

FOREIGN AID AND AFRICA'S 'DEVELOPMENT'*

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The economic channels of the young state sink back inevitably into neo-colonialist lines. The national economy, formerly protected, is today literally controlled. The budget is balanced through loans and gifts, while every three or four months the chief ministers themselves or else their governmental delegations come to the erstwhile mother countries or elsewhere, fishing for capital.

Fanon (2001: 134)

Introduction

African countries have had to tackle difficult problems of underdevelopment in their various forms in the last 45 years or so. Most of the emphasis has largely been geared towards overcoming economic problems, at times to the detriment of social and political considerations. These problems have, more often than not, been viewed in terms of scarcity of capital and technology. It is in this regard that African countries have sought assistance from developed countries and the Bretton Wood institutions. Despite the flow of some financial resources over the years in many of these countries, it seems the socio-economic situation has tended to deteriorate even more. It was in this context that lending institutions such as the International Monetary Fund (IMF) and the World Bank sponsored Structural Adjustment Programmes (SAPs) as a means to redress the poor economic conditions of these countries starting from the late 1970s. These institutions had come to the conclusion that orthodox approaches do not work, since these had resulted into the worsening of the situation, which has led to fall in the standards of living, poorer health and education facilities and higher foreign debts.

These international aid flows have not been devoid of debates. Development aid-multilateral and bilateral, to African countries since 1960s had more and more become viewed by the recipient governments as an annual addition to their economies. In fact, development assistance in many respects had become increasingly a budgetary assistance, to the extent that one hardly encountered any real development which had taken place as a result of a "considerable proportion of aid inputs" (Arnold 1979: 19). In this case, most governments became in favour of aid. But as a consequence of the developments in the 1980s, there were already signs that that aid provisions were under threat. One of the indications by then was the fact that the United Kingdom and some other donor countries had reduced their commitment to development assistance. In reality, aid provision for most other donor countries (especially those in the Organization for Economic Cooperation and Development—OECD) for the developing countries expanded by more than 3 per cent a year in real terms between 1981-1991 (Watkins 1994: 517).

One of the international political changes that was to take place in the end of the 1980s was the collapse of *bureaucratic state socialism* in Eastern and Central Europe. Besides resulting in the end of the Cold War, it also signalled the triumph of the neo-liberal economic ideologies which championed the virtues of free market economies and resulted into the consolidation of the New Right which stood in opposition to welfarism

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and provision of aid in general. It was in this context that aid budgets in the industrialized countries began to decline among the major donor countries. Aid, as a traditional tool for ‘development’ was being steadily withdrawn by the developed countries in favor of direct foreign investments (FDIs). While official development aid totaled almost USD 60 billion in 1990 and FDI was just over USD 20 billion, FDIs overtook aid for the first time in developing countries in 1992. By 1997, FDIs in the developing countries had exceeded USD 160 billion, while aid in that year stood at USD 40 billion (Hertz 2001: 34).

Despite its diminishing share and frustrations over what development aid had been able to achieve, the publication of the Brundtland Report on World Development and Environment in 1987 and the conclusion of the Rio Conference on Development and Environment, has offered a challenge to the donor community to continue giving more aid. This was despite the fact that aid was being criticised. Critics of development aid on the Right were on the whole condemning aid as a distortion of market forces and a waste of resources which simply encouraged corruption. The Left critics of aid also shared this view, but regarded it within the framework which viewed aid as an element of neo-colonialism which aimed at integrating the developing countries into the capitalist world economy (Mosley 1987 for details).

The debates pointed out above were been conducted by both social scientists and lobbyists, mostly those from the Atlantic World. They mainly grounded themselves in the economic arguments, mostly focusing at institutional levels (nationally and internationally). Social sciences—economics, sociology, political science and history have produced a considerable number of “theories of social change/development” since the late 1940s. These theories have ranged from those of “change”, “modernization”, “dependence”, to those of “development” and “globalization”. Basically, these theories and practices have focused on economic growth and since early 1980s, the general impression prevailing among development scholars is that such theories have reached an *impasse* and they have generally failed to deal with the realities of the African countries (Spybey 1992; Zeleza 1997).

The goal of this paper, a very modest contribution to the historical debates on aid in Africa, is to provide some clarification of certain deceptive aspects of the link between aid and development in contemporary Africa, given the uncritical acceptance of the positive role of aid, as clearly demonstrated by the formulators of the New Partnership for Africa’s Development (NEPAD).

What is this thing called Aid for Development?

Contemporarily, foreign aid is popularly defined in terms of military or economic assistance that one country gives to help another. It includes donations of money, goods, services, and technical expertise. It can be bilateral, whereby, it is given by one country to another, or multilateral—given by a group of countries. The term foreign aid is also sometimes used to describe assistance given to a country by a private organization in another country. It is acknowledged that countries give foreign aid for humanitarian reasons and to advance their own foreign policy objectives. Countries provide money, food, and other services to help meet basic human needs such as feeding the poor, and assisting with economic development. Countries also give military and economic aid to provide better security for another country against external threats and to promote a closer working relationship with that country.

Even though, practices related to transfer money on concessional terms to colonies under the label of ‘grant in aid’ or ‘budgetary subsidy’ by imperial powers

began in the end of the 19th century, ‘overseas aid’ is a concept, which gained prominence after the Second World War. Before the Second World War, the colonial powers did those transfers, mostly on “temporary basis and without the slightest connotation of moral obligation or aid for ‘development’, a word which itself was not part of the vocabulary of the time.” (Mosley 1987: 20)

Often, such transfers were made because of the colonies’ expenditure “arising from the suppression of revolts by indigenous people”. They were meant to prop up the smooth functioning of markets and capital, rather than interest in development of poor countries (ibid: 21). The great depression of the 1930s had resulted into the contraction of international capital. At the same time, this resulted into Latin American countries adopting protectionist policies and defaulting of loan payment. It was in this context that aid for development entered political discourse. Lord Milner, the British Colonial Secretary from 1919 to 1921 is reported to have written to the *Observer*:

What these countries (i.e. the colonies) need...is economic development—roads, railways, engines, tractors, and in some cases, notably Sudan, irrigation works. It would increase employment and purchasing power at home as well as in countries where the work of development is proceeding... Their development is a question of money—and money from outside. (quoted in ibid: 11)

These policies were a continuation of those that had been set up by the so-called humanitarian, philanthropic, civilizational and developmental organizations, which aimed at dampening the resistance of Africans since the commencement of colonialism. These were such as the missionary societies and other philanthropic and humanitarian organizations including the abolitionists and the royal geographical societies since the 19th Century. These were essentially organizations of the avante guard of the elites—mostly imperial ones, some of whom were to form concessionary companies for trade and eventually for colonization. European colonization and the process of proselytization led by the church went hand in hand. The basis of these organizations was their belief that they were involved in philanthropy and charity; and their involvement in the process of colonization was on the same basis. In this way, they were involved in the provision of education, health and spiritual upkeep, while the colonial state organized production and plunder of the human and natural resources of the colonies.

