## CENTER FOR GLOBAL DEVELOPMENT ESSAY

# Development Aid and Its Criticisms: The View from Zambia

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#### **ABSTRACT**

What do an HIV-positive Zambian volunteer health worker, a young American aid worker, and a bureaucrat from the UK Department for International Development think about Dambisa Moyo's indictment, in her book *Dead Aid*, that donor efforts to "save" poor Africans are paternalistic and perpetuate dependency on the West? Moyo was born in Zambia—one of the poorest countries in Africa and a cauldron of donor activity. In 2005, the country received \$1.7 billion in official development assistance—that's 17.3 percent of gross national income for a country of only 12 million people. In this essay, CGD policy analyst Lindsay Morgan explores the reality of aid-supported development in Moyo's country from three (very different) perspectives of people working there. She sheds light on a fundamental paradox of the aid business: huge donor efforts, much good, and massive unfulfilled need. The essay also explores the paradox of these three peoples' lives—of believing they can fight injustice and suffering, and knowing there are significant limits to what they can do

The Center for Global Development is an independent, nonprofit policy research organization that is dedicated to reducing global poverty and inequality and to making globalization work for the poor. Lindsay Morgan is a policy analyst at the Center for Global Development. This essay was written during a visit to Zambia by the author while on leave from CGD.

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## **Development Aid and Its Criticisms: The View from Zambia**

Lindsay Morgan<sup>1</sup>

#### Perhaps an Impasse

Driving through Lusaka, the capital of Zambia, is like a first trip to Las Vegas. Everything is in your face, something to see. Dusty streets, potholes like craters, people hanging off the back of pickup trucks, women wearing babies like backpacks as they hack away at maize, the smell of smoke from burning trash on the side of the road, horns honking, traffic that moves like liquid. Almost two-thirds of Zambians live below the international poverty line—around 7.5 million people. The average life expectancy is a stunning 46 years. Only 58 percent of the population has access to clean water.

Zambia is a poor country. It is also a cauldron of donor activity. In 2005, the country received \$1.7 billion in official development assistance—that's 17.3 percent of gross national income for a country of 12 million people. "The question people ask," says Justin Mubanga, the Director of the Economic Management Department at the Ministry of Finance and National Planning, "is, in the last fifteen years Zambia got so much aid but there was little progress. What caused this?"

Zambian-born author Dambisa Moyo says *aid* caused this. She says it has "hampered, stifled and retarded Africa's development." But there are others who say, on the contrary, that aid improves the lives of the poor and makes the sick well.

#### Gordon

Gordon Brown, the 35-year-old Zambia country representative for Africare, a U.S-based non-governmental organization (NGO), is standing at his desk in a crisp navy blue blazer and khaki slacks, a phone in one hand, the other tapping his keyboard. Even standing still, he's humming with energy.

Gordon's job is to develop new programs, oversee those that already exist, and form alliances and partnerships. It's a long way from Augusta, Georgia, where he grew up. "The first time I walked into a store [in Africa] and nobody knew who I was or cared, I felt like I fit in by not being noticed, you know what I'm saying?"

Africare's work in Zambia centers on health, food security and agriculture, and emergency response. Their projects, Gordon says, are about meeting peoples' essential needs. So for

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example, they are helping to install something called PlayPumps, a merry-go-round of sorts that, when children spin it, pumps clean water into a storage tank that can be accessed by a simple tap on the ground below.



"Market forces alone aren't enough to solve the problem of poverty in Africa. If we take the Darwinian approach—if you have resources, then you'll succeed—if we believe that and act on that belief, people will die." There are many in Washington who think that putting things in such stark terms is just a clever way to drown out the voices of critics, critics like Moyo.

"Dambisa refers to 'altruism,' in quotes, you know? Like as if it doesn't really exist," Gordon says. "[But] it's okay to be motivated by wanting to do good. We don't live in a purely dog eat dog world. We want to believe there's something greater. We want to be able to respond to need. Not everything we do is about self interest."

