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Published in 2010, *Dead Aid* was not the first indictment against Western aids to Africa. Three years before William Easterly's *The White Man's Burden* had hit the same target and the same can be said about *L'industria della carità* by Valentina Furlanetto, written in 2013. The issue has become a cliché and the attitude of the public opinion concerning the non-governmental organizations is often suspicious, considering that the earnings of the non-profit organization managers equal those of the executives of some corporate companies. The outcry stirred by the severance pay received by Irene Khan (£533,103) from Amnesty International following her resignation is a notorious example.

However, non-African white men had conducted the debate about Africa's economic problems. The simple fact that *Dead Aid* is the work of an African black woman is the least of the reasons why you should read it, but an important one.

Born and educated in Zambia, Dambisa Moyo also brings to her subject a rare combination of academic expertise and 'real world' experience. Her training in economics took her from the World Bank to Harvard and on to Oxford, where she obtained her doctorate. Since leaving the academy, she has spent eight highly successful years at Goldman Sachs, most recently as Global Economist and Strategist.

Though she is not the first writer to criticize Western aid programmes in Africa, never has the case against aid been made with such rigour and conviction. Why, asks Moyo, do the majority of sub-Saharan countries 'flounder in a seemingly never-ending cycle of corruption, disease, poverty, and aid-dependency', despite the fact that their countries have received more than US$300 billion in development assistance since 1970? The answer she gives is that African countries are poor precisely because of that aid:

> *The notion that aid can alleviate systemic poverty, and has done so, is a myth. Millions in Africa are poorer today because of aid; misery and poverty have not ended but have increased. Aid has been, and continues to be, an*

unmitigated political, economic, and humanitarian disaster for most parts of the developing world.

Moyo makes a distinction between charity aids, disbursed by charitable organisations to institutions or people on the ground, and systematic aid, either bilateral (direct payments made by governments) or multilateral (transferred by institutions such as the World Bank). Her interest focuses entirely on systematic aid.

According to Dambisa Moyo, the issue of aid to some African countries is closely linked to the heritage of colonialism. After the independence achieved by countries like Ghana, Kenya, Malawi and Zambia, aid became the means by which France and Britain tried to maintain their strategic geopolitical holds over their former colonies, while the U.S. aid to Africa was linked to the Cold War. The author sums up the stages of Western aids from the 1960s to the present day (pp. 10 to 28, *A Brief History of Aid*) saying that fifty years of western aid have only resulted in slower growth and higher poverty.

Comparing the brilliant performance of emerging countries such as Brazil, Russia, China and India which have grown by almost 10 per cent of GDP per year, surpassing the growth rates of leading industrialized economies, the author wonders why thirty developing countries, mainly aid-dependent in sub-Saharan Africa, have failed to generate consistent economic growth, and have even regressed. She briefly discusses the geographical, historical, cultural, tribal and institutional reasons usually proposed, concluding that:

While each of these factors may be part of the explanation in differing degrees, in different countries, for the most part African countries have one thing in common – they all depend on aid.

Moyo questions the proofs brought by the supporters of aids, maintaining that in most cases aids do not work. For example, she denies that aids work only in democratic countries. On the contrary, she thinks that at an early stage of development democracy is irrelevant, and often harmful:

Aid-funded democracy does not guard against a government bent on altering property rights for its own benefit. Of course, this lowers the incentive for investment and chokes off growth.

The uncomfortable truth is that China, Indonesia, Korea, Malaysia, Singapore, Taiwan, Thailand, Pinochet's Chile and Fujimori's Peru are examples of economic success in lands bereft of democracy. In Africa there are democratic countries like Senegal with a convincing economic growth, but also undemocratic countries like Sudan that have reached an astonishing level of economic growth. According to the author, democracy is not the prerequisite for economic growth that aid proponents maintain. On the contrary, economic growth is a prerequisite for democracy; and the one thing economic growth does not need is aid. Because aid is not only innocuous, but also “malignant”, directly responsible for the widespread corruption in most African countries. Mobutu in Zaire and Sani Abacha in Nigeria were not the only instances of billions diverted to foreign bank account. However, the point about Africa is not that corruption exists, but that aid is one of its greatest aides.

> *This is the vicious cycle of aid. The cycle that chokes off desperately needed investment, instils a culture of dependency, and facilitates rampant and systematic corruption, all with deleterious consequences for growth. The cycle that, in fact, perpetuates underdevelopment, and guarantees economic failure in the poorest aid-dependent countries.*

Few scholars or politicians would deny the relationship between IMF or the World Bank aid and corruption in Africa, even though the extension of the phenomenon as presented by Dambisa Moyo can be discussed and is not unlikely that since she wrote the book ten years ago the situation has changed, although slightly so. But maintaining assertively that “aid goes to corrupted countries” is at least controversial, because in her passionate arguing sometimes Moyo seems to mean that Western aid “only” goes to corrupted countries.

