

13

Economic Disparity in the World

Chapter Overview

Specific Expectations

In this chapter, students will:

- identify the social, economic, cultural, political, or ecological components of selected geographic issues
- analyze appropriate statistical indicators to assess the quality of life in a variety of developed and developing countries in different parts of the world
- analyze the causes of selected examples of economic disparity in the local or regional community
- identify ways in which countries and regions of the world are becoming increasingly interdependent
- explain how economies and environments in some places can be affected by decisions made in other places
- analyze the economic and environmental effects of colonialism and neo-colonialism on selected countries
- assess the relative importance of the various factors that influence the quality of life
- analyze problems of hunger and poverty in selected countries and explain how certain practices may aggravate the problems
- explain the relevance to their own lives of the work on poverty, disease, and the environment done by governmental and non-governmental organizations
- evaluate the role played by non-governmental organizations and local community initiatives in different parts of the world

Chapter 13 brings together concepts from many parts of the text to form a “big picture” of the economic gap between the Core (and, in particular, the Old Core) and the Periphery (and in particular, the Far Periphery). This topic is particularly complex since it involves so many aspects of international development and the way in which the world’s economic system operates.

The chapter begins with the examination of an unusual and valuable statistic—how much money (in the form of assets) one would need to be counted in various levels of wealth in the world. This data is a bit old (2000). However, nothing newer was available since this data came from a particular study and is not something that is calculated on a regular basis. Even allowing for inflation and the growth of wealth, students are likely to be shocked by how poor most of the world is—in particular, if they consider the value of the assets they have (clothing, entertainment and sports gear, a computer system, and so on).

Next, students have the opportunity to do some further statistical analysis of the scope of the problem in a Working It Out activity that compares wealth and economic growth in each of our four worlds. This exercise is followed by further description of the nature of the problem of economic disparity and the implications of this problem.

The next section deals with the dominant causes of disparity in the world—the impact of colonialism, lack of investment to fund growth, population growth, the impact of disease, foreign debt, war and conflict, leadership issues, trade inequities, and lack of local control over the problem. The impact of disease on poor economic growth is illustrated effectively in a brief case study using a wonderful Web application called gapminder.com.

The next section deals with ways in which the problems of economic disparity can be addressed. These include development assistance—both official and private (through NGOs) and the important, but little studied, role played by remittances of migrants to people in their home countries. The final section of the chapter looks briefly at the problem of income disparities within nations, rather than between them. Key to understanding this problem is the concept of the Gini index, which provides a simple means for measuring the amount of economic disparity in the world.

Specific Expectations (cont'd)

- gather geographic information, using a variety of geographic tools and technologies
- use a variety of geotechnologies to interpret, analyze, and synthesize information in connection with a geographic inquiry
- use different kinds of maps and images to identify, interpret, and analyze geographic relationships, including those that involve the consequences of human activities or environmental phenomena
- use appropriate statistical analysis techniques in geographic analysis, observing accepted conventions
- draw conclusions or make judgments or predictions on the basis of reasoned analysis and supporting evidence

Prior Learning Required

A number of important concepts are brought together in this chapter. It would be helpful if students were aware of these.

- the Four-Worlds model of classifying nations—see Chapter 3
- population problems of developing countries—see Chapter 6
- Rostow's five-stage theory of economic growth—see Chapter 11
- impact of colonialism on developing countries—see Chapter 11

Working It Out: An Unequal World

(p. 198)

Question 1 What is “purchasing power parity GDP per capita?” Why is this a more useful statistic than absolute GDP per capita? (Review page 42 in Chapter 3 to help you answer these questions.)

Purchasing power parity is a simpler concept than this complicated name would suggest. What it does is take GDP (either total GDP or per capita) and modifies the value based on how expensive things are in that country when compared to the United States. Hence if a country, say Japan, is more costly to live in than the US, the GDP will be adjusted downward somewhat. The GDP of a country where the cost of living is lower will find its GDP adjusted upward.

Question 2 a) Figure 13–3 includes per-capita GDP (PPP) of a sample of countries in four parts of the world.

- Calculate an index value for each of the 16 countries. To do this, divide the lowest GDP per capita in 2004 for any of the countries into each of the 16 values. Express each index value to one decimal point. For example, divide Canada's GDP**

by Zambia's (the lowest) and you will get an index value of 33.2.

See Table 1 below.

- What does this value represent?**

These values represent the number of times greater a country's GDP per capita (PPP) is than that of Zambia.

