## SOCIAL REALITY AND OFFICIAL COOPERATION FOR DEVELOPMENT

This manifesto has been produced by a group Guatemalan organizations which, seeking to discuss the effectiveness of the Official Development Cooperation in our country, gathered in Guatemala City on the  $30^{\rm th}$  and  $31^{\rm st}$  of August. Here are some of our findings:

The context in which cooperation for development's intervention takes place: An unequal Guatemala, sustained on the basis of a national government which promotes the social, political and economic exclusion of its population. There's a strong racism and discrimination tendency in the country's public policies. Many people are driven by society towards precarious migration processes, and, at the same time, it shamelessly takes advantage of the fruits of their labor: family remittances. The latter are received willingly, while relatives remaining in Guatemala are denied public services, which are highly deficient.

Food prices have increased 30% over the last 12 months, particularly corn and beans. The country has no policies that encourage grain production –the only food source for three million Guatemalans—. Social investment doesn't reach 10% of the GDP, while productive land is highly concentrated: 60% of Guatemala's wealth belongs to 2% of the producers. Furthermore, 20% of the population owns 60% of the national wealth, 50% of our children suffer from chronic malnutrition, 7 million Guatemalans –of the total 14— are poor, and murder rates remain at 11 people a day. In terms of human development, Guatemala ranks 116 among 169 analyzed countries, which means that, in Latin America, we are only above Haiti.

However, we maintain a tax burden of 10% of the GDP. In such scenario, we have become in a poor-migrant-producing country, one which intends to achieve development with the support of international cooperation and external debt. Therefore, in order for international cooperation for development to produce an impact, Guatemala requires:

1. To recover the government's capacity as a body of national development, and the political will to undertake a direct and progressive tax reform. Public institutions should be capable of building –with interventions from every social and political actor— both a plan and a framework for development. The latter should surpass what was settled by the Peace Agreements and must be supported on an environmentally an socially sustainable economic model which generates decent employment, promotes food production and allows peasant access to production mechanisms. Social policies should also include housing as a priority.

- 2. Official development cooperation must become a supporting tool for every national effort, in a process inspired by our own agenda and mechanisms. Investments should be done to solve the causes of poverty and exclusion. In other words, there must be a joint effort to achieve the full enjoyment of our economic, social and cultural rights. This requires an official model of cooperation where the major interests are not fixed mainly on our resources, and where policy isn't just a mere instrument seeking to mitigate harms or to co-opt social sectors that may eventually oppose to our natural resources' exploitation.
- 3. We need a radical change in policies regarding official cooperation for development. It is mandatory to deeply modify the model that currently preaches democracy, environment and human rights, while it is accompanied by commercial and investment policies responding to transnational companies headquartered up north. It is there to where revenues return, leaving only the negative environmental, social and economical externalities in our countries.
- 4. We would also like to challenge the fact that the policies about official cooperation for development –of which Guatemala has been subject over the last ten years—, is constituted by 60% of external debt. The latter, if added to internal public debt, reaches an amount close to 23% of the Gross Domestic Product, which implies that over 10,000 million quetzals of our own precarious budget end up paying interests and indebted capital. "Aid" becomes then a heavy burden which Guatemalans –including those that are significantly poor— must pay. In other words, it is a type of cooperation that impoverishes us while it makes us dependant.
- 5. To require a political attitude from the Government, an attitude which commits to the interests of peasants, indigenous people, the urban poor and this country's excluded men and women. It is also important to arrange a socially agreed development model which privileges the overcoming of neglected people's poverty. This also requires a firm attitude before contributing governments and entities, as well as to leave behind the public indebtedness policy. The latter, sooner or later, will result in a national collapse where those most harmed will be the workers.

Guatemala, September 2011.

## COORDINATION OF NGOs AND COOPERATIVES (CONGCOOP)

Association of Development, Environmental Defense and Natural Resources of Guatemala (ACCIÓN ECOLÓGICA), Development Association for Central America (ADEPAC), Association for Integral Development (ADI), IDEAS Association, Alternatives for Environmental Development (APDA), Center for Research and People's Education (CIEP), Center for Research, Study and Promotion of Human Rights (CIEPRODH), Cakchiquel Coordinator for Integral Development (COCADI) Mesoamerican Cooperation for Development and Peace (COMADEP), Christian Council of Development Agencies(CONCAD), Foundation for Projects' Technical Support (FUNDATEP), Foundation for Community Development (FUNDESCO), Education Institute for Sustainable Development (IEPADES), Santiago Development Project (PRODESSA), Development Support Service in Guatemala (SADEGUA), Technical and Educational Training Services (SERCATE).