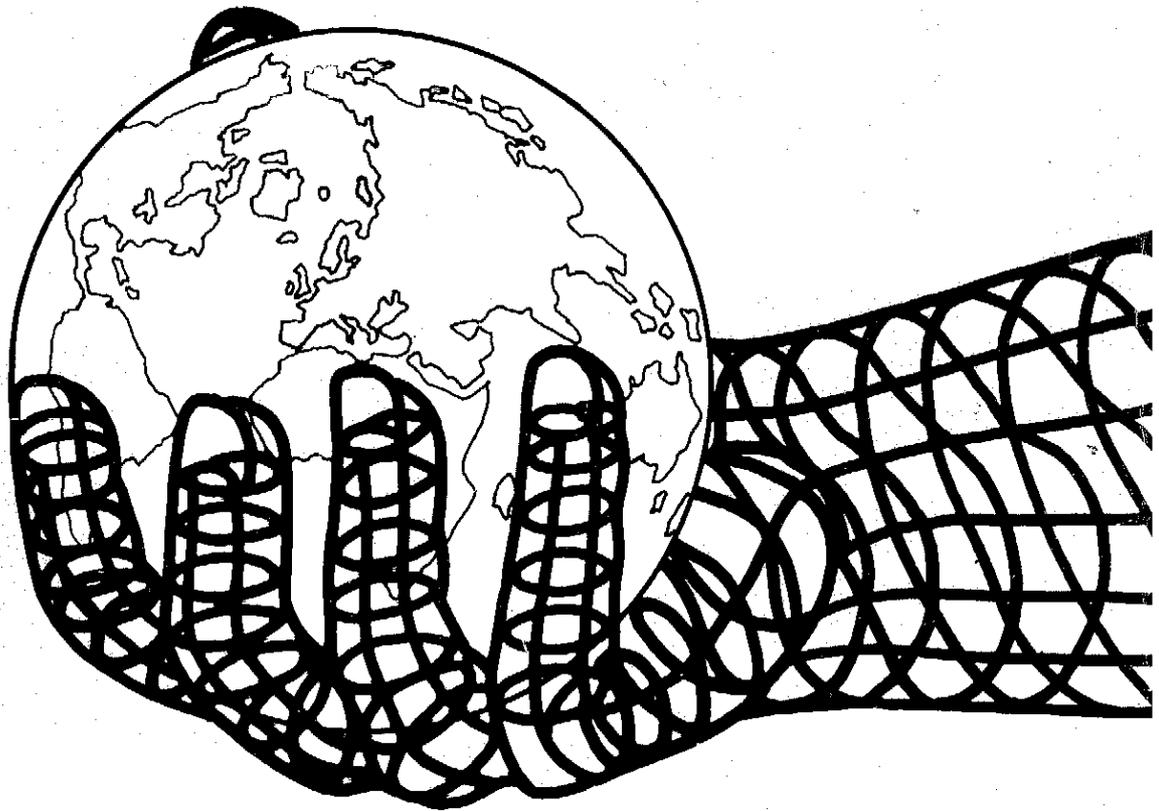


The Global Economy; Trade, Aid and Multinationals



Contemporary Issues in Geography and Education

Vol.1, No.3 1984

'Contemporary Issues in Geography and Education' an introduction

'Contemporary Issues in Geography and Education' seeks to open up or broaden areas of debate and to examine current controversies within the discipline, at all levels. The journal aims to collect and disseminate ideas and materials which help to develop a critical approach to the learning and teaching of geography. The journal seeks to promote an emancipatory geography; it seeks, in other words, to promote the idea that the future is ours to create — or to destroy — and to demonstrate that education bears some responsibility for building a world responsive to human needs, diversity and capabilities.

The publication of 'Contemporary Issues in Geography and Education', marks a new phase in the teaching and learning of geography. Major issues will be presented in a manner which is accessible to people engaged at all levels in geographical education.

It is envisaged that each issue will include articles which raise questions and ideas for discussion, and a selection of practical suggestions in the form of syllabus guidelines, lesson plans, resources, worksheets, pupil assignments and ideas on teaching techniques and organizational strategy. As far as possible and where appropriate we hope that the section of the journal dealing with practical suggestions will be in a form which is easily reproduced using simple reprographic facilities.

The journal will include alternative perspectives on the traditional content of geographical education and will present classroom materials to help illuminate these perspectives.

The journal is intended to help provide in-service education for educationalists in schools, colleges and universities; it is also intended to be of direct use to students in these institutions. We welcome the participation of readers at all levels.

Each issue will concentrate on a specific theme. However, there will be 'open-space' and 'dialogue' sections to provide a forum for continuing discussion and the consideration of other concerns.

AIMS OF THE JOURNAL

- to develop a critique of current curricula
- to explore the assumptions underlying much of geographical education and to make these assumptions explicit
- to examine the ideological content of geographical education in relation to its political context
- to demonstrate the relevance and importance of humanist and radical ideas for teaching and research in geography
- to promote an interchange of ideas between researchers, students and educationalists in geography
- to encourage dialogue between geographer and the various groups and organizations concerned with major issues in education. We envisage that these would include groups involved in world studies, peace studies, human rights education, environmental education, development education, multi-cultural and anti-racist education, anti-sexist education, urban studies and community education, education for equality and education for political awareness and participation
- to facilitate the exchange of ideas on learning materials and classroom strategies
- to foster a geographical education which is more relevant to the present and future everyday lives of ordinary people and the communities in which they live
- to encourage the realisation of the links between critical understanding and the active transformation of the world in which we live.

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CONTEMPORARY ISSUES IN GEOGRAPHY AND EDUCATION

The Journal of the Association for Curriculum Development in Geography

The aims of the Association are:

- To encourage curriculum development
- To promote an interchange of ideas between teachers and researchers in the field of human Geography
- To provide opportunity for contacts and dialogue between students and educationalists concerned with the political context and ideological content of geography teaching
- To facilitate the exchange of ideas on learning materials and classroom strategies
- To promote geographical education more relevant to the present and future everyday lives of ordinary people and the communities in which they live.

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Editorial

The first two issues of this journal examined racism in Geography and alternative perspectives for geographical education. Racism represents the colonialist and imperialist legacy which is perpetuated through neo-colonialism and neo-imperialism in the modern era. The 'new' colonialism and imperialism is much more subtle than the old for control of cultures, peoples and countries is exerted from Europe, North America and elsewhere via economic pressures rather than overt military action (though this does occur when felt to be 'necessary' as Grenada and numerous other examples illustrate).

This issue moves on from concern with racism per se to an examination of the wider processes and structures which perpetuate inequalities between people and places. We argue that Geography must concern itself with these global-scale activities in order to move towards an adequate understanding and explanation of spatial inequalities, at all levels.

This task is urgent. The world is changing rapidly; we need to quickly update our conceptual structures in order to keep pace with the increasing complexity of interaction between people and places. Geoff Mulgan shows how a Global Information Economy has developed and illustrates some of its fundamental implications. Geography in the past has been too static in its analysis. The concern for spatial pattern and process during the 1960's ignored historical and political process and social structure — analysis became ahistorical. Further, the subject became increasingly fragmented and specialised, concerning itself more with abstract analysis than much-needed synthesis. This must be placed within a broader social, political and historical context. This can be clearly seen in the study of underdevelopment. Underdevelopment must be considered as an active process. The work of Walter Rodney and others has shown how capitalism actively underdevelops people and places. It is not sufficient for geographers to maintain their traditional focus on 'third world' countries in attempting to understand underdevelopment.

This issue of the journal focuses on the global capitalist economy. It considers the operation of certain structures within this global economy: Trade, Aid and Multinationals. Geographers have, in the past, merely looked at the spatial patterns of trade; the flow of materials from one country to another. They have largely assumed that the interchange of goods was fair and equitable, reflecting the contrasting resources of different areas and the Law of Comparative Advantage which suggests that a country should produce those goods for which it is best suited in environmental and social terms. They have less often considered the fact that World Trade is dominated by the powerful at the expense of the powerless. Hilary Scannell's examination of Trade shows how current trading patterns reflect Western control. For pupils, Dawn Gill presents a complementary practical exercise which may help them to understand some of the wider issues involved.

The realities of the global power structure are masked in various ways. Aid, for example, masks the history and politics of injustice and carries the suggestion that 'we' help 'them' to overcome 'their' problems. Anne Simpson questions the comfortable myth that Aid is a solution to underdevelopment and given purely for humanitarian reasons. Similarly the article by Alan Sinclair and Anne Simpson leads us to question some of the favourable assumptions made about MNC's. John Huckle presents a complementary practical exercise for pupils and teachers.

Another feature of underdevelopment is sexism. Sexism is widespread in many societies and cultures. Geographers have been all-too-silent over this issue until the Women in Geography Study Group of the Institute of British Geographers recently placed it on the geographical agenda, as has our own Association. Kristina Stimakovits presents an analysis of one aspect of Sexism and Underdevelopment and a useful annotated bibliography for those new to the study of this topic.

A recurrent theme is the concern with power, ideology and control: we argue that power must become the 'Fourth Dimension' of geographical analysis, requiring geographers to understand and oppose the 'trans-spatial' operation of the forces which increasingly dominate the global economy. For development, people need to have a fuller control of their own lives and a fairer share of global resources. This requires a redistribution of power within the world-system. Geography and other subjects should not shrink from the magnitude of this issue; it is one with which people throughout the globe are actively engaged.

"Washing one's hands of the conflict between the powerful and the powerless means to side with the powerful, not to be neutral." (Freire)



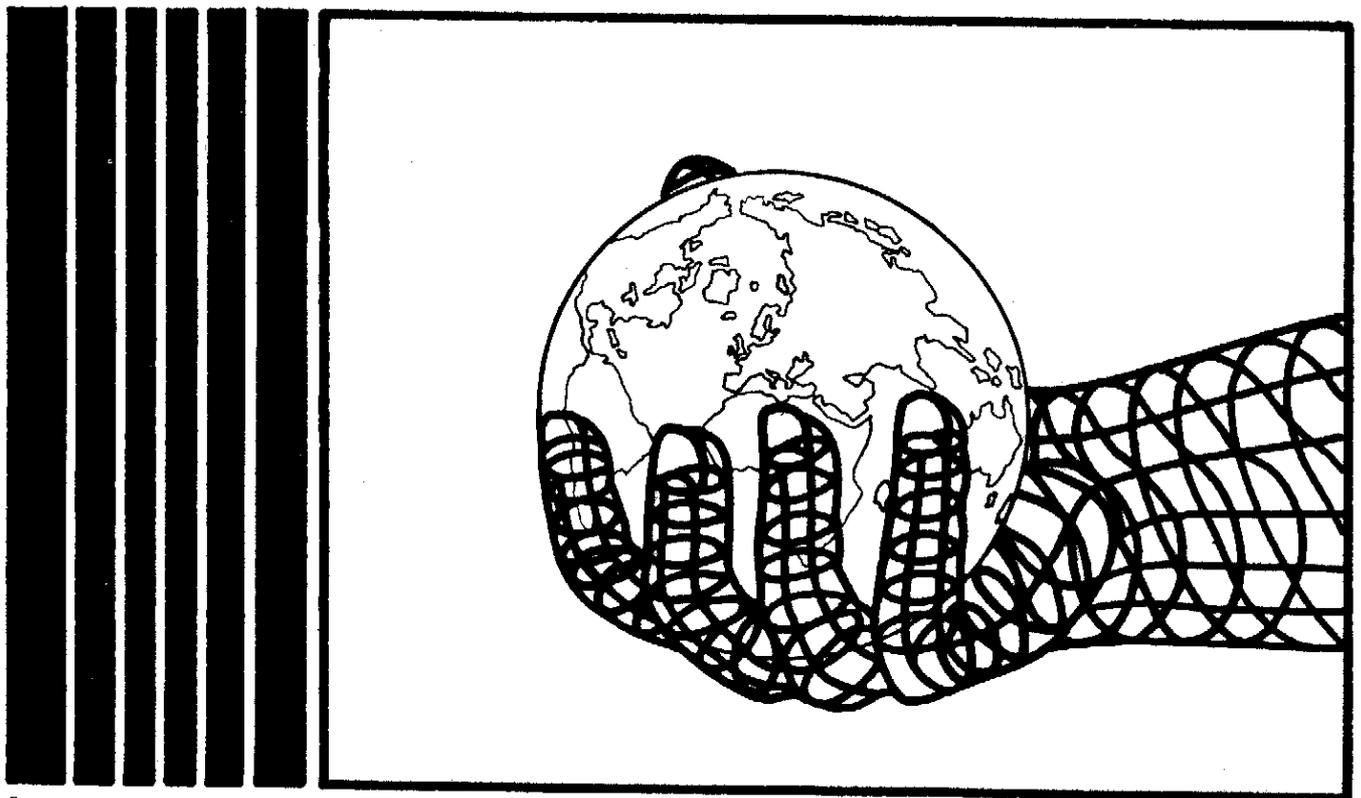
Salvadorean refugees: Nicaragua

The Global Information Economy

*Geoff Mulgan
Greater London Development Board (G.L.C.)*

Ever since the origins of capitalism in the 15th and 16th centuries the businesses of the "West" in Europe, and more recently the USA and Japan, have been searching for three things: cheap raw materials; markets for the goods they produce; and sources of cheap labour to make the goods wanted by the West. This article examines the Global Information Economy, which can be defined as the worldwide system of communications central to the operation of modern capitalism. Information includes both the flows of news and 'culture' which shape attitudes and consumption patterns across the world and the role of information in the day to day organisation of the world-economy. The empires of the past were fundamentally structured by their existence in space – by the time it took messengers and envoys to reach the capital from outlying provinces, by control over the oceans and the seas, and by the need to continually reassert military domination. As used to be said of the British Empire 'the map of the world was painted red'. Today's empires, the multinationals like Shell, IBM and ITT, Coca Cola and Unilever, operate in a world in which the speed and the structure of communications systems are every bit as important as armies. In the age of the satellite and the fibre optic cable investments can be made or unmade on the other side of the world in a matter of seconds, while advertisements can be beamed to whole continents at the speed of light. In the past it used to be said that trade followed the flag. In other words the merchants and entrepreneurs would follow in the wake of victorious armies and navies. Nowadays, as the US representative at the OECD put it recently, 'trade doesn't follow the flag anymore, it follows communications systems'.

Geoff Mulgan focuses on various aspects of these communications systems, including news flows and the role of the News Agencies, the UNESCO-inspired debate over control of news, the impact of Western media and advertising in non-Western countries; he concludes with a discussion of the implications of the development of new technology for the worldwide flow of information. As an addendum to the article, Ian Cook and Dawn Gill spell out some of the impact of these processes for geographical analysis.



WHAT IS INFORMATION ?

Information can be thought of in many ways. In the age of the computer and the visual display unit one useful way to think about information is to define it as any material which can be processed into electronic information, and which can be transmitted through the air or along a cable. In this way we can lump together computer programmes and television programmes, education courses and newspapers, descriptions of mineral deposits and advertisements. Increasingly these different kinds of information are using the means of diffusion: different type of satellites tell us about the weather, transmit TV programmes, or, as in a recent project beam education computer programmes from London to New Delhi. Cable systems which are being built in the USA and Japan offer TV, video games, electronic newspapers, information 'sheets' as well as 'interactive' educational courses.

Another reason for lumping together these different kinds of information is that the same companies now move freely between the different means of communication. Companies like Thorn-EMI in Britain are now involved in everything from pop music to television, satellites and cable to publishing, computing to high technology defence systems. These industries, the "knowledge" or "information" industries are now one of the areas of boom in the Western economies: as the 'second industrial revolution', a revolution based around information processing and transfer, gathers momentum these information industries will play a decisive role in influencing the distribution of wealth and power within countries and between different parts of the world.

FREEDOM AND THE NEWS

One of the most important areas of information in the global information economy is news about what is going on in the world. In the last few years the issue of news flows, particularly between North and South has become a crucial issue of international debate which has culminated in the USA's intended withdrawal from UNESCO, the United Nations Educational and Cultural Organisation.

Article 19 of the United Nations Universal Declaration of Human Rights declares that 'Everyone has the right to freedom of opinion and expression. This right includes freedom to hold opinion without interference and to see, receive and impart information and ideas through any media and regardless of frontiers.' The ideal of freedom of information and expression is deeply rooted in our culture. It is seen as a guarantee that in the end truth emerges, something which is seen as inherently valuable. In learning about foreign places 'the truth' is mediated for people in Britain through what is seen as the ultimate, innocent, objective bystander, the western journalist.

However, the idea that a system based on the objectivity of outsiders produces as universally valuable truth has been called into question by UNESCO. They argue that the news is organised to serve the interests of Western Governments and countries.

THE NEWS AGENCIES

The flow of world news is dominated by 5 agencies. These are: Reuters, based in London, Agence France Presse, based in Paris, UPI (United Press International) and AP (Associated Press) which are both American owned and TASS which is the official Soviet news agency. In addition the BBC and the main American TV networks also maintain a fairly large number of foreign correspondents. These are the only organisations which maintain worldwide networks of correspondents. These are the names and letters which appear at the bottom of most foreign news stories in the British press. Reuters, one of the largest has about 550 news journalists worldwide as well as another 1000 stringers. TASS which is the smallest of the 5 has over 200 correspondents worldwide. By comparison not a single black African country had a full-time correspondent in the USA in the late 1970's (Boyd-Barrett 1980, Smith 1980). Table 1 presents data to illustrate the sheer scale of agency involvement in news flow.

Table 1: The major News Agencies

Press Agency	Number of countries covered by correspondents and stringers	Number of words issued daily
AP(USA)	62 foreign bureaux	17 million
UPI(USA)	81 foreign bureaux	11 million 200 news pictures
APF (FRANCE)	167 countries 108 foreign bureaux	3,350,000 + 50 news pictures
REUTERS (UK)	153 countries	1,500,000
TASS (USSR)	110 countries 40 bureaux	

Source: Smith A. 1980.

The agencies were built up to provide news and information for the newspapers and businesses of Europe and North America, and it is still their interests which primarily determine what is 'newsworthy' (here the 'quality' papers have much more weight than the tabloids which are relatively uninterested in a daily diet of foreign news). For the 3rd world the agencies provide news not just about Europe and North America but also about other 3rd world countries. In other words what the 3rd world learns about itself is largely determined by the information needs of the much more powerful markets of the USA and Europe. Indeed, even where there are national news agencies in the 3rd world, the local AFP or Reuters correspondent is often also the designated agent running the national news agencies' international desk for the local Government. Even in Latin America which has set up some of the most developed national news agencies of the 3rd world the American agencies UPI and AP provide 30% and 21% respectively of the information in the principal Latin American dailies. (A. Matelart, 1979)

In a sense this means that the 3rd world is often left with the scraps of the West's news meal. The meal isn't made for them, and they have little say in the menu. 'Their' news becomes simply a catalogue of coups and catastrophes and threats to Western interests.

Maintaining an international news service isn't cheap. According to one estimate the cost of keeping a journalist in a 3rd world country is over £150,000 a year. As in so many other areas it is the ability of the Western agencies to rely on large, established world markets which enables them to maintain such networks, while the odd one out, TASS, is subsidised by the Soviet Government which views it as an extension of its diplomatic service. Recently the 3rd world through UNESCO has been looking at ways of breaking the near monopoly held by the agencies. In the late 1970's under the Senegalese Secretary General M'Bow, UNESCO conducted a considerable amount of research on the way news was organised which culminated in a major report by the Irish Nobel Prize Winner Sean McBride. One result of these investigations has been the

attempt to develop TANJUG, the Yugoslavian news agency into a genuine international agency for the 3rd world. However its dependence on government agencies for news (because it can't afford its own network of independent correspondents) means that it can only play a limited role.

The control of television news is even more concentrated with nearly all international news pictures coming from one of two sources: Visnews which is jointly owned by Reuters and the BBC, and UPITN which is jointly owned by UPI and Britain's ITN. Although they compete with each other the two agencies enjoy their monopoly and occasions of conflict (such as when UPITN accused the BBC of using its film of the Libyan embassy shooting) are rare. The close involvement of Britain in both these agencies highlights the degree to which the UK is still a major force in world communications.

TOP 50

How does your daily reading rate in global terms? Here, in order of circulation, are 50 of the world's biggest publications. M = Monthly, F = Fortnightly, W = Weekly, D = Daily.

	Publication	Base	Frequency	Circulation (millions)
1	Readers Digest	USA	M	29.0
2	Pravda	USSR	D	9.0
3	Isvestia	USSR	D	8.4
4	Komsomolskaya Pravda	USSR	D	7.7
5	National Geographic	USA	M	7.6
6	Penthouse	UK	M	6.7
7	Asahi Shimbun	Japan	D	6.5
8	Playboy	USA	M	5.8
9	Good Housekeeping	USA	M	5.7
10	Time	USA	W	5.3
11	News of the World	UK	W	5.2
12	Sunday People	UK	W	4.1
13	Sunday Mirror	UK	W	4.1
14	Hore Zu	W. Germ.	W	4.0
15	Daily Mirror	UK	D	3.9
16	Bild Zeitung	W. Germ.	D	3.6
17	Sunday Express	UK	W	3.5
18	The Sun	UK	D	3.5
19	Peoples Daily	China	D	3.4
20	Radio Times	UK	W	3.4
21	Newsweek	USA	W	3.3
22	TV Times	UK	W	3.2
23	NY Sunday News	USA	W	3.0
24	Mainichi Shimbun	Japan	D	3.0
25	Daily Express	UK	D	2.7
26	Fernsehe woche	W. Germ.	W	2.4
27	Bild am Sonntag	W. Germ.	W	2.3
28	Burda Moden	W. Germ.	M	2.2
29	NY Daily News	USA	D	2.1
30	Modes et Travaux	France	M	1.8
31	Bonne Soiree	France	M	1.7
32	Daily Mail	UK	D	1.7
33	Funk Uhr	W. Germ.	W	1.7
34	Womans Weekly	UK	W	1.7
35	Glamour	USA	M	1.6
36	Nihon Kaizai Shimbun	Japan	D	1.5
37	Sunday NY Times	USA	W	1.5
38	Stern	W. Germ.	M	1.5
39	Brigitte	W. Germ.	F	1.4
40	Bunte	W. Germ.	W	1.4
41	Europa	Belgium	M	1.4
42	Sunday Times	UK	W	1.4
43	Wall Street Journal	USA	D	1.4
44	Daily Telegraph	UK	D	1.3
45	Al Ahram	Egypt	D	1.2
46	Chicago Tribune	USA	D	1.2
47	Los Angeles Times	USA	D	1.2
48	Selecciones de Readers Digest	USA	M	1.2
49	Bild und Funk	W. Germ.	W	1.0
50	Quick	W. Germ.	M	1.0

from New Internationalist, Oct 76

THE UNESCO DEBATE

The debate on the news which has rocked UNESCO to its very foundations hinges around two positions. One, which has already been described sees freedom of information, and freedom to distribute the news as an inalienable human right and one which ultimately benefits everyone insofar as it automatically undermines corruption and tyranny. Perhaps the highpoint of this view of the Western journalist as the ultimate standard bearer of truth came in the mid 1970's in the wake of Watergate.

The other argument is that the current system operates to undermine development in the 3rd world by frightening off potential investors, tourists and so on, and by creating centres of opposition in the capitalist owned presses of 3rd world countries. One form of this argument adopts something close to the Soviet model which views news and information as arms of the state and weapons for development. In other words the question is not: Is the news true? but rather, Will this news aid development and so benefit the lives of the people? As a result UNESCO has been pressing for a New World Information Order which is based around 3rd world state agencies to counter the power of the 'independent' Western agencies.

The UNESCO debate raises many profound questions about truth, power and the role of the State. In the Western media and the news agencies it has generated an almost hysterical reaction which has done little to widen the debate constructively. In one sense the information debate parallels other North South issues such as the negotiations over the Law of the Sea, in which an ideology of freedom (freedom for different companies to mine the sea, freedom to distribute news etc) confronts a 3rd world which claims that freedoms in these cases will always be freedoms for the strong to dominate the weak.

However, although there is much to criticise in both the theory and the practice of the 'independent' Western journalist it requires considerable faith in the beneficence of 3rd world, or any other, states to wish to confer any kind of monopoly of news onto them. For me there is little doubt that just as the West benefits from its control of news and uses it both to exclude facts and to actively use varying degrees of disinformation, so too 3rd world states and ruling classes have a clear interest in using the news against their own people in the same way: it is a rare country in which a certain view of development is in everyone's interests. In a sense therefore, the UNESCO debate has always been incomplete: it is a debate between the powerful of the North, and the relatively powerful rulers of the South in which the interests of the people of the South have little room for expression. That said however the structure of the world economic and political system leaves little option. Either the way news is 'made' and distributed is determined by the market, which means that the information needs of the North, and of the wealthy within the North, carry greatest weight, or the news is determined through states and through the international agencies which join states together.

FLOWS OF CULTURE

As well as the one way flow of news the broader flow of culture plays a crucial role in shaping peoples attitudes and in developing Western patterns of consumption. The importance of consumption patterns cannot be underestimated. In the wake of changing habits of eating, sleeping, child care and so on comes demand for the products of the multinationals, products which are geared to international production and distribution. At the same time local patterns of economic life, based around subsistence and the consumption of locally produced products and forms of culture are disrupted.

As is the case with the news, the economics of culture are crucial. For example in the case of television programmes the USA and Western Europe have wealthy enough markets to pay for the production of large numbers of 'high quality' programmes. These programmes can be sold to the rest of the world at very low costs. In other words it often costs much less

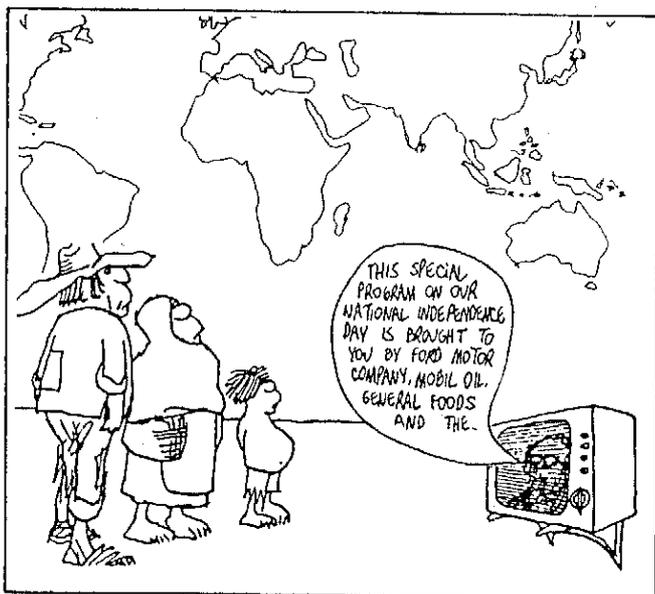
for a 3rd world television company to screen Dynasty than it does for it to produce its own version. The results of this are dramatic. In Latin America the proportion of US originated programming is about 60%. In South East Asia the corresponding figure is between 80% and 90%. This process is considerably aided by the fact that many 3rd world television

In Latin America the proportion of U.S. originated programming is about 60%. In South East Asia the corresponding figure is between 80% and 90%.

stations were set up by the BBC, the French TV service or the US networks, often with the help of large doses of aid. In the case of Latin America the main TV networks in each country are jointly owned by the local state and a US network like CBS or ABC. As most of the people working at the top of these services were trained in the West their TV values — their view of what counts as a 'good programme' — will also be those of the Western companies whose products they buy. Because in the case of TV, costs are overwhelmingly centred on production rather than distribution or 'copying' (unlike e.g. cars) there is a sense in which the normal impact of economies of scale — which mean that it is cheaper for a 3rd world country to buy a Western mass produced product than one made exclusively for the local market — are exacerbated. In other words television is dumped on the 3rd world by the main Western producers, the USA, Britain and France.

There are two ways in which the structure of the production and distribution of culture and information enhances the power of the West. One is through Western ownership of the means of production and distribution. For example only 10% of the world's radio frequencies are allocated to the 3rd world. 40% of daily newspaper circulation in the Caribbean is controlled by Thompsons as well as a number of radio stations, while Rediffusion owns radio stations in all the ex-British colonies in the area, with the (possibly temporary) exception of Grenada.

The levels of concentration seen in the news industry are mirrored in the 'cultural industries'. In the record industry 5 firms control over 70% of the world market. In the film industry 7 firms control a similar proportion. In addition companies like RCA and Thorn EMI hold interests throughout these different areas as well as being involved in the actual machinery of distribution, radios, record players and television sets. Parts of the sector can operate as marketing media for other parts. One obvious example is the way in which radio, with fixed playlists, promotes records for the multinationals.



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March	Paris	Manchester	12 Nov	WEDNESDAY £128			£244
April	Paris	Manchester	12 Nov	WEDNESDAY £128			£244
May	Paris	Manchester	12 Nov	WEDNESDAY £128			£244
June	Paris	Manchester	12 Nov	WEDNESDAY £128			£244
July	Paris	Manchester	12 Nov	WEDNESDAY £128			£244
August	Paris	Manchester	12 Nov	WEDNESDAY £128			£244
September	Paris	Manchester	12 Nov	WEDNESDAY £128			£244
October	Paris	Manchester	12 Nov	WEDNESDAY £128			£244
November	Paris	Manchester	12 Nov	WEDNESDAY £128			£244
December	Paris	Manchester	12 Nov	WEDNESDAY £128			£244

A more subtle level of control can be seen in the actual forms taken by the media. The dominant ones, radio, television and a press based on advertising have all developed in Western, primarily Anglo-Saxon cultures, and have taken forms which reflect their origins. We are now so used to the forms taken by the media that it is hard to imagine them otherwise. One

Radio, television and press based on advertising have all developed in Western, primarily Anglo-Saxon cultures and have taken forms which affect their origins.

example is the television. Television, which to me is an aesthetically inferior form of entertainment to the cinema has been easily assimilated into British life; it is usually 'consumed' within the privatised nuclear family at home, with programming geared to the different needs of the family; childrens hour, followed by 'family' entertainment, followed by 'adult' programmes. In other cultures one could imagine a very different kind of television developing, for example the use of much larger screens for use in wider social contexts (like the village cinemas in India), or even the use of television in religious ceremonies. The same applies to the radio which might have developed in other cultures in ways that would have stressed radio's potential for two-way communication.

The concept of the news — a daily or hourly diet of 'what has just happened' is closely tailored to Western rhythms of life, to the 8-hour day and the 5-day week. In other societies news has tended to mean the periodic and irregular information gleaned from travellers, which would only move quickly at times of great tension (the spread of the news of the Peasants Revolt in the space of a few days in 13th century England is a case in point). By structuring the news to a certain kind of rhythm it is inevitable that our information is biased towards effects rather than causes, and to the way 'they', the 3rd world or the Soviet Union, impinge on 'us' rather than why they do it.

By stressing the significance of technological and economic determinants of the flow of news and culture I don't mean to imply that ideology and prejudice are unimportant. The news and culture which flows from North to South is deeply ingrained with the racism and sexism of our societies and with the assumption that happiness is a product of a materialist culture stressing ownership and consumption. The point I'm intending to make is that we play an often unconscious role in this process as consumers, when we buy a television licence, a radio or a newspaper, and that this assertion of market power repeated many millions of times throughout the West has a profound impact on what is available for everyone else. In other words our ability to draw up the cultural or news 'menu' results as much from the fact that Westerners have more money in their pockets as from any conspiratorial collusion with the chef.

ADVERTISING – TRADE FOLLOWS AFTER THE BREAK

Apart from the multinationals which actually own the means of communication or the flows of information, all have an interest in the media, because it is only through the media that they can develop new markets for their goods. In the 19th Century Britain ensured that India became a market for British cotton through force of arms and the power to make laws. Today's empires find it more convenient (and cheaper) simply to teach the world to buy in perfect harmony.

Since most of the press and television in the 3rd world depends for its revenue on advertising, the big advertisers carry considerable weight. Television is usually seen as the key to breaking into new mass markets. Among its advantages are its impact and the fact that illiterate people can be reached through it, people who may not have sources of counter information to the claims made by advertisements.

