TOWARDS THE ACHIEVEMENT OF MILLENNIUM DEVELOPMENT GOAL ‘ONE’ IN AFRICA: THE POSITION OF FOREIGN AID

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ABSTRACT
Every human being has a right to a secured livelihood which includes basic needs like food, shelter, and other necessities of daily life. However, these basic needs are beyond the reach of millions of people in Africa. The long history of imperialism, lack of economic growth, natural disaster and war, coupled with corruption make most of the states in Africa confront extreme poverty and hunger. A World Bank record shows that about half of African population live on less than World Bank $2 a day poverty line. Similarly, a UNICEF report revealed that millions of Africans live without adequate shelter, access to safe water and good health services while about 5,000 people die of hunger and hunger related causes every day, in the continent. The parlous human conditions in Africa was one of the reasons the United Nations adopted the Millennium Development Goals in year 2000. The first of the eight goals is eradication of extreme poverty and hunger. Since the adoption of the MDGs, the developed nations has increased significantly, the amount of foreign aid they give to African countries, believing that aid would help to eradicate extreme poverty. However, Poverty and hunger are still prevalent in the continent, so much so that many aid donors have become frustrated and doubtful of the effectiveness of their aid programme. Thus, this paper examined why international aid has not succeed in eradicating extreme poverty and hunger and also explored alternative solution to this crisis in Africa. The study was based on secondary sources of investigation, data collection and analysis. Hence, the methodology adopted was basically descriptive.

INTRODUCTION
African continent is part of the region classified as the global South or Third World. One major characteristic of most of the states in the continent is that they experienced historical colonization by the countries in the global North, during which their developments were channeled towards the production of raw materials needed by the colonial powers. Hence, in post colonial period, most states in Africa confront a serious issue of low capital formation which is the main engine that drive economic growth and development. Their gross investment which is just about 5 to 6 percent of gross national income is ridiculously low, compared to those of the developed countries which is about 15 to 20 percent. They also experience low saving which is not enough to cater for the population growing at geometrical progression, let alone investing in capital projects. Anup (2010), corroborates this as he observes that the Gross Domestic Product (GDP) of the 30 poorest countries in Africa is less than the wealth of the world’s 7 richest people combined.

According to Adam Smith, the wealth of nations does not lie in their stock of gold or other treasures, but rather, in their productive capacity, effectively combining capacity of land
and labour for production of goods and services (Brooks, 2007). But in Africa, labour, in most cases, are uneducated or poorly trained. Land may be essentially deserts, mountains and jungles with natural resources few and far between (Viotti & Kauppi 2009). Even, the few of them endowed with natural resources, lack the technological know-how to harness the resources. They still depend on the expertise of the developed countries. All these, coupled with unemployment, ethnic conflicts, wars, natural disasters and high level of corruption, have held back economic development in the continent, making the states in there to confront poverty, and in some cases extreme poverty and hunger. A UNICEF report cited by Anup (2010) reveals that millions of people in the continent live in abject poverty, without access to basic necessities of life, like good healthcare, nutrition, water, education, shelter and decent environment, because they cannot afford them.

Poverty in Africa is so overwhelming that the rich countries cannot just afford to turn their back and try to live their own lives. The global interdependence of the international community, which makes the North-South relations part of everyday life makes it impossible. Moreover, there has been a growing international awareness that poverty anywhere is a danger to prosperity everywhere and prosperity anywhere should be shared everywhere. (Jhingan 2008) These partly accounted for the adoption of the Millennium Development Goals through which the developed nations have increased foreign aid to Africa in order to help the continent out of their parlous and degraded human condition.

Therefore, the aim of this paper is to examine the level of poverty and hunger in African, increase in the volume of Official Development Assistance received since the adoption of MDG ‘one’ and why it has not succeeded in bailing the continent out of extreme poverty and hunger. The ultimate objective of the paper is to discourage the leaders of African countries from relying on handouts from the Western world, and encourage them instead, to look inward and take some proactive steps towards transforming their economies in order to bail their citizens out of poverty and hunger.

