# Aid, Development: Why Africans Must Dream and Go Out

James Shikwati\*

## BACKGROUND ABOUT AFRICA

For centuries, the availability of natural resources in Africa has been a strong motivator for external powers to be involved in the continent's affairs. Africa's links with the rest of the world is largely pegged on export of raw commodities. Africa's pre-colonial history witnessed forced trade that saw 12 million Africans uprooted from the continent and sold into slavery. During the colonial era, Africa witnessed vicious land grabs, forced mineral exports and appropriation of antiquities to Western capitals.<sup>1</sup>

African countries gained political independence from European colonial powers beginning early 1950s with Libya and Ghana and ending with the transition to majority rule in South Africa in 1994. At independence, African countries inherited similar economic structures from their colonial experience. The structures were mostly characterized by the production and export of single commodities; under-developed commercial, transport and communication infrastructure; low quality education and literacy rates and suffocated economic opportunities and social justice.

The entry of China (a major global player) to Africa has reshaped the traditional perception about Africa. Described previously

<sup>\*</sup> Founder Director, Inter Region Economic Network (IREN) and publisher of *The African Executive* magazine.

as a "dark continent"<sup>2</sup> by the Western world and the "hopeless continent" by *The Economist* magazine on 11 May 2011, the stigmatization has been reversed. As the Coca-Cola company advert put it in 2012, there are "A Billion Reasons to Believe in Africa." The continent is no longer a symbol of desolation but an acknowledged driver of growth in the global economy.<sup>3</sup> Geographically, Africa has 54 independent countries: 48 on the mainland and six island states, with an estimated population of 1 billion people. The African continent is difficult to characterize and tends to assume the mind frame of whoever is seeking to define it and for what purpose.

### THE AID ARCHITECTURE

Aid (a form of assistance that is both financial and non-financial) is disbursed in various forms. It may be done as government to government transfer (bilateral); transfers through institutions such as the World Bank and International Monetary Fund (multilateral); humanitarian assistance in times of disasters and private donations through charities, foundations and religious groups. Aid is delivered as both development and humanitarian assistance through governments or nongovernmental means.

Donor countries view the aid architecture in terms of the structures and institutions that deliver development assistance.<sup>4</sup> The focus on structures and institutions of aid delivery often sends economic and policy analysts off tangent to discuss efficient delivery. The African narrative on aid ought not to focus only on the impact of aid (which may be short term and visible to television cameras). The narrative must also assess the aid architecture on the basis of the objectives that drive the aid industry itself.

The global development aid architecture is premised on the erroneous view. The global development aid architecture is premised on the erroneous view that some parts of the world are equipped with solutions while the other parts perennially seat idle and wait for the solutions. This view masks the fact that the aid industry dominated by the United States of America, Europe, Australia, Japan and their allies is designed to address donor country interests that range from access to markets; the fear of a deluge of political, economic and climate change induced migrants from Africa; broad security concerns that range from terrorism, and diseases; the quest to access and control the continent's vast natural resources and geopolitical power games.

The premise of "solution givers vis-à-vis solution receivers" was well choreographed in a lengthy resolution that was made in Berlin in 1885 by European powers' designs on Africa. The resolution reads in part: "Article VI, The Act of Berlin, 1885: IN THE NAME OF THE ALMIGHTY GOD, All the Powers exercising sovereign rights, or having influence in the said territories undertake to watch over the preservation of the native races, and the amelioration of the moral and material conditions of their existence."<sup>5</sup> To date, development aid is used as a tool to perpetuate the notion that Africans cannot creatively confront their challenges. At the same time, it is used to drive Western interests in Africa as was illustrated when the World Bank and the International Monetary Fund attached aid to recipients' acceptance of the Structural Adjustment Program in the 1980s and shortly after the cold war.<sup>6</sup>

The aid architecture sustains the "solution giver" approach and in return subjects African recipients to "silences." According to Dr. Jacques Depelchin, the African story has remained on silent mode simply because the system of oppression has never changed for the last 500 years.<sup>7</sup> The system simply mutated from relating with Africans as savages to be colonized to viewing them as poor people that need to be developed. He argues that the Western world suffers from the "discovery syndrome." Influenced by this syndrome, the Western world consequently perceives issues using its own worldview and negates all other worldviews.

