

6

ETHICS OF FOREIGN AID: WHY IS IT ALWAYS IGNORED?

*Anil Gupta, Centre for Management in Agriculture
& Chairperson, Centre for Educational Innovation,
Indian Institute of Management, Ahmedabad-380015, India*

Introduction

"Aid tends to perpetuate the status quo even when, through policy dialogue, donor countries and agencies wish to modify the status quo in some non-trivial way....A particular and unfortunately rather common difficulty arises when the status quo is the main obstacle to the alleviation of poverty. In such circumstances foreign aid, by strengthening the status quo becomes part of the problem of development rather than part of the solution" (Griffin, 1991, p.668).

Context

When aid does want to change the status quo as it did in Chile, and India (through 'Community Development Programs', PL 480 food shipments etc.) one is not sure whether it does so in the interest of the poor and the disadvantaged. The moral argument so vehemently stated in the Aid Doctrine of the sixties (see the debate between Cropsey, 1963; Goldwin, 1963 and Banfield, 1963) gives way to pure and simple strategic concerns of the donors (and even those are not pursued efficiently some times).

With the Project Camelot, the context of ethics of foreign aid got fundamentally transformed. I do not know how many of those present in this meeting have heard about project Camelot. If many have not, it partly has to do with the way academic establishments work. It also has something to do with the

Before I describe the history of Project Camelot, I want to very clearly state three of my assumptions:

- 1) Foreign aid agencies like any other social group, comprise people, who are good or bad professionals and whose intentions vary from being entirely professional to entirely political.
- 2) If every other sub-system of society is ridden with contradictions, aid agencies are no exception.
- 3) Any aid agency can do damage or good in another society only in proportion to what the host institutions permit.

Therefore, the ethical issues in foreign aid impinge as much on the giver as on receiver. The responsibility of the giver is often higher simply because it has had more opportunities to learn.

Having said so, let me also add that the importance of aid should not be seen merely in terms of volume. India received hardly six to seven percent of its GDP in the form of foreign aid in the mid-80s, up from 2 to 3 per cent in sixties. Some colleagues have wondered as to how policies in our country could be manipulated by the aid agencies (Vanaik, 1990). I will demonstrate in this paper that a country highly dependent on aid can have very strong policies, for example Bhutan. And a country with very low dependence like India can have weak policies and highly permeable institutions. However, certain characteristics of aid hold good for both Bhutan and India (or any other African or Latin American country).

I also intend to deal with ethical issues which influence the academic world because of the way it enables donors and receivers to legitimize various transactions. After all it is the academicians (of varying quality) who are supposed to serve as experts in various appraisal missions, expert groups and evaluation committees. Even if we do not do so, we are affected by the grants aid agencies give for our research programs to continue within or

*in Criteria for Foreign Aid, Ed. Faiz Dabry,
Aashu, The Development Research Society, Aashu University, 1992*

outside the country (except those institutions which have their own endowments or can earn their living through other means).

I realize that while commenting on such a subject I may hurt the sensibilities of some friends. Let me make it clear that I may be as guilty as any body else of various acts of commission and omission. My purpose in sharing these thoughts is to generate an agenda for further research and discussion such that we decide to speak, even when expediency demands silence.

The instruments of influence and vectors of ethical dilemmas

1. *Covert research and overt legitimacy. The case of project Camelot* Horowitz (1974) in his famous book on the Rise and Fall of Project Camelot, raises questions about trade off between "science and policy, between public findings and secret data, between the myths of society and the facts of sociology, between objectivity and commitment...." The project Camelot was supposed to determine,

.. the feasibility of developing a general social system model which would make it possible to predict and influence politically significant aspects of social change in the developing nations of the world. Some what more specifically, its objectives were:

First, to devise procedures for assessing the potential for internal war within national societies, second, to identify with increasing degrees of confidence, those actions which a government might take to relieve conditions which are assessed as giving rise to a potential for internal war; and finally, to assess the feasibility of prescribing the characteristics of a system for obtaining and using the essential information needed for doing the above two things(Horowitz, 1974,p.5).

Horowitz summarizes six features identified by the people working in the Project Camelot reflecting on their collective dilemma.

