Women, Development

by Ana Isla

L’inégalité des accords d’échange, des relations d’aide, des taux d’intérêt et des politiques sociales de rajustements imposés aux nations endettées contribue au transfert des richesses du Sud au Nord. L’auteure examine les aspects des structures économiques internationales qui sont à la base de la crise humaine et écologique actuelle et que les féministes dans le monde entier essaient de contrer.

Environmental destruction cannot be understood outside the context of alternative economic frameworks. No reasoned argument can hide the fact that people in the South live in increasing poverty. This poverty is the product of current economic, social and political structures. It is providing a ground for intolerance, totalitarianism, civil war, and environmental destruction, the violation of fundamental human rights, and the creation of refugees at local, regional, and international levels.

The international community has to address the need for alternative economic models in order to tackle the real causes of global poverty and violence, and environmental destruction. However, there is a widespread reluctance to undertake the profound questioning required. So, for instance, we find official documents suggesting that rapid population growth is the cause of poverty in the South and a threat the entire world. According to this argument, overpopulation is the first and final cause of environmental degradation.

Feminists with global awareness, on the other hand, are arguing that the very nature of international economic, social, and political relations are at the root of our current crisis, not the individual behaviour of hard-pressed peoples. We are seeking, not to sustain the present inherently exploitative economic model of ‘development,’ but to transform it. For Caribbean feminist Peggy Antrobus, current Executive Director of DAWN (Development Alternatives with Women for a New Era), an influential network of Third World feminist activist/theorists, the significant differences arising in Rio were not, as could have been expected, between Northern and Southern governments or even between governments and NGOs. In the final analysis, the major differences lay between those who believe that the environmental crisis can be solved by technological fixes (legislation, appropriate pricing for natural resources and expenditures for cleaning up pollution or preserving forests) and those who believe the situation requires alternative approaches to development which are people-centred, equitable, more ethical, and sustainable (DAWN).

The economic system today

Development as it is understood by the governments of the world today, in particular, the rich and powerful governments of the North which enforce this process, involves the extension of capitalist markets to all corners of the world and all areas of production. It measures as growth, not production for people’s use, but production for exchange for profit in the market; that is, production for those who can afford to buy. Thus, the transfer of resources from production for local people’s needs to production for sale (often abroad) is measured as ‘progress,’ regardless of the hardship that may result. At root, it is a process which opens all areas to investment and profit by local, national, and international interests with capital to invest. An almost inevitable consequence of this commodification and capitalization of production is the displacement and impoverishment of the majority of the people without the capital to invest or income to consume.

For instance, when land becomes valuable in market terms, the traditional rights of those farming it are often abrogated and they are forced off land they do not have the money to buy. When ‘green revolutions’ bring capital intensive, chemicalized, and highly technological forms of agricultural production, those without the capital to participate cannot compete and often lose their land to richer farmers or international agribusiness. The increase in agricultural production which this ‘development’ brings registers as growth, but leaves increasing numbers of impoverished people without a livelihood. The benefits are enjoyed by a small group of already wealthy farmers and transnational agribusiness. Far from decreasing poverty, these benefits widen the disparity between rich and poor.

This form of development is a windfall for international agribusiness which manufactures and markets the chemical fertilizers and tractors which the fewer, richer farmers now employ. At the same time the
and the Market Economy

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new agricultural practices degrade the fertility of the soil, intensify the effects of droughts, and contribute to desertification, pollute water resources, cause salinization, increase non-renewable energy dependence, destroy genetic resources, contaminate the food supply, and contribute to climatic change (see Shiva).

It should not be surprising that the official systems of economic accounting, institutionalized by these powers, enshrine the profit-centred values of this form of development and mask its destructive impact (Waring). Official economic measures of production count only production for the market and give no value to nature, women’s work of reproduction, or other production work (largely in the South) that is not commodified. The contribution of both women’s work and nature to people’s well being (and their loss) remains invisible in these systems, and is not protected or supported in policy making.

International economic arrangements are such that the benefits of even this distorted form of ‘development’ accrue mainly to the North and involve a large drain of resources from South to North. Gross National Product (GNP) is the measure of the increase in income to a country’s nationals. During the 1980s, records of the Gross National Products of Southern countries revealed that, even in these limited monetary terms, they had achieved no national growth. In response, and in order to hide this obvious failure of economic strategy, the United Nations, dominated by the industrialized nations of the North, began to use Gross Domestic Product (GDP) as the preferred measure of growth. The GDP measures production that generates income in a nation’s economy, whether or not the resources and increased income are owned by or accru to that country’s residents. GDP, therefore measures profit made abroad from a country’s resources. An increase in this product may well accompany a loss of control of a nation’s resources and productive capacity and relative impoverishment of even a nation’s elite. Neither the GNP nor the GDP record the well being of the population, they record ‘growth’. The difference is that the GDP claims income which is not enjoyed in the country as growth.

