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# PAPER TIGER

October 1970

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To analyse the relationships between the individual and the society, the industrialised and the Third Worlds, the exploited and the exploiters.

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## haslemere

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In Southern Africa, Barclays DCO has over 900 branches, that is over half of its total overseas number. In the UK, Barclays Bank Ltd. has goodness knows how many branches. In the minds of the average UK citizen Barclays is a pillar of respectability in the financial edifices both of this country and of the world.

At the beginning of each academic year Barclays expends considerable effort in persuading college and university freshers to open accounts with it. Although the type of student pictured in their advert is seemingly rather unlike most actual students, Barclays show no prejudice against long hair, beards, bralessness lack of scarf, etc., when it comes to laying down the money to open an account. And indeed why should they? Banking is their business (or rather, capitalist banking is their business — the capitalist-

icness of both it and of our industry and economy in general is overlooked) so why bother about such irrelevancies as the customers appearance?

This approach is shared by Barclays DCO (in which Barclays Bank Ltd. has a 54% controlling interest) in their business overseas — if it tends towards a profit, it's OK! Consequently it's really OK in SA because that's where the big profits are made. The fact that the big profits are made thanks to the modern slave system of apartheid, is an irrelevancy. As Barclays put it, the South Africans (understand "white South Africans" — their whiteness and numerical inferiority are intended to be overlooked) make the laws, so we must abide by them. (Though Barclays are not slow to protest when lawmakers in developing countries decide to nationalise foreign

# ANTI- BARCLAYS



banks.) Barclays DCO do not however only make profits from apartheid — by participating in it, they help to strengthen it. A clear example of this is DCO's intended participation in the building of the Cabora Bassa dam in Mozambique, which will undoubtedly strengthen the position of the white minority regimes in Southern Africa against the black freedom fighters.

Despite their respectable public image, it's not difficult to see through Barclays if you want to. The difficulties begin when it comes to doing something about it. Individual withdrawal of one's account is a step in the right direction, even though we have not yet achieved this on a sufficiently large scale to hurt Barclays financially; nevertheless publicity about this does hurt, for the veneer of respectability is thin and comparatively easily damaged. Mass direct action, as at Essex earlier this year, is also bad news for Barclays. So are anti-Barclays stickers and posters,

protest at AGMs and so on. But the achievement of bad publicity for Barclays is ultimately only an interim measure. Barclays are truly sensitive only where moral principle is concerned. The anti-Barclays campaign can only succeed if it hits Barclays financially.

One more important point. We are not merely anti-Barclays. This is not a private vendetta with that firm. We are against all individuals, firms, institutions, organisations, governments etc. which seek to maintain or establish exploitative relations between different countries, or between different classes in any one country, or which oppose or hinder the attempt by oppressed individuals, classes or countries to gain economic, political or social freedom. Thus we are not only anti-Barclays, we are anti-capitalists. But since Barclays tries to recruit us for their ranks of account-holders, let us give them more than they bargained for.



## It costs you nothing to make a friend at Barclays

Look in at your nearest branch, and ask to see the manager. You'll find he has plenty of experience in the vagaries of student finance. He'll help you to open your account, and give you any advice you may need on how to run it...

He'll ask you for a couple of specimen signatures and a quid or two. Then, providing you stay in credit, your 'Student Account' will be free of all banking charges. And you'll have made a good friend for the rest of your student days.



**Barclays Bank** *Money is our business*

## biafra

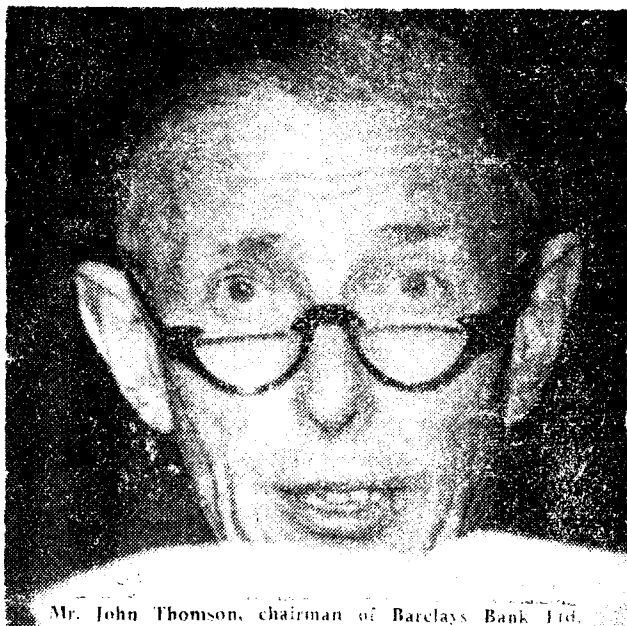
This is a translation of the conclusion of an article by Bill Warren in *Les Temps Modernes*.