First, those involved wanted to create relevance of social science through an inter-disciplinary perspective. It was thought that Project provided a bona fide opportunity for fundamental research with relatively unlimited funds. They did not ask too many questions about the military sources of funds or the ultimate purpose of the project.

Second, many of the researchers felt that Camelot provided more freedom to do fundamental research in non-academic environment than would be possible in an university or college.

Third, a large number of researchers were distinctly uncomfortable with the military sponsorship but their response was, "the army had to be educated". Implicit was the idea, "that the discipline and the order embodied by an army could be channeled in to the process of economic and social development in the United States as well in many parts of the third world" (Horowitz, 1974,p.7).

Fourth, for many of the Camelot social scientists there existed a profound belief in the perfectibility of mankind. They thought that the military establishment could play a major role in speeding up the process of growth.

Fifth, one of the long range purposes of Camelot was to prevent another revolutionary holocaust. Those involved, "saw little difference between scholars engaged in the war against poverty and those directly concerned with the war against violence" (Horowitz, 1974,p.8).

Sixth, none of the people involved felt that they were spying for the United State government or for anyone else.

The whole balloon burst in a very dramatic manner. Horowitz provides graphic account of this tale. In May, 1965, newspapers in Chile were full of tales of the spying and academics being used for this purpose. One of the

former citizens of Chile and faculty at University of Pittsburgh, Mr. Nuttine was contracted at his request to explore the possibilities of finding out collaborating scientists in Chile for minor ethnographic surveys. Around the same time, John Galtung was also invited but refused to participate in a conference. Among other reasons, he found it difficult to appreciate as to why studies of counter insurgency were not accompanied by the studies of the conditions, "under which Latin American nations might intervene in the affairs of the United States". Galtung had shared the original proposal of the project Camelot as well as his letter with a large number of professional colleagues. Thus, when Nuttine met the vice-chancellor of the University of Chile on April 22, he was asked about the larger purpose of project Camelot. Before he could have answered, the vice-chancellor took out the background paper of the Project. Immediately the Chilean press was full of headlines with the accusations of intervention, imperialism and the scandal of Project Camelot. After a while, US Ambassador to Chile asked for an unconditional cancellation of Project Camelot's activities in Chile. After considerable controversy and debate between the Camelot officials, state department and others in the US, the demands for congregational hearing were made. And finally Dean Rusk and Robert S. McNamara respective heads of state and defense departments worked out an agreement on future lines of responsibility regarding foreign area research projects. The Project Camelot was canceled. Once the news of this project was out, the questions were raised about similar projects sponsored by defense department concerning French, Canada (project revolt) and rural politics in Columbia (project simpatico) etc. While the details of how Project Camelot stirred the conscience of academics the world over, is given in the book by Horowitz, some of the lessons are given here.

Martial Sahlins, world-renowned anthropologist from the University of Michigan objected to the operation of academics as agents of political ideology. He felt that as autonomous scientists, it was necessary that professionals refused to be used for defense, foreign policy or intelligence agencies of the US government. He also felt that it will be difficult to legislate ethics.

It is not as if the ghost of Project Camelot has been buried for ever. It is not unusual to hear statements in India alluding to a foreign hand whenever something critical about the government is articulated. For instance, the Home Minister recently stated in the context of human rights violations being reported by various newspapers that he was aware of the connection between editors of some of the newspapers and CIA. Similarly, several senior politicians alleged that social movement against the Narmada dam was being instigated by foreign agencies not interested in Indian development.

Without denying the possibility of actual operation of foreign hand in many troublesome areas of the national polity, one has to be very careful about using this as a general explanation for any censure of governmental policies or projects. It is beyond the scope of the paper to discuss what are the ways in which third world governments and scholars can be vigilant about such influences. What I indeed want to talk about is the way aid policies generate ethical dilemmas.