More to the point and in tune with the most recent studies is the chapter *Aid and civil society*, where she complains about the absence of the middle class in nearly all African countries. In healthy economies, the middle class pays taxes in return for government accountability. Foreign aid reduces the financial dependence of the state, perpetuates poverty and weakens civil society by increasing the burden of government and restricting individual freedom.

In the following chapters, Moyo closely connects aid and civil wars in Africa, argues – convincingly – that foreign aid brings economic limitations, reduces savings and investments, is often inflationary, negatively affects the export sector and causes bottlenecks because countries with low financial development do not have the absorptive capacity for foreign aid. It is impossible to give account of the sensible and often brilliant –though sometimes controversial - arguing about these issues. It seems more interesting to conduct a cursory examination of Moyo proposals of better ways than aid for Africa to finance its development. . . . Proposals that overlap another controversial problem discussed in the last chapters, the massive economic engagement of the Chinese in Africa.

The first way out from aid the author envisages is the issuing of bonds by African countries to international investors to help finance their developing programmes, e.g. infrastructures, education and healthcare. The advantage of bonds issuing is the responsibility African countries should necessarily assume because it implies obtaining ratings from international recognized rating agencies and forces the states to acquire a convincing level of accountability to convince international investors to lend, which is to say credibility and ability to repay.

The historical examples she quotes seem to suggest that bonds issued by underdeveloped countries are highly profitable for mutual funds, pension schemes, hedge funds, insurance companies and private asset managers:

> *Emerging-market debt has almost consistently outperformed international stocks over the past ten years. Whereas the average return for emerging-market bond funds over the past five years has been 40 per cent, US equity indices have only returned 20 per cent.*

Dambisa Moyo is quite optimistic about the gradual replacement of the aids politics with the issuing of international and domestic bonds, even though she is clearly aware of the complexity of the process, which she widely analyses. However, she refers to “well-run” African countries: it does not seem that many of them qualify as such.

Even more important than bonds are the foreign direct investments, but unfortunately, the figures of FDI in Africa were utterly discouraging when the book was written, amounting to no more than 1% of the international capital flows: 400US$ billion out of the global 1,4US$ trillion. Today the situation seems to have even worsened: the World Investment Report 2018 estimates that the FDI in Africa amounts to a meagre 42US$ billion).

Due to low labour cost and high investment opportunities, Africa should be the ideal target for FDI. But the limited and poor infrastructure network makes the cost of production of goods and services so high that it is more profitable to produce and transport from Asia, although Africa is much closer to Europe. Besides, one must consider the widespread corruption and the intricacies of bureaucracy with the burden of red tape implied. The only state that, despite these and other drawbacks, saw the opportunities and the potentiality of the Continent since the early 1970s was the Republic of China.

The Chinese impressively committed to FDI, both directly by the government, and indirectly, by encouraging private enterprises investment through preferential loans and buyer credits. Chinese investments were first focused on raw materials: billions in copper and cobalt in the Democratic Republic of Congo and Zambia, iron ore and platinum in South Africa, timber in Gabon and Cameroon. But later their capitals were largely employed in infrastructures, such as roads and railways constructions and telecommunications, but also banking and financial services. Today China's involvement is impressive: when Mojo's book was written only five African countries, Burkina Faso, The Zambia, Malawi, São Tomé and Principe, and Swaziland had not signed up to the China–Africa Cooperation Forum yet.

Zambisa Moyo's attitude to the Chinese "invasion" could not be more apparent: the title of the chapter is *The Chinese are our Friends*. Actually, she debunks the possible criticism about the Chinese, mainly suggesting that the objections – concerning Chinese attitude towards human rights, labour standards and environmental protection – usually come from Western Countries and Western institutions like EIB and IMF. The author reminds them of their support for

> *Africa's most notorious plunderers and despots: Zaire's President Mobutu, Uganda's President Idi Amin and the Central African Republic's 'Emperor' Bokassa (who kept his victims' heads in a fridge), to name just three*.

On the contrary – even quoting the percentages in most African Countries – the Africans appreciate the Chinese investment, although Moyo suggests that the relationship may be improved in the future issuing legislations to increase the level of participation of the Africans. Anyway, she considers the present situation as a win-win arrangement:

> *Bartering infrastructure for energy reserves is well understood by the Chinese and Africans alike. It is a trade-off, and there are no illusions as to who does what, to whom and why. There are those who see China as merely using Africa for its own political and economic ends. To continue to grow at its extraordinarily rapid rate China needs fuel, and Africa has it. But for Africa it's about survival. In the immediate term, Africa is getting what it needs – quality capital that actually funds investment, jobs for its people and that elusive growth. These are the things that aid promised but has consistently failed to deliver.*