AID AVAILABILITY AND PATTERN

Source of Aid

The underdeveloped countries are dependent on the industrial countries for aid in various aspects. In the same way the East Central African countries viz. Kenya, Tanzania, Uganda, Burundi and Rwanda, are desperately depend on the developed countries, especially on the USA, the UK, France, Belgium, Germany (FR), Canada, Switzerland, Netherlands, Italy, the USSR, Japan and China. The Organisation for Petroleum Exporting Countries is also part and parcel of this development programme in supplying the aid to the East Central Africa.

The World Bank and IMF are the channels for development aid, loans and grants to the East Central Africa. The World Bank's establishment, as a source of long-term capital, was meant to help the reconstruction of economies, devastated by the war as well as the economic development of the poor countries. ¹ The Food and Agriculture Organization and the World Health Organization are also the source of

the aid to these countries. In African continent itself, the African Development Bank is one of the sources for development aid. The foreign aid or the development aid from abroad can be used in two ways. One is that the aid is given with no strings attached so that the recipient countries can use it for whatever development programme it wishes. The second way is that the aid is used by the recipient countries to finance domestic development programmes aimed at increasing per capita productivity and raising the living level of the population. Despite the donor countries have their own difficulties, they can give the aid with some terms and conditions. If the recipient countries could not fulfil the aim or objectives of the aid, there will be possibility to raise the political animosities and social hostilities between the donor and recipient countries. Therefore, the recipient countries should maintain a balanced relationship with their donor countries.

The sources of aid and the ways of utilization of the aid are discussed briefly. In fact, the aid will not be necessary in the form of financial assistance. It may be the assistance in science and technology, training in various fields, giving assistance by sending technical manpower and


finally, it is a mode of giving the available resources. Therefore, foreign aid means that the government of donor countries give away resources to the recipient countries with some terms and conditions to develop the relations of both sides. But the development aid may not reach to the extent that the particular sector cannot develop as required. Sometimes, the aim of the aid may not fulfil properly and may get adverse progress. The recipient countries may not implement the terms and conditions of receiving the aid. Because of these reasons, the recipient countries may not get aid from the donors so easily. In these circumstances it will not produce gratitude for a long time, and if it did, it would be only an embarrassment between nations. It could not affect every country in the same way even if it were offered in a standard form. The terms and conditions basing on the donors' motivations will be caused for recipient countries' benefits. These factors will be different from country to country, from both sides. The aid may not benefit the political elements or economic sectors in different countries. May be, sometimes it will bring the greatest good to the smallest number in spirit of contrary intentions.

Some of the European donor countries given here, have made interviews with their people on the issue of giving the aid to the underdeveloped countries, including the East Central Africa. Because the people of these countries have the responsibility in giving the aid. While taking a decision to give the aid, the people will think the merits and demerits of the deed. Basing on the majority of the opinion of the people, these governments can execute the development aid programmes. When donor countries have desire to assist in development programmes in underdeveloped countries, naturally, the citizens of the donor countries will expect the improvement in the development activities from the recipient countries but not the derogatory activities. Due to some attitudes of recipient countries towards the development aid and its utilization, the people of donor countries have different opinions. The recipient countries may not utilize the aid according to the terms and conditions, and they may not repay the principal or interest amount in the case of loans. So, the survey work has been conducted in 1970s to get the various opinions from the people of donor countries towards the development aid.

According to the survey done by Sven Lindholm in Sweden in 1970 was that a positive attitude towards the development aid must be based on conclusions drawn by the citizens themselves on the basis of a considered analysis of the information available. The young people's opinion
especially those who have had a higher education from the developed countries towards the development aid is more concerned to the social problems, whereas the old people are concerned with the national security and its expenditure. This different opinion can be seen in United States basing on the survey which was conducted in 1972. The report of survey shows that the American support for aid to the poor countries is based mainly on moral and humanitarian grounds. There are no longer any cold war motives. The public opinion in the case of Denmark, Norway, Netherlands, France, Sweden and UK is as follows: 7

Denmark

This country's public opinion through the poll in 1975 has been indicated that an appreciable increase in public support for aid to the developing countries. The situation is more remarkable at a time when Denmark is experiencing economic problems and a high level of unemployment. Fifty-four per cent of the people interviewed and the opinion indicates that they even are prepared to make sacrifices for the benefit of the developing countries.

