

TERMS AND DEFINITIONS

Terms and Definitions of Development and Foreign Aid

Bilateral assistance — Financial assistance given by one country government to another country government or non-governmental organizations within that country.

Capacity-building — Identifies skill and training priorities of the local community, and provides for or facilitates access to the necessary resources and opportunities so that the community can successfully maintain the project or program once the external donor commitment is completed.

Community-directed — Emphasizing the local community's initiatives and priorities and involving local community members in all phases of the project or program.

Developing country — Countries where the majority of the people have a very low standard of living. Sometimes also referred to as "Third World" countries, "underdeveloped countries" or "less developed countries."

Development aid — Financial assistance given by the U.S. government to developing country governments for programs that support economic and social development.

Economic marginalization — The prevention of certain segments of society from benefiting from and participating in economic development and growth.

Export aid — Financial assistance given to support the export of goods and services from the U.S. into other countries.

Food aid — Financial assistance, determined by Public Law 480, given in one of three forms: loans for promoting U.S. food exports; emergency and humanitarian relief to restore minimum food security in a time of crisis; and, direct food commodities given to governments for reserve, resale, or distribution.

Food security — The ability to provide enough nutritious food and a balanced diet to the population consistently, to allow for healthy growth and development.

Humanitarian aid — Financial assistance given in response to natural or man-made crises, or in the transition from crisis to stability and development. An example would be refugee assistance.

Hunger — Lack of the basic food products and balanced nutrition (quantity and quality) to sustain healthy people.

Indigenous — Originating from within the community or group of people to be involved in the development project or program.

International Development Association (IDA) — The agency within the World Bank which makes interest-free loans to the poorest of the developing countries.

International Monetary Fund — A multilateral development lending organization that makes loans to developing country governments.

Malnutrition — Persistent and severe lack of essential nutritional requirements, leading to physical and mental health problems.

Military aid — Financial assistance given or loaned to allow other country governments to purchase military equipment and training from the U.S. government.

Multilateral assistance — Financial assistance given by one country government to an international organization which collects from many governments and then redistributes the funding in assistance programs to developing country governments.

Participatory — A design criteria for a project or program which actively involves broad-based community representation in all phases of the work, beginning with the applied research and continuing through the design, implementation, and evaluation stages.

Participatory strategies value and build upon indigenous expertise and experience of members of the community, strengthen self-help initiatives, and enhance community ownership and commitment to successful innovation.

People-oriented — Emphasizing the human aspects of priority-setting, and project or program design, implementation, and evaluation.

Security aid — Financial assistance that is given to promote and achieve political and security goals of the U.S. government. An example is the aid to Israel and Egypt determined by the Camp David Peace Accords.

Sustainable development — The concept that local development initiatives supported by external donor organizations or countries be designed so as to transform the broad economic, political, social, cultural, human and environmental resources in the local setting to become renewable and self-sufficient. When successful, this design criteria ensures that the donor development investments can maintain and replenish themselves after the donor funding and technical assistance program is completed and withdrawn. Examples include population, health, education, agriculture and food production, child survival, micro-enterprise, and democracy-building programs.

Structural Adjustment Programs (SAPs) — A package of economic policies and changes required, primarily by the multilateral development banks such as the International Monetary Fund (IMF) and the World Bank, and imposed on developing country governments as conditions of future lending and borrowing agreements.

World Bank — A multilateral development bank, which makes loans to governments of developing countries.

SOURCES:

The Development Dictionary: A Guide to Knowledge as Power. Ed. Wolfgang Sachs. Zed Books Ltd: 1992.

At the Crossroads: The Future of Foreign Aid. Bread for the World Institute: 1995.

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