**Literature Review**

Quite a number of scholars have written on the issue of foreign aid and the development of African economies. Some of the writers opine that foreign aid has ruined the economies of the countries in the continent rather than help them, while some others believe that African countries need foreign aid to help them get over their low capital formation. For instance, Viotti and Kauppi (2009) believe that aid assists in a great way to provide succor to the people of Africa especially in times of conflict and natural disaster. They also argue that aid can help African countries to overcome deficiency in overhead capital and technical know-how which are needed to build basic industries, and which in-turn can help to reduce poverty level.

Moreover, Okuwa (2012) argues that African countries can not totally do without aid because the challenges of the continent are so enormous that the countries in the continent cannot tackle them alone. He identifies issues like incessant destructive political, ethnic and religious conflicts, natural disasters like draught and famine, lack of natural endowment, among others as part of the reasons that may always make foreign aid attractive to the leaders of African countries. He however cautioned that over reliance on aid may kill the incentives of African leaders, thus he advocated gradual reduction of reliance on aid.

However, Jallow (2013) opines that foreign aid to Africa has only benefited the ruling elites. It has made them to be more corrupt, made them to perpetuate themselves in office and by extension, entrench pervasive underdevelopment. Jallow notes that while foreign aid called
Marshal Plan, was able to resuscitated the economies of some western countries after the end of the second world war, such has not been the case in Africa. There is no country in Africa which has experienced economic break-through in spite of the huge amount they have received as aid.

These and many other literature on the topic under review merely lament the deplorable condition of African countries despite what they have received as aid. They did not go into detailed discussion as regards why aid has not been able to restructure African economy or the alternatives to aid which African leaders as well as the aid donor should explore in order to help combat economic backwardness and the problem of extreme poverty and hunger in Africa.

**Theoretical Framework**

**Economic Internationalism**

Economic internationalism theory believes that international economic policy should not be based on zero-sum game, rather it should emphasize cooperation. To the economic internationalists, the global economy should be one which will make prosperity available to all, hence, the economic advancement of a country should not come at the expense of another. (Viotti & Kauppi 2009) The economic internationalists favour unrestricted economic interchange and they go against tools of economic restriction like tariff and other non tariff hindrances to free flow of economic activities between countries. Moreover, the economic internationalists opine that the major hindrance to the economic development of the less developed countries are lack of capital, shortage of skilled labour and other domestic economic policies such as centralized planning and protectionism. They therefore suggest that these difficulties can be overcome if the LDCs embark on things like free trade, foreign investment supplement by loans, foreign aid and reduced government interference in the economy. This theory could explain the motive of the developed nations for giving aid to African countries. They believe that the means by which they can make prosperity and economic advancement available to the developing nations, including Africa countries, is through giving international aid, either in form of loan or outright grant.

**Extreme Poverty and Hunger in Africa**

Poverty and hunger are part of the common themes which run through the countries in Africa, although in varying degrees (Dambisa 2009). Most of the countries in the continent experience lack of economic overhead capital which directly facilitates economic growth and development. Living standards are appallingly low, compared to that of the industrialized North. About half of the total population subsist on less than one dollar a day. Millions of school age children drop due to poverty, faced by their parent out of school. These examples of extreme poverty are found particularly in more than thirty African countries, as identified by the United Nations Development program (Viotti and Kauppi 2009).

Furthermore, it is said that about 40 percent of African population live in slums, from the outskirt of Johannesburg in South Africa to the interior of Kibera in Kenya, without access to basic necessities of life like electricity, pipe borne water, good nutrition and sanitation. Even though, the cost of mosquito net is less than $2, only few slum dwellers can afford it. All these make them to be easily vulnerable to common diseases like, dysentery, diarrhoea, measles and malaria which claim millions of lives every year. African children account for over 80 percent of malaria victims worldwide (Anup, 2010).