Jacques goes further to discuss the "abolition syndrome" by Westerners. He observes that they bring about a problem and then position themselves as problem solvers or liberators. For instance, it is clear in history that Westerners enslaved Africans. The same Westerners later positioned themselves as abolitionists and human rights advocates. This gives the false impression that the Africans never bothered to resist slavery; the Westerners plundered (and continue to impoverish) the continent through their international institutional prescriptions — and position themselves as antipoverty advocates (giving the impression that the Africans forever sit and wait to be "developed").

The Western foreign aid narrative simply rides on the "discovery and abolition" syndrome in its operations in Africa. The two syndromes derive their nutrients from the notion of the vicious cycle of poverty. According to this notion, stagnation and poverty are necessarily self-perpetuating: poor people generally and poor countries in particular are trapped in their poverty and cannot generate sufficient savings to escape this trap.<sup>8</sup> This notion has an inbuilt superiority approach that relegates the poor to the status of animals that cannot move from poverty to prosperity through their own ingenuity. As a result, donors design the economic and governance systems that operate on the continent, consequently disenfranchising the African people from determining homegrown systems that would work for them. As a consequence, the current development aid architecture cannot lead to development when it denies people the opportunity to utilize their ingenuity to transform their social, political and economic predicaments.

# Development Aid and the Malthusian Era

The focus on imposed external solutions that are backed up with donor money has trapped Africans in the Malthusian era where technological advances produce more people and living standards are driven down to subsistence.<sup>9</sup> In his book *A Farewell to Alms*, Gregory Clark graphically points at the state of the Malthusian economies. The Malthusian economy is a *natural* economy of all animal species with the same kinds of factors determining living conditions of animals and humans. It is an economy of limited technological advances whose resultant effect makes population surge a threat. Developed countries attained their status through technological advances driven by human ingenuity.

The solution giver approach has over the years compromised Africa's ability to scale-up and develop its own strategies to confront its challenges. Delivering money and externally imposed strategies is analogous to one offering medication, food and security to animals confined in a ranch. If for some reason the supplier fails to offer these "goodies," such animals would die. If the supplier does not control the population of the domesticated animals, he/she is likely to face the threat of the animals overrunning the fence. This partly informs the reason why developed nations (donors) invest a lot of money on visa restrictions against Africans for fear that the "animals" [read Africans] will cross over the fence.

To finance the solution-giver activities, rich countries have delivered an estimated \$3.2 trillion to poor countries since 1960.<sup>10</sup> From this figure, Africa bagged an estimated \$1 trillion in the same period.<sup>11</sup> Globally, aid is estimated to be a \$200 billion industry with \$120 billion from members of Development Assistance Committee (DAC); \$65 billion from private non-governmental organizations, foundations, church groups and corporations and \$15 billion from bilateral government assistance.<sup>12</sup> These figures do not reveal the fact that the disbursed monies were used to impose externally generated systems and strategies on Africans as opposed to investing in enabling Africans to develop their own "software" to guide their own sense of prosperity.

A few examples of how Africa is trapped in the Malthusian era are illustrated as follows:

Africa is a resource-rich continent that is currently attracting both the developed and emerging economies. Its natural wealth is driving the East and West wave of the scramble for natural resources. In spite of this, the continent is largely depicted as poor by conventional development statistics – to justify foreign aid.

Aid has not only caused Africans to lose confidence in their abilities, but it has also made them fail to seize abundant existing opportunities through lost time on bureaucratic activities. Fredrik Erixon gives an example of a Kenyan minister who spent 75 percent of his time negotiating with donors while Tanzania government had to produce 2,400 reports for donors in 2001.<sup>13</sup>

Aid has promoted the attitude that solutions must be externally generated. This has consequently bred the culture of dependency on other people's help. African children are hence born into an artificial cycle of dependency.

Africa has a confused political environment: Donors' (especially from Western countries) fund both governments and civil society in a manner that makes the two to run at cross-purposes. Direct funding of civil society undermines respective governments while supporting the government makes the government to undermine the citizenry. Direct funding to government breeds political cronyism, corruption and ethnic quest to "have their turn to eat."