Question 2 b) Create a graph that shows the per-capita GDP of the two countries with the highest and lowest index values within each category of countries. Note that you will end up with eight bars on your graph. On the left side of the graph use the index values you calculated previously. Be sure to label your graph appropriately. What significant differences do you notice among the four worlds?

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- **LM 13–1** Comparison of GDP per Capita (PPP) Values in Richest and Poorest Countries Within Each Group of Sample Countries

Table 1		Index Values for Selected Countries
Grouping	Country	Index Value
Old Core	Canada	33.2
	Germany	30.0
	Japan	31.0
	United States	42.0
New Core	Chile	11.5
	China	6.3
	Malaysia	10.9
	Poland	13.8
Near Core	Georgia	3.0
	Iran	8.0
	Nicaragua	3.9
	Philippines	4.9
Far Periphery	Angola	2.3
	Bangladesh	2.0
	Haiti	3.6
	Zambia	1.0

Table 1 Answer key for page 198, question 2 a) i).

Question 3 a) In much of the world, the highest GDP (per capita and in total) was achieved in the most recent year. In other parts of the world, this was not the case. What obvious pattern do you see in this?

In the Core (Old and New) the highest GDP values were achieved in the most recent year. This fits with our understanding of how our economy works—that every year is richer than the previous one. If we have even half a year during which GDP declines, we are in an officially declared recession, and governments make major policy shifts to ensure that growth conditions return. In most Periphery countries, the highest GDP values were not reached in the previous year or even in a recent

year. In a significant number of countries it may have been more than 20 years previous.

Question 3 b) What does this suggest about the role played by globalization in world economic growth?

The countries that are most globalized (Old Core and New Core) are the ones that are growing most economically. Supporters of globalization would say that this is proof of the importance of bringing all countries into the globalized economy.

Question 4 a) Rank the groups of countries on the basis of the rate of their economic growth. Calculate this

i) on a percentage basis

Table 2	Groups of Countries Ranked on the Basis of Economic Growth on a Percentage Basis	
	Average GDP Growth Rate 1975–2004	Average GDP Growth Rate 1990–2004
Old Core	2.0%	1.6%
New Core	5.5%	5.0%
Near Core	2.1%	1.1%
Far Periphery	1.7%	1.8%

Table 2 Answer key for page 198, question 4 a) i).

ii) on a dollar basis

This table was calculated by multiplying the 1975–2004 growth rate times the GDP for 2004. In effect, what this gives is the GDP dollar increase

for 2004, assuming that the average growth rate were to occur. The range of values shown is from the highest to lowest in the group.

Table 3	Groups of Countries Ranked on the Basis of Economic Growth on a Dollar Basis	
	GDP Rate 1975–2004	
Old Core	\$594 to \$740	
New Core	\$421 to \$495	
Near Core	\$87 to \$274	
Far Periphery	\$19 to \$79	

Table 3 Answer key for page 198, question 4 a) ii).

Question 4 b) What patterns do you see? What significance does this have for the future?

On a percentage basis, the New Core is growing dramatically. This is not a surprise if we consider the enormous economic success of countries like China, India, Malaysia, Poland, the Baltic Republics, and so on. There are not major differences in the growth rates of the other three

groups, although the Old Core countries are doing better than the others by a small amount.

The dollar changes are particularly striking—it is very much a case of the rich getting richer and the poor getting poorer. Note that the New Core will start to catch up to the Old Core on a dollar basis only if they are able to maintain their high growth rates even as their economies become wealthier.

Case Study: Minding the Gap II

(p. 201)

Question 1 a) Select “Income per capita” for the y-axis, with a logarithmic scale, and “life expectancy” on the x-axis, with a linear scale.

Question 1 b) Move the date slider to the earliest date, 1975.

Question 1 c) The countries with the highest HIV/AIDS infection rates in the world are Botswana, Lesotho, and Swaziland. Choose them. Run the animation.

Gapminder is a wonderful resource and remains in development with constant improvements and slight modifications. For example, in the few months between when the student book was written and this teacher resource was completed, additional data was added to the program. You will now be able to run the animation starting in 1950.

You should encourage your students to experiment with the program. It is wonderful tool for exploration and “what-if” questions.

Question 2 a) What relationship do you see between economic growth rates and decrease in life expectancy? In what year did this trend become apparent in each country?

