

## The Role of Development Aid in addressing issues of rurality, Livelihoods and Gender in Developing Countries

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### Abstract

This paper mainly emphasized on the contributions of Swedish development aid in improving rural livelihood and gender equality in developing countries. The issue of poverty and food security remains a key global concern. The majority of the poor people lives in rural areas of Africa, Latin America and Southern Asia where agriculture is their main source of livelihood. The fight against eradicating poverty has taken a successful step forward in East and South-East Asia. On the contrary, in Sub-Saharan Africa, the rate of poverty remain stagnated compare to other developing regions is attributed to; a less attention given to rural development, prevalence of corruption in the public sector, terrorism, migration, under-developed infrastructure, weak market chain, lack of strong institutions and poor policy to incorporate the role of women in development. To solve this challenge, the parliament and the ministry of foreign affairs of Sweden have given the mission to Sida to execute development activities in 30 prioritized developing countries. Accordingly, Sida has been implementing sustainable livelihood approach in Africa, South Asia and Latin America to improve their living condition and eradicate poverty. This includes community-based forest management, soil and water conservation, livestock management; market chain, capability, health, access to clean water as well as land certification and registration, safety net programs, education, gender equality and security. Hence, in these countries, the level of poverty have reduced by half. However, the question left unanswered is whether foreign aid is the major economic engine in the national gross domestic product (GDP) of developing countries. This is mainly due to the fact that the amount of money spent is less (1% of Sweden's national budget), poor monitoring and performance evaluation of the projects.

**Key words;** Foreign Aid, Sida, livelihood

### Introduction

The issue of poverty and food security remains a key global concern (Carney, 1999). This is due to the fact that 1.5 billion people live under extreme poverty and malnutrition (Manan et al., 2009). The majority of the poor people lives in rural areas of Africa, Latin America and Southern Asia where their livelihood is mainly dependent on agriculture (IFAD, 2011).

The fight against eradicating poverty has taken a successful step forward in East and South-East Asia for they have been able to create strong institutions, and have made structural adjustments that support rural development (Djurfeldt, 2005). On the contrary, in Sub-Saharan Africa, the rate of poverty has risen to 46.5 % of the total population (Havnevik et al., 2006). A rather stagnated growth of sub-Saharan Africa relative to other developing regions is attributed to; a less attention given to rural development, prevalence of corruption in the public sector, terrorism, migration, under-developed infrastructure, weak market chain, and lack of strong institutions. Besides, the ill-planned policies excluding women, who are estimated to be 40% of agricultural labor force, from key areas of decision making and resource ownership in the agricultural sector has contributed in feminization of poverty (FAO, 2011).

To tackle the challenges, many developed countries (USA, UK, Australia, Japan and some European countries) and international and national organizations have been working with developing countries to eradicate poverty.

Since 1960s', Sweden has contributed immensely through knowledge transfer and financial assistances in the development programs of developing countries. The main goals of Swedish government foreign policy are to support developing countries to ensure democracy and human right, bring gender equality, education, climate change and health so that they would be able to meet the Millennium Development Goals (MDG) by 2015. Therefore, the objective of this review was to summarize the role of Swedish cooperation agency (Sida) in improving rural livelihood and gender equality in developing countries.

## Discussion

Sweden also donates to United Nation (UN) to maintain global peace and security, EU in execution of some development programs, financial institutions like World Bank and other regional development banks to contribute their role in poverty reduction and development. The collaboration of Sweden with developing and developed countries in security, political, and economic spheres can help stimulate development for the mutual benefit of Sweden and mostly the needy, developing countries.

Sweden national and foreign policies are also dedicated to promoting climate resilience and sustainable development in Africa, South Asia and Latin America to improve livelihood which in turn helps to achieve food security. To achieve this goal, the parliament and the ministry of foreign affairs have given the mission to Swedish International Development cooperation Agency (Sida) to execute development activities in the prioritized countries. Accordingly, Sida has been implementing sustainable livelihood approach in Africa, South Asia and Latin America to improve their living condition and eradicate poverty. This includes community-based forest management, soil and water conservation, livestock management; market chain, capability, health, access to clean water as well as land certification and registration. Sida has also played a great role in improving the educational level in general and that of women education in particular through providing a free education opportunity, scholarships in Sweden. Furthermore, Sida has been contributing a significant role in realizing gender equality and empowering women through giving trainings for capacity development and credit to generate their own income that would ameliorate their living standard and thereby make them the decision makers of their own life. Sida also works in creating income opportunities through farming diversification, avoiding market barriers and implemented risk minimizing strategies such as safety net program, provision of ecologically well adapting crops and animals and relief programs in situations of emergencies (like famine, earth quick, flood and conflicts).

Sida has put an effort to the political and economic development of poor countries as a means of lifting them out of poverty. The 2015 Swedish development assistant report showed that world poverty level has reduced by half, armed conflict among and within countries has reduced, there is growing respect for human rights and democracy, and economic growth. However, the question left unanswered is whether foreign aid is the major economic engine in the national gross domestic product (GDP) of developing countries.

The role of development aid has been argued by many scholars. Boone (1996) reported that the contribution of foreign aid to national economy is very small, which is 1.2 % of national GDP. This is due to the fact that very small amount of money is spent in the development projects. Sweden donate 1% of its' national gross domestic product to developing countries to eradicate poverty, but to get tangible development, the amount of money spent on development projects should be doubled (Alesina & Dollar, 2000). Burnside and Dollar (1997) reported that foreign aid is beneficial to countries that have strong development polices. Alesina & Dollar (2000) argued that higher portion of foreign aid given to developing countries is wasted due to corruption, weak institution, inefficiencies, conflict and discouraging bureaucratic system.

It is also important to focus on what motivates developed countries to provide aid to developing countries. The development aid policy of Nordic countries especially Sweden is based on level of poverty, democratic and human rights as well as the presence of strong institution of the receiving countries (Alesina & Dollar, 2000). Alesina & Dollar (2000) also emphasized that the pattern of aid giving is dictated by trade, colonial history, strategic and political interest. For example, France give aid to previous colonies without emphasizing much on to their poverty level, while, the United State development aid policy is highly depend on strategic interest.

Hayter (1971) claimed that development aid is a means through which the western countries influence the poor countries. Furthermore, Alesina & Dollar (2000) criticized that aid given in the form of donations distorts markets, stifles entrepreneurialism and creates dependence among the beneficiaries. On the other hand, aid by itself is not necessarily create problem but the problem relays on who receives it and how it is implemented.

## Conclusion

Generally, Sida has been working a lot in poor countries on democracy, security, gender and livelihood to rise themselves out of poverty. In the past 10 decades, positive progress has been achieved, but it is difficult to determine whether the progress in these countries is due to development aid or not. This is mainly due to the fact that the amount of money spent is less and poor monitoring and performance evaluation of the projects. Therefore, developing countries should have strong institution to avoid corruption and efficient utilization of their resources to eradicate poverty and promote sustainable development.

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