Biafra was created for the defence of the life and even the survival of the Ibo peoples, and of the other populations of the Eastern Region menaced by politicians who were trying to restore the power of the North, and the influence of British imperialism in Nigerian affairs.\* The deliberate racialism of these politicians had for an inevitable result an inter-class alliance of the Eastern populations.\*\* After the coup d'état of July, no other structure of defence existed except that of the regional government of the East, which is what provokes the secession. The secession flowed logically from the growing need to utilise this regional government structure as a means of defence against the increasingly violent attacks.

If the secession was easily brought about this was partly because, in many ways the ancient Nigerian regions resembled national States more than the Federation did.\*\*\* And this is partly the reason why the Biafran struggle rapidly took on the character of a national liberation movement.\*\*\*\*

Nevertheless, an inter-class alliance realised under the aegis of the bourgeoisie, and based on ethnic grounds, with the aim of separating itself from an ancient colony, only recently independent, seemed to many quite a doubtful solution. But this doubt is not so much a relevant reaction to the real situation, as a tendency to respond automatically to certain verbal stimuli.

The dangers to which political thought is subjected by apparently innocent words which are in fact loaded with hidden political and moral meaning



Mr. John Thomson, chairman of Barclays Bank Ltd.

It is now known that a British company has a share in the production of munitions and armaments for South Africa's internal defence forces. ICI has a 42.5 per cent stake in the largest industrial company in South Africa, the £112million African Explosives and Chemical Industries. This company today operates for an annual fee, paid by the South African Government.

When questioned about his interests in trading with South Africa, Mr. George Mason, the director of UKSATA, said that nothing could be done to influence a regime by a policy of non-involvement. "We know from His teachings that the Almighty mixed with sinners, don't we?"

are well known: the expressions "territorial integrity", "Balkanisation", "secession" are three good examples of these words. For some time now it has been to often said that existing African frontiers ought to be considered as sacrosanct, that this was the indispensable condition for the eradication of the divisions bequeathed by the age of imperialism. Likewise the system of a single political party was considered as the internal political structure most able to suppress these same influences of the age of imperialism.

In the case of Nigeria it is clear that the principal imperialist powers involved (Great Britain, and the USA) have attempted to preserve the territorial integrity with the precise intention of preserving their power and influence. Besides it is not rare that in Africa a conflict of classes gives birth to a racial conflict, or becomes mixed up with a racial conflict. In these conditions territorial integrity is only too susceptible of becoming a weapon in the hands of African ruling elites who are hanging on desperately to privileges recently acquired. Also it is clear that left-wing revolutionary ought now to consider all the tactical and strategic possibilities that open up as soon as existing frontiers are no longer considered sacrosanct.

More generally, the fact that; in Africa, rac-

ial struggles become confused with class struggles, poses a problem of solidarity and fraternal criticism to the left-wing revolutionary. And it is clear that if the left-wing revolutionary does not want to encase himself in an attitude of procrastination, he will have to reject categorically all the determinist tendencies that counsel waiting either for a revolution in Southern Africa, or for the rise of an African working class, or for the exploitation of economic conflicts. One should not ignore or dismiss the great struggles between oppressors and oppressed under pretext that they do not conform to the common norms.

\* Another element intervened: this was the fact that the minority tribes of the North adopted a 'Zionist' solution. The unfortunate but frequent parallel that are drawn between the origin of Biafra and those of Israel tend to obscure the authentic resemblances that exist from the moral and political viewpoint, because these parallels do not take into account the fact that the Eastern peoples occupy only their own territory.