Aid acts as a malware. Computer experts talk about malware; a short form for "malicious software" that infiltrates a computer without the owner's informed consent. Foreign aid, like malware harms a country's operating system in terms of peoples' mindset to development issues, food security, governance, corruption and illicit financial outflows.

Food donations change dietary habits of recipient countries and in the long run expose nations to shortages of exotic foods described as famine. This forces them to rely on "new exotic" or imported foods and has led to a surge in land grabs on the continent (already estimated at 2.5 million hectares of farmland) in disguise of facilitating food security.<sup>14</sup>

Corruption in Africa is framed in a one-sided manner as if Africans are genetically corrupt. Little mention is given to the fact that looted funds are stashed in same donor country banks and that some foreign governments and their corporations engage in underhand dealings on the continent. A case in point is when Alcatel CIT reportedly bribed Kenyan officials with \$20 million in the year 2000 to win a second GSM license to Vivendi Kencell.<sup>15</sup> According to Global Financial Integrity Report, Africa is estimated to have lost a total of \$1.8 trillion between 1970 and 2008.<sup>16</sup> Compare this figure with earlier estimates of aid inflows to the tune of \$1 trillion from 1960 and the whole aid concept becomes a sham that has only hoodwinked Africans that someone out there is keen to "help" them to develop.

#### Asia – Africa Must Redefine Aid Paradigm

The term aid is a misnomer, in view of the fact that it largely serves as a tool that drives the national interests of donor countries. As Asian countries join the league of donors, it will be instructive for them to be aware of the fact that the aid architecture in its traditional format is heavily unfair to Africa. Developing countries

in Africa want a hand out of poverty and not handouts. The best approach for Asian countries should be to seek a balance between their national interests, recalibration of international systems that keep a majority of countries poor and the "genuine" national interests of recipient countries.

Developing countries in Africa want a hand out of poverty and not handouts.

Asian countries, especially China should take leadership and assist Africa to push for recalibration of global systems that impede development in Africa. China could use its clout as an emerging power to push for a reform in the global market and financial system to enable capital to flow to Africa as opposed to the traditional aid. Genuine dialogue with Africans as opposed to lecturing the African people will also produce better results. Africa is urgently in need of friends who will assist her rediscover herself and contribute meaningfully to the global economic order. Africa has only one trajectory to take: growth!

#### WHY AFRICA NEEDS A RECALIBRATED GLOBAL ORDER

Attempts to push Africa to adopt a market economic policy framework by Western countries through the World Bank, the International Monetary Fund (IMF) and their allied international agencies go against the spirit of free choice enshrined in market systems. African countries must proactively seek to build their own market systems based on freedom of choice to facilitate judicious exploitation of their resources. The current skewed global market economic system supervised by the World Bank and IMF limits Africa's capability to penetrate effectively in the global markets.

African countries must review their economic strategies with the World Bank/IMF driven goals and initiate their own market driven relationship among themselves and the rest of the world. The World Bank and IMF perpetuate the imposed institutional framework on Africa thereby forcing Africans to practice market economics under "constricted freedom."<sup>17</sup>

According to Depelchin, with regard to Africa, the functions which have come to be performed by the World Bank were performed by the colonial governments.<sup>18</sup> Both the World Bank and the IMF operate according to the dictates of the majority shareholders. Under the current circumstances, both institutions are not accountable to the African people. It is also debatable whether their (World Bank/IMF) activities are necessarily accountable to tax payers in countries such as USA, France and Britain among others that finance the institutions. The secrecy that shrouds the operations of these two institutions cast doubt on their ability to deliver a just and open market system. The World Bank operates in the arena of development like a one party dictator – accountable to no one but itself.<sup>19</sup>

# A Gold Standard Approach to Recalibrate Global Systems

Africa must set up its own monetary system by adopting a "gold standard" approach that may apply to trading of selected minerals that have international market recognition. The gold standard is a form of monetary standard under which the basic unit of currency is equal in value to an exchangeable for a specified amount of gold.<sup>20</sup> The standard ensures long-term price stability. As a national monetary standard, it regulates the quantity and growth of country's money supply and as an international monetary standard; it ensures a country's external value of its currency.<sup>21</sup> Writing in *Money in Crisis*, Michael David Brood points out that, under strict gold standard, there is no need for a central bank; all that is required is for some governmental authority to maintain the fixed domestic currency price of gold by buying and selling gold freely.<sup>22</sup>

A focused valuation of existing mineral wealth vis-à-vis market demand can help value Africa's currency. A gold standard approach would enable Africa to peg their monetary value on demand of their natural resources both locally and internationally and push for the recalibration of the global order.

