

INTERROGATING FOREIGN AID AND THE SUSTAINABLE DEVELOPMENT CONUNDRUM IN AFRICAN COUNTRIES: A ZIMBABWEAN EXPERIENCE OF DEBT TRAP AND SERVICE DELIVERY

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ABSTRACT

This article analyses the role of foreign aid to the development of African countries with particular focus being given to Zimbabwe. The paper also unravels the foreign aid debates, highlighting both the positives and negatives that surround this highly contentious phenomenon. It is argued in this paper that foreign aid has been shrouded in paradoxically ambivalent standpoints. Of note is the fact that there is hardly any consensus as to what foreign aid does to the development in Africa. In fact, two critical questions have been asked: Is foreign aid really a panacea to Africa's development catastrophe? Is foreign aid really cancerous to Africa's development?. This article addresses these questions in detail. While it is a brutal fact that foreign aid can undermine sustainable development with its stringent conditionalities, it can simultaneously be a necessary evil in certain circumstances, especially during times of crises. This paper draws largely on the Zimbabwean experiences with foreign aid in interrogating the foreign aid – sustainable development nexus. The paper builds on the existing body of literature on foreign aid debates pertaining to how the provision of foreign aid impact on sustainable development in Africa. In making a critique of foreign aid, I resorted to a rigorous review of literature and content analysis of secondary sources related to foreign aid.

Keywords: Africa, foreign aid, sustainable development, aid conditionality, poverty, debt trap

Conceptualization of Foreign aid

This paper focuses on how foreign aid impacts the development of African countries. It further explores the debates surrounding the phenomenon of foreign aid. Easterly (2006) defines foreign aid as a voluntary transfer of resources from one country to another, given at least partly with the objective of benefiting the recipient country. Aid has been defined by Ajayi (2000:117) as “a form of assistance by a government or financial institutions to other needy countries, which could be in cash or kind”. It should be noted that aid tend to have several functions, such as being a signal of diplomatic approval, tool for strengthening a military ally or to reward a government for behaviour desired by the donor. It can also be for provision of infrastructure needed by the donor for resource extraction from the recipient country or maybe as a way of gaining other kinds of commercial access. The most common type of foreign aid is the official development assistance, which is assistance given to promote development and combating poverty. This paper portrays the dialectical ambivalent nature of foreign aid.

Tracing the historical roots of foreign aid

Stevenson (2006 :72) notes that the modern concept of foreign aid or assistance from mainly rich industrialized countries to less economically developed countries, has its roots in the post Second World war reconstruction era. The overwhelming success of the Marshal Plan in channeling resources from the United States to a war torn Europe convinced many western leaders that a similar transfer of resources to newly independent countries in Asia and Africa would likewise lead to rapid development and poverty alleviation. Thus the roots of foreign aid are deeply embedded within the modernization perspective which dates back to the Marshal Plan era. Under this Marshall Aid Assistance about \$17.5 billion was granted to Western Europe to resuscitate her ruined economy as a consequence of the Second World War. Since then, the aid system has remained a durable phenomenon of the international economic system (Todaro, 1977: 328-335). Of note is the fact that developing countries’ debt crisis is a consequence of this foreign aid. The debt crisis entails foreign debt incurred by the third world governments, generally in quantities beyond that government’s political capacity to pay it back. Much of the current debts of African

countries were amassed following the 1973 oil debacle .During this era oil prices rose to astronomical levels and this compelled many poor African and Asian countries to borrow heavily to purchase essential supplies. It should be noted that humanitarianism and altruism are nevertheless significant motivations for the growing provision of aid, although there maybe other vested hidden interests and agendas behind giving aid to especially developing economies. Aluko & Arowolo (2010) argued that the issue of foreign aid and the concept of third world gained prominence during the cold war which pitched the United States and the former Soviet Union against each other in an ideological supremacy tussle in the early 1950s as the heads of the two power blocs. To lure clients to their blocks these polarized blocks offered incentives in form of foreign aid to mostly developing countries. Foreign aid was thus used as an instrument for strengthening and expanding influence and power of the leaders of the two blocs so as to achieve their goals (Aluko & Arowolo, 2010).