In Latin America television usually takes about 2/3 of all advertising expenditure, of which about half will be for the products of US-based multinationals. These will generally be for products like cosmetics, toiletries, cigarettes and non-essential foods – in other words products which require advertising precisely because they are relatively alien to local cultures. In tandem with the Western television programmes and films mentioned above one aim of this advertising is to equate progress and success with consumption patterns modelled on the West. This is certainly a belief shared by the practitioners. As one Latin American advertising agency representative put it 'nowadays you can judge a country's level of development by the sales of automobiles, cigarettes and shampoos...' Since most of the population will be unable to buy these products one of the effects of advertising is to shift the non-advertising content of the media towards the needs of elite groups (the same process occurs in a slightly different way in Britain, since it is they the advertisers primarily want to reach. In addition there is pressure on the television stations to provide a suitable context for the advertisements. What could be better than a US soap opera which portrays the very consumption patterns which the advertiser is trying to promote?



The consumption patterns which advertising can generate vary from the tragic to the bizarre. The cases of Coca-Cola and Pepsi Cola which have done untold damage to local fruit juice makers, and of Nestle's and Carnation's aggressive and unscrupulous marketing of powdered milk (by implying that breast feeding is unhealthy) are well known. Another example

is that of newly TV-oriented Samoan society (television provided courtesy of a US educational aid programme) in which an incidence of intestinal or digestive ailments developed where none had previously been visible: it was found that this was linked to the enormous consumption of heavily advertised Pepto Bismol in the 1970's.



Advertising can often have direct and sinister political connections. Worldwide advertising is dominated by a handful of huge US agencies. Among the top agencies in any country the same names, J. Walter Thompson, McCann Erikson and Young and Rubicam appear again and again (Britain is no exception). These agencies have very close links with the multinationals which are their main customers around the world. They also have close links with US foreign policy. For example in Nixon's inner circle Robert Haldeman, Harry Treleaven (political adviser) and Ron Ziegler (press secretary) were all former executives of J. Walter Thompson. The major agencies have been used in numerous right wing political campaigns throughout the world, whether inside or outside legitimate political processes. In the last few years Britain's Saatchi and Saatchi has been joining the fun, organising the (extreme right wing) anti-constitution campaign in South Africa and being offered the possibility of running Reagan's reelection campaign. (The anti-constitutional campaign of the far right in South Africa opposed constitutional change which gave token parliamentary representation to 'coloureds' and Indians. The advertising campaign argued that this was a fundamental and unacceptable breach of apartheid).

In Chile in 1973 McCann Erikson was used to 'rout Marxism from the minds of the Chilean people' and between November 1973 and February 1974 advertising in Chile increased 7 fold despite the profound and deepening economic crisis. Military dictatorships tend to be good for the advertisers. It is probably no coincidence that it was ITT's publicity department which was at the centre of the CIA's organised subversion in the final months of the Allende regime.

The broader significance of advertising is, however, more important than any particular conspiracy. Its role, in parallel with other Western cultural forms, is to generate desires for and dependence on the multinationals. Here again economies of scale are crucial. If a multinational can develop genuinely international markets for its brands, long production runs enable it to both cut prices, thus further undermining opposition from local products, and to make higher profits for distribution to shareholders at home. In other words the Pepsi's and Unilevers are seeking to generate what is for them a virtuous circle, of which culture is one part, which will enable them to progressively dismantle local economies and local cultures of consumption.

Britain's own Saatchi and Saatchi are right at the forefront of this process as they try to encourage multinationals of the value of having international brands and international advertising. They argue that this makes marketing that much cheaper and cuts the cost of having different advertising agencies for each country. At another level they recognise that classes can now be thought of as truly international. As Saatchi and Saatchi's latest report puts it 'the most advanced manufacturers are recognising that there are probably more social differences between Manhattan and the Bronx than between Manhattan and the 7th Arrondissement in Paris'.

A recent example of the attempt to create an international culture for marketing was the use by Saatchi and Saatchi of the same British Airways TV advertisements in over 40 different countries.

HEARTS AND MINDS

One way of looking at the role of the advertising agencies and the public relations companies is as an extension of the 'hearts and minds' policy which the US learnt in the Vietnam war, and the realisation by many multinationals that their own long term economic power depends on their ability to propagate their own ideology and values. One recent example of this came in the wake of the invasion of Grenada. For the Americans the first priority was the establishment of a 'psychological operations unit' to continue the pre-invasion work of the Voice of America radio station. Both in Grenada and elsewhere these tactics have been extremely successful. According to Frank Shakespeare, who was then head of the US Information Service,

'the technology which was the essence of the communications revolution was created in the United States. In the use of that technology for the dissemination of ideas and information and entertainment we are world leaders. We dominated motion pictures and television for years, and we still do. Madison Avenue has become a world-wide cliché for referring to the techniques of marketing and that's the dissemination of ideas.'

The USIS was just one example of the close cooperation between the US Government and multinationals in building up control of the global information economy. There are numerous examples of this: at the level of hardware the vast US expenditure on defence and space technologies enabled companies like RCA to expand into consumer electronics and satellites; educational aid programmes (and the widespread Government marketing of Sesame St) played crucial roles in softening up new markets — as in the case of Samoa mentioned

The collusion of the US Government and the multinationals is part of a huge and unprecedented project to transcend the importance of national borders and nation states.

above; while the advertising and news agency world has often had close contacts with espionage. Examples of this include shell agencies set up by Reuters in the middle east, and the disbandment of a J. Walter Thompson subsidiary in Latin America following complaints by the (US backed) Government. Both of these occurred in the 1970's. On the other side Tass has extremely close links with the KGB.

The collusion of the US Government and the multinationals was part of a huge and unprecedented project to transcend the importance of national borders and nation states (backed by internationalist rhetoric): to create an international educational system and an international culture and economy in which the market power of the multinationals could be exploited to the full.

INTERNATIONALISM AND TECHNOLOGIES

For some the internationalist dream propagated by the multinationals has been mirrored by an internationalism based on technologies. According to this view the technological developments of the 1st world now offer the possibility of 3rd world societies leap frogging industrialism into a post-industrial society. According to Edward Ayensu, an advisor to the World Centre for Micro-Computers 'It is now possible to plan an economic quantum leap from village-based rural societies to the computer-based information society of the 21st century.' It is argued that the 'user-friendly' computers of the developing 5th generation could be used by the least educated, illiterate 3rd world farmer, while the development of satellite technology offers the possibility of bypassing the age of telephone wires and cables. Already Senegal is using micro computers in its schools exciting companies like Apple at the thought of the huge potential market for computerised education. Satellites are already being used for transmitting educational software from one side of the world to the other.

There are, however, reasons for seriously doubting this vision. In many ways this vision parallels all projections which are made simply on the basis of technological potential rather than from an understanding of how technologies are used in real situations of unequally distributed power and wealth. The idea that a farmer in Mali might be able to plug a VDU into a small satellite receiving dish to find out about forecast weather conditions or the price of wheat on the world market has its attractions, but information like any other commodity has its price.



£2,995
Apricot xi
Winchester 10Mbyte

INFORMATION FOR THE MULTINATIONALS

The ability of the multinationals to control their own operations depends to a great extent on their own use of information. Just as the old empires needed to know what was going on on the other side of the world — when to send in reinforcements or a gunboat, or when to make a treaty and with whom — so the multinationals have a huge requirement for information. This could be information about mineral deposits or tax laws, or information about how their subsidiaries are doing or whether there is a threat of revolution which might threaten their interests. The old empires depended on ships, horses and later the telegraph and telephone, while the multinationals depend on the satellite and the cable. The two key goals mentioned at the beginning — finding and exploiting markets, and finding and exploiting sources of cheap labour — are still crucial. Today they require a vast panoply of organisation so that products can be effectively launched, so that transfer pricing can be used efficiently (in other words internal prices are adjusted so that profits 'appear' in countries with lax tax laws), and so that workers in different countries can be played off against each other. The very vastness of multinationals can itself cause problems. As the Chief Executive of ITT put it 'if we're not having problems in Brazil its Spain, and if its not Spain its insurance... we are too big to be understood, we operate in too many countries.' These problems haven't, however, led the Multinationals to benignly dispose of their interests. Instead, it has forced them to improve their own communications systems.

According to B. Nanus of the Columbia Journal of World Business, for the informational technology business, 'the large multinational firm with widely scattered operations represents the most attractive customer so that enormous investments are being made to develop new applications and capabilities which will appeal to these firms.' As in the media, the terms on which development takes place are largely set by the distribution of power within the market. At the beginning of the 1980's the 3rd world represented only 3% of world expenditure on science and technology and had 13% of the world's scientists and engineers with very high concentrations in India,

Argentina, Brazil and Mexico. In this context the thrust of new developments and new technologies will be largely set by the needs of the multinationals.

SATELLITES

The development of satellites exemplifies some of these points. International satellite use has its origins in the development of Intelsat in the 1960's which joined together most of the OECD countries, 50% of the shares were owned by Comsat, joint venture of the US Government and the major telecom companies. Since then, as satellites have become more widely used, the 3rd world has gradually been incorporated into Intelsat, but Comsat still has 30% of the shares and almost total control over the expertise and equipment required to use satellites. As a result the 3rd world has little choice but to make use of its services and those of the companies like Hughes Aircraft and RCA which make it up. Aid has often played an important role in this. Whereas television was the (often aid financed) status symbol for many developing countries in the 1960's satellites have now taken that role. Marketers have argued forcefully that satellites are appropriate to the 3rd world, and much cheaper communications systems than one based on cables. Indonesia for example claims to have bypassed the cable age. The one exception to 3rd world dependence in this area is India which has successfully carried through a satellite programme which it now intends to sell to the other 3rd world countries. However, heartening as it may be to see an exception to Western dominance, there is a sense in which India in fact exemplifies the search for technological rather than social solutions to the problems of development. Programmes of this kind are an enormous drain on a poor country.

Satellites raise the question of national sovereignty.

Satellites have also raised the question of national sovereignty. In the late 1960's the US Government, in collaboration with a number of institutions like the Rockefeller and Ford Foundations and US universities proposed an educational satellite service which would broadcast to the whole of Latin America, and which could be received in the remotest villages. As negotiations developed the Latin American Governments became uneasy at the thought that the same material would be broadcast to Bolivia and to Chile ignoring any cultural differences. It was then pointed out that the US could just as well continue without consent of the Latin American Governments: schools and villages would only need a small, cheap aerial to receive the broadcasts.

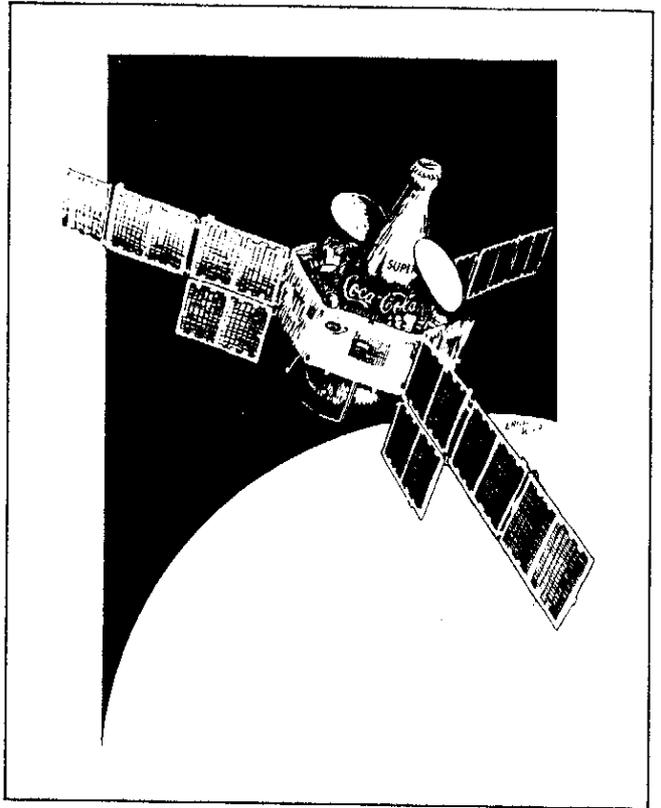
This prompted the 3rd world to call for a 'prior consent' rule so that broadcasting by satellite would only be permitted with the consent of the receiving nation. At the UN this rule was agreed by 100 votes to 1. Not surprisingly the single adherent of the free flow principle was the USA.

Another example of the implications of satellites is their use to monitor mineral and agricultural resources, known as the Landsat programme. This programme which was launched in 1974 is entirely run by the USA. In principle the information it produces is available to the whole world. In practice all that is available is the raw, digital data: the potential user requires extremely sophisticated and expensive equipment to decode the raw data and produce usable information.

An employee of the Earth Satellite Co. relates how a large West African country engaged in various remote sensing projects using Landsat and then built a multi-million-dollar deep water port in a silt zone, when a quick examination of the Landsat data would have shown that it was unusable. In another example, in a technically advanced Middle Eastern country negotiations over copper extraction soon revealed that the extraction firm which had never prospected the area on the

ground knew more about the country's copper resources than its own negotiators. (Rita Cruise O'Brieh 1983)

Here control over information is power. In thousands of negotiations between governments, and between governments and multinationals, superior information allows the North to strike the best deals.



In the same way the free transmission of computer data greatly enhances the ability of multinational companies to dominate independent nations. As well as strengthening them in negotiations it enables them to make decisions at a truly global level. Some 3rd world countries are beginning to take steps to control the transmission of data out of their countries and also to develop their own information technology capacity to prevent the long term dependence on the West. For example Algeria has banned all transmission of data across its borders while Mexico and Brazil have imposed detailed regulations. Regulations of this sort raise their own problems. How do you know who is transmitting information out of the country to a satellite? How do you decode the data which is travelling along a fibre optic cable? For 3rd world countries there is a huge problem in simply keeping up with changing technologies, and adapting laws and institutions to a world in which computers in New York, Buenos Aires and Tokyo can talk to each other simultaneously at the speed of millions of units of information each second. The systems which now operate in the world of finance, notably satellite systems like SWIFT, mean that the problem is not just one for the 3rd

Nowadays international banking systems can withdraw billions of dollars from a country in a matter of minutes ... it is not hard to imagine a newly elected government ... being utterly undermined in the course of its first hour of office by a financial crisis of unprecedented proportions.

world. Nowadays the international banking system can withdraw billions of dollars from a country in a matter of minutes. For a country like Britain it is not hard to imagine a newly elected government which the multinationals disliked being utterly undermined in the course of its first hour of office by a financial crisis of unprecedented proportions.

At another level information works like other commodities in an imperialist world system. Raw data is often transmitted from the 3rd world to the advanced countries for processing and decision-making. As with more traditional products the spin-offs in terms of expertise, research and profits tend to come at the point of distribution and processing rather than production.

CONCLUSIONS

The developing global information economy is changing the map of the human world. In it culture and information move, quite literally, at the speed of light. Changing systems of communication are radically changing the subjective distance between different parts of the world. There is a very real sense in which the cities of the 3rd world are much closer to London or New York than they are to the forests and mountains of their own countries. In a way the expansion of computing and communication power seems to hold out the possibility of universal access to the cultural and intellectual heritage of the whole world, and to the development of a genuine global village. Yet the development of a world without borders is one which is being determined largely by the forces of the market place and by the interests of the most powerful actors in world markets, the multinationals. As the recession continues the same names and the same companies dominate the world economy more than ever. Actions to impose some form of social control over technology, such as the regulation of trans-border data flows have only limited significance. By the time regulations have been imposed the battle ground has often moved on to a new technology and a new threat.

The developing global information order is changing the map of the human world... changing systems of communication are radically changing the subjective distance between different parts of the world... yet the development of a world without borders is one which is being determined largely by the forces of the market place and the interests of the multinationals.

The growth of a single capitalist world system has gone on for 400 years and shows no sign of moving into reverse. Indeed the multinationals are now looking greedily at the huge potential markets which China is offering them. One aspect of the global information economy which I have not looked at lies in the military field. Here the same companies which are selling satellites and radios to the 3rd world are soon going to be used by the US Government to work on Reagan's Star Wars plan, the ultimate (if achievable) technical fix which will use a technology with a truly global reach to guarantee US security from attack.

But despite the apparent inexorability of this process it is worth remembering the contradictions which the multinationals themselves generate as they intervene in indigenous culture and independent states. In some ways Europe, which is increasingly feeling threatened by the power of US multinationals both in the realm of culture and the economy, is beginning to take a lead in developing international institutions and rules which can limit their powers. In general, the ability of multinationals to transcend national boundaries is likely to force nations to organise internationally to counter them. At another level the multinationals can contribute to the diffusion of technologies which undermine the regimes they support. For example Khomeini's revolution in Iran was greatly assisted by the widespread diffusion of cassette players, itself a result of the Shah's deep involvement with Western capital and his desire to emulate Western consumption patterns. This enabled Khomeini

to reach millions of Iranians through sending cassette tapes out from his bases in Paris and Iraq. Similarly, the diffusion of radios in El Salvador provides a ready means of communication for the rebels through Radio Verceremos, in a way that wouldn't be possible in an age of print.

Iran is also an example of the destabilising effects that the rapid introduction of Western cultures and consumption patterns can have, effects which in themselves generate anti-imperialist movements which attack pop music and jeans as much as the Governments behind them. Programmes like Dallas which provide a window into a possible life style generate both aspirations and dissatisfactions.

Some of the new technologies of communication are also inherently impossible to control. For example cassette tapes and video tapes can be easily and cheaply copied, despite copyright law, while many 3rd world countries use pirated Western educational books.

News about what people are doing on the other side of the world can have a profound political impact through the simple power of example whatever the structures which distribute the news may be.

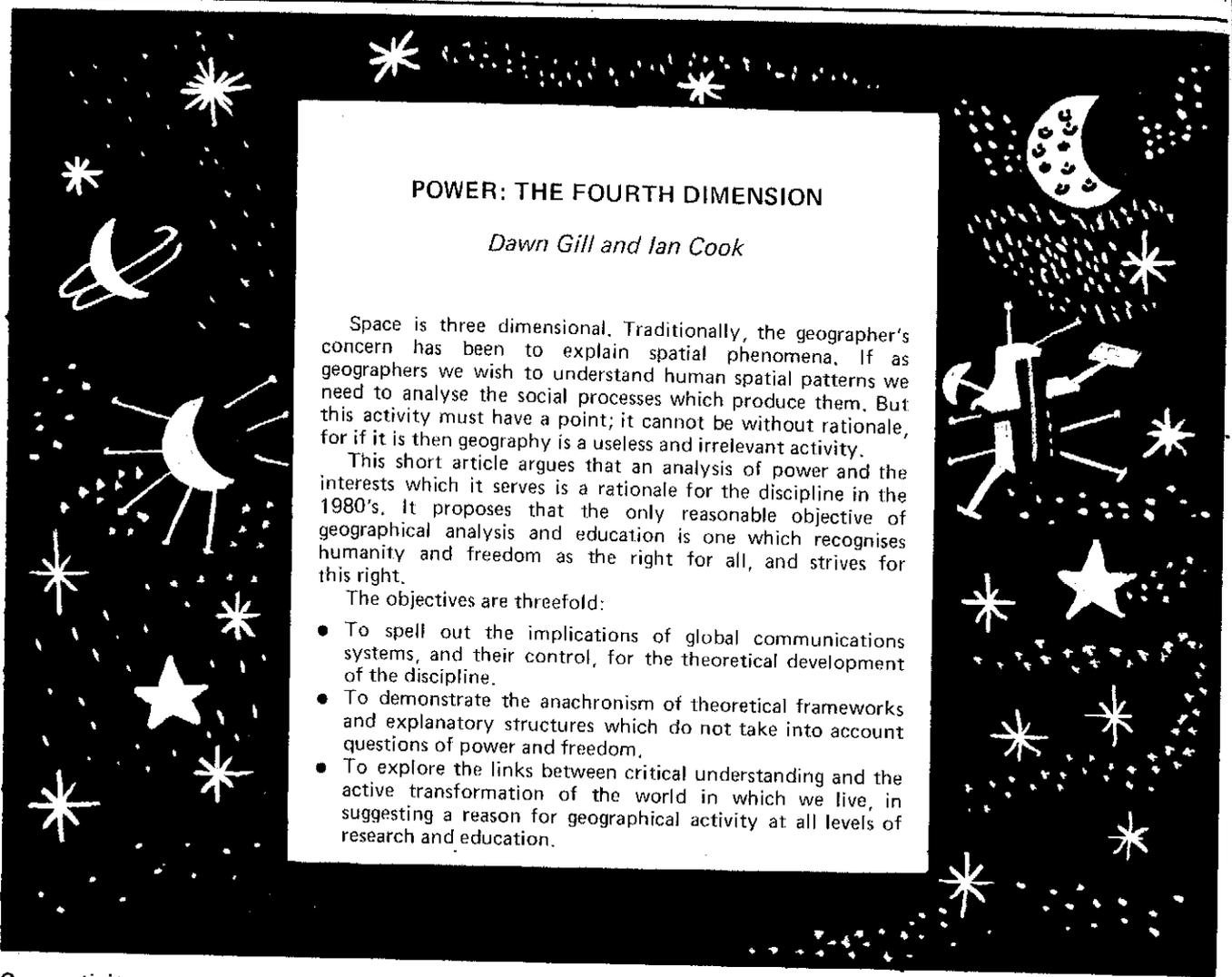
As has been mentioned before Britain plays a disproportionately important role in the world information economy, particularly in the news (the "World Service" remains a truly global service which is widely listened to) and in education where the role of English as a lingua franca is important. Yet at another level Britain suffers from the effects of cultural and economic imperialism in the same way as other countries. The development of cable and satellite, which are in their own ways increasing the weight of market forces in our media, are likely to bring new opportunities for the US television and advertising industry, while the fact that our largest newspaper proprietor is based in Australia is beginning to make us feel somewhat colonised.

In this country the main practical lesson of what is happening in the information technology is the need to ensure that the means of communication in the media, in education and in culture more generally, remain under some form of public control. The dead weight of the market, which the present Government is encouraging can only create a homogenised, second best culture for the world.

In thinking about these issues, it is obvious that the implications for all of us are vast. Educationalists and other must move quickly in order to understand and seek to curb the worst excesses of the Global Information Economy. However, this can be seen only as a short term goal; it represents action which is essentially defensive. In the longer term educationalists must take seriously the responsibility that we bear for the future, and recognise that "the future is ours to create". It is the task of the teacher to "encourage the realisation of the links between critical understanding and the active transformation of the world in which we live" (see the editorial in the first issue of this journal). It is clearly not enough to seek to curb the worst excesses of the Global Information Economy. Students and teachers need to think seriously about and debate possible alternative futures and to adopt strategies for moving positively towards a future which provides the greatest benefit for the greatest number of people – locally, nationally and globally.

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POWER: THE FOURTH DIMENSION

Dawn Gill and Ian Cook

Space is three dimensional. Traditionally, the geographer's concern has been to explain spatial phenomena. If as geographers we wish to understand human spatial patterns we need to analyse the social processes which produce them. But this activity must have a point; it cannot be without rationale, for if it is then geography is a useless and irrelevant activity.

This short article argues that an analysis of power and the interests which it serves is a rationale for the discipline in the 1980's. It proposes that the only reasonable objective of geographical analysis and education is one which recognises humanity and freedom as the right for all, and strives for this right.

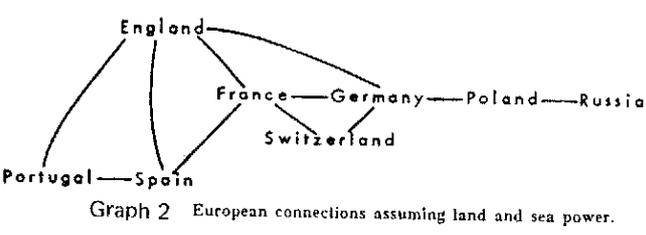
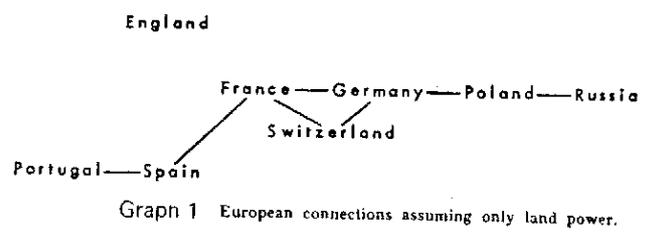
The objectives are threefold:

- To spell out the implications of global communications systems, and their control, for the theoretical development of the discipline.
- To demonstrate the anachronism of theoretical frameworks and explanatory structures which do not take into account questions of power and freedom.
- To explore the links between critical understanding and the active transformation of the world in which we live, in suggesting a reason for geographical activity at all levels of research and education.

Connectivity

Graph theory deals with connectivity. France is connected to Spain in a spatial sense.

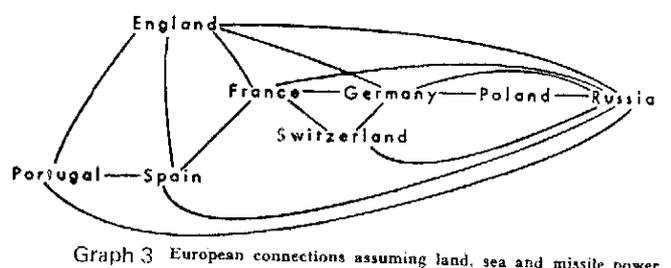
The world is said to be 'shrinking' because it has quicker communications systems. However, it is also shrinking in its connectedness. As Bunge points out, if it is assumed that military power was first able to move over land areas, then over seas, and finally through air, then the connectivity of Europe has changed.



Dimensional Analysis

Dimensional analysis is a useful geographical technique. What Bunge writes in relation to military transportation systems is true of information communication: military transportation and information communication has deep spatial repercussions.

"The boundary of a country was a line drawn along its edge. The frontier was an area adjacent to this line and the interior a place of relative safety removed from the frontier. Now in the days of intercontinental missiles, the military transportation system is truly three dimensional. This changes the dimensions of national boundaries and related frontiers and interiors. The boundaries, must now be the entire surface of a country, not its edge"



The connectivity of political units is a factor affecting power.

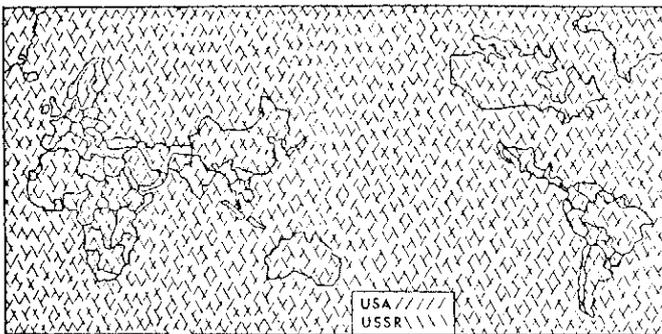
Three Dimensional Spatial Analysis

Until recently human beings have been surface occupiers: thus political units were two dimensional. With the invention of missiles and electronic communications systems, humanity occupies volumes: war and control have jumped a dimension. There are no boundaries as once we knew them – either political or economic.

Bunge argues that cartographers have been neglecting this fact:

"The Russians are not "ninety miles off our shores" they are literally "up" and we from them since we occupy each other's heavens and can mutually destroy to the depth of five hundred feet anything on each other's surface. Political maps have not even attempted to show this fact. Figure 1 is an attempt at mapping the earth's surface assuming that the only countries with complete access to the surface, i.e., the only three dimensional powers, are the Russians and the Americans. Look outside your window. You are staring literally at the boundary of the sovereign states of the Union of the Soviet Socialist Republics and the United States of America no matter where in the world you are located. The sovereign borders of a nation are defined by the space the state military occupies. Therefore, the Soviet Union is a volume attached to the earth's surface in Asia while the United States is a similar volume attached in North America. At this moment everyone in the world is literally standing in both the United States and the Soviet Union, in their political space."

He asks "are all the children born after 1960 citizens of these two states?" and goes on to suggest that perhaps it would be simpler to unite all of the earth's people into one sovereign political unit.



1. Political map assuming Soviet and American space occupancy.

Boundaries and distance of less importance

These changes raise issues of control and sovereignty as key concerns for geographers. Geoff Mulgan suggests that as there is an increase in traffic and information across traditional political boundaries, politicians and administrators have decreasing influence within their "own" territory. In a closed economic system which refuses to recognise the relevance of national boundaries of distance, these can no longer be of such importance to geography. A crucial factor in geographical analysis must become the study of power.

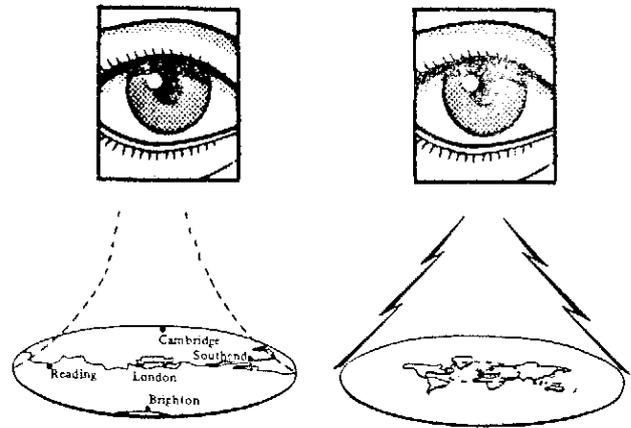
Geography as merely a study of place and space seems somewhat anachronistic in an economic system which renders boundaries and distances irrelevant.



Footnote: We rely heavily on the work of William Bunge (1966) and J.G.U. Adams which was published in the early 1970's. We are grateful for their insights, and point out that their work has hitherto been largely ignored.

The controllers and the controlled

A useful spatial concept is the 'world of direct experience'. On the left below is a diagrammatic representation of the world for a person who travels no further than 50 miles in any direction from Trafalgar Square. On the right is what might be called the world of direct experience of the small elite who travel internationally.



The eye of the beholder

People's information sensors and processors are highly selective. We make sense of the information impinging on our senses by filtering out most of it. As the size of someone's 'world of direct experience' increases, there will be a corresponding reduction in the level of resolution at which the world is perceived.

Human scale detail and variety are lost as the level of resolution is reduced.

"People are swallowed up by social, national and racial stereotypes, by enumeration districts, age-sex pyramids, population densities and many other devices for coping with social complexity."

The most important beneficiaries of the transport and communications revolution are those members of the small cosmopolitan elite who travel and communicate internationally. These are the people – the executives of international corporations, the World Bankers, the United Nations diplomats – who make the global scale decisions.

These decision makers, argues Adams, necessarily have a problem of perception. Their level of resolution is such that people become invisible. The rest of the world becomes less important to the increasingly mobile few; the people who live there become too small to be seen individually. They can enter the global decision makers thoughts only in the form of statistical abstractions. They become "factors" in the calculation of global 'strategies'. Taking decisions that affect the lives of large numbers of people confirms one's own significance. But having one's life arbitrarily controlled by others is alienating. Adams suggests that 'earth-shrinking' represents not progress, but alienation.

He writes of alienation that it is a state of mind born of a feeling of relative insignificance. It is experienced by millions: the unemployed, those who do mindless and tedious jobs, those who commit 'mindless' acts of vandalism and violence, by the poor living alongside the rich – in short "by all whose lives are suffeted by an authority whose scale and complexity are beyond their understanding." Alienation is the result of a denial of people's intelligence and humanity by the society in which they live.

The technology of control results in a progressive widening of the gulf that separates the controllers from the controlled.

This raises questions in relation to human freedom.

Decisions are made on a global scale — but in a way that is outside the control of the majority of the people. "Knowledge" of the world, in terms of direct experience, is for the few. This knowledge represents a new kind of elitism, a new tool of power and control.

The world of experience of the majority belongs to those whose world of experience is at a larger scale — those who filter the news, provide the views, create consumption patterns and employ people at a global scale.

We have in the making a new form of enslavement or feudalism, in which the lives of the majority are in the manipulative grasp of the few. The problem is that, this time, the enslavement or serfdom is global in operation: the denial of intelligence and humanity of the majority of the world's population takes on new dimensions in a world where decision-making is global.

The implications for struggle against this enslavement are clear: the strategies must also be global.

Density Transformations

'Real earth distances' are now largely irrelevant for the political decision-makers. Millions of pounds can be transferred across millions of miles in a few seconds; half the world's population could be wiped off the face of the earth in a few minutes.

For the economic decision-makers however, area is still of great consequence; area represents potential income — markets, which are a challenge in terms of advertising and communication, raw materials and labour.

