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IRP Notes Package: *Dead Aid*

Foreword, Preface, Introduction, and pages 1 – 47

**What main concern or associations are suggested by the title? How does the title relate to the first 50 pages?**

There has always been something attractive about the word ‘dead’ for me. So when Moyo juxtaposes a word with such negative connotations with ‘aid’, a word often associated with positive ideas and concepts, the book becomes more appealing. When Moyo says that aid is dead, it is suggested that she believes that aid is longer beneficial to Africa. However, with only a couple pages in, it is clear that Moyo does not believe that aid was ever beneficial to Africa, stating that “aid has been, and continues to be an unmitigated political, economic, and humanitarian disaster for most parts of the developing world.” (Moyo xix) Because I am a visual person, the design and graphics of the cover had more of an effect on me than the title. The title, printed in big, bold, all capital red letters is surrounded by a white rectangle, whose circled corners resemble a bandage that is placed over an image of the African continent. Moyo constantly refers to aid as a short-term, temporary solution, one that fundamentally should and cannot have lasting effects in long-term sustainability because it does not deal with the causes of the issues, much like the bandage over Africa on the cover.

**What is the setting (time and place)?**

Moyo starts defining aid by classifying the history of it into time periods. Moyo writes about the inception of modern aid in the 1940’s with the creation of two organizations: the World Bank and the International Monetary Fund (IMF). The World Bank, also known as the International Bank for Reconstruction and Development is a United Nations financial institution that is “designed to facilitate capital investment for reconstruction” (Moyo 11) by providing loans to developing countries for infrastructure. The IMF, was created “in the aftermath of WWII to manage the global financial system” (Moyo 11) and to assist with the reconstruction of the international payment system. She then enters the era of the 1950’s with the introduction of the Marshall Plan, a radical proposal USA embarked on over a five-year period (1948-1952) that provided a ravaged Europe with $20 billion USD (Moyo 12) to fund their economic revival plan. The 1980’s were the era of the pro-market economies. Market economy is a system in which financial management of goods, services, and trade is managed by the consumers and suppliers. This frees trade and businesses from government intervention, monopolies and oligopolies, or other authoritative and dominating factors and sources. This political shift in economies scrutinized “excessive government involvement as being the prime obstacle to growth and the source of economic distortion.” (Moyo 20) This in turn also influenced the widespread of the neo-liberal concept of the laissez-faire economies. This new economic change also gave rise to the dependency theory. Developed and developing countries and their wealth now are ‘dependent’, as they exploit and thrive on the poverty, lack of laws and legislature, and cheap labour and resources of impoverished countries.

Moyo also talks about the beginnings of the West’s involvement in Africa with the colonial history of many states, focusing on the height of colonialism with the Berlin Conference and the Scramble for Africa. These two events that occurred at the end of the 19th century, promoted, regulated, and exploited the eventual invasion, colonization, and annexation of the 90% of Africa under European control by 1914. She continues by fast-forwarding to the 1970’s, which she describes as being “an exciting time to be African. Many of our nations had just achieved independence, and with that came a deep sense of dignity, self-respect, and hope for the future.” (Moyo xiii)

Moyo’s primary mode of inquiry is economic. This can be seen through her presentation of arguments, mainly with economic statistics and factual information. When she describes the current state of Africa, she includes points about almost every single one of the 50+ countries, focusing on economic data by discussing their stock and bond markets, life expectancies, standards of living, growth rates, and average per capita incomes. Instead of saying that sub-Saharan Africa was better off in the 1970’s when the amounts of aid were significantly less, she illustrates this by simply stating the current average per capital income in sub-Saharan Africa and the average per capita income in the 1970’s. Moyo attacks the feebleness of aid by utilizing economic facts and figures, rather than attempting to generate an emotional response.

Moyo has an inherent right-wing perspective on economics. Her bias is seen early on with her advocating trickle-down economics, deregulation, privatization, capitalism, and market-based economies.

