Unicef report covers for International Monetary Fund's genocidal austerity

by Nancy Spannaus

After all the headlines about the United Nations Children's Fund's shocking exposés of the murder of children by debt payments imposed on the Third World, it was quite an eye opener to read the report itself. Amazingly, the Unicef authors provide a full endorsement to IMF conditionalities, full stop!

The most bald expression of this point of view comes in the following section:

"In general, we would strongly endorse the two convictions expressed by IMF Managing Director Michel Camdessus on the issuing of a recent IMF review which looked at the impact on the poorest groups of Fund-supported adjustment programmes:

"The first is that adjustment does not have to lower basic human standards. In this context, the efforts of fellow agencies of the U.N. family both to protect social programmes in the face of unavoidable budget cuts and to make some programmes more efficient—delivering better services at less cost—exemplify the types of things that are essential. My second conviction is that the more adjustment efforts give proper weight to social realities—especially the implications for the poorest—the more successful they are likely to be."

Largely because of Unicef's desire to defend the international financial institutions, the report, entitled *The State of the World's Children 1989,* actually does not present strong backup for its leading dramatic assertion that "it can be estimated that at least half a million young children have died in the last twelve months as a result of the slowing down or the reversal of progress in the developing world."

Unnecessary deaths

Fourteen million children die each year from common illnesses and malnutrition, according to Unicef and the World Health Organization officials which the report quotes. What galls Unicef, and should outrage us all, is that cheap effective technologies are readily available to prevent these deaths from occurring.

Cited by Unicef are such technologies as Oral Rehydration Therapy (ORT) and immunizations for diseases such as measles, tetanus, and polio. Unfortunately, Unicef also buys the line that another way of protecting children's health is to promote "birth spacing," an indirect way of saying the reduction of births in the developing countries.

The report correctly identifies that massive debt payments have led directly to the neglect of children's health and welfare. The following shocking facts are cited:

1) On average, Third World debt payments amount to almost 25% of the developing world's export revenues.

2) Real prices for the developing world's principal commodities, the stuff with which it can earn income, have fallen to approximately 30% below 1979 levels.

3) The Third World is transferring at least $20 billion a year to the northern hemisphere, thanks to debt payments and the under-pricing of goods.

4) IMF adjustment policies are in effect in at least 70 developing countries, with the result of withdrawal of subsidies on food and fuel, and declines in government spending overall.

The actual result of such adjustment policies, the Report says, has been the collapse of government expenditure devoted to health in most countries of sub-Saharan Africa, in more than half the countries of Latin America and the Caribbean, and in one-third of the nations of Asia. The cuts themselves are massive: Over the last 10 years spending on health care has fallen nearly 25%, and education spending by nearly 50%.

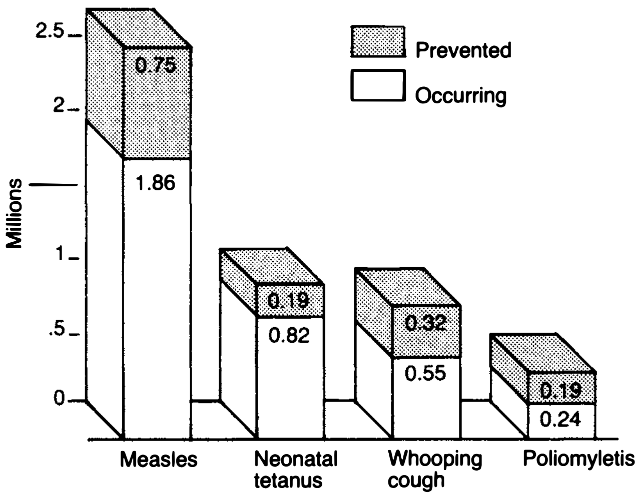
The report also hints at the overall devastating effect of IMF policies, and debt payment, on living standards, noting that per capita Gross Domestic Product in sub-Saharan Africa is on a constant decline, reaching the rate of 5.1% down in 1985. Per capita incomes in Latin America are also falling. The report summarizes thus: "In many nations, average incomes in 1995 are expected to be below the levels of 1980 and in some countries even below the levels of 1970."