**Factors Responsible for Poverty and Hunger in Africa**

Poverty in Africa can be attributed to factors such as: inefficient agricultural practices, rural-urban migration, lack of capital stock per capital formation, armed conflict, drought and
difficult weather, corruption, poor health and lack of education. A combination of all these factors have plunged the continent Africa into a seemingly intractable web of poverty, producing effects such as: high crime rate, low standards of living, mediocrity in professionalism, brain drain, prevalence of diseases, high mortality rate, corruption and enormous debt burden. Suffice it to say however, that poverty reduction has taken a central position in the economic reforms and policies of African political leaders. Various countries in the continent have instituted series of intervention programmes (like National Poverty Eradication Programme in Nigeria) to combat poverty and hunger among their citizenry. Nevertheless, the greater chunk of the population of the continent still sleep and wake with extreme poverty and hunger.

**The Millennium Development Goals (MDGs)**

The Millennium Development Goals were adopted by the United Nations in year 2000. It set the targets for basic needs to be achieved by 2015, and first on the list of the eight targets is the ‘Eradication of Extreme Poverty and Hunger.’ Other goals are to:- achieve Universal Primary Education, promote Gender Equality and empower Women, reduce Child Mortality, improve Maternal Health, combat HIV/AIDS, Malarial and other Diseases, ensure Environmental Sustainability, and develop a Global Partnership for Development.

**The First MDG: Eradication of Extreme Poverty and Hunger**

As noted above, the first of the eight MDGs is eradication of extreme poverty and hunger in the third world countries, including Africa. The target of this goal is to reduce by half, the proportion of people living on less than a dollar per day, who are victims of extreme poverty and hunger by 2015 (http://www.unicef.org/mdg/poverty.html). The developed countries of the global North believe that one of the means of helping the developing countries to eradicate extreme poverty and hunger is through the distribution of foreign aid. Hence. They believe that Official Development Assistance (ODA) and borrowed funds are important sources of capital for investment that could help a country to improve its infrastructural facilities which is sine qua non to eradication of extreme poverty and hunger.

Little wonder, the Chinese president, Hu Jintao, once commented that “developed countries should assume their responsibilities and obligations. They should continue to deliver their aid, maintain and increase assistance to developing countries and effectively help them maintain stability and economic growth”(Goldstein & Pevehouse 2010). Moreover, an American economist, Professor Kindleberger also opines that “the underdeveloped countries now have expectation of assistance in their development. The United States at least, among the developed countries, is committed to some form of economic assistance to the development programme of the so called ‘free world’. (Jhingan 2008).

In 2002 members of the Development Assistance Committee (DAC) (consisting of 22 EDCs from Western Europe, North America and Japan/Pacific) set for themselves a goal to contribute 0.7% of their Gross National Products (GNPs) in foreign aid to the global South every year (Goldstein Pevehouse 2010).

**Africa and Foreign Aid**

African continent is said to be the largest recipient of international aid in the world. As a matter of fact, the large chunk of the budget of many countries in Africa, like Ethiopia, Kenya and Sudan depend heavily on international aid. The countries in the continent received over $1 trillion of development related aid within a period of 50 years (Foreign aid and Africa 2009). Popoola (2011) opines that the year 2005 was particularly noted as the year the West tried
harder than ever before to save Africa. The then British Prime Minister, Tony Blair, being full of compassion about the tragedy of Africa, called for a doubling of foreign aid to Africa. He canvassed that the West should try harder than ever before to save Africa. Thus, at the World’s Economic Forum in Davos, Switzerland, Blair called for “a big, big push forward” to end poverty in Africa through increased foreign aid. (Popoola 2011) As a follow up to that, Blair put the issue on top of the agenda of G8 summit in Scotland in July 2005, This made the G8 to double foreign aid to Africa from $25 billion a year to $50 billion a year, to finance the big push as well as to forgive the African aid loans contracted during previous attempt. Thus after 2005 a whopping sum of about $50 billion of foreign aid was being given to African countries every year to address poverty and stimulate development on the continent.