2. *Sharing information with those affected*

In most developing countries and perhaps even the developed countries, the project documents are rarely shared with the affected parties particularly the disadvantaged rural people. One can argue that such a weakness exists not only in the aided projects but even in the unaided ones. However, the fact that the aided projects involve accountability to different societies, makes it necessary that standards of accountability and openness are far more rigorous. For instance, most infrastructural projects or other developmental projects involving millions of dollars can actually afford an expenditure of a few thousand dollars for making of large number of copies of the project summary in local language. A copy of such a summary could be sent to the local bodies in all the affected villages and through posters and otherwise people must be informed about the costs and benefits. The ethics of total absence of such a strategy does not have to be underlined.

3. Policy advice and nation building

In the 1950s, soon after Independence, India had a mature leadership representing different interest groups, regions and strengths of liberal, democratic philosophy. It was natural that in his anxiety to modernize, Nehru should have repudiated Gandhian philosophy and alternatives. Being a true democrat, his strength was that he permitted debate and acknowledged his errors whenever he could. In his cabinet, there was a minister for food and agriculture, who was a man of literature, very well read and highly committed to a culturally anchored development strategy. K.M. Munshi, once in 1952, while addressing senior agricultural research scientists talked about a Gospel of the Dirty Hand. Among other things, he very strongly argued that the agricultural workers and scientists interacting with the farmers, should use such terms which strike a chord in the hearts of people. He recalled how Gandhi moved the millions of people by his calls because he always used an idiom of popular expression. He was very critical that Indian scientists used an American term 'extension', which, he felt, meant enlargement. This concept, he felt, would not bring people closer to the farmers. His fear was that a breed of middle class officials will be developed which would never like to soil their hands and, thus, would not be able to identify with the concerns of the poor people.

However, after few years the influence of international advisors sitting in Krishi Bhavan (the building housing the Ministry of Food and Agriculture) won and K M Munshi lost. The consequences are there for all of us to see. The indigenous concept of land transformation through involvement of a Land Army of rural youth and the scientists was rejected in favor of a bureaucratically governed extension program. The aid had made an extraordinary difference, of course, through indigenous collaborators.

4. Bureaucratic expansion and budget deficits

There is a crisis in most developing countries because of the increasing budget deficit and the inability of the states to provide for the basic needs

¹ A term used for, often, government organized advisory service to farmers.

of the people. While there are many reasons for such a state of affairs, one of the important ones is that most of the programs initiated with the foreign aid required setting up of separate agencies which subsequently had to be absorbed in the public services. Similarly, huge credits were given under the name of "Training and Visit", "Operation Flood" and various other programs to create bureaucracies in the public or cooperative sector predominantly subsidized by the states. Today, most aid agencies argue for privatization - not realizing the extraordinary dynamics that the organized sector can create in any society. The ethics of experiments with very poor specification of the model and priorities have cost most developing countries a great deal.

5. Aid through waste

The use of drugs, chemicals, pesticides and a large number of other such inputs which are banned in the country of origin are allowed in the Third World. However, this will not be possible if the international organizations such as FAO and World Bank make it categorically clear that such policies are against the standards of ethical accountability which cannot vary from one country to another. Various sectoral reviews done by these agencies not only do not say anything about such practices but even indirectly encourage such policies which affect the poor people adversely.

6. Educational System

Under the policy of low price text books and of course in the context of inertia of Third World intellectuals, a significant erasure from public minds of local cultural and institutional heritage has taken place all over the world. For instance, a large number of text books of agricultural sciences during the colonial period as well as in the post-independence period upto the late 50s dealt with the best of the tradition along with the best of the model (best as understood at that time). In the post-60s the best of the traditional practices disappears from the text books. This happened with the advent of a mutilated model of land grant universities from America. There is no doubt that one cannot blame the aid policy or the agencies entirely for this distortion. However, since a large number of intellectuals from the Third World went for their higher degrees to American universities

under the bilateral aid programs, such a consciousness unfortunately was never built up.

7. Aid induced modernization project

Some of the problems essentially related to the grant modernization project on which most developing countries embarked without looking at their culture, social and ecological conditions and long term needs of their societies. It is well known that if every Third World citizen aspired for the lifestyle of an average European or American, there just would not be enough resources for such a project to come about. Given the non-sustainability of such lifestyles, what could be the purpose of foreign aid? Either it will try to generate demand through global integration of economies for the products of the developed world and increased exports from the developing world. This would be possible by further increasing the consumption in the developed world and could trigger a chain reaction to curb the access of a large majority of the people in the developing world to those natural resources which if made equitably available would prevent an export led model to work altogether.