**What is the thesis of the text? How is the thesis controversial or topical?**

The thesis of *Dead Aid* is expressed in the following statement in which Moyo describes aid as being “the disease of which it pretends to be the cure.” (x) Aid is the disease because it finances corruption, promotes poverty, and stuns developments in infrastructure, international trade, social programs, human rights, etc. The implemented current aid system has done just as much undermining of the African countries than it has to develop them. Aid pretends to be the cure because of its history, most notably through the Marshall Plan of the 1950’s. Because of that specific case, where aid was unquestionably successful at restoring infrastructure, bringing political stability, rejuvenating economies, and reinstating hope to a destroyed Europe, all while thrusting USA into the forefronts of the world stage, the West continues to envision the same effects for Africa. Moyo wholeheartedly believes that aid has and continues to be detrimental to the development of Africa, and that there are many other financial alternatives Africa needs to juice in order survive and thrive. This thesis is controversial because it goes against every inherent positive perception the West has on the concept of aid.

“Since the 1940’s, approximately $1 trillion USD of aid has been transferred from rich countries to Africa. This is neatly $1000 USD for every man, women, and child on the planet today.”

That is a lot of money spent with not much to show for. It takes a lot, for the West in particular, to realize that aid failed to encourage development of the African nations, and that our presence in matters does have negative effects, and that possibly, the continent would be better off if we had not intervened 70 years ago.

**Personal response**

I choose *Dead Aid* as my IRP text because it is a non-fiction book. I have never studied a non-fiction text for an English class before, so I thought the experience would be both enlightening and enriching. The foreword, written by Niall Ferguson, a historian that I had previously studied, completely sold the entire book for me in the first paragraph. He writes, “The African discussion has been colonized as surly as the African continent.” Literature to me has the capability to change, enlighten, and modify my perceptions and perspectives. And with that sentence, a concept that had never occurred in my head before took over and made me rethink everything I had learned about the African continent, questioning the validity and reality of what I had learned and viewed in the media.

As I continue to read, there was an immediately difference in tone. It was as if a business teacher was teaching me English. Business has a dominating factual element whereas English focuses on interpretations, reactions, and perspectives. This juxtaposition in tone results in the novel becoming insightful and enlightening; it never seems to stop amazing me. Moyo also comes out with these witty statements that capture the essence and of her complex arguments and in turn supports her thesis. My favourite ones are:

“Fortunes and misfortunes are intertwined.” (xvi)

“The trouble with the aid-dependency model is that Africa is fundamentally kept in its perpetual childlike state.” (32)

“From a Western perspective, democracy promises a lot.” (40)

“What is perhaps most amazing is that there is no other sector, where such proven failures are allowed to persist in the face of such stark and unassailable evidence.” (47)

Moyo thoroughly impressed me with her method and style of argumentation. As strong as her bias and position is throughout the book, I never felt like she was shoving her opinion and beliefs down my throat, which I have found to be quite an intrinsic characteristic in reading controversial non-fiction texts. Moyo recognizes that *Dead Aid* is innately controversial because it openly rejects fundamental beliefs in Western society, which is why her most triumphant accomplishment with this text is her ability to perceptively claim and reason against it, while brilliantly proposing a new road map in financing development that is unbiased with elements of right and left wing concepts.

ENTIRE BOOK

**Identify special techniques, such as contrast, data, research, appeal to authority, studies, etc. the author uses to support the thesis. Evaluate the effectiveness of the techniques.**

Data is the chief technique used in *Dead Aid*. Facts and figures are constantly used to demonstrate the failures of aid as the statistics are the current state of African nations boiled down to a simple number. This technique for me was a hit and miss. It is clear that Moyo, being a highly educated economist, has the upper hand when it comes to analyzing statistics and utilizing them as a source of reason and explanation, which is why this book is filled with them. However, the reader needs to have a comprehensive understanding and prior knowledge of economics to be able to cultivate the data to its intended true storytelling potential. If it were not for the fact that I had quite a reasonable amount of prior knowledge on business and trade in addition to a personal interest in economics, this book would have been considerably more difficult to comprehend.