Norway

From the country the public opinion is positive which showed in 1972 that 72 per cent of the people

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interviewed were in favour of giving the development aid.

Netherlands

In this country the positive public opinion is less. The energy crisis in this country is caused to be a main obstacle for the forward steps towards the giving of development aid.

France

The activities of co-operation in giving the development aid to the underdeveloped countries are very active in this country. More than 75 per cent of the people have been interviewed. The 18 per cent of the representatives of the people have considered the co-operation in development aid as a moral duty. Some percentage of the people are in various dimensions, but 36 per cent of the people expressed their views that the aid is not going to those in the greatest need.

Sweden

In this country, the regular public opinion survey showed an increase in public support for that country's co-operation programme in 1974, which is in favour of underdeveloped countries.

United Kingdom

The most important three political parties have participated in parliament in supporting the governments
policy of aid to the developing countries. It shows that the people of the United Kingdom are more interested in developing countries' welfare and its progress.

The source of aid mainly from the Western developed countries is the Agency of the United States of America. This particular Agency is expanding geographical areas viz. Africa and Europe, the Middle East and South Asia, the Far East and Latin America. It shows the Agency's capacity to play the role in supplying aid to various regions in the global society. By exerting these activities, the USA has gained predominance particularly after the Second World War. The role of the USSR in supplying the aid to the East African countries is mostly in the form of arms and technical assistance and the economic aid almost always has taken the form of specific projects on a loan basis with low interest rates. But in terms of defence aid the USSR has played a dominant role in the militarization of Africa. Since the time of independence of the East Central Africa, France spends 1.3 per cent (in 1964) on aid, to be counted after the USA. Therefore, it has its identity in the rich


countries' society in giving the aid to the East Central Africa.

The development aid from the UK is to assure itself that the use of its colonial development and welfare funds was shaped by development plans. The British government's decision in granting the aid or loans to the East Central Africa is composed by private funds and the energy of private enterprise.

In respect of Japan's aid to the East Central Africa is merely a commercial motivation. The aid may be in the form of technical experts or science and technology or the financial assistance in kind. The Japanese assistance is after the western aid only. The Japanese aim towards the development aid is commercial whereas the western aid is meant for political reasons as well as commercial benefits. The Japanese chief instrument is that it is lending policy in export and import Bank.

There are other new channels of development aid resources such as the British Ministry of Overseas Development, the German Ministry for Economic Co-operation, and the Dutch Ministry without portfolio and new agencies have been established such as the Swedish International

Development Authority and the Japanese Overseas Economic Co-operation Fund. 11 The other important donor countries are West Germany, Italy, Netherlands, Belgium and Canada. These countries are participating in the development aid programme in the East Central Africa. The Organization for Petroleum Exporting countries is also one of the sources of aid to the East Central Africa. The OPEC fund for international development is assisting in giving the aid to the East Central Africa for the development of energy, transportation, agriculture and agro-industries, national development banks and water supply. 12

The final point in respect of the sources of aid to the East Central Africa is the special agencies of the United Nations. The World Bank and the IMF are sanctioning the loans and grants. The loans from the World Bank and International Monetary Fund merely are commercial base. The grants can be released with subsidiary privilege. The United Nations Development Programme is an important instrument and working for the development of the poor countries through the United Nations. Therefore, it is also involved in the development programme of the East Central


Africa. The World Food Program, United Nations Fund for Population, United Nations Children's Fund and the International Fund for Agriculture are very useful sources to the East Central Africa in getting the necessary and appropriate aid. The intention of the United Nations is to develop the every defective sector of underdeveloped society and it is the important source to the East Central Africa.

Motivation and Pattern of Aid Supply

The developed countries which are in favour of supplying aid to the East Central Africa, certainly will have the method to give the aid. The aid or the assistance is different from country to country. But the pattern will be the same in the global society. In this connection the pattern of development aid or assistance are various types with certain terms and conditions. The development official aid pattern as defined by the Development Assistance Committee of the Organization for Economic Co-operation and Development is consisting of six elements, viz.\(^\text{13}\)

(1) Bilateral grants
(2) Contribution to International Organisations for Development purposes
(3) Bilateral loans, repayable in the lender's currency

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(4) Bilateral loans, repayable in borrower's currency
(5) Consolidation credits, and
(6) The transfer of resources through sales of the recipient country's currency.