If it is true that, as Bunge suggests, we are all in the political space of both the USSR and the USA, then this can be mapped as Bunge has mapped it (fig. 1). But this map refers to crude political space only. It must be possible to map political control in a more sophisticated way. Ideological control could be mapped as it emanates from governments and companies. Choropleths could be drawn, for example, in relation to the influence of one multinational, and another, and yet another, until we have visual representations of "densities" of ideological and economic control. Mapping needs to take account of 'densities of control' if geography is to respond to the spatial distributions which are of consequence in understanding today's world. It could also take account of 'densities of resistance' in charting the advance of strategies of struggle for freedom.

Geoff Mulgan's article carries an implicit questioning of the geographer's current conceptual tools. Existing concepts and descriptions of the world are simply inadequate in helping us to understand it.

Table 1, which lists geographical theories is interesting in that all are shown to be mere descriptions; and in a world of international ideological control they are no longer accurate descriptions.

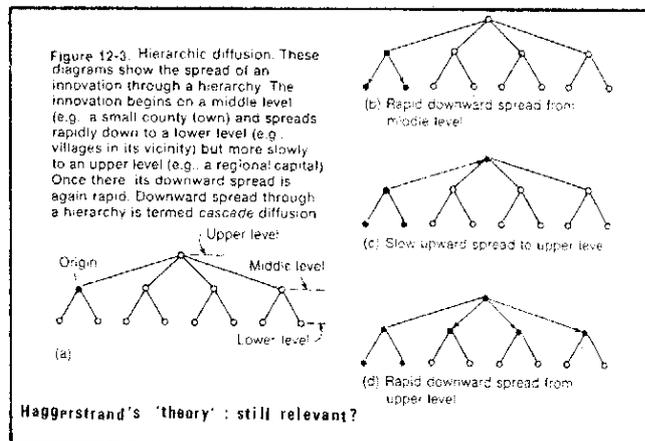
Harvey (1972) writes that 'status quo theory' is grounded in the reality it seeks to represent and it helps to reproduce that reality. Status quo theories are essentially reactionary, and reflect an intellectual blinking.

The discipline has for too long been content with description: this intellectual complacency on the part of geographers has quite definite political implications. The effect of purely spatial analysis is to prevent true understanding of spatial systems, and, by default, it helps to foster a social system based on inequality.

Harvey called for revolutionary theory which offers real choice for the future by identifying imminent choices in the present social situation. Revolutionary theory is an attempt to guide thinking towards the conclusion that social reality as currently constructed is not immutable. Never before has humanity been more desperately in need of revolutionary theory.

Table 1: Geographical theories which we need to question

- Geoff Mulgan's article carries an implicit questioning of the geographer's current collection of conceptual tools. Existing perceptions and descriptions of the world are simply inadequate in helping us to understand it. Existing theories may prevent rather than facilitate understanding because they are diversionary.
- In the world of international communications and control of mass media, Hagerstrand's theory of the diffusion of innovations seems redundant. Transnational advertising can lead to immediate adoption of innovations in far-off places.
- Rostow's model of development is an inappropriate description of the processes at work in the global economy. It fails to acknowledge the political, economic and ideological domination of the controlled by the controllers and the immense barriers which are put up to prevent development.
- The notion of spheres of influence is no longer an accurate conception, in a global context. Density transformations are more useful in helping us understand degrees of influence; for the whole globe is the "sphere".
- The concept of core and periphery are, if applied at the national scale, not sufficiently sophisticated to account for the all-pervasive influence of the controllers. Power can now be said to be *trans-spatial*.



As a student or geography teacher — what can I do?

Adams writes "in order to sustain the self-esteem of the controller and minimise the alienation of the controlled, it is necessary to disguise large-scale decision-taking operations".

It is on this disguise that we must focus as educators if we are to become instrumental in preventing or fighting off the new kind of enslavement noted above. How does ideology operate? How is power maintained? What can we do to reject manipulative control and preserve our humanity while also working to ensure that the humanity of others is preserved? It is to these questions that we address ourselves through the work of this journal. What we can do as teachers and students is to encourage the realization of the links between critical understanding and the active transformation of the world in which we live.

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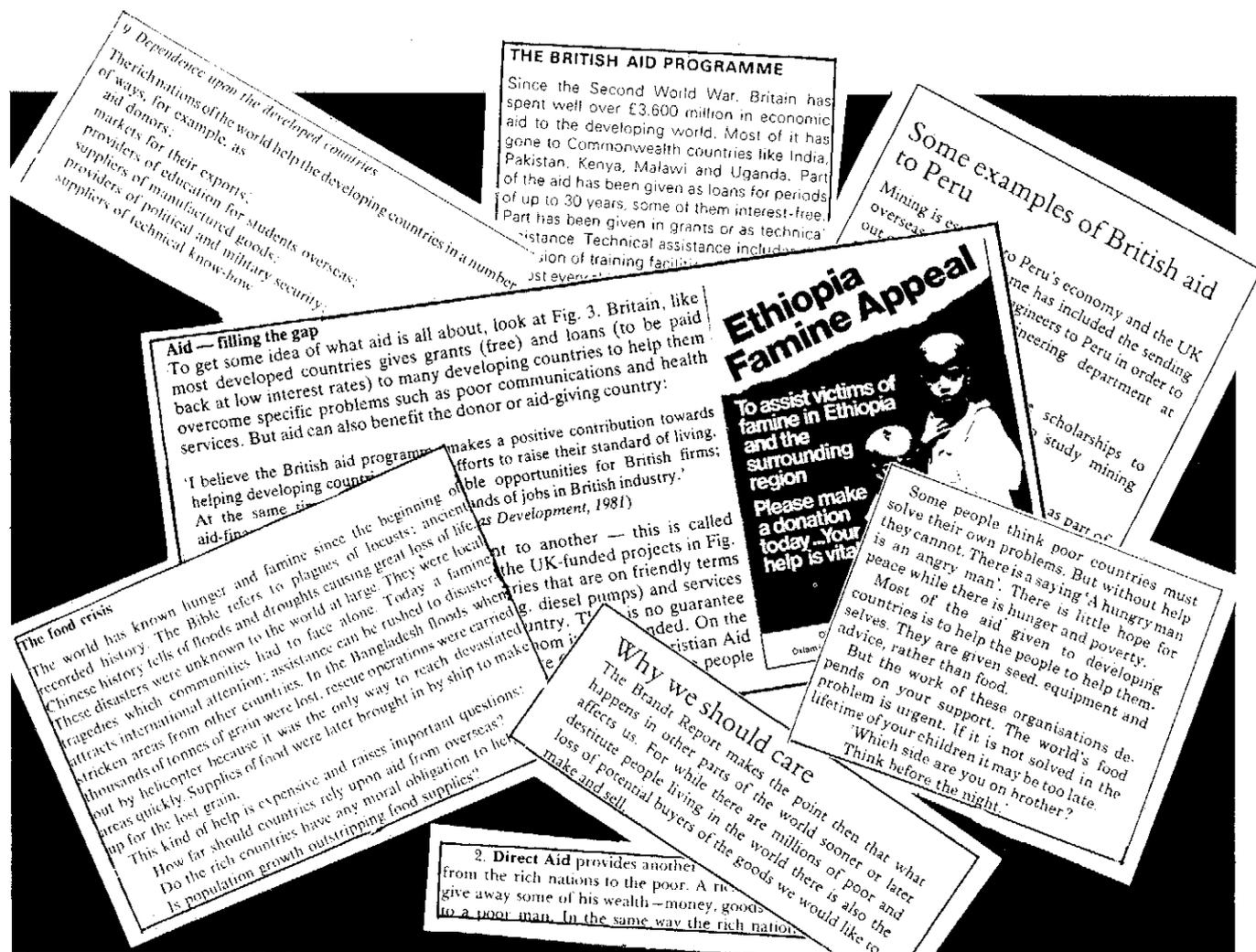
AID

Anne Simpson, Oxfam Education Worker

Aid sounds like a good idea. Those who have too much give to those who do not have enough: a simple way to bridge the gap between the rich and the poor.

Aid appears frequently as a topic for study in geography textbooks. Once the problems of poverty have been laid out in graphic detail — food shortage, malnutrition, disease — aid is presented as a solution. Aid is a topic that requires careful handling. On the one hand, it may easily reinforce a sense of superiority — 'we' are helping 'them' because, by implication, they are unable to do anything for themselves. On the other hand it can cause resentment. Why should school students facing the dole queue support sending money abroad? When studying aid we need to look at all of the balance sheet, not just part of it. This balance sheet includes trade, labour and finance as well as aid.

The total balance shows a surplus in the West's favour, therefore aid would be better termed 'repatriation of profits' — a term that would raise the vital question of why the West is in a position to give aid, of where the West's wealth comes from: it would give a focus on the causes, rather than the symptoms of poverty. This approach would enable students to place current economic issues in historical and political perspective.



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The following information and arguments are intended to help teachers and students reach a critical understanding of the role that aid plays in the world economy.

There are three commonsense assumptions about aid; all of them are implied by the meaning of the word itself. These assumptions must be questioned.

'We' give, 'They' take

This is conjured up by the image of the begging bowl. It is understood that, overall, the West *gives* money to the rest.

The Good Samaritan

The West gives aid to the Third World out of altruism. A straightforward desire to help is at work.

Aid Helps

Aid tackles underdevelopment. It is a solution to the problems of poverty.

What is Aid?

Technically, aid refers to any flow of resources from one country to another at less than the market price. The term therefore covers everything from penicillin to guns that are sent at a cheap rate or free. It covers people as well as things — military advisers or health workers. It also includes money which may be a grant or a loan at lower rates of interest than the current commercial rate. Discussions usually classify aid according to its source, which may be government or non-government. This classification distinguishes the U.K. Overseas Development Administration (government) from groups like Oxfam, War on Want and Save The Children (non-government).

Within government aid, part is sent *bi-laterally*, that is, from one government directly to another. The rest is sent *multi-laterally*: different governments contribute to a joint organisation like the World Bank which then hands out the money. In this article reference will be made to the United States aid programme as well as the British because the U.S. has by far the largest aid programme in the world; it dominates the multilateral agencies as well as having a large bi-lateral aid budget. The United States receives political support from Britain; this makes it an important focus of attention for students of geography in British schools and colleges.

As for the size of Aid flows, the World Bank reports this as shown in Table 1.

	1981
	Billions of dollars
Total ODA (Official Development Assistance)	37.6
	Percent
Source	
DAC	68.0
OPEC	25.9
Centrally planned economies	6.1

Source: World Development Report, World Bank 1983, p18

Centrally Planned Economies

Albania, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, Romania, United Soviet Socialist Republic.

D.A.C.

(Development Assistance Committee Member)

Australia, Austria, Belgium, Britain, Canada, Denmark, Finland, France, Italy, Japan, Netherlands, New Zealand, Norway, Sweden, Switzerland, United States of America, West Germany.

OPEC (Organization of Petroleum Exporting Countries)

Algeria, Ecuador, Gabon, Iran, Iraq, Kuwait, Libya, Qatar, Nigeria, Venezuela, Saudi Arabia, United Arab Emirates.

These figures are impressive. For all the talk of a gap between the rich and poor, here is a massive \$37.6 billion in official development aid, flooding from the well-off to their unlucky neighbours. However, to put the amount in perspective, this sum is about equivalent to three weeks arms spending (Campaign Against the Arms Trade 1982).

Who gives to whom?

Putting a price on the goods and services that pass between countries is a problem in any case. Gathering data, interpreting it, accounting for gaps and differences is not easy. Exchange rates change, statistics are not always available or comparable. However, the following are revealing. First, there is profit made by Western companies in the Third World (Table 2 and Table 3).

Company	Inflow	Outflow
British American Tobacco	2.5	82.3
Johnson & Johnson	0.7	22.7
Esso	1.8	44.5
Firestone	4.1	50.2
Anderson Clayton	1.4	16.8
Rhone-Poulenc	14.3	60.6
Volkswagen	119.5	279.1
Pirelli	28.7	64.9
General Electric	13.9	19.4
	186.9	640.5

(Source: Latin American Bureau 1980)

British aid to Latin America over this period amounted to less than £20 million (ODA 1983)

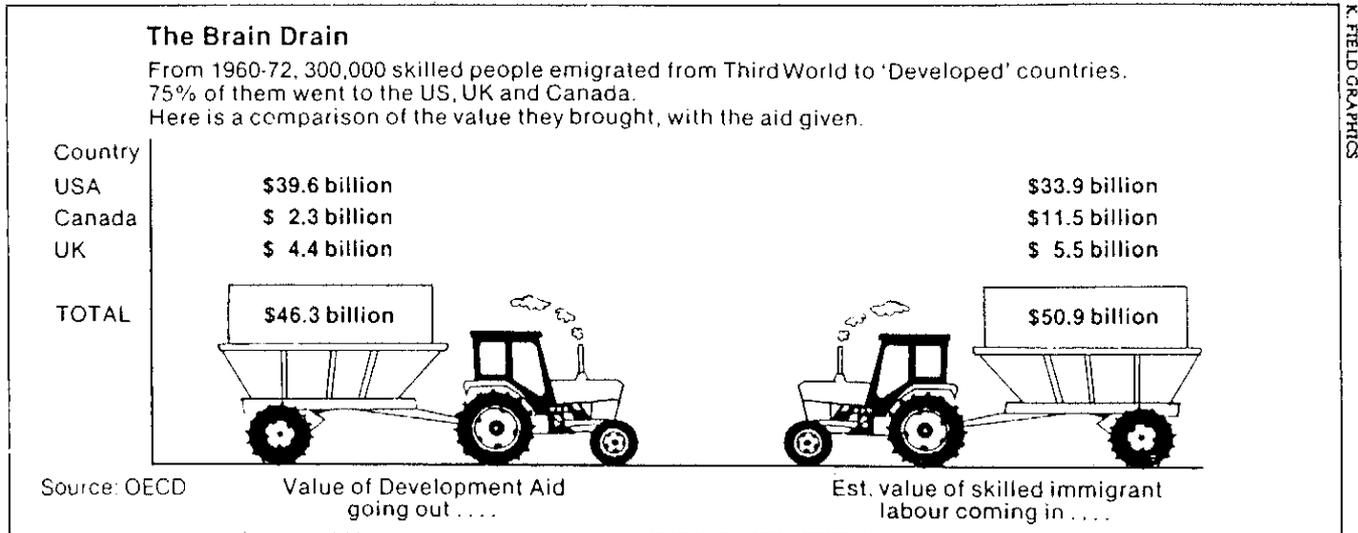
These figures refer only to a few firms operating in just one country. \$ 453.6 million in surplus over ten years is very handsome.

The image of aid as a 'gift' disguises the outflow of goods and profits to the West. An examination of the aid budget does not take account of the fact that the West's aid programme is at best 50 years old. Britain's began as a branch of the colonial office in 1929 (ODA 1980). By then the period of colonial rule that enriched the West and impoverished the Third World had been going on for over 400 years.

"arising from the seaward expansions of the 15th and 16th centuries onwards, the countries of western Europe were able to seize and concentrate in their own coffers a wealth of plunder of a magnitude far beyond any ever before imagined, far less seen, in world history hitherto. To the gold and silver looted from Latin America, to the Dutch fortunes built on the bones of the Indonesian people, and to British booty from India, has to be added the huge rewards of the trade in human flesh, supplying slaves to pioneering white planters and mine-owners in sparsely populated lands of recent settlement, such as the Americas, Ernest Mandel has estimated the total haul from such brigandage at over one billion pounds sterling — a staggering sum for the times: as late as 1770, the entire British national income was a mere £125 million. He concludes:

'It was this systematic plundering of four continents, during the commercial expansion of the sixteenth to eighteenth centuries, that created the conditions for the decisive lead acquired by Europe from the industrial revolution onward... the enrichment of which was paid for, in the literal sense of the word, by the impoverishment of the plundered areas.'

The capital thus accumulated by the most primitive of means enabled western Europe to make the transition to industrial capitalism; its loss of the rest of the world aborted whatever progress had been made along the same lines and speeded them down the road to underdevelopment.



Third World First

Other calculations of the profits to Europe during the colonial period show a similar picture. For instance, between 1503 and 1660 185,000 kilos of gold and 16,000 kilos of silver were imported at the Spanish port of San Lucas de Barrameda according to official records (Galeano 1973).

It is important however, not to fall into the trap of arguing that British people have 'stolen' from Third World people. The profit has gone largely to wealthy families and companies. British workers also yield an enormous amount of profit for those same companies. For example, in 1980 British American tobacco made a pre-tax profit of £479m. The 44,000 British workforce earned only £101 a week each (The director earned £2,237 a week) (Labour Research 1982). 80% of the British population owns only 14.5% of the wealth in Britain that has been created by everyone's work (see Simpson 1984 for further details).

Aid is Profitable

A large proportion of aid is not actually given. It has to be paid back – with interest of course. In 1977 almost 40% of official development assistance received by the Third World had to be sent back to the West as interest on past 'aid' (UNCTAD 1977 quoted in Lappe and Collins 1979).

Aid is Good Business

This point is often made openly by supporters of aid:

"Foreign aid provides a substantial and immediate market for U.S. goods and services; foreign aid stimulates the development of new overseas markets for U.S. national companies; foreign aid orientates national economies towards a free enterprise system in which U.S. firms can prosper."

Eugene Black, President of World Bank (Maclean 1981)

The Brandt Report was very clear that aid should be supported because it is *financially* as well as morally uplifting for the West.

"A vigorous (aid) policy would in the end not be a burden but an investment in a healthier world economy as well as in a safer world community."

(Brandt 1980)

The argument here is that if the Third World had more money, they could buy things from the West.

The British government takes this argument very much to heart. Almost 3/4 of official aid is tied to British goods (ODA 1981). The receiving country must use this money to buy things from Britain.

In 1981 British companies received £7.6 million worth of orders from UNICEF (The United Nations Children's Fund)

to which the British government contributes £0.28 million (Grant 1981). Thus aid that is given to multilateral agencies can bring its own rewards.

Neil Marten, then Minister for Overseas Development, said in a statement on overseas aid to the House of Commons:

"The greater part of our bilateral aid is tied to procurement in the United Kingdom and so provides valuable orders for British firms, I might add that our contributions to multi-lateral institutions also enable British firms to complete for very substantial business financed by them all over the world. We are examining means by which they might get a greater share of this business."

"By using the Aid/Trade Provision Britain secures exports worth a lot more than the aid we put in. Since ATP started (in 1977) £263m of aid has resulted in exports of British goods worth £1,052m."

(ODA 1983)

For every £1 allocated to a Third World country, about 70p stays here. About 50,000 jobs in Britain are dependent on the British aid programme.

(Schlackman 1979)

There is, of course, no guarantee that Britain (in this case) is able to supply the best equipment or people for the job. In this sense, aid creates artificial markets for Western products. Once, say, a truck has been bought on tied aid, the receiving country will be dependent on the donor for spare parts and matching equipment. It might be that the most suitable vehicle is produced by another country.

Aid is Good Politics

Aid is also used to ensure political support for the West, as well as to ensure markets for western goods. This point can be illustrated by following the fortunes of Grenada and Nicaragua. British aid to Grenada was cut off (that is, not renewed) in 1979 when the New Jewel Movement formed a left-leaning government after over-throwing a corrupt dictator (Dunkerley 1984). Negotiations are underway at the moment to reinstate aid following the United States invasion. Britain has vetoed EEC aid to Nicaragua as part of its support for United States policy in Central America. Other examples are well known. Foreign assistance and credit dried up when Salvador Allende was

elected in Chile in 1970, and surged into the country again after a bloody right wing military coup in 1973 that cost the lives of over 30,000 people. Table 4 shows that Chile is not an isolated example.

Political control has been put forward as a quite open justification for the American aid programme. As far back as 1918 when the U.S. sent a team of aid experts to Russia, the Secretary of Labour said:

"(the goal of the team is) to present the ... political attitudes of the American wage workers towards the problems confronting the world."

(Curti and Birr 1957)

It is notable that U.S. aid to Europe after World War II was also justified as part of the fight against communism (Curti and

Birr 1957). Loans to Britain were delayed because a Labour government came to power!

It might be reasonable to expect that politicians would use aid for overtly political purposes. However, the same thinking is enshrined in the work of economic theorists such as Rostow and Miliband. Rostow was a prominent economist in the 1950's, whose theory of development was quickly discredited, but stayed popular (somewhat like monetarism). He argued that there were five stages of development for all societies to go through, and that the push towards this would be started in the Third World by a large input of investment at the right moment. Rostow's theory is still reproduced without criticism in some school textbooks and geography syllabuses. For example, the AEB Geography 'O' level syllabus presents a definition of developing countries as "those which have not yet crossed the threshold to become modern, highly technological societies." (see Issue 1, No. 1 page 22)

The title of the book from which the following quote is taken sums up Rostow's argument: *"Foreign Aid: Key to an effective foreign policy"*

"We Americans have a unique opportunity. We alone in all the world have the resources to make steady and substantial growth an active possibility for the underdeveloped nations of the Free World. But our basic objectives are political rather than economic... in the sense that our most pressing interest is to help the societies of the world develop in ways that will not menace our security... which can be relied upon not to generate conflict, because their own national interests parallel ours... (also) we need the challenge of world development to keep us from the stagnation of smug prosperity."

(Rostow and Miliband 1957)

There is also a more subtle way in which aid exerts political control. In 1981 the ODA gave £4.6 million to the Turks and Caicos Islands to help Club Mediteranee (a French tourism company) build a holiday village there. This steered the Turks and Caicos Islands into relying on tourism for foreign exchange – and hence indirectly set up a model of development that further linked the islands into a dependent relationship with the capitalist West.

Aid has played an important role in spreading the cultural values of the American way of life which is, of course, the prerequisite for spreading the reach of American companies. The term coined for this well-known phenomenon is "Cultural Imperialism".

Cultural imperialism is no doubt helped by the fact that thousands of professionals in the Third World have been educated in the West (5,256 last year in Britain alone – ODA 1983). Though this is often cited as an important stage in fostering pro-Western attitudes among Third World elites, the results are not always certain. During the early 70's when OPEC was powerfully organising, there were more Harvard Ph.D.'s in the Saudi Arabian government than in the United States government. (Smith 1980)

The Politics of Western Aid

Country	Strategic political date	Increase in US and international organisation credits (%)	Increase in US aid (economic and military), and international organisation credits (%)
Brazil	1964	+180	+112
Chile	1973	+1,079	+770
Dominican Republic	1965	+305	+133
Guatemala	1954	n.a.	+5,300
Indonesia	1965	+653	+62
Iran	1953	—	+900
Philippines	1972	+171	+161
South Korea	1972	+183	-9
Uruguay	1973	+32	+21

Source: 'The US versus human rights in the Third World' by N. Chomsky and E. Herman, *Monthly Review*, July–August 1977.

Aid also plays its part in the transmission of political ideas. Television stations, radio receivers have been given as part of the departing colonial power's aid package, thus plugging the newly independent country into the ideas and information network of the West. (See Geoff Mulgan's article in this issue). Education materials have also formed part of aid programmes. The United States distributed 10 million copies of a history text book to Central American schools that re-wrote the European invasion of the area as follows:

"The Indians lived where there was gold but did not know its value. A Spaniard came looking for gold. The Indians showed him where it was. The Spaniard, to show his gratitude, taught the Indians how to read and write. He also taught them to believe in one God. The Indians, in turn, were grateful to serve him. Thus, they lived happily in their village mining gold and cultivating the land. Then other Spanish came and attacked the village. The Indians fled. The son asks, 'Why did the Indians not return?' 'Because they found a place to live better,' answered Mama. They realized that they had found a very beautiful place. The Indians felt grateful to those who made them flee."

Source: ROCAP Book Program, Grade 3, Book 2 (Maclean 1981)



Military Aid

If economic aid has been used as an arm of foreign policy, it should come as no surprise that military aid is too. When the U.S. aid programme first started off, there was a 4:1 proportion of economic to military aid. By the end of the 1950's the proportion was all but reversed. (Congressional Quarterly 1960). Now the amounts are more or less equal. This military aid is used to repress groups within Third World countries which are fighting for a more just social order. It is clear that this aid has perpetuated and exacerbated underdevelopment. For example, consider the following:

El Salvador

- 2% own 60% of the land
- 60% are landless
- 40% are unemployed
- 75% of children suffer from malnutrition.

Source: El Salvador Bulletin 1983

U.S. Aid and El Salvador

	1979	1980	1981	1982	1983
Govt. murders of civilians	1,149	13,194	16,537	5,840	5,599
Military Aid from US (in \$ millions)	35.49	81.00	61.30		

(Source: Comicion de Derechos Humanos d'El Salvador 1983)

Government murders are defined as "political killings of non-combatant civilians by the government and security forces."

In 1981 El Salvador received another \$523.0 million from other countries — of which Britain supplied \$19.2 million via multilateral agencies (Pearce 1982).

Military aid (and its impact on underdevelopment) is generally ignored.

Large amounts of the U.S economic aid programme goes to support governments with large military expenditure, and international economic aid is often called in to mop up after the atrocities committed via a military aid programme. This was found with Vietnam, which has been all but boycotted by the international aid community despite its devastation at the hands of the American airforce. The issue of military aid will be looked at in more detail in Issue 5 of this journal, but it can be noted here that the reasons for military aid are quite obvious. It is associated with U.S. investment, strategic supplies of raw materials and regions of competition with the Soviet bloc.

Non-Governmental Organisations

Different questions need to be asked about aid which is given out by non-governmental organisations. Firstly, it should be said that the amount of aid they deal with is minute in comparison with government programmes. In 1982 all the NGO's in Britain between them raised £50 million. (ODA 1983). Through this fundraising charities have a very high profile in Britain. Oxfam, for instance, is a household name and the voluntary aid agencies have a powerful impact on the general public's understanding of underdevelopment (Schlackman 1979).

NGO's work very differently from governments. They tend to operate through voluntary groups rather than directly via governments in the Third World, and are committed (in most cases) to working with 'the poorest of the poor'. They are funded through donations from the general public in the West — with a very small proportion of matching funds from government. Altruism would clearly seem to be a motivating factor here. However, overseas charities put enormous effort and resources into fundraising — 5:1 is considered a very good rate of return (That is, for every £1 spent on fundraising, £5 income is raised). Clearly people are not queuing up to donate money to the Third World. They are persuaded to do so. Jørgen Lissner argued that this fundraising put constraints on the development message of charities in the West.

"An agency committed to development at the grass-roots level may be convinced that some of their most valuable counterparts in the Third World are particular mass movements (e.g. peasant associations, slum-dweller organisations, or liberation movements). But if they come out openly and in favour of such partners, they are likely to alienate a number of contributors who have little love left for what they see as 'radical agitators' or 'agents of violence'.

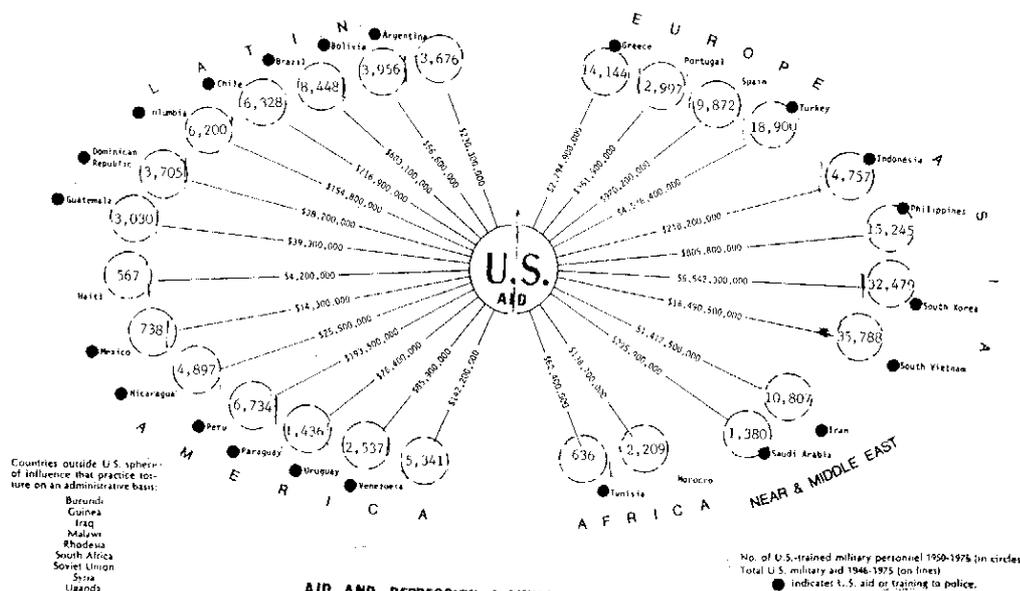
Similarly an agency which is convinced that the economic and military policies of the rich world strongly aggravate or even cause many of the poor world's problems, is likely to find its efforts to maximise income thwarted if it professes this conviction loudly and clearly."

(New Internationalist 1979)

He argued that the aid agencies of Europe found a way out of this problem by 'blaming the victim' —

"The (donors) want to bind up wounds, inject morphine, administer penicillin, and evacuate the wounded for rehabilitation. They explain what's wrong with the victim in terms of social experiences in the past... those who buy the solution of (blaming the victim) are inevitably blinding themselves to the basic causes of the problems being addressed."

(Ryan 1971)





Life is just a bowl of berries.

The girl died shortly after this photograph was taken. She was 17.

Like about one million desperately hungry people in northern Ethiopia, she was living on berries and seeds. (The berries are poisonous and have to be boiled repeatedly to get rid of the poison.)

The earth is dry after six years of drought, and people weak from hunger are falling prey to all kinds of disease.

Aid has been sent by Governments through official channels but is not getting through the Russian backed Ethiopian Government to the northern areas of Eritrea and Tigray where liberation fronts are in control.

Unless food aid, medicines get through how can the workers believe over 250,000 innocent people

will perish, more than 100 in similar conditions in 1973.

Christian Aid can get the food in to the famine areas. Please give us the money to buy and transport it. This is an emergency.

To: Christian Aid
P.O. Box 1, London SW7 5B
* Enclose cheque, P.O. or Please debit my Access/Bankcard

A. No. _____

Post Code _____

We can reclaim tax on the amount for details

Signature _____

Name _____

Address _____

We are sometimes struck by the fact that while official policies of some of these industrialised countries cause impoverishment and misery to large numbers of people in the developing countries, the funding agencies located in these countries provide funds to groups and organisations engaged in organising the victims of those policies. For example, many European multinational corporations engaged in import of maritime products have jeopardised the jobs of millions of fishermen along the Indian coast line who have been thrown out of their traditional vocation. Simultaneously, these funding agencies from these countries are generous in extending help to groups and institutions engaged in rehabilitation of these victims of the policies of their governments and corporations. Perhaps if such help was not available, these victims would have taken to more militant action to safeguard their interests.

We would also like to ask our friends why they do not earmark a small part of the funds available with them for a continuous study and critical evaluation of the consequences of the policies of their governments and trans-national corporations on the fate of the developing nations and their people. To say the least, it appears incongruous that while millions of dollars and deutchmarks should be available for "revolutionary" work in developing countries even a small fraction of that amount should not be available for monitoring and investigating policies and practices pursued by these governments of industrially developed countries in relation to the developing countries. And if so many people are genuinely concerned about the oppression and exploitation in the third world, why they should not or cannot be mobilised for fighting and exposing tendencies in their own country?

How Editorial Board 1982

These are important questions. In Britain aid agencies are limited by charity laws of this country, which prohibit political activity. However, the traditional assumption is that charities are not there to change the world, but to administer a little help to those who are worst affected by the status quo. Some charities (such as War on Want) have had to set up separate non-charitable sections to take on politically controversial campaigns.

As the HOW group point out, guilt, pity, paternalism and a simple ducking of the issues can just as easily support charitable donations, as altruism. This combination of liberalism, arrogance and political naivete is actually part of the problem, not part of the solution to poverty in the Third World.

Is Aid a Solution?

- The four largest transnational corporations have a combined turnover which is greater than Africa's Gross National Product (UN 1980)
- In 1969 a truck from the West could be bought for 69 bags of coffee. In 1979 the same truck cost 120 bags of coffee. (Campaign Coffee 1980)
- World military expenditure is approximately \$450 billion a year. (Campaign Against the Arms Trade 1980)
- In 1980 Third World countries owed more than \$439 billion to Western governments and companies.
- A one point increase in U.S. interest rates costs Brazil and Mexico \$1.2 billion a year on their debt repayments.