The kind of distortion involved in this narrow definition of production and value is illustrated by the widely used example of the Exxon Valdes oil spill. Because current forms of accounting do not recognize the value of nature or the costs of its destruction, and measure all market exchanges as value, the costs of the clean up register as a simple contribution to Gross National Production. In the terms of national income accounting, this devastating accident appears to have increased our wealth!

Feminists are questioning the world view that makes production for profit and the market the only measure of progress and well being. As the European Women’s Caucus at Miami stated:

We need to further empower ourselves and our knowledge by demystifying economic science: the language which puts monetary value to every human interaction, which “values” nuclear testing while ignoring women’s unpaid work in the home; the language which speaks of free trade while putting severe restrictions on world trade. The language which does not count the essential work of families in the so-called “informal sector”; the language which puts people’s needs into impersonal statistics that ignore our specificities (27).

Although it is generally believed, in Canada, that countries of the North send aid and support to poverty stricken countries of the South, the reverse is in fact true. World Bank (w) and International Monetary Fund (IMF) estimates show that non-industrialized countries are remitting over $50 billion more per year to the Northern countries than they receive in capital transfers. The resulting impoverishment of the South and overconsumption in the North are, together, fueling militarism and the environmental crisis (Bertell).

The impact of trade

The higher standard of living enjoyed by Northern countries would not have been possible without the explosion of global trade in terms highly unfavourable to the South. Although the days of the outright colonial destruction of the cotton industry in India or the imposition of the opium trade on an unwilling Chinese government are over, the North still uses its political, military, and economic power to
control both market access and the terms of international trade. The level of Northern consumption to which this trade contributes is clearly unsustainable.

The demands placed on the global ecosystems by the consumption habits of the rich are enormous. The industrialized nations, with just 25 per cent of the world’s population, consume 70 per cent of its energy, 75 per cent of its metals, 85 per cent of its food (UNDP, 204).

And these demands are increasing: in the U.S., the average person in 1990 owned twice as many cars, drove two and half times as far, and used 21 times as much plastic, compared to 40 years earlier (Durning, 154).

Trends in Japan and Western Europe are similar....(usd).

The impoverishment of the South also endangers the environment. Terms of trade (the value of a country’s exports relative to the value of its imports), largely controlled by the industrialized nations, have always favoured industrial goods. That is, raw materials have always exchanged with industrial goods at unfavourable rates. However, in recent years these terms have been deteriorating, which means that Southern countries are paying continually higher prices for imports while receiving lower prices for exports. In 1951, the Index of Purchasing Power for primary commodities stood at 153. It declined to 100 by 1961, to 92 in 1971, to 91 in 1981 and to 73 in 1985. In other words, over this period of 34 years the purchasing power of the same amount of production fell by almost half. Other research has shown that in the last ten years, real prices for Southern goods have fallen by approximately 30 per cent. This means, for instance, Indonesia must export three times as much timber today to buy one tractor than it did in 1970.

This leaves the Southern nations in the position of having to increase the rates at which they exploit their natural resources to earn the same return. Southern residents and ecosystems are bearing the cost of economic activity which is transforming their entire culture, displacing the aboriginal peoples from their land, and destroying the environment upon which they depend for survival.

In addition to deteriorating terms of trade, Southern countries are faced with Northern imposed barriers to trade such as escalating tariffs, non-tariff barriers, and protectionism, as well as subsidized competition. A recent study of the exports of six Southern nations found that exporters of raw materials capture only nine per cent of the final price (profit margin). However, when they process the raw material in the country they capture 35 per cent of the final price. However, Western European governments have used the General Agreement on Tariffs and Trade to challenge increased domestic processing as an unfair trade practice! And individual industrial countries generally place higher tariffs on processed than unprocessed materials to keep the jobs and profit involved in the processing in the North.

Textiles and Agriculture function under discriminatory rules that punish Southern producers. The U.S. floods world markets with subsidized products. During 1992 alone, export subsidies to agriculture in the U.S. were $1 billion, (The Economist) which resulted in depressed prices. This is costing Southern countries $40 billion per year.