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Dambisa Moyo studied at Harvard and Oxford and worked for eight years at Goldman Sachs in London. One night I had dinner with some American aid workers who'd been living in her country while she was away. It was like dining with Vietnam veterans. Everyone had war stories to share. Gathered around an outdoor fire, drinking and smoking cigarettes, they talked about how bad things used to be, about watching people die and not being able to do anything. "You need to drink when you do what we do," one of them said. They bemoaned the disconnect

between the people who set development policy from afar, and the reality they face on the ground running projects. They think people like me, from Washington, don't have a clue what it's really like.

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Gordon tells at warp speed the story of how he got to Zambia: Emory University; PeaceCorps in Niger; a gradual rising up and up at Africare. An entry level position in DC; an almost accidental trip to Sierra Leone to fill in for a country director whose R&R he'd signed off on when his boss was out of town; a short-term assignment in southern Ethiopia; several years working with refugees in western Tanzania and Namibia; a sojourn at Tufts for graduate school; research in eastern Burundi; an internship at the U.S. Embassy in Nairobi; a station in the civil strife of Guinea. Then Zambia.

"I originally wanted to be a monk," he says. In college he decided to try every major religion. He became Hindu his freshman year. He loved reading the Vedas, but the caste system didn't jive. Next was Buddhism, then a layover in new age, followed by Islam (he got sick during Ramadan). Gordon is like someone who's just been told he has a month to live and wants to taste and touch as much as he can, as quickly as he can.

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Gordon doesn't visit Georgia much anymore, but it's always with him. "I grew up in a not ideal situation. I know what it's like to not be in the top position because of where you happen to be placed in the world. I was able to strive out of that place, you know? Some people don't have a choice—that's just your position. It was the same with me. You have to make the best of what you have. But it's possible. It was possible for me."

#### **Boyd**

Looking at Boyd is like staring into the bottom of a well. His eyes are small and dark, impenetrable. I ask him: What is it like to care for orphans? What is it like to live in a village in the Zambian bush? What is it like to be poor? It is like shooting arrows into the ocean. We pick him up at a small church made of exposed cement blocks where he and other volunteers are being trained in Gender Equity. The words seem sterile and queer in the dust beneath the jacaranda tree, where a little girl stands, hiding in the folds of her mother's skirt, while some wazungu (white people) try to coax her to speak.

Boyd Hamuchemba lives in Shimukuni, a village two hours up the Great North Road from Lusaka. He is a volunteer caregiver with RAPIDS (Reaching HIV/AIDS Affected People with Integrated Development Support), a consortium of six NGOs funded through a \$57 million grant from the U.S. President's Emergency Plan for AIDS Relief (PEPFAR). RAPIDS gives him training, a bicycle and a modest medical kit, and Boyd and his wife look after eight orphans, three of whom are his dead brother's children, who live with them, and five from the surrounding



village. He visits these five each week, and records each visit in a ledger that is signed by the orphan's guardian. If they are hungry, he tries to bring them food. If they are sick, he gives them a ride on his bike to the clinic. It was a volunteer caregiver like him who took Boyd to a clinic in February 2008, where he was diagnosed as HIV+.

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The adult (aged 15-49) HIV prevalence rate in Zambia is 14.3 percent, according to the country's 2007 Demographic and Health Survey—the seventh highest prevalence rate in the world. Anti-retroviral therapy was introduced in 2004, and 120,000 people now receive treatment in no small part because of the vast sums of money PEPFAR has poured into the country—more than \$269.2 million in FY2008 alone. (The entire budget of Zambian Ministry of Health in 2008 was \$317.5 million.)

PEPFAR has been criticized for devoting too much money to a single disease and for channeling aid mostly through international NGOs, circumventing the government. One afternoon I asked Dr. Ben Chirwa, Director General of the National HIV/AIDS/STI/TB Council, if Zambia's battle against the epidemic is too reliant on donor funds. "AIDS is a global problem," he said. "It is beyond what any one government can do." What about the Washington economist who termed ballooning U.S. funds for AIDS treatment an entitlement that is unsustainable? Dr. Chirwa just grinned like a pumpkin. "Life is priceless," he said.