The most effective use of this is data is when Moyo uses it in combination with another special technique: contrast. The most used method of contrasting in *Dead Aid* is when Moyo examines data on the current state of an African country alongside data of its healthier or less-aid dependent contemporaries. For example, she contrasts peaceful countries like Ghana and Zambia alongside countries that have been entangled in civil wars like Rwanda, Sierra Leone, Angola, Democratic Republic and Republic of Congo. She pits economically successful countries like Botswana and Mauritius and beside countries that have continued to remain stagnant or plummet in their economic development like Burundi, Eritrea, Zimbabwe, and Niger. Moyo also contrasts statistics of the past with almost indistinguishable ones from the present. This is used most effectively when she examines statistics (life expectancies, literacy rates, average per capita income, stock market liquidity, credit spreads, etc.) specifically focusing on pre-World Bank and IMF (1940’s and earlier) data and contrasts it to current data, under the same fields. It is absolutely staggering to see the lack of development in some of the fields despite the millions being wired into these countries. With these juxtapositions the lack of long-term sustainable development and growth along with the failure to move people out of poverty, characteristics of the current aid model, becomes prevalent.

Moyo begins the second part of the book with the introduction of a fictitious country, the Republic of Dongo. With its creation, she highlights the failure of aid by showcasing the power aid over the economic, political, and social structure alongside the lack of progress and development of Dongo. She then proceeds to propose her development tools that will replace aid. By utilizing this odd rhetorical device, she parallels the progress and growth of Dongo after its slow rejection of aid with her economic solutions that will eventually become the main source of capital and finance. This technique is extremely effective as it not only states Moyo’s solution and substitute to aid, but it also illustrates the potential and even possible success of her development tools when applied and executed correctly.

**How has the author anticipated opposition to his / her thesis?**

In *Dead Aid*, Moyo makes a powerful argument against aid by targeting systematic aid. Moyo openly rejects the current aid structure, and proposes alternatives to aid, the latter of which constitutes the more vital and controversial aspect of *Dead Aid*. Moyo anticipates her opposition by providing feasible substitutes like issuing debt on capital markets, promoting foreign direct investments, expanding regional integration through trade, and supporting microfinance, remittances, and savings. The combination of these alternatives will generate economic growth.

The opposing argument, spearheaded by Jeffrey Sachs and his *The End of Poverty*, states that more money should be given to African nations and that aid needs to increase to at least a shocking GDP per capita that is above $300 USD to local communities, in order to break the cycle of poverty. However, Moyo’s thesis emphasizes that these large transfers of systematic aid do not elevate Africa from poverty. She further solidifies this idea by analyzing the current state of many aid-dependent countries, highlighting how aid has become a rent-seeking notion by leaders and governments.

In her chapter, the Silent Killer of Growth, she attacks aid by clearly stating all the negative side effects the current aid system fosters. With this, aid is undoubtedly associated with rampant corruption, conflicts, and civil wars. Moyo also employs realities like the lack of an African middle class and how aid continues to weaken social capital to pinpoint examples where aid falls short. The strongest points she makes is under the Economic Limitations of Aid subheading, where she explains how aid is inflationary, chokes off the export sector, and causes bottleneck through Africa’s capacity to absorb the large sums of aid.

With her arguments, Moyo not only illustrates how there is no reliable way, free of corruption and fraudulence, to deliver aid to local communities, but also proves how, regardless of Sachs' vision, aid will not alleviate poverty, jumpstart economies, and promote development.

Instead going on the defense and allowing her contemporaries to attack her ideas and concepts in *Dead Aid*, Moyo manipulates many of their theories to further her own thesis. She states that various reasons have been presented in Western literature that attempt to explain why African countries are not thriving. These reasons are most notably geographical, historical, cultural, tribal, and institutional.

*Guns, Germs, and Steel* by Jared Diamond is the main contender for the geographical explanation. He believes that “a country’s wealth and success depend on its geographical environment and topography,” and that, “all societies and cultures have had approximately similar abilities to manipulate nature, but the raw materials with which they had to start with were different. (Moyo 29) Moyo deflates this theory by explaining how Africa, being an oil and mineral rich continent, has become overly dependent on their natural resources. She cites the failures of many African countries during the commodity windfalls of 1970’s as the primary example of natural resources being a curse rather than a blessing. It does not guarantee economic success Jared believes it does.