What has aid got to do with all this? These issues reflect the political and economic power that Western companies and governments have. The solution to these problems can hardly be expected to come from the same source. Hard negotiating on trade prices, liberation movements, trade unions and peasant leagues, cooperation between countries in the South with similar interests have been, and will continue to be, the source of change. The privileged have never been known for their enthusiasm to relinquish privilege (UNCTAD is also known as 'Under No Circumstances Take Any Decisions!').

Lissner sums up the impact of this situation on the voluntary overseas aid agency message as follows:

- 1) The Third World's problems are basically internal, caused by the hostile forces of nature, rapid population growth, low agricultural productivity, or insensitive governments.
- 2) The economic and political forces which produce wealth and affluence for the rich have nothing to do with the forces which create poverty, either in the West or the Third World.
- 3) The main fault of the rich in the high-income countries is that they allow poverty to continue and not that they create it (i.e. don't give enough to the aid agencies).
- 4) The important issue is how the rich spend their money, not how they get it.

This approach was independently identified by the editorial board of an Indian journal called 'HOW' based in Delhi in open letter to development agencies in the West.

This letter is addressed to the functionaries of such agencies and institutions and, more specifically, to those millions of well-meaning men and women in the industrially developed countries who contribute a part, even if a small part, of their earnings to build these funds, with a view to helping the people in the third world. We are aware that these donors, small and big, are inspired by different motivations. Some of them may be contributing funds for such cases as an act of charity to assuage their otherwise disturbed consciences, some others may be doing so with the conviction that this aid would accelerate the process of structural transformation in developing countries. There may be some others moved by Christian spirit of compassion for the poor and anxious that their help reaches the potential beneficiaries directly and is not wasted and blocked by bureaucratic red tape...

It is also possible that this generosity is intended to soften criticism of official policies, towards third world, within the donor countries. Perhaps, poverty in the third world comes in handy to the ruling classes for developing a guilt conscience among their own people with a view to discourage them from struggling to overthrow the exploitative structures in their country and the charity they are made to give to sublimate their indignation at what they have done to human beings in far-off lands...

Within this, though, an argument can be made for aid based on mutual interests. If aid is not tackling the fundamental structural issues of poverty, then surely it at least ameliorates the situation. A dab on the wound is surely better than nothing.

A good deal of research has gone into looking at whether mainstream economic aid helps even in this stop-gap way. The answer has often been a resounding 'no'. In an unequal situation, outside help is almost bound to go to the powerful. In non-socialist Asia 60% of the arable land is controlled by 20 per cent of the landowners; given this social reality the outcome of aid projects is predictable (Sklar 1980):

"At first we were surprised that the beneficiary of the World Bank's aid should be the richest man in our village, but on closer investigation we learned that this was not so strange. A foreign expert working on the project told us, "I will no longer ask who is getting the well. I know what the answer will be, and I don't want to hear it. One hundred per cent of these wells are going to the big boys. Each thana (administrative unit) is allotted a certain number of tubewells. First priority goes to those with political clout; the judges, the magistrates, the Members of Parliament, the union chairman. If any are left over, the local authorities auction them off. The rich landlords compete, and whoever offers the biggest bribe gets the tubewell. Around here the going price is 3,000 taka (less than \$200)."

An evaluation sponsored by the Swedish International Development Authority (SIDA), which helped to finance the tubewell project, confirms that the experience of our village was typical. The evaluator concluded after examining 270 tubewells: "It is not surprising that the tubewells have been situated on the land of the well-to-do farmers, or that it is the same well-to-do farmers who are the chairmen and managers of the irrigation groups. It (would have) been more surprising if the tubewells had not been located on their land, with the existing rural power structure, maintained largely because of the unequal distribution of the land."

Given the social realities of rural Bangladesh, the outcome of the World Bank's tubewell project was entirely predictable..."

Similar conclusions have been drawn in studies on food aid (Jackson 1980, War on Want 1983). The food is often resold by governments, it benefits those who are already fed, depresses the price of locally produced food – and of course, ignores the political reasons for hunger in the first place.

There is another level of difficulty with foreign aid. Even non-governmental organisations have to cope with the cultural gaps and colonial heritage that affect relations between peoples. For example, sexism in the west is one part of our cultural baggage that has chronically affected aid projects – both governmental and voluntary (See the article by Christina Stinakowitz in this issue).

"We have this gap between our publicity people and the field. For example, they keep saying we dig wells here to avert another drought, and we stopped doing that some time ago"

(Voluntary agency's regional representative)

"Don't you believe in wells any more?"

(BR)

"Well no, we've had very negative experience with this well digging business. Everybody things they're so important, but we've done everything we can think of and we can't get the community to take responsibility. I've been to villages, collected all the men together, talked with them for hours. Then I come back with the equipment, they dig down until midday, and there's some water at the bottom of the hole. I can't get them to understand that they've got to keep on digging, otherwise the well will dry up as soon as the dry season starts. They just refuse to dig any deeper, and of course their wells dry up and they come and ask for more help. I'm fed up with wells."

"But why are you only talking to the men in the first place? They're not the ones who go to the well every day, year in and year out, and who actually observe the level going up and down according to the season: the women do."

pause

"I didn't think of that then. That was before I started to become enlightened about women."

(Rogers 1980, p55)

A critical look at aid raises questions that are central to development studies. It can be a way of looking at the origins of poverty, the way that poverty is maintained and the alternatives that people are fighting for which make the notion of aid redundant. In the 1970's there was a shift in thinking about the welfare state, from a concept of charity, to one of justice. A similar shift is needed in an international framework.

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MULTINATIONALS

Multinationals control much of what we eat, what we wear, the jobs we do, the books and newspapers we read, the music we listen to, the banks that hold our savings, the governments that we vote for. Yet their size and international character makes them accountable to no one.

Anne Simpson and Alan Sinclair

The phenomenon of capital operating across national boundaries is as old as capitalism itself; and such large concerns as the East India Company, the Hudson Bay Company and the United Africa Company were well established in the 18th and 19th centuries. But since the Second World War there has been such a staggering rise in the number, size and influence on a world scale of these international businesses the term 'multinationals' (MNC's) has been coined. The term has some drawbacks. They are not truly "international" organisations. All but one or two are registered in a *single, developed* country – and most of them are American. (See Table 1). (Alternatively, the word 'transnationals' may be used; it refers to the ability of these companies to move capital across national boundaries.)

What characterises the MNC's is, in brief, their *size*, their *diversity of interests* and their special *international character* which enables them to exploit people and resources globally in the search for profit.

Size: Consider the world's ten largest companies. *Each* of these companies has an annual turnover which cannot be rivalled by the Gross National Products of at least 150 nations. Unilever, for instance, has a turnover of US\$ 13.5 billion – roughly the GNP of Greece; while General Motors, with a turnover of US\$ 31 billion in 1974, almost puts Switzerland in the shade.

Diversity: Multinationals spread their interests in broadly two directions. Some MNC's are "horizontally integrated" – spreading their investments over a wide range of products and services. EMI have interests in music and armaments. Boeing manufacture aircraft and grow potatoes. Gulf and Western grow sugar, make paper, sell cigars, make films and run a New York ice-hockey team. GKN make a wide range of engineering products – and riot-control vehicles.

In vertical integration, MNC's seek to control as many steps in the production of a product as possible. Del Monte grow the pineapples *and* do the canning. The oil companies do the prospecting, drilling, shipping, refining – and they own the filling stations too.

However, there has been a trend away from this latter method of control. The food industry in particular has moved away from it as third world governments have nationalised plantations and legislated against multinational domination of key industries. This often benefits multinationals. For instance, Tate and Lyle has shifted multinational domination of key industries. This often benefits multinationals. For instance, Tate and Lyle has shifted its interests to the marketing and management consultancy side of the sugar business. This enables it to retain essential control of the business, without having the risks of running the plantations. (Dinham 1980).

International Character: The magazine *Business International* summed it up well in 1967 when it noted:

The global company views the world as a single entity. Its perspectives transcend all national boundaries. Decisions are made not in terms of what is best for the home country or any particular product group, but in terms of what is best for the corporation as a whole on an international basis... (T)aking the whole world as their market, they tend to organise production, distribution and selling activities with as little regard for national (political) boundaries as the realities of time and space permit.

What this means in the case of the most fully developed multinationals is a truly worldwide production line, with each different corporate function done in the place where it is most profitable. Labour intensive work will be done where wages are low and unions are weak, research and development will be where skilled labour is available, governments stable and information is plentiful.

The growth of multinationals on a world scale has put the world's markets in the hands of a relatively small number of firms. For example in Britain:

- 1950 – The top 100 manufacturing firms controlled *one fifth* of manufacturing output.
- 1970 – The top 100 manufacturing firms controlled *one half* of manufacturing output.
- 1980 – the top 100 manufacturing firms controlled *two-thirds* of manufacturing output.

In key foods and household goods two or three firms between them control 80–95% of the goods in the shops.

In the rest of the world the picture is similar. One third of Third World manufacturing output is controlled by multinationals. One third of all world trade is made up of sales and transfers *within these corporations*. In 1984 – it has been estimated – 300 giant corporations are running two thirds of the world economy.

Multinationals also have a decisive influence on the financial markets of the global economy. The 1976 Council of Europe Report on Multinational Corporations estimated that these giant companies had \$270 billion in liquid assets, (that is available credit). This was more than twice the total reserves of all the world's central banks and international financial institutions put together (Sinclair 1982).

Multinationals have ushered in the era of Monopoly Capital. What are the implications? One way of considering this transfer of control is to look at the arguments that are put in *favour* of multinationals, usually by multinationals themselves. As personnel in governments and multinationals often overlap, it is not surprising to hear the same arguments put by governments.

George Ball, former U.S. Undersecretary of State and President of Lehman Brothers International, voiced the common argument that multinationals are a welcome stage in the rationalisation of the world economy.

"Today a large and rapidly expanding roster of companies is engaged in taking the raw materials produced in one group of countries, transforming these into manufacturing goods with labour and plant facilities of another group, and selling the products in still a third group... all with the benefit of instant communications, quick transport, computers and modern management techniques. They are deploying resources and altering patterns of production and distribution month to month in response to changes in price and availability of labour and materials," (Sklar 1980)

Governments as diverse as the People's Republic of China, Britain and South Korea have encouraged multinational investment, and different governments often compete with each other to provide incentives for multinational investment.

Specifically the advantages are held to be as follows:

Multinationals bring:

1. Investment funds, and foreign exchange.
2. Advanced technology and training.
3. Stimulating effects on the rest of the economy by increasing effective demand for consumer and capital goods.
4. Employment, and increases in personal income.
5. Revenue to the state through corporate and personal income tax.

It is also argued that this allows Third World countries in particular to make use of the two assets in which they possess a "comparative advantage", namely cheap labour and raw materials, while bringing in those factors in which the West possesses a "comparative advantage", namely investment, technology and marketing.

Each of these assertions can be challenged.

New investment undertaken by multinationals does not necessarily mean a new influx of foreign capital. MNC's borrow heavily on the local financial markets (Ford Phillipines was started from scratch without a single cent being imported) and in subsequent cycles of reinvestment, use is made of locally generated profits. If an inflow of investment resources does take place it is usually in the first phase of investment only:

Let me summarise our overseas record during the past 15 years in terms of some objective measures of business accomplishments. At the end of 1950, the value of General Motors' net working capital and fixed overseas assets was about \$ 180 million... By the end of 1965, this investment had increased to about \$ 1.1 billion, or approximately 6 times the 1950 figure. This expansion was accomplished almost entirely from financial resources generated by General Motors operations abroad and through local borrowings which could be repaid from local earnings. As a result... our overseas subsidiaries remitted about two thirds of their earnings to the United States,

(Frederick G. Donner,

Chairman of General Motors Board of Directors, 1966)

In fact, when figures for capital flows to the Third World are put beside the flow of profit remittance, which is a capital flow out of the Third World, we find that the South is helping the North:

'Capital flows from Latin America and into the US are now over four times as great as the flow South. The countries of Latin America, in a way, are actually giving foreign aid to the US, the wealthiest country in the world'.

(Gunnar Myrdal 1971)

Over the period 1950 to 1965, \$3.8 billion flowed from the United States to Latin America as foreign investment. In the same period, \$ 11.3 billion flowed from Latin America to the US, as remittances for profit, payment of interest on loans, royalties and so on. Overall, the net flow from Latin America to the US came to \$ 7.5 billion (U.S. Dept. of Commerce 1978). And in the meanwhile, the U.S. investments in Latin America had grown through locally reinvested profit and were remitting profit northwards year and year.

This drains resources from the Third World's meagre reserves of foreign currency. Unilever extracts its profits from Kenya in pounds, sterling, dollars or other desirable currency, not in Kenya shillings; and this denies Kenya vital imports which could be bought with the same pounds or dollars. Further drains on foreign exchange may be caused by MNC's imports of capital equipment, fuel or raw materials or semifinished goods for use in the manufacturing process. These costs may be only narrowly offset, if at all, by any exports which the MNC makes possible or imports which it makes unnecessary.

THE LONRHO GROUP comprises over 800 companies and is represented in over 80 countries. Its principal activities embrace mining of gold, platinum, copper and coal; agriculture including ranching and production of sugar and tea; production and shipping of wines; agricultural equipment distribution; motor vehicle distribution and assembly; engineering

The Americas
Process plants in Mexico, The Bahamas and Bermuda. Freight forwarding and warehousing in Canada, South America and United States of America. Finance in Newfoundland, Antigua, Cayman in The Bahamas.

East, Central and Southern Africa
Tin, Bauxite in Malawi. Metal processing in Zambia. Trade printing and processing in Kenya and Zimbabwe. Mercedes distributor in South Africa, Zambia and Zimbabwe. African beer bottlers in Malawi and Zambia. Motor vehicles distributor in Malawi and Zambia. Massey Ferguson distributor in Kenya, Malawi and Zambia. Construction companies in Swaziland, Zambia and Zimbabwe. Sugar growing and processing in Malawi, South Africa and Swaziland. General Motors distributor in Malawi and South Africa. Crop and livestock farming in Kenya, Zambia and Zimbabwe. Cash holders in Zimbabwe. Gold and Copper mining in Zimbabwe. Iron ore distributor in Kenya, Malawi, Zaire, Zambia and Zimbabwe. Textile manufacturing in Malawi and Zimbabwe. Amharite, Coal and Platinum mining in South Africa. Rubber and rape distributors in Zambia and Zimbabwe. Mining equipment distributor in Zambia. Newspaper in Kenya. Coca Cola bottlers in Zambia. Breweries Amstar for Africa. Fiat and Peugeot distributors in Zambia. Iron manufacturing in Zambia.

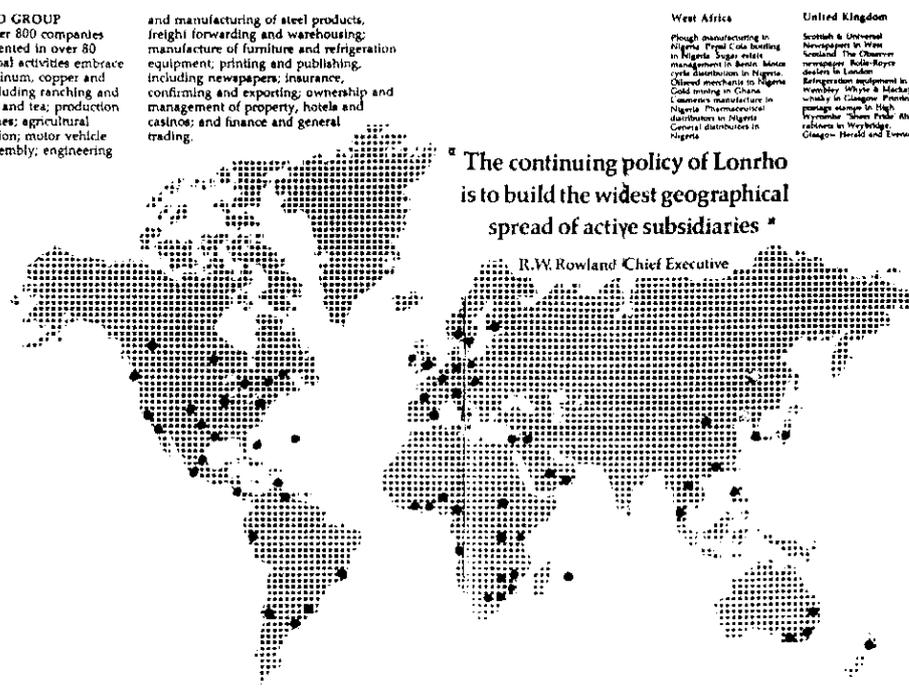
"The continuing policy of Lonrho is to build the widest geographical spread of active subsidiaries"

R.W. Rowland Chief Executive

West Africa
Plough manufacturing in Nigeria. Retail cola bottling in Nigeria. Sugar estate management in Benin. Motor cycle distribution in Nigeria. Oilseed merchants in Nigeria. Gold mining in Ghana. Lomax's manufacture in Nigeria. Pharmaceutical distributors in Nigeria. General distributors in Nigeria.

United Kingdom
Scottish & Universal Newspaper in West London. The Observer newspaper. Radio-Royce dealers in London. Refrigeration equipment in Wembley. White & Mackay whisky in Glasgow. Franks postage stamps in High Wycombe. Oliver Peck Alfie retailers in Weybridge. Glasgow Herald and Evening

Europe and Other
Voyagers in France. Hotel operations in Mauritius. Freight forwarding and warehousing in Germany, Switzerland and throughout Europe. The Middle East and Far East. Projects in France and Belgium. Metallurgy and Engineering, retailing in Belgium and France. Wankel Engine in Germany. Wine shipping in France. Sugar growing and processing in Mauritius. Bauxite steel furnaces manufacturing in Malta and Republic of Ireland.



Source: LONRHO Annual Report 1983

"The Multinationals introduce advanced technology"

The question of the global "transfer of technology" conducted by the MNC's is controversial. That technology is being transferred in a *physical* sense is indubitable. The multinationals bring in production techniques which are "capital-intensive", using advanced machinery, to raise the productivity of the workforce. In some sectors of the Third World economy, the *same* techniques and equipment can be found as in Europe or America: Rollei cameras in Singapore, CAV-Lucas injection nozzles in South Korea, VW Beetles in Brazil. But has this technology been transferred in a full sense? Transfer of technology does not necessarily mean that Third World countries *control* the new technologies, or that the technology is appropriate. Appropriate technology would create employment, meet basic needs and contribute to self-reliance.

This cannot be

guaranteed. This is graphically illustrated in the electronics industry. Women in California, Ireland and South East Asia work with high technology equipment, doing repetitive, extremely low paid work that is damaging to their health:

"Electronics companies require perfect vision in new employees but most women need glasses after a few years on the job. During the bonding process women peer through microscopes for 7 to 9 hours a day attaching hair-like gold wires to silicon chips. One study in South Korea found that most electronics assembly workers developed eye problems after only one year of employment: 88% had chronic conjunctivitis; 47% became near sighted; 19% developed astigmatism. The companies treat these health complaints with indifference. "These girls are used to working with scopes. We've found no eye problems. But it sure makes me dizzy to look through those things" said a plant manager at Hewlett-Packard's Malaysia operation."

(Fuentes and Ehrenreich 1983)

The products which they make are for export, not local consumption. The pocket calculator cannot be said to have contributed to the alleviation of basic poverty. In what sense do the women in the high-tech electronics industry benefit from this transfer of technology?

In addition to this there is no guarantee that a Third World country will have access to all the technology needed to manufacture a product.

Ford's "Asian Car Complementation Scheme" is a case in point with some components being made in one country, some in another: no one country is given a full production line, and each country has to import most of its parts from the others. Ford Philippines makes only "wheel rims, brake shoes, tie rods and interior assemblies". Ford Philippines is therefore immune from nationalisation.

Nor can the Philippines hold Ford hostage in return: the same assembly lines are carefully duplicated, with spare capacity, in other parts of the Ford empire. This doesn't affect only the Filipino people: Ford Philippines components have been imported into Britain to help break the strikes of British Ford workers:

"The setting up of enterprises with incomplete production cycles in each country effectively retains for a giant enterprise control of the technology as a complete entity. The multinational Deity farms out the fashioning of legs, arms, bodies and heads to his creatures so that no one can ever aspire to take his place because only he knows how to make an entire man and each one's expertise, however great, is useless without that of the others. For as long as he can keep his minions from joining forces, his throne is secure."

(Constantino 1978)

The technology that is transferred, however inappropriate or incomplete, is generally placed in the hands of the local elite, and often control is kept by ex-patriate employees of the multinational. One survey of top multinational executives reported that there were only 19 local citizens among 1,029 top executives.

(Constantino 1978)

Table 1
Top 130 Countries and Companies in 1976

Rank '76	Rank '70	Name Country/Company	Amount GNP/Sales (Billion US\$)	Company Headquarters
1	1	•United States	1,694.9	
2	2	USSR	717.5	
3	3	•Japan	573.9	
4	4	•Federal Republic of Germany (West)	461.8	
5	5	•France	356.0	
6	6	•People's Republic of China	307.0	
7	7	•United Kingdom	233.5	
8	9	•Canada	182.5	
9	8	•Italy	180.6	
10	12	Brazil	143.0	
11	16	•Spain	107.2	
12	11	Poland	99.1	
13	15	Australia	97.3	
14	19	•Netherlands	91.6	
15	10	India	87.8	
16	13	German Democratic Republic (East)	75.8	
17	18	Sweden	74.2	
18	39	Iran	69.2	
19	20	•Belgium	68.9	
20	14	Mexico	65.5	
21	23	Switzerland	58.1	
22	17	Czechoslovakia	56.5	
23	29	•Exxon	48.6	US
24	24	•General Motors	47.2	US
25	33	Austria	42.2	
26	45	Turkey	41.3	
27	—	Saudi Arabia	40.9	
28	22	Argentina	40.7	
29	30	•Denmark	39.0	
30	25	Yugoslavia	37.7	
31	36	•Royal Dutch/Shell Group	36.1	Netherlands/ UK
32	32	Indonesia	36.1	
33	27	South Africa	33.7	
34	35	•Norway	31.4	
35	37	Venezuela	31.3	
36	—	Nigeria	30.9	

The system of patenting also works to keep control of technology with the multinationals. When Tanzania nationalised its coffee industry, it had to contract the profitable processing stage to Nescafe because that company held a patent on the necessary technology. If a country does want to use technology patented by a multinational it can only do so under licence, for a fee.

(Campaign Coffee 1980)

Economists talk about *the multiplier*, the phenomenon that a pound invested can create two pounds' worth of wealth, because the investment stimulates the local economy by (a) buying capital goods and raw materials from firms, encouraging them to make fresh investment, and buy from other firms *ad infinitum*; (b) paying wages and salaries which, when spent, stimulate the consumer-goods industry and agriculture in the same way.

However, with MNC investment *the multiplier is exported*. Some is exported because of the MNCs' poor 'linkages' with the local economy: it buys its machinery and some of its raw materials abroad in line with the global corporate plan, and so re-stimulates the *Western* economies. Some is exported because

37	21	Romania	30.0	
38	31	•Ford Motor	28.8	US
39	38	Finland	27.8	
40	54	•Texaco	26.4	US
41	48	•Mobil	26.1	US
42	43	South Korea	25.3	
43	—	Hungary	24.8	
44	42	Greece	23.6	
45	34	Bulgaria	21.6	
46	—	National Iranian Oil	19.7	Iran
47	66	•Standard Oil of California	19.4	US
48	69	•British Petroleum	19.1	UK
49	40	Philippines	18.0	
50	60	Taiwan	17.1	
51	—	Algeria	16.7	
52	61	Gulf Oil	16.4	US
53	47	•IBM	16.3	US
54	52	Thailand	16.3	
55	—	•Portugal	16.1	
56	—	Iraq	16.0	
57	51	•Unilever	15.8	Netherlands/ UK
58	44	•General Electric	15.7	US
59	49	Colombia	15.7	
60	50	Chrysler	15.5	US
61	—	Libya	15.1	
62	—	Kuwait	14.4	
63	58	Peru	13.4	
64	26	Pakistan	13.1	
65	—	New Zealand	13.1	
66	53	•ITT	11.8	US
67	75	•Standard Oil (Indiana)	11.5	US
68	57	•Philips'	11.5	Netherlands
69	46	Chile	10.9	
70	81	Democratic People's Republic of Korea (No)	10.8	
71	55	Egypt	10.7	
72	71	Malaysia	10.6	
73	—	•ENI	10.0	Italy
74	—	United Arab Emirates	10.0	
75	—	•Francaise des Petroles	9.9	France
76	—	Hong Kong	9.9	

77	59	Israel	9.7	
78	—	•Renault	9.4	France
79	89	•Hoechst	9.3	W Germany
80	95	BASF	9.2	W Germany
81	—	Petroleos de Venezuela	9.1	Venezuela
82	91	Daimler-Benz	9.0	W Germany
83	84	Morocco	8.9	
84	63	•US Steel	8.6	US
85	64	•Volkswagenwerk	8.5	W Germany
86	—	•Atlantic Richfield	8.5	US
87	77	•E.I. Du Pont	8.4	US
88	—	Bayer	8.3	W Germany
89	72	•Ireland	8.3	
90	70	•Nippon Steel	8.1	Japan
91	86	Siemens	8.1	W Germany
92	—	•Continental Oil	8.0	US
93	—	Cuba	8.0	
94	93	•August Thyssen-Hutte	7.9	W Germany
95	—	•Toyota Motor	7.7	Japan
96	—	Viet Nam	7.7	
97	—	Nestle	7.6	Switzerland
98	—	ELF-Acquitaine	7.5	France
99	79	•Imperial Chemical Industries (ICI)	7.4	UK
100	—	Puerto Rico	7.4	
101	—	•Peugeot-Citroen	7.3	France
102	—	Petrobras	7.2	Brazil
103	—	Bangladesh	7.0	
104	83	•Hitachi	6.7	Japan
105	—	B.A.T. Industries	6.7	UK
106	—	•Nissan Motor	6.6	Japan
107	92	•Proctor & Gamble	6.5	US
108	—	Tenneco	6.4	US
109	90	•Union Carbide	6.3	US
110	—	Syria	6.3	
111	65	•Westinghouse Electric	6.1	US
112	—	•Mitsubishi Heavy Industries	6.1	Japan
113	—	•Sa'nt-Gobain-Pont-a-Mousson	6.0	France
114	—	Singapore	5.9	
115	96	•Montedison	5.8	Italy

of the clear draining of profits, whether declared or undeclared. And some is exported because the company's high salaried staff and agents have tastes which cannot be met within the local economy. The multiplier effects are limited largely to the sector supplying food and basic needs to the company's workers.

MNC's bring employment and higher wages

It is argued that not only does MNC investment create jobs, it pays its workers on average better than local industry. In some countries, and in some of the trades union movements of the Third World, a "labour aristocracy" can be built up amongst workers in these firms.

When it is argued that wage rates are good in multinationals, it should also be remembered that low wage rates in the Third World are often an important reason for multinationals locating there in the first place. But MNC investment often destroys more jobs than it creates. It all depends on which sector of the local economy the MNC enters; if it produces for export, or makes goods which otherwise would have been imported, then jobs are created, not lost. But if the MNC manufactures and sells locally a product also made locally by a large number of small local firms, jobs will be lost overall, not gained, and the general level of wages in the economy will be depressed. This is because the multinational is in a *monopoly position*. Due to mechanisation it can produce goods much more cheaply than local firms, and by lowering the price it can drive them out of the market.

Driving out local production, and hence local employment, is a key strategy for MNCs breaking into new markets. This happened with the Kenyan soap industry which was locally based until the 1950's. When the multinationals began to corner the market through hard advertising and pricing wars, the local industry was completely destroyed. The multinationals used imported rather than local ingredients, which caused a decline in the local economy as suppliers were put out of business. During this process, one company brought capital and loans worth 8.5 million shillings into Kenya, and sent capital outflow of 55.1 million shillings. Where wages are reasonable, multinationals will actively reduce the jobs involved in order to keep profits high. One key way in which they do this is by destroying a labour intensive industry and replacing it with a highly mechanised one.

A multinational is also well placed to exploit and oppress the few that it does employ. Multinationals have not baulked at interfering politically to ensure that labour conditions suit them. ITT's role in destabilising Chile under Allende, (U.S. State Dept, 1976) United Brands' regular payments to the military in Honduras (Seeds of Revolution 1976) are two well-known examples. Recently in Guatemala when workers occupied the Coca Cola factory, the company stood by whilst troops moved in, and death squads intimidated workers families. (International Labour Reports 1984)

Control of the labour force has also involved acute exploitation via sexism:



Jenny Matthews. FORMAT

PHILLIPS factory in Singapore: assembling cassette decks for Britain

"Multinationals pit women against each other not only as workers, but also as sex objects, superimposing Western (male) notions of femininity and consumerism upon local cultural stereotypes. Beauty contests are an integral part of factory life with each company sending its own beauty queen to the yearly "Miss Free Trade Zone" contest. Bathing suit and "Guess whose legs these are" contests are also popular. On payday vendors are often let into the factories to sell cosmetics (prompted by company-sponsored cosmetic classes), jewellery and other luxury items. . . . The growth of multinational enterprises in East Asia is directly tied to the rise of tourism and the 'hospitality industry' a euphemism for organised prostitution employing thousands of women. For Noi, a 20 year old Thai woman, prostitution provides a desperately needed second income: "I get 25 baht per day (less than \$ 1.50) working in a battery factory, but this is not enough to cover my expenses. How could this be enough to pay for my food, bus ticket and other expenses? And I can tell you I am thrifty. I have to work at night so that I can send money to my parents."

(Fuentes and Ebranreich 1983)

Here the multinationals benefit both ways. First from exploiting women's secondary status in the job market by paying cheap labour rates in the factories, and then from the prostitution industry in which those same women are forced to supplement their first inadequate income. The MNC's which own the hotels, agencies and transportation systems which the prostitution industry relies on and supports.

Another problem that workers in a multinational face is the company's ability to play off one section against another. By splitting the production process up among different countries, and keeping spare capacity around the world, multinationals can fundamentally undermine the bargaining power of any section at one time. As a member of the Ford Workers Combine put it:

"This divide and rule strategy is one of the great strengths for the multinationals. They can pitch government against government and worker against worker. Workers of every country are being fed propaganda about how in one respect they are worse than their fellow workers in another country. For example, Ford workers in Britain are told that their productivity is much lower than that of Ford workers in Germany and Belgium. Ford workers in Germany are told that they don't make as much profit as their counterparts in Britain. Ford workers in Spain are told that they strike too often. Ford workers in Holland were told that their wages were far too high, as were their levels of daily absenteeism."

(Hayling 1983)

Ford's are investing heavily in Mexico at the moment – and hence the competition between workers stretches beyond Europe. This power makes international trade unionism a necessity.

We have already seen that in competing to attract foreign investment, countries cut their tax margins so that the potential revenue from multinationals is reduced. In addition to this, creative accounting can drastically reduce any tax that might be due. The Economist Intelligence Unit reported in 1981 that major companies pay 'zero or marginal' tax at the end of the day.

The main mechanism for avoiding tax payments is *transfer pricing*. In this, subsidiaries of a multinational buy and sell goods at artificial prices so that profits appear in countries with low tax rates or lax procedures for collecting taxes.

In 1970, Roche Products (UK) was purchasing the ingredients for Librium and Valium at £370 and £922 per kilo respectively from the parents in Switzerland, but those same ingredients could be bought for £9 and £20 respectively in Italy where, Roche admitted, the manufacturing costs were not very different. The Monopolies Commission calculated that the real profits to the company on the sales of Librium and Valium were 55% and 60% respectively, implying a return on capital employed of over 70%.

(Haslemere Group 1976)

One Japanese MNC, Toko, has a four-part strategy for maximising profit through transfer pricing:

1. Selling raw materials to Toko Malaysia at prices set higher than the standard prices.
2. When Toko Malaysia's products are sold to Toko Hong Kong they are sold lower than standard prices.
3. The profit is repatriated from Hong Kong to Japan in the form of dividends.
4. Japan Toko repatriated profits from Malaysia, Korea and Taiwan Toko subsidiaries in the form of licence fees.