The recent launch of the New Development Bank by Brazil, Russia, India, China and South Africa (BRICS) to compete with the Bretton Woods Institutions (the International Monetary Fund and the World Bank) opens up new "software" in Africa. The unfolding world order is likely to witness stiff competition between the Washington Consensus vis-à-vis the Beijing Consensus. The Washington Consensus that promotes market driven economies, property rights and rule of law will face off in the African space with the emergence of the Beijing Consensus that entails state management of economies and self-determination.

It becomes urgent that Africans prepare for a possible recalibration of global systems. Traditional international financial systems are discriminative against Africa as exhibited by their inability to finance intra-continent infrastructure and connectivity. Overreliance on the USA fiat dollar money as a preserve of government foreign currency reserves exposes African economies to possible external interference via dollar value fluctuations. The global agenda setting imperative with a view of harnessing market forces favor global powers. Thinking futures, Africans must prepare their "software" for any shifts that might take place in global systems.

### AFRICA SHOULD BUILD ITS OWN INSTITUTIONS

Africa policy-makers are faced with a big challenge on how to implement growth strategies in countries that are perceived to lack credible institutions. The continent is stuck with the dilemma of "organizations" and "institutions." Powelson argues, "...What the colonial powers did not understand, [is] that land registers, law courts, central banks and parliaments are organizations, not institutions and that an institution cannot be imposed from outside."<sup>23</sup>

According to Wolfgang Kasper, organizations are purpose oriented, reasonably durable combinations of resources which are to some extent coordinated in a hieratical way of leadership.<sup>24</sup> In Africa's case, departing colonial powers and national elites imposed organizations in imitation of the industrialized world.<sup>25</sup>

The workings of those organizations (government systems) partly explain why the existing institutions framework in Africa is perceived to exist expressly to serve the political elite and foreign interests. For instance, the violent use of machetes by ethnic groups to address land disputes in Kenya in 1991, 1997 and 2007 is clear indication that the masses do not recognize the judiciary and the legislature as institutions that can act as just arbitrators.

If an investor was to purchase land from government (organizations) he/she will be confronted by yet another owner, the community (that derives legitimacy from fact that it pre-existed the colonial designs on African nation-states). The African personality and sense of identity is traditionally hinged in one's ethnic community. However, in light of that fact that we are faced with a "new Africa" that has been colonized and recreated by occupying forces, it becomes imperative that a new institution-building process that can elevate Africans as actors globally be put in place. Ethnic communities should be encouraged to dialogue about new Africa and jointly come up with a framework that will be accepted and beneficial to their long-term interests. Institutions make human behavior more predictable, thus facilitating the division of labor and wealth creation.<sup>26</sup>

Governments in Africa ought to recognize that they rule over silent "sovereign" ethnic communities whose interests, largely ignored, have slowed down economic development. Such realization ought to facilitate a proactive recognition between the inherited governments systems with ethnic community systems to enable the emerging of "sovereignties" that would lead to institutions that are accepted and respected by all. It is urgent that the African people seek to build institutions that would enable them to run market economic system that unleashes the talent of each one. Such talent would make it easier to tap into the immense mineral wealth on the continent and provide products to the 1-billion-people market.

#### DISCUSSION

Lord Frederick J.D. Lugard, in *The Rise of Our East African Empire (1893)*, aptly captured the state of Africa during the onset of the colonial surge as a region where Africans were running away from slavers, Arabs and "intolerable tyranny of dominant tribes." Lord Lugard's sentiments one hundred and twenty years ago depict a continent influenced by circumstances to focus on short-term survival strategies. The state of Africa then gave the West driven by commercial interests to clothe their intentions in altruism. Africa in the 21st century is still fleeing the "slaving" skewed global market systems that make it difficult for Africa to transform its natural resource wealth to the wellbeing of its people. The continent's political landscape still suffers the nightmare of "tyranny of dominant clans and tribes."