Another type of giving aid is the concessionary aid.\textsuperscript{14} Its nature is the transfer of capital with small interest and repayment terms which are very less than those available in the private market. Another pattern, mostly implementing in Third World countries, is the multilateral channel.

The aid is different from grants and grants are different from loans. So, the terms and conditions are not the same in the case of aid or assistance, grants and loans. In the same manner the nature of the exertion of Bilateral, Multilateral and Organisations are different from each other.

The bilateral pattern indicates that the object is between one country and another country. Multilateral aid pattern consists of two types.\textsuperscript{15} One is to provide technical assistance to the poor countries and the second is to provide capital resources to the poor countries.

\textsuperscript{14} Raymond F. Mikesell, et al., \textit{The Economics of Foreign Aid and Self-Sustaining Development} (Boulder: West View Press, 1983), p. 41.

Technical Assistance

This type of activities can be exerted through the United Nations specialized agencies viz. the Food and Agriculture Organization (FAO), the United Nations Industrial Development Organization (UNIDO), the United Nations Educational Scientific and Cultural Organization (UNESCO) and the World Health Organization. All the activities of the above organizations are co-ordinated by the secretariat of the United Nations Development Program (UNDP).

Capital Resources

In this channel, there are various international Banks, such as the International Bank for Reconstruction and Development (World Bank) (and its subsidiaries are the International Development Association and International Finance Corporation) and the Asian, African and Inter-American Development Banks. The channel of the multilateral aid agencies is very useful to the East Central African nations. The patterns of aid to the East Central Africa are in the form of bilateral, multilateral, organizational and regional banks. All the pattern, cited above, can be seen in these countries, since the time of their independence.

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and the terms and conditions of those patterns' aid are in various dimensions.

**Bilateral - Grants and Loans**

**Grants:** In fact, the grants are the gifts. When one country is desperately in need of financial assistance, the donor country can assist by giving the financial help. This act will not carry the interest to be paid or much rigid restriction. So, the grants do not have any repayment liability. They are unilateral transfers to a recipient country with no financial obligation of repayments or servicing the funds made available. This is the nature of the grants. But the moment when it is received the financial assistance from the donor country, the recipient country may not feel any responsibility for which purpose the grants were given. Basing on this factor, the anti-grants arguments have expressed that the recipient country should feel responsibilities in this programme and also reiterated that unless financial responsibilities are imposed they will not realise the objective for which they have taken the grants. Therefore, the present situation of this act is that every financial assistance or aid is given

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18 Wall, n. 15, p. 99.
in the form of loan only. Literally, the grant will not carry any interest, whereas the loans will certainly be sanctioned on a certain percentage of interest and the duration of period alongwith grace period.

**Loans:** In the context of loans, there are two types. One is long or soft term loan, and second is short-term loan. The recipient countries are always in favour of long or soft-term loans. As a result of which, if they have the duration of period in a number of instalments they can easily repay the amount or fulfil the conditions in such a manner that the recipient country will not feel burdened, but there may be monetary loss by paying more interest for a long time. The "softer term will, of course, reduce the burden of a given debt, but soft repayment term will also produce a large debt out of a given flow of loan and thus it gives rise to higher interest charges.\(^\text{19}\)

In the case of short-term loans, they will not lose more interest but they have to clear out the principal amount or fulfil the condition of the loan payment within the stipulated time alongwith the fixed interest. One way it gives the opportunity to the recipient country to come out from the clutches of the debt burden.

Whether it is long or short-term loan, it will fall within the framework of multilateral or bilateral or private sources of external assistance. These three channels are very important in development aid process in underdeveloped countries especially in the East Central Africa.

After the Second World War, the channel of multilateral agencies have taken place in Third World countries. The activities of these agencies are very much visible for the post-War reconstruction. At that time it was necessitated to establish the International Bank for Reconstruction and Development along with the International Monetary Fund to solve the development problems and to meet the necessary requirements.

The International Development Association is a favourable channel for the Third World countries. The East Central African nations have been given the services of the International Development Association since the IDA's objective is to promote the economic development and increase the productivity of the concerned recipient country. By discharging this object, one way the IDA is caused to raise the standard of living of the people of the recipient

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20 Behari, n. 3, p. 23.
country. Moreover the terms of financial assistance from the International Development Association is free of interest, flexible and the loan can be repaid in more instalments. 22

The bilateral aid can flow from government to government. In this channel the grants and loans are possible. The terms and conditions of this bilateral agencies are dependent on the agreement between the donor and recipient countries. Since the matter is between the two governments, the recipient government can negotiate the rate of interest and also the duration of period along with the grace period. 23 The two governments can have amicable conversation in this respect. In this connection, the variation in terms of interest, the maturity period can be seen in the case of donor countries.