\*\* The secession was demanded by and sustained by the working class and the socialist intellectuals of Biafra, of whom the latter take part in independent, although limited, political activity, and also play an important role in the national struggle.

\*\*\* That also concerns the essence of the foreign policy because the relations between the regions and the central power were almost comparable to the relations between States. The political decisions concerning the subject of foreign investments were often taken at regional level.

\*\*\*\* This development could have been avoided. The given circumstances of the situation were ambiguous, and the birth of an authentic Nigerian nationalism among the peoples of the East was possible.

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We did not produce an Aug./Sept. issue of P.T., as previously announced, because of the summer vac. The universities are where most of the copies are sold, by the bulk distributors. Without the universities, we would lose heavily. We apologise to those who expected one.

## IRANIAN STUDENTS HUNGER STRIKE in Trafalgar Square.

August 12 - 14th.

Iranian students in London, Munich, Frankfurt, San Francisco, Paris, New York, Ankara, Istanbul, etc., held protest demonstrations against the arrests, tortures and, in some cases deaths, of demonstrators arrested in Iran in May. About 1,000 students, progressives, et al. are being held in Iran, many of whom face secret trials for which the sentence is likely to be death. The original demonstrations and strikes in Iran during May of this year were against the oppressive regime and its imperialist supporters. On 19-5-70 the Convention of the big American monopolists' Conference in Teheran led to protests, and two Iranians, a graduate and a religious leader, died under the torture inflicted by SAVAK (Iranian Secret Police) interrogators.

Iran receives a great deal of silence in the mass media. Any information on Iran from readers will be appreciated.

## FAMINE IN HAITI. (S. Times, 23-8-70.)

N.W. Haiti has been suffering a famine for the past two years. No relief organisations have received specific requests from the famine area, and a UN representative in the area said, "...90% of the starving area is unaware of our existence."

President Duvalier is not too keen for this scandal to be publicised, but the inefficiency of his administration is also well-known, and these two factors could go far to explaining why we haven't heard much about it.

## TWO MORE THIRD WORLD GROUPS.

Two more Third World groups have appeared on the scene:

"Third World Fighting Fund" in Britwell Salome, Oxfordshire, has pledged support to liberation movements in the Third World. They consist mainly of 'rebels from Oxfam.

"Crisis" is a charity with emphasis on educating public opinion, some of whose members are former Young Oxfamers. Andrew Driver, a committee member said about Oxfam that they "often perpetuate public complacency because they failed to raise the real causes of poverty for fear of entering political controversy." It's stressed that Crisis will co-operate with Christian Aid, Oxfam, War on Want, but will remain free to be critical of these.

# orientation

".....it is not possible to achieve economic growth by private charity. It must be brought about by government action." (Edward Heath at beginning of World Poverty Campaign.)

Liberals everywhere worry about the Third World's inability to get onto the Western Advanced Industrial Bandwagon. Tongues are tisked, heads are wagged, ".....it's too bad!" etc. But we hope that the Third World doesn't jump on this bandwagon, we hope that they find a new way, a better way of developing: "...the growth must come out of our roots, not through the grafting on to these roots of something that is alien to them. It means that our social change will be determined by our own needs as we see them, and in the direction that we feel to be appropriate for us at any particular time.... Inherent in the Arusha Declaration, therefore, is a rejection of the concept of national grandeur as distinct from the well being of its citizens and a rejection too of material wealth for its own sake. It's commitment to the belief that there are more important things in life than the amassing of riches, and that if the pursuit of wealth clashes with things like human dignity and social equality, then the latter will be given priority...." (President Nyerere, Arusha Declaration.)

Can the West help countries like Tanzania to develop in this way?

## TRADE:

"....the poor countries have an impossible task if they are encouraged to industrialize, but not permitted to sell any manufactured goods." ('The Economic Relationships Between The Rich And Poor Worlds,' Oxfam Haslemere Group.) eg. The American government's crushing of the Brazilian export of processed instant coffee to America, when it captured by the legitimate process of free trade, 14% of the American coffee market (see Haslemere Declaration, P.6). Malayan rubber enters Britain duty free, but Britain puts a 27% tariff on their manufactured tyres. Even if the poor countries could find a market in the West for certain manufactured goods (as opposed to primary products), it is unlikely that if they were dependent on the Western markets, that it would be much help to them. What is really necessary is for the Third World to develop customs unions among themselves, which will give them the freedom to stimulate each others' economies, towards Gunnar Myrdal's 'cumulative spirals of development' through 'self-sustained growth.'