There is a general increase in both GDP and life expectancy from 1950 until the onset of the HIV/AIDS crisis. This becomes apparent in 1990 in all three countries, although life expectancy growth in Botswana seemed to peak a few years earlier. Note that the latter country’s recent GDP growth is related to the expansion of the country’s diamond industry.

Question 2 b) How have high HIV/AIDS infection rates contributed to lower economic growth rates? In your answer, consider which groups in society would be most likely to become infected with HIV/AIDS.

While the HIV/AIDS epidemic perversely actually increases the per capita GDP (as money is spent on hospitals, prevention campaigns, and the like and as people die, reducing the number of people in the country and therefore lowering the denominator of the calculation); the pandemic has had a devastating economic impact on these countries. The people most likely to get sick and die are young adults—the very people whose skills and hard work are essential to the growth of the economy. Often these are educated people like teachers, government workers, and healthcare workers.

Case Study: The Marshall Plan: A Standard for ODA

(p. 205)

Question 1 The Marshall Plan, and similar aid to defeated Japan, is generally considered to have been a remarkable success. Why?

The Marshall Plan met its goals—Western Europe and Japan were successfully rebuilt as firm allies of the United States and were kept out of the sphere of influence of the Soviet Union. This was largely because the amount of aid was immense. There were several reasons for the choice to do this.

- The United States was anxious to ensure that as much of Europe (and Japan) as possible would remain democratic, and not be taken over by Russian communists.
- Producing goods for Europe and Japan helped US industries convert from wartime supplies to peacetime goods, thus avoiding an economic slowdown.
- Economically rebuilt Europe and Japan would be valuable customers for the US. Unlike many developing countries, both Europe and Japan had had an infrastructure for economic growth, together with plenty of experience in industrialization.

Question 2 In spite of its success, an aid effort on the scale of the Marshall Plan has never been repeated. Why not?

Likely because the US has never seen the need to do so. The powerful geopolitical and economic imperatives that existed in Europe and Japan have never been matched elsewhere.

Question 3 The Marshall Plan had clear benefits for the donor (the US) as well as for the recipients. Could future efforts to reduce economic disparity be organized in a way to benefit rich countries as well as poor? How?

It would be nice to think that this could occur, but in reality it may not be possible. In the past, much aid was done like this with the rich country providing food or the money to buy electrical generating equipment that was manufactured in the donor country. The result was aid that often distorted the economy of the recipient nation or did not meet the most important needs of that country.

One possible way that this could be done is by involving development assistance with the fight against climate change. Once a post-Kyoto treaty establishes emissions targets for poor countries, a rich country may be able to help a poor country develop in a particularly environmentally sensitive way in return for emissions quotas.

Chapter Questions: Notes and Answers (p. 211)

Knowledge and Understanding

Question 1 a) Summarize the causes of the large economic disparities that exist among countries in the world.

Question 1 b) Suggest how each of these causes can be addressed in the future.

Answers are provided in Table 4 below. While students should be able to complete the first part of the question directly from the textbook with little difficulty, you may find that discussion in groups of two or three improves the quality of responses to the second part. A range of answers is possible, but those given here are based on information in this chapter.

Table 4**Causes of Large Economic Disparities Among Countries**

Summary of Each of the Causes	Ways the Causes May be Addressed in Future
<p>1. Colonialism</p> <p>Has distorted the economies of countries that were former colonies because their economies were tied to, and developed according to, the needs of the mother country.</p>	<p>The economies of these countries are based on low-paid factory labour, or rely upon only a few exports. New ways must be found to help their people improve their standard of living.</p>
<p>2. Population Control</p> <p>The populations of developing nations are growing rapidly. Economic growth cannot keep pace, and their standards of living do not improve.</p>	<p>As demographic transition lowers population rates, developing countries should see better living standards, unless affected by AIDS.</p>
<p>3. Foreign Debt</p> <p>After paying interest on huge debts, developing nations are left with very little money to spend on economic and social development.</p>	<p>Most experts agree that current debt levels are not sustainable, and have mounted efforts to either reduce or eliminate these debts.</p>
<p>4. War</p> <p>Long-lasting civil wars and tribal conflicts in some of the world's poorest nations have resulted in large military spending and general destruction.</p>	<p>Students may suggest there is a need for more effective UN interventions and peacekeeping or arms-sales restrictions.</p>
<p>5. Leadership</p> <p>Many poor countries have had leaders who have used their power not to improve the nation, but to steal from it.</p>	<p>Developing nations need leaders who will work for the national good instead of their own self-interest.</p>
<p>6. Trade Inequities</p> <p>The G8 countries used trade and tariff barriers to shut out imports, while subsidies gave their own farmers competitive advantages.</p>	<p>Larger amounts of development assistance and more effective forms of aid will be necessary (in addition to fairer trade terms).</p>
<p>7. Local Control</p> <p>Developing nations feel controlled by outside forces, such as the World Bank/IMF, developed countries, the UN, and transnational business.</p>	<p>Developing nations demand a greater voice, through membership in economic and political blocs such as the African Union, modelled after the European Union.</p>

Table 4 Answer key for page 211, question 1 b).

