



## ORGANIZACIONES

### PROGRAMA MUNDIAL DE ALIMENTOS

#### FOOD AID OR EXPORTATIONS AID?

Dr. Wilma Salgado

Food aid, is granted by industrialized countries to developing countries, through the delivery of agrarian products in species, charged with concessionaire credits and in less proportion, as donations, in emergency cases facing natural catastrophes or other nature, and it is part of the Official Aid towards Development, even though it is a minoritarian part of it.

In this article it is explained in the first part, that the Official Aid to Development received by Latin America, represents an absolutely marginal amount in relation to other foreign currency sources of income or in comparison with the amount of help which industrialized countries grant to their farmers. The Official Aid to development is channelled through a variety of mechanisms and with different purposes, which makes its impact also absolutely differentiated, registering very positive experiences, from the impact of the beneficiaries aid point of view, to the negative experiences impacts, as those that result from the Food Aid, which brings us to question the real nature of such an aid, if it is aid towards development, or if it part of export subsidies which are granted to farmers by industrialized countries, in order to place its surplus agrarian production and expand its market.

The diversity of characteristics of the different types of existing Official Aid towards Development programs shows the necessity of a selective policy coming from the receiving aid country's government, related to the impacts analysis of the different existing programs. This article pretends to contribute on this issue's discussion, focusing on "Food Aid's" analysis, particularly on the help granted on the American PL- 480 program setting.

#### MAIN CHARACTERISTICS OF OFFICIAL AID TO DEVELOPMENT

Official aid is channelled through diverse mechanisms due to various reasons going from credit towards basic infrastructure, credits for the execution of various credits and in general for non governmental organizations or multilateral organisms nation contributions. The Official Aid is channelled bilaterally, that is from government to government transactions, or multilaterally that is through international transfers, as in the United Nations.

Since 1969, the developed countries members of the Cooperation and Development Organization - OCDE - assumed the responsibility of contributing with 0.7% of its PIB towards the Official Aid to Development, commitment which was reconfirmed in the special United Nations General Assembly which took place in June 1977. Nevertheless in practice, nations have not carried out such commitment, fluctuating their contributions between 0.15% and 0.35% of their PIB without reaching their proposal's goal, only in sporadic and rare cases and exceptional circumstances.

In the nineties the Official Aid to Development channeled towards Latin America reaches figures which are more and more significant, compared to other incomes, such as the Direct Net Foreign Investment, Services and Goods Export and Expenditures on account of External Debt.

OFFICIAL AID FOR LATIN AMERICA (in millions US\$)	1995	1996	1997
Official Aid to Development -OAD-	6,861.6	8,185.1	6,270.8
Direct Net Foreign Investment	26,958.0	37,584.0	53,195.0
Goods and Services Exportations	261,600.0	296,474.0	327,376.0
Balance of the Total External Debt	652,539.0	676,287.0	714,256.0
External Debt Payment	90,950.0	103,247.0	123,538.0
External Debt Pay Off	43,458.0	66,244.0	91,496.0
External Debt Interests	37,503.0	39,713.0	42,353.0
OAD in% of Direct Net Foreign Invest.	25.4%	21.8%	11.8%
OAD in % of Export.of bs and ss	2.6%	2.8%	1.9%
OAD in % External Debt Pay Off	7.5%	7.9%	5.1%
OAD in % Balance of External Debt	1.1%	1.2%	0.9%
OAD in % of External Debt Interest	18.3%	20.6%	14.8%

Sources: OAD, ALOP. External Aid in Latin America. 2000. Information on Trade. World Bank. Information on External Debt.

As it can be appreciated on the previous chart, these last few years the OAD channeled toward Latin America has been losing ground in relation to commerce or capital related to foreign investment or by external debt pay offs, representing an increasingly smaller percentage. Thus, while in 1995, the OAD ascended to an equivalent figure of a 25.4% of the Direct Net Foreign Investment, in 1977 it was equal to only an 11.8% of them.

Compared to the amount of investments for export of goods and services, the OAD represents an even smaller portion, and with a tendency to condense-passing from an amount representing an equivalent amount of 2.6% in 1995, to a 1.9% in 1977.

The Official Aid to Development is equivalent to a small proportion of the amount that Latin America pays for interests of the external debt. Thus, in 1977 the OAD advanced to US\$ 6,270.8 millions, which results in only 14.8% of the amount paid for the external debt Interest for that year - US \$42,353 millions-

The OAD was equivalent in 1977 to less than 1% of the total external debt balance (0.87%), which means that a 1% decrease of the interest rate based on which Latin America pays the service of the external debt, is more important than the total amount of the "Official Aid" it receives.