These organizations were essentially welfare agencies established by the enterprising European and American missionaries enjoying the patronage of the colonial powers. By early 20th century, besides the voluntary work, the church was facing a formidable enemy in the form of the rise of communism, as manifested in the revolution of the Soviet Republics of 1917. From mere ideological battles between communist ideas and religion, the fact that communists had captured state power meant a new realignment internationally among the religious associations and also a transformation of their relations with the imperial states. The European and American states were aware of the vital role that the church organizations were playing as a political force in their fight against the working classes and other exploited classes whether at home or abroad. The World Council of Churches (WCC) was to emerge in 1925, as way to promote further activities of charitable voluntary work and expansion of missionary posts abroad.

It was on this model that what were to be termed volunteer agencies were to emerge during the inter war period. It is reported that there were 344 volunteer agencies in the West at the time of WWI. Further expansion of these organizations

was to be experienced after WW II with the reorganization of imperialism and the eventual domination of Pax-Americana in the form of neo-colonialism. Besides the rapid expansion of foreign missions, other organizations were emerging to do the same work as that of the church, such as the British Moral Re-Armament or the Oxford Group Movement. Others were such as the Rockefeller Foundation as a philanthropic organization, a child brain of John Rockefeller of Standard Oil, which was one of the biggest oil magnets and monopolies. Following the example of Rockefeller, Andrew Carnegie, the owner of the monopoly United Steel Corporation, established the Carnegie Foundation. It was this Foundation that was to create the American Association for Economic Development in Latin America. The Ford Foundation was set up in 1936 with a tax-exempt slice of the Ford Empire's profits in Michigan, where it mainly operated locally up to the end of the 1940s. In 1950, as the US government focussed its attention on battling the 'Communist threat'; the Foundation was converted into a national and international foundation.

Many other secular organizations were to emerge in the US and Europe, funded by monopolies and home governments after WW II as an answer to the evolving opposition of the peoples of the colonies against colonialism and imperialism. As 'philanthropic' organizations, they were involved in providing relief and rehabilitation; basically pandering on the human predicament created by colonialism in the form of poverty and disease. Their work was indispensable for the imperial states. Thus, two types of voluntary organizations were to be found in all the colonies, namely the religious and the secular ones. They could be hardly distinguished from each other in so far as their traditions were concerned and they both depended on the state and private sources, such as individuals, monopolies and corporations for funding. The enlarged role of these organizations coincided with the period when direct investments in the colonies by multinational and transnational capital were increasingly becoming the dominant feature of imperialism, creating the conditions for neo-colonialism. It was such conditions that also necessitated the emergence of supra-national monetary, developmental and trading organizations—the WB and the IMF through the Bretton Woods Agreement under American supervision in 1944, and the General Agreement on Tariffs and Trade (GATT) in 1947.

Overseas aid as a process within the context of international political power struggles (including the Cold War and the division of the world into three worlds) became the major economic instrument over the third world countries to the contending ideological sides in the post World War II period. It became an instrument of foreign policy as an extension of the internal politics of the donor countries. It was first introduced as a programme to facilitate short-term war recovery (rehabilitation of economies temporarily damaged by the War) of both Western and Eastern Europe. This was the spirit of the 1948-1952 Marshall Plan. This Marshall Plan was subsequently extended to a second phase in the early 1950s. The international aid regime began to focus on technical, military and economic packages, which this time included poor regions such as Greece, Turkey and later Korea in a bid to counter communism and improve the economic standards of these countries. The latter was supposed to demonstrate the superiority of the virtues of non-communist, democratic market economies.

This need to transfer money in the form of aid for economic gains in Western countries became more pronounced after the Second World War, and more so with the gaining of independence of many colonies in the 1960s. The demise of the colonial empires in Africa and Asia was to mark the third phase of the aid regime. Fundamentally, it was an extension of the same motives as previously. Here efforts

were geared towards establishment of military alliances and diplomatic alignments with former colonial masters and hence, the development of bilateral aid programmes. This was at a time when independent African states were groping for ways to unite the continent as the only way to enable development to take place. Within this context, overseas aid was being viewed as an obstacle to the unification and transformation of the continent. Progressive leaders such as Nyerere, Nkrumah, Sekou Toure, Senghor, and others regarded aid, even though needed, as part of neo-colonial machination.

Nyerere, for example, was to point out in 1960 that the West was for the further balkanization of Africa rather than its unity, since it was easier to manipulate a divided Africa: “They will flatter and bribe us and produce even greater arguments for the perpetuation of the balkanization of East Africa and exploit our need for technical assistance to keep us divided.” Furthermore, “The flattery and corruption of African leaders in order to keep them separated has already started. As I said earlier it will be intensified a million times when each of our capitals has the embassies of those countries in the world which find their power and prestige in the weakness and disunity of others....” (Nyerere 1969: 92)¹

Although the Organization of African Unity came into existence in 1963, African countries failed to unite, partly due to the competition among them for favors from the West and also direct intervention from the same in some instances, as it was the case with Congo, with the Congo-Ghana union or the Guinea-Mali-Ghana union. Thus, alongside multilateral and bilateral aid to the newly independent countries was further expansion of the activities the philanthropic and voluntary organizations (nowadays termed Non Governmental Organizations—NGOs). With the dominant Keynesian welfare prescriptions, thousands of these philanthropic and voluntary organizations were in operation in Africa and the third world countries by 1960s, spending millions of dollars in the name of aid and ‘development’ and ‘welfare’ projects.

¹ In 1963 he was to point out that “...The nation states we have inherited are inadequate organs for the development of the full potential of Africa. Indeed, in many cases the present nations are so small or weak that they are in constant danger of the more subtle forms of domination which are generally referred to as neo-colonialism. Some national governments of Africa can only fulfill the minimum functions of government if they receive subsidies from outside their borders. Under such circumstances complete freedom is difficult to maintain for any length of time. Furthermore, a weakness of this type affects not only the country immediately concerned, it affects also her neighbors and all the other countries of Africa. No one of us is safe if any of us gets involved in the Cold War between East and West, or any otherworld conflicts which are irrelevant to our own problems.