## PRIVATE INVESTMENT:

"Between 1954 and 1964 the UK obtained through Shell alone net imports of oil worth about £1,200 million from a net foreign exchange outflow of only some £100 million." (Shell circular, 1965)

# ASLEMERE

## AID:

"Foreign aid is a method by which the United States maintains a position of influence and control around the world...." (President Kennedy).

"A lot of criticism of foreign aid is because the critic thought the objective was to get economic growth, and this was not the objective at all. The objective may have been to buy a base, or get a favourable vote in the U.N....." (D.A. Fitzgerald of the US Foreign Aid Administration.)

"I think it would be wrong to say fast that aid has been given without regard to British commercial interests. What I think is probably a fairer way of putting it is that at the present time, and as things have moved since the Overseas Development Ministry was set up, there is even more commercial emphasis in the way we look at aid questions." (Board of Trade Spokesman to House of Commons, 1968.)

"The UK regards private investment as complementary to official aid. The latter builds up mainly infrastructure.....to create the environment in which private investment can make its characteristic (!) contribution to development." (Overseas Development Ministry White Paper.) With aid, trade and investment, the West has only one object: its own profit. This profit invariably clashes with the independence and well-being of the Third World. We have no hope that the West as it now is organized politically and economically can do anything for the Third World.



President Johnson signing the Economic Opportunity Act in 1964, designed to eliminate poverty in the United States

What is important to realise is that the Third World as it is now is the natural result of Western Progress, and it is one among several phenomena which are the results of such progress, eg. alienation, anomie, apathy, depersonalisation, the affluent society, etc. "It (the bourgeoisie) compels all nations on pain of extinction, to adopt the bourgeois mode of production.....it creates a world after its own image....."

"Just as it has made the country dependent on the towns, so it has made barbarian and semi-barbarian countries dependent on the civilised ones, nations of peasants on nations of bourgeois, the East on the West." (Marx & Engels, Communist Manifesto, 1848.)

Business has entered into our souls, and we are not aware of it. The inability of even the liberal consciousness to see what is really happening in the Third World is the same inability to see what is happening in our own society. When the Institute of Development Studies at Sussex University tried to give a six week seminar for a handful of students on the problems of nationalising foreign assets, the Overseas Development Ministry refused to finance it, and it was only allowed to continue on its own finances, after a considerable struggle with the university authorities. Balance against this the many business degrees and diplomas being established in higher education, fully backed by the government. Nationalisation of foreign assets is not something "beyond all bounds of reason" but is recognised by International Law.

Laing, Cooper, et al. have analysed the violence that is inherent in our familial life, and which is overlaid by a 'bad faith': the refusal to recognise that there are 'bad' aspects to reality, such as death and solitude, and 'emotional cruelty' to those incapable of conforming to the 'norm.' This can be seen also in the educational institutions, where there is an extreme amount of stress and emotional destruction, while at the same time no admission that there is anything wrong anywhere. The same applies to our society. People now have a greater chance of being admitted to a mental institution than to a university. One in three of us need psychiatric care at some time. (Georget, French psychiatrist, 1795-1828, and K. Popper claim that an open democratic society 'inevitably' takes a toll of a 'few' people. But, they say, it is the price one must pay for 'freedom.')

We appeal to those in the educational establishment to become aware of what the Third World really means. We hope that in the process of becoming aware they will begin to realise how deeply committed are our institutions to silence on these issues, and that they will try individually and collectively to force the educated and educators, the academics and the communicators, to live up to their responsibilities, by whatever action they can devise. In any case, we hope that students will resist the pressures to commit themselves emotionally to exams, competition, pseudo-success, etc. and therefore to be able to realise that their guilt does not lie in not being clever, but rather in not being aware.