The Soviet loans have rate of interest as low as 2½ per cent per annum. Their maturity period extends from 7 to 12 years. The Swiss loans carry an interest rate of 5½ per cent per annum and West Germany loans carry the interest @ 6½ per cent and in the case of United States of America Agency for International Development, loans maturity period is forty years and the rate of interest is very low. 24


So, the terms and conditions of loans, the aid, the grants, and the rate of interest and maturity period are different from country to country and from time to time.

The private source of aid is from the industrialists. In this channel, the non-governmental organizations also act to offer the assistance. The non-governmental organizations or voluntary organizations can implement its motivations by discharging the activities of missionary enterprises, disaster relief, general post war rehabilitations, aid refugees, defence support, market expansion, foreign investment, political intervention, cultural extension, multilateralism and development aid to poor countries. 25

The functions of the voluntary organisations or private source of aid or the non-governmental organisations' techniques are fundamentally different from the official aid to the underdeveloped countries. This can be seen in terms of a sense of obligation to serve the humanity. 26 The non-governmental organisations' activities have taken place more and more before the Second World War, and after the democratization in the global society, these activities are less than the governmental activities. In the post war period, the development aid programmes are multiplying with the motivations, politics and economic benefits in the world governments.

25 Thorp, n. 11, p. 4.
26 Montgomery, n. 5, p. 10.
The second part of the Multilateral Aid Agencies are the World Bank, International Monetary Fund and International Development Association. The contributions from various countries will be given to these international organizations for the development of the poor countries. These specialized agencies will have the control over the financial matters. The multilateral assistance is a distinct category as far as the donors are concerned since the agency gives them a degree of choice within a given aid ceiling between increasing their contributions to multilateral organizations or expanding their bilateral programmes.\(^{27}\)

The multilateral assistance to the East Central Africa through the United Nations Organization is in various forms through the channel of the United Nations Development Programme. Since, most of the African countries including the East Central Africa are members of the UNO, these countries naturally seek the development assistance. In the case of financial assistance, the terms and conditions are flexible through this channel than the bilateral channel. The multilateral assistance is with the service motive within the framework of the United Nations' Charter, and the bilateral assistance is dependent on the donors and recipient countries motives.

The bilateral loans are different from time to time and country to country. The donor countries' decision in this case is final. Sometimes the bilateral loans are repayable in the lenders' currency and sometimes it is to be repaid in the borrowers' currency. Most of the conditions from the donor countries' point of view are to be the final.

The consolidation credits and the transfer of resources, through the sale of the recipient country's currency are also in the process. The transfer of resources include the capital aid, commodity aid, technical assistance etc. 28

The Capital Aid: It refers to financial transfers as well as the supply of machinery, plants, components and parts. It is intended to raise the level of output by expanding the capital of the recipient economy.

The Commodity Aid: In the case of commodity aid it takes the form of free supply or supply at privileged price of the surplus products of the donor, to the recipient country. The USA's PLA-480 food assistance is an example of such aid.

The Technical Assistance: It involves the training of the recipient's nationals and the provision of skilled foreign

personnel/experts to carry out the required developmental tasks in the recipient country. The fundamental aim of such assistance is to raise the level of output by changing/improving the methods of production in the recipient country. The East Central African nations are also getting the development assistance through these channels. Therefore, the East Central African countries are dependent on bilateral, multilateral assistance through various channels to get improvement in their respective defective areas. The grant from the bilateral and multilateral are rare in the East Central Africa.

The foreign aid for development is mainly in two divisions. One is that the aid extends by a donor country for specific projects is called Project Aid and the second is that the aid is not tied to any particular project, but is provided to meet the overall requirement of the recipient economy. And again the entire aid is consisting of two natures. In this context if the donor country decides to put certain conditions to their aid package, it is called 'Tying Aid' and on the other hand, if it refrains from any condition, it is called 'untied aid'.