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- **LM 13–2** Causes of Large Economic Disparities Among Countries

Question 2 Give evidence to support the statement that since World War II, “The rich get richer and the poor get poorer.”

Note that you should not assign this question if your students have done the Working It Out activity, “An Unequal World,” on page 198. If you have not done this exercise, you can still use the results of it (see above) with your class to take up this question.

Question 3 Give two different reasons why it is more helpful for foreign aid to be given as cash than as material goods.

It is generally more helpful that foreign aid be given as cash than as material because

- Aid given as material is often tied to the donor, requiring the recipient country to use or purchase goods from the donor—e.g., Saskatchewan wheat, Ontario transportation equipment, or supplies to build a dam that may prove socially and environmentally detrimental.

- Food aid can distort the local market for agricultural products, driving down food prices and reducing local production. Sometimes the food is not suited to local tastes and causes sickness.
- Local people are best able to decide how to spend the money. This also increases their sense of empowerment since they have more control of the situation than otherwise.

Question 4 Examine the editorial cartoon in Figure 13–15. What is the significance of the images chosen by the cartoonist? List the main ideas from this chapter that the cartoon expresses.

The images in the cartoon are significant. The traditional “horn of plenty” shows the rich food supply enjoyed by the Western nations at Thanksgiving: turkey, pumpkins, corn, fruit, and vegetables. At the same time, our televisions carry video clips of starving children in the poorest developing nations. They try to survive on bowls of meal supplied by relief agencies. This cartoon expresses the main theme of the chapter: economic disparity. The developed nations enjoy a rich harvest while other people go without. Even within our own country (and often within the countries of the poorest people) there are great differences between family living standards. This chapter explores how the policies and practices of the developed nations are actually responsible for many aspects of economic disparity.

Question 5 Give at least three reasons why US aid to Western Europe and Japan at the end of World War II was so much more generous than any aid that was given to the rest of the world.

You should not assign this question if your students completed the exercise on the Marshall Plan earlier in this chapter. The Marshall Plan met its goals—Western Europe and Japan were successfully rebuilt as firm allies of the United States and were kept out of the sphere of influence of the Soviet Union. This was largely because the amount of aid was immense. There were several reasons for the choice to do this.

- The United States was anxious to ensure that as much of Europe (and Japan) as possible would remain democratic, and not be taken over by Russian communists.
- Producing goods for Europe and Japan helped US industries convert from wartime supplies to peacetime goods, thus avoiding an economic slowdown.
- Economically rebuilt Europe and Japan would be valuable customers for the US. Unlike many developing countries, both Europe and Japan had had an infrastructure for economic growth, together with plenty of experience in industrialization.

Thinking

Question 6 We tend to take the concept of continuous growth for granted. Why is this so? Were you surprised to learn that most of the world’s countries are poorer now than they were at some point in the past? Why or why not?

In our society, we tend to take continuous economic growth for granted for various reasons. Historically, the Western world in general (and Canada in particular) has had a rising standard of living during the 20th century, particularly since World War II. In the past few decades, we have witnessed great technological change in which new innovations are quickly replaced by superior products (upgraded computer systems, improved home entertainment electronics, automobiles, etc.). The phrase “more and better” has become an expectation in Western civilization.

Having read this chapter, most students probably will not be surprised to learn that most of the world’s countries are poorer now than they were at some point in the past. The same students might have reacted otherwise before reading this chapter or other parts of the text.

Question 7 a) Explain in your own words what the Gini index is designed to show.

The Gini index is designed to illustrate in a very simple way the amount of income disparity that exists in a country (or the world). The range of possible values is from 0 (all income is distributed

exactly equally) to 1 (all income is owned by one person). Obviously the higher the number the more unevenly income is distributed.

