**Practice Question 2**

It certainly seems that ever-larger portions of the globe are under active reconstruction: being rebuilt by a parallel government made up of a familiar cast of for-profit consulting firms, engineering companies, mega-NGOs, government and UN aid agencies and international financial institutions. And from the people living in these reconstruction sites – Iraq to Aceh, Afghanistan to Haiti – a similar chorus of complaints can be heard. The work is far too slow, if it is happening at all. Foreign consultants live high on cost-plus expense accounts and thousand-dollar-a-day salaries, while locals are shut out of much-needed jobs, training and decision-making. The funds received for the benefit of the victims are directed to the benefit of the privileged few, not to the real victims. Expert "democracy builders" lecture governments on the importance of transparency and "good

governance," yet most contractors and NGOs refuse to open their books to those same governments, let alone give them control over how their aid money is spent.

But if the reconstruction industry is stunningly inept at rebuilding, that may be because rebuilding is not its primary purpose. According to Guttal, "It's not reconstruction at all – it's about reshaping everything." If anything, the stories of corruption and incompetence serve to mask this deeper scandal: the rise of a predatory form of disaster capitalism that uses the desperation and fear created by catastrophe to engage in radical social and economic engineering. And on this front, the reconstruction industry works so quickly and efficiently that the privatisations and land grabs are usually locked in before the local population knows what hit them.

Rapid response to wars and natural disasters has traditionally been the domain of United Nations agencies, which worked with NGOs to provide emergency aid, build temporary housing and the like. But now reconstruction work has been revealed as a tremendously lucrative industry, too important to be left to the do-gooders at the UN. So today it is the World Bank, already devoted to the principle of poverty-alleviation through profit-making, that leads the charge. And there is no doubt that there are profits to be made in the reconstruction business.

But shattered countries are attractive to the World Bank for another reason: they take orders well. After a cataclysmic event, governments will usually do whatever it takes to get aid dollars – even if it means racking up huge debts and agreeing to sweeping policy reforms. And with the local population struggling to find shelter and food, political organising against privatisation can seem like an unimaginable luxury. Even better from the bank's perspective, many war-ravaged countries are in states of "limited sovereignty": they are considered too unstable and unskilled to manage the aid money pouring in, so it is often put in a trust fund managed by the World Bank.

**Using material from paragraphs 2 to 5, summarise the various ways in which aid organizations and related agencies take advantage of disaster-hit countries and victims to benefit themselves, and the reasons why it is easy for them to do so. [8]**

**Write your summary in no more than 120 words, not counting the opening words printed below. Use your own words as far as possible.**

**Aid organizations and related agencies….**