Boyd was born in the Southern Province, but his father, a farmer, moved the family north to Shimukuni when he was three years old. Now he farms too—maize, soy, ground nuts.

Zambia is a fertile country; it contains almost 40 percent of the continent's water resources south of the Sahara, and boasts two harvest seasons—summer and winter. Everyone farms, but few are as successful as Francis Grogan and Carl Irwin, the owners of the Lusaka-based Zambeef Products PLC, one of the largest agribusinesses in Africa. One morning I met with their executive director, Yusuf Koya. He described Zambeef's operations throughout the country, explained what "precision farming" is, and lamented the high cost of transport, fuel and fertilizer. Zambeef is not in the aid business, but in many ways they are closer to Zambia's poor than most donors: they buy their cattle, employ them, and build schools and clinics in the poor, rural areas where they operate. They estimate that 15 percent of their workforce is probably HIV+.

While Zambeef is everywhere and growing, Boyd's farming business is in a slump. This year his crop was destroyed in the floods that washed away many small farms from January to March. All that is left are five bags of ground nuts, drying in a tree above his hut.

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Boyd isn't new to NGO work. Before RAPIDS, he and his wife helped care for orphans with the support of Development Aid From People to People. Before that he worked with an NGO that helped farmers sell their crops.

Does aid prevent people like Boyd from tapping into their entrepreneurial potential by making them dependent on charity, as Dambisa Moyo suggests? Batuke Walusiku, RAPIDS' Deputy Chief of Party for Program Implementation, said "Am I going to tell someone whose livelihood has just been wiped out by a flood: I can't give you this pot because you need to think about entrepreneurship? An air gun will not kill an elephant, but it will kill a bird." Aid may not solve the problem of long-term poverty reduction but it can help to improve peoples' lives today.

Steve Power, assistant country director at CARE agrees: "Policy wonks should spend a few days living here. Everyone is very aware of and committed to the ideal end point of: we're no longer needed. But it's a much longer term process than is commonly realized. The extent to which the international aid community is engaged with a country like Zambia is deeper than the discussion in the clouds would have it."

Boyd showed me around his compound—the hut where he stores food, his two goats, a checker board carving in the dirt where his children play games. I asked what he would do without RAPIDS. "I was already a guardian and parent. But the work has become easier. When given a bike, it lightened my work. I felt very good."

Aid is keeping Boyd alive. It is also helping him help kids in his village who lost their parents to HIV/AIDS. He would do it anyway, but the help makes his burden light.

#### Joy

I meet Joy Hutcheon at her office on the second floor of the British High Commission, on Independence Avenue. Joy is country director for the Department for International Development (DFID), the national aid agency of the United Kingdom. Unlike in the United States, whose Agency for International Development has been floundering, its budget gutted, its staff demoralized, DFID is a powerhouse in Britain. "DFID tells the British government where it wants to go and not the other way around," a colleague in Washington once said wistfully.

Joy's interest in development began early. "I can't remember a time when I haven't been interested in the different ways people do things in different parts of the globe." After a visit to India, she applied for a position with the U.K. civil service, marking the Overseas Development Administration (DFID's predecessor) as her first choice.

Why would someone who'd backpacked through India when she was 22 want to work in the dredges of government? "There is a constant tension...I could be on the ground or I could sit further back and try to get the policy environment right. For any country, the way it is governed is so fundamental. I had the feeling that [in government] I could change something."

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The U.K gives about two-thirds of its aid to Zambia directly to the government, more than any other bilateral donor. The idea is to help build the accountability and capability of the state so it can provide for its citizens. Aid to an NGO that buys HIV/AIDS medicine will save lives today, but working with the government to improve its drug distribution system (one of the things DFID is doing) will help all Zambians access essential medicines over the long term.

Chris Pain, who works for the GTZ, the German development agency, as an advisor to the Ministry of Finance, attributes much of Zambia's strong economic performance over the past four years to budget support, and the way it is helping to slowly strengthen the civil service. "Budget support opens up the whole budget for discussion, so it's good for enhanced transparency."