Agricultural intensification promoted by price subsidies is also environmentally unsound, leading to problems of land degradation, and destruction of the water table. In the World Development Report (1986), the World Bank uses this example: "Sugar is a tropical crop, but Western Europe and North America subsidize domestic producers of beet sugar and restrict their import of cane sugar." This was estimated to cost Southern countries $7.4 billion in 1983 in lost income. Beet sugar is not only an inefficient use of temperate land, but the processing of the beet is one of the most polluting of food processing activities.

Trade-related intellectual property rights

A major thrust of current national and international discussions and negotiations around trade is to strengthen private ownership rights and extend them into areas previously not available to control for profit. In the Trade Related Intellectual Property Rights (TRIPS) discussion, for instance, the United States is using the threat of blocking access to its market to force a number of countries into giving stronger protection for corporate patents and copyrights.

This will strengthen the rights of patent holders against the rights of communities and protect the profit of transnational corporations who are the patent holders. One example of the conflict of interest between communities and patent holders is the long fought war by international drug companies against any country that tries to produce cheaper forms of generic drugs for its population. This prohibition is costly for Canadians, and especially poor Canadians, but it is far more destructive when imposed on poor nations (Lexchin).

Since Northern countries monopolize patents and copyrights, approval of Intellectual Property Rights at this round of the General Agreement on Tariffs and Trade [GATT] talks would entrench the current South-North financial flow more firmly. This move would also entrench technological control and profit in the North and exclude Southern countries even more effectively from ever following this development route. Both are outcomes resisted strongly, though largely ineffectively because of their lack of power, by Southern governments.

However, there are other, even more disturbing implications at the heart of these proposals that feminists are almost alone in naming and opposing (see article by Shiva in this issue). For the extension and entrenchment of Intellectual Property Rights that is being sought would open whole new areas of activity to commodification and profit making, and expand the power of the international corporations and the dependence of communities into unheard of areas. At the GATT-TRIPS talks, for instance, the biotechnology industry is trying to win patent rights over plants, animals, genetic materials, and all life forms derived from the human body. Patents of seeds will cover not only the right to sell seeds, but plant parts and processes as well.

Feminists are insisting that this logic itself and all the arrangements that reflect it must be challenged. Cuts to its most destructive impacts are not enough. They are critical of the failure of Southern governments to resist the system outright.
They view Southern attempts to gain more equal power and profit in the existing system as shortsighted and ultimately self-defeating.

International ‘aid’

Unfortunately, and contrary to most Canadians’ understanding, the practice of ‘aid’ is a key component in the international system of Northern exploitation and control of the South. Both multilateral and bi-lateral aid is administered on terms which greatly favour the interests of transnational corporations and the industrialized world. Most aid is in the form of loans not gifts, as the people in the North often presume. It often burdens recipients with high interest charges as well as principal repayment. The highest proportion of gift aid is in military ‘aid.’ It is generally tied to the purchase of military hardware and know-how from the donor nation. This ‘aid’ fuels local wars all over the globe, supports local dictatorships useful to international capitalism, and supports the arms industries of industrialized nations.

Much of bilateral loan aid is also ‘tied aid,’ that is, it is tied to the purchase of goods and services from the donor country. For instance, a large-scale wheat project implemented by the Canadian International Development Agency [CIDA] in Tanzania required the use of Canadian farm machinery. This type of aid has more to do with export promotion than with development needs. It often leaves Southern countries with inappropriate goods, a dependency on foreign imports, and huge external debt. The export interest in this aid means that it is skewed toward costly, capital intensive, and often environmentally and humanly destructive projects. These are projects which provide markets for Northern goods and open up new areas for profit in the recipient country.

Aid also provides industrialized nations with a powerful lever in international negotiations. It is one among many economic forms of power the North is able to bring to bear in trade and other negotiations. This helps explain why the outcomes of international negotiations so invariably favour the North.

In addition, the project focus of aid serves to mystify the underlying causes of human and environmental damage. It emphasizes compartmentalized and piecemeal remedial solutions that obscure the general picture and mask the interconnection of the problems. It makes it difficult for development workers or recipient populations to obtain funds for other kinds of work such as supporting human rights, exploring gender oppression, studying the environmental effects of structural adjustment programs or the relationship between the ruling parties in Southern countries and the IMF and World Bank.

More recently, in keeping with the general global trend toward privatization, the aid discussion is taking on new dimensions. In the name of accountability, efficiency, and responsibility, some donors, including Canada and the World Bank, are considering tendering aid projects to private businesses who may in turn subcontract other firms to do the work. This will open another stage of the already profitable aid industry to potential profit.