The general policy... is to manage these overseas ventures integrally so that Toko Korea won't yield any profit

Here's why you should locate your next plant in Ciudad Juarez

- * Low cost, highly efficient labour with extremely low turnover and absenteeism rates
- * Excellent labour relations atmosphere
- * Greatest availability of skilled, semi-skilled and unskilled personnel anywhere along the Mexican border
- * Largest pool of technical, managerial and administrative manpower (sic) resources along the border
- * Duty free imports for machinery and raw materials into Mexico, low duty free rates on exports of semi-finished products.

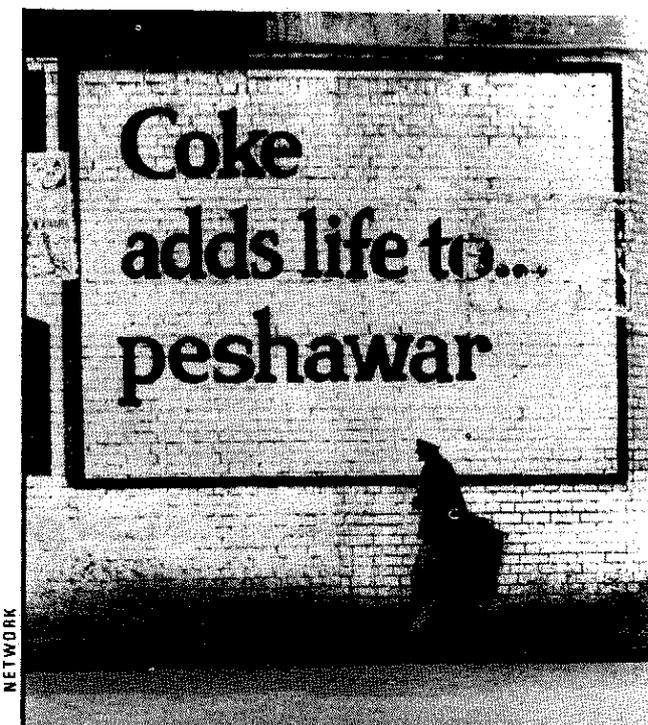
An Advertisement cited in Fuentes and Ebranreich 1983)

The Logic of Profit

"Working through great corporations that straddle the earth, men (sic) are able for the first time to utilise world resources with an efficiency dictated by the objective logic of profit."
(Ball op.cit.)

The logic of profit, as we have already seen, drains poor countries of their resources, exploits cheap labour and distorts local economies. What else does the logic of profit yield? Malnutrition in the face of food surplus, (Buchanan 1978), massive arms trading (CAAT 1983), environmental destruction (FOE 1982), drug dumping (Melrose 1982), sale of dangerous pesticides (Bull 1982). There is no reason on earth that the 'logic of profit' should coincide with human needs. Efficiency must be defined as the *ability to meet* human needs. One example illustrates the problem with profit when it is dislocated from human needs; as it is under monopoly capital: the baby milk scandal. The same arguments could be made with regard to the production and consumption of a host of other dangerous or inefficient products.

The EEC Common Agricultural Policy, under pressure from (profit-motivated) European farmers resulted in a massive milk lake by the mid 1970's. The multinationals moved in, processing some of it into baby milk. Nestles had the highest profile. Although heavy advertising in post-war Europe had opened up massive markets, the new opportunities were in the Third World. Here the multinationals used a similar technique. Playing upon women's high pressure role in which they must provide the best possible for their children, a massive market was opened up in Asia, Latin America and Africa. Baby milk is the perfect captured market, because after several days of not breast feeding, women lose the ability to produce milk and the customer is therefore dependent on artificial substitutes. The period of 'experiment' with the new product was often supervised by company-paid nurses in state hospitals. The death of thousands of children has been directly attributed to the consumption of baby milk. (WHO 1982). Where there is no possibility of mixing the powder with sterilised water, fatal diarrhoea is a common outcome. A campaign against this atrocity was launched by the World Health Organisation, Development Agencies, and Churches (Melrose 1982) However, Nestles advertising budget alone is larger than the WHO's entire operating budget (Sinclair 1982). Despite agreements to reduce advertising, the problem is by no means solved.



Alternatives

In the face of this massive, undemocratic and inefficient domination of the global economy, what can we do? Coordination between different concerned groups to exchange information, strategies and link action internationally will provide the solution. In building this, there are important roles for us to play, as educators, trade unionists, voters, consumers, lobbyists and supporters of development agencies.

Putting Multinationals on the Agenda

Multinationals benefit enormously from their invisibility. The first priority is to publicise the extent of their control, and the criteria by which multinationals operate.

There are several sources of useful information:

Transnational Information Centre (London)
c/o 7 Terrapin Road
London SW17.

Counter Information Services
9 Poland Street
London W1.

International Labour Reports/
North West Transnationals Project
300 Oxford Road
Manchester M13.

International Trade Union Secretariats and World Company Councils, (addresses available from the TUC, Russell Street, London WC1)

Labour Research Department
78 Blackfriars Road
London SE1.

Annual Reports of the Multinational in question (available from the company itself).

The McCarthy Index (a file of press clippings on companies available at the City Business Library, London Wall and in the British Museum).

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Publicity is an important tool. Raising issues through writing to the local press, your councillors and MP is useful. Ultimately though, organisation will be the key to success. A useful list of campaigns and groups is given in the back of several diaries, such as the Spare Rib Diary, the Big Red diary, printed by Pluto Press, and Housman's Peace diary. They are stocked by many bookshops. Alternatively the National Association of Development Education Centres has a useful list of affiliates, and holds the addresses of many other groups too. They can be contacted at 128 Buckingham Palace Road, London SW1.

Consumer Power

Certain campaigns make use of boycotts. For instance the Anti-Apartheid movement has just issued a new boycott list of consumer goods linked to South Africa. A copy is available (please send a stamped addressed envelope) from 13 Mandela Street, off Pratt Street, London NW1. They have also produced a Consumer Boycott Kit which costs £1. Boycotts have their limitations, but have a part to play in publicising the issues and drawing people in. They can have a significant impact on the company concerned as well. For instance, Nestles is estimated to have lost \$ 1 billion in sales over the 5 year period during a boycott linked to the Baby Milk Campaign. Likewise, Barclays is estimated to have lost \$ 5 billion in turnover in the last five years in the End Loans to South Africa 'Boycott Barclays' campaign.

TradeUnions

Because multinationals put workers in competition with each other, international organisation is difficult. Despite this, workers at companies like Fords, Kodak and Philips have formed their own international links in order to work out joint strategies to protect working conditions and jobs. Trade Unions have also done research on alternatives to multinational structures. For instance, the International Tobacco Workers Union has produced a plan for shifting investment to socially useful products, gradually reducing the British Government's dependence on cigarette taxes, and turning Third World tobacco farms over to economically viable and healthy alternatives. The Centre for Alternative Industrial and Technological Systems, (North London Polytechnic, Holloway Road, London N7) has a range of other examples.

Voting

Governments are slowly taking up the issue of legislating to control multinationals. At the moment, a law is being discussed in the European parliament that would improve workers' rights to company information and representation (called the Vredeling directive). British Tory Euro MPs have been working hard to water it down. Lobby your MP and find out whether they support the legislation. Local government is equally important. For instance, the Greater London Council is setting up a research centre to investigate the local impact of multinationals, and work out strategies with campaigning groups. Likewise, the government of Bangladesh took the initiative in legislative controls for multinational drug companies by issuing a list of 250 essential drugs in 1983, while 1700 preparations were declared redundant. Similarly, Oxfam, and other groups have campaigned for safety legislation governing the use of pesticides in Britain to be extended to the Third World.

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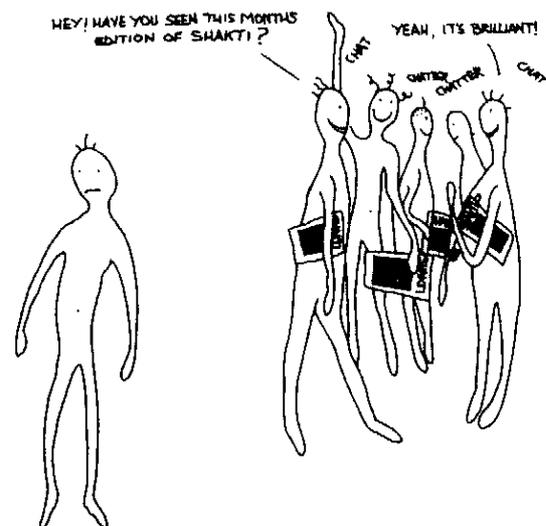
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WORLD TRADE

Hilary Scannell, *Third World First*



This article examines trade between the 'North' and the 'South'. It argues that world trade is unequal and weighted heavily against the South. This reflects the colonial legacy, the post-World War Two decline in commodity prices and the lack of bargaining power of the countries of the South. Hilary Scannell argues that there is no meaningful dialogue between the North and the South, and that alternatives are urgently required to end the injustices of the current situation.

The article refers to non-socialist countries which are caught in the web of international capitalism; it suggests that this is precisely their problem.

The legacy of the past

Most history teachers today are willing to admit the barbarity of the plundering voyages undertaken by European 'explorers' in the fifteenth and sixteenth centuries. These voyages were essentially for the purpose of forcibly transferring wealth — in the form of gold and silver or rare spices — from other continents to Europe. But teachers of the contemporary scene — including geographers — are often less willing to make the links between history and the present day. But the present world trading system, with its continuing inequity and reinforcement of the gross disparities of income between North and South, is in its own way as unfeeling and barbaric as the past brutal plunder of the South by the North. In an age which claims to be more civilised it is undoubtedly capitalism's greatest scandal.

Not everyone, of course, will agree. What follows to back up the perhaps startling statements made above is necessarily simplified. But it is a version of the story that ought at least to be available, an alternative to the received wisdom that Britain's nineteenth century supremacy was the result of British inventive genius and good housekeeping and that the wealth of the North and poverty of the South is somehow justifiable.

Five centuries ago, at the beginning of the age of explorations, European civilization was less advanced than many others. Walter Rodney, in his book *How Europe Underdeveloped Africa*, tells of the amazement of Dutch visitors to the city of Benin. What caused most surprise was that the houses of the natives were 'in no way inferior to the Dutch as regards cleanliness; they wash and scrub their houses so well that they are polished and shining like a looking glass'. Many other examples are quoted in Teresa Hayter's *Creation of World Poverty*. She also points out that agriculture in many parts of the world was highly developed. Rodney argues that European colonial expansion created endemic starvation in places where there had previously been enough food.

In the beginning, the Europeans stole gold and silver. It was the hope of finding gold, as Adam Smith pointed out, that prompted the explorations in the first place, not a higher, more abstract interest in discovery. Europeans brought home their loot from South America and Africa and used some of it to barter for Eastern spices and textiles. The accumulation of the rest eventually provided the capital for industrialization, together with the profits from such edifying enterprises as the slave trade.

Yet to generations of school children the British Empire has been presented as an institution which brought enlightenment and relative prosperity to savages. But the truth is that Britain, and other colonising nations, created the poverty; they now congratulate themselves on making puny efforts to alleviate it. The South not only suffers today from the past, but continues to be exploited, although the exploitation is more sophisticated and complex. Plus ça change . . .

The colonies remained hewers of wood and drawers of water throughout their colonial history. And for the most, this role has persisted. Of the farming acreage of the Philippines, fifty-five per cent is used for growing export crops of sugar, coconuts, bananas, rubber, pineapples, cocoa and coffee. In Senegal half the land is given over to growing peanuts. Export of those same peanuts actually increased during the years of drought in the Sahel.

Industrialization required more than money. In order to manufacture anything, raw materials are needed; in order to make a profit the manufacturers must be sold to a market. The continents of the South first supplied wealth, then the food, cotton and minerals required by the infant industries of the North. Over the continents of America land formerly used to grow food for people to live on was absorbed into vast plantations for the growing of sugar, tobacco or cotton. The slave trade originated as a means of supplying labour to these plantations. This perversion of the natural subsistence patterns

of agriculture to serve the greed of the coloniser was reproduced in other continents. The growing of cash crops for export to the North not only physically occupied much of the most fertile land, but also exhausted it. The consequences of this distorted pattern of production are still with us today. For many third world countries food accounts for a high proportion of the import bill – often higher than energy. At the same time, as we shall see later, the earnings of the South from cash crops and raw materials have systematically declined.

The founders of the British Empire had a strong belief in free trade. They could afford to; the British had a policy of wiping out any competing industries in the colonies so that the colony was forced to buy British. The most notorious example is the destruction of the Indian textile industry (Cook 1984, pp67). Less well-known is the crushing of a vital iron and steel sector. At the beginning of the industrial revolution, before the home market had fully developed, colonies absorbed around seventy per cent of British exports. Without these markets to stimulate early production Britain's industrial revolution might have been a very different affair.

Decline in Commodity Prices

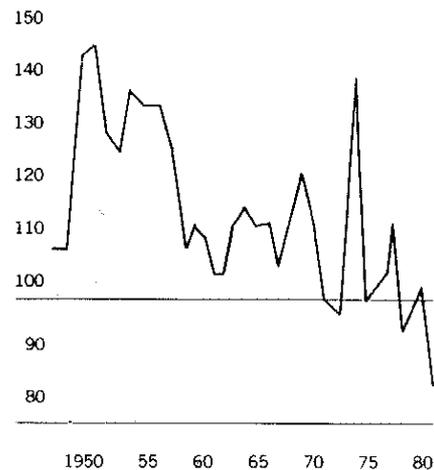
During the war the commodity-suppliers generally managed to increase their bank balances. But the 1950's saw the start of a decline in commodity prices relative to the price of manufactured goods; and this decline, by fits and starts, has continued ever since. Prices fell by ten to fifteen per cent between 1954 and 1962; the scale of the disaster can be recognised by noting that commodities accounted for, on average, eighty per cent of the exports of developing countries. During that same period these countries actually increased the volume of their exports by over forty per cent. Yet an accumulated trade surplus of \$1.6 billion was converted to a deficit of \$3 billion. In 1960, twenty-five tons of rubber would buy six tractors; in 1975 it would only buy two.

So the countries of the South are already disadvantaged; the goods in which they have a comparative advantage are under-priced on the world market. Over thirty developing countries are dependent for fifty per cent of their export earnings on a single commodity; ten of them rely on one commodity for more than seventy-five per cent. Non-oil commodity exporters have experienced a thirty-five per cent drop in prices since 1980 alone.

But why are commodity prices falling so dramatically in relation to manufactured goods? The answer is complex. Some of the recent rise in the cost of manufactured goods is due to the rise in oil prices. The strong bargaining position of the North has enabled companies to pass the increase on. Also, as trade unions in the North have achieved better wages and conditions, the price of manufactured goods has increased in order to maintain profit margins. Repressive anti-union regimes (often supported by the North) combined with large pools of reserve labour, have made similar action more difficult for workers in the South. In some cases, Northern technology has developed cheaper, synthetic substitutes for commodities from the South. For instance, this has hit the jute market on which Bangladesh depends for half its earnings.

Composite commodity price index, 1948-82

Index (1977-79 average = 100)



The graph shows non-oil commodity prices as measured by the price of manufactures imported by developing countries. The commodities are coffee, cocoa, tea, maize, rice, wheat, sorghum, soybeans, groundnuts, palm oil, coconut oil, copra, groundnut oil, soybean meal, sugar, beef, bananas, oranges, cotton, jute, rubber, tobacco, logs, copper, tin, nickel, bauxite, aluminium, iron ore, manganese ore, lead, zinc, and phosphate rock.

Source: World Bank Report 1983

Third World First

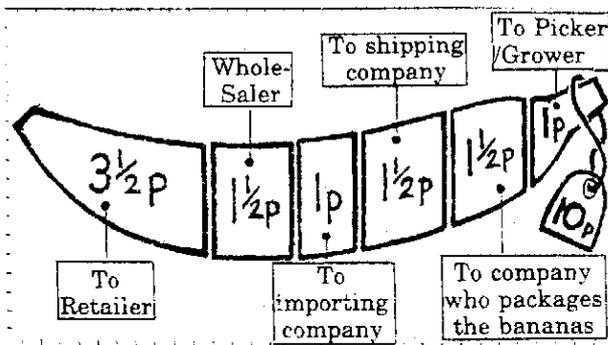
Lack of Bargaining Power

The root of the problem lies in the lack of bargaining power held by Third World countries. The governments seem to be unable to do something as apparently simple as asking a higher price for their products. If you rely for fifty per cent of your income on one product, (and countries such as Burundi, Mauritius, Zambia do) then sell that product you must, or catastrophe will follow. A small, poor country has no reserves to gamble with. The potential buyer knows that the seller is under this compulsion to close a deal, and therefore has the upper hand, particularly when the product in question is a luxury one like cocoa or coffee.

In many instances, the body negotiating the price will be a transnational corporation. In some countries, transnationals even own the land on which crops are grown; Macdonald's (hamburger chain) own the fertile valleys of Haiti which they use for growing alfalfa to feed to their cattle; the Haitian peasants scratch out a precarious living on the steep mountain sides. But today it is more common to find transnationals exerting control by less flagrantly imperialist measures. The country of origin may own the land on which the sugar, or cocoa, or tobacco is grown; but the crops are grown under licence to a company which then controls the collection, transport, processing and marketing. It is after all in these activities that the real profits are to be made. (UNCTAD has estimated that only fifteen per cent of the price of a banana to consumers in the North finds its way back to the country of origin.)

Third World countries often do not have the cash to spare to look for their own individual buyers in the North; they are often glad to enter into a partnership with a transnational and have an assured market for their crop. The problem is that too often they lose control of the price, and eventually of decisions about which crops should be grown.

So a third world country earns less for what it sells, and has to pay more for what it buys. In order to bring about any kind of development some northern goods are needed; for example, buses, trains and trucks may be needed in transport,





generators for electricity production, X-ray machines in hospitals, new technology for business growth and so on. Oil is also necessary.

Many northern countries tie their aid to the purchase of their own manufactures, whether these are the best value for money or not. Agricultural assistance often takes the form of Green Revolution - type schemes, where the peasant farmer is persuaded to grow improved varieties of seed which need high inputs of northern fertiliser and pesticides. In order to improve health services a third world country will need to import drugs, at vastly inflated prices. The South is caught in a poverty trap.

One way out would be for the third world countries to diversify their economies, to grow a wider variety of crops and do more of the valuable processing; to manufacture their own drugs and fertilisers and basic industrial equipment - simply to become more self-sufficient. But the world trading system has placed obstacles in the way of achieving this ideal. It is these obstacles which are the nub of the system's continuing inequality and which demonstrate the rich world's lack of real interest - rhetoric aside - in promoting the welfare of the South.

If you grow coffee or cocoa, it makes sense to begin the process of industrialization by processing the coffee or cocoa. But the tariff structures in the north are designed to discourage this. Raw cocoa beans enter the EEC with only a nominal tax imposed on entry. Semi-processed cocoa butter carries a tariff of 12%, while actual chocolate attracts a swinging 19%.

The pattern is reproduced for other types of manufactures, especially textiles and footwear. The home market for these goods, and for coffee and chocolate, is necessarily restricted in most third world countries. To make it worth their while to develop their manufacturing or processing capacity they must be able to export. Yet the North is interested only in importing the raw materials, not in encouraging southern industry.

Under the rules of the General Agreement on Trade and Tariffs (GATT) tariff barriers between nations are supposed to be systematically reduced by global rounds of negotiations. But more pernicious than tariffs in keeping out foreign competition are non-tariff barriers. These are any kind of measure that effectively restricts the entry of foreign goods. A non-tariff barrier can be a health regulation, a complicated set of forms for an import licence, a quota or ceiling, or simply allowing produce to rot in harbour before unloading. In the space of a two-year study the United Nations discovered 21,000 such specific measures designed to make trade more difficult. Under such agreements as the Generalized System of Preferences the EEC is supposed to allow privileged access for goods from third world countries. But this privilege can be withdrawn if a product is deemed 'sensitive', i.e. if it competes too well with domestic industry. Yet IMF finance, World Bank structural adjustment loans and private lending is often made available specifically on the condition that it is used to support and promote an export drive. So on the one hand the North, and northern-dominated institutions are saying 'To survive you must export more'; on the other hand individual governments are saying 'so long as your goods don't come here'.

North-South dialogue

The options open to governments of the South are limited. They have put their point of view forcibly in the so-called North-South dialogue, where they have time and again asked that the North takes a more realistic view and change the rules of the game so that the cards are less strongly stacked against the South. The Sixth Special Session of the United Nations General Assembly in 1974 saw the formulation of the New International Economic Order (NIEO), a list of reforms sought by the Group of 77, the developing countries' bloc in UNCTAD (the UN Conference on Trade and Development). The NIEO covers a wide range of issues. It includes demands for an integrated programme to stabilize commodity prices, measures to promote Third World industrialization, easier access for southern industrial goods to the North, increased aid, reform of the IMF, help for third world agriculture, debt relief and assistance in developing technical and economic links between developing countries. (Conspicuously absent from this list is a strategy for promoting international trade union solidarity. Socialist development isn't mentioned either).

To ask is one thing; to receive, another. The NIEO has now been on the international agenda for ten years, and almost nothing has been achieved. As the Deputy Prime Minister of Jamaica said in 1979, 'What entered the negotiating pipeline with the roar of a lion has emerged with the squeak of a mouse'. It must be recognised, however, that the demands, if met, would not amount to fundamental restructuring of global power relations. The New International Economic Order would be no challenge to international capitalism; perhaps this reflects the terms of the debate.

The North has in principle agreed to establish an Integrated Programme for Commodities. This envisages a Common Fund, financed by producer and consumer nations, which would buy up commodity stocks when prices were low, and release them onto the market when prices rose. In this way prices would be stabilized, a measure theoretically desirable for North and South.

But the North's acquiescence to this measure was unwillingly granted. The proposal to establish a 'second window' of the Common Fund, to assist producer nations with commodity diversification, research and market promotion, met with particular resistance. It was eventually passed only because it was defined as strictly 'commodity-focused'. The north will try as hard as it can to stop the South escaping from its fated role as a supplier of raw materials to the North.

The fate of the North-South dialogue may well have been sealed by the debacle of the last UNCTAD conference at Belgrade in June 1983. The North took a tough line on all proposals and the South came away virtually empty-handed; a callous response when one considers the desperate and well-publicised plight of many third world countries and the malnutrition and disease endemic to many parts of the South. Politicians are prepared to use pious rhetoric and say 'this must not be countenanced'; they are unprepared to match deeds to words.

Are there alternatives?

If the North-South dialogue is written off as a way forward, what remains? Many third world leaders have argued for a greater degree of South-South co-operation. A greater regional integration between countries of the South, with more trade, technical assistance, economic and financial co-operation is undoubtedly desirable. But progress is slow. Communications, transport, shipping are all difficult between countries of the South; insurance companies, marketing arrangements are in their infancy and are often owned or part-owned by multinational companies located in the North. Southern countries cannot afford to extend lengthy lines of credit to each other, as the North can. Although a greater degree of collective self-reliance would strengthen the South's hand at the negotiating tables of the North-South dialogue, it will take a painfully long time to build. Moreover governments in the third world have their own political differences and mistrust and do not always perceive a unity of opposition to the North as the most immediate political imperative.

This does not mean that the governments of the North should be complacent about the situation. The governments of the South may take more radical action such as:

- Working collectively to exert 'purchase power', given that the North needs the export markets of the South;
- Nationalising foreign-owned enterprises;
- Collectively reneging on debts.

All these options have already been tried. In many cases Northern transnationals or governments have bought off individual countries and driven a wedge between the countries of the South. Also the United States in particular has shown that it is quite prepared to take retaliatory action and cut off aid, military assistance and actively destabilise in order to protect its commercial interests. Nonetheless, it remains that, if governments can not resolve the issues, then the people of the South will turn to revolutionary rather than radical alternatives in order to liberate themselves from the stranglehold imposed on them.

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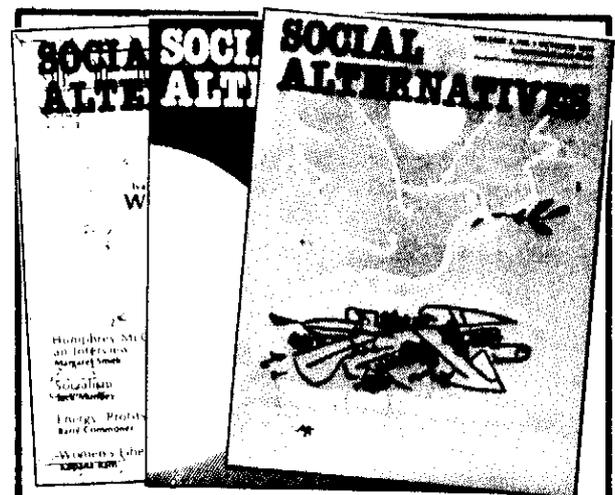
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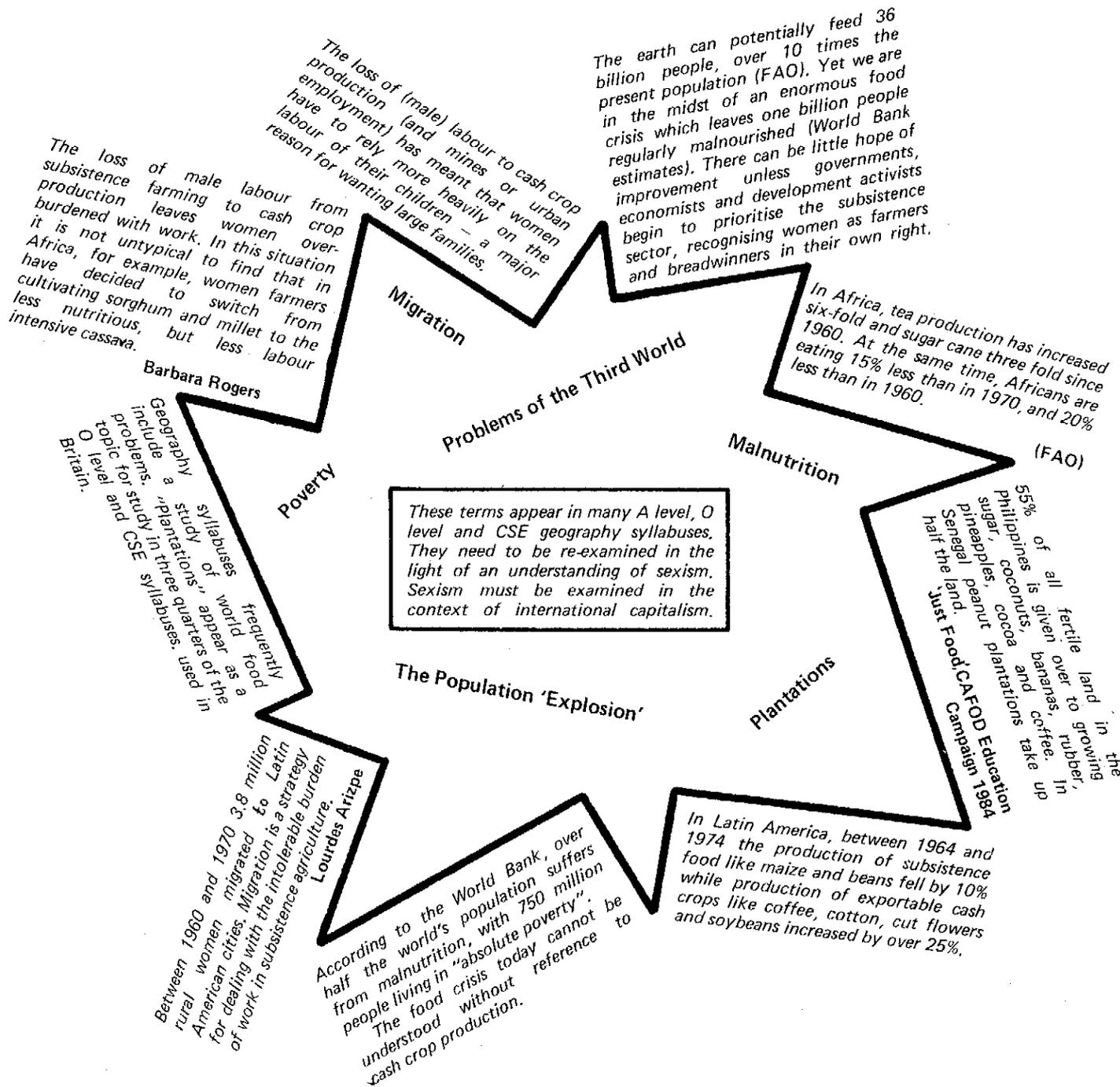
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Sexism and the 'Food Crisis'

Krystina Stimakovits
WISER Links



SEXISM AND THE "FOOD CRISIS"

A recent ILO study of the effects of Agricultural Modernisation on Third World women (esp. Asia) concluded, among other things, that:

- rural women work longer hours than men, particularly when farm-work and house-work are both counted, but at times even when farmwork alone is considered;
- the distribution of food within the family tends to favour men, who get larger quantities and more nutritious food (hence women are the first to suffer from malnutrition, which in turn affects the health of future generations)
- control over cash income generally tends to be in men's hands and they are inclined to spend it largely on non-familial items (including means to reduce men's workload), while women spend it on family essentials;
- the incidence of female-headed households where women are the sole providers of their families has increased, while employment opportunities have declined due to mechanisation of traditional female occupations;
- men appropriate the knowledge, skills and services of the new agrarian technology, leaving women to do labour intensive, non-wage subsistence tasks. (In this process the invisibility of rural women as producers is enhanced and they increasingly lose ground in traditional economic and decision-making roles);
- There is a tendency towards the 'housewifisation' of women in rural development programmes – the objective being to help rural women become 'a good wife, a wise mother, a competent housewife and a responsible member of the village community'; (1)

(International Labour Organization)

In urban and industrialised areas too, women fare worse than men. They generally receive substantially lower wages, work longer hours in the most tedious jobs and tend to be made redundant at a very young age. Moreover, inadequate maternity and child-care provisions put an extra burden on the lives of working women.

Differentials in the working conditions and wages based on gender inevitably serve the interests of company owners: they are mechanisms for keeping all wages low and the workforce divided, thereby undermining the very force that could effect long-term improvements in the living standards of their communities.

Whilst it is now difficult to deny that women face specific problems and discriminatory practices over and above those they share with other members of their community, the tendency to perceive the concerns of women as secondary continues to persist, at times even among women themselves. It has been and still is the general practice of governments, economic planners and employers to subsume women as mere 'dependents' rather than as producers and workers in their own right. Even where women perform 60-90% of all agricultural labour (Africa, Bangladesh) thus clearly acting as the main providers of subsistence for their communities, they are largely marginalised in terms of participation in decision-making, access to resources and cash income. Wherever the restructuring of traditional rural economies has brought about an impoverishment of the population, the situation is particularly acute for women. On the other hand, whatever benefits land reforms and improved technologies have produced, have been at the expense of women's work load, economic dependence and social status.

WOMEN HAVE BEEN MARGINALISED: HOW AND WHY?

The level of women's participation in agriculture varies from continent to continent and from culture to culture. Nevertheless, it is safe to say that overall subsistence crops and the raising of vegetables tend to be the responsibility of women. Historically, however, both men and women were engaged in the subsistence sector and labour arrangements between them were far more equitable than they are today. In pre-colonial Africa, for example, men cleared, ploughed and harvested the crops on both their own and women's land. Women did the planting, weeding and harvesting on both their own and the men's fields. Ultimately, crops were either men's or women's responsibility with each controlling the income thereof, although great regional variations existed as to which crops were considered to be women's and which men's. Under customary laws, women usually had usufruct or sometimes hereditary rights to land. The impact of colonialism and neo-colonialism, and Westernization generally has created a deterioration of women's position and life circumstances in several ways:

Women have lost access and entitlements to land

The colonial enforcement of land registration under male heads of households (regardless of the de facto situation) turned all communal land to which women held at least usufruct rights into the private property of men; for the first time land was an asset that could be sold, and it was men who could sell it. The fact that in some areas, e.g. in the Gambia, communities still uphold women's hereditary rights to land is a measure only of the strength and resilience of African tradition.

The Subsistence sector has lost and continues to lose land

Western interests in mining and cash-crops farming (e.g. tobacco, rubber, coffee, tea, sugar) have caused the (often forceful) withdrawal of vast tracts of the most fertile lands from the subsistence sector displacing in the process millions of small farmers and peasants. For example, in the 20's and 30's local farmers in Kenya

"...were undermined by a gigantic colonial grab that took 18% of Kenya's best land for European farmers to grow new crops like tea and other non-food produce."