Historical factors have also had quite the influence on Africa’s underachievement. Focusing on colonialism, Moyo states that mother countries “established political structures and fashioned bureaucracies that were fundamentally incompatible with the way of indigenous populations,” and that “a map of Africa littered with small nations whose arbitrarily drawn borders would always make it difficult for them to stand on their own two feet – economically and politically. (31) Moyo weakens this theory by scrutinizing Angola, Ethiopia, and Mozambique, three African countries that were never colonized, along with their lack of development and progress despite of not being burdened with all the implications colonialism provided the African continent with.

For a cultural and tribal explanation, Paul Collier argues that the more ethnically divided a country is, the greater the likelihood that conflict and civil wars will be the main contender. He uses examples like Biafra in Nigeria from 1967 to 1970 and the genocide in Rwanda in 1994 to support his argument. However, Moyo again calls into question the validity of his argument by informing the reader on a number of African countries, such as Botswana, Ghana, and Zambia, where "disparate groups have managed to coexist perfectly peaceful.” (33) She continues to say how “In the quest for a solution to Africa’s economic woes, it is futile to cite ethic differences as an excuse.” (33)

David Landes in his *The Wealth and Poverty of Nations* “argues that the ideal growth and development model is one guaranteed by political institutions.” (Moyo 33) Moyo challenges this by saying: “public institutions – the executive, the legislature, and the judiciary – exist in some form or fashion in most African countries.” (35) She also argues that political institutions are often proven worthless in African countries because their powers are often minimal and subject to constant change.

Instead of reacting on the defensive, Moyo offensively powers through many of the oppositions to her thesis. Because of this, her thesis is propelled into the forefronts of all the theories on Africa’s lack of progress and failures with development. This is done while providing the reader with a much more three-dimensional and well-rounded view on this issue because we are actually exposed to the opposition in a clear way.

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**Till this point, the author has been preparing the reader for the strongest evidence to support her / his thesis: what is the evidence, how does it relate to previous examples, is it effective, etc.?**

Moyo’s method of attacking aid is one that is slow but steady. She takes a methodical route to debunking aid. She begins the book by defining aid and its history, then explains why it is not working in dept, continues onto rethinking the aid-dependency model by providing replacements, and ends with voicing the potential of African nations if they were to reject aid and adopt the alternative methods of creating capital. The chapter that stood out to me was chapter 10, Making Development Happen. She beings the chapter by simply making a simple statement that if implemented would result in tidal waves of change. She asks, “What if, one by one, African countries each received a phone call (agreed upon by all their major donors – the World Bank, Western countries, etc.), telling them that in exactly five years the aid taps would be shut off – permanently?” (144) As I began to envision the disastrous effects of that phone call, Moyo answers her question immediately in the next paragraph.

“What would happen? Would many more millions in Africa die from poverty and hunger? Probably not – the reality is that Africa’s poverty-stricken don’t see the aid flows anyway. Would there be more wars, more coups, more despots? Doubtful – without aid, you are taking away a big incentive for conflict.

What do you think Africans would do if aid were stopped, simply carry on as usual? To many, African countries have already hit rock bottom – ungoverned, poverty-stricken, and lagging further and further behind the rest of the world each day; there is nowhere further down to go.”

Isn’t it more likely that in a world freed of aid, economic life for the majority of Africans might actually improve, that corruption would fall, entrepreneurs would rise, and Africa’s growth engine would start chugging? (144)

With her answer, she summarizes her thesis and the reality of the state that many African nations are currently in. It fosters a response that is so blatantly truthful that it effectively focuses the reader's attention on the negative aspects of aid.

Consequently, I began to examine my own immediate answer that Africa would absolutely fail without aid. In class, I watched Chimamanda Ngozi Adichie give a TED talk about “the dangers of the single story.” (Adichie) Adichie states that single stories “flatten my experience and overlook the many other stories […] the single story creates stereotypes, and the problem with stereotypes is not that they are untrue, but that they are incomplete. They make one story become the only story.” She then continues by saying that, “The consequence of the single story is this: It robs people of dignity. It makes our recognition of our equal humanity difficult. It emphasizes how we are different rather than how we are similar.” And that is exactly how I felt when I reflected upon my answer on how Africa failing without aid.