#### The "Global Jungle" and the "African Software"

Tanzania's Prof. Mwesiga Baregu once argued that the use of the image of "village" and "jungle" have decisive implications for Africa's choice and strategy for action. A "win-win" mentality is anchored on the "global village" image where external interests are expected to drive positive change in Africa. Analogous to life in a typical traditional African village, responsibility is readily transferred to the one viewed as the capable other.

It is not the responsibility of outsiders to deliver a "win" for Africa. Africa's wealth in natural resources has for centuries attracted external powers to the continent with the carrot of "wins." Africans need to adopt the imagery of surviving in a "global jungle" where all interactions are driven by cut-throat interests. The ultimate goal of all external powers' involvement in Africa is to satiate their short-term and long-term commercial and security interests.

A village is a low-risk space. It is caring, inclusive, regulated by rules, communal and driven by honesty, among other attributes. A jungle is a high-risk space. It is hostile and ferocious, restrictive, competitive, full of trickery, materialistic, individualistic and regulated by power as opposed to rules. To survive and navigate its way in the global jungle, Africa urgently needs to put in place a strategy or galvanizing philosophy on which to leverage as it engages the external parties.

Africans should utilize their 600-year-plus memory interacting with other civilizations to evolve an African game of strategy. The purpose of such a game will be to create a galvanizing philosophy and strategy for the continent. The philosophy and strategy so evolved will facilitate skills in navigating multilateral engagement with all global powers. To deliver on its strategy, Africans have to grow their own development models, plans and processes. It is consequently important for Africa to cultivate the culture of "know-how" and "know-why." Africa cannot achieve smart wins if it continues on its course into the global jungle without a clear strategy.

# The Challenges of Clashing "Software"

To survive in the global jungle, Africans have to contend with the West's quest to modernize them. To survive in the global jungle, Africans have to contend with the West's quest to modernize them. Westernization led to the corruption of the "African software." Africans, especially in Sub-Saharan Africa are "created" in the image of Westerners. A typical Africans' interpretation of the world and how the world works

is largely from the West's perspective. Africans have predominantly parallel mental software that guides their operations. The learnt value systems from the West and the inherited ancestral value systems often clash. The systems clash mostly when it comes to executing democratic processes where individual choice is replaced largely by ethnic choice and when the Western justice system is seen to negate the Africans' sense of arbitration and forgiveness. In recent times, the differences have played out during the stand-off between the African Union and the International Criminal Court on how and who should try prominent Africans facing crimes against humanity.

Both Western media and African analysts misrepresent the

continent as not credit worthy. It is pure irony that a continent rich in natural resources and human capital is characterized in terms of poverty, diseases, conflict and aid dependency. The narrative is such that both African and external investors lose confidence to invest in the continent. Matters are made worse by the monopoly of information platforms dominated largely by external actors. The decision making in Africa in terms of what constitutes good governance, public policies, how Africa should engage the world through global market systems and security architecture is driven by external actors.

### Why Africans Must Go Out

Africans' political independence was characterized by a policy orientation dominated by a "Welcome in Strategy." Ranging from governance, military, economic, religious, academic and civil society activities among others, the expectation is that the outside will transform Africa. The quest for positive transformation for a people held captive in ethnic and in country-boundary capsules simply breeds prisons of poverty.

A "Welcome in Strategy" coupled with Africa's electioneering cycles has led to disastrous results. Politicians struggle to showcase success during their four- or five-year term in office and fail to have a long haul view of the country's foreign engagements. Short-term development agenda pegged on political leaders' lifecycle presents a big challenge for Africans to plan long term.

The "Welcome in Strategy" has been used by countries that plan long term to facilitate domestic capital formation, market reform and ensure technological advancement. The momentum created by engaging with foreign entities is then used to launch such countries to nurture transnational businesses and activities. A long-term focus assists countries to go beyond quest for Foreign Direct Investment (FDI) merely as an employment generator. FDI becomes a catalyst to "wake up" existing potential in the country to gain necessary experience to become global actors. The quest for FDI becomes aligned to a conscious effort to surface in-country initiatives while withholding the key and responsibility to develop onto its populations.

