

International aid and development essay

[Technology](#), [Development](#)



In order to understand the connection between poverty and social development issues in the developing world and the debt crisis of the 1980s and the structural adjustment packages that came along with it, it is necessary to understand the differences between "top down" and "bottom up" economics. Organizations and institutions viewed from the "top down" are created and organized by political leaders and laws, while "bottom up" organizations are seen as consequences of varying aspects of a society, including customs and traditions (Easterly, p. 95). Each worldview frames the issue of poverty and a lack of social development in a different way - top down economics blames the government and politicians for not setting up organizations in a way that will create success. Meanwhile, bottom up economics blames the previous institutions, both economic and cultural, that set up a society that would set itself up for failure. This dichotomy remains present even as international aid struggles to rebuild infrastructures and find ways to create wealth and lower poverty in many third-world countries.

Some of the biggest examples of organizational failure include Afghanistan, Iraq, Haiti, Liberia, and Bosnia-Herzegovnia. As a result of the market-based and private-sector centralized attitudes of the 1980s, these developing countries struggled to find footing from an economic standpoint - the states were ill equipped to handle the infrastructural needs of private interests, and not enough private interests took the initiative to inject capital into these impoverished nations (Wenmann, p. 8). Latin American countries bore the brunt of the 1980s debt crisis, as the rampant swings in inequality and poverty rates in Mexico, Brazil, Colombia and other countries were a direct consequence of huge rises in debt and lack of economic capital.

Despite this poverty and destitution, there have been a few solutions suggested for the free market to overcome. One solution is capacity building, wherein private and public interests collaborate in order to create enabling environments for economic growth. Human resource and organizational development is also created in order to manufacture the infrastructure for a strong economy from the ground up. This is accomplished through the use of legal and political frameworks, as well as the creation of greater communication and supply networks to said nation. Capacity building is a topic that through trial and error has evolved to change its main objectives when approaching communities that seek assistance. It is important to note that assistance can be both beneficial or uninvited. The power of discourse is vital to highlight the changes over time that have influenced the way terminology plays an important role in international aid and community development programs.

Capacity building, in and of itself, is not an inherently bad thing, but it does present potential problems if not handled correctly. Jim Ilf explores both the beneficial and unavoidable errors that can result when certain capacity building projects have adverse effects. Words such as “ Underdeveloped” may not be a trend used much since discourse has changed. But words such as these may still resonate in our collective view in “ Developed Vs Underdeveloped NGO's and International organisations have become aware of the differences between top down-bottom up approaches. Ilf states notions about the potentials for colonialist traits to emerge if top to bottom processes take place (pg. 72). This is based on assumptions that cultural differences can emerge as a power structure. Western nations imposing

ideologies such as neo liberal, free market trade development strategies. This is seen as a higher form of knowledge committing a linear formation. This is most important when approaching capacity building amongst cultures that have different value systems. They have capacity to build flourishing and stable social structures and abilities to generate self sufficiency through autonomy and bottom up approaches. The topic of aid is complex due to issues that arise in communities that have civil unrest, human rights abuses and heavy conflict. To offer assistance to communities that battle such issues a question arises as to who is most equipped to offer aid.

Given that China is offering a great deal of development assistance, there are nonetheless many consequences to the OECD's ability to aid other countries internationally. For one thing, OECD donors are less able to ask for particular conditions when offering aid, because it is simply becoming easier to get OECD aid from China. This has the tricky issue of allowing China to dictate conditions that are associated with international aid; China's abundance of resources and capital permits it to overbid and win out on OECD aid programs, dictating rules and policy. This has effectively created a monopoly on international aid, where smaller OECD donors simply do not have the power that China has. While, ostensibly, less fragmentation occurs when Chinese aid programs take over the lion's share of the responsibility, it also allows for a domination of Chinese conditions to aid and ruining labor division. This sabotages key partnerships and creates "aid monopolies" that actually take attention away from these impoverished countries (Frot and Santiso, p. 41).

References

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