Demystifying the common myths surrounding foreign aid

There is a general misconception pertaining to the foreign aid availed to developing countries by the developed countries and their agencies such as IMF and World Bank. While it is a brutal fact that aid and loans are fundamentally different, it should be noted that these two tend to overlap if not collapse to mean the same when it comes to foreign aid from the developed countries. It has been observed that with foreign aid from the IMF and World Bank a loan is inherently embedded in their aid. Broadly speaking there exist three major types of aid, which is humanitarian aid, developmental aid and systematic aid. Humanitarian or emergency aid is rapid assistance given to people, countries or other organizations in immediate social, economic or political distress to relieve suffering during and after emergencies like natural disasters such as the earthquake in Haiti or even man – made catastrophic emergencies like wars as in Sudan. This aid is thus mobilized and dispensed in response to calamities for example aid in response to the 2004 Asian Tsunami and the Zimbabwean cholera outbreak .This aid is normally disbursed and mobilized by charitable organizations to institutions or people affected. Developmental aid, on the other hand is assistance given by mostly developed countries to support development initiatives in general, which can be economic development or social development in less economically developed

countries. This aid is aimed at alleviating poverty in the long term than just ameliorating suffering in the short term. The term development aid is being or is often used specifically to Official Development Assistance (ODA), which is aid that is given by governments on certain concessional terms, usually as simple donations. Systematic aid entails aid payments made directly to governments either through government to government transfers, which is also called bilateral aid. It may be given to governments through the international aid agencies and other multilateral institutions such as the World Bank and IMF; this is also known as multilateral aid. This type of aid usually comes with policy conditionalities such as free market and democracy prescriptions which mostly underlie World Bank and IMF assistance, (Easterly, 2006). David (2005:22) noted that most of these policy prescriptions may do more harm to the poor and third world economies as they might not fit the local environment. In furtherance of the operationalisation of aid, aid has been succinctly divided into three broad categories, that is, bilateral, multilateral and private and these tend to collapse with the aforementioned aid types (Todaro, 1977: 329). Bilateral foreign aid is a financial outflow from one country to another, that is, it involves capital outflow between two countries. Aluko & Arowolo (2010) argued that this kind of aid accounts for almost 60% of aid to developing nations. This bilateral aid maybe given in the form of development loans usually repayable within long term duration; technological assistance involving technological and managerial know-how and transfer of technology for substitution. It has also been observed that there is also military assistance involving military cooperation between two countries. Under this type of aid, armaments and training of personnel as well as supply of military hardware at subsidised rates are usually major components of such aid pact (Aluko & Arowolo, 2010). On the other hand, multilateral aid has been defined as a capital outflow from international financial bodies rather than from government to government. It accounts for 40% of global assistance to developing nations (Aluko & Arowolo, 2010). Private capital outflow covers, according to Todaro, all direct investment input credits and portfolio investment by transnational corporations and commercial banks. Private foreign capital outflows to the developing world grew tremendously from \$4.6 billion in the 1980s but declined through the late 1980s to the 1990s due to endemic political instability occasioned in Africa, for instance, by political turmoil and civil wars which invariably triggered capital flight.

It has been observed that foreign aid has in fact assumed the status of foreign policy instrument by developed democracies to strengthen their relationship with, and consequently spread their influence on, the developing economies. The author contends that more often than not people think they are helping the situation by supporting aid when in reality what they will be doing is being persuaded to subvert justice. Closely looking at all forms of foreign aid provided to developing countries like Zimbabwe, one is compelled to argue that behind this assistance lie stringent conditionalities and/or strings attached that obfuscates a disguised plan to benefit the donor countries just like the IMF and World Bank have done in the past with their aid packages. Of note is the fact that most if not all of these aid packages tend to have exorbitant interests rates that many countries find difficult to repay. Such a scenario has thus trapped developing countries like Zimbabwe in a virtually reinforcing vicious cycle of dependency and debt trap. It is against this background that the author argues that the loans donor countries and agencies give to Zimbabwe in particular and Africa in general compels these recipient countries to open up their countries to the exploitative free trade politics dominated by the donor countries. This is consistent with Sogge (1996) who argued that for every one dollar (US \$1) donated to African countries, the donor country makes fourteen dollars (US\$14) in profits through various favourable trade policies. In Zimbabwe, it has been observed that with loans from China and other Asian countries, the country has exposed its citizens to a vicious cycle of chronic exploitation and disenfranchisement. This is evidenced by a skyrocketing influx of cheap quality counterfeit products that have inundated the Zimbabwean market from various Asian countries like China. There has also been rampant exploitation of Zimbabwean cheap labour by the Chinese who have invested in the country's mining and trade industry. More so, the author observed that with the free trade policy, the local entrepreneurs and business people are starting to lose a lot of money and profits due to foreign competition. Of note is that the decade long socio – economic and political quandary in the country saw a proliferation of foreign business people most notably of Asian origin and Nigerians whose shops have inundated most urban centres like Harare and Bulawayo. While this in itself may not be a problem but these investors have a tendency of remitting the profits made to their mother countries rather than reinvesting it locally. Such a scenario thus brings to question the importance of that kind of investment since there is low capital retention but rather rampant capital flight and leakages which tend to

suppress economic growth in the country. It is against this background that Aluko & Arowolo (2010) argued that the issue of foreign aid has actually done more harm than good because of the conditionalities that go with it which tend to be injurious to the economic growth of African countries like Zimbabwe.