Debt and structural adjustment

As a result of the current ‘terms of trade’, and the dependency on technology, markets and investments, Southern countries need to keep on borrowing money to cover their ongoing deficits. The growth in bank loans to Southern countries began in the late 1960s, led by Citicorp (an American bank). In the 1970s, with the rise in oil prices, the traditional role of commercial banks was strengthened. Faced with cutbacks in economic activity in the North, banks could not find customers for their loans. Bank representatives could thus be found sitting on the doorsteps of Ministers of Finance all
over the world offering money. The big funds went to those countries seen as having good economic prospects, a developing manufacturing base or a future as oil producers. Fierce competition between banks resulted, however, with offers of loans even to poor countries such as Peru, Bolivia, Philippines. The extension of loans to weaker countries has long been an important component of Northern expansionism.

The increase in interest rates in the 1980s was disastrous for the South and coincided with the deterioration in terms of trade and a fall in a volume of export.

The World Commission on Environment and Development (WCED), better known as the Brundtland Commission, stated in its 1987 report that pressures on developing countries to earn foreign exchange (to repay the debt) was placing them in a position of undue reliance on increasing commodity export, thereby causing depletion of renewable natural resources.

This practice is mandated under the wa and IMF 'structural adjustments programs' (SAPS). SAPS are based on the concept that enlarged world trade will increase international well-being. Forcing many countries to simultaneously expand exports also helps to lower prices by increasing competition in the export of the same primary commodities.

Despite what most people in the North believe, Southern countries have paid back more than they borrowed, although in 1992 they still owed more than 1000 billion, due to the U.S. manipulation of exchange and interest rates.

In addition to SAPS, Northern business, supported by the IMF and WB, have been carrying out "debt-equity swaps," exchanging the banks' loans for ownership in all Southern assets. The new "swap," named Debt-for-nature conversion, implemented by some international development agencies, is helping creditors take control of debtor countries' natural resources. The debt crisis places the basic economy as well as greater sections of forested lands in Southern countries in the hands of transnational corporations. In addition to debt swaps, foreign aid is also a tool used to control Southern national policies, because aid (bilateral or multilateral), is given in the framework of structural adjustment programs (projects, technical assistance, etc.). Foreign donors assess the willingness of the recipients to engage in SAPS.

NAFTA and the Enterprise of the Americas Initiative

The liberalization of national economies in Latin America and the Caribbean, through the implementation of SAPS, has been a prerequisite for the North American Free Trade Agreement (NAFTA). NAFTA can be seen as the extension of SAPS to Canada as well as the introduction of measures to protect U.S. monopoly profits through so-called "Intellectual Property Rights."

NAFTA and the Enterprise of the Americas Initiative intend to reinforce the prevailing development model allowing transnational corporations to move freely in host countries without paying decent wages, protecting the health of workers, implementing safety measures, and paying fair taxes. Both initiatives are designed to limit the government's ability to provide long-term development, keeping the U.S. in control.

NAFTA and the Enterprise of the Americas Initiative can only accelerate environmental degradation. First, it will involve a high degree of specialization where goods and services would only be produced in the region which is selected for the transnational corporation. As economies became globalized, resources will shift from sector to sector or between countries, and put to more efficient use elsewhere. There may be no reason for new capital to replace what is has removed. Unemployment and poverty are inevitable.

Secondly, the initiatives will eliminate the government's power to regulate the import and export of resources, limit the ability of governments to reserve domestic production of goods for local consumption, and thereby weaken their ability to meet the needs of their own populations.

Thirdly, for aboriginal people or communities which have not previously been involved in the cash economy, it will mean a loss of self-sufficiency and traditional ways of life as they are forced to leave their lands, which may be valuable for agriculture or mineral resources. Large scale migration to urban-centres will be accelerated.

Last, but not least, increasing economic activity at a time when many of the world's ecosystems are already damaged will put the entire planet at risk.

Hidden economic agenda

The North defines the environment in extremely narrow ecological terms, like trees, the ozone layer and industrial pollution, excluding its economic, social, and cultural dimension. Consequently, it has drafted conventions on the climate, biodiversity and forests, measures aimed at controlling and managing the resources of the South. Its dependence on natural resources has led to the implementation of policies linking "development aid" to environmental conditionalities, reinforced by the "greening of trade" and the "greening of debt." In addition, the North has established a whole range of institutional structures, such as the Global Environmental Facility under World Bank management, well known for its profligacy in the South. Four items have been chosen as the first focus of this program, the ozone layer, international rivers, biodiversity, and green house gas emissions.

