

**Research Article** 

# The merits and demerits of extending long-term assistance to developing countries whose own selfhelp efforts are inadequate, as well as potential measures that could promote greater self-help efforts

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The question of extending long-term assistance to developing countries whose own self-help efforts are inadequate has been matter of serious concern. Billions have been extended as aid to improve the standards of living and uplift development in developing countries but the question of whether or not this huge assistance has done what it was intended for remains hanging. It boils down to why developing countries should receive assistance. The matter of developing countries detaching themselves from this kind of assistance has been one of the top debates in parliaments but implementing it has remained a nightmare in most of them. This essay brings out the reasons as to why developing countries should continue getting long-term assistance. However, the same essay points out the ill side of long-term assistance being extended to developing countries whose own self-help efforts are inadequate. It as well brings on board possible measures to promote greater self-help efforts.

Keyword: Long-term assistance, Developing Countries

## INTRODUCTION

Long term aid can be described as financial or material support that is given to a particular country to help in one of its programs. It is usually given to enable poor countries to develop and improve the quality of living of its citizens. Long term aid is usually given by members of the G8 (now G7) countries to poor developing countries. The Group consists of the eight largest industrialized democracies, Canada, France, Germany, Italy, Japan, Russia (now out), the United Kingdom and the United States. However, some other countries not in the G8 do extend some kind of support to other countries.

Long-term assistance has been extended to developing countries to assist, mostly their economies and the enhancement of their socioeconomic condition. Long-term assistance can also be explained from the point of view of the humanitarian activities executed primarily for providing emergency relief and maintaining long-term sustainable growth in developing countries.

Long-term assistance or aid can be classified into two broad categories including Bilateral Aid and Multilateral Aid. However, there are other seven categories of aid including Project aid, Programme aid, Food aid, Emergency aid, Tied aid, untied aid, and Partially untied aid worth mentioning.

Firstly, Bilateral Aid is generally provided by the government of one country directly to another country. In the world, two leading agencies can be good examples of agencies dispensing bilateral aid. One of them is USAID (United States Agency for International Development) and DFID (Department for International Development) from the United Kingdom

### among others.

Secondly, Multilateral Aid is Aid provided by a group of countries, or an institution representing a group of countries such as the World Bank, to one or more recipient countries. It is usually dispensed through international agencies like World Bank, IMF (International Monetary Fund) and EDF (European Development Fund). Apart from the above two broad categories of how long-term assistance can be dispensed to developing countries, aid can also be attained from private individuals and for-profit companies. The amount of their donations constitutes an appreciable portion of international monetary transfers. NGOs (Non-governmental organizations) also play a vital role in dispensing long-term assistance. These organizations normally provide both humanitarian and development assistance. World Vision can be one of the good examples to illustrate my point beyond reasonable doubts as it has done quite good.

As indicated above, there are some other types of aid. One of them is Project aid which refers to a kind of aid provided to country to accomplish a specific purpose/project. Secondly, Programme aid refers to when aid is provided to accomplish tasks in a particular area or sector, like education sector of a country. Thirdly, Food aid is when aid is provided in the form of food to the countries in urgent need of food for example during war like in Central African Republic. Emergency aid is when aid is provided to tackle the emergency situations like natural disaster or war like in Southern Sudan. In addition, Tied aid is foreign aid that essentially be expended in the donor country or in the selected countries. A developed country normally provides a bilateral loan or grant to a developing country with the restriction that the money should be spent on goods or services produced in the selected country. On the other side, Untied aid is provided normally to the developing countries to freely spend money on goods and services in all the countries of the world. Finally, partially untied aid is an official aid for which the associated goods and services are necessarily be procured in the donor country or in restricted group of countries.

All along, I have been referring to "developing countries". At this moment, you should get to know what is referred to as a developing country at your finger tips. A developing country is a nation with a lower living standard, developing industrial base, and low Human Development Index (HDI) relative to other countries. There is no universal, agreed-upon criterion for what makes a country developing versus developed and which countries fit these two categories, although there are general-reference-points such as a nation's GDP per capita compared to other nations. It is a country having a standard of living or level of industrial production below with financial or technical aid; a country that is not yet highly industrialized.