# the Pillage of Latin America.

Latin America is being bled white by the USA. Indeed, the US is a very rich country — the richest the world has ever known — partly because of the "aid" given to her, albeit unwillingly, by the Latin American countries.

John Gerassi in his 'The Great Fear in Latin America' (Macmillan Co. 1965) pointed out that the US invested \$500 million and returned a profit almost half as big, \$770 million, for a net capital loss to Latin America of \$270 million in 1965. That cold and still statistic of profit and loss is a statement about someone's happiness and someone else's pain. It needs to be thought about — and acted upon.

We are constantly presented with newspaper reports of the "aid" the United States gives to Latin America, but we need to look hard at such news items. "US gives Brazil a Billion in Aid" (New York Times, 15th December 1964). Carl Oglesby (former president of Students for a Democratic Society) took a hard look at this news item in 'Containment and Change' (Macmillan Company, 1967). He headed his hard look "How to invent a billion dollars and analysed the various items as follows:

\* According to the cited NYT story, the US Agency for International Development "gives" \$150 million in budgetary investments — that is, US dollars are banked in Brazil (where they earn interest) in order to help harden the inflated cruzeiro.

\* An unnamed source (probably the World Bank) "gives" \$100 million to develop the economic infrastructure needed by business — a "gift" that is, of course, merely a loan that Brazil must repay with rent.

\* The US Treasury "gives" \$50 million to meet exchange requirements — which amounts to a credit extension.

\* Next this breathless Brazil is "given" the right to buy \$90 million worth of surplus US commodities — the price is no doubt right, but it is still a price.

\* The Export-Import Bank "gives" Brazil \$30 million — in the form of rescheduled 1965 debt.

\* The same sort of "gift" comes in the amount of \$90 million from European countries and Japan — which may be amused to find their favours counted as American beneficence.

\* Finally the NYT story itemizes a \$25 million food donation and \$15 million in grants, earmarked for "agriculture and education". The real market value of the food donation is anyone's guess, but we may assume that the grants are good honest grants. Thus we have here a total of \$40 million in goods and services that may properly be termed "gifts". That puts us,

with the other items named, at a paper level of \$550 million.

\* The remaining \$450 million, continues the NYT story, estimated for the following year will come from the World Bank (which only lends, does not give), the International Monetary Fund (ditto), the Inter-American Development Bank (ditto), and private investors (who tend to make big profits in poor countries). Look again at the NYT good grey headline "US Gives Brazil a Billion In Aid".

Venezuela is a typical Latin American country whose wealth is pillaged by the United States. A country of some eight million people she exports oil which has an annual dockside value of about \$4 billion — an apparently solid economic base for such a country. However, Venezuela's annual income on the \$3 billion in oil that she ships each year is only \$800 million. This vast discrepancy is due to capital outflow (or foreign reinvestment) necessitated by the presence of large foreign monopolies. It may be analysed thus: Rockefeller's Creole Petroleum Corp. accounts for more than 40% of the total oil production and sales volume; Mellon's Mene Grande Oil for 10%; Mobil Oil for 5%; and Royal-Dutch Shell (a European company) for most of the remainder. The Venezuela government controlled group has "concessionary rights" on less than one percent of the oil reserve and is too underfinanced for profitable operations.

The US ensures that Latin American countries remain "free" for continued pillage. US aid programmes are given on conditions — conditions that ensure that the US makes the "necessary" profit. For example, Peru was offered an American loan on three conditions:

- 1) that Peru buys US supersonic jets instead of French ones.
- 2) that Peru allow US ships to fish in Peru's territorial waters.
- 3) that Peru abandon attempts to gain more control of the US oil company's activities.

Of course the US has now well known methods for counteracting (or indeed annihilating) anything that might threaten the status quo. In 1953 the government of Guatemala decided to introduce land reform. It nationalised 400,000 acres of uncultivated land owned by the United Fruit Co. of the USA, the largest landowner in the country. Compensation was offered — \$600,000 — the amount at which the United Fruit Co. had valued the land in its tax returns. The offer was refused. The company, backed by the US Government, demanded \$16 million — almost \$5 for every man, woman, and child in Guatemala. This claim was rejected. So the US helped organise a coup d'etat and a military junta was established which promptly returned the 400,000 acres to the United Fruit Co.