Hunt (2008) asserts that studying the patterns of allocation of foreign aid from various donors to receiving countries, considerable evidence shows that the direction of foreign aid is dictated by political and strategic considerations, much more than by the socio – economic needs and policy performance of the recipient countries as portrayed by the donor countries. Stevenson (2006) argued that most of the aid received by poor developing countries, however necessary is “*tied aid*”. In this tied aid the donor nation benefits economically from that same aid at the expense of the recipient country. This happens as the receiving country is compelled to buy goods and services from the donor country as a pre – requisite for getting assistance and further aid. In building a dam for example, the donor country may insist that their companies, experts and equipment be utilized. Thus aid highlights the hegemonic dominance of the donor countries over the poor recipient countries. Paradoxically; one can come to the conclusion that foreign aid is dialectic of ambivalence which consists of highly mixed results of problems and success simultaneously. This justifies why some scholars like Dambisa Moyo argue that aid in fact benefits the donor countries more than it benefits the recipients. This is also supported by Ajayi (2000:133) who argued that the dependent position of most African countries makes them susceptible and vulnerable to machinations of Western metropolitan countries as well as Breton Woods Institutions like the IMF and the World Bank. The author avows that conditionalities that are normally tied with foreign aid tend to invariably create patron – client relationships between the donor country and the recipient country which tends to be beneficial to the former at the expense of the latter.

With the increasing publicity of foreign aid in recent years, there emerged two conflicting schools of thought in the conceptualization of foreign aid. These two binary groups are engaged in a fierce and perpetual debate on whether foreign aid is really the antidote to African poverty and underdevelopment, or it is the chief culprit and engine that drives the poverty, inequalities and underdevelopment of the continent. This paper thus utilises this holistic analysis of foreign

aid in understanding the impact of foreign aid in Zimbabwe. Sachs (2005) asserts that the injection of foreign aid into Africa has materially benefited the African people; he thus views foreign aid as rather a necessary evil to African problems and development challenges. The UNDP (2006: 22) in Rajan (2008) has given this line of argument credibility by noting that African governments benefit immensely from foreign aid as they get resources for making the multiple investments in health, education and economic infrastructure needed to break the vicious cycles of deprivation and poverty. Responding to some aid critics, who noted that foreign aid has totally failed to lift Africa from its vicious cycle of poverty, Sachs (2005) notes that reason which accounts for that problem is that the aid which has been given is like a drop in an ocean, hence he advocated the increase of foreign aid to African countries as a panacea to economic growth and development. Burnside (1997) concurs with Sachs' line of argument noting that massive infusion of well targeted aid is necessary in ending Africa's poverty. He notes that foreign aid may inevitably spur economic growth in countries with low corruption and sound democratic policies. Burnside (1997) gave examples of South Africa, Egypt and Botswana as symbols of foreign aid success stories in Africa. Thus given such a scenario one can argue that foreign aid is a clear moral imperative, especially humanitarian aid during times of emergence.

Harms et al (2004:20) notes that aid supported educational scholarships have certainly helped send Africa's brightest and intelligent students to European school and universities, thereby improving qualitative human resource base for most third world government. However, what Harms did not know was that most of those students never return to their home countries but they remained behind after completing their studies for the benefit of the donor countries. Hunt (2008) concurs with Harms that foreign aid was and still is of paramount significance in mitigating the diverse effects of debt and widespread poverty, thus foreign aid has been viewed as functional shock absorbers and an important form of social safety nets for many poor countries. Harms et al (2004) gave a positive account of foreign aid on foreign direct investment and economic growth. They argued that in the case of Egypt, it has been observed foreign aid played an important role in bridging the two gaps (savings – investment gap and the foreign exchange gap). Thus; the conventional macroeconomic rationale for foreign aid is to supplement domestic savings foreign exchange and government revenue and consequently socio – economic development of the third world countries. Humanitarian aid has in most cases responded

