

Hamburg Institute of International Economics (HWWA) (Ed.)

Article — Digitized Version

Development spectrum

Intereconomics

Suggested Citation: Hamburg Institute of International Economics (HWWA) (Ed.) (1971) :
Development spectrum, Intereconomics, ISSN 0020-5346, Verlag Weltarchiv, Hamburg, Vol. 06, Iss.
2, pp. 41-42,
<https://doi.org/10.1007/BF02926066>

This Version is available at:

<https://hdl.handle.net/10419/138441>

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DEVELOPMENT SPECTRUM

German Aid for Agriculture:

More than DM 3,000 mn have been provided by the Federal Republic in aid for agriculture since 1956. Considering the importance of the agricultural sector in the developing countries this amount may seem small. But the proportion of total aid given in this form has been rising steadily. Accounting for no more than 7 p.c. in 1964, it has now risen to 16 p.c. This rate is in line with those of other industrial nations.

The FRG shows up less favourably on the international scale as regards the assignment of agricultural experts to countries of the Third World. About 500 German experts are at present at work in these States. France, Great Britain and the United States have sent out several times this number. The Federal Republic however is making efforts to catch up in this field as well; in 1968, for instance, the number had been only 350.

Technical assistance holds the key position in aid for agriculture, chiefly through the operation of training and advice centres and experimental stations. Geographically, Africa predominates with 58 p.c. of all experts. Help through the supply of means of production is also gaining in importance; the Federal Ministry for Economic Co-operation spent close on DM 78 mn on it in 1964-69. This form of aid was concentrated especially on India, Brazil and Tunisia. Africa, with 42 p.c., ranked first among the continents also in this field.

The FRG has helped to supply food on a major scale since 1967, chiefly through multilateral aid schemes which account for

only 20 p.c. of all agricultural aid. In the framework of the food aid agreement concluded as part of the Kennedy Round the FRG has committed itself to paying DM 150 mn a year until 1970. In addition to its contribution of DM 10 mn a year to the World Food Programme, the FRG gives additional assistance through the EEC. Its foodstuffs aid totalled about DM 340 mn in 1970.

Technical Aid for Mexico:

The German Minister for Economic Co-operation, Erhard Eppler, said in Mexico that German technical aid is to be increased. Until now the German technical college, the Centro de Estudios Tecnológicos Mexicano-Alemán, has been the most important German aid project. During his visit the Minister handed the fishery research ship "Alejandro von Humboldt" over to the Mexican Government. The ship is to promote further the existing German-Mexican collaboration in fishery research. Fishing grounds are to be explored, new fishing methods to be tested, and records and ecological studies made of the fish population.

At the same time the Federal Republic will assist in the establishment of technical schools. It wishes to make its experience and help available for the use of new teaching methods (educational television, rural radio). Educational training facilities will be created for this purpose with German assistance. The programme for university partnerships, which is also to receive financial support from the German side, will be brought to a close. The resources needed will come out of the Ministry's budget which provides for an

18 p.c. increase in the funds for technical aid.

The Annual Report of DAC:

At the end of 1970 the Development Assistance Committee (DAC) presented the annual report for 1969 in its final form. The figures have not been significantly amended. Of interest are the overall findings of the DAC:

□ The rate of economic expansion in the developing countries averaged 6 p.c. The exports from developing countries to industrialised countries increased by 9 p.c., those to the FRG by 3 p.c. only (January 1 to August 31, 1970).

□ The supply of food continues to be inadequate in the developing countries. Production has risen by no more than 3 p.c.

□ The unemployment problem remains unsolved in the developing countries. Priority should therefore be given in future to types of production involving labour-intensive processes. An improvement of the law relating to the land is needed.

□ While relations between the countries providing aid and those receiving it are improving, the industrialised countries should co-ordinate their development aid more closely amongst themselves.

The Federal Government must now state its attitude to these recommendations. A date for this is not yet known.