If we consider that the "Official Aid" generally includes a set of conditions which must be carried out by the receiving country and that moreover, a high percentage of the same must be returned to the "helping" country by means of remuneration to its technicians or the buying of goods and

services to which the "help" is tied to, we can conclude that the real contribution in foreign currency of such "official aid" to development to Latin American receivers is inferior to the already marginal nominal figures. The impact's evaluation of the "official aid" over the receptors country economy, must include the analysis of the impact of the conditionality that it endures, besides the initial income of foreign currency that occurs.

#### DIVERSITY OF IMPACTS OF THE OFFICIAL AID TO DEVELOPMENT

The resources that come from The Official Aid to Development are destined to the execution of different projects and with equally different results, from projects which have had a very positive impact on villages in which projects have been executed and even negative projects and experiences.

The Official Aid granted by Japan can be included within the positive experiences, which concentrates in the developed Asian 's countries, which have been established mainly in construction and basic infrastructure investments: roads, electric energy, telecommunication, drinking water, basic sanitation, among the most important services.

By providing basic infrastructure the geographic areas previously selected, Japan contributed to the creation of necessary condition for the relocation of industries which moved from their territory towards Asian countries, supported by a group of steps designed by the Japanese government to promote them.

Japan promoted the relocation from its territory towards Asian countries, of industrialized activities which were losing competitiveness in the international market as a result of U.S.A. and European countries applied strategies, in order to restrain the massive penetration of Japanese products in their markets. The Official Aid to Development to Japan was a coherent consequence to the needs that that nation had to face, which were to promote the relocating of certain industrial activities from their territory towards third party countries, which could count with access to U.S.A. and European markets.

The official aid granted by Japan, was complementary to other support policies which the Japanese government granted towards industrialized activities which were relatively intense in the use of skilled labor, which faced difficulties with access to the main U.S.A. and European markets due to the rise of protectionism or they had lost competitiveness due to the yen's revaluation facing the dollar-which started in 1971 when President Reagan declared the non convertibility of the dollar in gold and the dollar devaluated facing other foreign currencies, particularly facing the Japanese yen.

The analysis of the nature of the Official Aid to Development originating in Japan, as well as the support policies toward applied industrial relocations, is very important in order to understand the difference between Japan's influence in Asian developing countries facing North American influence towards Latin American countries, where the greatest portion of official aid concentrates, within which The Food Aid is included, thus the specific object of this analysis.

#### DIVERSITY OF EXPERIENCES IN ECUADOR

In the case of Ecuador, very diverse experiences can be registered according to the Official Aid received. Some experiences have been very positive, for example the projects impelled with Swiss, Italian, Canadian and Japanese cooperative funds, amongst the best known, which have demonstrated that with small investments, it is possible to improve the quality of life of those projects beneficiaries.

The limitation of available resources by these cooperation agencies, have resulted in a limited geographic incidence though positive, being dispersed, resulting in many cases in a repetition of efforts among them due to a lack of coordination, and establishing in that sense disconnected and short term interventions, which in spite of its positive impact over the situation of those beneficiaries populations, have not being sustainable, but its positive effects lasted only the duration of the project, only to be cancelled out by the impact of market oriented reforms. ( effect of real interest rates, commercial openings,etc).

Reforms oriented to the market, whose application has been promoted by multilateral organisms, like Banco Mundial, institution which channels part of the official aid to development have had a very high impoverishing impact over countries in which it has been applied. Thus, the structural reforms practical effects have been contradictory, by objectives declared by such politics, which shows a profound crisis in which multilateral institutions created post war to promote development in general, find themselves.

#### FOOD AID A MECHANISM TO PROMOTE EXPORTATIONS

Unlike other types of Official Aid to Development, the Food Aid distinguishes itself from its conception and origin. It was seen by its promoters as a mechanism for placing surplus agricultural american production (main country of origin of this type of "aid"), of opening and or extension of markets for these products, supporting at the same time the american foreign policy objectives.

Although the U.S. has various food aid programs , the most important one is called PL- 480, in effect since 1954, a program which will be predominately referred to in the following analysis.