(New Internationalist No. 125, p15)

In Senegal,

"French colonialism forcibly introduced peanuts, rubber and cotton into areas that had once been given over almost entirely to the time-honoured traditional foods of millet and sorghum. By the 1930's the lack of staple food production had grown so severe that African farmers were in danger of not producing enough to keep themselves and their urban counterparts alive."

(ibid)

Or in Dutch-controlled Java, where

"In 1920, eight per cent of the entire wet rice land of Java was planted in sugar, while many of the best areas had up to 44% given over to the greedy canes."

(ibid, p14)

And the process continues, as recently illustrated by the forceful eviction of thousands of local Filipino farmers to give way for rubber plantations.

A focus on sexism is imperative if geographers are to fully understand issues of development and underdevelopment. The sexism of Western developers has played a major role in the transfer of land ownership from women to men; men, not traditionally concerned with food production, have sold the land to multinational companies, thus helping to create the "food crisis" in the Third World.

An understanding of sexism is integral to analyses of poverty, malnutrition, migration and population growth.

Women's labour has become a major factor in subsistence farming

The colonial imposition of taxes on heads of households, the general loss of land and poorer soils, as well as the increasing need for cash, has in many regions led to massive male migration (both seasonal and long-term) often leaving women behind to cope virtually on their own. Where cash-cropping became an option available to local farmers, encouragement or pressure was directed at men who abandoned subsistence farming, again leaving it to the women to produce food for local consumption.

Today, women worldwide produce, according to U.N. and I.L.O. data, at least 50% of all food. In Africa, women are the major food producers, growing between 60-85% of the continent's food.

Women farmers have difficulty in obtaining credit and machinery

Women wanting to improve the production of their food crops are up against major obstacles. Banks are reluctant to give women loans (partly because women are unable to give land as securities) and development experts tend to have a Western stereo-typed view of women's role as circumscribed by domestic responsibilities. But even within the so-called 'domestic' arena, virtually no efforts have been made to make machinery or tools available to women which would alleviate some of their heavy burdens such as water carrying, fuel collection, grinding milling and pounding, tasks which in the West have long been mechanized and taken out of the home. The high level of exhaustion that rural women suffer as a result of their double burden, is slowly starting to be recognized by organisations such as WHO (World Health Organisation).

Development Projects have promoted cash crops at the expense of food crops

From the wealth of research that exists on this matter, it is possible to generalise that the great majority of development projects have been aimed at establishing or improving cash crops, usually for export; that cash crop farming has been perceived as the 'natural' domain of men, and that, therefore, technical and agricultural training has been directed almost entirely at them. The Economic Commission for Africa, for example, reported that

"More than 50% of all non-formal training offered to women by schemes supported by international agencies has been in domestic science, whereas 85% of agricultural training and training in trade and commerce has gone to men".

(quoted in B. Rogers, 1980)

Cash crops are dependent on women's labour

Agricultural machinery has alleviated men's work (clearing, ploughing, harvesting) and has made it possible for individual or cooperative farmers to cultivate larger plots of land. As a result, the back-breaking, labour-intensive tasks usually carried out by women, e.g. planting, weeding, processing, have increased in volume. Where cash crops compete with subsistence farming for women's labour, it is the latter that tends to lose out. For example, a detailed survey carried out in a Central African region found that

"Women do 55% of the agricultural work in a traditional village, and 68% of the work in a village where sophisticated farming techniques are used."

(Boserup, 1970)

Similar observations have been made elsewhere. Not surprisingly, therefore,

"Food production for the family has suffered. In many areas women have found the extra burden of work impossible to cope with and have turned to food crops that are less labour intensive but at the same time less nutritious. In Ghana, cassava has replaced the more nutritious yams and other vegetables that used to be grown."

(ICDA NEWS, 1983)

Unable to raise their production sufficiently to improve their income from the sale of produce and obtaining no or inadequate cash from their labour on cash-crops, women become more dependent on the good-will of men to hand over cash for domestic consumption.

Men are wrongly assumed to be the main providers

According to ILO estimates (1980), one-third of all households world-wide depend on a woman as the sole breadwinner. In many societies it is women who are responsible for the family provisions of food, medicine, clothes and even the payment of school-fees for their children. Men are often seen to be reluctant to hand over cash to the women of their household, especially in societies where family subsistence is traditionally seen as women's concern. Yet the 'trickle-down' theory, long discarded as fallacious within mainstream economic thought, continues to hold sway with regard to household units. It is still assumed that any benefits accruing to males will automatically 'trickle down' to women and children.

According to FAO* estimates, the earth can potentially feed 36 billion people, over 10 times the present population. Yet we are in the midst of an enormous food crisis, which leaves one billion people regularly malnourished. (World Bank estimates). There can be little hope for improvement unless governments, economists and development activists begin to prioritise the subsistence sector recognizing women as farmers and breadwinners in their own right. Judging from the available literature, it is clear that women are just as eager as men to earn cash, to have access to land, credit and machinery, as well as to agricultural extension services. It is crucial that women become actively involved in devising strategies for improvement and that their voices at least be heeded.

THE FIRST STEP: CREATING AN AWARENESS OF THE ISSUES

The relation between sexism and poverty is a crucial one. Second-class citizenship seems to come almost naturally with being a woman. Indeed, we are so used to seeing women as dependants that we are almost blinded to there being any injustice and discrimination be they institutional or personal.

To set the context, it might be useful to remind ourselves of the conclusion to the United Nations Report of 1980:

*Women constitute half of the world's population
perform 2/3 of its workhours,
receive 10% of the world's income
and own only 1% of the world's property.*

Clearly, women and men occupy different positions in society. They are treated differently, their access to income and positions of power is different, the type of work they do is different, their responsibilities are different. These differentials in position, treatment and expectations are usually premised on an assumed and overriding significance of biological factors. One close examination, however, we find the only important difference between men and women resides in women's ability to bear children. Giving birth to children is the only kind of human activity that one of the two sexes cannot do. To date, no logical or scientific reasons have been found to demonstrate that this, or any other differences, necessitate discriminatory practices and a division of labour based on sex. In other words, it is not by the laws of nature that women become the dependents and subordinates of men. Men have only been socialised into their domineering positions.

How can these issues and concerns be tackled by teachers and others wishing to develop an anti-sexist and anti-racist awareness within an international perspective?

As yet, there are few teaching materials available for making young people aware of the role of sexism in underdevelopment. A necessary first step, however, is teacher education. The following bibliography is intended as an introduction to the issue for in-service and initial teacher training.

A teachers' group will be meeting next term at WISER LINKS to begin work on this topic. Please contact the project for details.

... 'the crops are the Properties of those who have tilled that ground... and the women busy in cutting their Rice, which, I must remark, is their own Property, for, after they have set by a sufficient Quantity for Family Use, the Husband not interfering, they sell the Remainder, and take the Money themselves, (Moore, Francis, 1738, Travels into the inland parts of Africa, London, E. Cave.

When a man has some money, even as a result of joint work with his wife, does he consult her on how to utilise their money? Not at all. Rather than looking for something to improve the family's well-being, he spends the money as he wishes, for his needs, without saying anything. "Le Paysan, le village et l'avenir", Construire Ensemble, 5/6 (1979) p. 7 reported from a village in Upper Volta.

With the introduction of cacao and the increasing importance of predominantly male migration, there was a general change in the sexual division of labour; women took over more responsibilities for food crop production (and moved into) a much more central position vis-a-vis the survival of many rural families. Almost half the households are now headed by women, and most of these households have no male members. About two-thirds of the rural women are solely responsible for the daily upkeep of themselves and their children. J. Bukh, 'Women in Subsistence production in Ghana' in Women in Rural Development, ILO, 1980.

U.N. statistics for 1975 show that 70% of shows compared to 56% of girls attend primary schools, and 37% of boys compared to 25% of the girls receive secondary education in Third World countries. In 1980, 80% of women in 26 countries were illiterate; in seven countries nearly 100% of the women were illiterate.

"Mali, in the Sahel region of Africa, used to produce 60,000 tons of food a year. It now produces only 15,000 tons because land where food once grew is now used to grow cotton and peanuts for export. In Central American and Caribbean countries, 80% of the children are malnourished, and yet nearly half the farmland is used to produce coffee, bananas, cocoa, sugar and beef which are exported to the industrialised world." 'Just Food', CAFOD Education Campaign 1984, p5

'However such women might want to grow more rice for the family and to sell, their productivity has been hampered in the past by lack of technical support, facilities and credit. Last year women farmers received less than one per cent of government credit; the bulk went to male farmers for their seed, fertiliser and machinery.' Sarah Hobson, New Internationalist, January '84.

'I discovered they (the women) perceived the white man in two fundamental ways - as destructive, and as purveyors of money and machinery, of which they might hope for a share but which in reality went to male farmers. ... our society whether through aid of commerce or government - can and does hurt and damage others. I was ashamed on behalf of the donors that the women's harvest was destroyed; I was deeply shamed that a British man and company had done it.' (ibid).

Statisticians may be able to prove that real family income has risen as a result of economic change, but it requires more than a statistician to explain why, for instance, nutritional levels fall while wristwatches, transistor radios and bicycles (all largely utilised by men) find their way into the household. Ingrid Palmer, 'Rural women and the basic needs approach to development', International Labour Review, 115:1, (Jan-Feb 1977).

Recent studies show an alarming discrepancy in the distribution of foods within rural households. In two Bangladeshi villages, for instance, women's food intake was one third less than that of men (despite the fact that during the long periods of pregnancy and lactation, women's nutritional requirements are actually substantially higher than those of men). Moreover, girls received less food than boys already from birth (0-4 years). Findings from India and Nigeria showed similar results.

One American study reported that over half a sample of 163 American college women pretended to be often, 43% sometimes, intellectually inferior to their boy friends, 14% very inferior. A. Oakley, 'Sex, Gender and Society', Temple Smith, London 1972.

References

Lourdes Arizpe, *Women and Development in Latin America in Development Dialogue*. Dag Hannarskjold Foundation, Sweden. Boserup, E. *Women's Role in Development*, 1970.

Rural Development and Women in Asia, Proceedings and Conclusions of the ILO Tripartite Asian Regional Seminar, Mahabaleshwar, Mahanshta, India, ILO, Geneva 1981.

Palmer Ingrid, *The NEMOW Case*, Case Studies of the Impact of Large Scale Development Projects on Women: A Series for Planners, Working Paper No. 7, Sept. 1979.

Rogers, B. *The Domestication of Women*, Tavistock 1980.

A FIRST READER

The Domestication of Women

Rogers, B. (Tavistock) 1980

Especially chapters 1, 5, 6 & 7.

Based mainly on data and observations of development projects in Southern and Western Africa, the book provides a well of evidence on how development programmes affect women in detrimental ways.

Women in Development: A Resource Guide for Organisation and Action

(ISIS), Geneva, 1983

An invaluable first reader written by and for women in the South and in the West. The selection of short articles present the main issues within development concerns and explore the ways in which women are organising to provide their own development initiatives. The guide also offers an index of organisations and resource groups concerned with women and development.

Women in the Global Factory

Fuentes, A. & Ehrenreich, B. (TWP) 1983

In the Free Trade Zones of Guatemala, the Philippines, and other countries of the Third World, women make up 80-90% of the light assembly workforce. This pamphlet explores the lives of women of the global assembly line.

Third World – Second Sex: Women's Struggles and National Liberation

Davies, M. (ed). (Zed Press) 1982

A stimulating compilation of the experiences and perspectives of women's organisations from over 20 Third World countries. Topics discussed include the role of women in national and socialist movements, the need for an autonomous women's movement, campaigns on violence, health and better working conditions.

Women Working Worldwide

(WOW), 1983

A report on the proceedings and conclusions of a conference held in London in 1982. Focusing on the Electronics, Clothing and Textiles industries worldwide, 200 activists, researchers and others from over 20 countries discussed urgent issues relating to new technology, homeworking, employers' strategies, sexism in trade unions, health and sexual harassment at work. A most valuable document.

The Triple Struggle: Latin American Peasant Women

Bronstein, A. (War on Want), 1982

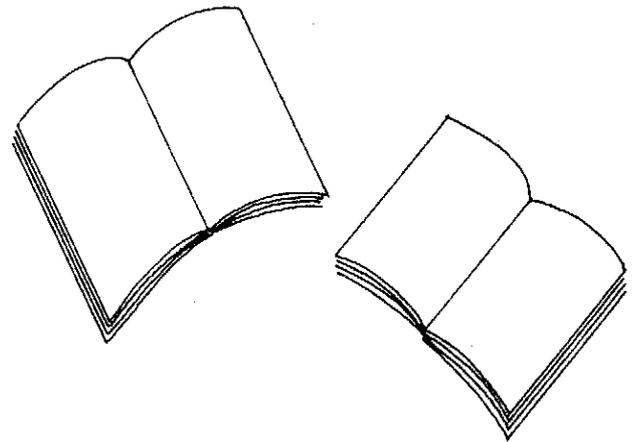
Unique in that it contains many interviews with rural women about their lives, aspirations and involvements with cooperatives. Excellent introductions to the geography and politics of five Central and Latin American countries.

WISER LINKS – WOMEN & THIRD WORLD LIBRARY

173 Archway Road, London N6 - Tel. 341 4403

Teachers based in London may wish to know that all of the books and documents mentioned above can be borrowed from the library at WISER LINKS (Archway Development Education Centre). Annual Membership is £6.

WISER LINKS is an international women's information exchange project set up by a group of Western and Third World women. Our aims are to establish mutually beneficial links between women and progressive organisations internationally, (e.g. women's cooperatives, employment, development and community projects, trade unions) to collect and provide information relevant to women's grass-roots efforts and to campaign on issues relating to women and development and anti-sexist/anti-racist education.

**Blacksmith, Baker, Roofing-Sheet Maker: Employment for rural women in developing countries**

Carr, M. (Intermediate Technology Publ), 1984

Here we find women earning a living as blacksmiths, bakers, weavers, potters, fishfarmers, stove builders, barefoot mechanics, etc. Using evidence from 22 Third World countries, Carr should surprise anyone who might still think that women's place is in the home.

Silver Shackles: Women and Development in India

(Oxfam), 1984

A very readable, well argued and concise overview of the reasons for women's deteriorating position in India. Contains valuable basic data and information, including profiles of individual women and of one the most exciting attempts of women to organise themselves: the Self-Employed Women's Association (SEWA). A very useful document for teachers.

We will smash this Prison: Indian Women in Struggle

Ornvedt, G. (Zed Press), 1980

A highly spirited account of the many ways in which Indian women struggle for a better life. We read about women as agricultural labourers and peasants, untouchables and tribal women, municipal and factory workers, students and political activists. Readers will find the book tremendously uplifting.

Women, Oppression and Liberation

Review of African Political Economy, Double Issue No. 27/28, 1984

An excellent collection of articles analysing the effects of colonial, neo-colonial and development policies on women in Mozambique, Zimbabwe, Zambia, Kenya, South Africa and Nigeria. It also contains briefings on the women's movements in Namibia, Angola, Eritrea and Nigeria. For anyone wishing to gain a better understanding of the situation and struggles of African women today.

A 'MULTI-NATIONAL' COMPANY AT WORK

John Huckle *Head of Geography,*
Bedford College of Higher Education



Background reading for teachers

Teachers will find that the following provide sources of extra clue cards and valuable background to this exercise:—

'The Jeans Revolution', a series of three articles by Martin Walker, *The Guardian*, January 11-13, 1983.

'Hanging by a thread', Iain Guest, *Guardian Third World Review*, May 20, 1981.

'The newly-industrializing countries', *Geofile*, No. 14, Mary Glasgow Publications, April 1983.

Chapters 6 and 7 in *EEC and the Third World: A Survey 2*, Christopher Stevens (ed), Hodder and Stoughton, 1982.

'Textiles across Three Continents', *New Internationalist*, No. 38, May 1982.

'Northern transnationals canuse new MFA to sew up markets', John Cavanagh, *South*, May 1982.

'For a few dollars more', *War on Want*, 1981 (467 Caledonian Road, London N7. Price £1.00).

The last source, which contains an illustrated account of the Lee Jeans factory occupation and a survey of the major jeans companies, is particularly useful. Alan Sinclair's article (see p.20) is excellent, and would probably be accessible to confident readers amongst the students. It could serve as "extension reading" in a mixed ability class.

Far too many geography lessons on products from other countries 'mask' the economic and political relations which structure the links between people throughout the world. This exercise seeks to reveal something of these relations as they affect the manufacture of jeans. It provides 14-18 year old pupils with an insight into such important topics as industrial restructuring, outward processing, and trade union activity by women.

Teachers notes

You will need:

A set of atlases.

Outline maps of the world

Copies of the information sheet (p.)

Sets of clue cards.

Copies of the glossary (a copy of the Handbook of World Development, Longman)

Start by discussing with your pupils the factors they consider before buying a pair of jeans. They will probably mention price, brand name, fashion, advertising, the environment in which the jeans are sold, together with other factors. Get them to list which factors are most important in influencing their choice.

Ask them to carry out a survey on where different brands of jeans are made. They can look at the labels inside their own jeans and in those in the shops.

The pupils should find the countries of origin in an atlas and map the results.

Divide the class into mixed ability groups of four to six and give each group, a copy of page . It shows textile workers in Hong Kong and Scotland, some trade marks from jean manufacturers, and a list of words. It asks the question 'What has choosing a pair of jeans to do with all of these?'

Also give each group a set of clue cards (see page for the text, which should be photocopied onto card. The cards should be put in an envelope).

Give each group the task of working out the connections between buying jeans and the words and people on page . To help them they should have a glossary and a set of clue cards. The Handbook of World Development (Longman 1981) explains all of the terms marked with an asterisk in the glossary, and is a useful source for teachers who may be asked to explain some of them more thoroughly.

The clue cards should be reshuffled and placed face down in the centre of the table at which the group is working.

Explain to each group that they can turn over the clue cards and look up terms as often as they need in order to help them answer the question. They may find it useful to draw a web diagram showing how people, places, and things are connected. Ask them to let you know when they think they can explain all the links. How many clue cards and terms remain unexamined at this stage? Do these cards and terms, when examined, merely provide information which the pupils had already deduced?

Explain the terms North and South.

It may be useful to provide a map.

Discuss with the whole class what has been learned in the groups about the manufacture of jeans. What part do the pupils play in all this? What are the alternatives? Ask the question about choosing a pair of jeans again. What factors do they now consider important?

EEC imports of MFA textiles (figures in tonnes)

	1976	1977	1978	1979
<i>Bilateral agreements</i>				
Hong Kong	144.6	144.8	125.7	134.9
South Korea	65.2	81.7	83.1	80.0
India	76.5	70.9	53.9	74.5
Taiwan	56.8	56.1	57.6	60.8
Brazil	45.4	50.9	47.6	58.0
China	36.5	27.8	30.9	40.7
Yugoslavia	42.1	30.6	30.2	36.8
Romania	39.5	27.8	35.4	36.0
Pakistan	31.7	23.3	28.3	35.1
Hungary	22.6	22.7	21.0	24.2
Thailand	15.1	19.9	22.2	24.0
Poland	19.8	19.0	17.6	20.8
Egypt	11.1	11.6	11.0	20.3
Macao	16.9	13.6	12.1	15.8
Malaysia	13.4	15.6	14.0	13.8
Singapore	13.5	13.5	11.0	13.8
Peru	2.1	4.4	8.4	11.8
Uruguay	8.9	10.1	9.6	10.4
Philippines	4.8	5.8	5.3	9.8
Colombia	12.8	9.1	8.3	9.6
Mexico	10.0	6.5	4.1	6.8
Bulgaria	4.3	4.2	3.8	6.2
Argentina	6.0	12.5	11.0	5.9
Indonesia	0.3	0.6	2.0	3.2
Sri Lanka	0.2	0.4	1.0	2.2
<i>Preferential countries</i>				
Greece	82.9	79.0	92.2	100.8
Turkey	84.8	60.8	80.4	91.6
Portugal	54.8	47.7	65.6	81.0
Spain	47.1	49.1	60.6	58.0
Tunisia	14.1	16.3	16.4	22.3
Morocco	15.6	14.9	16.6	20.9
Malta	8.5	8.1	10.7	11.4
Cyprus	0.2	0.7	1.5	2.2

Source: EEC Background Report 11/9/80, 'Textiles: The Multi Fibre Arrangement'

Table 2
Where does the money go?

Pricing a pair of jeans

	Percentage share of cost	On Levi wholesale figures	On DD 'own brand' figures
Cotton grower	6.4	.57p	.57p
Ginning	2.0	.18p	.18p
Denim manufacturer	19.6	£1.75	£1.75
Jeans manufacturer	30.0	£2.73	£2.68
Wholesale profit	42.0	£2.85	£2.45
	100.0	£8.08	£7.63
Retail profit		£7.87	£1.36
Retail price		£15.95	£8.99

This table shows where the money goes when you buy a pair of jeans (it is based on January 1982 prices).



Vanity Fair Corporation

restructuring of industry*

wage rates

safeguards on imports*

Inverware

Tunisia

Dickie Dirts

trade unions*

WHT



transfer of technology*

International Trade Union Solidarity

regional development grants

Lee Cooper

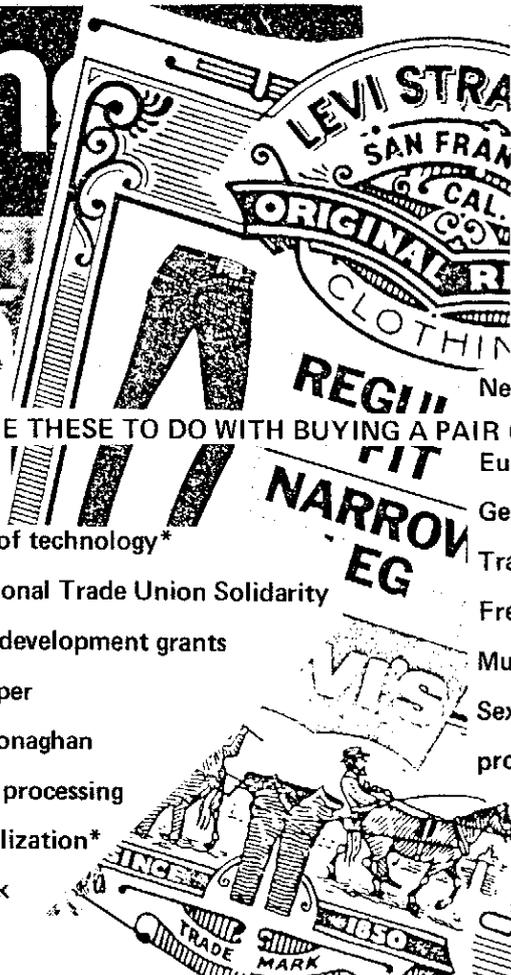
Helen Monaghan

outward processing

industrialization*

Greenock

Lee



CHRISTMAS SPECIALS

Wrangler Jeans.....	14.99
Levi's Cords.....	15.99
S-T-R-E-T-C-H Jeans..	10.99
S-T-R-E-T-C-H Cords..	14.99
Denim Jackets from..	14.99
Knitwear from.....	4.99
Shirts* from.....	4.99

THE LARGEST SELECTION
Newly Industrializing Countries*

WHAT HAVE THESE TO DO WITH BUYING A PAIR OF JEANS?

European Economic Community

General Agreement on Tariffs and Trade*

Transnational Corporations*

Free Trade Zones

Multi-Fibre Agreement*

Sexism*

protectionism*



105 HIGH STREET, BEDFORD



Clue Cards

In 1981 textiles were the most important single manufactured export for countries in the South; one fifth of all their industrial workers were employed in textiles manufacture.

The Multi-Fibre Agreement now deals with 80% of the world's textile trade. It was set up by GATT. This agreement aims to allow two things: the increase of exports from the South to the North and the *restructuring* of industry in the rich countries to use more advanced technology. Countries in the South are poor; countries in the North are rich.

The EEC is the world's largest importer of textiles. It has two-way trade agreements with 25 'low cost' countries and other agreements with 8 'preferential countries' (see Table 1). These trade agreements limit imports under M.F.A.

Jeans are big business. Levi Strauss had global sales of 48 million dollars in 1960, 2,800 millions in 1981. Eight million pairs of Levis are sold in the UK each year, (17% of the market).

In 1979 the Vanity Fair Corporation was operating 44 factories throughout the world. They employed 18,500 workers. There were 34 factories in the USA. The Corporation has foreign interests in Belgium, Canada, Hong Kong, and the UK. Sales in 1980 were 633 million dollars and net income 45 million dollars.

Vanity Fair moved marketing and distribution staff from Greenock to Northern Ireland in 1977. It moved the cutting department in 1980. Management said these moves were part of a drive for 'greater overall efficiency'. They denied plans to close the plant.

Lee Cooper, the largest UK manufacturer of jeans, produces 12 million pairs each year. Of these four million are made in Tunisia and one million in Czechoslovakia.

Lee Jeans are made by the Vanity Fair Corporation of America. In 1981 they announced the closure of their factory at Greenock in Scotland when government development grants ran out. Their five factories in N. Ireland, (which qualify for grants) are still producing Lee jeans, half of these are exported to Scandinavia. (It will be interesting to see what happens when the grants run out.)

Only one third of the jeans sold in Britain are made here. 34 million pairs are imported each year; three quarters of them from Hong Kong. 7 million pairs are exported.

The wages of UK textile workers are the lowest in the North. They are 56% of those in France and USA and 30% of those in the Netherlands. In India wages are only 7% of those in the UK; in Korea 25%.

The Vanity Fair Corporation of America bought the jeans manufacturer H.D. Lee in 1969. Lee Jeans, had 17 factories in the USA and 10 more around the world. Lee is the most important part of the Corporation's business. It had 75% of sales and profits in 1980. The Corporation grew rapidly between 1975 and 1980.

Lee Jeans set up in Scotland in 1970. The local authority provided a factory with rent and rates free for the first three years, and half rent and rates for the next three. Investment grants from central government paid 40% of the cost of plant and machinery. The government subsidized wage costs and Lee also qualified for cheap government loans (investment incentives). In Northern Ireland, public 'incentives' to Lee Jeans were even more generous than in Scotland.

Worldwide jeans sales made about 15 billion dollars in 1981; two thirds of this came from the USA. A few American based multi-national companies (such as Levi Strauss and Blue Bell (Wrangler) got most of the sales. Blue Bell has 70 plants in the USA and 27 in eleven other countries.

In 1980, 60 million pairs of jeans were sold in Britain. The makers spent £4.5 million on advertising.

At the same time as Vanity Fair were trying to close the Lee Jeans factory at Greenock, both Levi Strauss and Blue Bell were announcing expansion plans in Scotland.

The former Lee jeans factory in Greenock was bought and run by 'Inverware' after the workers' occupation. The cut price jeans retailer 'Dickie Dirts' provided a lot of the money. Dickie Dirts bought most of the 10,000 pairs of jeans made each week. 'Dickie Dirts' went bankrupt in 1982/83; 'Inverware' survived for only a short time.

The market for jeans has gone down in the last three years (1981-84). Fashion has changed. Denim is less popular. There are new types of shops with new types of clothes (like 'Next'). Some UK textile manufacturers are pleased because they can compete better in producing short runs of cheap 'up market' clothing.

In order to attract outward processing of clothing, NICs like Tunisia offer incentives to foreign investment. These incentives (low wage and tax rates and anti-trade union laws) may be confined to Free Trade Areas within the countries of the South.

Outward processing is one way in which countries in the South can try to industrialize. It brings foreign investment, modern technology and jobs. The processing earns valuable foreign currency and helps countries to get into the world's fashionable clothing market.

Critics of outward processing suggest that it makes poor countries dependent on rich ones. The factories are largely foreign owned, and the technology has little impact on other industries. Outward processing is unlikely to lead to further industrialization because there are few links or 'spin offs' to the rest of the local economy.

Partly-made clothing is increasingly sent abroad for finishing in countries where labour is cheap. This is known as outward processing. The Multi-Fibre Agreement allows clothing which has been outward processed to re-enter the EEC 'more easily' than other clothing imports. Transnational clothing companies may get past MFA restrictions in this way.

In early 1981, Lee Jeans was employing 150 women at Greenock. They were aged mainly between 16 and 23 and three quarters of them were the only bread-winners in their families. Unemployment in Greenock was then twice the Scottish average.

Vanity Fair decided to close the Lee Jeans factory in Greenock. The trade union convenor, Helen Monaghan and two shop stewards, Bridie Bellingham and Ina McCahill organized union action. They occupied the building for seven months. They organised publicity and support from other unions. The occupation ended when a group of five managers decided to buy the plant. 139 of the 250 jobs were saved.

In February 1983, the MFA was renegotiated. Textile exporters in the South signed 26 pacts with the EEC. The 'dominant suppliers', Hong Kong, S. Korea, Macao and Taiwan, will have to limit exports severely. Other countries will be allowed some growth in exports; e.g. Sri Lanka, Pakistan, Indonesia, Philippines.

The design, cutting, and packaging of clothing is done mainly in countries of the North, the sewing is increasingly done in the South.

Production and selling may involve expensive new technologies, such as the cutting of cloth by computer controlled lasers. This is one reason why more and more of the world's production and selling of clothing is concentrated in large transnational companies.

Clothing factories in the EEC (which may be owned by American transnational companies) may outward process goods in any of the 33 countries listed in table

Between 1970 and 1975, 166,000 textile jobs were lost in Britain; 143,000 due to new technology, 13,000 due to imports; the rest were lost in imports and services. The bulk of Britain's textile imports come from other developed countries, such as USA, and are not subject to MFA. Between 1976 and 1979, Hong Kong's exports to Europe fell from 144 to 134m tons, the USA's increased from 150 to 121 million.

Glossary

"Restructuring" of Industry

"Restructuring" is sometimes called "rationalisation". This is when a company decides that it can make more profit by using machinery instead of workers, or by moving its factories to a place where labour is cheap. A big 'transnational' company like Ford can shut down a factory in Britain to open one in Mexico. This would cause unemployment in Britain. In Mexico the wages and working conditions may be very poor. To protect *all* workers and make sure that wages are good, international trade unions are needed. (See below)

Industrialisation

When an agricultural (farming) country gets factory industry, this is called industrialisation. The factories use machinery to produce goods like clothes and cars. When the factories are owned by just a few rich people this is called 'capitalism'. When they are owned by the workers this is called 'socialism'. If the factories and farms are owned by the state (as in the USSR) this is called 'state capitalism'.

Trade Unions

Trade unions are organisations of workers. They exist to fight for workers rights. Some trade unionists in rich and poor countries want to unite. They want to make sure that production in all countries is based on good wages and good working conditions. Big firms operate across the whole world. Their main goal is to make a profit. They can make more profit if they pay low wages. An international trade union movement is needed to defend workers and their families against these firms.

Safeguards on imports (import controls)

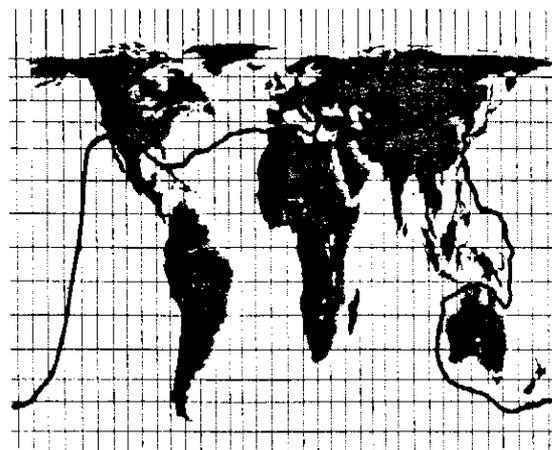
Countries may try to limit imports to protect their own producers/industries. GATT (see below) allows them to do this only in certain circumstances and for a limited length of time.

Newly industrializing countries (NIC'S)

These are countries which have shown rapid growth in manufacturing industry in recent years and are now major exporters of manufactured goods. They include Singapore, Hong Kong, Argentina, Brazil, Taiwan, Mexico and South Korea (Rep.). They are countries where wages are kept low and working conditions poor. The governments of some countries prevent people from joining trade unions, to make sure that wages are kept down. By doing this they hope to attract the transnational companies.