## **MERITS OF LONG-TERM ASSISTANCE**

## Emergence assistance in times of disaster saves lives

Whenever there is a disaster or a humanitarian catastrophe, the UN is on the ground providing relief, support and assistance through Humanitarian and Disaster Relief Assistance. From the population displacements caused by war; which mostly occur in developing countries, weather and natural disasters, to the impact of such disruptions on health, hygiene, education, nutrition and shelter.

The World Food Programme (WFP) and the Food and Agriculture Organization of the UN (FAO), makes food made available to those who might otherwise starve. The Office of the UN High Commissioner for Refugees (UNHCR) and the International Organization for Migration (IOM), makes sure that camps and other facilities are set up and maintained for those who have been forced to leave their homes. When men, women and children are trapped in the midst of war, the Secretary-General and his representatives help negotiate "zones of peace" for the delivery of humanitarian aid. And UN peacekeepers protect the delivery of that aid —whether provided by members of the UN system or such humanitarian bodies as the International Federation of Red Cross and Red Crescent Societies. "Today, we recognize the millions of people who count on us for their very survival. The one billion people afflicted by hunger. The tens of millions forced to flee their homes because of disaster and conflict." Secretary-General Ban Ki-moon Remarks to launch the first World Humanitarian Day UN Headquarters, 19 August 2009. Without such kind of assistance, many people would be dead and if you think it is a joke, see what is in Southern Sudan.

### Aid helps rebuild lives after disaster

More than 90 percent of natural disaster-related deaths occur in developing countries, where poverty and lack of resources exacerbate the suffering. For example, following the 2004 tsunami that devastated communities across south Asia, Plan India involved local children in designing new environmentally-friendly houses and villages in Villupuram; Plan Sri Lanka also worked with children to design a landmark child-friendly school in Hambantota. In a flood-prone area of Bangladesh, for example, Plan-supported children's groups who were concerned that parents seldom saved for emergencies, making them very vulnerable. Now the children have set up their own savings scheme to help their

families buy food and supplies when the floods return. In Sierra Leone, children's groups also participated in disaster risk reduction activities within their communities with such kind of assistance.

Furthermore; on January 12, 2010, a 7.0-magnitude earthquake struck Haiti, affecting more than 3 million people — one of every three. The quake killed 222,570 people and injured more than 300,000. More than 1 million people were left homeless and vulnerable. World Vision and other merciful bodies helped to initiate response efforts to the tragedy focusing on the basics: food, shelter, water, and sanitation. Health clinics were set up to help care for the injured, and hospitals were stocked with medicines and equipment. After one year, emergency supplies were still being distributed to families. Four years later, World Vision is helping Haitian families rebuild lives and recover livelihoods. Without such assistance, Haiti would be a mystery now and may be out of map.

## Economic growth

Economic growth is the most important means of raising people's incomes and reducing poverty in the developing world, it creates jobs and opportunities for poor people to support their families and build more stable futures. Many developing countries face particular challenges that make it difficult for them to stimulate and sustain economic growth. These challenges include weak institutions, high unemployment, poor infrastructure; a lack of access to financial services, and unsuitable laws and regulations.

Millions of people do not own or have formal rights to the land they live and work on. This makes it difficult to plan or save for the future. The risk of losing land and property can deter people from investing, for example in irrigation for their land. It can also make it difficult for people to borrow to fund investments. Therefore bearing the above in mind, long-term assistance is very well needed to uplift the economies of developing countries by creating employment, infrastructural development and so on.