Countries that have clear national interests that go beyond shortterm political party interests have nurtured "Go out Strategies" that have led to successful enterprises whose lifespan go beyond 100 years. Successful transnational enterprises contribute both to the economy and foreign relations with other countries. Can African countries nurture a "Go out" approach? Self-driven initiatives, such as those of Econet — telecommunications (Zimbabwe); Zambeef — food and retail (Zambia); Nakumatt — retail (Kenya); Oando oil and energy (Nigeria); Safaricom – telecommunications (Kenya); Equity Bank — finance (Kenya); Dangote Group — industrial conglomerate (Nigeria); Ecobank — finance (Togo), and Mara Group — multiple activities (Uganda), among others, can facilitate a template for Africa to "Go out!" These self-driven initiatives are a pointer to possibilities that African countries need not necessarily wait for a time to accumulate surplus capital in order to "Go out." The thirst for the African market by global players should position countries to opt for "Go out Strategies."

An intra-African country "Go out Strategy" has several benefits for individual countries. It will bolster the confidence and experience of Africans to partner with international actors to deliver value to the African market. In order to participate concretely in global issues, Africans must learn how the world works. Through participation, travel and settling in other parts of the world, it will become clear to all that altruism is the oil that lubricates hardnosed interests. This will clarify to the African mind how individual and countries engage in realpolitik, thereby reduce the mindset of blame game to that of "play game."

A mind that comprehends how the world works will evolve skills and games of strategy to survive in the global jungle. Africans' memory is alive to the board game, "Bao" traceable to the era of Arab interaction with people on the continent. History offers templates that Africa can tweak games to evolve skills and strategy. Arabs visited the East Coast of Africa armed with religion, Islam and the "Bao" board game that offers wisdom on how to capture, secure and invest. The Europeans came to Africa armed with Christianity together with the Poker and Chess games. A poker winner is determined by the ranks, combination of their cards and what they are able to hide to the end of the game. Chess is a game of "checking" a "mate" and "capturing" through long-term positioning and tactical maneuvers. After 600 years of Zheng He's voyages, the Chinese are revisiting Africa armed with the Confucius philosophy and the "Wei Qi" game. "Playing games" in the global arena will bolster Africans' confidence.

A go-out move by Africans will lessen the impact of inherent structural flaws in Africa's political system that breed "our turn to eat" mentality. Too much focus on internal short-term interests make African citizens and their leaders to lose focus of ongoing geopolitical activities. Granted that African nation-states are creations of colonial legacy, ethnic interests have tended to submerge national, regional and continental interests. A focus on global affairs and how they impact on Africans' wellbeing can alter the ethnic view on how to position for political power. Approaching global agenda from a fragmented nation-states and regions weakens Africans' negotiating capabilities. The resultant effect is weak deals and quick returns for individuals but losses to nation-states in the long run. Global focus will spur need to produce what people "eat" as opposed to simply fighting over what donor countries drop in African countries.

### Way Forward: Africa Must Have its Own Dream

Africans cannot run away from engaging other countries and regions. This calls for a strategy of engagement. To effectively manage its relations with other regions, the people of Africa must evolve a development model that draws from its experience with the West, emerging economies and its traditions. The development model should make it easier to address internal impediments to growth, such as low productivity, high transaction costs, poor market access and unfavorable investment climate. It is important therefore to nurture the culture of know-how and know-why

in order to skillfully navigate and manage domestic and global interests.

Africa must not live the dreams of other civilizations. In the absence of a well-crafted center of gravity — Africa must not live the dreams of other civilizations. a set of African ideas and values — the continent is tossed left and right in the sea of geopolitical interests. Having interacted with various global players, seen what has worked or failed to work for them and witnessed the outcomes of their interaction, Africa has a unique opportunity to learn from history and craft its own growth trajectory.

The dilemma is in the historical pattern where Africans have not mastered the art of converting their relationship with other global partners into channels to meet continental core interests as the Europeans, Indians, Japanese and Chinese have done. Africans' vision has been constrained by focus on day-to-day challenges as its main agenda when meeting external actors. To reap meaningful dividends from global relationships, Africa must put in place a strategy or galvanizing philosophy that clearly states its purpose for existence.