Southern governments, however, feel that environmental problems, as defined by Northern countries, are largely by-products of industrialization and irrelevant to their interests. They fear that environmental concerns in the North will slow down their development by imposing new preconditions for development projects, which would not be accompanied by new financial resources. Many are preoccupied that the concerns for environment and health will put new restrictions on their exports to the North and that multinational corporations will be driven by higher standards of living in the North to locate their dirtiest and most toxic facilities in the Southern "pollution havens."

Unfortunately, financially hard pressed Southern governments also recognize that there is money to be made by playing the environmental game, as it is narrowly defined by the North. They want to make sure that they are in on the distribution.

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Healthy Planet in Toronto. She is part of the Debt Treaty Steering Committee formed at the Global Forum held in Rio de Janeiro in June 1992 and is also involved with the Latin American Network Against Repaying the External Debt.

1 Escalating tariffs are import tariff rates which increase with the degree of processing of the goods. Non-tariff barriers are measures used to restrict imports. Voluntary Export Restraint (VER), for example, is an agreement for “voluntarily” reducing the volume or value of goods exported to a particular country usually under threat of some retaliatory action. Protectionism is a policy which advocates government economic protection for domestic producers through restrictions on foreign competitors.

2 Bilateral aid is given directly from one country to another. Multilateral aid is administered by international organizations. This reduces the pressure that can be wielded by a single donor nation, but actually increases the overall power of the North over the South.

3 Liberalization of local economies means liberalized access to foreign capital, but removes from national governments the power to manage their natural resources.

4 The Enterprise of the Americas (or Bush Plan) covers three areas of Latin American and Caribbean countries: trade, investment, and external debt. It involves expanding free trade, a U.S. commitment to reduce tariffs on exports from these countries, the establishment of an investment fund to promote privatization, a small reduction in the external debt, and increased loans to countries willing to implement SAPS as well as debt-for-nature swaps.

References

CALL FOR PROGRAM PROPOSALS
NATIONAL CONSULTATION ON CAREER DEVELOPMENT

The 20th NATIONAL CONSULTATION ON CAREER DEVELOPMENT (NATCON) will be held in Ottawa, Canada, January 24 - 26, 1994. Co-sponsored by The Counselling Foundation of Canada, Employment and Immigration Canada and the Career Centre, University of Toronto, NATCON is Canada’s largest conference addressing career development and employment-related issues.

BE ONE OF THE SPEAKERS

Program proposals will be accepted from individuals and organizations representing the private, public, community-based or educational sectors. The presentations should be on an innovative project, program or experiential workshop relating to career development or employment issues. Topics may comprise any of the following:

- Labour Market Training
- Employee Assistance
- Organizational Development
- Immigrant Issues
- Special Needs
- Equity Issues
- Educational Initiatives
- Research Projects
- Older Workers
- Wellness Issues
- Aboriginals
- Professional Development

The DEADLINE to submit text is August 6, 1993. Submissions received after the deadline will not be considered.

For further information and to receive the proposal outline, please contact:

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We, the women of the South, affirm that equity and justice must be the guiding principle between men and women, among communities and among nations, for a healthy people and a healthy planet.

We believe that people have the right to sustainable livelihoods: material, spiritual, cultural, ecological and political.

We condemn the alienation of people from land, especially the indigenous peoples, the poor and women.

We recognize the overconsumption, which underpins the lifestyles of the North and the elite of the South, is a central element of the Western development model. Further, that this overconsumption reinforces poverty in the South and is a major factor in the degradation and depletion of the earth's resources, which are finite. We demand an end to overconsumption.

We take cognizance of the fact that the debt burden imposed by the North through the IMF, the World Bank and other international financial agencies imposes crippling conditions on the poor of the South, of whom women are the majority. Furthermore, it exacerbates environmental degradation. We demand an end to the debt burden. We further condemn the "debt-for-nature" swap which gives the North the rights to control the natural resources of the South.

We recognize that the present imbalances in international trade must be rectified. We reject all attempts to patent the genetic resources of our earth and attempts to claim monopoly rights over them.

We condemn the present structural adjustment policies dictated by the North, which have intensified poverty in the South and increased the burdens on women and the poor.

We condemn coercive population control strategies which violate both women's bodies and their human rights.

We affirm the need for peace and disarmament and an end to militarism as essential requirements of a healthy planet. Military and nuclear testing, which are often carried out in the South, and in regions of marginalised people in the North, must end.

We demand an end to the dumping of hazardous and toxic wastes, unsafe pharmaceutical and agricultural and consumer products by countries in the North to those in the South.

We urge greater South-South dialogue and cooperation, particularly among women of our countries, in the search for common solutions to common human and environmental problems.

Long live solidarity of Women of the World!

Excerpted from Women's Action Agenda 21.