positively well to shocks and emergencies and therefore successfully managing to reduce vulnerability, for example in the Zimbabwean cholera outbreak, more and more people could have died from the disease had it not been for the foreign humanitarian aid intervention from several donor agencies, countries and organisations. Thus this kind of aid has and continues to provide band – aid solutions to alleviate immediate calamities and suffering of African people. According to Sachs (1996) aid works perfectly well in good policy environments, hence policy implications are that selectivity could be an ideal instrument for enhancing the effectiveness of aid generating high growth and reducing poverty in the receiving countries. In some targeted aid recipient areas like South Africa and Egypt, public management and service delivery improved magnificently ,thus in these cases aid has been closely associated with poverty reduction, improved social service provision and competent public institutions. Stewart (1998) provided empirical substantiation of the argument that those countries with low corruption and good policies have had their economies improved by foreign aid in the long run. He notes that foreign aid has been an extremely useful tool of United States diplomacy and point to progress in lowering the rate of poverty worldwide from 28% in the late 1980s to 20% a decade later. Obasanjo (1993:77) concurs by opining that there is nothing inherently wrong with borrowing in the modern economy. In fact, to him these loans can stimulate economic development provide that they are used on meaningful and productive projects which are well – monitored by the donating country and the local government. In the same vein Stewart (1998) argued that foreign aid only degenerate into a debt crisis when the loan is either mismanaged, misappropriated or not committed to development – oriented projects. In contrast, the author observed that Zimbabwe and many other African countries are entangled in a vicious circle of debt trap catastrophe due to misdirection of foreign aid funds on unproductive and non profitable social service related projects which do not regenerate the money.

However critics to this school of thought like Bauer (1976 & 2006) charge against foreign aid. He railed against calling it aid because calling it as such promotes an unquestioning attitude to it. He noted that the term aid disarms criticisms, obscures reality and prejudice results .To him the term has enabled aid supporters to claim monopoly of compassion and dismiss critics as lacking in understanding philanthropy and sympathy (Bauer, 1976). Moyo (2005) also refutes that while scholars and practitioners disagree on the effectiveness of foreign aid in general, the irrefutable

fact remains that during a period when aid has risen over time, Africa's growth rate has concurrently plunged. Thus, she asserts that instead of lifting Africa out of its poverty, foreign aid has actually deepened and dragged Africa deeper into abject poverty. This concurs with Ajayi (2004) who argued that foreign aid ties down, in a perpetual manner, most of the Third World Countries to underdevelopment, dependency and poverty. It should however be noted that the aid – poverty nexus and relationship is not as direct as Moyo (2005) would like us to believe, this is so because there are so many factors and forces that has exacerbated Africa's poverty other than simply foreign aid. According to Moyo (2005) despite aid increases in sub – Saharan Africa poverty levels have risen astronomically from 41% in 1981 to 58% in 2005. Dambisa Moyo however acknowledges that humanitarian aid has been very useful to save many lives during times of disasters and emergencies, but she is quick to assert that concurrently this very same aid has led to the perpetual loss of even more lives than it is saving, through sponsorship of civil wars in Africa, for example the Sudan genocide and many other foreign sponsored wars in Africa. Rajan (2008:71) argues that aid inflows have systematic adverse effects on the country's effectiveness; he notes that aid is counter – productive because it tends to boost the recipient country's exchange rate. This in turn makes its exports less competitive, this then undermines local infant industries and manufacturing. Rajan (2008), notes that northern interests thus gain from crushing Africa's competition. Crop and livestock agriculture has been especially the hardest hit. In some countries where it costs \$74 to produce 300 kilos of rice, the local market fell to \$21 due to heavily subsidized northern rice exports and food aid. Through such practices, the local infant industries are economically hurt. This is because they are exposed to unfair competition with well established international companies with unequal terms of trade and consequently militating against local economic growth through reduction in the GDP levels.

Sogge (1996) argued that while there are obvious and fundamental merits to emergency aid, criticisms should however be leveled against this aid. He notes that some of this aid is not as philanthropic as it appears at face value; it is not given out of pure altruism but rather out of vested and hidden interests. An example is the 2005 United States pledged US\$15 billion over five years to fight HIV and AIDS mainly through the Presidential Emergency Plan for Aids Relief (PEPFAR), which was launched in January 2003, while this was a noble cause, this aid had a lot of strings attached and conditionalities attached to the recipient countries. Moyo (2005)

asserts that African countries are poor partly because of the aid they are getting from the rich countries. She notes that the reality is that aid has helped make the poor poorer and economic growth slower in African countries. In her startling words “Foreign aid has been and continues to be an unmitigated political, economic and humanitarian catastrophe for most parts of the developing sub – Saharan countries”. According to Sogge (1996) developing countries lose about US\$700 billion as a result of trade barriers in rich countries. He notes that for every US\$1 provided by the rich world in the form of aid and debt relief, poor countries lose US\$14 because of trade barriers. Thus despite claims that there are purely humanitarian drives in foreign aid, the reality is on imparting hegemony and pursuit of commercial advantage are the hidden main determinants. Official Systematic Aid is thus seldom a tool of altruistic humanism or philanthropy, but instead donor actors are profit seeking merchants .It is thus against this background that one can argue that aid when used alone or in combination with other policy instruments has a unique potential to allow the donors to demonstrate compassion while simultaneously pursuing a variety of other vested objectives.

