Introduction

In attempting to discuss the issue whether foreign aid is a necessary companion of dependence syndrome in Uganda, I will start by giving a working definition to the terms foreign aid and dependence syndrome. I will discuss the types of foreign aid which are being given to Uganda by the donor countries. I will give the rationale for giving foreign aid to Uganda and key characteristics of dependence syndrome in Uganda. I will then illustrate how foreign aid is closely linked with dependence syndrome in Uganda and i will also discuss cases where foreign aid has no link with dependence syndrome in Uganda. I will also state ways how dependence syndrome in Uganda is created by other factors other than by foreign aid as well as giving some ways of managing dependence syndrome in Uganda for a creation of a health economy. I will then conclude by giving my clear academic position.

Foreign aid

It is difficult to give a precise definition of foreign aid since people have different perception of what it really is. Radelet Stephen (2006) gives a definition of foreign aid by Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD) that foreign aid (or the equivalent term, foreign assistance) as financial flows, technical assistance, and commodities that are (1) designed to promote economic development and welfare as their main objective (thus excluding aid for military or other non-development purposes); and (2) are provided as either grants or subsidized loans. According to the DAC, a loan counts as aid if it has a 'grant element' of 25 percent or more, meaning that the present value of the loan must be at least 25 percent below the present value of a comparable loan at market interest rates.

In a layman's perspective, foreign aid is the international transfers of public funds inform of loans or grants whether directly from one government to another (bilateral assistance) or indirectly through the vehicle of multilateral assistance agency. This therefore, implies voluntary transfer of resources from one country to another with the objective of benefiting the recipient country. It is the flow of resources from one country (government) or individuals (citizens of one country) to promote economic development in another country.

Foreign aid as we conceive now is greatly associated with the appearance of the US on the international stage as leader of the western/capitalist ideology after WW II era. President Truman introduced the program for European recovery through the 'Marshall plan.' It was a measure based on humanitarian and political consideration.

To Uganda as a developing country, foreign aid is presumed to be a development instrument or what Bibangambah (2000) calls development cooperation. Foreign Aid to Uganda and other developing countries, Nyamugasira (2001) is basically meant to assist the nation to graduate from poverty and vulnerability to prosperity and security. The UNDP (2003) affirms by saying that the new development motive must be a war against global poverty, starting from the recognizing that his is an investment not only in developing countries but also as a security to the developed nations.

Specific types of foreign aid in/ to Uganda

Project aid: Aid is given for a specific purpose, for example, building materials for a new school.

Programme aid: Aid is given for a specific sector, for example, funding of the education sector of a country.

Budget support: A form of Programme Aid that is directly channeled into the financial system of the recipient country. This can follow the Sector wide Approaches (SWAPs) where A combination of Project aid and Programme aid/Budget Support , for example, support for the education sector in a country will include both funding of education projects (like school buildings) and provide funds to maintain them (like school books).

Consumption goods: Here donor countries can extend aid in form of consumption goods like books, medicine and Food aid. Food aid is given to countries in urgent need of food supplies, especially if they have just experienced a natural disaster or catastrophes, for example, the World Food Program in northern Uganda during the LRA war.

Technical assistance: This involves sending of technical personnel or experts from donor countries. It can be a simple element of an aid or make up the total aid. Educated personnel, such as doctors are moved into developing countries to assist with a program of development. Can be both programme and project aid.

Technology or capital aid: Such aid involves what is normally referred to as transfer of technology. In most cases technology are inbuilt within the donated machinery and equipment.

Training facility: Donor countries offer scholarships to the citizens of the recipient countries for training either on ground or in the donor country.

Military assistance: This assistance involves provision of military training of the recipient country's soldiers and military hardware, for example, Uganda receives military support form USA.

Bilateral vs. Multilateral: Bilateral aid is given by one country directly to another; multilateral aid is given through the intermediacy of an international organization, such as the World Bank, which pools donations from several countries' governments and then distributes them to the recipients.