Alternatively, the aid policy can aim at generating increased competence among the institutions of the developing countries such that they can move to a path of self-reliance with fair distribution of resources and opportunities.

Obviously the second alternative is not on the agenda. And to a great extent the responsibility is the Third World leaders' and intellectuals'.

Let us assume that foreign aid is stopped, what will happen? How will it affect the poor people in the villages, tribals living in the forests and other marginal communities, which are by and large outside the orbit of public services and actually have to rely on their own ingenuity for survival. Surely, the lifestyle of the top 10 percent might be affected just as the lifestyle of the middle class would be affected. The consumerist culture generating a need for unbridled consumption would not be able to grow. The

pressure for innovation and creativity for improving efficiency through indigenous innovations may increase. The efficiency so achieved might generate technological changes which require low external input and non-renewable energy.

8. Expatriate consultants and native learners: 'stooges, hired guns, or musketeers?'

Aid involves extending expertise often through expatriate consultants. This is also a way of taking from the right hand (in the form of consultancy payments) what the left hand gives (in the form of aid assistance). Gow (1991) provides graphic illustrations of the role expatriates can play ranging from training, watchdog to surveillance. He very rightly emphasizes that, "Like one's personal sex life, it is not a topic deemed worthy of public discourse. Yet it has endangered a rich, somewhat clandestine oral tradition" (Gow, 1991).

Most projects lack norms of clear accountability, are non-sustainable and ignore the process of institution building (also see Nurul Islam, 1983). The debate between blueprint or process approach (Gupta, 1981, Korten, 1984) has never been resolved satisfactorily although the weight of evidence is on the side of the process approach. However, investing in the processes implies sensitivity to local culture, customs and traditions. Gow describes several roles for the expatriate consultants such as performer, teacher, stooges, hired guns and musketeers.

More often than not the reports of the consultants are never shared with the people who may be contacted for picking their brains in the native country.

9. Reinforcing mediocrity

There have been cases where the professional competence of the consultant has been suspect and yet the counterpart colleagues in the developing countries may remain under the impression that advice of the consultant is superior to their own judgment. One of the most serious problems I have seen in the context of internationally aided projects and I include in this

projects supported by even international centres of agricultural research, that mediocrity among the host scientists is reinforced and excellence is shunned. A mediocre consultant has a vested interest in complimenting activities which otherwise deserves strong criticism. This way he can mask his own incompetence. One of the unfortunate side effects of such advice is that many of the native scholars who critique mediocre performance becomes suspect in the mind of project professionals of the host country. After all haven't an outsider given an excellent chit to their activities!

The modified dependence theory explored the relationship between first and third world academics. Using western theoretical lenses to view one's own culture can often alienate the third world scientists from their own society (Alatas, 1974, Goonatilake, 1984, Mazrui, 1975). The colonized mind chains itself to the pillars of established academic authority and, therefore, develop an inertia. The use of English language on the one hand links globally but alienates locally. Similarly, inability of expatriate consultants to draw upon local language material generates false notion of local expertise.

10. The poverty, aid, and politics

Nurul Islam (1983) regrets that most aid agencies tried to take a short cut path instead of investing in a long-term institutional building process. The development of organization and management is ignored with the result that resources are often wasted. No consultation with local communities takes place and the poor often have no say in the matter. Mosley (1987) justifies continuing the aid albeit with modifications. He puts considerable faith in the ability of aid agencies' learning and improving their perceptions, even though he takes note of various small farmer development programs and yet ignores the fact that most such internationally aided programs come in waves.

For instance, in the 50s community development programs were being supported in most countries particularly in South Asia ostensibly to keep communism away and fictionalize the local polity. Subsequently, the growth centre policy was popularized and most countries in the region had scholars

and administrators experimenting with the concept of growth centres. Then came the programs of intensive agricultural development through subsidized input use. This was followed by subsidized credit through small farmer development programs. When it was realized that most programs did not work because local level administrative capacity was limited, projects on district planning or local level planning were initiated. These were followed by so called integrated rural development programs and so on. I can continue the list and demonstrate how thanks to the influence of Ford Foundation and other aid agencies costly experiments in social engineering were often done with very weak or untested theories and at the cost of people. Because there were willing third world governments and scholars to play this game one could very clearly identify and notice these waves of ideas. Such an attempt not only shows bankruptcy of imagination but also demonstrates the limited respect for diversity, local innovations and entrepreneurship that exists in the aid agencies.