Easterly (2006:70) notes that foreign aid has only served to exacerbate and worsen the inequalities in Africa between and within countries, as this fungible aid enriches the elite few, while the poor sink deeper into extreme poverty as they, in many cases the poor are heavily taxed and made to pay for the repayment of the debt and loans owed to the more economically developed countries. Thus foreign aid has been viewed by many scholars as “*A problem posing or masquerading as a solution*”. Sogge (1996) asserts that foreign aid has been one of the tools which powerful countries and institutions encode their doctrines and ideologies and impose them on the helpless, vulnerable and powerless African countries. This is because aid packages usually come with pre – packaged stipulations and conditionalities to which poor countries must adhere before further aid is disbursed. Simply put, countries that do not embrace capitalism, good governance and democracy will inevitably not be eligible for foreign aid as evidenced by the Zimbabwean case example. In thus case foreign aid thus becomes fraught and riddled in power dynamics and thus symbolizes western hegemony since command of ideas is often decisive than mere transfer of resources. Sogge (1996) argues that this helps explain why elites keep backing aid institutions despite the lack of convincing evidence that aid regularly achieves its highly

advertised string of objectives and despite mounting evidence that aid can only help make things worse for the poor.

Zimbabwe's debt burden vis a vis foreign aid politics

Oyejide et al (1985: 9) defined a debt as “the resource or money in-use in an organisation or country which is not contributed by its owners and does not, in any way, belong to them”. Similarly, Mimiko (1997: 29) defined debt crisis as a situation whereby “a country is heavily externally indebted and is unable to pay the principal of this debt. It is also a situation where a country uses a high proportion of its foreign exchange earnings to service this debt and still scouts for more loans to enable it meet urgent and pressing domestic obligations”. Furthermore, debt crisis is also a situation of irredeemable debt. Thus, countries that are faced with such debt crisis as has been the case with Zimbabwe are heavily indebted and they cannot pay the principal debts they owe. Immediately after independence most African countries, Zimbabwe included became locked up into a situation from which they found it difficult to escape, that is the debt trap. Most of this vicious cycle of debt crisis has its roots in this foreign aid given by the multilateral institutions such as the IMF and the World Bank. Poor African countries engaged in a borrowing spree and interest rates of these loans soared and skyrocketed .This in turn forced the third world countries to renegotiate further loans, simply to pay the mounting interest rates on the previous loans, with the actual debt remaining outstanding. However, these further loans came at the cost of further conditionalities in the form of Structural Adjustment Programmes which by any standards exacerbated the poverty and problems of most Zimbabwean citizens, while carving out a lot of profits for the first world donor countries through their free – market ideology. This debt burden thus continues to pose a perpetual threat to the developing countries’ quest for economic development and self – sustaining growth. Easterly (2006) notes that in Ethiopia for example debt repayments are four times greater than public spending on healthcare, in a country where more than 100 000 children die every year from largely preventable diseases, while in Tanzania debt repayments are six times greater than both health and education spending. It is against this background that one can thus argue that almost none of the foreign aid given to Africa is aimed at transforming Africa’s structurally dependent economies. Sogge (1996:35) notes that debt repayment from poor to rich countries far exceeds the aid given .He argued that in

2000, lower income countries paid to their creditors thrice a net of what they received as aid grants that year, hence the foreign aid also came with massive capital flight from poor third world countries. It should thus be noted that this business of so – called giving the poor camouflages its much larger and inseparable twin of “taking” from the poor. From this scenario sustainable development in African countries in general and Zimbabwe in particular will remain elusive as long as the aid being given to African countries remain palliative and not transformative and instrumental in stimulating economic growth. This gives credence to Aluko & Arowolo (2010) who argued that Africa’s indebtedness burden is as a result of, and due to, pursuance of foreign aid from countries of the North which had, from the start, created the condition of economic subservience and ‘master-servant’ relationship that could generate persistent seeking and lobbying for foreign aids through borrowing