“African unity is essential to the continent as a whole and to every part of it. Politically we have inherited boundaries which are either unclear or such ethnographical and geographical nonsense that they are fruitful source disagreements. And such disagreements, if allowed to develop, would lead to a waste of scarce resources in the building up of national armies....” (Nyerere 1969: 212)

Again: “Further, many of the different African countries produce, or could produce, the same kind of primary products or raw materials. We sell in competition with each other, often to the same major consumer. Thus we are all in a desperately weak bargaining position and the triumph of one nation is frequently the at the expense of another. Individual attempts to rectify national economic imbalance frequently worsens the position of another African country, and weakens Africa as a whole in relation to the industrial areas of the world. Also in the process of diversification and the attempt to build our economies, we are each of us competing against the other for small amounts of available outside capital investment and economic aid. Our competition in this respect again makes it easy for one of us to be played up against the other, and the need for each African state taken individually makes that state vulnerable to offers of assistance which have explicit or implicit conditions attached. Through these means different African states are in danger of being involved on opposite sides in quarrels which do not concern them. If there were real African unity moral blackmail would be impossible.” (ibid: 213)

These organizations had more or less been co-opted into the 'official' aid programmes of many of the European and American governments. In this way, bodies such as the International Cooperation Administration which was later to become the United States Agency for International Development (USAID), came into being, cooperating and working with bodies that had international connections such as the Cooperative for American Relief Everywhere (CARE) as it was known then, Church World Services, World Vision, and many others. Many of these within the US had been brought together under the umbrella organization called Private Agencies Collaborating Together (PACT), whose 25 percent of the funds were from USAID. It was Lyndon Johnson and Richard Nixon who expanded and diversified further the work of voluntary agencies. Johnson created the Volunteers in Service to America (VISTA) as part of his anti-poverty programme based on the Economic Opportunity Act of 1964. Nixon facilitated the establishment of the National Centre for Voluntary Action in 1970, and created the umbrella agency ACTION in 1971 to coordinate the work of all agencies like the Peace Corps and VISTA as part of the government arm. Besides government funding, in 1979 for example, the voluntary agencies were collected USD 43.31 billion from private individuals and businessmen.

Cooperating with the US voluntary organizations were the Canadian ones by 1960s and 1970s. The Canadian government's spending on voluntary organizations whose operations were already global, ranked third by 1960s among the western countries. It had counterpart US agencies such as Oxfam Canadian, CARE Canada, World Vision Canada, Save the Children of Canada, etc. Other agencies were such as the Canadian University Council of International Cooperation (CUSO), Canadian Council for International Cooperation (CCIT), Canadian International Development Agency (CIDA) and also coordinating agencies such as Partnership Africa Canada (PAC). German had organizations such as World Peace Services, Association for Economic Co-operation (EZE), Action for World Solidarity, etc. In other European countries there were organizations such as Overseas Development Cooperation (UK), Swiss Development Corporation, and Norwegian Agency for Development Cooperation (NORAD), Netherlands Organization for International Development Cooperation (NOVIB), Netherlands Development Organization (SNV), Swedish International Development Agency (SIDA), Finnish International Development Agency (FINNIDA), etc. and even coordinating agencies for the various countries. Even Japan had Sasakawa Peace Foundation.

The increased activities of overseas voluntary and aid agencies were part of the moral and material reaffirmation of the West in the colonies. The formal acceptance of the principle of self-determination of the colonies by the West had caused a moral crisis of imperialism and modernization of the world ideologically and politically. Non-Western nationalism was a predicament for the West: it manifested itself in terms of questioning the ability of African countries to cope with the demands of 'modernity'. Resistance to the West was described as a 'clash of culture'—a revolt against white superiority, which sought to change the racial and imperial mission and an indictment of the white race. The 'Cold War' caused a further threat to the West in that many of the emerging nations were in one way or another identifying themselves with policies that were seemingly inimical to western civilization. The Cuban revolution and the attempts to export it to Africa and Latin America (typified by Che Guevara's move to Congo and later Bolivia) vindicated the West's position.

The political activities and the militancy of the workers, peasants and students in the third world countries against imperialism and its domestic forces, together with the intensification of the liberation struggles in the Portuguese colonies after 1960s

could not be put down by military intervention, as the USA had learnt from Vietnam by 1971. It was necessary to employ reformist strategies to contain such forces. By late 1960s and early 1970s some voluntary agencies formerly specializing in relief and welfare activities began to transform themselves into development organizations/agencies, to implement the WB and IMF funded projects. With Robert McNamara (who had previously organized for the bombing of Vietnam) as President of WB, this approach was euphemistically called “participatory development”. It involved a new strategy for rural development that supposedly benefited the poorest by laying down a strategic role for *international and indigenous voluntary action groups* that were developmental and people oriented. According to McNamara, this was the only way that poverty could be assaulted. It was during this period that two autonomous networking and coordinating agencies, namely, the International Foundation for Development Alternative (IFDA) and the International Coalition for Development Action (ICDA) came into being, which brought the role of voluntary agencies to centrality in providing leadership for national and international development.

The WB under McNamara since 1968 had introduced various reforms, including recruiting more third world nationals and also more women into senior levels of the Bank. The Bank was able to assimilate even those who were less orthodox in terms of the Bank’s principles, including liberals and some odd ‘Marxists’. The period itself coincided with the emergence of indigenous voluntary agencies mostly in Latin American countries mainly organized by catholic followers who were to be identified with ‘Liberation Theology’, and establishment of the Commission on the Churches’ Participation in Development (CCPD) by the Geneva based World Council of Churches (WCC). With an avowed objective of “empowering local communities” these were to constitute a new consortium—the Ecumenical Working Group on Africa, with six voluntary agencies from USA by the end of the 1970s.² These were increasingly organizing local voluntary agencies, with the express aim to explore and introduce “alternative strategies for African reconstruction and development”.

The changing international economic context of the 1970s was necessitating such transformations in the in Western conceptions about aid and development. The formation of the Organization of Petroleum Exporting Countries (OPEC) had made the US policy makers to begin sounding the world about the impending “threat from the Third World.” The formation of OPEC was accompanied with the seizure of control of the world’s crude petrol market, which was formerly dominated by a handful of multinational oil companies—the so called “Seven Sisters”. Raw material producers’ cartelization, take-overs of multinational corporations and repudiation of debt obligations, it was claimed, could hurt the West. By the time of the Carter regime the whole situation was being described in terms of a conflict between the industrial nations and the less developed countries—the “new Cold War” as the US labeled it (Kristol 1975: 5).