Sexism

In a sexist society women work longer hours than men, earn less money, have more responsibility for children, have less leisure time and do not have equal political power. Women's



North and South: Rich and Poor

work is often unpaid (as in 'housework'). Well-paid and powerful jobs go to the men. Sexism helps companies to make more profit because they can pay women low wages. If women can be employed for low wages then this pushes wages down for men too. Sexism divides the workforce.

Protectionism

Protectionism means things like import controls which prevent poor countries from selling their manufactured goods in rich countries. Protectionism tends to increase at a time of unemployment in rich countries. The government tries to 'protect' its industry by keeping out goods from other countries. It is difficult to protect industry in Britain in this way though, because it may be owned by large transnational firms. These firms can cause unemployment by shutting a British plant to open one in, say, Korea.

General Agreement on Tariffs and Trade (GATT)

This agreement set up a United Nations body which seeks fair trade between countries. It seeks to end restrictions on trade such as the tariff barriers which some countries put up to protect their own producers. Tariff barriers control the amount of imports and/or make them more expensive.

Transnational corporations

These are large privately owned companies or corporations which work in several different countries. They generally have a home base in a rich country and foreign subsidiaries in other rich and poor countries. TNC's control 25-35% of world production and are rich and powerful. Some companies are far richer than many poor countries. They can work together to restrict fair trade, can shift profits from high tax countries to low tax countries, and can drive a hard bargain with poor countries. Transnational corporations are sometimes called MULTINATIONAL companies.

Multi-Fibre Agreement

Made under the provisions of GATT (see above), this set of trade restrictions limits the import of textiles from certain countries into the European Economic Community.

Transfer of Technology

In order to industrialise, poor countries may need sophisticated technology. This is scientific knowledge and skills, and complex machinery. Technology is controlled by the rich countries and TNC's. The firms compete with each other, so they keep their technology secret. Each company wants to "own" the newest ideas and machinery and make sure they "keep ahead" of other companies. Ideas and designs for machinery can be sold at high prices. This is called "transfer of technology".

WORLD TRADE by Dawn Gill.

OBJECTIVES.

1. To find out why some countries are rich and others are poor.
2. To see how countries are affected by history.
3. To think about the disadvantages of having only one commodity for trade.
4. To see the effect of changing commodity prices.
5. To understand why some countries get into debt.
6. To understand how tariff barriers and trade laws work.
7. To see how competition benefits some countries but causes problems for others.
8. To think about why school textbooks give a distorted account of world trade.

STUDY SKILLS.

- Cooperative learning
- Discussion
- Using evidence from a variety of sources
- Reading for understanding
- Writing a detailed and illustrated essay

YOUR TASKS Time: approx 3 double lessons.

- * Study the information and questions
 - * Discuss them with a partner or group.
 - * When you have finished, look back at the objectives. Do you understand each one?
 - * Explain each one to a partner.
- Do you need more information?
Try the "Further reading" if necessary.

YOUR ESSAY Choose one of these titles:

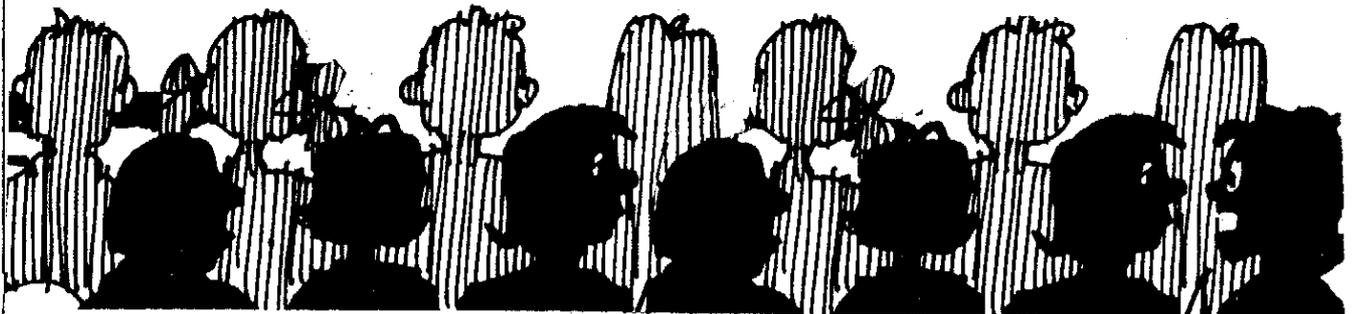
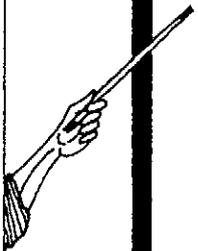
UNDERDEVELOPMENT IS AN ON GOING PROCESS!

WHY DO POOR COUNTRIES TEND TO PRODUCE PRIMARY GOODS WHILE RICH COUNTRIES PRODUCE MANUFACTURED GOODS?

Plan your essay with care!

Use examples, quotes, statistics and illustrations to support the points you make.

ARE "THEY" POOR BECAUSE "WE" ARE RICH?



"Mali, in the Sahel region of Africa, used to produce 60,000 tons of food a year. It now produces only 15,000 tons because land where food once grew is now used to grow cotton and peanuts for export. In Central American and Caribbean countries, 80% of the children are malnourished, and yet nearly half the farmland is used to produce coffee, bananas, cocoa, sugar and beef which are exported to the industrialised world."

'Just Food', CAFOD Education Campaign 1984, p5

In Latin America, between 1964 and 1974 the production of subsistence food like maize and beans fell by 10% while production of exportable cash crops like coffee, cotton, cut flowers and soybeans increased by over 25%.

In Africa, tea production has increased six-fold and sugar cane three fold since 1960. At the same time, Africans are eating 15% less than in 1970, and 20% less than in 1960.

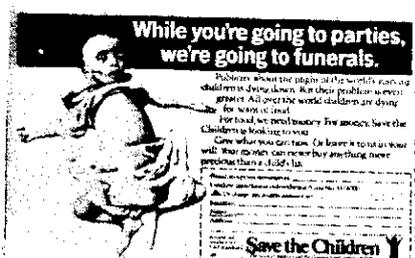
(FAO)

WHY?

WHY?

WHY?

WE NEEDED TO KNOW ABOUT THE LINKS BETWEEN THE RICH AND POOR COUNTRIES



2

Two views of the influence of Europe on the Third World. Many of the countries in the Third World are Europe's ex-colonies.

Europe helped its colonies to develop.	Europe underdeveloped the colonies
The colonisers built roads, railways where none existed before.	The road and railways were built to drain out minerals
The colonisers brought civilization	People were civilized already.
The colonisers brought Christianity	They took the land
Europe provided a market for crops	Farmland produced export crops instead of food
New industries were set up	The industry exploits cheap labour and drains out profit
The colonisers provided good and fair government	Good and fair for whom? Think of South Africa.

LOOK AT SOME GEOGRAPHY AND HISTORY BOOKS — WHICH POINT OF VIEW IS PUT FORWARD?

THIS ASSIGNMENT IS MAINLY ABOUT TRADE BETWEEN NON-SOCIALIST COUNTRIES. IT LOOKS AT LINKS BETWEEN RICH AND POOR COUNTRIES

Many poor countries get their income from one or two commodities.
 The Brandt Report states that in the early 1970s
 Zambia got 94% of its income from copper
 Mauritius got 90% of its income from sugar
 Cuba got 80% of its income from sugar
 Gambia got 85% of its income from groundnuts and groundnut oil.

WHAT DOES "SOCIALIST" MEAN?

WHAT HAPPENS TO MAURITIUS IF THERE'S A FALL IN SUGAR PRICES?

HOW WOULD ZAMBIA BE AFFECTED BY A FALL IN COPPER PRICES?

IF THE GAMBIA'S CUSTOMERS FOUND A CHEAPER SOURCE OF GROUND NUT OIL, WHAT WOULD HAPPEN TO GAMBIA?

3

MAURITIUS GROWS SUGAR INSTEAD OF OTHER FOOD. IT EXPORTS SUGAR AND USES THE MONEY TO GROW RICE AND WHEAT

WHY DON'T THEY GROW WHEAT INSTEAD OF SUGAR?

Commodity Prices fluctuate
 Sugar In the mid 1970's, the price paid for sugar dropped from 64 cents a pound to 6 cents a pound, in 18 months.
 Cocoa In the late 1950's cocoa prices went up from \$1000 per ton in one year, to \$400 the next; then back to \$10000, then down again to less than \$600.
 Copper In April 1974 the world price for copper was \$3,034. Before the end of the year it fell to \$1,290.
 Bananas Between 1950 and 1970 the price paid for Bananas fell by 30%.
 (Source: Teresa Hayter, "The creation of World Poverty" Pluto Press 1981, ps. 67 and 68.)

DOMINICA GROWS BANANAS FOR EXPORT. IT IMPORTS AGRICULTURAL MACHINERY FOR FARMING. IMAGINE THAT MACHINERY PRICES GO UP, WHILE THE PRICE OF BANANAS STAYS THE SAME!

GHANA GROWS COCOA. THE TREES TAKE TEN YEARS TO GROW — COCOA TREES COVER THOUSANDS OF ACRES OF LAND. IMAGINE CADBURY'S STOP BUYING GHANA'S CROP BECAUSE COCOA IS CHEAPER FROM SOMEWHERE ELSE. WHAT WOULD HAPPEN TO GHANA?

4

WHAT HAPPENS IF MANUFACTURED GOODS INCREASE IN PRICE

Manufactured goods increase in price
Sri Lanka produces natural rubber.
In 1960, the earnings from 25 tons of rubber export would buy six tractors.
In 1975, the earnings from 25 tons of rubber would buy only two tractors.
Sri Lanka produces primary goods, and imports manufactured goods.
(Hayter 1981)
Zambia exports copper to the USA. It imports electrical goods and mining equipment. Zambia manufacturing industry cannot produce all of the mining equipment needed. They must buy the equipment from the USA.

WHILE THE PRICE OF PRIMARY GOODS STAYS THE SAME?

WHAT WILL HAPPEN IF THE PRICE OF COPPER FALLS, BUT THE PRICE OF MINING EQUIPMENT STAYS THE SAME?

WHY DOESN'T SRI-LANKA MAKE ITS OWN TRACTORS?

YOUR ESSAY SHOULD EXPLAIN WHY PRIMARY PRODUCERS GET INTO DEBT

WHY DOESN'T ZAMBIA MAKE ENOUGH MINING EQUIPMENT?

5

THERE WERE WAYS OF MAKING SURE OF THIS IN THE PAST

Poor countries tend to produce primary goods.
Rich countries tend to produce manufactured goods.

AND THERE ARE DIFFERENT WAYS TODAY

When India was ruled by the British Government Indian cloth was heavily taxed. Indian weavers were not allowed to weave cloth - British soldiers used to cut off peoples thumbs if they were caught making cloth.
India was forced to send raw cotton to Lancashire to be made into cloth. The Indian people then had to buy cloth from England.

In the 1960's Brazil tried to export processed coffee. The US Government, acting on behalf of the Instant Coffee Companies, threatened to cut off aid.
(Teresa Hayter "The Creation of World Poverty, p.66)

People moved from industry into farming.
"Between 1891 and 1931 the proportion of the Indian population dependent on agriculture increased from 61% to 75%.
M. Barratt Brown "After Imperialism" (Heinemann 1970, Chapter on Imperialism)

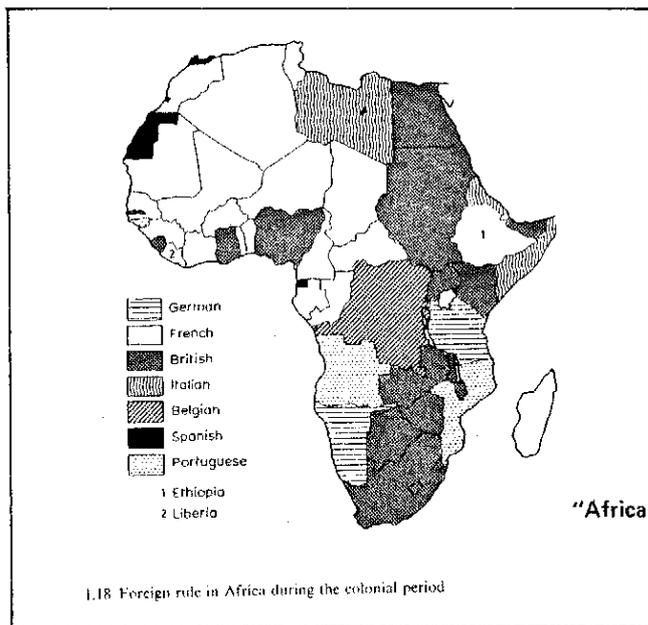
WHY DOES BRAZIL NEED U.S. AID? - THERE'S RICH FARMLAND AND FOREST AND LOTS OF MINERALS

How are today's trade patterns affected by history?

WALTER RODNEY WAS A GUYANESE HISTORIAN. HE ARGUED THAT UNDERDEVELOPMENT IS AN ON-GOING PROCESS. HE POINTED OUT THAT AFRICA IS BEING UNDER-DEVELOPED TODAY. IT HAS GOLD, DIAMONDS, OIL AND OTHER MINERALS - BUT PROFITS GO TO LARGE FOREIGN COMPANIES.

HE WAS ASSASSINATED IN 1980

WHY?



Colonial History

Africa's history is like the history of other colonies.

Rachel Heatley describes colonial history like this:

First of all the European powers looted and plundered precious metals from the New World. They took slaves from Africa and forced them to work on West Indian plantations - this created wealth for the European plantation owners. The profit from plantations was invested in Europe, not in the West Indies.

In the three centuries following the "discovery" of the New World, the flow of capital to Europe from South America, Africa and Asia was £1,000 million. "Between 1760 and 1780 alone, Britain's income from the West and East Indies more than doubled the investment funds available for its growing industry."

The drain of capital from the colonies to Europe continued right up to the end of colonial rule. "For example, by the end of the Second World War the annual flow of wealth to Britain from India and Malaya amounted to 10% of Indian and Malayan national income."

(Rachel Heatley "Poverty and Power" Zed Press 1979. She uses two quotes from M. Barratt Brown "After Imperialism (Heinemann 1970) chapter on "The Results of Empire.")

How Europe underdeveloped Africa

Walter Rodney writes that some poor countries are "being underdeveloped" by the richer ones; it makes no sense, he says, to call them "developing" countries.

A quote from Rodney's book...

The United Nations Survey of Economic Conditions in Africa up to 1964 had this to say about the continent's natural resources:

Africa is well endowed with mineral and primary energy resources. With an estimated 9 per cent of the world's population the region accounts for approximately 28 per cent of the total value of world mineral production and 6 per cent of its crude petroleum output. In recent years, its share of the latter is increasing. Of sixteen important metallic and non-metallic minerals the share of Africa in ten varies from 22 to 95 per cent of the world production.

Actually, African potential is shown to be greater every day with new discoveries of mineral wealth.

The situation is that Africa has not yet come anywhere close to making the most of its natural wealth, and most of the wealth now being produced is not being retained within Africa for the benefit of Africans. Zambia and Congo produce vast quantities of copper, but that is for the benefit of Europe, North America and Japan. Even the goods and services which are produced inside of Africa and which remain in Africa nevertheless fall into the hands of non-Africans. Thus, South Africa boasts of having the highest per capita income in Africa; but as an indication of how this is shared out, one should note that while the Apartheid regime assures that only 24 white babies die out of every 1,000 live births, they are quite happy to allow 128 African babies to die out of every 1,000 live births. In order to understand present economic conditions in Africa, one needs to know why it is that Africa has realised so little of its natural potential, and one also needs to know why so much of its present wealth goes to non-Africans who reside for the most part outside of the continent.

"Africa's history is like that of other colonies"

The Europeans concentrated on producing cheap raw materials for export to Europe. Tea, cotton and jute came from India, sugar from the West Indies, copper from Zambia, cocoa from Ghana, rubber and tin from Malaya, rice from the Phillipines, coffee from Brazil, rubber from Indonesia. The goods were cheap in Europe because the workers were paid very low wages.

LAND WHICH USED TO GROW FOOD NOW GROWS CROPS FOR EXPORT

IS THIS HOW BRITAIN GOT RICH?

6

Competition between the poor countries

The USA is an important customer for primary goods from poor countries.
A customer can choose which "shop" to buy from.

Sugar

In 1975, the USA bought 100 million dollars worth of sugar from Brazil. In 1976, the USA bought *no* sugar from Brazil, but bought more sugar from the Phillipines.

Cocoa

Between 1975 and 1976

Guinea's cocoa exports to the USA fell - from nearly 2 million pounds, to nothing.

Cotton

Between 1970 and 1976 Mexico's cotton exports to the USA were halved.

India's cotton exports increased by 400%

Pakistan's cotton exports to the USA fell by 90%

(Source: US Dept. of Agric. Statistics. Quoted in Susan George

"Feeding the Few, Corporate Control of Food", 1981)

Are they poor because we are rich?
Developing countries in General, the Ex Colonies of Europe.

Poor countries find it hard to develop industry because of the trade laws of rich countries.
Some people call this NEO-COLONIALISM, which means "a new type of colonialism". The ex-colonies produce raw materials and cheap goods for richer countries - they are still being exploited, but in a new way.
Developing countries tend to be poor. "Developed" countries are relatively rich.
Some economists say that they are poor BECAUSE we are rich.

7

WHO BENEFITS FROM COMPETITION BETWEEN THE POOR COUNTRIES?

WHO SUFFERS?

THE U.S.A REFUSED TO BUY CUBAN SUGAR AFTER THE REVOLUTION

HOW DOES COMPETITION KEEP THE PRICES DOWN?

WHAT COULD THE PRIMARY PRODUCERS DO TO KEEP THE PRICES STABLE?

The trade laws of "Developed" countries help to prevent the growth of *industry* in the Developing world.

Import Duties

In Developed Countries *Import Duties* are higher on *processed goods* than on *primary products*. A "Duty" is a tax. (A tax is sometimes called a Tariff).

An Example: Ghana depends on Cocoa as its main export. If it exports raw cocoa to Germany, a duty of 4% is charged on it. If Ghana turns the cocoa into *chocolate bars* in a Ghanaian factory, a duty of 20% is charged on it.

Germany operates a TARIFF BARRIER against Ghanaian chocolate. As a result, Ghanaian chocolate is too expensive in Germany. Ghana cannot develop factories because it cannot find a market for chocolate.

(Source "The Right to Pollute" EAV 1976)

YOUR ESSAY SHOULD EXPLAIN IN YOUR OWN WORDS HOW TARIFF BARRIERS WORK - HOW DO THEY AFFECT THE PRIMARY PRODUCERS? HOW DO THEY AFFECT COUNTRIES LIKE GERMANY AND BRITAIN?

8

WHY ARE THE "DEVELOPED" COUNTRIES KEEN TO IMPORT PRIMARY GOODS, BUT LESS KEEN TO IMPORT MANUFACTURED GOODS?

IS IT SOMETHING TO DO WITH PROTECTING THEIR OWN INDUSTRY?

IT SEEMS AS IF THE COUNTRIES WITH MANUFACTURING INDUSTRY DON'T WANT THE OTHERS TO DEVELOP

9

Price fixing helps to keep primary producers poor

Think of commodities like tea, coffee, sugar and cocoa. They are grown in poor countries and used in rich countries. Commodity prices are fixed in the London commodity markets. Buyers and sellers have different interests. The sellers want high prices; the buyers want low prices. The buyers tend to be big companies in the rich countries. The sellers tend to be big land owners in the poor countries. Landowners are either local rich people, or big companies based in Europe and the U.S.A, (Poorer people own small plots of land but they usually sell their produce to companies, or in the local market.)

Sellers with low prices can sell their goods easily – those with high prices are forced to bring their prices down. Commodities sell at the lowest possible price, and this becomes the "fixed price". Price fixing benefits the buyers more than the sellers, because it is controlled by the buyers. International agreements fix an upper and lower price for each commodity, but "market forces" decide the price within these limits.

Patenting: A way of keeping industry in the hands of big companies.

The big companies have ways of forcing competitors out of business. Sophisticated techniques are used in processing commodities. The machinery is expensive and complicated. It is also patented.

An example: Tanzania wanted to develop its own coffee industry after independence. This was not easy because the big companies owned patents on the techniques and machinery for making instant coffee.

By charging high prices for the use of patented techniques they could make sure that Tanzania's instant coffee was more expensive than their own. Tanzania's effort to produce and sell "Africafé" has been crippled by the big coffee firms. You can read more about this in "Agribusiness in Africa" – Chapter 2. See the list of books for further reading.

WHY DON'T THE SELLERS GET TOGETHER TO KEEP THE PRICES UP?

THAT'S NOT AS EASY AS IT SOUNDS- IN AFRICA A LOT OF THE LAND IS OWNED BY BRITISH COMPANIES. IN SOUTH AMERICA, U.S. COMPANIES OWN LAND

THE SELLERS AREN'T ALL COUNTRIES-SOME ARE COMPANIES. WOULD COMPANIES AND COUNTRIES WANT TO COOPERATE?

COULD THE COFFEE COMPANIES REDUCE THEIR PRICES AND SELL AT A LOSS TO GET THE PRICES DOWN? THEN THEY COULD BUY CHEAP COFFEE FROM THE COUNTRIES

THERE'S COMPETITION BETWEEN COUNTRIES AND COMPANIES

LET'S IMAGINE THE GOVERNMENTS OF BRAZIL AND TANZANIA GET TOGETHER TO TRY AND GET GOOD PRICES FOR THEIR COFFEE

IS THE I.M.F. ANYTHING TO DO WITH TRADE? WHERE CAN WE FIND OUT ABOUT IT?

I'VE LOOKED THROUGH ALL OF THE 'O' LEVEL AND CSE GEOGRAPHY BOOKS THAT DEAL WITH TRADE - THERE'S NOTHING ABOUT COMMODITY MARKETS, OR COMPETITION, OR TARIFF BARRIERS OR PATENTING.

WHAT'S THE I.M.F.?

DO THE 'A' LEVEL BOOKS HAVE ANYTHING?

DO THE ECONOMICS BOOKS HAVE ANYTHING?

WHAT DO THE HISTORY BOOKS SAY ABOUT COLONIALISM?

WHY?

Industry in poorer parts of the world.

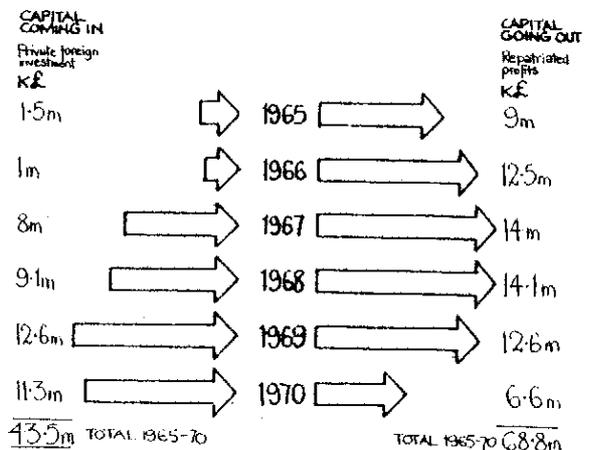
Some Third World countries have industry as well as agriculture. In most countries the industry is owned by foreign companies (multinationals). If a country's industry is controlled by multinational companies, a lot of the profit is drained out of the country. This example, from Kenya, shows that the *outflow* of capital was 50% greater than the *inflow* between 1965 and 1970.

(Source: Rachel Heatley 'Poverty and Power, Zed Press 1979)

Coca Cola invested £40,000 in India, and by 1977 had made £8 million profit.

(Source: The Guardian Weekly 2.10.77)

The Drain of Capital from Kenya



Adapted from C. Leys, *Underdevelopment in Kenya*, (Heinemann, 1975),

Net Earnings of UK companies in South America between 1970 and 1976.

Year	£ millions	British Aid to South America between 1970 and 1976 was less than £20 million (ODA 1983)
1970	27.0	
1971	23.3	
1972	35.5	
1973	54.7	
1974	59.2	
1075	81.7	
1976	109.4	

Source: Department of Industry, Business Statistics Office, HMSO 1978

£390.8 millions in 7 years

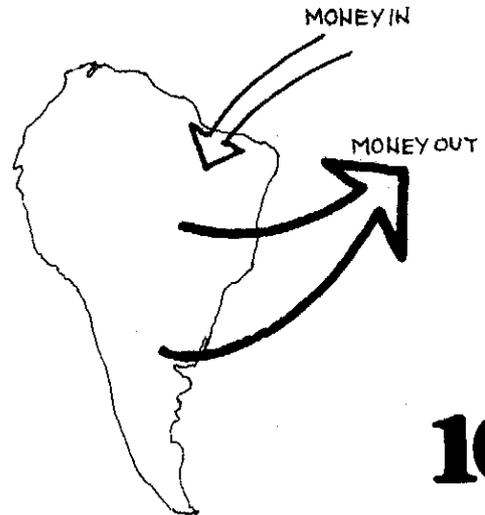
DRAW GRAPHS OF SOME OF THE INFORMATION ON THIS PAGE: USE THEM TO ILLUSTRATE YOUR ESSAY

South America

Profits to Western Companies from Brazil 1966-1976

Company	Inflow of Capital to Brazil	Outflow of Capital from Brazil
British American Tobacco	\$2.5 million	82.3
Esso	\$1.8 million	44.5
Forestone	\$4.1 million	50.2

Source: Latin America Bureau 1980



10

I'M NOT RICH

ARE THEY POOR BECAUSE WE'RE RICH?

WHAT DO WE MEAN BY "US" AND THEM?

ARE THERE ANY RICH PEOPLE IN THE POOR COUNTRIES?

DID EVERYONE IN BRITAIN GET RICH IN COLONIAL TIMES?

BRITAIN

Distribution of total personal wealth 1974

Top 1%	owned 25%
5%	50%
10%	60%
Bottom 80%	owned 14.5%

(Townsend Poverty in the United Kingdom 1979)

Distribution of Assets 1976

	Shares	Land	Houses
Top 1%	54.2%	52%	8.6%
10%	89%	84.1%	37.5%
Bottom 90%	10.4%	15.9%	62.5%

(Royal Commission and Labour Research in CIS Wealth Report 1980)

In El Salvador 2% of the population own 60% of the land.

INCOME

British American Tobacco's pre-tax profits for 1980 were £479 million. The top director's weekly pay was £2,237. The average British B.A.T. employee's weekly pay was £101. (Labour Research 1981)

HOUSING

1.2 million people are on council house waiting lists — one measure of homelessness. Sighismund Berger is said to own over 100,000 houses and flats through 360 companies over the country. (The Guardian 18.10.83)

Further reading

Dinham, B. and Hines, C., *Agribusiness in Africa*, 1983 Earth Resources Ltd., from (258 Pentonville Road, London N1 9JY)

Sinclair, A., *Multinationals in Contemporary Issues in Geography and Education*, Vol. 1, No. 3

Heatley, R., *Poverty and Power*, Zed Press 1979

Hayter, T., *Creation of World Poverty*, Pluto 1981

Rodney, W., *How Europe Underdeveloped Africa*, Bogle L'Ouverture 1972

George, S., *How the Other Half Dies*, Pelican 1976

Facts Sheets on Aid, Work, Women, Technology, North-South, Trade, Commodities and Finance available from Third World First,

DIALOGUE

Dear Editors,

As a former lecturer at the university in Kenya (1976-1982) I would like to bring to the attention of your readers the fact that one of Kenya's leading scientists, the geographer Kamoji K. Wachiira has for the past two years been detained without trial. Kamoji was a senior lecturer in the Department of Geography at Kenyatta University College, Nairobi. He was arrested in June 1982, held incommunicado for three weeks, and then gazetted under the Public Security Act which allows the government to detain anyone indefinitely without trial.

Wachiira's arrest occurred during a wave of persecutions in Kenya of those distinguished by their independence of mind — including several other university lecturers, politicians, journalists and lawyers. The arrests were the government's response to unmanageable economic problems, and to mounting criticisms of the massive corruption in high office, of the undemocratic way in which, in early June 1982, Kenya was made a one-party state, and of the secret deal which the Kenyan government made giving military facilities to the USA.

Most of the six university lecturers arrested in June and July of 1982 had been, like Wachiira, officers of the University Staff Union which had been banned by the government during the previous year. All the arrested lecturers were known for their outstanding commitment to their students, and for the critical and creative way with which they tackled the problems facing the country. No public explanations have at any time been offered for their detention, but it is clear that these arrests were intended to spread a climate of fear and silence among the rest of the staff and students. All these lecturers were subsequently adopted as prisoners of conscience by Amnesty International.

Detention without trial is a cruel device resorted to by governments in Kenya to intimidate the population. Once arrests begin no one knows who will be picked up next on the vague pretext of being a 'threat to national security.' After being arrested, an individual has no access to a lawyer or to habeas corpus. S/he is officially made a 'non person' by being gazetted under the Public Security Act. Their whereabouts is

unknown. But it is known that detainees in Kenya spend most of their time in harsh conditions. They are often in solitary confinement, eating monotonous, often uncooked food, deprived of any purposeful activity or work or regular reading material and outside contact. In Wachiira's case, his wife has only been permitted one visit in two years. Since then it has been reliably learned that he is suffering severe pain and is immobilised with an untreated back condition.

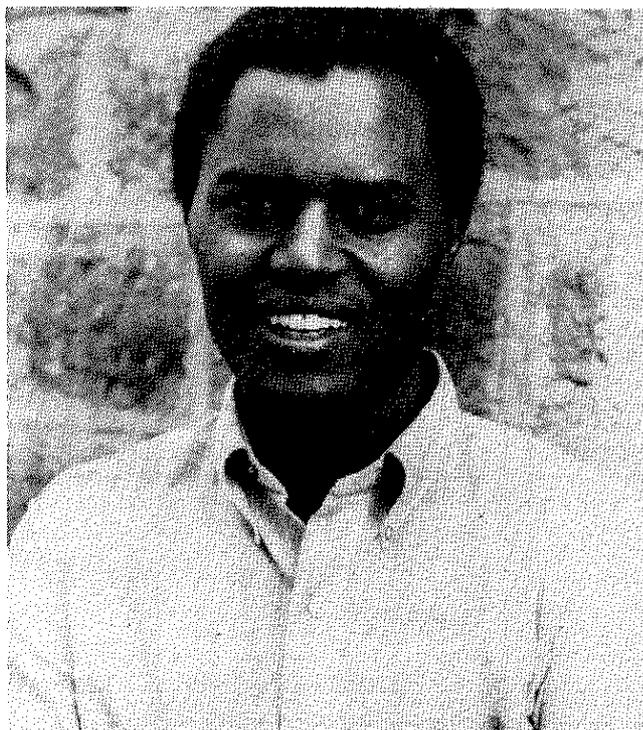
However high the personal costs of indefinite detention without trial, the social costs are equally heavy in a country like Kenya, which desperately needs all its trained people. It is precisely the gifted and innovative individuals like Kamoji Wachiira, who dedicate themselves to thinking of ways of doing things best adapted to local and national conditions, and who are therefore often critical of existing government use of national resources, who are at risk as long as the Public Security Act remains on the books.

Kenya, long accustomed to being held up as a 'showpiece' of democracy and economic stability, is sensitive to international opinion. It is believed that an international campaign for the release of university lecturers and other political prisoners in Kenya has been instrumental in securing the freedom of 4 of the university lecturers. But Wachiira remains in prison, and as his back condition worsens it is urgent to keep up the international pressure. Letters appealing for his release, and that of the other political prisoners in Kenya can be written to

His Excellency Hon. Daniel Arap Moi
President of the Republic of Kenya
State House PO Box 40530
Nairobi, Kenya.

For further information about Kamoji Wachiira, or any of the other political prisoners in Kenya contact the Committee for the release of Political Prisoners in Kenya, 76 Stroud Green Road, London N4 3EN (tel: 01 272 4889).

Nancy Murray (Dr)



Kamoji Wachiira, educated at Washington State University, the University of Washington, and McGill University, is Kenya's leading expert on indigenous trees. He joined the Department of Geography at Kenyatta University College, Nairobi in 1973, and was made a Senior Lecturer in 1979. While at Kenyatta University College he initiated and supervised the development of Kenya's only arboretum for indigenous perennials. His research findings have been included in publications of the US National Academy of Sciences.

