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

Article — Digitized Version

Bolivia: Development volunteers’ affair

Intereconomics

Suggested Citation: Hamburg Institute of International Economics (HWWA) (Ed.) (1972) : Bolivia: Development volunteers’ affair, Intereconomics, ISSN 0020-5346, Verlag Weltarchiv, Hamburg, Vol. 07, Iss. 9, pp. 261, http://dx.doi.org/10.1007/BF02929613

This Version is available at: http://hdl.handle.net/10419/138695

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The USA appears to have come to grips with the fact that the value of a currency is not founded in the political and economic greatness of the past, however glorious that past has been. It is the reality of today which counts. And in reality the USA today is one economic giant among several, although still by far the most powerful of all. And the value of a currency is not a function of size however huge but of economic solidity sustained by a purposeful economic policy. If a more flexible approach in monetary policy is in future accompanied by a more vigorous economic policy such as has long been missing but would restore stability to the domestic scene, America will demonstrate that it can still practise a virtue with which Anglo-Saxons have often been credited: to act realistically when it matters.

Japan

The Year of the Rat

With the Year of the Rat the Far Eastern zodiac in 1972 entered a new duodenary while Japan is facing the prospect of profound changes in its foreign and domestic policies. The USA's progressive withdrawal from Asia and rapprochement with China have altered Japan's foreign political horizon quite drastically. In its domestic politics a new epoch has opened now that Premier Kakuei Tanaka has assumed office: A younger generation is taking over from the old men who by their immense efforts transformed a prostrate country into an economic world power.

It is to be assumed on grounds of structural, oecological and foreign trade policy that the "Japanese miracle" has come up against its limits. At the same time increasing importance must be attached to the fact that Japan's infrastructure and social services are lagging behind the other developed countries and the damage to the environment has already proceeded beyond what can be tolerated. In foreign trade matters Japan is meeting stiffening resistance from its Western trading partners, especially from the USA which will no longer put up with a $3-4 bn deficit.

Although the American-Japanese economic conference at the end of July did not attain its short-term objective of cutting the US deficit in the current year already to less than $3 bn, the important concessions made by the Japanese, especially in the sphere of distribution, must not be overlooked. In future Japan will have supermarkets and chain stores which are wholly owned by foreign interests. President Nixon should concede that the first revaluation of 1971 could not yet have made itself fully felt rather than exert maximum pressure for another one on the new Japanese Premier at their proposed summit meeting on August 31. Tanaka is known to be an advocate of vast state-financed infrastructural and social programmes which would divert investments from the private to the public sector and thereby probably give economic growth a new direction. This in turn would give corresponding relief to Japan's trading partners who at present regard Japan's exports as a threat to themselves.

Bolivia

Development Volunteers' Affair

The military government in Bolivia temporarily arrested 12 German development volunteers and expelled three. The accusation levelled against them by the Bolivian authorities was, put in innocuous terms, contact with oppositional elements. Evidence of any concrete action however could be supplied only against one of them, the representative of the German Development Service (DED). He helped the oppositional head of Santa Cruz University to flee the country when the present President, Hugo Bantzer, assumed power.

As a result of these events, a fierce controversy has broken out in the FRG, despite the summer recess, about the role of the DED. In the view of the opposition parties, the episode has revealed that the DED has turned into "a refuge for programmed left revolutionaries" and so the opposition has urged the Minister for Economic Cooperation, Eppler, to draw the conclusions from the Bolivian mishap by taking action to ensure that development volunteers confine themselves to the tasks assigned to them and refrain from meddling in the political affairs of the country in which they work.

The controversy has made clear that the situation of the German Development Service harbours the seeds of conflict, for it is questionable whether it is still possible, or even desirable, to find totally apolitical development volunteers. Doing the work which falls on him, the development volunteer cannot in the long term avoid thinking in political terms. On the contrary, when confronted with the specific conditions in the host country, political thoughts are practically forced on him. It would be difficult to find in this present generation a development volunteer ready to divert his eyes from the politics of his host country. Young men who elect to do practical development aid are not just specialists but responding to a (political) call. German development policy should see its primo task in safeguarding the security of the voluntary workers and not in trying to make them abjure all political thoughts.