The international oil crisis of the early 1970s coincided with several events, which had direct implications to Africa, and several Asian and Latin American countries as far as their relations to the West were concerned. The major one was the breaking of relations with Israel over the issue of Palestine and the improved Afro-Arab relations in 1973. By 1976, the Arab League had established six institutions for

² These were: Catholic Relief Services, Church World Service, American Friends Service Committee, Lutheran World Relief, Monnonite Central Committee and American Jewish Joint Distribution Committee.

the provision of aid for African countries. Some of these were established for the purposes of cooperating with Black African states and others were restricted to the Arab League and its own African members. By 1976, the three main funding institutions had funds totaling USD 456 million of which USD 200 million was for soft loans. Among the leading institutions were such as the Arab bank for Economic Development in Africa (established in 1975), Special Arab Fund for Africa (established in 1974) and Kuwait Fund for Aid and Economic Development (established in 1975). The latter was the leading donor on GDP per capita in the World by then.

The Arab countries had conditionally tied their aid, in that they did not support countries that had ties with Israel or countries that showed any hostility to the Arab world. Special consideration was given to Islamic religious institutions and Qoranic education. Thus it was during this period that the Economic Commission for Africa decided to include Arabic in the list of working languages of the organization. At the same time, visits between African and Arab leaders increasingly became significant in the post October 1973 period. Other important events internationally during this time were the liberation of Saigon and the victory of the liberation movements in Mozambique and Angola in 1975 and 1976 respectively, which were followed by the liberation of Zimbabwe in 1980. In 1979, the Ministerial Conference of the Group of 77 was held in Arusha, Tanzania in the background of these developments, with OPEC showing the way forward. The agenda of this conference was on how the Third World Countries could negotiate for a New International Economic Order. The Group of 77, formed in a meeting held in Algiers in 1967, had developed out of a felt need for the Third World Countries to speak one voice at the UN Conference on Trade and Development (UNCTAD) and other conferences concerned with world economic matters.

In 1977, a military dictatorship claiming to extol the virtues of Islam replaced a populist social democratic regime in Pakistan. The two revolutions of 1978-9, in Iran and Afghanistan were to form a watershed in international politics. The Khomeiniite take-over was one of those rare conjectures in which the revolution and counter-revolution were condensed in the same moment. It overthrew the Shah regime, which had previously enjoyed tremendous American support, and at the same time marked the defeat of the Left in the Middle East, by signaling the ideological hegemony of 'Islamic fundamentalism'. The Communist led Revolution in Afghanistan opposed by the Taliban who were in turn supported by the USA, was to contribute significantly to the collapse of socialism in the Comecon countries, helping to pave the way for Pereistoika first in the Soviet Union, then on a global scale. The US recruited radical Islamists (including bin Laden) from many countries and organized them in military forces not to help Afghans resist Russian aggression, but to install a puppet regime. It was the people of Afghan who had to finally face the consequences of the reign of the Mujahedin.

The Khoimein regime had taken hostage American diplomats for 444 days in 1979-81, and meanwhile, a war between Iraq and Iran, which started in 1980 was to end in 1988, had erupted. This war was one of the great human tragedies in the Middle East in that as many as a million people died, and many more were wounded, and millions were made refugees, and the resources wasted exceeded what the entire Third World spent on health in a decade. The American administration, fearing that Iran would overrun the Middle East and its vital oilfields supported Iraq with military intelligence, economic aid and covert supplies of munitions (in spite of the 1986 Iran-Contra, which showed the double-faced nature of US policy).

These events were taking place when within the metropolitan countries, increasingly, there was a shift of the balance to the Right. It was during this time that there was a rise to power of anti-people and anti-welfare icons—the radical conservatives, Pope John Paul (Karol Wojtyła—1978, who put an end to the liberal reforms of the church), Margaret Thatcher (1979) Ronald Reagan (1981), (who reversed liberalism and social democracy). There was also the rise of racist and xenophobic movements after the defeat of the movements for racial and social justice in the US. By early 1980s, the defeat of the miners in Britain marked the end of labour militancy, and soon after that social democracy was to be defeated in the various European countries. Meanwhile, progressive third world and African people specifically and some leaders were involved in the rejection of the global development strategies. Among those who were in the forefront in rejecting these precepts were Mwalimu Julius Kambarage Nyerere and Michael Manley.



In the 1970s, these developments were taking place in a context whereby most third world countries were facing a socio-economic crisis after the failure of the 1960s development statist models, which based on Keynesian precepts had emphasized the central role of the state in social and infrastructural provision, and also in planning for development. The state as a vehicle for development and social provisioning was being discredited; and there was a view that donors were becoming wary in dealing with states (donor fatigue). Instead, following the examples of the church volunteer agencies, they were becoming increasingly keen to deal with “communities” directly, via local/indigenous organizations/institutions. The world scene had changed: there increasingly emerged initiatives from Europe and USA which put more emphasis on developing of local/indigenous organizations as “partners” in “participatory development strategy”. Many organizations had turned to what was termed ‘empowerment of local communities’ and alternative strategies for Africa’s development. The major theme in the development discourse among volunteers now turned “development workers” was the question of “people based development”, and researches and consultancies were increasingly being channeled towards this direction.

The concept of development itself has been quite elusive, in that the last four decades of development of the third world countries have seen it being transformed from modernization, as that transformation of ‘traditional’ societies to ‘modern’ ones (i.e. western)³ to sensibilities of “development as a management of a promise”—of economic growth through adopting commodity-based forms of production with accumulation being the overriding logic and possibilities of the outcomes of the benefits trickling to the poor. In these conceptions of development, ‘class’ antagonisms were on the main hidden and emphasis was on the existence of shared ‘values’—progress, universalism, conquering of nature, quantifying rationality, etc.

By the end of the 1960s and early 1970s, against this conception, the Dependency School had raised the questions of global inequality and exploitation. Development was increasingly under attack, and critical approaches to the process tended to focus on the dark side of it. In a bid to remain relevant, ‘new’ conceptions of development emerged by the late 1970s. Among the early ones was Alternative Development or Another Development, which focused on the lack of popular

³ Walt Witman Rostow’s ‘Stages of Growth’ and his metaphor of ‘traditional’ societies of ‘taking-off’ to ‘modern’ ones—like an aeroplane was the best summation of this conception.

participation. Another one was Human Development, which addressed the question of the need to invest in people. These were taking up challenges that were posed by the Dependency school, ecological critiques and eco-feminism. Within this context, a multitude of development conceptions emerged: self-reliant development, endogenous development, participatory development, integrated development, autonomous development, popular development, equitable development, sustainable development, local development, micro-development, endo-development, etc.