The mention of Africa, first and foremost, evokes images of poverty, disease, corruption, civil unrest, and although these images reflect the current state of many African nations, it is unethical and incorrect to arrange and group the entire African continent under those subheadings. And although Moyo never talks about the concept of the single story, it became evident that Moyo was certainly informed about it. Moyo writes *Dead Aid* in a way that rejects the current aid system, but also recognizes the reasons why the system has not changed. She identities that the root of the problem with aid policies is in fact not in Africa, but rather in the West’s way of thinking, stemming from portrayal of Africa through the concept of the single story.

**How has the texts’ political leaning affected the argument / research?**

At the end of this book, the bias is still the same as my forecast for the first 50 pages. Moyo's right wing approach to the book creates a compelling read, as African countries seem to be in need of a tremendous jolt in their social programs. Nevertheless, Moyo is still able to target and cater detailed solutions that can work for every African country and all their citizens. Because of the opposing forces of Moyo’s innate right-wing thinking and the natural left-wing thinking of the liberal and socialist concept of aid, *Dead Aid* becomes quite neutral in the sense that it gives you a realistic three dimensional view of a better aid system.

**What are the text’s modern day applications? What can be applied or learned about our contemporary world?**

The beauty in *Dead Aid* is that it not only argues that aid is detrimental to the future of Africa, but it also compounds Africa’s problems. With this comes the examination of a multitude of issues like colonialism, forms of government, ethics, human rights, etc. The most prevalent one for me was regarding democracy. The concept of the disease disguised as the cure can be applied to the West’s fundamental belief that democracy is the best.

“From a Western perspective, democracy promises a lot.” (Moyo 40) That concept was something imbued in my head though my education, the media I was exposed to, and the society I grew up in. Democracy is the disguised as the cure because in theory protects property rights, practices social equality, and defends free press, along with an assortment of other promises. But what I have found through reading this book is that in reality democracy advances the aspects it supports and preserves to become characteristics that are the most important in people’s heads. So when asked about other forms of government and political structures, they are innately rejected because they don’t protect or place significance on the same things that democracy does.

Democracy is now escalated when used in our contemporary world, as there are countless examples of it being used as a simple method of reason, and one that is mainly unquestioned. With issues like the involvement of USA, especially in the Middle East, or even in Southeast Asia in the past, it is clear that democracy has been, and continues to be used as grounds for justification.

I just want to make it clear that after reading *Dead Aid*, I am still a firm supporter in democracy. The book however, provided me with a much-needed alternative view. *Dead Aid* has enlightened me to not just economic issues that are caused and implemented by the West, but also political, social, and cultural ones as well. And this concept of the disease disguised as the cure is one that can be applied to many other concepts and issues.

**Personal response on the entire novel**

I thoroughly enjoyed this novel and stand by my choice of analyzing a non-fiction text. The experience was different from examining fiction novels because the tone, methods of storytelling, and uses of rhetorical devices are completely different, which made the analyzing and the creation of the notes package to be an enlightening experience in itself.

While reading the novel, it was important for me to learn how to filter out certain things. Facts and figures are constantly thrown, whether it be about turnover ratios or credit spreads collapsing, it was important to realize which facts were imperative to my understanding of the book, and which ones were used as padding.

*Dead Aid* is worth studying because takes aid, a concept that everyone is aware of, and completely destroys the perceptions of it. It does that by simply supplying the reader with pure data and theory, no emotional force involved whatsoever. Moyo then proceeds to rebuild a new concept of aid; one that targets and caters to the specific issues the current aid system is unsuccessful in alleviating.

It also connects seamlessly to many reoccurring themes in the post-colonial course. Topics like the dangers of the single story, othering, the civilizing mission, and neo-colonialism, are prevalent in the novel. *Dead Aid* can even be catered to dissected under the different literary lenses. Because I was in the Marxist group, I constantly found myself comparing the power relations and struggles in *Dead Aid*, especially between USA and China over Africa. But I also found myself analyzing the story with the existentialist lens.

What I enjoyed most about the entire book is that in theory, it’s an extremely depressing read. Fundamentally, it says that the West has wasted over a trillion dollars, that there is this notion of the wealthy helping out the less wealthy being not beneficial and positive in numerous cases. But Moyo surprised me with her explanations on how misguided the aid policies have been. She has this unbroken optimism for her home country and continent that is irrefutable, and persistently showcases that through her tone. When she writes about these reforms, at the most primary level, they should and have to be respected, as it is a person who is writing about her endless support for bettering her home.

