ATLANTIC MEMO #24

Africa Needs an Online Index of Aid Effectiveness

Atlantic-community.org members unite in their call for greater transparency in the aid sector. A lack of accountability and corruption pose the greatest hurdles to aid effectiveness in Sub-Saharan Africa. Ultimately, aid programs should seek to place the responsibility for the fight against poverty into the hands of the recipient countries. Hence, an index of aid effectiveness needs to be put online, and aid programs should strive to incorporate African voices to a greater extent. The programs must focus on building local economies and infrastructures in order to create sustainable economic growth. The planning process ought to include a viable aid exit strategy.

1. Donor organizations need to publish an online index of aid effectiveness.
Atlantic-community.org members cite poor measurement of aid activities and lack of definable and determinable goals and strategy as serious impediments to transparency (Wathne, Rusila). Whereas information abounds on how much money is poured into aid, accessible documentation on how that money is actually spent is poor (Theiler, Rusila). Therefore, an index of aid effectiveness should be put online, featuring details on aid expenditures and the outcomes of programs. The site recovery.gov, a transparency measure by the US government that tracks how stimulus money is spent, could serve as a model for such an index (Barder). The database would publish information on how individual countries, international organizations, and NGOs allocate funds. It would also chronicle project outcomes in order to hold aid donors accountable to those they are serving. Those programs that fail to produce results should either be forced to adapt or get phased out (Barder). Methods used by organizations like Transparency International could also be helpful in tracking how much aid is lost due to corruption (Hunter). While the index should remain voluntary, participating donors should be obliged to render a complete account of their activities (Tukhtabaev). However, donors will only respond to requests for more transparency if civil society initiatives exert more pressure (Schwegmann).

2. Aid programs must amplify and incorporate African voices.
The designing and implementation of aid programs are too often detached from the people they are trying to help (Arsene). To circumvent the challenges inefficient and corrupt governments pose (Brett), aid donors should work to empower citizens by getting their direct feedback and making alterations to aid programs accordingly (Rusila). Donors should invest in programs that focus on job creation (McCabe) and infrastructure - both objectives are part of the critical task of promoting eventual self-sufficiency. For example, reforestation and commercial tree plantations could lead to the establishment of a viable forestry industry in Africa (Celik). Similar to the Recovery and Reinvestment Act established in the United States, donors need to focus on small public works projects (Weiss). This would empower Africans by providing them with employment opportunities and giving them a stake in their future. Most importantly, this would also promote sustainable economic development as part of the aid exit strategy. Recipients would thus be able to obtain the expertise and management capabilities needed for taking development into their own hands. To reverse the negative consequences of the "brain drain," bilateral and multilateral donor organizations should consult with Africans living outside of Africa. Members of the African Diaspora have critical insight into the challenges on the continent based on their first-rate education and intimate knowledge of the challenges facing African nations (Zachary).

3. An aid exit strategy should be a part of the planning process.
Aid at its current levels is ultimately unsustainable. Greater reliance on local experts is needed to promote "country-owned" development. African nations must assume responsibility for their own development (Adams). What is needed is an exit strategy, with aid amounting to no more than 2% GDP and targeted at projects for which the local government is providing the bulk of the funding (McPherson). US legislation specifically needs to be changed so that agricultural projects can be promoted (Arsene).

Atlantic Memos showcase the best ideas and arguments from debates in the Open Think Tank on atlantic-community.org. All policy recommendations in this document were made by the authors and registered members of Atlantic Community.

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