### Removing barriers to trade and investment

Governments in developing countries need to create the right incentives for firms to invest. Private investment by both foreign and domestic firms contributes to the economic growth that is needed to reduce poverty in developing countries. Firms' willingness to invest depends on the business environment - the extent to which the laws, regulations and infrastructure within a country support or limit enterprising activities. Businesses need a degree of certainty and an acceptable level of risk. For developing countries to create a conducive environment for trade and investment, the following should be in existence:

- A strong rule of law
- Enforceable property and land rights
- Better regulations
- Reduced trade barriers
- Proper infrastructure
- A functioning tax system
- Increased transparency

In Bangladesh, for example, the Department for International Development (DFID); a United Kingdom government department aiming at promoting sustainable development and eliminating world poverty, has helped streamlining the business registration process from 35 days to 1 day and the process can now be completed online. This and other work has resulted in over 19,000 new businesses being registered in two years. Further simplifications are expected to generate \$30 million in savings for business, the department says. With such remarkable long-term assistance, more countries like Bangladesh can run several steps away from poverty and similar problems.

In the same vein, in Sierra Leone, the DFID-supported Africa Investment Climate Facility (ICF) has supported the establishment of a Fast Track Commercial Court and introduction of alternative dispute resolution methods which have halved the backlog of cases. The aim is to reduce the time it takes from filing a case to judgment from 6 years to just 6 months. Similar initiatives in Rwanda, Zambia and Uganda have worked to improve case management by local courts and modernize commercial laws.

Property rights are fundamental to the functioning of any market. Most of the land is administered by informal, customary rules and practices. For example, DFID's work in Rwanda is helping rightful land owners receive legally valid land title documents. The programme has already helped register 5 million plots of land onto a new land registry. You can understand what I mean when I say long-term assistance is good for developing countries. All such tremendous work was because of assistance. These beautiful countries sheltering beautiful people would not have access to such development milestones without the help of long-term assistance.

## Improving infrastructure

To achieve economic growth, developing countries need to improve their transport, electricity and water supplies and services. Long-term assistance is highly required to identify and unblock major infrastructure problems. Here, I am referring to roads, bridges, water supply, sewers, electrical grids, telecommunications, and other infrastructural services.

For example, Green Africa Power (GAP), a new Private Infrastructure Development Group facility, has been developed jointly by DFID and The Department for Energy and Climate Change (DECC) to overcome specific constraints to private sector investment in renewable power generation in Africa; one of the leading developing country-sheltering continent. Several other infrastructures have been built in different developing countries to enhance developmental activities and consequently make life easier for nationals of those countries. Most of these infrastructural facilities would be a nightmare for most of these developing countries if they had not been long-term assistance. In fact, had my grandfather been alive, he would have witnessed how the 1970s infrastructure he lived in is different from what I enjoy today in Rwanda.

Sub-Saharan Africa is the world's most power-starved region with more than 700 million people lacking access to electricity. There is a shortage of all types of power generation projects in Africa and, in particular, renewable power projects. The economic cost of this power shortage is reckoned at some 4% of gross domestic product. Between 1995 and 2006, the European Commission funding spent almost €6.5 billion on 682 transport projects, mainly in African, Caribbean and Pacific (ACP) countries. Indeed, the ACP region received about 80% of the development aid funds allocated by the Commission to improve transport. It is from such expenditures that most developing countries are making impressive developments in as far as infrastructure is concerned. An example not far from me is the Bujagali hydroelectric power plant in Uganda officially inaugurated on 8 October 2012 which was supported by Sithe Global Power LLC from the United States and Industrial Promotion Services, a division of the Aga Khan Fund for Economic Development (AKFED), the World Bank, the European Investment Bank and the African Development Bank. This power plant not only serves Ugandans but helps Nalubaale Hydroelectric power to serve neighboring countries including Rwanda and Tanzania among others with electricity. Being a Rwandan and an indirect beneficiary of the project, I count this milestone on the support which now enables me to click my computer, iron my clothes, and access other electricity-driven services, on the long-term assistance.