These adjectives that were tacked to development did not necessarily alter the fundamental logic of the process—i.e. accumulation and commodity (market) based forms of production and class differentiations. In all these instances, attempts were being made to deal with what were considered to be the bad effects of development (or as some called it mal-development), by involving issues of culture, nature, gender, and social justice. Development had increasingly become a qualified process—human, social, political, engendered, etc. Sustainable development, for example was launched in the Rio Conference in June 1992, in the midst of implementation of Structural Adjustment Programmes (SAPs) in the third world countries and the triumph of neo-liberalism throughout the world. Here, the most important mythology that was created was: development did not only concern the South countries but also the North. Behind this myth, was the same economic logic, while all efforts were being directed towards discrediting any forms of analysis that attempt to examine the so-called development as a class-based process.

With the efforts to implement the “participatory development strategy” there was increased efforts to create indigenous voluntary agencies in the neo-colonies. Within this context, even the so-called peoples’ movements were increasingly being drawn in the mainstream politics of international voluntary agencies and politics (people based development) with the resurfacing of the concept of civil society (as peoples’ critique of state practices). By the late 1970s and early 1980s, foundations such as Ford, Carnegie, Rockefeller and other western agencies were heavily involved in the promotion of “people’s participation programmes”, through the sponsorship of development professionals, researchers and organizations. Since late 1970s, organizations such as the Ford Foundation claimed that their objective was to promote “peace and social justice” and “education, media, arts and culture”, in line with changes in funding policy worldwide, whereby, *a new type of ‘activist’ NGOs, engaging in social and political activity, were being systematically promoted.* Ford Foundation’s “peace and social justice” were in terms of promotion of *human rights* (read individual rights and protection of private property), *especially those of women*; ensuring open and accountable government institutions; strengthening “*civil society*” through participation of individuals and civic organizations in charting the future, and supporting regional and international cooperation.

These conceptions and practices were crystallizing at a time when the neo-colonial governments were being compelled to introduce austerity measures through the implementation of Structural Adjustment Programmes (SAPs). These measures stood for the state withdrawal from social provisioning and development in general; privatization of public property; creation of an enabling environment for investors; liberalization of both internal and external (goods and financial) markets; reduction of the state’s role in the economy and promotion of individual, private and ‘community’ roles; etc. ‘Community’ roles were being promoted under the aegis of voluntary agencies, which were now relabeled NGOs/civil society. Thus, in Britain, Germany, Canada, USA and other developed countries, voluntary agencies specializing in development and research were being brought together under various liaison

committees, such as the Centre for World Development Education (CWDE in Britain), Federal Congress of Development Groups (BUKO in Germany), etc. The Canadian International Development Agency (CIDSE) established the Public Participation Programme (PPP), which coordinated several religious development agencies from Europe and the USA.

This was at time when increasingly, there were liaison committees between official and voluntary sector. Thus there began the EEC/NGO Liaison Committee as an apex-mediating agency of Europe in the late 1970s. In reality, these various developments were an expression and a reinforcement of the WB and IMF sponsored SAPs. With the implementation of SAPs, NGOs and their participatory approaches became extremely important to disarm people. In fact, given this approach, they seemingly seemed to offer a critique to the states, which were supposed to be inefficient, corrupt, bureaucratic and centralized. These NGOs were very central in the agitation of state withdrawal from social provisioning, welfare in general and planning for development, in favor of individualized and localized initiatives.

By late 1970s and early 1980s, it had already been established by these sponsoring agencies that voluntary agencies (NGOs) had a comparative advantage over the WB and IMF direct intervention in reaching the “target groups” as far as the evolution of the “new ethos” of development were concerned. With their objectives of meeting the “basic needs” through the process of “people’s participation”, and their notions of partnership in development, international NGOs, backed by financial support of their governments, private individuals, multinationals and International Financial Institutions (IFIs); together with specialized UN agencies such as UNESCO, UNICEF, WHO, FAO, etc, were now working with indigenous/local organizations. Where none existed, efforts were made to create them. Their operations were boosted in a context of a perceived ‘failure’ of official aid agencies and governments. NGOs had become more desirable and efficient conduits for “development programmes” than official ones.

NGOs/civil society acquired a new importance in global developmental issues. They were increasingly developing an intimate relation with the states and international organizations through their demand that they be involved in policy formulation and evaluation, their popularization and implementation. Western grant contributions to NGOs/civil societies increased tremendously in the 1980s and 1990s, at a time when social services were facing funding cuts throughout the world. The Christian Global Foreign Mission which had received USD 3 billion in 1970, received USD 5 billion and USD 7.5 billion in 1980 and 1986 respectively. In 1981, USAID had provided USD 9 million to 50 voluntary agencies to generate discussions and analyze the causes of poverty and hunger as a means to enhance public and private development assistance. By 1980s, a UN/NGO Liaison Service, as an apex international coordinating and networking body of NGOs was established in Geneva. Since then, a number of NGOs/civil society organizations/voluntary agencies were granted a consultative status. These included organizations such as Third World Network, Women’s International League for Peace and Freedom, World Council of Churches, International Youth and Student Movement, etc.

NGOs/civil society organizations/volunteer organizations were also fully integrated in the official development programmes through WB policies. Private individuals, multinational companies, IFIs and imperial states, were massively funding them. With the implementation of SAPs, the WB was to establish a World Bank/Non-Governmental Committee (WB/NGO Committee) by mid-1980s. A proposal was floated during the same time for the possible creation of an International

Foundation for Community Action (IFCA), as a joint venture between the World Bank and international NGOs. It was within this context that organizations such as Oxfam-UK, ActionAid International, and others began to significantly reorient their work. By 1980s, Oxfam America had committed itself to promotion of empowerment of people, social justice and peace in the world through engagement in “policy analysis and advocacy”. Other organizations such as CARE, Save the Children, Direct Relief International, etc. were also engaged in the same issues, putting high priority on influencing public policy through “lobbying and advocacy”. Most of these agencies were preoccupied with poverty eradication programmes through “participatory development”, and many (around 40 organizations) were to be part of the International Forum for Action Against Structural Adjustment (IFAASA). IFAASA became instrumental in organizing parallel meetings to the annual Joint World Bank/IMF meetings, raising criticisms and alternatives.

By 1980s and 1990s, there was a spectacular flourishing of NGOs in virtually all neo-colonies—from those that were developmental oriented to those that were engaged in analysis, lobbying and advocacy. They had even become concomitant of government and international agencies activities, since many of them thrived on the situation created by the state’s withdrawal from social services expenditure. Most of these NGOs/Civil society organizations, claimed to be developing new approaches to development matters, through slogans such as “community involvement and control”, “decentralization of decision-making”, “micro-level planning”, “participatory development”, etc. In essence, what they were doing was to shift the burden of the effect of SAPs to the masses in the neo-colonies under the guise of aiding and developing them. Over the years, most imperialist and neo-colonial countries have come to the conclusion that these organizations are indispensable for the sustenance of the neo-liberal order. Spearheaded by the World Bank and the IMF, governments have even put in place policies to govern their development (even though some of the organizations have wrongly claimed that the aim of such policies is to control them, when in fact these organizations are already an extension of the government policies and practices).