Question 7 b) Explain why Gini index values for individual countries are lower (generally between 0.25 and 0.60) than the Gini index for the entire world (higher than 0.66).

The Gini index for the world as a whole is higher than for individual countries. In other words, economic disparity for the world as a whole is greater than the pattern of disparity within individual countries. Two countries, China and India, contain more than one-third of the world's population, and neither of them has a high GDP per capita. Therefore, few of their people would be counted in the world's top income quintile, while between 1 and 1.5 billion Chinese and Indians would be part of the world's lowest quintile. That means that on a world scale, these two countries alone could significantly increase the measure of world economic disparity (the Gini index).

Question 7 c) Would the Gini index for your community (city, town, or rural area) be higher or lower than that of all of Canada? Why?

The answer to this question may depend on the nature and homogeneity of the community. In most urban areas and in rural areas the Gini index is likely to be lower than that of the whole country. This would be because these communities are more economically homogeneous than the entire country. This might not be the case in a very large, diverse city like Toronto.

Question 8 a) Examine the data shown in Figure 13–10. Group the countries according to their pattern of foreign aid assistance over the 19-year period shown.

Students should identify the following groups:

- Countries that were over the target amount in both years—Norway, Netherlands, Sweden, Denmark
- Countries below the target with declining contributions—France, Finland, Canada, Japan
- Countries below the target with increasing contributions—UK, Ireland, Austria

- Countries below the target with approximately the same contribution level—Belgium, Germany, Australia, Switzerland, New Zealand, US

Question 8 b) What do these groupings say about attitudes toward aid during this time? (Hint: The early 1990s was a time of economic recession in the OECD, while the late 1990s was a time of great economic growth.)

Not many countries were prepared to increase their contributions, in particular at a time when poor economic performance meant that tax revenues were tight and domestic demand for expenditures was high.

Question 9 Do you feel that you have any personal responsibility to help those who are less fortunate than you are? Explain.

Students are likely to have a wide range of responses to this question. The purpose of the question is to give them a chance to think about this important idea.

Communication

Note: An ArcView activity, Question 10, has been included in these questions.

Question 10 Complete the foreign aid mapping exercise that your teacher will give you. You will do this activity either on a paper base map or using ArcView GIS software.

Please refer to the GIS section of the Course Support CD-ROM for instructions for completing this activity.

Application

Question 11 Should economic globalization have a purpose? There are three possible answers to this question:

- “No. Globalization is a value-free concept. It is no more than the free market operating in an unfettered way.”
- “Yes. Globalization should operate in such a way as to diminish poverty in the world.”

- **“Yes. Globalization should be a tool that will both diminish poverty and reduce the gap between rich and poor.”**

Choose one of these statements and explain why you agree with it. Your teacher will tell you specifically what is required, but a variety of approaches could be used to answer this question. These include a short, formal essay, a photographic essay, or a Web site that provides links to sites that support your thesis.

There are a variety of expectations you can have for your students. What you must decide is how much time you want to devote to this question. In any case, the students may make one of the points mentioned below.

- *“No. Globalization is a value-free concept.”* The purpose of the free market is to create profits and wealth through fair competition among producers. Some will become wealthy in this competition, but others may not. However, proponents of globalization believe that all will benefit from the overall growth (“a rising tide lifts all boats”).
- *“Yes. Globalization should operate in such a way as to diminish poverty in the world.”* Globalization can produce wealth through the competitive advantages enjoyed by large business firms—the transnationals. However, these businesses must use some of their profits to pay fair prices to their suppliers and just wages to their workers. These steps will reduce poverty in countries where transnationals operate.
- *“Yes. Globalization should be a tool that will both diminish poverty and reduce the gap between rich and poor.”* Transnational companies must not only pay fair prices and just wages to reduce poverty. They must also reinvest significant portions of their profits into developing nations to expand their operations there. In this way, globalization can fuel the economic takeoff of developing nations.

Depending on the “product” that you choose, there are a number of Assessment Rubrics that can be employed. These include AR 5 Graphic Organizer, AR 8 Diagrams, AR 20 Considering

Arguments/Developing a Position. These can all be found in the Assessment Rubrics section of this Teacher Resource.

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- AR 5 Graphic Organizer
- AR 8 Diagrams
- AR 25 Considering Arguments/Developing a Position

Question 12 Battlefield casualty hospitals use a triage system to decide which patients should get immediate assistance when the number of wounded exceeds the capacity of the hospital. Casualties are put into one of three groups:

- those likely to survive with or without medical aid**
- those likely to die even if they get medical aid**
- those likely to die without medical aid, but likely to survive with it**

Only those in group (iii) would receive immediate aid. It has been suggested that a similar system should be put in place to decide on recipients for foreign aid, since the amount of aid available is far less than what is needed.