Easterly (2006) argues that debt rescheduling by bilateral donor agencies does not constitute unpretentious debt relief, instead it leads to further build up of debt stock as rescheduled debt often attracts higher rates while the interests accumulated are capitalized. Thus, it has been observed that instead of solving the African debt crisis, rescheduling has actually intensified the problems. This confirms conclusions made by Abraham (2006) who saw debt crisis as debt that can never be repaid, not even by the great grand children of debtor-country’s current generations as such children will be born to continue servicing the debt. According to the ILO (2002) Africa’s external debt is the highest in the world as a proportion of GDP, with some countries in the region spending more than half their export earnings to service foreign debt. The debts of many African countries like Zimbabwe are so large in relation to their foreign exchange earnings potential, that it would actually be totally impossible to pay them off even if growth resume and leave some money for its own development. This consequently stagnated the country’s economic growth, since all the limited resources generated locally are milked out in debt repayment. This insidious aid culture has thus left the country more debt – laden, more inflation prone and more unattractive to higher quality investment. In order to keep this system going, debt repayment is prioritized at the expense of African development, health, education and public services. Such a scenario has created a situation which Aluko & Arowolo (2010) referred to as “*evergreen loans*”. These evergreen loans are portrayed as exploitative credit facilities whose initial

principal amounts are too big for the borrowing countries to repay and/or the borrowed principal keeps rising through negative effects of compound interests and its capitalisation.

The politicization of foreign aid in Zimbabwe

In Zimbabwe Non – Governmental Organisations (NGOs) interventions and foreign aid has been interpreted through politicized and highly partisan lenses. Thus, the relationship between most aid agencies and the government has been very volatile, with aid agencies been criticized for meddling in local politics and being drivers of the regime change agenda. In this vein aid agencies have been viewed by the state as largely representing the interests of their donor countries rather than being genuinely philanthropic. This concurs with Bird & Busse (2007) who argued that in Zimbabwe humanitarian aid from the international community is interpreted as politically motivated support to the opposition. It is against such a background that in 2002, the government suspended operations of several aid agencies. The government then blatantly stated its intention to regularise activities of the aid community and subsequently, aid agencies were required to register if they wanted to resume humanitarian interventions. Since then, relations between the International aid community and the government of Zimbabwe have been characterised by mistrust (Bird & Busse, 2007). It has been observed that there is a general misconception about aid in Zimbabwe where most politicians see aid as an end in itself rather than a means to an end, with the end being poverty alleviation and socio – economic development. To this end, Official Development Assistance in Zimbabwe is fraught with lack of transparency making it highly fungible by corrupt politicians who use it for their own primordial interests like gaining political mileage at the expense of national development interests. While aid effectiveness must be measured first and foremost by its contribution to poverty alleviation and inequality eradication as well as its support for human rights, democracy and environmental sustainability. In sharp contrast in Zimbabwe aid has been used to further totally contradicting goals. This is especially true with aid coming from China and other Asian countries which has been used on projects that violate human rights and democracy. Of note is the military assistance from China in form of military arms which has exacerbated human rights violation in the country especially prior to and after elections. It was observed that people are brutalized, intimidated and at worst killed with such donated military weapons such as guns and the tankers that act as

“*symbolic violence*” to intimidate the electorate during the voting process in urban and rural areas alike. Seen in this the author thus contends that foreign aid in Zimbabwe is largely used and manipulated as a means to achieve contradictory ends from its intended objectives. This concurs with arguments made by Aluko & Arowolo (2010) who noted that the foreign aid loan is obtained to further personal and political interests as well as other parochial purposes. It is thus usually tied to party politics, patronage and elevation of primordial interest rather than the promotion of national interest and overall socioeconomic development. Mc Ivor (2003) noted that the tense relationship between the International community and Zimbabwe as well as the suspicion that agencies have a political rather than a humanitarian agenda have led to increasing tensions between the government and aid agencies in the country. This climate of mistrust intensified when the government announced that it was revoking all NGO licenses in order to “sift out those seeking to force regime change in Zimbabwe” (Bird & Busse, 2007). More so, it should be underscored that foreign aid has also enabled embattled political leaders tenaciously hold on to power as has been the case in the country. This has also been the case across the African country especially in countries inundated with civil strife. In Zimbabwe much of this foreign aid is being captured by the Government both to fund the regime and as a political weapon. As a result, the well meant interventions by the international community are being used to prop up the Mugabe regime (Bird & Busse, 2007). More so, it should be underscored that corruption has impacted negatively on the effectiveness of foreign aid in Zimbabwe, for instance in 2008 China donated several tractors, trucks and other farm equipment under the farm mechanisation programme which was supported by the Reserve Bank Governor Gideon Gono. Noble as it was, most if not all the equipment was taken by mostly politicians and their politically connected friends and relatives.