Nevertheless, the staggering amount has not effectively addressed the issue of poverty and hunger in Africa. The countries in the continent still experience low productivity of labour and capital while technological backwardness is palpable everywhere. Most of them cannot start some key industries like steel rolling, machine tools, refinery, and heavy electrical and mechanical manufacturing which are cardinal to economic growth and capable of generating employment. Hence, many aid donors have become frustrated about the slow growth rate and perpetuation of extreme poverty and hunger in Africa. Some of them have started to exercise doubt as regards the effectiveness of their aid programme and whether aid can really guarantee any sustainable economic development or succeed in eradicating extreme poverty and hunger in Africa (Matador net 2009). According to them, evidences overwhelmingly demonstrate that aid to Africa has made the poor poorer and the growth of the continent slower. It has left African countries more debt-laden, more inflation prone, more vulnerable to the vagaries of the currency markets and more unattractive to higher quality investment.

Even after the aggressive debt relief campaign in the 1990s, African countries still pay close to $20 billion in debt repayment per annum- a stark reminder that aid is not totally free. Dambisa (2009) notes that between 1970 and 1998 when aid flows to Africa were at their peak, poverty in Africa rose from 11% to a staggering figure of 66%. Thus, foreign assistance has been an unmitigated political economic and humanitarian disaster to Africa.

Reasons Why Aid is not Solution to Poverty and Hunger in Africa

The in-pouring of foreign aid in form of material needs hinders self sustainability and kill local industries in Africa. For instance, Dambisa (2009) gave an illustration of a local mosquito net manufacturing firm which was driven out of business by a foreign donor which came with thousands of free mosquito nets to be distributed. Consequently, the employees of the local industry were relieved of their jobs and they and their dependants had to contend with poverty and hunger, the very evil which foreign aid seeks to tackle. Looking at it from this perspective, international aid is capable of worsening poverty level rather than alleviating it.

Another point similar to this is that food aid programme has never been in favour of local farmers in Africa. In most cases, food donors do not provide the fund for people to buy food
locally and thereby support the local farmers to grow. (Goldstein & Pevehouse 2009) Rather, what they do is to buy the food from their country and use their country’s vessels to transport it to where it is needed. This practice of food dumping, unless it is for emergency relief alone, can have a long term devastating effect on the economy of the recipient country. Free, or subsidized foreign food actually drives the local farmers out of job and consign them to deeper level of poverty and hunger. This may be worse in the country where the economic mainstay of the majority is farming. According to the World Bank, this kind of practice reduces the value of aid by 15 to 30 percent and violate the free market principle which the donors themselves promote. Coupled with this is the conditionality criteria imposed by aid donors, which to say the least, does not give the recipient countries the free hand to really address the main problem of their people. This was the reason president, Paul Kagame of Rwanda, commented in 2009 that “we appreciate support from the outside, but it should be support for what we intend to achieve ourselves” (Goldstein & Pevehouse 2010). The hand out model may make the aid donor provide assistance not appropriate to the local condition and cultural needs of the people. Moreover, it has been argued that foreign aid kill the initiative of the government and retard development. The political leaders of the recipient country may not seek other better, or more transparent ways of raising development finance because of over reliance on aid. For instance, foreign aid constitute about 80 per cent of Ethiopian budget and this has not encourage the leadership of the country to take a proactive step toward addressing the prevalence of extreme poverty in the country. So, rather than reliance on aid system of development that preaches hands-out, African leaders should adopt strategies of development which emphasize the important role of entrepreneurship and markets (Viotti and Kauppi 2010).

Furthermore, corruption is another reason why aid has not been able to transform the economies of African countries. Some economists estimate that about half of the aid coming to Africa are stolen by their corrupt leaders or state officials. For instance, Mobutu Sese Seko who ruled Zaire from 1965-1997 was said to have stolen about $5 billion from the country. More so, Malawi’s former president, Bakili Muluzi was charged with embezzling aid money worth $12 million. President Fredrick Chiluba of Zambia too (1991-2001) had a court case that had to do with embezzlement of millions of dollars meant for education, health and infrastructural development of his country. (Matador net 2009). Hence, the inability of African leaders to spend aid funds judiciously has affected the economic growth of their countries.

