

The Effectiveness of Foreign Aid on Economic Development in Developing Countries: A Case of Zimbabwe (1980-2000)

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ABSTRACT This paper focused on the effectiveness of foreign aid in the developing countries with particular emphasis on Zimbabwe. The background of the paper is that, Zimbabwe as a developing country received and continues to accept foreign aid but is still underdeveloped. The investigation was based on a historical narrative of foreign aid in Zimbabwe between 1965 and 2000. It argued that the idea of granting and withholding of aid were and is still being used to influence the macro-economic policies of developing countries. This paper is essential largely due to the fact that many developing countries clamor for more foreign aid yet little economic growth is being achieved. The paper argues that foreign aid's effectiveness can only be seen if people's livelihoods are changed for the better. The paper discovered that, foreign aid was granted to the Zimbabwean government and it made tremendous contributions to the economy although it was largely tied to certain stipulations by donors which impacted negatively to its purpose resulting in the Zimbabwean government becoming dependent on foreign aid. The authors concluded that foreign aid is beneficial though its effectiveness is prejudiced by donor's control.