11. Does foreign aid help?

The Birla Institute of Scientific Research (1981) brought out a provocative monograph raising questions about the nature of aid and its functions for national development. It was recognized that aid should not be allowed to distort a country's domestic consumption, production and resource allocation, or add to the unemployment.

In fact separate studies have shown that aided projects tend to be allocated far more counterpart funds, the best officials and much greater political and administrative attention than is available to non-aided projects. In a west Indian state, it was shown in the case of a drinking water supply program that through a peculiar way of centre-state financial resource flow, the state budget meant for 20 districts was almost entirely pre-empted by the four districts which were supposed to be receiving the aided funds. The fact of such aid on the livelihood of people of the adversely affected regions is very seldom taken into account while appraising the impact of the aid. The aid dependency has been rightly decried because there is no substitute to the local capacity building.

12. Should debts be written off?

Should aid linked debts be honored? How much responsibility for a wrong appraisal, under-estimation of negative externalities and poor technical design should be shared between the host country and the donor agency? Griffin (1991) has suggested one time waiver of these debts so that self-reliant strategies could get a better chance than the aid linked strategies for poverty alleviation. In 1918 the Soviet government annulled all the debts without any reserve or exception (Adams, 1991:166). There are many Latin American countries where debts taken by the authoritarian non-democratic, corrupt political leaders are being similarly denied by the respective countries.

13. Morality of aid

In 1961 when president John Kennedy articulated his strategy for foreign aid, a very emotionally charged debate took place. On the one hand, there were scholars like Milton Friedman who argued that aid might be so misapplied, "as to stifle initiative and entrepreneurship, thereby reducing the rate of growth to less than it would be if there were no aid at all" (Banfield, 1963:13- 14). While looking at the doctrine of direct influence, Banfield listed six possible forms of aid often in the order of their moral worth as seen by the aid supporters, i) *quid pro quo* (including bribery to the third world politicians, ii) business friendship, iii) maintenance of friendly governments, iv) prestige, v) goodwill, and vi) moral force; apart from the fear of developing countries falling to communism.

It was argued that 'no aid and no trade' might be better than 'aid and trade'. The most provocative criticism was, "the cultural losses that we would suffer by withdrawal can also easily be over-estimated. The contribution of the under-developed countries to the enrichment of our culture has been small, and will certainly remain so for a long time to come" (Banfield, 1963:22).

Regarding altruism as a basis for aid two major objections were stated. First, "doing good might not be possible because it would be difficult to find

out what would be good in another culture and whether something worse will not be done indirectly while trying to do something good". Similarly, what would be the justification of preventing starvation without reducing population growth rate which would lower average income and prevent the radical adjustments without which sustained economic growth would not be possible. The second objection raised was that American political philosophy, Banfield felt, did not give their government any right to do good for foreigners. Those, who were not its citizens, could not be given for purely altruistic reason, the property of those who were its citizens. While criticizing the moral arguments for aid, it was observed,

"The aid doctrine does not face up to the tragic facts which constitute the problem; that vast areas of the world will probably not achieve a very significant and widespread improvement in levels of living for at least several generations; that they will probably not learn to govern themselves even tolerably well; that such development as occurs is as likely to be inspired by hate as by good will or moral respect; that it may therefore prove to be a disaster for the United States and for all mankind; and that the measures which promise the most present advantage to the East in its struggle for survival are in general the ones that are least likely to lead to self-sustained economic growth in the under-developed countries. Instead of looking squarely to these tragic facts and dealing with them politically--instead, that is, of framing courses of action that may not be admirable by absolute standards (and may indeed be downright evil by the standards of the moralizers) but are nevertheless workable and the best that the situation allows of--the writers on aid tell us that if only we are more generous, more enterprising, and more aware of the needs and interests of other cultures, all will be well both for them and for us" (Banfield in Goldwin, 1963:27-28).

