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Who Has a Claim to Development Aid?

It seems the students, who in the beginning of June demonstrated in the streets against the Shah of Persia and his visit of the Federal Republic believed to do the democratic forces in Iran and Germany a good service by their protests. Looking back at the happenings one might condemn the manner and form of such demonstrations. One might even doubt the sense of such actions, allegedly to the benefit of democracy, as a matter of principle. But it can certainly not be denied that the students in Berlin and Hamburg have in any case achieved one aim though unintentionally. They made development aid even more unpopular in Germany than it had been already. Even those sections of the population who did not at all agree with the students' protests found the Shah's visit more than superfluous and commented "that he had merely come to collect money again".

In view of this widely-spread attitude and the lasting, or even growing, budgetary difficulties, the time of the Shah's visit was surely ill chosen. More plainly than ever before Germany's present structural and growth problems show themselves in the present economic situation. They have further dampened the inclination for credits or even gifts to developing countries, and it should be added that the bulk of the population still has but an odd and vague view of their real size and ultimate utilisation.

The controversy about whether at all and how much development aid should be given, and to whom, is particularly topical at the present time. All the same it would be wishful thinking to expect that, in spite of the many assurances by development aid institutions, a clear-cut perception of this complex aspect could be found so that questions of this nature could be answered once and for all. The multitude of several possible data constellations requires an equally large number of different strategies and recipes. It will be necessary again and again to search for, and find, new answers which might appear reasonable under the prevailing circumstances.

In attempting to find a general answer arising from the present situation to the questions put, the answer to the question whether development aid should be given at all, can regardless of one's own difficulties only be in the affirmative—immaterial as to whether motives of humanity, political wisdom or long-term economic considerations stand in the fore of the thinking. After more than ten years of development aid practice one has up to now not succeeded in lessening the prosperity difference between the world's rich and the poor nations.

A large part of the world's population is starving and still living under the most primitive conditions. It is the rich countries' moral responsibility to improve these conditions. A successful development aid by donor countries would also have the advantage lastingly to eliminate the ever existing dangerous sources of crises that continue to jeopardise permanent world peace. Thereagainst, the frequently cited consideration of the gaining of political or even military allies by granting development aid should, if at all valid, play a subordinate role and be thought of as no more than an appreciative secondary feature of development aid. But this does not apply to the intensification of trade relations with these countries. They still are to a large extent to be looked upon as the world's economic periphery. If on the strength of development policy they can be integrated increasingly into the focal areas, then this would be the basis for further long-term growth progress of both the receiving and the donor countries.

In several official statements the Federal Republic of Germany has confirmed unmistakably its determination to continue development aid. The question as to how much aid, however, shows at once the difficulty of translating the good intentions into the practice. The guideline of one percent of the gross national product per year set by the UN has neither been achieved in the current financial year nor will it be reached next year. The own growth difficulties make it a hard task today to plead for increased development aid. After all, the means required for this purpose could, alternatively and possibly with more short-term advantage, be deployed for necessary investments at home. Regardless of the size of the means placed at the disposal, one pre-condition must therefore always be met: development aid must be provided in such a manner that on as short as possible a term it does benefit the economic growth of the donor, and certainly does not interfere with it. In the long term the volume of development aid must decisively depend on the donor countries' economic growth. It will be possible to step it up lastingly only if and when this growth process of today's rich nations is carried on as smoothly as possible.

From the third question as to whom development aid should be given arise political as well as economic problems. No donor country surely can be expected to aid countries whose governments are continuously hostile towards it. After all, a minimum of confidence and co-operation is essential for any kind of aid. But apart from this basic principle which can hardly be contested, there is the additional question as to whether the receiving country can be expected to recognise the political constitution and the economic order of the donor country as a model for itself. It appears that the naivety with which some Western donors of development aid approach the idea that the process of democratisation and economic growth could, or even must, run parallel in a developing country often knows no limits. Should the students mentioned in the beginning have had the intention to demonstrate against the absence of democracy in Persia, then their protests fell short in their sense of reality. In our opinion, whatever political side-effects one might temporarily have to put up with, the aim to achieve as high as possible an economic growth should have absolute priority in development policy.

The functioning of a parliamentary democracy on our pattern calls for very much understanding and discipline by all the people as well as the political leadership (Government, Parliament, political parties). It takes for granted that the bulk of antagonistic interests of individuals as well as whole groups can be brought into the line of compromises in favour of the superior aims of the society. The realisation of a stable democracy therefore requires that the community-spirit directed towards economic growth always remains greater than the existing emotional contrasts whatever may be at the roots of these divergencies. Such pre-conditions can easily be lost out of sight if the tasks to be mastered demand substantial sacrifices and readjustments from all concerned without it being possible to make the necessity of these sacrifices and readjustments sufficiently plausible to all of them. Even we, as a leading industrial nation, find ourselves

in such a situation at present. Its surmounting will require the pooling of all forces. But how much greater and how much more threatening are the difficulties for the developing countries! So, the parliamentary system may for them only be a form of governing that has not yet found the way to functioning properly and continues to exist for the time being only as long as it is supported by other traditional institutions.

We have had some experience with democracies in developing countries. It would therefore be premature to expect that those developing countries whose parliamentary machinery seems so far to function well, would in the future be least prone to authoritarian regimes of the right or the left (and to follow from this that these countries would have to be given preference for development aid). The struggle for power in those countries might easily induce ambitious politicians who have been forced into the opposition justifiably or not to criticise the Government of the day radically and impatiently and to demand things that could at least in the short run be realised only by way of applying authoritarian methods. On the other hand, a head of Government can, under certain circumstances and even because of his suppressing the opposition, gain the freedom of decision regarding internal and external problems that he needs at least for the economic progress of his country and perhaps also for the education of the population towards a functioning parliamentary democracy. Although it would seem that hardly any of these "educational dictators" deliberately aims at making himself superfluous by his mere activities, this form of government would not appear to be the worst of the many possibilities to prepare for a parliamentary democracy. It should not be forgotten that also in Europe the enlightened absolutism preceded democracy. It follows that one should not demand from developing countries more than one was able to achieve oneself during Europe's historical development.

The political and economic destiny of the various developing countries is an uncertain factor. One will therefore always have to reckon with surprises. Initially, the negative ones will outweigh the others. Among other examples, this has in recent years been demonstrated by some African countries. One will have to react on those unpleasant surprises with due consideration. This, however, cannot lead to the belief that it will always be possible to ascertain what investments have been failures. Development aid is no business that can be calculated in all its consequences. Often it is an investment that makes itself pay only in the long run and is even then neither assessable nor bound in its yield to any particular area or place. Again, it does not follow from all this that we should not continuously occupy our thoughts in the direction as to how development aid can be given in the most effective manner. This is an extensive subject often discussed in this publication.

Heinz-Dietrich Ortlieb