29 Ibid., p. 7.
Motivations for Aid Supply

Without any motion, desire, interest, the aid or the development assistance in various forms is not given to the underdeveloped countries by the donor countries. Therefore, having a particular motive, the donor country can offer the necessary aid to the recipient country. In the process of transformation of the aid, the situation of the terms and conditions of the deed will be visualized in such a way that the recipient country may go under certain obligations, which are political options. Hence, the concept of motivation of the particular aid, sometimes may lead to involve in the political desire in assisting the poor countries. 30

The motives of the aid are in various dimensions. The development aid or the foreign aid seems to have been actuated by a number of considerations, viz. humanitarian, politico-strategic and economic. In this context, the nature of the motive of the aid is different from donor to donor and time to time. The agreement or the terms and conditions of the aid are dependent on the mutual understandings of donor and recipient countries. So, it is not easy to draw a clear-cut dividing line for considerations

between ethics, the politics and economic aid. They are
narrowly strategic, broadly political, basically humanitarian
and certainly economic. The motivation of the aid will
carry the self-interest of the donor government which
throws the focus on commercial, political and strategic
interests. The motivations of the foreign aid or develop-
ment assistance from the governmental channel are different
from others. The political motivations of the foreign aid
can take place in the implementation of giving the aid by
the government.

The Commercial Motives: The commercial motives in the case
of foreign aid or development aid are consisting of the
transformation of capital with interest. When the donor
country is investing the capital within an interest and
getting back the principal amount along with the interest
amount, naturally the lender will be benefited commercially
in the long run. Since the less developed countries do not
possess adequate savings, foreign exchange and technical
resources, the foreign aid is viewed as an effective
supplement to jack up the rate of their growth.

31 J.N. Healey, The Economic Aid (London: Routledge &
32 Landrum R. Bolling, Private Foreign Aid: US Philanthropy
for Relief and Development (Boulder: West View Press,
It is not merely that aid is a one way process of donor-donees relationship; the development of less developed countries is a benefit to the whole world including the developed countries. This financial assistance which was based on commercial motives or economic motives has been created in the post-War period. After the post-war period, the situation of the global society has come to the cold war atmosphere. This atmosphere is caused for competition among the donor countries especially the Western and Soviet bloc countries to win friends and influence the people in the Third World countries by assisting the economic aid. The process of this type of assistance to the underdeveloped countries can lead to the scope of international trade and the relations between the lender and barrower will be developed commercially. The activities of the financial assistance in the East Central Africa have been developing with the interest of Western Europe and Soviet bloc countries. Consequently the financial assistance to the developing countries for their accelerated economic and social progress is a pivotal element of international development cooperation.34

34 Ghoshe, n. 7, p. 69.
Politics for Aid Supply

It is their traditional attitude that the donor countries keep in mind the political motives while giving the development aid or the development assistance to the less developed countries. These same motives are applicable in the case of East Central Africa. The donor countries with the political motivations are providing huge sums of money and a large number of technical personnel to the East Central Africa. The industrialized countries are assisting the newly independent East Central Africa. But every donor country has its own consideration towards the aid to these countries. In these activities of donor countries the political factors are important in these regions. The main colonial powers of the East Central Africa are the Great Britain, France and Belgium who had their old traditional and historical alliances with these countries in assisting by giving the development aid.

By examining the activities of the colonial powers in these regions in terms of foreign aid or development aid, the political motivations may not be liable to quantitative assessment but their significance in providing external cannot be overlooked.35 These include the national interest in terms of security by giving military assistance. The

35 Behari, n. 3, p. 36.
offer of finance is an international practice from the beginning to keep up friendship on historical background. In the East Central Africa, the relationship between the concerned colonial powers and native states have been developing whenever the necessity comes. In this aspect the critics of aid believe that the economic assistance is an instrument of power politics and how much a country assists is determined by the benefits, it yields in terms of political support to the donor. The politico-strategic motives are perhaps much evident in the American and the Soviet aid in the East Central Africa.\textsuperscript{36}

In the development aid, the defence activities also come under the political motives since those relate to national security and integration. With the development of science and technology, the rapid growth of defence installations have taken place in the advanced world. The modern world governments have reached the level of footholds in various regions strategically. At this juncture, it is difficult for any country to exist without any proper protection. Therefore, it is necessitated to have military alliance and pacts. So the less developed countries especially the East Central African nations needed the defence aid from the donor countries to stabilize and intact

\textsuperscript{36} Baidya, n. 28, p. 19.
their governments from the attack or aggression of external powers.

