nutrition experts strongly advocate milk for children.

The prices received for commodities, on the export of which developing countries largely depend for earning foreign exchange, have fallen by over thirty per cent since the end of the 70s. Official aid has gone down in real terms and these factors, plus the high cost of repayment of loans and interest, have resulted in countries being unable to pay for essential imports and maintain development. In some cases governments have used scarce funds for projects which do not yield a financial return.

From 1984, repayment of foreign loans and payment of interest by developing countries has exceeded capital funds received from industrialised countries in the form of new loans, official aid and investments. By the end of 1986 \$60 billion more had been paid to industrialised countries by the Third World, than had been received by them. The position of many of the poorer countries is such that, under present circumstances, there is no way in which they can trade their way out of poverty.

By the end of 1988 the total debts of developing countries had reached \$1320 billion. In November 1987 Francis Blanchard, Director-General of the ILO, convened a high level international conference, in Geneva, at which the increasing Third World debt was among the subjects discussed. The conclusions approved at the end of the conference established a basis on which further negotiations can proceed. In April 1988 Lord Plumb, Chairman of the European Parliament, convened a World Food Conference, in an effort to solve the problem of excess food in the West and hunger in Third World countries.

A new factor which has developed during the 80s is the impact of growing international debts on progress in child survival. In much of the Third World development has slowed down or even reversed; expenditure on health and education has fallen steeply and child malnutrition is on the increase. Due to the debt situation, in the majority of Third World countries the children of the poor are facing a crisis.

It is argued that the time has come for the preparation of long-term plans for the elimination of poverty and malnutrition in

developing countries, on a country by country basis. Success will depend on acceptable proposals being formulated for solving the debt problem and also trade agreements being negotiated which enable developing countries to earn increasing foreign exchange. In the meantime it is essential that Official and Non-Governmental Aid be increased. Large additional sums will also be needed for the development of the Third World infrastructure. In 1980 the Brandt Commission estimated that the amount needed for this purpose would be \$4 billion a year for at least 20 years, over and above aid donations.

Opening Western markets to poor countries and providing additional funds on the scale indicated will call for hard decisions by governments of developed countries. Success will depend largely on the support given by people. Suggestions are made of ways in which concerned people can help ensure that the needs of poor countries are met and that poverty and malnutrition are reduced.

Further Reading

- ACFOA News, Published six times a year. Australian Council for Overseas Aid, GPO Box 1562, Canberra, ACT, 2601.
- Barnes, Stanley, *Why Malta: An Autobiography*. PEG Publications, Marsa, Malta, 1987.
- Bennett, Jon & George, Susan, *The Hunger Machine*. Polity Press, Cambridge, UK, 1987, in association with Channel Four Television. (Based on the television series, 'The Politics of Food'.)
- Chambers, Robert, *Rural Development: Putting the Last First*. Longman, London, 1983. The author challenges preconceptions dominating rural development and proposes more realistic action for tackling rural poverty.
- Common Crisis: North-South Co-operation for World Recovery*. The report of the Independent (Brandt) Commission on International Development Issues. Pan Books, London, 1983.
- Coote, Belinda, *The Hunger Crop: Poverty and the Sugar Industry*. Oxfam, 1987.
- Cornia, G.A., Jolly, R. & Stewart, F. (eds.) *Adjustment with a Human Face: Vol 1: Protecting the Vulnerable and Promoting Growth*. Clarendon Press, Oxford, UK, 1988. A UNICEF Study.
- Ending Hunger: An Idea Whose Time has Come*. The Hunger Project. Praeger Special Studies, New York, 1985.
- Food 2000: Global Policies for Sustainable Agriculture*. A report of the Advisory Panel on Food Security, Agriculture,