In an evaluation prepared by The Research Service for the U.S. Congress and presented as a report to Congress, in April 1994, it was recognized that "the food aid" has been an important tool for the spreading of commercial markets for american agricultural products exportations. The food aid - as mentioned in the document - has allowed to place products which would only had been exported in the absence of a concessional financement which consequently has allowed to increase the total of american exportations.

The american food aid for program PL 480 is granted in a setting of three titles:

1. Title I, authorizes the sale of American agricultural products to developing countries through concessional long term financing, provided by Commodity Credit Corporation (CCC) from the United States Agriculture Department. Such products are sold in the credit receptor's country local market.
2. Title II, provides donations for emergency food aid and developing projects. Donations are administered by voluntary american organizations such as CARE, Catholic Relief services or multilateral agencies or organisms such as the World Food Program for the United Nations.
3. Title III, authorizes food aid to extremely poor countries, which are considered as those whose income per capita is inferior to US \$ 635 dollars. This aid is generally managed by The United States International Agency for Development, AID.

The most common food aid is Title I, that is the sale on credit of food products. From 1954 to 1990, approximately 70% of food products provided through PL 480 have been under Title I, that is through the delivery of food products on credit.

#### FOOD AID HAS REINFORCED MOREOVER THE OBJECTIVES OF AMERICAN FOREIGN POLICY

The American food aid, has been used by the American government as an important support element towards its foreign policy objectives.

In this way in the 60's and beginning of the 70's during the Vietnam war, approximately the 70% of the American food aid was concentrated in South Vietnam, Cambodia and South Korea. The income resulting from the sale of food products sent with charge to concessional loans, were destined in its majority to finance the war.

During the 80's, the greatest part of the American food aid was channeled to Egypt, due to its strategic importance in the Middle East and next, to El Salvador in Central America.

In the 90's, Russia and the East European countries like Albania, Belarus, Armenia and Poland started receiving the greatest part of the American "food aid", showing the American interest in supporting the political changes in the region and the marked trend "democratic reforms".

As of the implementation of the Plan Colombia, the United States has increased the volume of "food aid" channeled to Ecuador.

Food aid policy is also useful to the United States to drive the application of the so called reforms oriented towards the market. Thus since the mid of 1980, as of the 1985 publication of the Food Security Act, the United States is linking food aid with the application of the free market reforms in the agriculture of the receiving aid. The designated "Food for Progress" have been oriented to stimulate the receiving countries of that food "to develop more open economic systems"..... "promoting market reforms in the agriculture sector", and therefore determining, through this mechanism, the internal economic policies, and thus preventing the possibility of the application of an agrarian policy, which would allow the majority of farmers to abandon their poverty and penury situation.

Consequently "Food Aid" constitutes an additional pressure mechanism from the industrialized countries, particularly the United States, to the developing countries, in order to introduce market structural reforms; reforms which supposedly would allow us to participate in all the benefits which globalization brings.

#### OTHER FOOD AID CONDITIONS

The food aid concession is subject to additional conditions to the ones mentioned in the last paragraph, which receiving countries must carry out. Such as:

- Restrictions to agriculture exportation products similar to other markets. This condition seeks to avoid the agricultural products competition coming from the "food aid" receiving countries, with American products in third party markets.
- Contracting American companies to ship the food, even if it has a superior rate than the ones in the international market, in order to support the development of American shipment companies.

#### FOOD AID TRUE BENEFICIARIES

The conditions imposed by the United States to the "food aid" receiving countries, show that such "aid" benefits more the country that grants, than the one that receives, if it allows to obtain the following benefits:

- To widen markets in order to place its agriculture production surplus, establishing in that sense an additional subsidy to exportations,

- To severely limit the producers of the aid receiving country's capacity to compete, by adopting the designated agrarian market reforms.
- To limit the possible competition in the "aid" receiving country to other markets, by prohibiting the exportation of similar products as a condition to the "aid".
- To generate additional income to American shipping transportation companies.

The designated "food aid", constitutes consequently an additional form of support from the American government to its farmers, in order to widen markets and place the agrarian production surplus resulting from the total support policies to the farmers that rule the United States, within their agrarian policies, in addition to support American shipping companies and reinforce their foreign policy objectives.