## Access to financial services

Small businesses account for over 45% of all employment in developing countries. Their growth is vital to creating jobs and increasing prosperity - yet they are typically thwarted by difficulty in raising finance. More than 2.5 billion people have no bank accounts or insurance. The Department for International Development and HM Treasury funds the World Bank's Financial Sector Reform and Strengthening initiative which provides world class technical expertise and assistance to developing country regulators and policy makers. To date, the scheme has supported over 300 projects across 80 countries. Do you think the governments do not want their nationals to access such financial services? I would not obviously go by your argument if your answer is yes. They want but the question of financial capacity is still hanging. This explains why long-term assistance is needed to boost the potential of developing countries to access financial services.

#### Stimulating private sector investment

Long-term assistance is needed to improve the business environment in poor countries by stimulating private investment. For example, DFID supports countries to identify what resources they have, and make informed decisions about how to exploit the resources for the benefit of their population. "The world has changed tremendously in recent years, paving the way for new partnerships in development and a new role for the private sector", UNDP Assistant Administrator Sigrid Kaag said. Without private-sector investment in developing countries, I would question the sustainable development frequently aired out by the world. Developing countries need the private sector to share its expertise, give access to knowledge, innovations, and tested business models. Knowledge-sharing can make a phenomenal difference at low cost. Rwanda has steadily reformed her commercial laws and institutions since 2001 with support from the World Bank Group. My motherland was named the top reformer in Doing Business 2010, having jumped 76 places from 143 to 67 in the annual ranking of 183 countries, the biggest improvement ever by any country. This is because of the assistance rendered to the country that she can move that far and I don't need to enumerate many more countries which have privatized investments for their betterment as a result of assistance.

## Enabling businesses to include poor people directly

Leaving alone the support itself, developed countries have created approaches to businesses which recognize a positive impact on society in developing countries as well as achieving profits through businesses. For example, through schemes like the Business Call to Action and Business Innovation Facility, DFID in UK has encouraged companies in developing countries to adopt inclusive business models. An inclusive business is a commercially sustainable business model that benefits poor people as consumers or producers. This might involve them employing more poor people or involving more local enterprises in their supply chains. Many more support has been rendered to developing countries by countries like Japan, USA, etc to help in devising inclusive businesses which is a pavement to employment provision and a flashlight to poverty reduction. This is therefore another reason to believe that long-term assistance is good for developing countries.

## Supporting fair and ethical business operations

Long-term assistance given to developing countries supports responsible business, which concerns itself with shaping the day-to-day operations of enterprise, with regard to the implications for workers, communities and their environment; the way that people participate in influencing businesses' operational decisions; and businesses' accountability to them. Laws regulating business in developing countries have been adopted through support given to them. This had made doing business easy in these countries.

## Benefiting from global and regional trade

Trade has a direct effect on poverty: on average, an increase in trade volumes of 10% will raise incomes by 5%. Countries which miss out on the benefits of global trade miss out on opportunities to profit from international expertise, low cost raw materials, and much needed technology. There are many prospects to open up global and regional trade further to benefit developing countries. At present, Africa accounts for just 3% of global trade. More than two-thirds of WTO members are classified as developing countries. If these countries are not supported then the global trade will remain lagging behind.

## Improving provision of basic services

According to the <u>Millennium Development Goals Report 2012</u>, 783 million people, or 11 per cent of the global population most of which are from developing countries, remain without access to an improved source of drinking water. Such sources include household connections, public standpipes, boreholes, protected dug wells, protected springs and rainwater collections. Furthermore, there are regions particularly delayed such as Sub-Saharan Africa; whose states are developing, where over 40 per cent of all people without improved drinking water live. It is not only water, but shelter and food, health services, and education. The southern Sudan Crisis Situation published on 20<sup>th</sup> March, 2014 says that 708,900 have been violently displaced meaning that they don't have shelter; one of the very basic needs. If such a big number of people don't have where to sleep, then think of food, school, health and the rest. This justifies why aid is still needed.