Furthermore, the various aid that have come to Africa in form of loans have worsened the continent’s woe rather than bail it out of economic logjam. At the beginning of the new millennium, the debt of African countries had totaled up to $340 billion as the interest rate kept mounting year by year (Reid 2009). In some cases, the countries that took loans are only struggling to pay the interest while the principal is still staring them on the face. Some African countries have asked for debt rescheduling or debt relief to help them have a breathing space for internal development. Nevertheless, a lot of them are still debt ridden which make any internal economic development that can eradicate extreme poverty and hunger difficult.

In addition, little or no efforts have been made by the donors to tackle the obstacles in the way of progress of the recipient nations. Spontaneous response to the terrible condition of the people by providing food, education and health care cannot proffer any enduring solution like addressing the root causes of poverty and hunger. This made Kofi Annan, comment that “just shipping-in food is not enough, causes of poverty and hunger must also be addressed” (file://1:/famine_spread_across_Africa.htm). Since the quantum of aid pouring into
Africa has not raised any country in the continent above the level of extreme poverty and hunger. what Africans need to live a better life is capacity building rather than an abstract or aspirational target which will only continue to perpetuate dependency principle.

**Suggested Solutions to Extreme Poverty and Hunger in Africa.**

One of the means by which the developed nations can help to eradicate poverty in Africa is to encourage the growth of trade in Africa by eliminating all unfair trade practices, especially between the global North and global South. During the session of its 2009 summit in London, the G-8 promised $1.1trillion in loans and guarantees to bail out troubled countries (including Africa) and finance trade. (Landler & Sanger 2009) Thus, a call is being made to them to sum up the political will to fulfill this promise. Its fulfillment will go a long way to reduce trade deficit, which promotes dependency and hinders economic growth in Africa (Rouke, 2008).

Furthermore, the developed nations as well as international relief and development agencies/organisations like Oxfam America can effectively contribute to alleviation of poverty and hunger in Africa by helping the local African people to build their own capacity. This may include empowering local people with new skills, and giving their products access to international market.

Another role which the developed nations and international organizations can play towards helping Africa to overcome poverty is to ensure that global partnership create an enabling environment by strengthening policy coherence and modality of executing any programme aimed at assisting African countries. Furthermore, the developed nations can eliminate all unfavourable conditions for accessing the facilities of the IMF and the World Bank loans, like forcing the developing countries to open their market to foreign goods irrespective of its adverse effects on local producers.

In addition, African countries need to encourage Multinational Corporations (MNCs) to channel a great part of their Foreign Direct Investment (FDI) to the continent. FDI serves as a good strategy for economic growth, because it makes capital available for investment, enhances a country’s export, creates employment and brings in technology which forms the backbone of economic development (Blanton & Blanton 2009) As a matter of fact, the aid donors themselves rely on FDI for their economic sustenance. Hence, it is recommended that African leaders should relax all unfriendly restrictions to investment. They should also embark on economic reforms that will generate economic growth. This must include creation of jobs, and increase in public investment in provision of basic amenities, such as education, health, water, sanitation and infrastructure. The government must also address rural-urban inequalities by supporting agriculture and rural development. In addition, availability of micro credit, which can enable poor entrepreneurs to get access to little soft loan to start small business may also be a veritable means of promoting economic growth. More so, Political stability and policy consistency cannot be wished away in any effort aimed at eradication of poverty. A country riddled with inter ethnic conflicts or war cannot successfully alleviate poverty and hunger. Same goes for lack of continuity or inconsistency of government policy which is very common in Africa.

**Conclusion**

The major findings of this study have revealed that the quantum of aid given to African countries so far has not been able to solve the problem of extreme poverty and hunger in the region because, among other reasons, the aid has not been channeled towards national economic development or individual capacity building which are sine qua non to eradication of poverty and hunger. Hence the paper concludes that for Africa to break the jinks of extreme poverty and
hunger, the political leaders in the continent must embark on aggressive building of local capacity and policy transformation, such that would boost trade and local investment, and attract foreign investors to their countries. They also need to be more responsive, transparent and accountable to the governed. These and many other points mentioned in the paper are expected to generate employment, strengthen the agricultural sector of the African agrarian economy, improve people’s standard of living and raise them above poverty line.

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