Millikan (1963), replying to Banfield, observed that confusion about the systematic foreign aid doctrine deals with,

"...our hesitation and embarrassment in thinking seriously about American manipulation of foreign culture. Our hesitation reflects a very proper concern for the sensitivities of other people, who do not like to be manipulated, and our embarrassment reflects our long immersion in the doctrine of non-intervention in the internal affairs of other states. The facts of American power and pervasive influence throughout the world make this hesitation and embarrassment irrational...." (1963:92).

After reviewing the processes of modernization leading to atomization of society, cross strata mobility and other changes, Millikan feels that on margin aid can steer the economy of developing countries onto the right path. Cropsey (1963) argues that, "a duty to relieve the suffering of our fellow human beings, for example, through foreign aid may not be reduced from the injection of a sentiment of universal charity" (1963:114).

It is obvious from this debate that very eloquent claims were made about the moral background of the responsibility for giving aid. The critiques also used moral principles to argue the opposite, that is, aid would cripple the spirit of enterprise and generate dependency. In retrospect it seems aid has done more damage than good.

It has produced a elite class which considers entitlement and affluence as natural privileges because it brokers on behalf of the poor to get aid. The extraordinary gap of privileges between the organized and unorganized sector demonstrates the values of the society. The lifestyle of the metropolitan elite is no different from an average Western citizen. And yet, the elite which argues for getting aid from the developed countries would not like to suffer the slightest inconvenience in order to transfer resources to the poor. The paradox of aid induced conditionality in India today is that luxury goods have been allowed to be imported at unimaginably low duties so that the demands of the emerging elite can be met through costly foreign exchange allocation.

It is not surprising that the safety nets for the poor either in institutional or cultural terms never come about in the countries going through structural adjustment. Perhaps the structure of patronage built on non-sustainable bricks of subsidies has to be dismantled if efficiency and competitiveness have to grow in a society. And yet, the entire thrust on enterprise is only for those who either can produce for the urban metropolitan consumers or for exports. The aid policy has systematically ignored the need for building upon indigenous wisdom, local entrepreneurship and development of lifestyles in which frugality and simplicity are valued. But that would be against the aid doctrine. Following in the footsteps of the developed world is the goal of the modernization no matter at what to cost to the environment or society. Discussion on alternatives often is considered utopian and retrograde.

Singer (1984) while looking at the ethics of aid felt that the moral issues in defense of aid have to be squarely faced. Whether passed injustice should generate a moral duty to atone for past guilt by offering aid to the successors of those who were wronged. He feels that this opens a Pandora's Box. He adds, "are we today responsible for the guilt of our ancestors? Have the present inhabitants of these countries acclaim to compensation? And is aid a suitable form of such compensation?" (1984:3). Singer does not believe that atonement of the past wrong doing has any strength as a moral case. The process of increasing the capacity of developing countries would strike at the given power structure and conflict with the principle of mutual interest. In an immoral world order among unequal partners, the end effect of aid perhaps is inevitably to strengthen dependency. Singer outlines the ethical problems for the aid recipients as well. Just as donors have to answer whether they must make restitution for the mistakes of their ancestors the recipients have to answer whether the present inhabitants or governments are entitled to be compensated for harm done to their ancestors (1984:5). Singer then takes the arguments further and suggest that consequences of historical deprivation do impinge on a person's ability to mentally and socially avail opportunities of growth. Further, if a country was exploited its ability to provide these opportunities to its citizens also remain restricted. The past, therefore, cannot be delinked from the present.