Aid can come in two forms, tied or united

Untied aid is a general purpose aid and it is often known as program or non-project aid. Ddumba Sentamu (2009 p. 540) defines untied aid as: "that assistance whose disbursement is tied to the recipient's expenditure on a wide variety of items justified in terms of the total needs and development plan of the country rather than any particular project." The country receiving the aid can spend the money as they chose.

Tied aid: Aid may be tied by source, project or commodities. Here, grants and concessionary loans have conditions laid down by the donor country about how the money should be used. Aid tied by source requires the recipient country must spend the aid on exports from the donor country. The aid must be used to purchase products from the country that donated it or a specified group of countries-choices are limited. Aid tied by project means that the donor country requires the recipient country to spend it on specific project like roads, dams and agriculture.

Aid irrespective of types can either be long term or short term and they can be official flow or non governmental aid. Durbarry, Gemmell & Greenaway (1998) said Development aid, be it bilateral or multilateral has the key objective of promoting economic and human development in developing countries. It is however very difficult to measure with precision the micro (welfare) and macro (economic growth) impact of development aid on individual countries.

Aid institution and instruments can be bilateral or multilateral

Bilateral aid is when donors usually plan and dispense loans and grants through an aid agency such as United State Agency for International Development (USAID), Britain's over sea development administration (ODA), Canadian International development agency (CIDA) or Swedish international development agency.

Multilateral aid agencies are the World Bank (WB), International Monetary Fund (IMF), regional development banks and the United Nations (UN).

The flow of aid is mainly from three angles;

> *Official development assistance (ODA) is where aid is provided by donor government to low or middle income countries.*
>
> *Official assistance is aid provided by governments to richer countries with per-capita income higher than $ 9,000, for example, Israel, Singapore, Cyprus and Bahamas.*
>
> *Private voluntary assistance includes grants from non governmental organizations, religious groups, charities, foundations and private companies*[1].

The reasons for issuing foreign aid to Uganda are basically three:

First, Uganda and other developing countries get foreign aid because of humanitarian (moral or ethical) responsibility of the developed countries to help the poor. This is because of the moral

[1] Dwight, H. P., Radelet, S., Lindauer, D. L., (2006). *Economics of development*, 6th Ed. New York: W.W. Norton Company Ltd. p 522

obligation that some donors have to help the poor improve their nutritional needs and standard of living. In comes moments aid come because of the uneven distribution of the global natural resources, that is, aid is given to Uganda so that they can acquire what they don't have or produce locally. Bartle (2009) says that the reason why Uganda gets aid from some countries like Britain is because of they are compensating for the past injustices they had over Uganda during the colonial era. In other words, they are atoning for the crimes they committed against Uganda.

Secondly, aid is given to developing countries like Uganda because of political/strategic self interest is another. This is done by the developed countries to buy friendship and offer security assistance. Dwight (2006) identified a key factor that influence or motivates donors to give aid to developing countries in a way of cultivating political alliance. He said that during the cold war, the United States and the Soviet Union used aid to vie for the support of developing countries around the world. The US was fighting communism while the Soviet Union was fighting Capitalism using aid in the developing countries. Albert Alesina et al (2000) affirm that Till Today, many donors provide aid to their former colonies to maintain political influence.[2] In some cases political ideologies of the donor country also is spread through foreign aid. Albert Alesina and David Dollar in a study covering the years1970 through 1994 found out that the countries received 50% increase in aid after adopting democracy.

Economic motives is the third rationale for giving foreign aid to the developing countries like Uganda: Here the developed world/countries given aid to Uganda as a way of dampening useless products form their nations, disposing surpluses and develop market fro their goods. The bilateral aid in most cases has partial interest in fulfilling or helping in supporting an economic interest of certain firms in the donor country. Precisely, Bond (2004) commends that Europe and the United States are using aid as a means of neocolonialism or advancing their selfish ambitions.

