



Current Path

International Aid

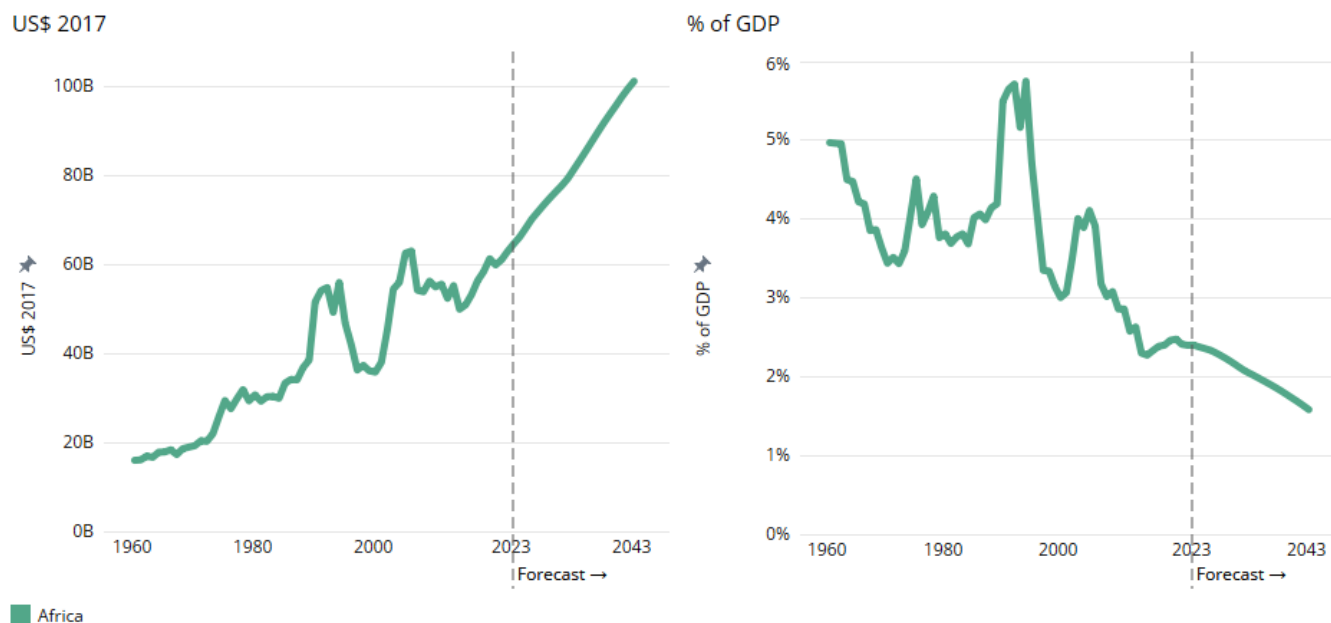
Jakkie Cilliers

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International Aid

An important tool for assisting in achieving the global vision of sustainable development within both the MDGs and SDGs was international cooperation and solidarity, including the provision of overseas development assistance (aid). However, instead of increasing (when measured in constant dollars), aid levels steadily declined from their peak in 1990 to the Millennium Summit in New York a decade later. Kenya, Somalia, Sudan and the former Zaïre (now the DR Congo) experienced some of the largest declines. These trends are reflected in Chart 7 which includes a forecast on aid to 2043.

Chart 7: Foreign aid, 1960-2043



One of the reasons for the decline of aid from 1990 was a prolonged recession that began in Japan, a major aid provider, in 1991. A second reason was the resource pull exerted by transition economies in South Asia, steadily diverting attention away from Africa. But the most important reason was that the dissolution of the Soviet Union freed Western countries from the need to prop up African governments as part of the efforts to confront the Soviet bloc in Africa during the Cold War. With the collapse of the Berlin Wall, Africa lost much of its previous geostrategic relevance and hence the external motivation to assist.

From 1989 onwards, the focus of development assistance from the West—which several African states had become addicted to—now shifted to the importance of democracy, good governance and anti-corruption as part of the efforts to correct some of the egregious misuses of public money and abuse of power by a worrying number of African governments.

Western development partners subsequently invested in civil service reform and efforts to improve public financial management and helped to set up anti-corruption watchdogs and public audit bodies. Multiparty elections, decentralisation and other methods to encourage greater citizen participation were equally popular. In the process, democracy became associated with liberal economic policies that envisioned a small state and a dominant role for the private sector, trade and open markets in development. The problem is that poor countries need an activist,

developmental state if they are to engineer an escape from poverty. Today, African civil society organisations, local NGOs and grassroots movements are increasingly influential in advocacy and accountability efforts. These groups emphasize local agency and help shape reform agendas that align with community priorities and sustainable development.

By 1999, the IMF had replaced its SAPs with the Poverty Reduction and Growth Facility and placed poverty alleviation at the heart of its efforts. The following year, the [World Bank](#) admitted that the poor are better off without structural adjustment. Writing for the African Development Bank, [John Page](#) notes that 'structural adjustment had taken place without producing structural change'.

Aid only started to regain momentum with the 2000 UN Millennium Summit in New York. It was substantially bolstered by the support of international celebrities such as Bono and Bob Geldof, who campaigned for greater awareness about poverty and the acquired immunodeficiency syndrome (AIDS) crisis and helped to raise funds for relief programmes in Africa.

In addition, the post-2000 momentum was marked by various initiatives, such as the [Report of the Commission for Africa](#), spearheaded by UK Prime Minister Tony Blair and the [European Consensus on Development](#).

The 2005 World Summit in New York subsequently called for increased aid transfers to help achieve the MDGs of halving poverty and hunger by 2015.

While progress was made on the MDGs, many goals were not achieved in Africa. There is a convincing argument that the [MDGs](#) were poorly tailored for the continent and set unrealistically ambitious goals. Even before the 2015 deadline for the MDGs, governments began to look at the post-MDG development framework and what would ultimately become the Sustainable Development Goals (SDGs).

Cooperation for Africa's development is now largely framed by the SDGs and, since 2013, by Agenda 2063. However, it is clear that Africa will not meet most of the SDG aspirations. In its planning for the second ten-year implementation plan of Agenda 2063 (2024 to 2033), the AUDA-NEPAD agency set different and achievable goals (using the IFs modelling platform also used on this website).

Eventually, it was the commodities boom, and not a grand plan, that changed Africa's prospects. From 1994 until 2008 (when the financial crisis hit), Africa experienced its most sustained period of growth since independence in the 1960s—an average of 4.6% per annum. During this period, average per capita income increased by 35%. However, the share of Africans living in extreme poverty decreased by only about five percentage points, partly owing to the high levels of inequality on the continent and rapid population growth.

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About the authors

Dr Jakkie Cilliers is the ISS's founder and former executive director. He currently serves as chair of the ISS Board of Trustees and head of the African Futures and Innovation (AFI) programme at the Pretoria office of the Institute. His 2017 best-seller *Fate of the Nation* addresses South Africa's futures from political, economic and social perspectives. His three most recent books, *Africa First! Igniting a Growth Revolution* (March 2020), *The Future of Africa: Challenges and Opportunities* (April 2021), and *Africa Tomorrow: Pathways to Prosperity* (June 2022) take a rigorous look at the continent as a whole.

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