Investment Protection Agreements:

Eighty-four treaties have so far been concluded for the protection of private investments between industrialised and developing countries, ac-

cording to an investigation by the International Chamber of Commerce. Of these 38 were made by the Federal Republic, 19 by Switzerland, 9 by the Netherlands, 5 by Italy, 4 by Denmark, 3 each by Sweden and Belgium, and one each by France, Great Britain and Norway.

The International Chamber of Commerce draws attention to the importance of these treaties for private capital exports to the developing countries. The FRG and Switzerland both understood how to make use of investment promotion treaties as instruments for the encouragement of private capital exports. It is the view of the International Chamber of Commerce that the treaties concluded by these countries also hold out the best prospect of protection for the investor. Hence all countries should emulate the German or Swiss model in future treaties.

"Bread for the World": The 114 collections of the Evangelical relief scheme, "Bread for the World", have yielded DM 247.7 mn. Of this sum about DM 32 mn was collected in the last full campaign of the 1969/70 period. About one-quarter of the total sum was used for medical aid, a good half for schools, training workshops, rural advice centres. One-fifth was spent on disaster relief, especially in the Indian drought in 1966 and the Biafran war. 42 p.c. of the money went to Asia, 36 p.c. to Africa, and 9 p.c. served Latin America. The remainder was used in Mediterranean emergency areas and for supraregional relief schemes. Special support was given in this connection to "Service Overseas", the sister organisation which provides personal help.

Reconstruction in the war-torn regions of Nigeria will be the key-point of work in the near future. The sum of DM 2.5

mn which was assigned to this aim by the "Bread for the World" distribution committee early in 1970 is now, the orderly discharge of the relief effort having been assured, directed to individual projects. DM 600,000 is thus being spent for medical purposes, DM 875,000 on schooling and training, and DM 175,000 on agricultural reconstruction. All the projects have been started already. What is left of the authorised sum has been earmarked for new programmes in

Ministry's funds hitherto; 7,865 tons of rice, 100 tons each of edible oil and powdered milk and 1,500 tons of corrugated iron for provision of accommodation have been procured with this sum and sent to the disaster area. Besides, the FRG participated in a joint EEC shipment with 3,500 tons of grains, 1,000 tons of soups and 200 tons of milk puddings. No count is taken in these figures of the immediate relief measures initiated by the emergency staff

Annual Contributions of 18 High-Income Member Countries (Part I countries) to IDA in 1969

Country	Annual Contribution	
	mill. U.S.\$	per cent
Australia	16.00	2.0
Belgium	13.60	1.7
Federal Republic of Germany	78.00	9.8
Denmark	8.80	1.1
Finland	4.08	0.5
France	50.00	6.3
United Kingdom	103.68	13.0
Italy	32.24	4.0
Japan	48.00	6.0
Canada	50.00	6.3
Kuwait	3.60	0.5
Luxemburg	0.40	0
Netherlands	22.52	2.8
Norway	8.00	1.0
Austria	5.44	0.7
Sweden	34.00	4.3
Republic of South Africa	1.00	0
USA	320.00	40.0
Total	799.36	100.0

Source: Finance and Development, No. 4, 1970, Vol. 7, p. 64.

this year (1971). Another DM 3 mn are to be made available additionally during the current year.

East Pakistan: Although estimates of the extent of the tidal wave disaster which struck East Pakistan in the November of 1970 differ, there is no doubt that it was the worst natural catastrophe of the present century. According to the latest publications of the Federal Ministry for Economic Co-operation, DM 4.87 mn has been made available for Pakistan from the

of the Federal Ministry of the Interior; this included the transport by air into the disaster area of blankets, tents, warm clothing, infant food, drugs and vaccines from stocks of the Federal authorities and various relief organisations. Nor are unfortunately figures as yet available concerning the gifts received through the "Relief for Pakistan" campaigns launched by the German Red Cross and Organisation Medico International.

Compiled from Government information data.