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Assignment 3

Before watching this specific documentary, I was already an adversary of distributing foreign aid in the way that many NGOs and social entrepreneurs, such as TOMs shoes, do. The documentary provided my pre existing view on foreign aid more insight as to why it is not the answer to solving poverty issues despite common belief. One man even made the bold argument that “when foreign aid becomes a way of life, that’s when there becomes a problem.”

At the beginning of the documentary, they emphasized how the countries referred to as “poor” and “uneducated” by the international arena are actually extremely rich in resources such as timber and soil. But when influential and affluent foreign powers intervene with so-called “aid” such as agricultural subsidies, then it destroys local markets as the impoverished population is blocked from competitively participating. And although many social entrepreneurs claim to be providing resources and opportunities for people in poverty, they aren’t really working for the people, they are working for their companies.

The most frequently discussed example throughout the documentary was the relationship between foreign aid and Haiti’s agricultural labor community. In the 80s, Haiti used to be a main producer of rice but when foreign aid was distributed throughout the country in the form of rice, this “made [them] not able to produce [their] own.” Haitian rice farmers lost their ability to export rice. Instead, it was being sold and given to them for cheaper prices. In addition to this, more poverty was created when they relocated to the city in order find other jobs in industries where they had very limited knowledge and skill in.

Another critique of NGOs in the documentary is that they discouraged the Haitians from sticking up for themselves or prospering independently from aid. The result of supply surplus wasn't only harmful in the sense that it negatively affected competitiveness in the market, it created a "dependence mentality." The dangers of having a "dependence mentality" are that it decreases incentive to work hard and it works as means of Western colonization. As Western countries loan money to others in need, strict and binding contracts make it so that the loaning countries receive higher returns than those they are "helping." And as time passes, the relationship between the rich countries and the poor countries becomes more and more unequal and the poor countries remain trapped in a cycle of poverty and dependence.

I believe that the best way to help people get out of poverty is to help them get started on their own in a sustainable, independent, way. What people in poverty need are legal protection, justice in courts, freedom to start businesses, the access to property rights, etc. All of these needs aren't necessarily financial but rather require the structure of the society to change with power and support in the hands of responsible and hardworking people. Changes to solve poverty issues can be stimulated through programs and diplomacy that encourages those in poverty to sustain themselves while providing them the opportunities to do so.