Chapter 9
Foreign Aid to Africa: Conceptualising Socio–Economic and Political Development Applying Complexity Theory

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ABSTRACT

The main objective of this chapter is to provide evidence that foreign Aid to African countries is a barricade to their sustainable development. Both modernisation and Dependency theorists’ suggestions have failed to spawn socio-economic and political development in African countries. Complexity theory may provide a better understanding of the linkage between foreign aid and the socio-economic and political underdevelopment. The current foreign aid given to African sovereign states by donor or developed countries seems to perpetuate underdevelopment. In fact, Foreign Aid to most of African countries has not adequately addressed its problems; rather it has succeeded in keeping most of African countries dependent on foreign aid and in the state of underdevelopment. Using both quantitative and qualitative document analysis of records on foreign Aid to Africa reveals that foreign Aid in and out of itself is not a bad thing, it is among those many important resource inputs, which operate in many African countries which if paved with good intention could bring about sustainable socio-economic and political development in Africa.

INTRODUCTION

Unlike in Europe, where many countries reaped profitably from the Official Development Aid (ODA) through the Marshal Plan, which contained assistance programmes for the economic reconstruction of countries that had suffered the consequences of World War II. For instance, Foreign Aid provided to countries like Japan principally helped to improve up on its socio-economic and political development. Since then developed countries have adopted it as a tool to promote economic and political development to underdeveloped world such as Africa. In other words, Foreign Aid is considered as an important tool
that can help to overcome underdevelopment in Africa, which is viewed by developed world as a dark
continent. Extending foreign aid to Africa is therefore expected to transform it to a modern world.

However, massive Foreign Aid disbursed to Africa has been of questionable benefit. Africa is seri-
ously grappling with socio-economic and political problems. Perhaps it is correct to say that foreign
Aid has exposed Africa to both intended and unintended consequences which curtail its socio-economic
and political development. To say the least, there has been little impact of Foreign Aid on economic and
political development in Africa despite its huge transfer to the continent. In fact, there are questionable
political practices as well as significant economic instabilities in many African countries which are fueled
by foreign assistance. The nature of political injustices and poverty in Africa is unacceptable, though
developed or donor community continue to transfer massive Aid to the continent.

The objective of this paper is to explore the relationship between Foreign Aid on one hand and eco-
nomic and political development on the other. In other words, the interest is to establish how foreign
Aid shapes or affects economic and political development in Africa. In-depth understanding of this, is
very important to guide political leaders, policy makers on whether to continue relying on foreign Aid
or give it a break. This is because it is surprising that the mission of Foreign Aid is to help close the gap
of socio-economic and political up-hills faced by developing nations is hardly reflected on the African
continent. The continent remains with exception of a few countries like South Africa and Botswana, major-
ity countries in Africa experience economic and political underdevelopment. It should be mentioned that
even those countries like South Africa pockets of destruction are seen in the foreign Aid extended to it.

Political development is seen in the perspective of having a self-reliant, rule of law, free and fair
periodic elections and respect for human rights among other tenets. In that regard, citizens are given
full opportunities to participate in the political affairs of the country. Economic development on the
other hand is often looked in the lens of a sustaining economy, where there is economic growth in terms
of Gross Domestic Product (GDP) as well as increase in international trade. In this paper Foreign Aid
should be understood as international transfer of any resources or assistance intended to contribute
towards economic and political development. It is pertinent to note that to achieve this status is a hard
rock to crack, which requires adequate resources and credible policies.

The western developed world emphasise that to get to this level of development, democracy has to take
centre stage. In this regard, both viable economic and democratic institutions have to be established to
promote economic and political development. This was born out of decolonisation, which was a striking
feature, which brought high hopes to Africa. Along those lines, they have been quick to suggest policies
to many third world countries like those in Africa for their socio-economic and political development.
Calhoum (2011) points out that “after independence, a variety of the world’s richer countries mounted
substantial efforts to help postcolonial countries grow” economically and politically.

In the light of this, Foreign Aid has remained a major source that supplements domestic economic
and political development initiatives in many African countries. Therefore, it is pertinent to understand
its contribution in this perspective. The paper limits itself to a period 1986-2011. This period will pro-
vide a better understanding the impact of foreign aid over a long period of time. This paper attempts to
address this important question: to what extent has Foreign Aid had impact on economic and political
development in Africa? In view of this impact, what is the importance of Foreign Aid to Africa? Does
it constitute any important episode in the economic and political development in Africa? The answer
to this question will clear clouds about theory and reality through critical assessment of Foreign Aid
potential as regards economic and political development. It will also add to the existing literature about