#### FARMING SUBSIDIES

The United States and The European Union, which constitute at present the two main agrarian powers in the world, have been placing in postwar agrarian policies which include three types of measures to support the agrarian production :

1. Measures oriented toward increasing productivity, by means of supporting farmers with credit, basic infrastructure endowment, technical assistance, etc.
2. Measures oriented to insure local producers, privileged access to internal market, through the application of restrictions to import which prevent the entrance of similar products to their market, and
3. Measures to promote the production excedents placement in mediator markets, as subsidies to exportations.

Moreover, the European Union includes in their support measures for farmers, the establishment of guarantee prices which assures the producer the obtention of a minimum rentability of its crops.

The amount of assigned resources by the members of OECD towards Official Aid for Agriculture in their own countries, is about of 360 thousand millions of dollars per year, which is equivalent to one thousand million per day . These figures have stayed relatively stable since 1992, after having almost doubled in the course of the Uruguay Round Negotiation. Its magnitude can be better appreciated if it is compared to other variables, as for example the total income of Latin America's goods and services exportations, which rose to US\$ 327.376 million dollars, that is, they were inferior to the amount of the Official Aid granted to industrialized countries to their farmers, which shows us the impossible situation in which Latin American countries find themselves in order to compete with subsidized products coming from industrialized countries, due to the magnitude of the subsidies.

The greatest amount of subsidies is granted by the European Union, which assembles various countries, but if we consider it in an individual way, the United States is the country which grants the highest amount of subsidies to its farmers. If we consider this in terms of capita, this is by each inhabitant, Norway occupies the first place, with subsidies equal to US\$ 970 dollars per inhabitant, as can be appreciated in this chart:

Total Transferences from consumers to Producers in order to pay the official aid to agriculture (1992).

Country	Total in thousand and in millions of \$USA	Dollars per person
Australia	1.6	89
Austria	4.2	530
Canada	9.1	330
European Union	155.9	450
Finland	4.5	910
Japan	74.0	600
New Zealand	0.1	15
Norway	4.1	970
Sweden	3.2	370
Switzerland	5.8	840
United States	91.1	360
Total OECD	353.7	440

Source: GATT. FOCUS Information Bulletin N-101, August-September 1993, p.5.

The support agriculture politics to farmers have been supported in the United States and Europe, even though they have been strongly questioned in the course of the commercial multilateral negotiations at the Uruguay Round of the Tariff Customs and Commerce General Agreement - GATT -, specially in Europe for raising the food cost, but also from the countries that face the unloyal competition of highly subsidized products which assembled around CAIRNS Group.

By the end of the Uruguay Round, the two main world agriculture powers, the United States and The European Union, introduced important reforms in their agriculture policies in order to decrease the production volume and obtain a price recovery in the world market, for which they promoted the withdrawal of cultivated land from their farmers in exchange of generous subsidies. This strategy allowed to decrease the cereal surplus and improve its prices at the world market, since 1995. The reforms introduced for agricultural policies, as a result of the Uruguay's round negotiation, allowed for the two agriculture powers to diminish production surplus and consequently reduce the cost of storage and at the same time, improve their sale prices in the world market, but the restrictions to imports were maintained, that is, the effect on free commerce continued as in the case of agricultural products, maintaining the competitiveness differences amongst industrialized country farmers and developing country farmers.

Consequently, agricultural products continue to be strongly protected and subsidized, without those markets being subsequently globalized.

#### IMPACT ON MARKET REFORMS OVER AGRICULTURE

The market reforms application, in the case of Ecuador, have exacerbated the tensions in the fields, by eliminating the weak policies which existed up until then, by establishing market interest rates on the limited credits granted by the "Banco Nacional de Fomento", the elimination of the weak institutions which existed to improve commercialization, as ENAC National Commercialization Enterprise and the Vital Products Enterprise EMPROVIT-, the privatization of irrigation water, and the virtual financial suffocation of the Department of Agriculture and Livestock and Banco Nacional de Fomento.

Credits on real interest rates are impossible to be covered by farmers which lack basic infrastructure to guarantee a good crop: "only 2% of the indigenous lands have water irrigation, 70% of neighborhood paths are only transitable in the summer and 80% of the coast flooding land does not count with flooding control infrastructure..."

Besides real interest rates, the credit destined to agriculture is absolutely marginal, in relation to the total banking credit system portfolio. Thus, the amount of the credit granted by "Banco Nacional de Fomento", only institution in the country which channels credit in its majority to agriculture, in the year 2000, represented only 0.4% (this is less than one for every one hundred) of the amount granted by private sector societies the monetary societies to the private sector. Farmers impossibility of fulfilling market interest rates have resulted in various condonations which have weakened even more the credit capacity of "Banco Nacional de Fomento".