The critics of the aid deny any basis of the guilt among donors as motive for aid. The protectionism against the trade of developing countries according to the critiques of aid does more damage. A fair trade rather than unfair trade seems to be preferred (Bauer 1984). As ethical opposition to aid, Bauer adds, "is based on the view that aid, in attempting to create more egalitarian social conditions, in fact generates 'distortions' of the 'naturally' hierarchical world order" (1984:9). This is the criticism from the right. On the left Hayter (1981) argues that aid merely strengthened the bond between the elites of developing and developed countries. He adds, aid is a 'bribe' to make it worthwhile for developing countries' elites to continue to co-operate with the drain of resources from their countries". Singer finally concludes that the arguments against aid whether from right or left are not so relevant, the important issue to him was how and for whom should aid be an instrument. Having said that he then recommends focussing on the poor, through non-governmental organizations bypassing the recipient government, could have a better chance of being morally right. Similarly, he suggests that aid routed through United Nations agencies and other multilateral organizations might have better moral strength than the bilateral aid.

None of these assumptions may actually be valid. Firstly, aid is fungible. The domestic resources so released can in fact be used to produce just the opposite effects of what the aided project may aim at. For instance, it has been shown that the entire money spent on education, health and other developmental activities in many tribal regions, is a fraction of what is taken out of the region through the revenue on sale of liquor and extraction of other resources (many militant organizations are justifiably demanding prohibition in these regions). Secondly, the argument that multilateral institutions may have greater moral strength is totally untenable considering the kind of bureaucracies these institutions have produced and the kind of compensation their staff are entitled to. A substantial share of the aid actually goes into meeting the cost of the bureaucracy itself. Further, being large bureaucracies there seems to be a general preference for large solutions. Such large solutions involve creation of large bureaucracies which

to begin with may be on project accounts but later on have to be absorbed by the host country governments.

Summing up

It is extremely important to note that some of the most recent studies on international aid make no reference whatsoever to the ethical issues (Lele and Nabi, 1991). Part of the problem is that ethical issues regarding aid are sensitive and often involve making value judgments about different culture in dissimilar societies and the way they govern themselves. I have no hesitation in saying that easy options or short cuts to developmental processes always produce in the long-run very heavy negative externalities. For instance, using imported text books may be an easy answer in the short run. But unless the pressure for capacity building, quality, excellence and relevance builds up ability in the young minds to think critically and develop sound value judgments about different culture and societies and the way they govern themselves, I have no hesitation in saying that easy options or short cuts to developmental processes always produce in the long-run very heavy negative externalities as the quality of advice suffers. At the same time, I must add that academic processes of exchange could be a better channel of maintaining mutual respect and a critical professional culture. However, one way dependency and an inverted perspective can emerge in academic exchanges as well. Recently, when I asked the senior officials of a national academy of scientists (of which I was elected a fellow) to regularly scrutinize and share the foreign aid agreements, I got no reply. Perhaps the ethical problems cannot be resolved through legislation or greater control. The sharing of information probably is the only way in which wider social consciousness gets built and the individual judgments at different levels start reflecting the long term interest of disadvantaged people. What kind of accountability is it when no aid agencies, as I said earlier, shares its assessment and learning with the people in whose name the entire game is being played.

Let me end my statement with a small story. There was a small tribe living in the forests moving in different seasons from one side to another to

maintain a balance between natural endowment and its own requirement. Since it had to move, the tribe used tents and other such equipments which facilitated quick adaptation through mobility. After a while, a development official came and advised the tribal leader of the advantages of settled life and sedentary resource management. The tribal people felt that the idea was seductive. They started cultivating nearby lands, collecting game and stocking fuel, fodder, livestock etc. Very soon the tribe needed to draw its boundary, raise its fence and protect its inventories. Slowly and slowly the fences became walls and the walls became taller to prevent the outside beasts coming into the settlement to damage the production of crop or cause injury to the animals. After some years, the tents have been replaced by palaces. After a while, there was a drought. Before the leader of the tribe could come to know it was too late. All the vegetation in the neighborhood regions had dried out. The inventories had been drained and for want of better communication with the environment, everybody was in a very debilitating state. But by then, it was too late.

Whose advice and whose culture made what difference in what timeframe is the difficult question to answer. Keeping our tent packs intact, may help us adapt to the changes faster and at the same time, have a society where togetherness is valued. On the contrary, we can insulate ourselves from the surrounding and hope that we will be able to maintain the isolation and the insulation indefinitely. The aid cannot provide any justification for such expectations. The judgments about right and wrong in aid must be made on the basis of the touch stone of self-reliance, self-renewal and self-respect.

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