

Will Money Solve Africa's Development Problems?

No.

In fact, after fifty years of trying and \$600 billion worth of aid-giving, with close to zero rise in living standards in Africa, I can make the case for “No” pretty decisively. Aid advocates talk about cheap solutions like the 10-cent oral rehydration salts that would save a baby dying from diarrheal diseases, the 12-cent malaria medicine that saves someone dying from malaria, or the \$5 bed nets that keep them from getting malaria in the first place. Yet despite the aid money flowing, two million babies still died from diarrheal diseases last year, more than a million still died from malaria, and most potential malaria victims are still not sleeping under bed nets.

Clearly, money alone does not solve problems. What is needed instead are business, social, and political entrepreneurs who take responsibility for, say, making sure medicines reach victims, rather than more grandiose slogans about comprehensive administrative solutions that only serve as publicity vehicles for raising yet more money for ineffectual aid bureaucracies. Entrepreneurs would be accountable for results, in contrast to the aid bureaucrats and rich country politicians who make promises that nobody holds them accountable for keeping.

As for facilitating African development, free enterprise has been the tried and true vehicle for escaping poverty everywhere else (see China and India most recently) and it is patronizing to suggest that it won't work in Africa. The hope of Africa



comes much more from someone like businessman Alieu Conteh, who started a hugely successful cell phone company in the Democratic Republic of the Congo amid the chaos of civil war, than it does from celebrity aid advocates like Bono. Africans are far from being condemned to be helpless wards of rich donors: homegrown economic and political freedoms will allow Africans themselves to solve their own problems.

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