- Forestry and Environment to the World Commission on Environment and Development. Zed Books, London, 1987.
- Foster, Richard, *Freedom of Simplicity*. Addresses the issues of family and corporate simplicity as well as the issues of economics, world hunger and international trade. Triangle SPCK, London, 1981.
- Grant, James P., *The State of the World's Children*, 1989. UNICEF. Oxford University Press, UK, 1989.
- Harrison, Paul, *The Greening of Africa: Breaking through in the battle for land and food*. Written for the International Institute for Environment and Development. Paladin Grafton Books, London, 1987.
- International Debt*. An ethical approach to the question at the service of the Human Community. Catholic Truth Society, London, 1986.
- Lappé, F.M. & Collins, J., *World Hunger, Twelve Myths*. (A Food First Book) Grove Press, New York, 1986.
- Lawrence, Peter [ed.], *World Recession and the Food Crisis in Africa*. Originally presented as papers to the Review of African Political Economy. James Currey, London, 1986.
- Life after Debt, Australia and the Global Debt Crisis*. A report by the Development Issues Study Group, Australian Council for Overseas Aid, Canberra, 1987.
- North-South: A Programme for Survival*. The report of the Independent (Brandt) Commission on International Development Issues. Pan Books, London, 1980.
- Our Common Future*. World Commission on Environment and Development, Oxford University Press, Oxford, 1987.
- Schneider, B., *Barefoot Revolution: A report to the Club of Rome*. Identifies and measures the impact of an alternative approach through small scale development projects run by NGOs. Intermediate Technology, London, 1988.
- Sider, R.J., *Rich Christians in an Age of Hunger: A biblical study*. Hodder & Stoughton, London, 1978.

FURTHER READING

- South Magazine*. Published monthly. South Publications [UK], 4-12 Lower Regent Street, London, SW1Y 4PE.
- Timberlake, L., *Africa in Crisis*. A best selling study essential for anyone interested in Africa. Earthscan, London, 1988.
- Vandeloo, Ted [ed.], *Global Partnership in Development: The Challenge for Australia*. World Vision of Australia, Melbourne, 1989.
- Ward, Barbara, *Peace and Justice in the World*. The Commission for International Justice and Peace. London, 1981.

Index

- absolute poverty defined, 12
- adjustment policies, growth oriented, 96
- Agriculture Committee, see House of Commons
- aid, see Official Development Assistance
- AIDS in Africa, 40
- American aid, 10, 23
- Amul, India, 17, 88
 - economic achievements, 88
- Anand dairy, 17, 84, 85
- Anderton, J., MP, see New Zealand
- Andriessen, F., EEC, 74
- animal-drawn tool carrier, 32
- Arole, Dr, 48
- Asia Plateau Centre, India, 3, 14
- Australian International Development Assistance Bureau, 57
- avenue cultivation, 32
- Baguio General Hospital, 43
- Bangladesh, 34-36, 53, 68
 - answering vitamin A deficiency, 47
 - floods, 36
 - grain production, 35
 - Grameen Bank, 34, 68
 - low infant birth weights, 34
- Beirut, child immunization, 46
- bilateral aid, 52, 53
- birth rate in Third World, 10-13
 - family spacing, 42
 - on tea estates, 11
 - reason for large families, 11
- Blanchard, Francis, Director-General, ILO, 55, 63, 65, 69, 93
 - ILO Conference, 65, 92-101
 - on debts & poverty, 63
- Blind Graduates Forum of India, 47
- blindness from vitamin A deficiency, 8, 46, 47
- bottle-feeding, 42-44
 - cause of child deaths, 42, 43
 - replaced by breast-feeding, 43
- Borlaug, Dr N.E., 18, 32
- Brandt Commission, 8
 - mechanism for financing development, 75
- breast-feeding, 42-44
 - code of marketing substitutes, 43
 - impact on pregnancy, 42
 - importance of, 42
- British Farmers for International Development, 72
 - aims of group, 72
- Buchman, Dr, F., 5
- Burkina Faso immunization campaign, 45
- butter oil, 24, 71, 86