Wachiira has also experimented with ways to reduce drastic soil erosion in a country where more than 80% of the land resource is threatened with desertification, and has developed seeds which could help Kenya's small farmers increase their agricultural production. In his teaching he was critical of government policies which allowed large tracts of arable land to remain unproductive in the hands of wealthy absentee owners while hundreds of thousands of Kenyans are landless and underfed. It is grimly ironic that Wachiira's commitment to his country has been 'rewarded' by indefinite imprisonment while Kenya continues to import expensive foreign 'experts' on the grounds that it lacks appropriately trained indigenous scientific expertise.

Kamoji Wachiira is married, with a young son and daughter.

Dear Editors,

Readers may be interested in a piece of research which I did as part of my P.G.C.E. course in Geography. This was stimulated by the first issue of the journal. As you point out in Issue 1, before starting to teach about the Third World it is important to find out what images the pupils have.

In my investigation of the subject, I first wanted to find out which area of the globe was associated with the term 'Third World'; I did this by giving a questionnaire to 43 12 to 15 year olds in a Bradford school. The questionnaire showed a map of the world and asked students to mark on the Third World. The results are shown in the map (fig. no. 1): all thought of at least some part of Africa as the Third World; most thought that the whole of Africa was included; some included the Indian sub-continent. However the rest of the Third World was poorly recognised. It is also interesting to note that 92% of the sample viewed Africa as just one country.

A second questionnaire was circulated, this time to 75 students in the Bradford school and 76 in a school in Kidderminster. Their ages were between 12 and 18 (these schools are 150 miles apart; there is no contact between them). The results obtained from the questionnaire were very similar in both schools.

Could it be that these results give an insight into the views held by the majority of our pupils?

The first question asked, "When you hear the term Third World what do you picture in your mind?" The results are shown in fig. No. 2. Starvation was mentioned many more times than anything else. The other features mentioned can also be listed as "problems". Only one answer hinted at an explanation of these problems:

"I think of people starving and rich countries taking their crops for a very little price."

Not one person mentioned the many developments that are taking place in Third World countries.

The second question asked where the images came from.

The results are shown in fig. No. 3. They show that T.V. really plays a large part in bringing the "reality" of the world into our lives. T.V. is followed by radio, newspapers, then school.

If the T.V. actually portrayed a balanced picture, that could be remembered by viewers then there would be no problem. Unfortunately this is not the case. As Edward Heath pointed out in an Open University broadcast ("Images of the Third World", BBC 1980) the producers will always attempt to highlight the sensations and this serves to give a distorted picture of the world,

Brian Roberts

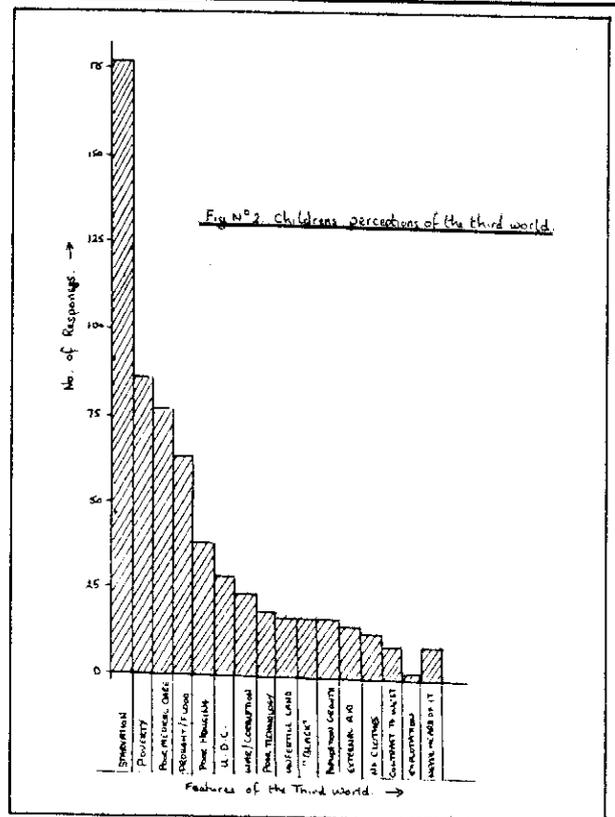
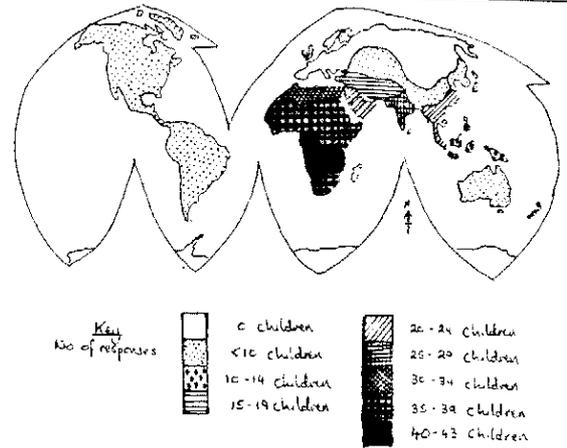


Fig. No. 1. The perceived extent of the third world in a group of 43 children.



ACID RAIN

There is no shortage of people ready to take advantage of our ecological predicament, but what are you doing about it?

Do you use your geography lessons to teach about the economic and social processes which precipitate the environmental issues we hear so much about?

If you do then we are anxious to hear from you.

In Spring 1985, 'Contemporary Issues in Geography and Education' will explore the geography teacher's role in environmental education. The editors are currently seeking contributions and would welcome articles and exercises in draft, or discussion with potential contributors. Material which exposes and corrects the ideological nature of much current environmental education will be particularly welcome.

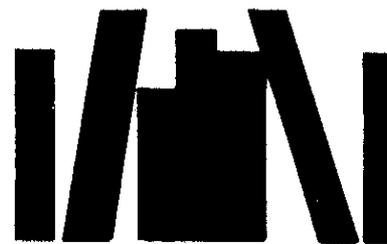
If you have ideas for this issue or wish to be involved please contact John Huckle, Bedford College of Higher Education, Polhill Ave, Bedford, MK41 9EA (0234 51671)

ACID RAIN
SAVE YOUR CAR

WASH-IT-HERE

Q. What is acid rain and why should I be concerned about it?

Reviews



RADICAL GEOGRAPHY — ALTERNATIVE VIEWPOINTS ON CONTEMPORARY ISSUES

Richard Peet, *Methuen 1977.*

The book which is a collection of essays from "Antipode: A Radical Journal of Geography", is intended to introduce the work of radical geographers to a wider audience. These articles cover a wide range of topics ranging from historical geography, through the geography of inequality to the geography of warfare. The contributors include Peet himself, William Bunge, David Slater, David Harvey and Doreen Massey, along with several other writers. There are also essays by Reclus on "The Influence of Man on the Beauty of the Earth" and by Peter Kropotkin on "Decentralisation, Integration of Labour and Human Education".

The latter essay, an extract from Kropotkin's "Fields, Factories and Workshops" (1913), gives an interesting perspective to the discussions which are current on the inter-dependence of national interests and the role of the individual in the shaping of society. He also throws some light on the debate within education about the nature of the product on offer. His view of the purpose of the school system as giving an education to provide "such knowledge as might enable them to be useful workers in science — and at the same time, to give them a general knowledge of what constitutes the basis of technical training, and such a skill in some special trade as would enable each of them to take his or her place in the grand world of the manual production of wealth", is, I feel, rather dated (though it does coincide with the current Tory view of education). It is a view that I cannot agree with, but I feel that the target of education for Kropotkin is the same as mine, that is the development of people capable of independent thought.

Peet provides an interesting and comprehensive outline of the development of Radical Geography in the United States, tracing its origins in the 1960's with the Civil Rights movement and protests against involvement in Vietnam, through the radicalization process of the late 60's to the "Breakthrough to Marxism" of the early 1970's. He finally makes the point that with the increasingly likely collapse of capitalism radical geographers must be ready with a highly developed body of theory to explain the process and to offer revolutionary solutions. To this end several of the articles deal with an analysis of capitalism, Blaut's "Where Was Capitalism Born?" and Harvey's "The Geography of Capitalist Accumulation: A Reconstruction of the Marxian Theory" are two notable examples. An essay on a related subject which I found of particular interest was one on Economic Growth and Cultural Liquidation, using Ireland, Scotland and Wales as examples.

The analysis of capitalism is accompanied by a taste of the kinds of revolutionary alternatives which radical geographers can offer, J M Blaut's "The Theory of Development" provides a brief look at a programme for national development, as does the essay by Buchanan "Reflections on a 'Dirty Word'".

The general tone of the book is strong on criticism but, I feel, rather weak on offering a direction towards the solutions which are available. This is, of course, the value of being involved in the "Continuing Revolution", we are able to use the work of radicals such as the ones dealt with in the book as a foundation for our own working towards revolutionary solutions. The book is, in reality, a history tracing the development of critical theory in geography up to the late 1970's. It is important that the critical foundations are provided by the generation of the 1980's and 90's because it is now that we need to help provide a radical alternative to the corruption of capitalism in Western Europe and North America.

It is as a critique of the economic and academic establishment that this book is most useful. I think that it is essential reading for any geographer wishing to gain some background to the direction of the discipline during the last decade. I found it a very valuable tool in the development of my own ideas regarding geographical philosophy and analysis.

One section about Antipode by Peet is especially relevant to the position in which Contemporary Issues in Geography and Education may find itself. That is the hostility of the establishment to the journal resulted in a crisis of circulation. The repetition of this state of affairs may affect our journal, but let us hope that it continues to provide a platform for challenging and radical alternatives to the established viewpoint and to build a viable alternative form of geographical education.

P. McGreavy

Myers Grove School
Sheffield

Our Policy on Reviews

The editorial board wishes to use the review section to encourage good practice. We intend to promote books and learning materials which we think may be helpful for teachers or students, or discourage the use of materials which work against the objectives of the Association for Curriculum Development in Geography

THE GEOPOLITICS OF INFORMATION

Anthony Smith, Oxford University Press (New York) 1980.

Do the Western media misrepresent world events in a way that disadvantages the underdeveloped countries? Are the cultures of the UDCs being drowned by the flood of Western entertainment and Western world views which reach the people via the new technical methods of transmitting information?

Anthony Smith has examined the way in which our images of the UDCs have evolved, in the light of historical changes in news collection and reporting and in technological developments affecting the transmission of information. He shows how nations in the South are forced to accept a perspective of themselves imposed by the wealthy, industrially advanced nations in the North.

A particularly useful chapter of the book deals with the evolution of the four major Western Press agencies (Reuters, Agence France Presse, United Press International and Associated Press), and how they have come to dominate the way in which news is transmitted worldwide.

"(The news agencies) confine judgements and decisions on what should be known and how it should be made known into the hands of a few. In a situation where the means of information are dominated and monopolised by a few, freedom of these few to propagate information in the manner of their choosing is the virtual denial to the rest of the right to inform and be informed objectively and accurately." (p.69-70)

Throughout the book Smith shows how information has virtually replaced capital goods as the main currency in the international pursuit of profit by the wealthy sections of the globe. The new telecommunications technology is the means by which the developed countries are able to take advantage of the industrial immaturity of the UDCs. This, he suggests, has strangled many cultures in UDCs, while rendering them increasingly dependent on Western governments and companies for a meagre degree of economic growth.

This book is a very useful review of the effects on UDCs of crucial technological developments in the DCs, and does not stop at critique: the way forward for UDCs, Smith argues, lies in new forms of journalism along the lines of the Interpress Service in Latin America, which do not pretend to be objective, as do the Western media, but which explicitly formulate methods of reporting which aim to achieve particular political and economic objectives.

He acknowledges the problems inherent in this form of journalism, but argues that in underdeveloped countries do not take control of the development of their media services now, and if they do not engage in TCDC — technical cooperation among developing countries — the DCs, in particular the United States, will continue to extend inequalities of wealth and power at an increasing rate until world domination is an absolute reality.

The book is recommended reading for all geography students and teachers.

Bren Spandler
Harvard University

Pedagogy of the Oppressed

Paulo Freire, *Penguin Education* — first published 1972. ISBN 014 08 0331 9

It has been almost ten years since I first attempted to read this book. It is relatively short, only 150 pages, but it took me several weeks that first time around. This was, I must confess, because I didn't entirely understand Freire's message. I think that this was largely due to the language used in the book, which I found difficult. A nineteen year old from Leeds or Sao Paulo has a very restricted vocabulary, so

when the first sentence carries a word like axiological and then goes on to deal with concepts such as praxis and the existential situation one reverts to the comforting 'culture of silence' and apathy.

So I welcomed the spur to reread the *Pedagogy of the Oppressed* in order to write a review of one of the basic text books of critical thought in education. Fundamental to Freire's view of education is the idea that it cannot be neutral, that any teacher claiming objectivity is in reality supporting the status quo. He asserts that while most education is a form of 'domination', it can also become 'the practice of freedom' whereby people can deal critically and creatively with situations and participate fully in the running and transformation of their world. This process he calls conscientization. It is in this book that Paulo Freire introduces his view of education for liberation.

The first chapter deals with the nature of oppression and its ability to bring about the dehumanisation of the oppressed. The oppressed are defined as being the peasant classes of the South, but could equally be the people of the working classes in the North. This oppression, which I believe to be much more subtle in Britain than Freire acknowledges, leads to the submersion of the oppressed classes into the 'culture of silence', that is the acceptance by the majority of a pre-packaged view of the world presented for mass-consumption by a small elite.

Chapter 2, which I found of particular interest, outlines the two basic strategies of education. The first, the 'banking' model, is familiar to us all from our own experiences in schools. With this system students are the depositories of the teachers' knowledge and opinions, they have their powers of critical observation and creative thought minimised or eliminated, all of which Freire asserts serves the interests of the oppressors.

Freire writes that 'Narration' (with the teacher as narrator) leads the students to memorise mechanically the narrated content. Worse still, it turns them into 'containers', into receptacles to be filled by the teacher. The more completely she fills the receptacle, the better a teacher she is the more meekly the receptacles permit themselves to be filled, the better students they are . . . Instead of communicating, the teacher issues communiqués, and 'makes deposits' which the students patiently receive, memorise and repeat. This is the 'banking' concept of education.

'In the Banking concept of education, knowledge is a gift, bestowed by those who consider themselves knowledgeable upon those whom they consider to know nothing. Projecting an absolute ignorance onto others, a characteristic of the ideology of oppression, negates education and knowledge as processes of inquiry.'

Freire argues that students are 'educated' into passivity; the more they work at storing and retrieving information, the less they develop a critical consciousness. The more they adapt to the world as it is, and to the fragmented view of reality deposited in them, the less capable they are of changing the world they live in.

The second strategy, that of libertarian education, forms the bulk of the rest of the book. In essence it is the antithesis of the banking model, it involves the development of a dialogue between student and teacher. The differentiation between teacher and taught ceases to exist, they become jointly responsible for a process by which all are educated, perceiving critically the world that they inhabit and understanding that they are capable of transforming the world. As a conclusion Freire notes that in order to bring about any change in society the educators must achieve a unity and co-operation with people; this doesn't exist at present. The pedagogy 'must be forged with, not for the oppressed (be they individuals or whole peoples)', which I think is a valuable point to be aware of. He also points out that there is a need for constant dialogue in order to prevent the entrenchment of vested interests, which in their turn become the oppressors.

The book is one which should be read by all educators, especially ones who regard themselves as socialist or egalitarian in outlook. It is one of the foundation stones of radical education and therefore radical geographical education, where educators should be attempting to put Freire's views into action. Although the language used in the translation makes the work rather difficult, it is well worth reading.

Paul McCreavy, *Myer's Grove School, Sheffield.*

DISCOVERING OUR LAND: THE GEOGRAPHY OF NORTH AMERICA

(*Filmstrips and accompanying cassette tapes*). Walt Disney Educational Media Company. Unit price: \$229 (U.S.)

The producers of this package evidently believe that the child of the 'eighties will best learn basic geography if it is presented in the gabble and clatter of the television screen. But after viewing the 647 frames, and almost one hundred minutes of commentary (serialized in ten episodes'), this reviewer was not convinced that the pace and mode of presentation was particularly conducive to learning.

The ten filmstrips claim to show 'how continental and regional forces (sic) of climate, water, land formations and soils combine to create the physical geography of North America' and 'how geography has determined our use of land and how this use has shaped our history, our national and regional character, cities, technology and our future'. But for 'North America' one should in fact read 'the United States of America' as Canada seldom intrudes, and Mexico never. The series is surely mis-titled.

The visuals consist of a blend of ground and satellite photographs, purpose-drawn maps, archive material for the historical sequences, and an occasional cartoon. The narrative is a mixture of straight instructional monologue and character pieces. The presentation is deliberately varied; no two filmstrips are scripted in the same way. Yet, although it might be claimed that the resulting variety should assist in stimulating and motivating an audience, the series seem generally to lack continuity or authority. The rapid pace, akin to an American television news presentation, leaves no time for images, facts or relationships to be digested, each frame being projected for less than 10 seconds on average. This format cannot accommodate an inquiry approach to learning; exposition is dominant.

The spaceship imagery is paramount throughout. Tenuous comparisons are made repeatedly between the complex patterns and processes of Earth and the working of a spaceship and its 'life support systems.' It appears that the producers of this series believe that the characteristics of a spaceship and the meaning of NASA jargon are well known to the average grade 6 child and may therefore be used as an aid in explaining the functioning of Earth. Similarly, catchy phrases are adopted in the commentary: climatic processes become 'The Climate Machine,' temporal changes become 'The Time Machine,' soil development becomes 'The Soil Factory.' A television variety show provides the format for Filmstrip 4, 'The Dirt Show', which, despite its title, is a systematic comparison of soil types. The producers see no distinction between entertainment and instruction.

A white Anglo-Saxon bias is evident throughout the series. The noble concept of 'Frontierism' is stressed in several episodes. The continent is described as having been 'an empty continent,' a 'new land,' 'a kingdom of riches without kings' when Europeans responded to 'the challenge' and began to shift the Frontier westward. The ruthless extermination/enslavement/expulsion of indigenous cultures by Europeans is conveniently and totally ignored. Indians are not mentioned once (even in Filmstrip 6: The Frontier). Similarly, immigration into North America is portrayed solely as a European movement. No mention is made of the forced migration of hundreds of thousands of African slaves to North America in the eighteenth and nineteenth centuries. Even good old 'King Cotton' is described without reference to Slavery (Filmstrip 9: The Land and Technology). Thus the history of the United States is 'whitewashed' by Walt Disney.

There is much to be questioned about the Geography presented, but a few examples will have to suffice in a short review. The discipline itself is oddly defined in Filmstrip 2: 'Today's Geography is Space Satellites and Computers' — a definition which helps no one: so is today's warfare. 'Eurasia' is said to be one of the continents, but dictionaries confirm that it is two. The continental divide, given in Filmstrip 2 as the easterly boundary of North America's 'western region' is not an accepted basis for regional definition. The images of mountains plucking rain out of clouds (the 'Ships of the Sky') alluded to in Filmstrip 4 suggest that relief plays a much more active role than it does in the precipitation process. The colours and conventions of the filmstrip cartography leave much to be desired. One of the accompanying spirit duplicator originals is a nonsensical map defining most of the world as 'land favourable for habitation' — including densely populated areas of the Third World.

There is, in summary, much in the content of this material which is erroneous, simplistic, jargonistic, jingoistic, propagandistic or trite. Even the manufacture and assembly of the package leaves something to be desired. The reviewer was unable to see Filmstrip 3 because an extra Filmstrip 2 was packed into its box instead and the 'inaudible signal' to change frames automatically failed several times in two of the filmstrips viewed.

The teachers Guide accompanying the package suggests an audience 'Grades 6 through 12' — a wide age range indeed. The producers claim the filmstrips will make lessons memorable. There are indeed some acceptable sequences, such as the soil profiles in Filmstrip 4 and aspects of the water cycle described in Filmstrip 2. But readers of this journal are likely to be dismayed in particular by the latent racism of the series and seek other ways of making their lessons on North America memorable.

Mike Morrissey
School of Education, University of the West Indies



NEWS

Recently-published textbooks, tied to the most widely used geography syllabus in British schools, are "Western propaganda and part of a subtle system of indoctrination," according to the Association for Curriculum Development in Geography.

The books foster capitalist ideology, to the exclusion of alternatives, the association says. They present value judgments on subjects such as population growth and rural poverty as facts, draw few examples from socialist countries, and fail to examine closely the role of multinational companies, or to question the existing relationships between first and third world countries.

One author also alleges that his work was altered by the three agencies overseeing publication of the books - the Overseas Development Agency, which funded them, the Schools Council, and Nelson, the publisher.

The six textbooks to question were published in the early 1980s as an extension to the Schools Council's Geography for the Young School Leaver course. The titles are *Developing Cities, Tourism, The Middle East, Food, Farming and Finance, Peru, and Patterns of Underdevelopment*.

Older materials connected with the project have been widely criticised as racist, and a half day session at the project's annual conference is to be given over to discussing what can be done about their use.

Geography syllabus works attacked. Hilary Wilce reports

Textbook 'propaganda'



Dawn Gill... books "support an inequitable status quo in world affairs."

But the newer textbooks are no improvement, according to Ms Dawn Gill, of the association, who, writing in the current edition of the association's journal, *Contemporary Issues in Geography and Education*, calls them "the Emperor's new clothes".

"The books lack a clear explanatory framework, and fail to provide alternative viewpoints," she writes. "The current system of power relationships - globally and nationally - is presented as natural and inevitable. The books fail to encourage critical questioning of these power relationships, thus they support an inequitable status quo in world affairs."

The course books are no worse than most other geography texts, she points out. But changes to the course, which is taught in half London's secondary schools and widely throughout the country, would affect more pupils than changes in other texts.

One of the many criticisms made is that key ideas listed in the teachers' guide to each book present value judgment as fact. The notion "population growth is putting pressure on world resources" could equally well be turned round to argue that the unequal distribution of world's wealth is causing a high birthrate in some areas, Ms Gill argues.



Two of the titles.

A closer analysis of one book, *Developing Cities*, by Mervyn Jones, attacks the book for failing to address relationships between the city and country, and between poor and wealthy countries. "Problems seem to be internal to the city... Problems may therefore seem to be of people's own making."

Mr John Simpson, a course project co-ordinator for the South West of

England, and one of the authors of *Peru*, claims that his work was circumvented by the funding and editing process. A section on aid appeared in the book which he had never seen before publication.

The changes the manuscript went through were subtle ones, he said. They did not amount to censorship, but to editing by committee. He was worried by how close a control government agencies and a multinational publishing company could have on curriculum development.

A spokesman for the Overseas Development Agency said that although it funded the books "content was never our concern at all". Its only contact was that ODA had been asked to suggest people to sit on the Schools Council GYSL extension committee.

Mr Trevor Higginbottom, project co-ordinator for the course, said he found the criticisms of the newer textbooks "interesting".

"One of the things they say is that the books don't have a neutral viewpoint - it would be quite interesting to see curriculum materials that are neutral."

Ms Pamela Bowen, of the publishers, Nelson, said she had not yet had time to read the criticism. Of the older materials she said, "Our line has always been that teachers are intelligent beings capable of using them with care, bearing in mind the date (1974) of publication."

THE TIMES EDUCATIONAL

SUPPLEMENT 22.6.84

RACIAL EXCLUSIONISM AND THE CITY: THE URBAN SUPPORT OF THE NATIONAL FRONT,

Christopher T. Husbands (*George Allen and Unwin, London, 1983*) £18.60, ISBN 0-04-329045-0

Husbands' book will not only appeal to lecturers and researchers with an interest in urban, political and electoral geography, but also to those with the aim of developing a clear understanding of the historical nature and contemporary pattern of racism in England today.

Husbands attempts to explain the spatial pattern of National Front support in the 1970's in England by drawing on both contemporary and historical material. He effectively combines data from a questionnaire survey of 1499 respondents with extensive inquiries into the social histories and political traditions of thirteen urban areas. The areas include Shoreditch, Edmonton, Wolverhampton, Bradford, Slough, Blackburn, Thurmaston and Leicester.

Using attitude scaling techniques he tests common beliefs about the "detrimental" effects of black people on housing and neighbourhood, education and social security, and jobs and promotion. His major finding is that despite the lack of social distinctiveness between National Front sympathizers and non-sympathizers, there is an important localized and ideological basis to National Front sympathy. This phenomenon helps to explain why certain urban areas have been, and still are, particularly susceptible to racist politics. The issues which have the most statistically significant link with racialism are those concerned with collective consumption. Husbands demonstrates that anxieties about the spatially-constrained factors of housing and neighbourhood are exploited by the National Front, and that the ideological nature of National Front support tends to rely on ignorance in relation to housing shortage and the causes of unemployment in the inner city.

Husbands' book is a welcome addition, both to the literature on British Fascism and to the broader area of social relations in the inner city. Its importance lies in taking us away from the traditional practice of analysing National Front support in terms of Nazism. The significance he places on territorialism and localism as characteristics of working class structure, the corollary of which are parochialism and a sensitivity to supposed threat, has revealed the importance of geographical considerations for any analysis of the growth of racist politics (p.143). The message to the reader is that the electoral decline of the National Front, since its peak in 1976, cannot be equated with its total demise. Racism is neither a temporary nor aberrant feature of English culture; its deep-rootedness, particular in certain localities, makes it an electorally auspicious issue.

Husbands has produced a stimulating piece of work which is logically presented and written with his usual graphic clarity. Even if readers may wish to skip through the more technical aspects, such as the construction of the categoric

scale of political sympathy, there is a great deal of useful material within its pages.

Linda Peake
School of Development Studies, University of East Anglia, Norwich.

G.Y.S.L. Education or Indoctrination?

To indoctrinate is to present one viewpoint to the exclusion of others. Education would involve the examination of alternative viewpoints, and alternative explanatory frameworks.

The Association for Curriculum Development in Geography is concerned to expose the ideological implications of curriculum content in G.Y.S.L. (Geography for the Young School Leaver), which is the most widely used and influential school geography examination course in Britain.

In Issue 2 of this journal we began a series of critiques of the new G.Y.S.L. teaching materials - textbooks published by Nelson in association with the Schools Council and the Overseas Development Administration. We argue that the books represent subtle indoctrination; the current system of power relationships, nationally and globally is presented as natural and inevitable; the books fail to encourage critical questioning of these power relationships; they present ideas and information consistent with fostering western capitalist ideology to the exclusion of other information and ideas.

The *Times Education Supplement* drew attention nationally to our concerns in an article entitled "Textbook Propaganda" (Hilary Wilce 22. 6. 84). This has resulted in a widespread interest in the critiques; we have had many letters from teachers and others requesting the full collection. We have therefore decided to publish the critiques as an "occasional paper" which we intend to have ready in time for the annual G.Y.S.L. national conference in Cambridge in September 1984.

Several members of the Journal's editorial group have agreed to run workshops at the G.Y.S.L. annual conference (Ian Cook, John Huckle, Anne Simpson and Dawn Gill) in addition, two of the Association's local co-ordinators (Paul McGreavy and John Simpson) will make major conference contributions.

The critiques

Critique of recent G.Y.S.L. material is available as A.C.D.G. Occasional Paper no. 3 from Frances Slater, London University Institute of Education, Bedford Way, London WC1. (£2) The critique of the older materials which are viewed as overtly racist (*The Teacher* 28.11.83, *The New Statesman* 17.12.83 and *The Guardian* 24.1.84) - and which Nelson steadfastly refuses to withdraw from the market - is available as working paper no 2 from the Centre for Multicultural Education, London University Institute of Education, Bedford Way, London WC1. (£1) Readers may be interested to read also the report on geography in a multicultural society, which the Schools Council commissioned in 1981 and then refused to publish for reasons explained in Rick Rogers' article "Great Britain Versus the World" (*Guardian*, 26.10.83). It is available from the Commission for Racial Equality, Elliot House, 10-12 Allington Street, London SW1.

Contemporary Issues in Geography and Education

Co-ordinating Co-editors: Ian Cook and Dawn Gill

Editorial Group

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Ian Cook *Senior Lecturer, Liverpool Polytechnic*
Dawn Gill *Head of Geography, Quintin Kynaston School (ILEA)*
Don Harrison *Education Worker, Oxfam (Newcastle)*
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Naimat Yousif *Student, Quintin Kynaston School (ILEA)*

Neil Larkin *Teacher, Forest Gate School (Newham)*

Each journal will focus on a specific theme; a different member of the editorial board will be responsible for collecting the articles for each one, and will be the *'Theme Editor'*. The co-ordinating co-editors will maintain continuity, collect news, and take responsibility for other aspects of organization.

The views expressed in this journal are not to be taken as indicating the policy of organizations to which the members of the Editorial Board belong. Theme editors work in a personal capacity.

Acknowledgements

We are grateful for the help and support of the ILEA Multi Ethnic Inspectorate. The ILEA Centre for Anti Racist Education. Centre for Multicultural Education, London University Institute of Education. The Commission for Racial Equality and Network photographers.

Dialogue

There is space in this journal for reader's contributions. We welcome your participation here and in other sections of the journal.

We hope that readers will subscribe to Volume 2 of this journal.

ISSUE 4: SOUTH AFRICA AND THE GLOBAL ECONOMY

This issue follows two on anti-racist education and one on the Global Capitalist Economy.

Its aims are:

1. to examine the role that foreign investment has traditionally played in sustaining apartheid,
2. To examine the role that South Africa plays in the international capitalist economy.
3. to explore the links between governments and Multinational Companies in relation to the maintenance of apartheid,
4. to demonstrate that British geographical education is supportive of apartheid,
5. to provide teaching materials on South Africa as a country in which 'The First World' and 'The Third World' are created side by side: i.e. to facilitate an understanding of the influence of ideology on spatial patterns.
6. to present South Africa as an area of geographical study in which sound geographical and anti-racist education can be combined in a way which may help illuminate global economic issues.

ISSUE 5

The Global Ecosystem, Environment and Education.

ISSUE 6

The Geography of War and Peace

THE GLOBAL ECONOMY: TRADE, AID AND MULTINATIONALS 2

Theme Editor: Anne Simpson
Co-ordinating Editors: Ian Cook and Dawn Gill

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Notes for Contributors

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Contributions may vary in length, according to the section of the journal for which they are intended. 4000 words is the usual maximum for the DISCUSSION section; OPEN SPACE articles are usually shorter. Typewritten scripts are easier for us to deal with than handwritten ones, but we recognise that many teachers and students may not find it easy to get work typed. Handwritten work is welcome. Please write on one side of the paper, on every other line. Lesson plans, worksheets etc. should come as they are — spirit duplicated, hand written, or typed and illustrated.

Please try to provide illustrations for your work wherever possible. Maps, diagrams, graphs, cartoons etc. should be in black ink. Photographs: the clearer the better. Size: printed size or bigger.

Referencing: we prefer the Harvard system, as used in the first issue.

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ERRATA - Vol.1, No.3 1984

- (a) p.2 Geoff Mulgan works for the Greater London Enterprise Board, but is writing in a personal capacity.
- (b) p.5 Cartoon from 'Between the Lines' Maclean 1981.
- (c) p.7 Cartoon from 'Between the Lines' Maclean 1981.
- (d) p.17 Title to the graphic on aid and repression is 'Countries Receiving United States Military Aid that Practised Torture on an Administrative Basis in the 1970's'. Source: Chomsky and Herman 'The Washington Connection and Third World Fascism' Spokesman Books 1979.
- (e) p.20 Alan Sinclair until recently worked for Scottish Education and Action for Development. Parts of this article originally appeared in Links No.8 produced by Third World First, 232 Cowley Road, Oxford.
- (f) p.21 Heading to paragraph 6 should read 'Multinationals Bring Investment Funds and Foreign Exchange'.
- (g) p.22 Heading to the second to last paragraph should read 'Multinationals Stimulate the Economy'. Table of Multinationals and Countries is from 'Trilateralism' Sklar ed. 1980.
- (h) p.29 Photograph is of Guatemalan Coke workers following their successful occupation of the factory this year.
- (i) p.28 Banana graphic is from 'It Ain't Fair' published by Christian Aid, P.O. Box 1 London SW9 8BH.
- (j) p.36 Teachers notes should read 'Copies of Information Sheets on page 37'. The photograph shows textile workers in Scotland. Textile workers from South East Asia are shown in 'For a Few Dollars More' produced by War on Want, 467 Caledonian Road, London N7. Clue cards are on p. 38.

Editorial Group

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