In sum, the rapid emergence of NGOs in Africa fed off the collapse of government social provisioning and donor restructuring of aid, which supported regional development plans (as “local level” development) in the 1970s. They emerged as a result of donor support being increasingly directed to local levels, and the existence of a middle class within local levels who were connected to those in other urban areas. The emergence of these middle classes, besides the consolidation of entrepreneurial roles, also strengthened the link between business and politics. NGOs were mainly dominated by business people and retired and retrenched civil servants and parastatal workers, and basically worked through local authorities/governments. Alongside this development, was the marked presence of donors in community development departments. There were thousand of NGOs in Africa by late 1980s, both local and foreign, involved in social and economic development, matters of women and youth, religious issues, environmental matters, health, education, AIDS and professional interests. The main character of these NGOs was to be non-political. A few activist organizations also developed in these years, and played the role of pressure groups in struggles for human and gender rights, good governance and democracy. These had an impact on the politics of transition to multiparty political system and the way it was to emerge in many countries in Africa.

What role have NGOs been playing in history? They have acted as ‘safety valves’, by channeling popular discontent along constitutional, peaceful and harmless

ways. Moreover, given their multiplicity and multipurpose objectives, they have sought to divide the exploited and oppressed into sections and identities (e.g. gender (women/feminists versus men), age (youth versus elders), minorities versus majority, ethnic issues, environmental issues, sexual preferences (gays and lesbians versus heterosexuals), etc. in the process, obliterating and obfuscating class divisions nationally and internationally and differentiation of societies between those who own and control the means of production and reproduction and those who are dispossessed. They further instill in the masses the belief that it is possible to humanize the existing system; and this is done by outwardly taking an anti-state stance, which in some ways seems attractive to some progressive circles.

Thus while the IFIs and international capital strip off the role of the state in regulating the economy and force it to adopt the free market economy, the NGOs agitate for self-help, community development, entrepreneurship, etc., in the process, irresponsibilizing the state and absolving it from all social responsibilities towards the people in the provision of health care, education, water, sanitation, electricity, irrigation, employment, etc. and placing them in the hands of individuals and private groups. It is in this way that they have evolved mechanisms of targeting the so-called vulnerable groups in a bid to neutralize the reactions of the deprived people. That is not all: NGOs also tend to depoliticize the masses by instilling the false belief that problems confronting the masses are non-class and non-political. They push the view that there are possibilities of dealing with such a problems through non-political strategies. In this way, they seek to demobilize the people by co-opting the best elements into the establishment and reformism.

In sum, NGOs have become the medium through which opinions for the people are molded and ideologies and illusions for the perpetuation of the existing exploitative and oppressive system are concretized. In many instances, NGOs have even worked hard to disarm the working people by undermining their class organizations and substituting them with some woolly notion of amorphous organizations open to all and inclusive of all sorts of trends on the pretext of being 'inclusive' and defending the interests of many. In the process, what is actually reproduced ideologically through their campaigns is imperial and class domination.

The World Bank and other multilateral agencies also expanded their programmes in this phase. The end of the Cold War from 1989, as the beginning of the forth phase has more or less altered the initial motives as they existed in the past. The collapse of *bureaucratic socialist states* of Eastern and Central Europe, which ended the Cold War, had marked the triumph of the ideology of market economies internationally. According to the Ministry for Foreign Affairs of Finland, given the changes in global politics and economics:

The end of the Cold War has also meant that development co-operation can no longer be justified by the same *security policy arguments* as before, when the great powers and their allies often gave aid to developing countries in order to keep them 'in the same camp' or prevent them from allying themselves with the other side. Developing countries also have to *compete with the CEE countries and the CIS* for political attention, markets, and first and foremost development funds. (Finland, Ministry of Foreign Affairs 1993: 8-9)

As it is clear from the above, there was a search for a new rationale for the existence of aid regime.

The new search for the rationale of development aid had its pedigree in the crisis, which began to face most African countries by early 1970s. Despite the flow of

aid in Africa since 1960s, the socio-economic situation of these countries had tended to deteriorate. It was in this context that lending institutions such as the International Monetary Fund (IMF) and the World Bank initiated the Structural Adjustment Programmes (SAPs) as means to redress the poor economic performance of these countries starting from the late 1970s. Aid was overtly tied to conditionalities henceforth. The end of the Cold War had resulted into the consolidation of the New Right which had always stood in opposition to welfarism and provision of aid in general.

Aid budgets in the donor countries began to decline in the 1980s. This was to be expressed in terms of what has become known as donor fatigue, as an expression over what development aid has been able to achieve. This was the period when United Kingdom and some other donor countries started reducing their commitment to development assistance. The publication of the Brundtland Report on World Development and Environment in 1987 and the conclusion of the Rio de Janeiro Conference on Development and Environment in 1992, it seems, propped up the arguments for continued flow of aid. Otherwise, the new right was of the opinion that aid is a distortion of market forces and a waste of resources, which simply encouraged corruption. Opposition to aid was also shared by Left critics, who since 1960s viewed it as an element of neo-colonialism, aimed at integrating the developing countries into the capitalist world economy (Arnold 1979; Watkins 1994; Mosley 1987).

NEPAD and the Renewal of Appeal for Aid

The New Partnership for Africa's Development (NEPAD) was the latest Africa's development initiative, after several initiatives in the past, which on the whole were never implemented. It is a merger of the "Millennium Action Plan for African Recovery Programme" (MAP), "The Omega Plan" and "The New Compact with Africa". NEPAD was popularized in all the leading industrial countries—Japan, Brussels and USA. It was launched in Abuja, Nigeria by several African heads of state on October 23, 2001 after being endorsed by the meeting of African Union as Africa's own initiative in Lusaka as a continental plan for Africa's economic regeneration in July 2001. "In February 2002, global elites celebrated *Nepad* in sites ranging from the World Economic Forum meeting in New York City summit of self-described 'progressive' national leaders (but including the neo-liberal Tony Blair) who gathered in Stockholm to forge a global Third Way. All elite eyes were turning to the world's 'scar' (Blair's description of Africa), hoping that *Nepad* would serve as a large enough bandaid" (Bond 2002: 9). The G8 endorsed NEPAD at Kananaskis through its Africa Action Plan, before being tabled at the launching of the African Union in July 2002 in Durban.