- Canadian ODA, 69
- cane sugar production in Third World, 59
- Carmichael, Robert, 60
- Catholic Truth Society,
 - proposal on international debts, 64
- Chavan, Arun, 72
- child,
 - AIDS in Africa, 40
 - blindness, 46
 - deaths, 3, 7, 18, 39, 70, 103
 - diseases, 7, 8, 18
 - effects of illness, 7
 - health ensured by changes, 18
 - improving death rate, 10, 39, 70
 - labour in Third World, 14
 - mortality in sub-Saharan Africa, 21
 - polio, 46
 - public role in survival, 18, 50, 69
 - rag pickers, 14
 - role in the family, 14
 - supplementary feeding, 16, 22, 23, 71
 - survival programme, 40-46
- cities, growth of, 12
- Clavano, Dr, Philippines, 43
- code of marketing breast milk substitutes, 43
- collecting depots for milk, 28, 84
- Colombia immunization crusade, 45
- commodity,
 - Common Fund, 58
 - price impact, 58
- Commonwealth Currents* on debts, 62
- concentrated animal feed, 87
- convention on food aid, 25
- convention on rights of child, 14
- Co-operative Dairy Federation, 87
- country by country answer to poverty, 68
- debts of developing countries, 4, 59, 62, 105
 - Catholic Truth Society on, 64
 - causing hardship, 64
 - in sub-Saharan Africa, 59, 64
 - solution suggested, 65, 98
 - threat to child survival, 4, 105
- developing countries,
 - financial needs, 62
 - structural adjustment, 96
- Development Assistance Committee (DAC), 51, 66
- Director-General, ILO, see Blanchard
- diseases in children, see child
- economic framework for development, 9
- EEC,
 - development compared, 55
 - food aid policy, 24, 25
 - food strategy in Africa, 71
 - help for Third World, 56
 - review of overseas aid, 55
- Egypt using ORT, 41
- El Salvador child immunization, 46
- Evans, Pat, 72
- Fayese, Agbo Ola, Nigeria, 74
- financing Third World development, 75, 78, 80
- Food 2000*, 21
- food aid, 104
 - allocation by EEC, 24
 - donations, EEC & USA, 22, 24
 - EEC policy, 24, 25
 - emergency use, 23
 - history, 22
 - impact on local production, 22, 23
 - in sub-Saharan Africa, 22

INDEX

- to raise capital, 24
- utilisation difficulties, 23
- Food Conference, World, 22, 73, 105
- food production,
 - excess in West, 71
 - in Third World, 15, 32, 71, 104
 - multiple cropping, 32
 - shortage in Africa, 21
- foreign exchange shortage, 63, 69
- Foster, Richard, 79
- free meal scheme, Tamil Nadu, 16
- Gandhi, Indira, 46
- Gandhi, R., Prime Minister, India, 46
- Garland Canal, 36
- GATT, 54
- God of the unexpected, 81
- Government Aid, see Official Development Assistance
- grain,
 - production in India, 33
 - surplus in EEC, 24, 26
 - yield per hectare, 33
- Grameen Bank, Bangladesh, 34, 68, 104
- Green Revolution, 33
- Gross National Product (GNP), 10, 51, 66
- growth monitoring, 40, 41
- Guillaume, François, 74
- Harrison, Paul, 32
- High-Level Meeting, ILO, 65, 92-101, 105
 - agenda of meeting, 92
 - conclusions, 93
 - persons attending, 92
- Hill, Dr Anne, 43
- Himalayan hydro-electric project, 37
- House of Commons Agriculture Committee, 4, 25
- Human Rights Commission, 14
- hunger in Africa, 21
- ICRISAT India, 32
- Ikhtiar Bank, 68
- illness in children, effects of, 7
- ILO meeting, see High-Level Meeting
- ILO tripartite consultation, 100
- immunization, 44
 - effect of neglect, 44
 - maintaining momentum, 44
 - memorial to Indira Gandhi, 46
- import of dairy products, India, 83
- income of countries compared, 55
- India,
 - child deaths, 81
 - free meal programme, see Tamil Nadu
 - industrialisation, 80
 - living conditions, 13
 - population, 13
 - 'trickle down' theory, 13, 81
 - village development, 47
- industrialised countries challenged, 95
- Ingram, James, WFP, 22
- interdependent world economy, 97
- international indebtedness, 62
- International Labour Organisation (ILO), 65, 92
- International Monetary Fund, 54, 63
- irrigation needs, 31
- Jamkhed rural health project, 48
- Japan,
 - Himalayan project, 37
 - ODA increase, 52
- jute agreement, 60
- Kaira District Milk Producers Union, see Amul

