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New Colonialism

By Yonás Deressa



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SUBSIDIZING TRAGEDY: THE WORLD BANK AND THE NEW COLONIALISM

by Yonas Deressa

You have all seen the pictures of starving, gaunt-faced men and women, the children with the dull, hopeless eyes and swollen bellies. This year, like three years ago, famine has returned to Ethiopia. This time, as the last, people are suffering as a direct result of the policies of a ruthless, inhuman communist regime that cares not the least bit for human life — only for the preservation and expansion of its own power.

In the years since the 1984-1985 famine, people in the West have learned the truth about the reasons for that tragedy. Now they are aware that strongman Mengistu Haile Mariam took advantage of drought to engineer a famine in order to destroy opposition to his regime. In areas of rebel activity his soldiers burned crops, stole livestock, confiscated seed and food reserves. Mengistu cut those areas off from the rest of the world. He only allowed relief aid after the international outcry that resulted when a BBC camera crew smuggled out the footage we now remember so well: the videotapes of his wretched victims. Much of the food that was sent by the West to feed the hungry was diverted and used to supply Ethiopia's huge army instead. The areas in the north, where opposition to the regime is strongest, were precisely the areas that were hit hardest by the famine, because Mengistu deliberately kept food away from them.

Destroying Everything. But that is only the tip of the iceberg. The Soviet client regime in Ethiopia has committed crimes beyond description, worse even than those of the infamous Idi Amin. This is a dictatorship that during its Red Terror campaign of ten years ago murdered hundreds of schoolchildren and left their bodies stacked in the streets and hanging from lamp posts. Political murders number in the thousands, and everyone in the cities lives in fear of the midnight knock on the door, of being taken away to disappear forever. Suspected democrats are tortured by suspending them from shackles and hanging concrete weights from their genitals. This regime has earned for itself the distinction of being the most cruel on the face of the earth. In its determination to construct a new Marxist-Leninist workers' paradise, it is destroying everything it touches, with no regard for the havoc and misery it leaves in its wake.

In true Stalinist fashion, this dictatorship is engaged in a massive social engineering program that is wrecking the very structure of Ethiopian society, destroying the lives and families of millions, and ruining the country's ability to feed itself. And, most ironic and tragic of all, Mengistu is using money from the West — from the World Bank — to do it. The World Bank has given over \$659 million to a regime that is recognized as the most oppressive and inhuman in the world. Why?

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Draining the Pond. In 1984 the Mengistu regime began a project called “Operation Red Star,” to move a million and a half people from areas in the high, arid north to camps in the humid lowlands of the southwest. Mengistu claimed that the reason was to prevent famine, but the real reason was to depopulate areas of guerrilla activity. Mao said that a guerrilla “moves among the people like a fish swims in water,” so Mengistu has decided just to drain the pond.

Soldiers come to drag farmers off their lands during harvest time. Families are deliberately torn apart, and people brutally packed into trucks, buses, and unheated and unpressurized airplanes. Thousands die on the journey — many from suffocation or being trampled to death. Often the authorities starve people in jails before the journey to make them easier to handle. And most tragic of all, many who are kidnapped have grown sufficient food for themselves and their families. They are in no danger of starvation at all!

When they arrive at their destinations, these people find themselves not in new homes, as the regime tells Westerners. They become inmates in prison camps. They are forced to labor at gunpoint, with little food, and under the constant threat of torture, beatings, and death. People are paid with food to inform on one another. Many try to escape, and those who fail are shot. From what my own sources tell me, I estimate that at least 160,000 have died so far in the camps or during relocation. Mengistu plans to subject 1.5 million people to this abomination.

When the West found out about this, the outrage was so great that Mengistu was forced to suspend the project for a few months. But even when the protests were at their loudest, the World Bank proposed to give him more money — \$100 million for “development.”

Reduced to Serfs. Then there is what the regime calls its “villagization” campaign. In it soldiers force families to pull up stakes and carry their houses on their backs to centralized compounds, where they can be watched and constantly supervised by agents of the regime. If they do not submit, they are beaten, raped, or killed. In these so-called villages people are reduced to the status of serfs. Their crops are taken from them, and they are forced to attend interminable indoctrination sessions, to teach them how to be good communists. The dictatorship has vowed to subject over 30 million people to this ruthless campaign.

Even where these monstrosities haven’t yet been imposed, the damage by the regime to Ethiopian society is tremendous. Mengistu has destroyed the traditional farming economy with communist controls on prices, by confiscating all land, and by making the state the sole buyer and seller of food. Since 1979, agricultural output has fallen in Ethiopia by 15 percent. Before the communists, my country not only fed itself, it even exported food. Now, even in good years, 7 million or 8 million people are on the verge of starvation. Ethiopia has become an economic basket case. Life has become so horrible that over 3 million people have fled, most of them trudging for up to a month through the wilderness, risking death from thirst or starvation.

What is the World Bank’s answer to this litany of cruelty and disaster? In the face of overwhelming evidence that Ethiopia’s rulers are murdering cutthroats, hostile to the West, and committed to violence and expansionism, the Bank carries on business as usual. In 1985, it doled out an amount equal to 16 percent of the dictatorship’s budget. In 1986, it

gave Mengistu \$45 million. In May 1987, it handed the ministry of Agriculture, which has been carrying out the villagization campaign, \$39 million. And a few months ago it proposed a loan of a nice, round \$100 million.

Making Millionaires, Financing Oppression. Ethiopia's case, while perhaps the most extreme in Africa, is not unique. Nearly everywhere on the continent, inept, uncaring, and corrupt regimes are bleeding their people dry. But to all of them, the World Bank hands out money like candy, helping to keep ruthless dictators in power, making them millionaires through stolen funds, and financing the oppression of their victims.