It is for this reason that military allowance and defence pacts have become so vital. But the distinction between the military and the economic aid is very thin, and no donor country would consider its diplomacy to forego the possible military advantages of its economic assistance programmes. When the very existence of the donor country is threatened, it would naturally expect its beneficiaries to provide at least moral support. The advanced countries do not expect the recipient countries to provide combatants; what they expect is a foothold among a large number of countries, so that the necessary military support in the event of open hostilities could be possible for their combatants to fight out the war successfully.

The West, Europe, East Europe and Communist bloc countries are playing role in giving the foreign aid or development assistance to the East Central Africa. Their intention in giving the aid cannot be taken into one particular view. Their statements or the written documents indicate in this connection that the rich must help the poor and the industrialized nations must help the developing nations.37 Every donor country will implement the objectives

of the development aid within the framework of foreign policy. So, the donor country can say that the foreign aid or development aid to the poor countries is an instrument of foreign policy. In the activities of foreign aid to the East Central Africa the western view is different from the communist bloc. The Western belief in the aid activities is that they preserve national security and freedom under law. They can keep the strength of number of Third World countries by giving the aid and thereby there is possibility of political influence in recipient countries against the communist bloc. The communist bloc countries have the commercial motivation in supplying any type of aid to the Third World countries. Actually, by giving the aid to the East Central Africa, the donor countries have the competition spirit among themselves to acquire the position in these regions and fulfil their ends at the same time.

The donor countries can exploit the natural resources of the recipient countries by giving the aid with the unavoidable terms and conditions. When the underdeveloped countries need foreign aid or assistance, obviously, the recipient countries oblige the conditions of the donor country. In this way the donor can exploit the donee to get repaid development in their industrial production and economic benefit. These activities are possible in the case of newly independent nations. The newly born countries
viz. Kenya, Tanzania, Uganda, Burundi and Rwanda have belief that their colonial powers will keep them in such a way they (East Central Africa) will get assistance in every step of development. But the colonial powers will act by keeping their status in the global society. In such conditions, the East Central African nations can also seek the assistance from the East Europe, viz. from Japan and Soviet Union. In this connection the Western countries may convince the East Central Africa that they need not adopt communism or follow in its way to achieve economic growth and social justice. Therefore, this type of policy is to propagate their views against the communist countries. The western countries especially the USA is giving the needed assistance to the East Central Africa to win influence and alliance in the political game. Once the US government publically stated its strategic objective to have assistance for neutral and uncommitted countries to prevent the recipient countries becoming dependent on Soviet Union. The way the Super Powers are moving towards the development aid programme in the case of East Central Africa


40 Healey, n. 31, p. 5.
is a political competition. The other countries from the Europe region are also more or less participating in this game.

The West German's aid to Tanzania shows not only the commercial motives but also political motives. The Belgium is gradually reducing its aid to its former colonies—Burundi and Rwanda. But the competition in this political game, the Super Powers and their allies have different national economic and strategic interest at stake in the East Central Africa. The interest of the US and Western Europe is to prevent the Soviet Union from establishing itself as an important military actor in the East Central Africa and the surrounding Indian Ocean.

They share an economic interest in ensuring that they are not deprived of access to these East Central African countries' strategic resources by Soviet-inspired natural policies. They serve these interest by giving military and economic aid to concerned states. At the same time the US and its allies have competitive economic interest in these African states that appear to offer profitable markets and investment locations. Even though the nature of the activities is commercial, the intention


to implement these activities is political game to overcome to the level of Soviet Union. These are the political considerations from the side of the United States in the programme of the development aid to the East Central Africa.

The activities of the Soviet Union in this regard try to establish a network of military base facility in these regions, to enhance its own role as a new world military power. With this competent spirit is to dominate the US influence in the East Central Africa. Also it has interest in counteracting China’s growing influence in the African continent as a whole. The Soviet Union interest is to achieve these strategic and political aims by encouraging the development of Marxist regimes in the East Central Africa. 43

According to its objectives, the Soviet Union is very interested to prevent the West from the influence to have supporting governments (recipient countries) by giving military and political as well as economic support to favoured governments. By implementing these motives, the Soviet Union is seeking the possibility of making major political gains in the East Central Africa by transferring economic and military aid. The scenario of these activities of the Super Powers is flexible for growing competition among

43 Legum, ibid., p. 8.
outside powers for political and military influence in these regions. The Western European and East European countries are taking the advantage of assistance in the East Central Africa and involving in the countering and encountering activities of each other and improving their influence at their level best.