- Kaunda, Dr K, President, Zambia, 73
- Kelly, C.R., 76
- Kurien, Dr V., 17, 27, 30, 85, 90, 91
- lactose intolerance, 28
- Latin America,
 - extent of poverty, 12
 - population, 12
 - poverty in Brazil, 12
- Less Developed Countries, aid to, 53
- letters to members of parliament,
 - in Australia, 76
 - in New Zealand, 77
- loans to peasant farmers, 30, 35
- Lomé Convention, 56
- Lyng, R., USA, 74
- MacGuigan, M., Canada, 69
- maize production, Zimbabwe, 30
- malnutrition,
 - breast milk substitutes, 42
 - cause in children, 8, 21
 - defined, 8, 19
 - in sub-Saharan Africa, 15
 - in Zimbabwe school children, 15
- marketing in Africa, 30
- Marshall Plan, 10, 76
- Mayer, Dr Jean, 8
- milk,
 - composition, 26
 - consumption in India, 84
 - developing Third World
 - production, 26
 - for children, 71, 104
 - goats, 3, 26
 - intolerance in Third World, 28
 - needs of developing countries, 26
 - producers co-operative Anand, 17, 84, 85
 - production by small farmers, 84
 - production in Zimbabwe, 27
 - recombined, 26
 - supply to urban India, 86, 89
 - toned, 89
 - UHT, 26
- milk powder, 3, 23, 71
- Mitterrand, F., President, France, 76
- Moral Re-Armament, 3, 4, 5
- Mugabe, R., President, Zimbabwe, 78
- Mugabe, Mrs Sally, 78, 80
- multilateral ODA, 52
- Nakajima, Professor Masuki, 37
- National Co-operative Dairy Federation, 87
- National Dairy Development Board,
 - achievements, 90
 - co-operative societies successful, 18, 89
 - engineering, 89
 - fodder production, 88
 - formation of Board, 17, 85
 - milk production in India, 84
 - milk vending machines, 88
 - packaging of milk, 88
 - women in dairying, 91
- Nepal,
 - absolute poverty, 34
 - deforestation, 34
 - soil erosion, 34
- New Zealand,
 - Anderton J., M.P., 77
 - decision on sugar beet, 59
 - letters to members of parliament, 77
 - Official Development Assistance, 78
- Non-governmental organisations, 56-69
 - of the South, 57, 73
 - source of funds, 57
- nutritional quality of milk, 26

INDEX

- Official Development Assistance, 10, 51, 106
- old age, security in, 11
- Operation Flood, 83-91, 104
 - artificial insemination, 87
 - bulk milk vending, 88
 - concentrated cattle feed, 87
 - engineering achievements, 89
 - formation of, 84
 - increasing milk production, 27
 - national milk grid, 88
 - recognition by other countries, 18
 - returns to producers, 88
 - rural incomes improved, 88
 - small farmer suppliers, 27, 84
 - village developments, 47
- Oral Rehydration Therapy, 41
- Organisation for Economic Co-operation & Development (OECD), 59
 - member countries, 66
- Overseas Development Administration, (ODA), 25
- Owens, Miss Irene, 78, 80
- Pakistan, immunization in, 45
- parents role in child survival, 18, 50, 69
- parliaments in West, lobbying, 76
- Perera, Judith, 12
- Plumb, Lord, 73
- PolioPlus programme, 46
- Poona short of housing, 13
- population,
 - growth in India, 13
 - slum dwellings, 12
 - Third World, 10
- poverty,
 - absolute, 12, 19, 34
 - and growth of cities, 12
 - Bangladesh, 34
 - compared with West, 8
 - extent of, 7
 - impact on birth rate, 11
 - increasing, 7, 63
 - living conditions, 7
 - Nepal, 34
 - sub-Saharan Africa, 21
 - suggested solution, 76
- protectionism, 95
- Protein Advisory Group, 29
- public policies, to change, 76
- rice production, Australia & USA, 59
- rich-poor gap, 7, 9, 55
- rights of children, 14
- Rotary PolioPlus programme, 46
- sanitation, see water and sanitation
- school milk, 28
- Schumacher, Dr E.F., 30
- sewing machines for Zimbabwe, 78
- Shastri, Mr Lal Bahadur, India, 17, 85
- shelter needs, 12
- small farms,
 - in Operation Flood, 84
 - increased yields, 33
- South America food production, 37
- Southern Asia water management, 36
- structural adjustment, 93, 96, 100
- sub-Saharan Africa, 21, 22, 62, 76
- sugar production, 59
- supplementary feed for children, 16
- surplus dairy products, 3, 24
- surplus food price convention, 25
- survival programme, child, 40
- Tamil Nadu free meal scheme, 16, 103
- Tata Jamshedpur, India, 47
- tea estates, India, 11
- tea production, Australia, 59