NEPAD sought to engage the developed countries to assist Africa in its development endeavors. Within this context, Africa was supposed to meet international standards for transparency, limited government, property rights, the rule of law, free markets and democracy. For NEPAD to succeed, African leaders estimated that the continent needs at least USD 64 billion annually in investments to ensure sustainable growth. However, the G8 promised to contribute a mere USD 6 billion. At the Monterrey International Conference on Financing Aid for Development, African leaders had bemoaned the state of aid for the development for the continent. It is clear that NEPAD was adopted at a time when there was already an atmosphere of tension regarding the relationship between donor and recipient countries on aid for development.

The fact is, NEPAD was adopted at a time when “development aid” was being steadily reduced by the developed countries. Given such a situation, it would seem that those who prepared NEPAD behaved like Rip Van Winkles⁴ as far as the historical experiences of Africa and the interrogation of the policies that had been advanced in the past to overcome underdevelopment are concerned. It was more or less the logic of the International Financial Institutions (IFIs) which was behind NEPAD’s thinking. NEPAD placed nearly all the blames for Africa’s problems and almost all the responsibility for sorting them out on Africa itself. Although it paid lip-service to the fact that colonialism, the Cold War and the “workings of the international economic system” had contributed to Africa’s problems, it asserted that the primary responsible rested with “corruption and economic mismanagement” in Africa. Nowhere did the document mention the more consequential corruption and mismanagement and exploitation by the powerful nations—to whom NEPAD sought to appeal. Even the consequences of the domination of the Bretton Woods institutions and their policies were not taken to task at all.

It appears that, rather than denouncing them, they were only too anxious to embrace the Structural Adjustment Programmes (SAPs). If the G8 endorsed NEPAD at Kananaskis, it is because it absolved these nations from all responsibility of the historic injustices meted out on the people of Africa. Those who prepared NEPAD ignored the fact that Africa rejected global development strategies when it produced the Lagos Plan of Action (LPA), for example in 1980, a document that stood for “collective self-reliance.” LPA had pointed out that Africa “remains the least developed continent....Africa is susceptible to the disastrous effects of natural and endemic diseases of the cruelest type and is victim of settler exploitation arising from colonialism, racism and apartheid. Indeed, Africa was directly exploited during the colonial period and for the past two decades; this exploitation has been carried out through neo-colonialist external forces which seek to influence the economic policies and directions of African States.” (Organization of African Unity 1980: 5)

The Abuja Treaty of 1981 had also rejected the neo-liberal wisdom of SAPs, and other documents that were to do the same were such as the African Alternative Framework to Structural Adjustment Programmes of 1989, the African Charter for Popular Participation and Development (the Arusha Charter) of 1990 and the Cairo Agenda of 1994. It even fell short of even the initiatives of the World Conference Against Racism in Durban, South Africa, in September 2001, when 6,000 delegates from 153 countries gathered to expose the evil of racism or the Gorée Conference that condemned slavery inflicted on Africa as a crime against humanity. No wonder that the document made very few references to human rights, and even when these were made, it was in a rhetorical manner. Hardly, did it make any efforts to guarantee self-determination for the people, and in a way it advanced some policies that are incompatible with democracy and human rights.

NEPAD pledged to support its successor policies and the Africa Growth and Opportunity Act (AGOA) passed by the US Congress. It was not even critical of the fact that Overseas Development Aid (ODA), are used to impose economic and political conditionalities on the governments and peoples of Africa. Instead it took ODA as a basis for Africa’s development. In this way, it accepted the fundamentals of SAPs paradigm by uncritically endorsing the so-called Poverty Reduction Strategy Programmes (PSPRs). The document could not discern that poverty reduction strategies that are being currently sponsored so heavily are part of the approach of

⁴ Rip Van Winkle is a Dutch hero in a story under the same title by Washington Irving. Van Winkle drunk liquor in a strange company, and fell asleep and did not awake for twenty years!

“pursuing Darwinist economics and then sending in Florence Nightingale to tidy up” which is a “difficult and counterproductive approach to development.” (Pieterse 1997)

Summing Up

What has aid been actually doing in Africa? According to Graham Hancock’s (1989) *Lords of Poverty*, virtually all sponsored aid to underdeveloped countries has been disastrous. Hancock provided numerous examples of abuse and incompetence in the administration of international aid by the United Nations, the World Bank, and other organizations engaged in “humanitarian” activities. According to him, much of the aid provided through international organizations has gone not to those for whom it was supposedly intended, but rather to enlarge the fortunes of the aid bureaucrats themselves. Most often, aid had also gone to entrench Third World governments that have little or no interest in promoting the commonwealth of those they govern. Where aid actually reached its intended destination, it usually was wasted on projects that did nothing to contribute toward economic development: In Hancock's somewhat ponderous prose:

[A]t every level in the structure of almost all our most important aid-giving organizations, we have installed a tribe of highly paid men and women who are irredeemably out of touch with the day-to-day realities of the ... underdevelopment which they are supposed to be working to alleviate. The over-compensated aid bureaucrats demand—and get—a standard of living often far better than that which they could aspire to if they were working, for example, in industry or commerce in the home countries. At the same time, however, their achievements and performance are in no way subjected to the same exacting and competitive processes of evaluation that are considered normal in business. Precisely because their professional field is ‘humanitarianism’ rather than, say, ‘sales’, or ‘production’ or ‘engineering’, they are rarely required to demonstrate and validate their worth in quantitative, measurable ways. Surrounding themselves with the mystifying jargon of their trade, these lords of poverty are the druids of the modern era wielding enormous power that is accountable to no one. (ibid: 32-33)

Further on, he noted that “Garnered and justified in the name of the destitute and the vulnerable, aid’s main function in the past half-century has been to create and then entrench a powerful new class of rich and privileged people. ...At the same time...it has condoned and in some cases facilitated—the most consistent and grievous abuses of human rights that have occurred anywhere in the world since the dark ages.” (ibid: 192-3)

Klitgaard’s (1991) book *Tropical Gangsters*, in a similar vein explores the role of the *IMF* and World Bank in developing countries, using the example of Equatorial Guinea, where the former concerned itself with short term (1-2 years) economic stability, while the latter dealt with the medium term (3-5 years). The author worked for these organizations, and what he did in this book was to show these institutions’ share of bureaucratic incompetents and lazy sinecures. According to him, many of the country’s leaders saw the loans as a source of potential Mercedes and other luxuries. With structural adjustment loans, which are premised on conditionalities of policy changes, third world leaders have been given *carte blanche* with the funds so obtained: “For such people money has probably never been easier to obtain than it is today: with no complicated projects to administer and no messy accounts to keep, the

venal, the cruel and the ugly are laughing literally all the way to the bank. For them Structural adjustment is like a dream come true.” (Hancock op cit: 59-60)