## Demerits of long-term assistance

Like President Paul Kagame of Rwanda said on bad Aid vs. good Aid- "There is bad aid and there is good aid, I should also now switch to the bad side.

## Assistance can increase the dependency of LEDCs on donor countries

Sometimes aid is not a gift, but a loan, and poor countries may struggle to repay. Across the world, impoverished countries are being forced to repay debts far bigger than original loans, instead of spending precious cash on essentials like schools and hospitals. Bangladesh, for example, has to make crippling debt repayments, when it desperately needs to use money to pay for better health care and education – especially for the 50 million Bangladeshis who survive on under a dollar a day.

## Assistance may not reach the people who need it most. Corruption may lead to local politicians using aid for their own means or for political gain

In 2012, United Kingdom suspended Uganda aid over corruption. Allegations of embezzlement in the Uganda prime minister's office prompted suspension of development assistance worth £27m. According to Al Jazeera of November 17<sup>th</sup>, 2014 Britain suspended

all financial aid to Uganda over a corruption scandal in which millions in donor funds were allegedly embezzled in the office of the Prime Minister, Amama Mbabazi. Britain's international development department, or DFID, said in a statement that it was suspending development assistance immediately "as a result of initial evidence" from an ongoing audit. These, with other similar, corruption scandals make assistance given to developing countries like Uganda useless because it does not reach those which it is intended for. I have therefore reasons to say that long-term assistance turns out to be liability sometimes than an asset for some developing countries.

# Assistance can be used to put political or economic pressure on the receiving country. The country may end up owing a donor country or organization a favor

Aid is seldom given from motives of pure altruism; instead, it is often used as a tool of foreign policy. It may be given as a means of supporting an ally in international <u>politics</u>. It may also be given with the intention of influencing the political process in the receiving nation. Aid to developing countries is often more in the interest of the donor than the receipient, or even a form of neocolonialism. In recent decades, aid by organizations such as the International Monetary Fund and the World Bank has been criticized as being primarily a tool used to open new areas up to global capitalists, and being only secondarily, if at all, concerned with the well-being of the people in the receipient countries.

## Economic sanctions also can be a coercive foreign policy measure used to achieve particular policy goals related to trade, governance, or humanitarian violations

For example, the United States has imposed economic sanctions against Iran for years on the basis that the Iranian government sponsors groups who work against US interests. Furthermore, the <u>United Nations</u> imposed stringent economic sanctions on Iraq after the first Gulf War, partly as an attempt to make the Iraqi government cooperate with the UN weapons inspectors' monitoring of Iraq's weapons programs.

# It may be a condition of the investment that the projects are run by foreign companies or that a proportion of the resources or profits will be sent abroad

Aid still benefits companies from donor countries. Despite a pledge made 13 years ago to end 'tied aid', recipients of aid are still being forced to buy goods and services from donor country firms, research reveals. The UK formally untied all development assistance in 2001, with the justification that "tied aid <u>reduces value for money</u>" and tends to lead to inappropriate and expensive projects that do little to tackle the needs of the poorest. It is not only UK but <u>aid</u> from the world's richest donors continues to benefit companies from their own home countries, despite decade-plus effort to free the aid and make receiving countries have full control over such aid. Researchers estimate that \$69bn – more than half of the total official development assistance – is spent each year buying goods and services for development projects. In real sense, only a spoon of such money goes to intended countries and almost a handful bag of it goes back to the donors. Can you believe that in 2009, 67% of aid from Greece was given on the condition that Greek contractors were used on development projects? If you think this is all, in the same year 54% of Austrian aid was tied, along with 50% of Korean aid and 39% of Portuguese aid. That's already enough to dress my point! It is from this issue that long-term assistance may be a demerit.

