BOOK REVIEW

Dead Aid: Why Aid Is Not Working and How There Is Another Way for Africa

by Dambisa Moyo, Penguin Books, 2009.

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With its provocative title, Dambisa Moyo's *Dead Aid: Why Aid Is Not Working and How There Is Another Way for Africa* is a high-impact book on the problems with the current aid system. Punchy and approachable, the book provides a thoughtful and reasoned argument in favour of a new approach to development in Africa.

Well credentialed, Moyo holds a PhD in Economics from Oxford and has worked as a consultant for both the World Bank and Goldman Sachs. However, it is not her academic and professional background that has drawn interest, but her perspective writing as an African woman, being born and raised in Zambia. Where many development economists and scholars who write about Africa tend to be white, foreign males (think Jeffrey Sachs and William Easterly), Moyo provides a refreshing voice with her critical contribution to the field.

The first half of Moyo's book provides an overview of the history of aid, outlining major aid programs from the Marshall Plan through to the Millennium Development Goals. Moyo carefully details the problems with the current approach to aid, from corruption to the political and restrictive nature of many of the major aid programs. While many of these topics have been written about previously, Moyo provides a good overview of the problems in existing aid programs and how previous successes don't necessarily translate to the current African context. With more than US\$1 trillion flowing to Africa in the form of development assistance over the past few decades, Moyo writes persuasively that aid, at least in its current form, is not benefiting African people.

It is in the second half of the book where Moyo really finds her stride as she lays down her plan for an alternative approach to development in Africa. Some of her proposals are well-worn strategies: she strongly supports free markets, opening up borders for trade, and encouraging foreign direct investment. *Dead Aid* deliberately takes a high-level view, so it is helpful for the reader to have an understanding of previous development studies and critiques.

Moyo's chapter on the increasing level of Chinese investment across the African continent is particularly interesting. Moyo writes favourably of this growing trend, titling the chapter, "The Chinese Are Our Friends". Another emerging trend she supports is the rise of microfinance loans to the poor and others who are normally outside the traditional banking system.

One of her more controversial suggestions is that aid to Africa should be reduced, and eventually stopped, over a five to ten-year period. Moyo believes that by shrinking the aid-to-GDP ratio over a fixed timeframe will reduce dependency on aid and spur governments to find other financial mechanisms for revenue. This fixed-term approach would be more aligned to the successful Marshall Plan in Europe after World War II, rather than the ongoing nature of the current aid system.

One limitation of the book is that Moyo does not address disaster responses (emergency aid) or projects conducted by not-for-profits (charitable aid); instead she sets her sights firmly on the billions of dollars provided to African governments in the form of loans and grants by inter-governmental programs.

Overall, *Dead Aid* is a thought-provoking book and a worthy addition to the debate on aid and development. Moyo writes convincingly about the need for change, making the case that the current system needs urgent reform. With such a strong position, *Dead Aid* is perhaps best read alongside other analyses of development assistance.

Further Reading

- *Feminisms in Development: Contradictions, Contestations, and Challenges* by Andrea Cornwall, Elizabeth Harrison, and Ann Whitehead, Zed Books, 2007.
- *Science and Technology for Development* by James Smith, Zed Books, 2009.
- *The Darker Nations: A People's History of the Third World* by Vijay Prashad, New Press, 2007.
- *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good* by William Easterly, Penguin Press, 2006.