To streamline the "opening up for discussion" process, sixteen donors have signed a Joint Assistance Strategy, which commits them to align behind the Zambian government's Fifth National Development Plan (2006-2010). Donors have also agreed on a division of labor. DFID "leads" in five areas: governance, health, HIV/AIDS, macroeconomics and social protection. The lead coordinates with other donors and acts as the intermediary between donors and the government. This has reduced the time the government spends with donors by 50 percent, Joy says.

Justin Mubanga at the Ministry of Finance (MOF), who oversees the economic technical cooperation department (the four people in the MOF who manage donors), says budget support has brought some predictability to the flow of funds, and the division of labor helps "but they still want an audience. They come indirectly to tinker."

One of the ways donors "tinker" is through the performance assessment framework. Twice a year, they meet with the government to assess its performance on a number of predetermined indicators. If the indicators are not met, funding can be pulled.

Monitoring the government's performance is necessary because donors must sell aid to policymakers and their constituencies back home, and assure them that funds are not being wasted. "You can't have budget support without being worried about corruption," says Joy. DFID is trying to help the government create an environment in which finances are well-managed and where corruption is not tolerated. So for example, DFID is helping the Ministry of Finance install a single Treasury bank account (as opposed to the 300 or so accounts it currently has), to make is easier to track spending. The result is that corruption is more noticeable, says Joy, but there are also "strong voices prepared to speak out and challenge it."

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Joy thinks it is "brilliant" that a Zambian woman reignited the aid debates, but says Moyo "weakens [her argument] by saying aid is actively corrosive when there is no evidence for this." She opens Moyo's book to a page where she praises credit ratings for helping countries raise money on the capital markets. Before the financial crisis hit, Zambia had planned to obtain a credit rating—with funding from DFID. "It makes you smile," Joy said.

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When Joy first arrived in Zambia, before anyone knew who she was, she visited a remote village called Kazuni in Southern Province. She shared a mud hut, walked to the river to get water, burned her fingers cooking nshima<sup>2</sup>, laughed around a crackling fire with the women who were hosting her.

One day, a plane passed overhead. The women asked: what is it like to be way up there, in the sky? She felt clumsy as she tried to describe it: imagine you're in a bus, sitting next to someone, little windows on the side. Are there are toilets, they asked? Yes, there are toilets. There are trays that fold down, and sometimes televisions. The women stared at Joy in wonder. They would probably never set foot on a plane.

<sup>&</sup>lt;sup>2</sup> Nshima, a thick porridge made of either stamped or ground maize, is a staple food in Zambia.



"Everyone in Zambia has a village," Joy said, "and will talk about going to the village. I have heard people I know say things like: this isn't so bad; it's like camping. But it's your life. It's everything you've got and there is no prospect of it changing."

After three days she returned to Lusaka, over dirt roads, then paved roads, past buildings until she was back in her office, sitting in front of her computer, listening to the hum of the air conditioning.

As she told the story her voice cracked, like a rock breaking the surface of the water. "I really, really have to be sure that what I'm doing matters."

### **Perhaps a Meeting**

Night comes early in Lusaka. In the dark sounds are amplified. The rustle of leaves, dogs barking down an alley, a car engine trying to turn over.

An aid worker from Ireland once told me about a man she met at a health center who was holding his dead daughter in his arms. He needed a ride home; my friend said she could take him. The coffin he had was too small, but he hurried to squeeze the little girl's body in, worried if he didn't move fast enough, his ride might leave. The aid worker panicked: she won't fit in there, let's find something else. But there wasn't anything else, so they took a hammer, knocked the end out of the coffin, and drove home with the wooden casket in the back of the pickup truck, the little girl's legs dangling out the end.

Sometimes it feels like you're being swallowed up, pulled under by a rip tide. The enormity of need. The limits of what we can do.

Boyd said it was hard to show up at someone's home, ask them if he could help, and realize that sometimes he couldn't. I remember him walking across a dirt path to the garden where he grows vegetables for the orphans; Gordon striding across a school yard to see a new water pump; Joy walking down the hall to meet some government officials. They put one foot in front of the other.