- Thailand, rural development on border, 33
- Third World
 - animal drawn tool carrier, 32
 - avenue cultivation, 32
 - debts, 39, 55, 62, 106
 - development needs, 31, 36, 75
 - help needed from West, 75
 - population growth, 10
 - servicing loans, 62
 - subsidising rich countries, 4, 62, 105
 - trade, 58, 59
 - 'trickle down' theory, 68, 80
- Truman, H., President, USA, 51
- UNCTAD, 53, 95
- undulant fever, 3
- UNICEF,
 - child survival, 39, 69
 - effects of child illness, 7
 - fall in child deaths, 39
 - food needs of people, 21
 - meeting child needs, 50
 - rights of the child, 14
 - role of the public, 19
- United Nations,
 - Official Development Assistance, 10, 51
- USA, 10
- Vaughan, Dr B.D., 48
- Verala Development Society, see Chavan
- village development, Jamkhed, India, 48
- village milk collection, 27, 84, 85
- Village Milk Producers' Co-operative Society, 85, 87
- vitamin A, 8, 46
- water management, Southern Asia, 34, 104
- what the public can do, 106
- wheeled tool carrier, 32
- Williams, Prof. J., 74
- women's dairy co-ops, India, 91
- World Bank, 21, 22, 36, 52, 54, 62, 63, 69
- World Bank-IMF on aid, 56
- World Food Conference, see Food Conference
- World Food Prize, 17
- World Food Programme, 22
 - donated dairy products, 24
- World Health Organisation, 43, 46
- world markets distorted, 71
- World Vision, 79
- xerophthalmia, 46
- Yunus, Prof. Muhammad, Bangladesh, 35
- Zimbabwe,
 - child malnutrition, 15
 - Dairy Marketing Board, 27
 - increased maize production, 30, 68, 104
 - Institute of Development Studies, 15
 - irrigation potential, 31
 - loans to small farmers, 30
 - milk collection in communal lands, 27
 - Play Centres, 49
 - reconciliation, 31
- Ward, Barbara, 12
- water and sanitation needs, 75

Stan Barnes has taken a strategic initiative in writing this book. *Strategic* because, while we are producing more food on the planet, more are dying from hunger-related diseases. That's not fair, and it is particularly sad to me that Christians have been very quiet about this global injustice. Midst such structural problems as Third World debt and trade imbalances that favour the rich more than the poor, Stan Barnes gives practical examples of individuals who have found ways to assist the children in crisis. My hope and prayer is that this book will not only change our attitudes, but galvanize some of us into protest and action.

Rowland Croucher
World Vision of Australia

The Canberra Times calls STANLEY BARNES "a man well worth hearing, with a contagious zeal, who calls a spade a spade". For over 40 years he has worked in the dairy and food industries, over half of them in Third World countries. He has served as Dairy Development Adviser to the Government of Pakistan, and as Project Manager to the Australian Dairy Produce Board in South East Asia. For this work he was awarded the MBE and the Gold Medal of the Australian Society of Dairy Technology.



For 12 years until 1985 he lived in India, travelling to Europe and Australia to consult with others seeking answers to malnutrition in the Third World. *Australian Book Review* said of his previous book *Two Hundred Million Hungry Children* that it "should be compulsory reading for politicians, economists, foreign aid officials and all concerned about the future of the children of the poor countries".


WORLD VISION OF AUSTRALIA

ISBN 1 875140 03 4

DISTRIBUTED BY:
GROSVENOR BOOKS
P.O. BOX 1834
WELLINGTON.