

Aid effectiveness and poverty: the linkage between aid delivery and communal needs in conflict-prone countries of sub-Saharan Africa

Okwanya Innocent¹, Abah Patricia O.²

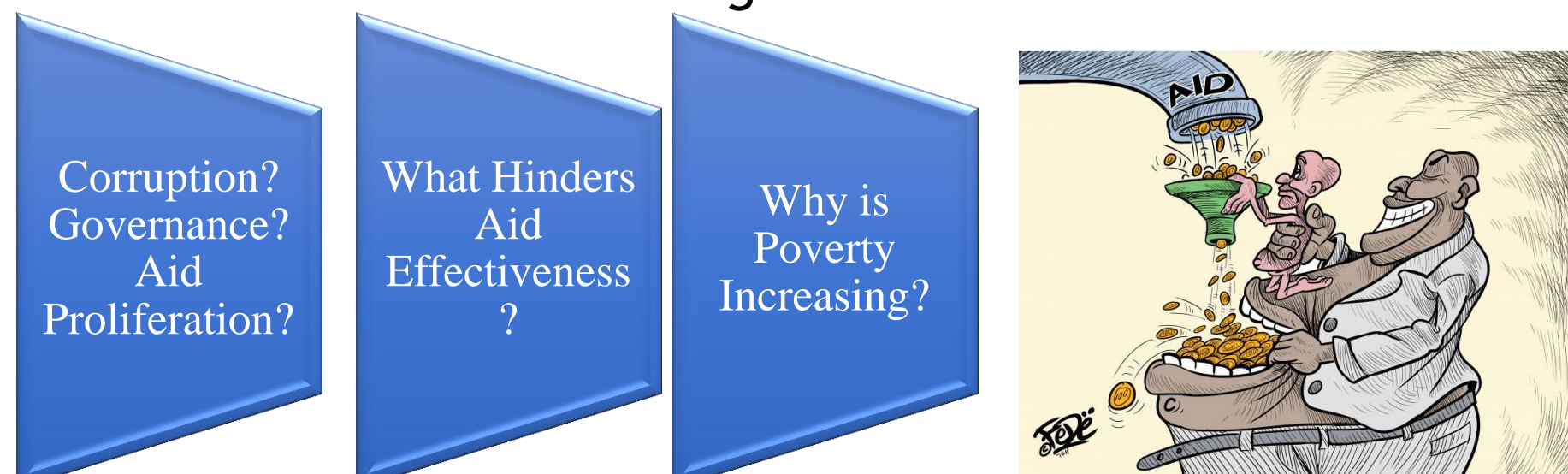
¹ Department of Economics, Federal University of Lafia, Nasarawa State, Nigeria

Email: innocentokwanya@yahoo.com; Phone Number: 07067966873

²Department of Economics, Federal University of Lafia. Email: mowopat@gmail.com

Background

Aid ineffectiveness in Africa is mostly attributed to corruption and Poor governance



- Are there issues we have neglected?

- Citizens' attitude towards public goods could lead to abuse of aid or
- Poor understanding of their specific needs . E.g:
 - Providing treated mosquito net in Climate Region where Temperature is over 30 degree Celsius



- Does knowing community needs play a vital role in aid delivery and its effectiveness in conflict prone areas of Africa?

Objectives

- We examine the effect of citizens' attitude toward public goods on aid effectiveness in conflict prone countries of sub-Saharan Africa.
- We evaluate the nature of aid delivery and its effectiveness in poverty reduction in sub-Saharan Africa.

Methodology

- 16 African Countries Affected by Conflict
- Annual Data: Covers the Period 2000-2020
- Generalized Method of Moment (GMM)

Results/Findings

(1) Regression of the Effect of Aid on poverty and Per Capita Income

Variable	Column 1		Column 2	
	Dependent variable: Poverty		Dependent variable: GDP per capita	
	Coefficient	Prob.	Coefficient	Prob.
LGDPCC	-5.487	0.683	-	-
LPOP	13.949**	0.043	-0.906	0.000
LAIDT	-191.830*	0.000	4.419	0.000
ATTI	6352.484*	0.000	-124.925	0.001
CORR	6.911*	0.000	-0.383	0.000
LDEPND	331.39*	0.000	-27.209	0.000
AID_CORRUPT	-1.247***	0.085	0.020	0.000
AID_ATTITUDE	341.064*	0.000	-6.416	0.001
C	3451.095*	0.000	-41.560	0.029
R-squared	0.782		0.989	
F-statistic	5352.446		5166.271	
Prob(F-statistic)	0.000		0.000	

(2) Nature of aid affects aid effectiveness



(3) Main hindrances to aid effectiveness

- Attitude towards public goods
- Aid Dependence
- Population

Discussion

- The nature of aid and citizens' attitude are vital for aid effectiveness
- High population tends to crowd-out the poverty reduction effect of aid assistance.
- Attitude of citizens toward public goods inhibits aid effectiveness in reducing poverty
 - fuels corruption
 - Poor use of aid assistance

Conclusion

- Type of aid delivery and attitude of citizens strongly affects aid effectiveness.
- Identified community/country needs increases aid effectiveness
- Meeting basic needs reduces aid effectiveness
- Community Participation/Partnership

Recommendations

- To reach large part of target population in conflict prone areas in Africa aid donors must focus on
 - Aid availability,
 - Aid sustainability and
 - Aid equity
- Collaborate with recipient countries in creating a positive orientation aimed at changing public perception and belief about aid/donors



Dr Innocent Okwanya
Federal University of Lafia