Public and Private Partnerships in service delivery through foreign aid utilization

Service delivery in Zimbabwe is carried out by diverse actors through public – private partnerships. The main actors are the government (central and local) and the private sector which include Non – Governmental Organizations (NGOs) and Community Based Organizations (CBOs). Aid delivery can influence service delivery in three main ways, that include influencing the volume of resources available for service delivery, influencing the nature and strength of

relationships between various diverse actors as well as influencing development of capacities of various actors and institutions. Hagen (2000) notes that funds from foreign aid constitute an important component of the resources stock that is available for service delivery. Several aid funded programmes are building schools and hospitals as well as supporting other steps towards attainment of the Millennium Development Goals targets. Abraham (2006) asserts that despite several criticisms with foreign aid African governments have increased their service delivery to their respective citizens, spending they could not have afforded in its absence. Thus with the support of foreign aid, a number of African countries have produced poverty reduction strategies which have become more comprehensive over time, especially in terms of articulating growth as a means of reducing poverty and meeting the Millennium Development Goals. Hagen (2000) argues that service delivery has an impact on human development directly, if it is delivered to people in the form of basic service such as health, education and water and sanitation provision. To him this foreign aid has improved access to adequate quantity and quality of services contributing to an accelerating progress in economic growth and human development. In this case foreign aid has been utilized by the government and NGOs to improve service delivery through appropriate incentives and projects to the needy. NGOs are also heavily involved in social service provision as substitutes for the limitations in state service supply. However, the government revenue and services rarely keep up with the service provision demand.

Several NGOs ,in collaboration with the government have AID sponsored programmes and projects supporting efforts to improve maternal and child health, access to and quality of water supply and sanitation to mitigate the impact of diseases like cholera and HIV and AIDS. These projects aimed at supporting the government to improve the quality and quantity of healthcare services. There are also activities focusing on improving health facilities and district health centres as well as enhancing community awareness of the cause of ill health and mobilizing communities in improving the management of health services. USAID assistance in the area of HIV and AIDS involves support to the National Aids Council in coordinating a national response to prevent the spread and reduce the impact of HIV and AIDS in Zimbabwe. It provides support in areas of developing and implementing an effective policy projects for HIV and AIDS mitigation and intravenous drug use and other programmes to provide care, treatment and support for people living with HIV and AIDS. These projects help in strengthening and

supporting the delivery of primary healthcare services in order to bring about a sustained improvement in the delivery of healthcare services. There has also been the introduction of decentralized health services project, whose goal is to improve the general health of the population through improvements in access, delivery and quality of health and family planning services, with particular emphasis on poor and vulnerable groups.

The government in collaboration with several NGOs like Save the Children UK, UNICEF and USAID engaged in foreign aid funded education programmes meant to improve capacity building for education managers with related government agencies. This programme is helping in improving the effectiveness and efficiency of education support at all levels from the district through to schools and communities in the country to improve their capacity to plan manage and deliver quality basic education services. The BEAM Scheme grants are given to assist the poor children to access education services. Thus this involves investment in high impact local and international initiatives and coordination of existing projects relevant to the education and health sectors.

Foreign Aid in Zimbabwe: Implications on Sustainable Development

Perceptions of foreign aid in Zimbabwe and many other African countries have been shrouded in deep – rooted ambivalence with some sections viewing foreign aid as the panacea to a plethora of challenges confronting African countries while other portray foreign aid as compounding these challenges. To this end most people in Zimbabwe especially politicians have scoffed off foreign aid and hence accept it with suspicion. It has been argued that foreign aid tends to create and entrench patronage – client relationships between the donors and the recipients. After the collapse of relations between Harare and London, foreign aid flow to Zimbabwe has also plunged considerably. It has been observed that ZANU PF has criticized most donor agencies of using their economic muscle to champion the regime change in Zimbabwe, hence the relationship between ZANU PF and International donor agencies has been characterised by perpetual conflicts and controversy. Most academics have argued that aid tend to foster dependency syndrome and hence negatively impacting on the sustainable development of the receiving countries. To this end, receiving countries have been reduced to passive consumers of the aid provided by the donor countries. Critics question the real motives behind foreign aid and

