

[Ethiopia shows the damage that aid can do](#) [1]

Written by [Sam Bowman](#) [2] | Tuesday 26 October 2010



Human Rights Watch have published a timely [report](#) [3] on the use of foreign aid money by the Ethiopian government in repressing political opposition. Last week we spoke out against this country's mistaken aid policy, and this report shows why the need by the West to rethink its aid policies is so urgent.

HRW have shown in chilling detail how aid money given to the Ethiopian government has been used to coerce people into supporting the regime. Aid-funded education programmes are turned into government ideology reeducation camps; projects aimed at feeding the country's poor are used to deprive the regime's opponents of food; and other aid money is channelled to fund 'retraining' of judges and teachers. In short, Western aid money is being used by the Ethiopian government to create a totalitarian regime.

Some supporters of aid see the debate being between generous altruists in favour of aid on one hand, and selfish 'Little Englanders' against aid on the other. This could not be further from the truth - the evidence shows that government-to-government aid is harmful to the people of the developing world. Those who care about the world's poorest owe it to them to rethink their ideological commitment to aid.

Last week I debated this on the radio with an Oxfam representative, who replied that there is nothing inherently wrong with giving money to a government. Maybe not, if the government is that of Switzerland or Luxembourg (then again, maybe there is). But there is surely something inherently wrong with giving money to a government that rigs elections, that jails dissidents, and that uses aid money to fund reeducation camps to brainwash children into supporting the ruling regime.

Likewise, many deniers of the harm that aid causes claim that the challenge is to 'fix' aid. This misses the point - the problem is that it is impossible to do so. Aid money is fungible, so it is easy for governments to channel into whatever they want. There is no way to 'fix' this any more than we can 'fix' the laws of thermodynamics. What is needed is a fundamental rethink of how we promote welfare in the developing world that recognises the laws of economics and human nature.

Human Rights Watch's report shows just how harmful aid can be to the weakest people in the developing world. The report underlines the human price of pursuing a development policy that seeks quick fixes through aid, and how important it is for us to get this question right. I hope the Department for International Development takes the time to read it.

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Links:

[1] <http://www.adamsmith.org/blog/international/ethiopia-shows-the-damage-that-aid-can-do>

[2] <http://www.adamsmith.org/taxonomy/term/5809>

[3] <http://www.hrw.org/en/news/2010/10/18/ethiopia-donor-aid-supports-repression>

[4] http://disqus.com/?ref_noscript

[5] <http://disqus.com>