As a result of the reforms application in agriculture, the fields are more abandoned than ever by the government, which reflects in its very low productivity and the poverty and indigence increase. In this way, while in 1995, 69% of the rural population was poor, such percentage ascended to 88%. On the other hand, indigence went from 30% of the rural population in 1995, to 57% in 1999, almost doubling its amount.

The inexistence of a farming program in Ecuador, registers although the majority of the economically active population is related to farming. In the farming area 31% of p.e.a. is still concentrated, even though last decade's tendency is that a growing percentage of peasants income come from non-farming activities, fundamentally by internal and international migrations.

The disparity of conditions in which farmers produce in our countries, facing the conditions that farmers produce in America or Europe has deepened after the application of market reforms in agriculture in our countries because, while farmers in developed countries continue receiving subsidies and profiting from support policies, at present, the developing countries farmers, must face unfair competition from the first ones in their internal market.

#### FOOD AID, ONE MORE SUBSIDY FOR EXPORTATION

The so called "food aid" being a policy oriented to the market enlargement production of industrialized countries, constitutes in reality an additional subsidy to exportations from those countries, which adds to the group of present policies to guarantee food security for their citizens.

While the concession of the "food aid" since the middle of the eighties, has come accompanied by conditions that promote the applications of the agriculture market reforms. Such "food aid" results in a loss of local production capacity of the receiving country of received products as help and constitutes an additional promotion mechanism from the country where the aid originated.

Even the food products received as donations, which are sold in the market, impact negatively over the capacity of local production, while the offer is increased in the moment of its internationalization, producing an automatic contraction of the size of the internal market for local producers. When the offer of the donated product increases, the local prices tend to contract, which discourages local producers in maintaining such crops which is consequently replaced by products that were entered as donations first and once the the local production is eliminated, it is replaced by imports. This has been the story of Ecuador's wheat, product in which we were self-sufficient some decades ago, and today 96% of it comes from imports. Soya, which is being entered as "food aid", is also facing a similar situation.

## AID RECEIVING COUNTRIES PRODUCERS ARE REMOVED FROM THE MARKET

While developed countries farmers continue to benefit with present support policies from the immediate post-war in Europe's case, and even since much before that, in the American case; developing countries farmers are not only abandoned to the free forces of market, as a result of political economical introduced in the midst of the International Monetary Fund and to carry out the conditions that "Official Aid to Development" brings, but also they are subject to an unfaithful competition with highly subsidized products coming from industrialized countries and finally shifted even in their own internal market by products donated or placed first in concessional condition

for later, once the receiving country has lost its productive capacity, simply be exported. The "food aid" starts diminishing, while the exports of products originally introduced to the market with the title of help start increasing, as evaluation from the American Congress Report PL 480 quoted in anterior paragraphs, confirms it.

By being shifted from their own internal market, local farmers are thrown to unemployment, thus increasing rural marginality. To the loss of opportunities in the filed productivity, we have to add the incapacity of the productive apparatus located in the rural area, to generate sources of employment for workers expelled definitively or temporarily from the fields, which moreover have a low level of preparation and formation, consequently getting involved in very low levels of income. Rural marginality shifts to the cities, to enlarge urban marginality, due to the absence of employment opportunities which explains the general under-employment and unemployment incidence, that affects 70% of the active economic population (approximate percentage in all Latin American countries) the same as poverty and indigence, so much as rural or urban level.

The "food aid", deepens the food dependency of receiving countries, which lose the their local production capacity and become importers, besides deepening food insecurity for farmers moved from their land which are object of the aid, and lose their income resource. The "food aid", even when donated, cannot be consequently considered as humanitarian aid, only in natural catasrophe cases or of another kind, in which the population's life would be in danger, besides the products should not affect the local producers, if it really take into consideration humanitarian aspects.

## NATIONAL AND FOREIGN CO-RESPONSABLES

The food dependancy and the increase of rural marginality, which result from the "food aid", have made corresponsable to nation's governments of receiving countries, which accept it and apply the conditions without questioning its impact on food security of local population and food dependency, issues which normally are not part of the governing agents.

