

## LECTURE SESSION 12

### LOCAL AND GLOBAL ISSUES IN DEVELOPMENT

#### Lecture Outline

- 12.1 Introduction
- 12.2 Learning Outcomes
- 12.3 Local and global issues in agriculture that affect development.
- 12.4 Discuss the issue of foreign aid in development
- 12.5 Discuss the challenges of pollution and depletion of ozone layer
- 12.6 Summary
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#### 1.1 Introduction

Welcome to session twelve which marks the last lecture in this unit of development studies and ethics. In this lecture, we shall analyze local and global issues in Agriculture that affect development. We shall also discuss the role of foreign aid in development and lastly we shall discuss the challenges of pollution and depletion of the ozone layer and its impact on development.



#### 1.2 Learning Outcomes

At the end of this lecture, you should be able to:

- i. Analyze local and global issues in agriculture that affect development.
- ii. Discuss the issue of foreign aid in development.
- iii. Discuss the challenges of pollution and depletion of ozone layer.

#### 12.3 Global issues in agriculture that affect development.

Let us start our discussion by asking ourselves this question.



**In text Question 1: What is the importance of agriculture to the people of Kenya?**

The answers you have given are all right and this is

Agriculture may be broadly defined to include crop and livestock production, hunting, fishing and forestry. About 70 — 90 per cent of the labor force in an L D C, derive their livelihood from such activities.

**Contribution of Agriculture to Development:**

- a) Product contribution in the form of food and raw materials.
- b) Provision of a market for the products of the industrial sector.
- c) It stimulates the transfer of resources i.e. labour and capital to other sectors of the economy.
- d) Capital contribution of agriculture especially when a country is non — oil producing since agriculture leads to saving.
- e) Agriculture stimulates the use of labour saving techniques thereby enabling the release of surplus or redundant labour to other rapidly growing sectors in the economy.
- f) The foreign exchange contribution.

**Obstacles in Agricultural Development:**

- ❖ Lack of knowledge of new technological information in the L D Cs. This is made worse by high levels of illiteracy and formal education.
- ❖ Inadequate motivation . Most farmers find it difficult to abandon their well-tried traditional methods for new methods.
- ❖ Natural hazards and economic uncertainties such as prices.

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**Take Note**

Agriculture stimulates the use of labor saving techniques there by enabling the release of surplus or redundant labor to other rapidly growing sectors of the economy.

Having looked at the meaning of the term agriculture and its importance to development we shall now focus our attention to donors and their philanthropy, we shall now turn our attention to discuss the causes of development.

#### **12.4 Why donors give aid**

Donor country governments give aid because it is in their political, strategic or economic self-interest to do so. Some development assistance may be motivated by moral and humanitarian desires to assist the less fortunate (e.g. emergency food relief and medical programmes), and certainly this has been the international rhetoric in the increase in aid in the first decade of the 21<sup>st</sup> century. Still there is no historical evidence to suggest that over longer period of time, donor nations assist others without expecting some corresponding benefits (political, economic, military, counterterrorism, anti-narcotics, etc) in return. The following are the foreign aid motivations of donor nations in two broad but often inter-related categories.

##### **1. Political motivation**

Political motivations have been by far the more important for aid granting nations especially for the largest donor country, the United States. The United States has viewed foreign aid from its beginnings in the late 1940s under the Marshall Plan, which aimed at reconstructing the war-torn economies of Western Europe, as a means of containing the international spread of communism. When the balance of Cold War interests shifted from Europe to the developing world in the mid 1950s, the policy of containment embodied in the US aid programme dictated a shift in emphasis toward political, economic and military support for 'friendly' less developed nations, especially those considered geographically strategic. Most aid programmes to developing countries were therefore oriented more toward purchasing their security and propping up their sometimes-shaky regimes than promoting long-term social and economic development.

##### **2. Economic motivations**

Within the broad context of political and strategic priorities, foreign aid programmes of the developed nations have had a strong economic rationale. This is especially true for Japan, which directs most of its aid to neighbouring Asian countries where it has substantial private investments and expanding trade. Even though political motivation may have been of paramount importance

for other donors, the economic rationale was at least given lip service as the over-riding motivation for assistance.

The argument on behalf of foreign aid as an ingredient for successful development should not mask the fact that even at the strictly economic level, definite benefits accrue to donor countries as a result of their aid programmes. The strong tendency toward providing interest-bearing loans instead of outright grants and toward tying aid to the exports of donor countries, has saddled many countries, often among the least developed, with substantial debt repayment burdens. It has also increased their import costs because aid tied to donor-country exports limits the receiving nation's freedom to shop around for low-cost and suitable capital and inter-mediate goods. Tied aid in this sense is clearly a second-best option to untied aid (and perhaps also to freer trade through a reduction of developed-country imports barriers). For example, a large fraction of US aid has been spent on American consultants and other US businesses.

#### **Other reasons why donors give**

- i. Impact (want to make a positive difference in the world).
- ii. Appreciation (giving back e.g. an alumnus who gives back to an organization that helped him in one way or another).
- iii. Mission (they give to a charity/organization because they share same mission).
- iv. Impulse (if the reason for giving is touching, people will give, and at times give more than requested).
- v. Recognition (attention that comes from giving/publicity or a way of marketing oneself).
- vi. Benefit (personal benefits e.g. tax exemptions).



#### **Activity**

Outline any five sources of funds for development.

Well done. You have been able to outline the various sources of development. This leads us to our subsection in this lecture that is sources of foreign aid .

## **12.5 Sources of foreign aid**

- i. World Bank
- ii. International Monetary Fund (IMF)
- iii. Bilateral
- iv. Multilateral
- v. Individuals
- vi. Corporations
- vii. Foundations
- viii. Non-Governmental Organization (NGOs)

## **12.5 Implications of donor dependency**

- 1. Reliance of foreign ideas to solve local problems
- 2. Loss of community sovereignty/respect
- 3. Cultural, social and economic conflict
- 4. Moral dependence
- 5. The community becomes decision takers and not decision makers
- 6. Decline and death of innovation
- 7. Structural laziness

Community disunity as some members of the community

## **1.6 Summary**

We have come to the end of the lecture which also marks the end of this course. This lecture has opened up our mind to recognize that agriculture is an important component in development. We have also learnt that agriculture is faced by a number of challenges both locally and internationally. This lecture also brought to our attention the good and bad side of foreign aid.

## **1.7 Review Activity**

- i. Discuss the importance of agriculture in development .
- ii. Discuss the dangers of relying on foreign aid for development
- iii. Explain why donors give to society .



## **1.8 References and Further Reading**

- i. Desai, V. & Potter, R. (2014). The Companion to Development Studies. (3<sup>rd</sup> Ed.). London: Routledge. ISBN-13: 978-1444167245.
- ii. Byrd, M. & Edwards, S. (2014). Leadership Development Studies: A Humanities Approach. (5<sup>th</sup> Ed.). Plymouth, USA: Hayden-Mc Publishing. ISBN-13: 978-0738066042.
- iii. Spear, J. & Williams, P. D. (2012). Security and Development in Global Politics: A critical Comparison. Washington, DC: Georgetown University Press. ISBN-13: 978-1589018860.