## Handout Dependence

Official development assistance (ODA) has been criticized by several economists for being an inappropriate way of helping poor countries. The Hungarian economist <u>Peter Thomas Bauer</u> has been one of the most vocal of them. Another notable economist arguing against ODA includes <u>Dambisa Moyo</u> in her book <u>Dead Aid</u>. A country, used to receiving ODA, may be perpetually bound to depend on handouts. This with time implants in the mind of the receiving country's citizens that everything is to come from aid. There is no other disease better than this! I personally talk ill about it. "...what Africans should have in common is not the burden of dependency but the solution of self reliance," stressed H.E President Paul Kagame; President of the republic of Rwanda while addressing thousands of Rwandans and friends of Rwanda from across Europe, North America and Africa gathered in London to celebrate Rwanda Day themed "Agaciro: Delivering Prosperity" in May 2013. If this was a matter of vote, then it would sweep 200% of mine. Aid to some developing countries becomes a cloth tied on their faces so that they cannot plan for their tomorrow but think of help only.

The importance of the above stated point makes my hands and fingers sticking on it before going to another issue. Helping developing countries is a noble cause, but the campaign has become a theater of the absurd – the blind leading the clueless. The record of Western aid to developing countries especially Africa is one of abysmal failure. More than \$500 billion in foreign aid the equivalent of four Marshall Aid Plans – was pumped into Africa between 1960 and 1997. Instead of increasing development, aid has created dependence. The budgets of Ghana and Uganda, for example, are more than 50 percent aid dependent. "I've never seen a country develop itself through aid or credit,"said Aboulaye Wade; former President of Senegal. Countries that have developed in Europe, America, Japan, other Asian countries like Taiwan, Korea and Singapore have all believed in free markets. There is no mystery there. It is from this that I strongly argue that long-term assistance may not work for developing countries.

## Assistance programs are addressed towards narrow problematic areas

Another demerit of long-term assistance is that some assistance programs are addressed towards narrow problematic areas and the most underpinning areas are ignored. For example International Monetary Fund (IMF) programs have been criticized for being only designed to address poor governance, excessive government spending, excessive government intervention in markets, and too much state ownership. This assumes that this narrow range of issues represents the only possible problems; everything is standardized and differing contexts are ignored this coupled with a country being compelled to accept conditions it would not normally accept had they not been in a financial crisis in need of assistance, makes matters worse.

## Conditionalities

The ending of the above point introduces attention to a very important matter. Long-term assistance is disadvantageous in that it imposes conditionalities on the receiving country hard for it to with depending on its situation. For example the World Bank and the IMF are again criticized for the 'conditionalities' imposed on borrower countries. The World Bank and the IMF often attach loan conditionalities based on what is termed the 'Washington Consensus', focusing on liberalization of trade, investment and the financial sector, deregulation and privatization of nationalized industries. Often the conditionalities are attached without due regard for the borrower countries' individual circumstances and the prescriptive recommendations by the World Bank and IMF fail to resolve the economic problems within the countries. Moreover, the decisions are made and policies implemented by countries without much consultation with poor and developing countries. This makes matters worse because donors do not have knowledge of the receiving countries than themselves.

## Impacts on people

There are concerns about the types of development projects funded. Many infrastructure projects financed by the assistance givers have social and environmental implications for the populations in the affected areas and criticism has centred on the ethical issues of funding such projects. For example, in 2008, a <u>leaked map exposed the huge dam plans</u> of the national electricity company in Sarawak, Malaysia and <u>the local Penan people</u>, who are familiar with destructive interference from outsiders, now face a new challenge to their land and livelihoods. Furthermore, The guardian of 9<sup>th</sup> August, 2010 reported of at least 200,000 people from eight tribes being threatened and a further 200,000 people expected to be adversely affected by the <u>Gibe III dam on the Omo river in Ethiopia</u>. Don't you think this is not good? Of course it isn't.

## Deteriorating standards of living

The more aid poured into developing countries, the lower their standard of living. For example per capita GDP of Africans living south of the Sahara declined at an average annual rate of 0.59 percent between 1975 and 2000. Over that period, per capita GDP adjusted for purchasing power parity declined from \$1,770 in constant 1995 international dollars to \$1,479. Don't you think this is disgusting? And I am not saying Africa only but any other developing country. If these countries come to realize that they stand on their own, they would do all it takes to uplift their standards of living without keeping their eyes in the air waiting for "who can help me."

