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## Research Paper on the Impact of the Lending Institutions, Health Care, and Human Capital in Kenya

Introduction   
The IMF and the World Bank are intergovernmental pillars which support the financial order and the world’s economic structure. Their core mandate is to offer financial loans to developing countries to undertake developmental projects in their countries. These projects may be in the education sector, the infrastructure sector and the health sector (World Bank, 2010).   
A country like Kenya which is a developing country relies on the IMF and the World Bank for these loans so as to facilitate development in the country. Though these loans that are given out to developing countries by the IMF and the World Bank are solely for development purposes, they have received a lot of criticism.   
These lending institutions came up with Conditions which if given out to a particular country, the country had to adhere to some conditions. These conditions meant that some economic policies had to be implemented for the loan to be given out. Some of these policies are imposing of higher interest rates in the country so as to try and stabilize the country’s currency, reduction of government borrowing (lower spending and higher taxes), the allowance of firms that are failing to go bankrupt and the structural adjustment.

Funding by these lending institutions to Kenya has affected the Country both positively and negatively. Kenya has benefited in these loans which have allowed her to carry out some key projects that have improved the country’s economy. A good example is the expansion Jomo Kenyatta International Airport that was funded by the World Bank to a tune of $200 million in 1975. This allowed the country to increase its revenue from tourism from 1million to 2. 5 million every year (Coughlin & Ikiara, 1988).   
The relationship has been good until the rose of the debt crisis which brought about are some devastating programs are the Structural Adjustment Programs (SAPs) that was imposed by the World Bank together with the IMF. Structural Adjustment Programs (SAPs) started being used in a widespread manner in the early eighties after the major debt crisis that occurred due to international economy changes, reckless lending to countries in the third world by the western commercial banks and the mismanagement of funds by the countries in the third world (World Bank, 2010).

## How can Kenya’s Healthy Population strengthen its Economy?

Kenya according to the national population census carried out in the year 2009 revealed a lot of information about the population demography in the country. The census report revealed a growing population of more than 38 million people in the country and a population growth of more than 3 % per year for a country with great resource in Africa. This population growth has put the country among the highest populous countries in Africa with a growing economy of more than 5% per annum. The population census in Kenya has revealed some crucial information about this country on the Great lakes of East Africa. By the year 2011 the population of the country was estimated to be more than 41 million people who most of them are Bantus, Nilotic, Cushitic and other minority group that inhabit this country.   
The country has become an economic hub in Africa due to a growing consumption and production that is driving the economy and eradicating poverty. Provision of health and social services has helped improved the standards of living and this has led to a growth in economy. Improved standards of living are a clear indication of a healthy population and an emerging market for global products. The country has one of the most dynamic markets in Africa and the growing population is a clear indication of improved economy (Kaiser & Okumu, 2012). A healthy population is always crucial in developing the economy of a given country.   
The health policy in Kenya has been on the fore front in providing affordable health care to the citizens through improved and increased hospitals services in the country. Different health care centers have been set up across the country to cater for the growing population and this has been instrumental in safeguarding the public health policy in the country. The country boosts of improved health care services among other improved sectors in the economy. The Government involvement in improving free health care services makes sure the citizens are healthy and are able to indulge in other nation building activities that seek to improve the economy of this country (Kenya National Bureau of Statistics, 2010).

## Leadership and how it has used Foreign Aid to improve Kenya’s health care system

Kenya has been one of the beneficially of the Health Policy Project which is abbreviated as HPP. The country has partnered with this organization in improving the health standards of Kenyans in all sectors of this great country in Africa. As the country is shifting from the central government to a devolved system of governance the leaders in Kenya has formulated health policies and laws with help of international organizations like HPP to improve the conditions of the health sector in the country. The partnership has been majored on providing assistance in policy formulation and implementation in the country.   
Through these policies the country governments are able to strengthen their capacity in financing and budgeting for the health institutions through the help of the central government. This partnership has been influential in strengthening the capacity of Kenyan health institutions in handling the growing needs of their populace. The ministry of health has been interacting with the devolved system of government in the counties in setting up more health care centers to cater for the growing population through the help of institutions like World Health program (Dixey & C. A. B. International, 2012).

## References

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