The Ecuadorian case shows moreover that American interests of expanding markets for their production surplus, in the case of wheat, converged with local groups interest associated with wheat flour production transnational enterprises, which demanded subsidies for wheat importations. In this way a product which ususally is part of the "food aid", in Ecuador since 1971 until 1983, the government subsidized wheat importations, with the argument that it was of better quality and less price, for which this importation supported the interest of consumers... In this way, Ecuador lost its self-sufficiency in wheat production and farmers who used to produce wheat, lost their income resources.

Products that enter the "food aid" receiving country, are sold in the internal market, increasing the products supply of received products, while finance resources obtained by those products sale, are managed by intermediate agencies, whose elevated costs, in which international consultings which generate employment for citizens from the aid original country, result in a fraction of currency resources get to the real progarm beneficiaries which take place with charges to those financial

resources. The interests of bureaucracy linked to intermediarian agencies in the management of the "food aid", add up in this way to the interests of the country where the aid originated.

Interests of small, medium and even great farmers of the products that are object of the "food aid", and the so called humanitarian principals which justify it, remain on the verge, facing combined interests of market expansion to countries which grant this "aid", of transnational companies, associated to local groups which buy such products; process them and commercialize them locally, and international agencies which administrate the products of the "aid" sales financial resources, in the internal market.

## CONCLUSION

1. Considering that the nominal figure received for "Official Aid to Development" for Latin America (US\$6.270 millions, in 1997) is inferior to 1% of the external debt balance (0.9% of US\$ 714.256 millions) which is equivalent only to 1.9% of the income for goods and services exportations (US\$ 327.376 millions), we can conclude that the negotiations tending to reduce the excessive weight of the external debt or at least improve the access of our exportations to industrialized countries markets are more important for our countries from a foreign currency availability point of view and impact over economic development which a negotiation can increase the amount of The Official Aid to Development, the same that apart from being marginal, a great part of it returns to the country of origin through personnel contracting and goods and services purchasing.

2. The "Food Aid", particularly the one granted by the United States in the PL 480 setting, has allowed that country to achieve the following benefits simultaneously

- To extend markets in the countries that are bound for "aid", in order to place their surplus agrarian products,
- To limit the possible competition of the receiving countries in mediator markets, prohibiting the exportation of similar products to the ones that are subject to the aid,
- To generate income for American marine freight transportation companies,
- To generate employment resources for American consultants,
- To influence in the leading of internal economical policies of the receiving country, by eliminating it from the market aid subjects products competition, or at least, diminishing severely its competing capacity,
- To have an additional influencing mechanism to obtain its external political objective.

3. As far as the "Food Aid" receiving countries, they have suffered the following effects:

- They have increased the import of agrarian products which were subject of aid
- They have become dependant of such imports, once the local production has been reduced to its minimum expression or virtually eliminated
- They have lost labor resources due to the shifting of its own internal market local producer,
- They have lost productive capability,
- Consequently, Food Aid has contributed in the poverty and indigence increase. It has deepened the dependency towards receiving countries imports, worsening the food situation of insecurity as much as in the fields as in the cities.

4. The wrongly called "Food Aid" consequently constitutes an additional example of the double language so commonly used in speeches that the United States usually hides its economic interests.

What "Food Aid" is in reality is an aid to farmers in order to widened their market, the same as "free market" promoted with such zeal by mediator countries, which has allowed American producers to widen markets, while the United States has increased their non tariffs "neotropeccionism" (unjustified accusation of dumping, fitosanitary measures, etc.), to severely

limit the products from entering which can compete in the market, and "free circulation of capitals" have allowed American speculators to widen markets for their speculative investments, expediting capital leaks, in an absolute apogee of financial theft, in which utilities are concentrated by speculators, the majority of them from industrialized countries, but also local financial intermediates, while losses fall upon local population, in particular on the poorest segments.

5. Considering that important differences exist in the type of "Official Aid to Development" program which indeed contribute to improve life's conditions in beneficiaries populations, while other worsen them, it is the receiving country's government who should be responsible by establishing policies which should accept and/or refuse, in relation to national goals, in which food security for its population should be contemplated as a priority goal.

5. The instrumentation of support politics towards farmers, which determines differences in the capacity of competing in the market, is also the responsibility of local governments, the same as the acceptance or refusal of the conditionality associated with aid programs. In this sense, the main challenge, is not to eliminate aid policies which industrialized countries have for their farmers, but the application of support policies for developing countries farmers, as well as the elimination of asymmetries to market access, to technology and capitals, amongst developing and industrialized countries, which tend to deepen with applied reforms in the globalization process in progress, in detriment of developing countries.