A little story — and an unfortunately true, but typical one — to end. Two villages in the northeast of Brazil. They are Ponta de Carvelhos and Pontezinha. Near them flow two rivers: the Pirapanga

and the Vaboatao. The inhabitants of the two villages are barely subsisting on the two rivers' sweetwater fish and crabs. And then one day American "aid" comes in the form of the Union Carbide Co. and a gleaming chemicals plant is built on the banks of the Pirapanga. The villagers were told that this represented wonderful things like "development" and "progress." But what chemical plants do to all rivers was done to the Pirapanga — the river became polluted. And the fish and the crabs started to die. Unless they did something quickly, the villagers were faced with death. Spokesmen were sent to appeal to the authorities who commiserated and explained that they had no authority. The villages then decided to demonstrate. The police said no, but a religious procession . . . . . So two priests led a "religious procession" on the 16th. August, 1965, of more than 2, 000 fishermen and their

wives and children. They marched twenty miles in the blistering heat of an equatorial summer's day, all the way to the Union Carbide Pirapanga River chemical plant. The marchers carried signs: "The river is our bread," "Men and fish die together," "Development: Is it for us or against us?", "Progress that brings misery is not worth a damn" and "Behold the hour in which we demand a solution."

And so they come to the chemical plant . . . . . but, except for the police who came to guard against trouble, there were no on-lookers. The chemical plant continued to making chemicals for someone, heaving back to the river poisoned what it had taken from the earth unpoisoned, for it was automated.

So the demonstration ended. The villagers went back to their villages to die. . . . .

And the pillage of Latin America continues. . . . .

**“Democratic Normality” in brazil**

The forthcoming Congressional elections in Brazil, on Nov. 15th. this year, will be the first under the new regime led by President Medici, and supposedly represent a "return to democratic normality."

One of the basic changes in policy appears to be "to eliminate the politician selected for his pers-

onal influence, who was frequently corrupt, and to have him replaced by a more efficient 'technocratic' type of politician."

This can be coupled with a much more blatant amendment, signifying exactly what this new democracy is all about. Previously the deputies elected to Congress were numerated

in proportion to the total population in the State, whereas the new system is to numerate them in proportion to the number of electors instead. In the past, the heavily populated North Eastern provinces (eg. Bahia), poverty stricken and with a high rate of illiteracy, "tended to dominate Congress at the expense of the developed South." (It has been calculated that it took ten times as many votes in Sao Paulo to elect a deputy as in the N.E.) The new system will result in Congress being more "representative of the more industrialised southern part of the country" at the expense of the N.E. This is not to say that the peasant of the N.E. has ever had any say in anything previously, but that perhaps these measures will ensure that without fixed elections (in respect to the constitution!), coups, terrorism, or other foul means that are generally frowned upon (though tolerated) by the Western liberals, a new Congress may be democratically elected, and the Brazilian elite and US business still be assured of their dominant position.

It is probable that this is a significant step towards Brazilian liberalism, and could well be in part to appease the horror ridden reports by Amnesty and the like of the Brazilian tortures. But of course, the N.E. will remain as before, poverty stricken and exploitable.

(quotes from 'Fin. Times' 9-9-70.)

**If Africa, Asia and South America go communist, don't blame him.**

Karl Marx is not responsible for famines in Asia or epidemics in Africa. It's not his fault that the average South American earns 75c a day.

All he did was predict the consequences. That a population living in misery will turn to communism as a way out. Unless something is done to alleviate these conditions.

But the countries themselves don't have the economic resources to make these changes. The U. N. doesn't. Even the United States doesn't.

They need the help of world industry. Particularly U.S. industry.

Industry is in an ideal position to do this. It can deal directly with the people of a country. It can change their lives in a way no government can.

A small case in point: in 1958, Olinkraft, a subsidiary of Olin, bought a paper mill in Igaras, a small town in the remote interior of Brazil.

Igaras was the kind of town on which communism thrives — a declining mill, no doctors, shoeless children, men working an 84-hour week, etc.

It wasn't hard to increase the production of the mill eightfold, to lower hours and raise wages, to reforest the woodlands — but that wasn't enough.