**Humanitarian Motives**

The development aid from the donor countries to the East Central Africa is also meant for the welfare of the people. The African continent itself except South Africa is very poor. So these countries are required to get the aid from the developed countries to improve their living conditions. Therefore, the East Central African nations have been assisted by the developed countries. The missionary enterprises and non-governmental organizations are involved in this aspect in the East Central Africa, in connection with the disaster relief, general post-war rehabilitation aid to refugees.  

The voluntary organizations are providing aid to the East Central Africa to eradicate the diseases and poverty and drastic steps have been taken against hunger. In this aspect, the foreign aid or the development aid to the East Central Africa is moral one. The concept of the moral aid is to remove the

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disparities between the developed and underdeveloped countries, especially to promote the social welfare.

**Socio-Economic and Political Impact of Foreign Aid**

By getting development aid some changes will certainly take place in the receiving country. It depends on the government's decision to execute the work of the foreign aid or development assistance. Because the transaction of foreign aid is from government to government, it means the aid will not go directly to the people or the concerned sector, but the aid will go directly to the Central Government. Then the government will take decision to execute the work according to the agreement or terms and conditions of the aid. The procedure of implementation of the development assistance is different from country to country. Basing on these factors the impact of the foreign aid or development aid will be seen in various dimension especially in socio-economic and political dimensions. The impact of the aid will be effected within the framework of administration of the recipient government as well as the donor government. But in the case of recipient country, adjustments in the administration can lead to the reorganization of the structure of the administration. With the reorganisation of administration in native states, the entire set up of government

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45 Ward and Bauer, n. 4, p. 54.
machinery may get another shape of work. These administrative changes will be mixed with the political changes in the country.

The technical personnel or the experts in various fields from the donor countries will be sent to the recipient countries. In this aspect the Russian and Chinese ordinarily move in groups in the East Central Africa, whereas the Americans and Britishers fearlessly spread out in the interior regions even individually and thus the foreigners can establish a closer rapport with the local people.46 Thus a new kind of psychological change begins with this type of social interaction. This is the impact of foreign aid or development aid on society.

Regarding the development aid impact on economic in the East Central Africa is consisting of donor's directions and considerations in the indigenous production. The changes or the effects are enhanced by the influential support or even pressure in the donor countries for a detailed development planning and compulsory saving by the recipient countries i.e. for government determination of the direction of economic activity outside subsistence agriculture and for special taxation to finance government expenditure.47 These

46 Behari, n. 3, p. 88.
47 Ward and Bauer, n. 4, p. 55.
policies have come to be regarded in the donor country as a condition of economic development in the East Central Africa. These policies are merely to promote the standard of recipient country's economic sector.

Conclusion

The underdeveloped East Central African nations need the development aid from various developed countries and organisations. In the process of getting the aid or the assistance from the donor countries, the East Central African nations have bound to agree for certain conditions of donor countries. Some donor countries in Europe have their motivations based on humanitarian grounds and some will concentrate the economic benefits.

In this context, the USA's motivation is different from others in the world. The USA's development aid or assistance can be given on its political strategy. It expresses in this regard that the main motivation based on national interest and security. The USSR's activities in this development aid programmes are not completely based on commercial motivations. Japan seeks economic benefits by giving its development aid or assistance to East Central Africa. Therefore, the aid giving nations in the East Central Africa have their own strategies to maintain their relations with the recipient countries.
The underdevelopment of the East Central Africa is caused to get the development aid or the assistance from the developed countries. At the same time, the donor countries have their own self-interest in supplying the aid. The multilateral organisations' role in giving the loans and grants to East Central Africa is based only on commercial benefits.

The development aid or the foreign assistance to East Central Africa is in various dimensions. The aid or the assistance is in the form of economical assistance, military assistance, technical assistance and agricultural equipment assistance etc. By getting the aid or the assistance from the donor countries, the East Central African nations may not improve its standard of living immediately. Since these are newly born sovereign countries, it takes time to develop with the utilization of foreign aid by removing the obstacles.

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