

https://dspace.org/

The aid dependency curse and its impact upon the institutions of African states. What is the effect of foreign aid dependency upon the ability of governments to strengthen their national institutions and pursue their own policies?

Letsoalo, Keitumetse

2014-01-23
http://hdl.handle.net10539/13594

Downloaded from a DSpace repository. https://dspace.org/

ABSTRACT

Despite high levels in the provision of aid to sub-Saharan Africa, many states have failed to attain self-sustained growth. African states have continued to receive more aid with little to show for it. Various scholars have debated this problematic issue and have concluded that this problem is attributed to "aid dependence". The dependency syndrome among African states is evident in circumstances whereby the recipient cannot do without aid in the recurrent budget. The dependency syndrome is characterised by the inability of recipient states to perform core functions of governance, without foreign aid and the attendant 'expertise'. In practice, this means that recipient states are accountable to donors than their constituencies. The impact of aid dependence cannot be understood without an analysis of the donor recipient relationship. Dependence on aid may also encourage donors to exert a lot of influence over the development strategies of recipients. Imposition of development policies and strategies displaces the local concerns and solutions and it overrides national sovereignty. Therefore, dependency undermines the principles of the Paris Declaration on Aid Effectiveness such as "ownership" and "good governance" which are critical for aid to be effective. This study highlights the fact that aid dependent states lack the ability to exert their autonomy when it comes to development strategies. It examines the concepts of 'aid dependence' and 'ownership' by comparing the experiences of Botswana and Malawi with foreign aid. This study emphasises the fact that there are political and economic conditions in Malawi and Botswana that have contributed towards the manner in which aid is managed and these conditions have reinforced or decreased aid dependence and ownership.