Under these circumstances, it is no wonder that children are dying unnecessarily.

Saving the bankers

Although Unicef surely wouldn't admit it, the report reeks of split loyalties: loyalties to the banks, as well as professed

Estimated deaths and prevented deaths from vaccine-preventable diseases, developing world, 1988



Source: Unicef, *The State of the World's Children 1989,* based on World Health Organization figures.

The chart shows the estimated number of deaths each year and the estimated number of deaths being prevented each year from the three main vaccine-preventable disease of childhood. The fourth column shows the number of cases of polio which are being prevented by immunization and the number of cases which are still occurring for the lack of it. All estimates exclude China.

loyalties to children. The following section makes the point:

"The adjustment strategies pursued in recent years, especially in relation to the middle-income developing countries, have achieved three important goals: they have prevented the collapse of the international banking and financial system; they have allowed the indebted developing countries to stay within the international economic system; and they have given the commercial banks five years to build reserves and prepare for the inevitable day when the ability of the borrowers to repay their loans was called into question."

"But there is equally little doubt that adjustment strategies are failing in two major ways. First, as has already been discussed, they have placed a disproportionate burden on the poorest and most vulnerable—of whom children are the most vulnerable of all. Second, they have not succeeded in their principle [sic] aim of allowing indebted economies to escape from debt through a return to healthy economic growth."

From this standpoint, the Unicef report proceeds to try to make recommendations to save children, while still saving an immoral and bankrupt financial system.

Fundamentally, these recommendations come down to trying to redefine overall economic development, into the concept of providing for "basic human needs" of the neediest within the developing countries. The idea is that Unicef wants to dictate that development aid, or government money in general, not be spent on expensive infrastructure—which is absolutely indispensable for developing nations as a whole—but rather on cheap immediate means of mere subsistence for the "poor."

The report puts it this way:

"Because the poor have little influence on either the purposes for which aid is given or the purposes for which it is spent, donor distortion and receiver distortion often twist aid in the same direction so that aid comes to favour industry over agriculture, urban over rural, hospitals over health centres, universities over primary schools, export crops over food production, the imported over the indigenous, the capital-intensive over the employment-creating, the construction of the new over the maintenance of the old, and, ultimately, the richer over the poorer."

While some of what Unicef criticizes is apt—such as favoring export crops over food—the overall approach is a formula for a permanent poverty class, scheduled to scratch with a hoe in the dirt, rather than enjoy the benefits of modern agriculture and overall industrialization. It is the new IMF colonialism, sold in the guise of taking care of the very poor.

Another sign that Unicef has redefined development into self-sustaining poverty, comes from its constant assertions that much of the debt of Third World countries was "irresponsibly lent and irresponsibly borrowed." Although the report doesn't say so, what this means is that Third World countries should never have aspired to build nuclear industries, or modernize their agriculture—as numerous Latin American countries attempted to do during the 1970s—but should have contented themselves with second-rate status forever.

In other words, what Unicef, and obviously its brother and sister agencies at the United Nations, define as "real development" is "cheap subsistence."

The real sin

The Unicef report concludes by indicting what it calls the "seven deadly sins" of previous development efforts. These it identifies as 1) development without infrastructure (by which it means trained people); 2) development without participation; 3) development without women; 4) development without environment; 5) development without the poor; 6) development without the doable; and 7) development without mobilization. To replace these "sins," it proposes an international mobilization and summit meeting around the welfare of children.

But the real sin is not even identified. It is putting the survival of the international financial authorities—both private and governmental—above the interests of human beings. Once that error is removed, it is easy enough to see how the total population of all nations could be raised out of murderous poverty.

Unicef's commitment to save the banks and the IMF makes it part of the problem, not part of the solution.