To cite an example from Tanzania on the above, in an attempt to diversify the economy in 1977, the Zanzibar government had decided to revive the rubber industry, which had been reduced to a mere 28 ha by then. By that year, 30, 000 ha had been classified as forest lands. The government planned to plant a total of 10,000 ha by 1987. Without any foreign assistance, the government was able to expand the rubber plantations from 28 ha in 1977 to 1,270 ha by 1980. These plantations were expanded further to 1,750 ha by 1983 and experimental tapping started in 1985. The Finnish Development Agency (FINNIDA) was approached by the Zanzibar government in 1979 for assistance in the forestry sector. The project was funded by Finland for 18 years—from 1980 to 1997. The Zanzibar plans were completely recast: the project started with “institutional building”, “systems development” and “human resources development”. The first years were wasted in arguments between the donors and the Zanzibar government on the standards of housing for their staff. Thus, the initial years were spent on building houses and a sauna, buy generators and import cars for the ‘expatriates’ for “the benefit of the project”, as one of the project leaders remarked in those years (Chachage 2000: 173)

During the lifetime of the project, a total of 2,320 ha of plantations were created and a total area of 8,623 ha gazetted for planting trees. The implementation of the project for the period of 18 years since it started in 1980 up to 1997, cost a total of FIM 51,419 million (as Finland’s contribution) and Tshs 295,141 million (as Zanzibar’s contribution). When the project begun in the early 1980s, FINNIDA, instead of continuing with the implementation of the plans initiated by the government, had the intention of introducing portable sawmills from Finland. The government objected to this, but Finland insisted that wood production and felling of trees was important. Under the project, 104 ha, 103 ha and 67 ha were cleared in 1983, 1984 and 1985 respectively. The project also objected to fruit trees planting, since it lacked the necessary horticultural techniques. In 1980 three expatriates were sent to Zanzibar: a leader and two technicians who were later joined by two Peace Corps volunteers—a road building engineer and a forester. There were no roads to build and the engineer was given the duty of supervising plantations while the forester became a photographer of the project!

Rather than directing efforts to the initial objective of diversifying the economy, as the Zanzibar government had envisaged, FINNIDA was more concerned with issues of environmental degradation, and land use plans, which finally led to the enactment of land laws that were in line with structural adjustments (titling, individualization and registration). It was the basically Finnish companies and other private companies which benefited from the project. All the evaluation reports indicated that the project, after all those years, was successful!

The delusion that rich countries can pull poor countries out of poverty if they so choose is still in display, as the 2005 July G 8 meeting, and Bob Geldof’s rock concerts in cities around the world to push that idea demonstrated. Here was a plea for debt relief and massive increases in foreign aid to save the world’s poor. The US and UK agreed to write off of 18 heavily indebted countries, and the US pledged to double its aid to Africa, with Britain calling for new Marshall Plan for Africa. Africans are made to be beggars and not to be independent and self reliant. Aid weakens the local capacities: it does not deliver what Africa wants most. It even distorts the labour markets, in that those jobs with aid organizations and NGOs are very highly paying to the extent that it is not surprising to find a chauffeur driving an aid worker has qualifications in biochemistry. He is driving an aid worker distributing food and

forcing local farmers out of the markets. The same with those cheap donated clothes which are forcing workers out of the textile industry.

Poverty is by far the biggest business in Africa. With the G 8 resolutions in Gleneagles in July 2005, aid agencies, development agencies, donor organizations and NGOs are preparing themselves for a tsunami of fresh money which is in the aid pipeline. Their huge bureaucracies, financed by aid, which essentially promotes corruption and complacency, will be organizing more workshops and conferences on poverty alleviation, projects, capacity building, gender balance, facilitation, entrepreneurship, etc. There are estimates that some 70 percent of all aid money raised usually goes to financing NGOs' administration—cars, salaries, equipment and the all important workshops and seminars. ActinAid infuriated the British government when it pointed out that consultants and western companies benefited to the tune of 60 percent for every STG 1 intended to go towards eradicating poverty. The World Bank admitted recently that consultants were taking USD 20 billion from global aid budgets, besides the fact that a lot more money is paid to the expatriates who are provided with jobs in areas that local expertise exist.

Aid cannot assist in the development of Africa. What Africa needs is a renewal of the project of collective self-reliance, and work harder on the unification of the continent. Aid, in all its forms is basically working towards further balkanization of the continent, through competition among countries to woe aid and foreign investors. Since 1960, Sub-Saharan Africa has received nearly USD 500 billion in aid, yet the region has become poorer in the past several decades. In today's dollars, that aid initiative disbursed roughly USD100 billion over the course of four years after World War II. Africa thus has already received the equivalent of about five Marshall Plans. In that case, the call for debt relief, more aid and a new Marshall Plan is misplaced, under the current corrupt international aid regime which is working towards the facilitation of more exploitation of Africa's labour, natural resources and raw materials, rather than industrialization and revolutionization of agriculture.

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Does foreign aid to Africa do more harm than good? Given the facts and evidence today, the supporters of development aid will have a hard time to justify a net positive effect for aid. They would have a hard time showing where else aid has worked and why should Africans be different from other people around the world. Whether be in other Asian countries who have made significant progress since the 1970s or elsewhere. A Study of the Relationship between Foreign Aid and Human Development in Africa. By Gabriel Staicu and Razvan Barbulescu. Submitted: April 29th 2016 Reviewed: January 16th 2017 Published: April 26th 2017. Aid is generally considered as one of the biggest part of the world's development cooperation effort and represents a flow of money from governments in developed countries to developing ones. Also known as official development assistance (ODA), this type of aid is mainly discussed in this section. But, as we will see, this is not the only form of financial support the developed countries provide. Aid advocates explain Africa's abysmal development record despite huge aid inflows by what I call the "aid quantity argument." First, aid advocates argue that it is unfair and misleading to cite aid amounts in aggregate terms. Foreign aid is not a panacea for Africa's development woes. So far, foreign aid has created a welfare-continent mentality and has become the hub around which the spokes of most African economies turn. At the dawn of this century, more than fifty percent of sub-Saharan African budgets and seventy percent of their public investment came from foreign aid.²³ This is unfortunate, particularly given that Africa is one of the most resource-rich continents.²⁴ Dependence on foreign aid has compromised the sovereignty of African states.