Question 12 a) How might a triage system work?

Countries could be divided into three groups and aid given according to the following system.

- *Countries likely to progress with or without an infusion of foreign aid.* No foreign aid would be provided because these countries will make progress regardless of whether they receive it or not. The money can be better spent on nations in much more desperate situations. A good example of this is that Canada has provided a small amount of aid to China in recent years to help that country improve its judicial system. This aid is highly unlikely to have a significant impact in improving China’s development.
- *Countries likely to remain in a desperate situation even if they receive foreign aid.* No foreign aid would be provided since it would not make enough of a difference. This group of

countries would include those with ongoing civil wars where aid would have little positive impact.

- *Countries likely to remain in a desperate situation without foreign aid, but likely to make progress with it.* These countries would receive foreign aid because it will tip the balance in favour of successful change.

Question 12 b) Identify two countries that would likely be put into each group.

- *Likely to progress with or without aid*—China, Peru, the Philippines, and South Africa could be seen to be in this group
- *Countries likely to remain in a desperate situation even with aid*—Congo DR, Haiti, Somalia, and Ethiopia could be in this group
- *Countries likely to progress with aid, but perhaps not without*—Ghana, Senegal, Honduras, and Bangladesh could be seen to be in this group

Question 12 c) Do you agree that such a system should be used? Explain your answer.

Most students will think that this is a harsh system but there will likely be a considerable difference of opinion whether this is a fair system or not.

Another issue that may be raised by students, or by you if they do not, is what role should be played by such factors as honest government practices and respect for human rights in deciding who gets foreign aid. The Freedom House ratings (www.freedomhouse.org/template.cfm?page=15) and Transparency International ratings (www.transparency.org/policy_research/surveys_indices/cpi) would suggest what countries should be recipients of aid based on these considerations.

Question 13 A question that is often asked is: “Why should Canada give away huge amounts of money for foreign aid when there are so many serious problems at home?” What factors should a Canadian consider before trying to answer this question?

Student answers may include discussion of the following points.

- How much does the Canadian government spend on foreign aid, in dollars and as a

percentage of GDP? How does this amount compare to that of other developed countries? (See Figure 13–10, page 206.)

- How much money do federal, provincial, and local governments spend on social assistance within Canada? (Consider spending on health, social services, education, etc.) What portion of total government spending does this amount represent?
- What are the serious problems at home on which Canadian governments should be spending more money? What are the consequences if more money is not spent on these problems?
- Would Canadian taxpayers be willing to elect governments committed to spending more money on foreign aid or on problems at home? Would they support both objectives? Or neither?
- What are the consequences for Canada if substantial amounts of foreign aid are not given to developing countries to solve many of the world’s serious problems?

Question 14 FOCUS ON GLOBALIZATION

Assume that you have just been elected to the House of Commons and that you have been named the minister responsible for the efficient use of the money that Canada and Canadians send overseas (ODA, PDA, and remittances). State at least six specific reforms that you would introduce to achieve this goal. For each reform, indicate what the problem is today and indicate how your reform will improve the situation.

This is a good question for students to answer because it requires them to pull together a number of ideas. Some of the reforms that students might suggest are

- Working toward the 0.7% target for ODA. As we have seen earlier, Canada’s contribution as a percentage of GDP is not very good when compared to our peers.
- Being sure to coordinate ODA with the work of NGOs. In recent years CIDA has provided funding to NGOs in the belief that they can use the money very wisely. Further opportunities to do this should be looked for.

- Working with recipient countries of ODA to ensure that they get what they need, rather than what we want to give them.
- Ensuring that there is a mechanism in place to determine that the aid we provide reaches its intended targets and is not stolen along the way.
- Providing matching grants to NGOs for the money they receive from ordinary Canadians (this was done after the Indian Ocean tsunami).
- Ensuring that there is a fair and safe system in place to make sure that Canadians can send remittances to their families in other countries.
- Providing a mechanism to ensure that remittances are going to family members and friends and not to support terrorist groups.

You can use Assessment Rubric AR 19 Problem Solving for this question. It is found in the Assessment Rubrics section of this Teacher Resource.

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- **AR 19** Problem Solving