In Tanzania, for instance, the Bank provided the money for dictator Julius Nyerere's campaign called *ujamaa*, a prototype of Mengistu's villagization. Farmers lost their freedom, and the state took over their lands and claimed their crops, all with the help and blessing of the World Bank. In a few short years, Nyerere turned his country into a ruin, a starving beggar nation. But the Bank has never admitted its folly.

New Colonialism. In fact, the World Bank is leading exponent of what I call the New Colonialism. Ethiopia was unique in black Africa in that, until it became a vassal of the Soviet Union, it had never been colonized. The rest of the continent was divided up in the 19th century between the European powers: France, Britain Germany, Belgium, and Italy.

These old colonialists were concerned mainly with trade and the extraction of our raw materials, and had little desire to interfere in the day-to-day lives of their subjects. They left native institutions and customs pretty well alone, even ruling through local chiefs and headmen, as the British often did. Their influence was concentrated mainly on the coasts, rivers, and few major population centers. Nine-tenths of Africans continued to live much as they had always done.

Now, I'm not saying the old colonial rule was good or fair. Africans were treated as second-class citizens, and often colonial governments were stupid, clumsy, and heartless. And remember, no matter how enlightened a colonial ruler is, people want to be able to run their own countries. But, ironically, it was in the late fifties and early sixties — when the Europeans left — that the real oppression of the African people began.

Third-Rate Marxism. As the old white elite relinquished power, the machinery of colonialism was simply taken over by a new, African elite. But unlike their predecessors, the new rulers wanted absolute hegemony. They ruthlessly crushed opposition, and began immediately to impose arrogant, unworkable social engineering schemes on their helpless subjects. Badly educated in third-rate Marxism, they looked upon their populations as little more than ants in an anthill, or cogs in a machine.

All over Africa, dictators interfered in every aspect of their people's lives. Africa's centuries-old traditions of free trade and entrepreneurship were swept away by pathetic, incompetent attempts to plan economies. State bureaucracies expanded tremendously, but without a European industrial base to support these new parasites. As a result, the 80 percent of Africa's population that lives in the countryside is squeezed and exploited to support a new class of government worker making up to ten times the per capita income.

Bank Boondoggles. This huge expansion of government power has been paid for in part by funds from the World Bank. The Bank has funneled billions to African dictators to help them consolidate their power. It has actively helped them set up immense “development” projects that wind up sucking the life blood of their economies.

Almost every kind of boondoggle you could imagine has been dreamed up and paid for by the World Bank in the Third World. Huge irrigation projects that waterlog the soil or fill it with salt so that it becomes sterile. Government-owned steel mills that immediately fail because of bad design or because there is no market for their product. Soviet-style farms that can hardly grow enough to feed their own workers. Dams that flood valuable forest and farmland, destroy people’s homes, and provide breeding grounds for disease and mosquitoes. Badly constructed highways to nowhere. State-run cattle ranches that turn grassland into desert. In Vietnam, the Bank even directly financed the infamous “new economic zones” that resulted in hundreds of thousands fleeing the country in overcrowded, leaky boats. You name it, the Bank has done it.

The World Bank has spent billions on agriculture in Africa — \$2.4 billion between 1973 and 1980 alone. And yet since 1960, per capita food production has fallen 20 percent. All the money had done is strengthen the stranglehold of dictatorships on the lives and work of their people.

And always money is skimmed off to fill the pockets of the ruling classes, to swell the Swiss bank accounts of dictators, to build luxurious villas and buy Mercedes-Benzes for the new colonists, while their countrymen live in abject squalor. But the Bank hardly seems to care.

Potential for Good. Conceivably, such an institution as the World Bank could do a lot of good in Africa and the rest of the Third World. It could make funds available to set up local banks and savings and loans that could advance capital to qualified people who wanted to start small businesses, or to farmers to expand production on their family holdings. But for such enterprises to be successful, they must take place in societies where the people are free to act in their own interests, where governments let people live their own lives. Unfortunately, the World Bank has actually fostered the kinds of regimes that prevent development. By funding state capitalism, it has discouraged enterprise, promoted socialism, and perpetuated poverty.

Today this kind of folly is more apparent than ever before. Socialism has been stripped of its credibility in the eyes of the entire world. While the socialized economies of Europe have not created a single job in the last eight years, in that same time Reagan’s America produced 15 million new jobs, and shows no sign of slowing down. The courageous Mrs. Thatcher has revitalized the once-moribund British economy. Even the rulers of those bastions of socialism, the Soviet Union and Red China, recognize the bankruptcy of socialism, and are trying to find a way to get the economic benefits of freedom without losing power.

It is time for the World Bank to recognize the error of its ways. Every dollar it lends to ruthless dictatorships adds to the suffering of their people. Every loan that fails to raise productivity adds to a crushing burden of debt, that will either hang like a millstone around

the necks of generations, or will be defaulted on and add to the West's financial difficulties. Every advance to such ruthless rulers as Mengistu frees up funds for the military and bureaucracy. As long as the World Bank gives them money, they do not have to make the choice between oppressing their people and survival.

Remember, it is your tax dollars that the World Bank is spending to keep dozens of little Hitlers and Stalins in power. Better that the Bank's magnificent buildings here in Washington be demolished or sold. Better that its legions of overpaid, underworked bureaucrats be forced to get real jobs. Better that those billions be used for a strong, well-armed American presence in the world, than that another cent of your money be spent to subsidize tragedy.