<sup>1</sup> Bond P., *Looting Africa: The Economics of Exploitation*, University of Kwazulu-Natal Press, South Africa, 2006.

<sup>2</sup> Webster R., The Illustrated at the Fireside, New Africa Books, South Africa, 2012, p. 14.

<sup>3 &</sup>quot;Brown Says Global Economy Reliant upon Growth in Africa," available at: http://www.bbc.co.uk/news/uk-10750077, March 31, 2015.

<sup>4 &</sup>quot;Reforming the International Aid Architecture," available at: http://www.aideffectiveness. org/Current-debates-Reforming-the-international-aid-architecture.html, March 31, 2015.

<sup>5 &</sup>quot;General Act of the Berlin Conference on West Africa," February 26, 1885, available at: http: //africanhistory.about.com/od/eracolonialism/l/bl-BerlinAct1885.htm, March 31, 2015. More details can be found in: Hochschild A., *King Leopold's Ghost: A Story of Greed, Terror and Heroism in Colonial Africa*, New York: Houghton Mifflin, 1998, p.84.

6 Klein N., *The Shock Doctrine*, London: Penguin Books, 2007, p. 203. Naomi's entire book illustrates how Western capitals use aid and strong-arm tactics to further their interests in poor countries. See also Easterly W., *The White Man's Burden*, New York: Penguin Books, 2006, p. 65.

7 Depelchin J., *Silences in African History: Between Syndromes of Discovery and Abolition*, Dar es Salaam: Mkuki Nyota, 2004.

8 Dorn, J.A; Hanke S.H. and Walters A.A., *The Revolution in Development Economics*, Washington DC: CATO Institute, 1998.

9 C. Gregory, A Farewell to Alms: A Brief Economic History of the World, New Jersey: Princeton University Press, 2007, p. 3.

10 Wolfgang F. and Homi Kharas, *Delivering Aid Differently: Lessons from the Field*, Washington DC: Brookings Institution Press, 2010, p.1.

11 Dambisa M., Dead Aid: Why aid is not working and how there is another way for Africa, London: Penguin Books, 2009. p. xviii.

12 Wolfgang F. and Homi Kharas, Delivering Aid Differently: Lessons from the Field, p. 6.

13 "Eating liberally: can a free market solve Africa's food problems?" published on October 5, 2008, available at: www.foodpolitics.com/2008/10/eating-liberally-can-a-free-market-economy-solve-africas-food-problems/, April 1, 2015.

14 "Africa: 'Land Grab' Threatens Food Security," available at: http://www.newsfromafrica.org/ newsfromafrica/articles/art\_12021.html, March 31, 2015.

15 "Kenyans at Center of US Probe into Sh.1.5 Billion Bribes," available at: http://www.nation. co.ke/News/Kenyans%20at%20centre%20of%20US%20probe%20into%20Sh1bn%20bribes%20%20/-/1056/1081354/-/ksst90z/-/index.html, March 31, 2015.

16 "Illicit Financial Flows from Africa: Hidden Resource for Development," available at: http:// www.gfintegrity.org/storage/gfip/documents/reports/gfi\_africareport\_web.pdf, April 1, 2015.

17 Klein N., The Shock Doctrine, p. 203.

18 Depelchin J., Silences in African History: Between Syndromes of Discovery and Abolition, p. 133.

19 Ibid, p. 137.

20 Definition of "gold standard," available at: www.freedictionary/gold+standard, April 1, 2015.

21 Siegel B., Money in Crisis, California: Pacific Institution for Public Research, 1984, p. 200.

22 Ibid, p. 206.

23 Powelson P.J, *Centuries of Economic Endeavor*, Michigan: The University of Michigan Press, 1994, p. 114.

24 Kasper W. and Striet M., *Institutional Economics*, Cheltenham: Edgar Publishing Limited, 1998, p. 99.

25 Martin, P. M. and O'Meara, P., Africa, London: Indiana University Press, 1995, p. 90.

26 Kasper, W. and Striet, M., Institutional Economics, p. 30.