

# Industrial nations tie foreign aid to support for “war on terror”

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Christian Aid, the British development charity, recently issued a report entitled “The Politics of Poverty Aid in the New Cold War.” It states: “Aid is viewed increasingly as a means of promoting and safeguarding the donors’ own interests, particularly their security, rather than addressing the real needs of poor people. Aid, in other words, is being co-opted to serve in the global ‘War on Terror.’ ”

The report points out: “Already some of the world’s poorest people are paying for the War on Terror. Programmes designed to help them have been cut, budgets reallocated and hopes dashed as donor priorities have switched to addressing the needs of ‘global security.’ ”

What is beginning to take place is the blurring between military aid and development aid. This change in orientation is being actively promoted by the Organisation for Economic Cooperation and Development (OECD), which comprises the world’s leading industrial nations. Its Development Assistance Committee (DAC) has been reviewing aid policy.

In 2003, it published a paper, “A Development Cooperation Lens on Terrorism Prevention.” In the paper it commented: “Development cooperation does have an important role to play in helping to deprive terrorists of popular support...and donors can reduce support for terrorism by working towards preventing the conditions that give rise to violent conflict in general and that convince disaffected groups to embrace terrorism in particular.... [T]his may have implications for priorities including budget allocations and levels and definitions of ODA [Official Development Aid] eligibility criteria.”

Christian Aid explains that behind its opaque language, the OECD is considering a “seismic shift in its policy.” Following the report, a DAC workshop was held in Paris in February of this year. Among the issues discussed was whether aid could be used for military training. Whilst perhaps not financing armies directly, the workshop

discussed providing training to the trainers of security forces, training to armed forces—such as helping militias being integrated into regular forces—and training to the military in how to enforce peace-keeping and planning missions. There is an ongoing debate over these issues within the DAC.

In a similar development, European Union ministers meeting in March of this year agreed that aid donations and trade concessions to non-EU countries should be linked to security cooperation. Javier Solana, the EU foreign affairs chief, described it as a “significant step in the area of counter-terrorism and intelligence cooperation.” The EU bloc is responsible for dispensing US\$35 billion a year in aid donation, of which US\$7.9 billion is directly distributed by the European Commission.

Currently, the EU has separate directorates with responsibility for foreign policy and overseas aid. It is proposed that in future these responsibilities will be merged in line with the politicisation of aid.

Danida, the Danish development agency, has announced a switch in its policy for the period 2004-2008, allocating money to the Middle East. It will give US\$49 million to an aid and reconstruction package for Iraq, switching the money from grants to Africa.

Australia is using its official ODA money for various anti-terrorism measures in Indonesia, the Philippines and throughout Southeast Asia. It will channel AU\$120 million (US\$83.5 million) of its ODA to Iraq. The report points out that with an increase of only AU\$79 million (US\$55 million) in its ODA budget compared to last year, this will inevitably result in cuts to other areas.

For its part, the Japanese Ministry of Foreign Affairs has stated: “Since the terrorist attacks in the United States on 11 September 2001, there has been greater international awareness of the possibility of poverty [zones] becoming hotbeds of terrorism and the role of

ODA is being reconsidered.”

At the end of 2002, Japan allocated ODA money to the Philippines, including US\$22.6 million to a governance-improvement programme for the autonomous region of Mindanao in a “package for peace and security” and nearly US\$370 million for a “peace-building and counter-terrorism programme.”

The report states: “Within the official 2004 ODA budget, the funds allocated for peace building and conflict prevention have risen dramatically from 12 billion yen to 16.5 billion yen. Meanwhile, Japan has cut its total ODA budget from 857.8 billion yen in 2003 to 816.9 billion yen in 2004. Again, the implications are clear. Targeting the poor is likely to take second place to security interests.”

In Britain last year, the director of Christian Aid, Daleep Mukarji, wrote on behalf of five leading aid agencies to Prime Minister Tony Blair regarding funding commitments to Iraq from the government’s Department for International Development (DFID). Blair replied that “funds will not be redirected from other...programmes.”

But the Christian Aid report says that an internal DFID document entitled “Resource Reallocation” was leaked last October that stated: “The burden of financing Iraq will have to be borne by the contingency reserves and reductions in middle-income country budgets. These plans will mean that a number of our current programmes in middle-income countries will close.”

DFID will need to find £267 million (US\$489 million) over the next two years from cutting projects to “middle-income” countries. Projects to provide drinking water in Guyana and to give support to indigenous Indians in Bolivia are amongst those to be cut, according to the Christian Aid report.

The British Overseas NGOs for Development (BOND), an umbrella group of British development charities, wrote in a report last year: “This international focus on security and terrorism is having an impact on development, not only by drawing political and media attention away from development concerns, but by influencing aid allocations and the nature of donor cooperation with developing countries.”

The New York-based think tank, the Centre for Defence Information (CDI), noted how the United States has realigned its relationship with countries that were previously ineligible for military aid but are now seen as vital in the “War on Terror.” These include Armenia, Azerbaijan, Tajikistan and Pakistan. CDI reports that the US has sold US\$1.2 billion of fighter jets and missiles to Oman and around US\$400 million of missiles to Egypt. It

is providing large shipments of military aid to countries identified as fighting terrorist groups. Indonesia is getting training from the Department of Defence’s new Counter Terrorism Fellowship Programme. That country was previously banned from receiving such training following its role in East Timor.

A stark example is the increase in ODA by the US government to Pakistan following 9/11 and the war in Afghanistan. From a figure of less than US\$100 million per year, it has risen to nearly US\$800 million.

In the conclusion to the CDI report, it states: “Having a new quasi-ideological theme to justify most security assistance is extremely convenient for the Bush administration. Policy objectives that could not have been pursued in the pre-September 11 security environment can now be repackaged and sold as part of the counter-terrorism effort. In addition, wrapping new security assistance programs in a counter-terrorism cloak allows the administration to provide support for repressive regimes and aid to states verging on, or currently involved in, armed conflict.”

In the recommendations section of the report, Christian Aid states: “We have shown that dark clouds are already gathering over the ideal that aid should be exclusively directed towards these that need it most.... World leaders must ensure that aid is not hijacked by the imperatives of the War on Terror, as it was by the Cold War.”

The continuing intensification of the drive towards re-colonisation by the imperialist powers is bringing out the true nature of international relationships. Christian Aid’s report shows that the aid programmes of the major powers are not isolated from this development. In spite of the appeals by Christian Aid, this trend will not be moderated but will intensify.



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