## Measures towards self-help

"To developing countries, this must be your moment of responsibility as well. We want you to prosper and succeed it's in your interest, and it's in our interest," Mr. Obama told the Millennium Development Goals summit at the United Nations in 2010. I have reasons to believe that President Obama was extremely right.

I would suggest that developed countries or donors give assistance to developing countries in the meantime and leave developing countries to make most of the decisions on how to make use of this assistance. Developing countries this

way would know where to allocate which resources and in which manner. I am of the view that the owner of the wound knows it and its pain better than anyone else. Developing countries understand where they need to allocate resources and where to put more emphasis than where. Specifically, if the World Bank and the IMF may reduce the 'conditionalities' imposed on borrower countries. May be to make matter more clear, the 'Washington Consensus' could be revised to give more liberty borrower countries for them to make fund allocation decisions in trade, investment and the financial sector, deregulation and privatization of nationalized industries. But because the donors also have a say and would like to see their money doing something so substantial, then it would be fantastic if they sit down with receiving countries and mutually make decisions on where to invest how much. All in all, what I am emphasizing is that the developing countries should be heard before any decision is made.

Earlier on, you saw how people in developing countries are impacted by projects funded by donors in their countries most of which are social and environmental. <u>The local Penan people</u> in Sarawak, Malaysia would not have the challenges they face today if they had say on how to plan for the dam constructed in their area. The Ethiopian people also referred to above would not fall into the same caliber. The bottom line is that donors should invest in projects which would not harm the population of the developing countries. Displacing people may not be a better solution. Sincerely, there might be any other way out. This is where developing countries would benefit and hopefully gain more helpful power. When such projects which negatively impact people are implemented, they create more problems like conflicts, poverty, death and so many more like these which makes governments lose more funds; which would used in development activities, solving such problems. A clear example is where a tribe is displaced and goes to find home somewhere else to another tribe and they end up fighting because of different culture sometimes because of theft of cows and others.

More importantly, developing countries should devise anti-corruption measures and make funds in appropriate with reasonable accountability. If it as not misuse of funds, most developing countries would be better off. Resources should be allocated towards underpinning sectors and to make sure plans correlate with actions, more stringent rules should be made to restrict misuse of resources. With this kind of path, developing countries would be helpful sooner than later.

I don't know how to make this clear! But developing countries should be responsible and start thinking out of the box. Developing is in their best interest than it is to donors. Like President Kagame says, no one can help you more than you can. Developing countries should adopt self-reliant measures and take the lead which is the only way they will develop themselves. However much I do believe that some kind of help is needed but if coupled with much self-power, it can do nothing but to see developing countries through.

In addition, I would suggest that developed countries; who are in most cases the donors, should not give assistance as an economic or political tie. This would enable developing countries to allocate resources in priority sectors which help promoting development in the shortest time possible. If developing countries are given assistance in return for something else; which may be more important to the nation, I would doubt if the self-help promotion we are talking about here will ever exist. It is like exchanging food for the stomach receiving food.

### **CONCLUSION**

Long-term assistance is good for suffering countries to redevelop, heal some of them from disasters, economically move them from poverty, and improve infrastructure and investment. However, there are a number of potential hardships which makes aid somewhat damaging, but the overall result can mean advantages for both sides; developing countries who receive this kind of assistance and donors who give it to them. To make this kind of assistance a win-win game, donors should involve developing countries in decision making especially in regard to where to invest and how much to invest in what sector. However, developing countries who receive this assistance should make reasonable investments and efficiently and effectively use these funds or assistance. More power could be put in transparency in resource allocation and fighting against corruption. With this kind mutual action, I am sure more self-help efforts will gained by developing and we should be expecting self-reliant countries in the near future.

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