After I finished reading *Dead Aid*, I took the liberty of researching texts and articles that argue against Moyo’s reforms. The amounts of attacks on her development tools were shocking. I am not an expert in economics or foreign aid policies, but what I do know is that Moyo wrote *Dead Aid* to people who truly wish to see Africa break this cycle of poverty. *Dead Aid* offers Moyo’s opinion on how we got to this $1 trillion USD amount in aid and proposes new methods on finding economic growth. Prior to her, this was a topic that was extremely elusive and not discussed at all. Moyo’s development tools are just her methods of attempting to implement change, but the important message is not if those tools would be effective or not, but that “the lives of billions rest on getting the right financing solutions to the problems of developing nations,” (Moyo xvi) and Moyo has just begun the much needed discussion on attaining the right financing solutions to these problems.

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| **Quotation** | **Analysis** |
| “Their livelihoods depend on aid, just as those of the officials who take it.” (54) | Successful lending in Western organizations is based entirely on the lending portfolio, which is why organizations continue to give and lend money to even the most corrupt of countries. This quotation is significant because it touches upon why the West continues to give aid, despite the common knowledge of it fostering corruption. |
| “Because the government’s financial dependence on its citizens has been reduced, it owes its people nothing.” (58) | This quotation is significant because it simply captures the essence of why aid does not work. For reduced poverty and increased growth for African nations, the citizens have to be involved. It is clear with this quotation that African citizens play no roles in this society implemented by systematic aid. |
| “The net result of aid-dependency is that instead of having a functioning Africa, managed by Africans, for Africans, what is left is one where outsiders attempt to map its destiny and call the shots.” (66) | This quotation is significant because it reflects the neo-colonialist state that Africa is in right now. The quotation pinpoints the clear lack of power and control the citizens of African have on the future of their countries, and in turn, their own lives. |
| “Africa is addicted to aid. For the past sixty years it has been fed aid. Like any addict it needs and depends on its regular fix, finding it hard, if not impossible, to contemplate existence in an aid-less world. In Africa, the West has found its perfect client to deal to. (75) | This quotation is significant because it illustrates how aid is, in reality, the disease. Moyo uses the analogy of drugs to highlight the dependency Africa has to the West, and vise versa. The quotation suggests that while the main problem is that Africa is addicted to systematic aid, part of the issue has to deal with the West involvement. This quote also places the blame on the West for making Africa addicted. |
| “It seems truly bizarre that such a large continent in population terms is pretty much irrelevant in trade terms.” (118) | This quotation is significant because it puts Africa and its in context with the rest of world. Embedded within the words is the potential that Africa possesses in the international business and trades industry. |
| “Development is not a mystery; each of the elements of the *Dead Aid* proposal has been tried and tested and yielded success – and governments and policymakers know it.” (148) | This quotation is significant because it showcases the lack of true involvement the West has with Africa. The same aid system has been in place for about 70 years now, and has failed reduce poverty and increase growth. But even with clear and proven successful alternatives presented, the West continues to throw a blind eye on these viable solutions. |
| “I have never seen a country develop itself through aid or credit.” (149) | This quotation is significant because it completely debunks the current model of international aid. |
| “Aid came from the West (and continues to do so), and it’s up to the West to take it back. (149) | This quotation is significant because it places blame on the West. Because it is clear that aid does not work, it is the West’s responsibility to restore African nations to the state they were, prior to the rise of aid in the 1940’s. |
| “The goals of aid, as originally set by the forefathers in the New Hampshire hotel all those years ago, were sustainable economic growth and poverty alleviation, and it is against these goals that aid’s efficacy should be judged, and against these that it has spectacularly failed.” (150) | This quotation is significant because it explains and defines why Moyo is undoubtedly allowed to say that aid has failed. |
| “The mistake the West made was giving something for nothing.” (152) | This quotation is significant because continues to place blame on the West for the failure of aid. The West simply does not care about the outcomes of the capital they send to African every year, which is one of the main reasons Moyo argues to be one of the reasons it has failed. |

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