We hired a doctor, nurses, teachers; expanded the school; built a dispensary, a clubhouse; provided free medical and dental care (and medicines at cost to non-employees); financed housing loans and helped set up a cooperative store.

And then the people joined in. They rebuilt their own homes, paid for their own teachers, built and operated their own store and, in effect, revitalized the whole town.

But the people weren't the only ones to benefit. Olinkraft did well enough from the mill to start an extensive expansion program.

Igaras, of course, is only one town. But Olin is only one company. Imagine this kind of success multiplied by tens of thousands of companies and towns all over Africa, Asia and South America.

The deeds of industry may well be as important as the gospel of democracy





# A Question of Diminishing Aid

Aid figures give some indication of how rich countries are responding in their own terms to the needs of poor countries. An examination of the latest figures on aid does not make encouraging reading.

The table shows figures from three sources, contained within publications of the OECD (Organisation for Economic Cooperation and Development); we do not know exactly where the figures quoted in the last column come from as we have taken them straight from Vox (the VCOAD magazine).

The estimates quoted from the first two sources show that total aid (ie. official aid + private investment) to mal-developed countries rose by approx. 50% from 1960 to 1968, and according to the figures quoted in Vox also rose slightly from 1968-1969. Again, the first two sources show that official aid reached a peak in 1967 from which it dropped in 1968 and according to the Vox figures it rose again in 1969. In evaluating these rises we should however bear in mind at least this, that the value of money is almost universally falling and no allowance has been made for this in the estimates; secondly, while absolute figures may show a rise, when expressed in terms of the developed country's GNP, they may show a fall (see below).

It has been accepted for some time that developed countries should aim at spending 1% of their GNP on aid, of which 0.70% should be official and the rest private investment. Here are some salient facts in connection with this:

\* In 1968, out of the 16 members of the Development Assistance Committee (DAC) of the OECD, only 5 (Belgium, France, W. Germany, Netherlands and Switzerland) reached this target; and in 1969 again

only 5 managed it (Belgium, Denmark, W. Germany, Italy and Netherlands).

\* British figures show a drop in terms of total aid from 0.99% of GNP in 1964 to 0.75% in 1968, but a subsequent rise in 1969 to 0.97% which was apparently partly due to a sudden jump in the revised figures for private investment; it now transpires however that this jump was caused by various oil companies keeping their profits in the developing countries where they operate for somewhat longer than usual: the profits have apparently now been withdrawn. The practice of including private investment as part of the aid effort is obviously extremely misleading: in fact official British aid represented only 0.42% of GNP in 1968, and dropped to 0.39% in 1969.

\* The total flow of aid from the US fell from 0.74% of GNP in 1964 to 0.66% in 1968.

\* On the basis of estimates going as late as the 1968 figures, the Pearson Report calculates (table 19, page 382 in the paperback) that to reach 0.70% of GNP by 1975, official aid in the UK would have to grow annually by 10.4%, in US by 13.7%, and in DAC countries taken together (with the exception of Portugal), by 14.1%. In fact, from 1964-8, British official aid had an annual growth rate of -3.5%, and the US of -1.9% (ie. both declined).

\* Last but not least, one should bear in mind when considering official aid that the net amount is arrived at by subtracting repayments of capital by developing countries but also by not subtracting repayment of interest by developing countries (so-called debt-servicing). If interest repayments were subtracted, official aid figures would be even smaller than they are now.

in millions of US \$

|      | OECD: Resources to Developing Countries (1970) |          | OECD, DAC Statistical Tables for 1969 Annual Aid Review |          | OECD, DAC Tables quoted in Vox, August 1970 |          |
|------|--|----------|---|----------|---|----------|
|      | Total  | Official | Total   | Official | Total                                       | Official |
| 1960 | 8115.2   | -        | 8074.8  | 4686.0   | -   | -        |
| 1967 | -  | 7105.6   | -   | 6613.9   | -   | -        |
| 1968 | 12962.0  | 7094.9   | 12753.3   | 6428.6   | 13193.0                                     | 6409.0   |
| 1969 | -  | -        | -   | -        | 13297.0                                     | 6682.0   |