are skeptical of the philanthropy of donor countries stressing that these countries have some hidden agendas and aid is used to obfuscate these sinister motives. It is against this background that it can be argued that foreign aid to some extent has exacerbated the sustainable development catastrophe of most African countries, Zimbabwe included. It is argued in this paper that as long as aid continues to be misappropriated then it will not contribute meaningfully to the development of the country. Of note is the fact that tied aid tends to be retrogressive to the sustainable development of the country. It is against this background that neo – Marxist scholars have asserted that the factors that are propelling the development of first world economies such as credit lines (loans) or foreign aid extended to developing economies are the same factors perpetually suppressing the growth and development of developing economies like Zimbabwe simultaneously. The author thus contends that donor countries and agencies like the IMF and World Bank should take a paradigm shift approach in their assistance to developing countries by availing development grants instead of the traditional loans. This is because the interest rates of such loans continuously milk out the developing countries' meager resources and this only helps in pushing them further into abject poverty and trapping them in a vicious cycle of dependency. The author asserts that foreign aid can thus be viewed as some kind of cancer which persistently haunts developing economies for prolonged period of time with little chances of being repaid. Consequently, these indebted countries are compelled to use a greater proportion of their Gross Domestic Product (GDP) to service the debts meaning that little if any resources are left for domestic social services. Such a scenario has meant that the indebted countries are compelled to scout for even more external finance to meet the basic needs of their people. This scenario becomes cancerous to the attainment of the Millennium Development Goals such as eradication of poverty and by extension undermining sustainable development. Worse still; it has been observed that the country is using almost all of its export earnings on debt servicing. The local people tend to bear the brunt of having to contribute to the repayment of the debts through colossal taxes, cut in salaries and exorbitant import duties. In Zimbabwe, people pay exorbitant import duty on all products imported such as Japanese cars where people pay as much as 90% of the value of the car. Such exploitative austerity measures only succeed in threatening people's livelihoods hence pushing them further into abject poverty. This becomes even worse given the fact that the debts are so large that they exceed the amount that can be generated by the country.

This is in tandem with Aluko & Arowolo (2010) who opines that expending as much as 70 - 90% of export earnings on debt servicing connotes that little is left virtually for the countries to perform their constitutional obligations to the citizenry let alone for development projects. It is against this background that Hardy (1986: 65) argued that foreign aid tend to slow the prospects of economic recovery and growth; jeopardising the attainment of sustainable development in the country.

CONCLUSION

The paper was a critical exploration of the dialectical nature of foreign aid, which tended to have mixed results for the recipient countries. The paper referred to the fiercely contested aid debates by two schools of thought with conflicting conceptualization of the impact of foreign aid and consequently its intricate and intertwined relationship with Africa's debt trap. One school of thought emphasized the need and success stories of foreign aid in Africa, while the other one emphasized the negatives of foreign aid, charging aid as the main problem to Africa's development. This paper thus critically explored the holistic politics of foreign aid in Zimbabwe and other African countries. It is argued in the paper that foreign aid in itself is not inherently evil, but rather its misuse may have cancerous ramifications that breed insurmountable development challenges. These challenges further reinforce the dependency syndrome and poverty of the recipient countries thereby entrapping them into a vicious circle of a debt catastrophe. The paper also highlighted the positive contributions of certain types of foreign aid during humanitarian crisis and in the service delivery sector of the country. The paper further explored the experiences of Zimbabwe highlighting the role being played by foreign aid in service delivery through aid projects in both private and public sectors. The author assert that foreign aid should not be charged as solely inimical to economic growth ,but should also be viewed as a necessary intrinsic component of development and livelihood. It is important to note that excessive skepticism on foreign aid in unfair in that aid in itself is blameless, but may have failed to work well because it is being hijacked for selfish political and commercial purposes rather than its intended use. Thus, the link between foreign aid and Africa's poverty is not as direct as Dambisa Moyo and other scholars would like us to believe, instead aid is just but one of

the many factors that militates against economic growth in Africa. From Sogge's argument there seems to be a blithe acceptance that foreign aid will necessarily and inevitably translate into negative economic growth and massive poverty, which however is not always the case. Their overwhelming rhetoric of aid vis a vis poverty in the development discourse conceals and masks other critical forces internal to African countries that are inimical to economic growth and poverty alleviation. Thus, while the author also acknowledges that foreign aid plays a part in Africa's poverty, but vilifying it as the sole player would not only be academically unfair, but also unjust since there are a plethora of other factors hindering Africa's unquenchable thirst for economic growth and poverty alleviation. While it is a brutal fact that countries cannot develop on donations and aid, provision of foreign aid in some cases is a necessary evil, especially during times of calamities as was the case in Haiti. Thus, foreign aid in this treatise is portrayed as being paradoxically ambivalent and tantamount to a double edged sword.

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