



Book Review

Aid to Africa: So Much to Do So Little Done by Carol Lancaster. Chicago: University of Chicago Press, 1999, pp. xiv +303.

Reviewed by Kofi Ankomah

At independence and in the midst of a bipolarized world, Africa was confronted with aid as a tool of the Cold War and/or post colonial diplomacy. Most of the contending powers felt a moral obligation to promote the well-being of the once colonized people and to contribute to uplifting the plight of poor people beyond their borders. Hence they encouraged African countries to adopt growth strategies that had aid as a significant component. Concerned with attracting Africans to their respective camps, the contending powers ushered in aid with due regard to ensuring that appropriate policies and institutions to encourage growth and reduce poverty were in place to ensure effective deployment of aid. After many years of receiving aid Africa continues to experience very low rates of economic growth, coupled with high population growth and low levels of investment and savings. Lancaster presents a sharply sketched and richly detailed portrait of the management of aid in Africa, outlining its fine contours to show why Africa is not developing. *Aid to Africa: So Much to Do, So Little Done* should be an essential guide for all aid administrators and activists concerned with Africa's development. It should be a starting point for anyone wanting to under-

stand why aid investment in Africa is not bearing the expected fruits.

Lancaster attempts to answer the question, "why with so much aid there has been so little development in Africa?" She aims at shedding light on the 'disappointing impact of foreign aid on development in Africa.' Her concerns are the politics of foreign aid to Africa, including power, policy choices, influence of political institutions, and the functioning of public organizations, among others. Lancaster offers new insights, with exceptional clarity, that bring out repressed ideas and emotional feelings into the open for discussion. The contents are well organized and the book covers the recipients' side as well as the donors'. This analytical and scholarly book draws many profitable lessons that highlight the operational problems of organizations managing aid to Africa.

Chapter 1 deals admirably with the background of the study and discusses the scope of the book. Chapter 2 helps to provide the issues under consideration by reviewing development in Africa and asks why it has been so disappointing. It discusses successively key roles of economic policies, institutional weaknesses of African governments and the political and so-

cial factors that have combined to blunt the development efforts on the continent. Lancaster perceptively explains what she considers to be unsustainable development models adopted in much of the region - what she terms the African side of the effectiveness equation, focusing on the impact of government policies and institutions, including the way Africans sought to manage their aid and their aid relationships with donors, on aid's effectiveness. She convincingly argues that the very conditions that attracted the aid render it ineffective. Weak institutions in Africa are unable to support or promote aid in Africa. Hence aid in Africa became donor driven, especially in the case of economic reform programs, which resulted in Africans' reluctance to implement donor-led programs.

Chapter 3 discerningly scrutinizes the phenomenon of foreign aid itself including its size and impact – based on empirical data from evaluation studies of aid projects of bilateral and multilateral aid agencies. Lancaster sees development as a process of economic change that includes both growth in national production and income and improvement in the standard of living of the poor, (p.14) which may encompass increased access to productive assets (land, jobs or capital) and to education and health services, which not only bring improvements in quality of life but increase productivity and income earning potential of the population. For her, most aid to Africa comes in the form of monetary grants or loans, and indicators of development include changes in per capita income, economic growth, access to education and health services, average rates of literacy and life expectancy. Investments in human capital are especially important in poor countries, where they bring high rates of return, both private and social. Lancaster rightly argues that technological innovation, incorporating changes in the factors of production that increase efficiency and productivity and new products as well as new processes, is also considered as development. While some individual successes can be

found for some projects – family planning in Kenya in reducing the fertility rate, eradication of river blindness in West Africa, expansion of some infrastructure projects - she sees that many projects have failed to reach their objectives due to gross ineffectiveness of aid in Africa, in part because donors have had a major say over which countries receive aid and how that aid is used. Worse, many of the initial successes have become unsustainable. Indeed, the side effect of the current patterns of aid has been negative, including poor coordination, “soft budget constraint” (allowing countries to adopt programs and policies inimical to their development, and the Dutch disease” (inflation and appreciation of the foreign exchange rate) thus financing imports rather than encouraging local production and exports.

Lancaster further examines the effectiveness of the aid in promoting development as well as the autonomy and capacity of the aid agencies themselves in managing the aid. She argues persuasively that aid tends to propel and legitimize corrupt governments, and to prolong their tenure. Recipient nations tend to become dependent on aid as well as on donor countries - that is they tend to develop what Lancaster terms “entitlement mentality.”

Chapter 4 is an introduction to and a review of concepts and offers the framework – (“which countries to aid, how much aid to provide and what to finance with the aid – and how and why these decisions have changed over time”) for analyzing the performance of the eight case studies of the performance of the aid agencies in Africa --- six bi-laterals and two multilaterals. Chapters 5 to 8 are the excellent case studies of eight donors' programs– Chapter 5 deals with America; chapter 6 Britain and France; Chapter 7 is on Sweden, Italy and Japan, Chapter 8, multilateral (the World Bank and the European Union). Chapter 9, ‘Findings’, compares the politics and policies of different aid agencies, identifying trends and proposing reforms to improve aid effectiveness. Lancaster argues that, in the main, aid to Africa

was used for non developmental purposes, *in most instances reflecting the foreign policy objectives of the donor countries*. In addition, there was lack of capacity of aid agencies to manage aid effectively. Aid agencies lacked the technical and local knowledge to manage aid effectively, and their programming of aid did not necessarily fit the aid tasks. Furthermore the donors did not make the locals the owners of the aid projects/programs. From Lancaster's presentation, it is obvious to see why aid to Africa has not helped in contributing to growth of resources in recipient countries.

Lancaster's findings also enable an observer to understand why African countries continue to be dependent on their former colonial masters, and therefore remain without political and economic autonomy. Perpetuating the form and essence of the prevailing aid system will not promote democracy in Africa and will heighten inequality in African societies. Lancaster's con-

cerns are almost identical to Ghana's late President Kwame Nkrumah's fears of neo-colonialism, but are couched in non-threatening language understandable by the managers of aid programs. Her most significant contribution is her emphasis on building the capacity of aid giving agencies themselves to enable them to direct aid that makes recipients the owners of the programs as opposed unlike the current donor driven approach. Without building their capability, it is impossible to ensure that African countries will be able to develop their own capacity for economic, social and political growth.

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