Dependence syndrome

This is about the high hope/confidence/reliance/belief/addiction or craving for support (financial or material) from the developed countries as a general pattern/condition or set of symptoms seen in many developing countries. Dependence syndrome is an attitude and belief that a group or an individual cannot solve its own problem without outside help/intervention. Bartle (2004) calls it a weakness made worst by charity.

It comes about when the beneficiaries do not participate in maintaining the projects that was offered to them by another person or agency as a form of help. Decision making of planning and management of a projects and how the local community in Uganda is to contribute towards the cost and maintenance of the systems/ structures created by the aid from other external agencies are not well made. Here the community most of the times have no time and will or sense of responsibility and ownership of the facilities.

Characteristics/ Signpost of Dependence Syndrome

[2] Alesina, A. Dollar David, 2000. *Who Gives Foreign Aid to Whom and Why? Journal of Economic Growth*, 33-63

Political sign: Uganda's appearance to change her ideologies to match those expected of her by the developed world in order to get their support. Changing ideologies infavour of the developed countries.

Social indicator: Adopting the values, for example, language and practices like homosexuality in order to get project funding from the respective developed country as a reward.

Economic sign post to dependence syndrome is seen in frequent and constant begging from or making reference to the developed countries for assistance, for example, financing national budget.

Technical indicator is noted in the persistence in seeking of expatriates from abroad to come and fix problems either with the technology or ideas.

Capital wise, dependence syndrome is identified in situations of inheriting capital assets from the developed countries, for example, machines, manufacturing industries, computers and weapons from the developed countries.

Decision making is also biased to appease the donors.

Foreign aid as a necessary companion of dependence syndrome – Links between foreign aid and dependence syndrome in Uganda

Raymond F. Hopkins(2002)in his article political economy and foreign aid quotes Samiri Amin (1973) and Seligson & Passe-Smith (1998) launching damning attacks on donors as dependency theorists who claim that aid is really provided in order to exploit recipient countries, with the effect of slowing development. This charge still resonates among some donor NGOs and recipient country officials. For the case of Uganda, a few are as discussed below.

Foreign aid may not contribute much to the additional savings or import; Gillis et al (1996) says that foreign aid finances higher consumption and reduces export. When it is targeted on investment projects. Berg (2001) explains that it ends up largely financing consumption. This is because the inflow of foreign aid breaks down the domestic savings. In a longitudinal study of 97 developing countries, Boone (1994) found out that in 82 economies which foreign aid is less than 15% of the GDP, foreign aid is entirely consumed and adds nothing to the total savings. They don't have significant effects on the economic growth. Ddumba (2009) in affirmation asserts that, instead of supplementing domestic savings, foreign aid retards development through substitution.

Foreign aid has played a key role in agriculture, for example, in spreading the Green Revolution. Gillis (1996) commends that it delivered new seeds varieties like wheat, rice and fruits. With the aim of promoting sustainable agriculture so as to dismiss the vulnerability of the poor Ugandans from famine and poverty. This has instead culminated into dependence syndrome in that these crops and fruits come with needs of heavy pesticides. They also transmit some diseases due to the chemicals in the genetically modified plants. This calls for more appeals to the donor countries for more funds for curbing down the atrocities launched by the initiative. Besides, the chemicals and pesticides are produced from the donor's home countries. This nurtures dependence on the donor countries for more financial and material assistance.

Boone (2007) noted that Foreign aid mainly focus on social development in most cases for example, infrastructures(roads), basic education, military and with little emphasis on the self reliant projects. This makes the fund/aid go into non income generating- productive initiative, for example, the military expenditures. The purpose of disbursing foreign aid to a particular country is to improve its overall economic conditions, both in the large and small scales. It is often noticed that such finances are mostly used for funding welfare projects and programs on a large scale, and the small industrial and agricultural sectors remain deprived. The social developments are not direct growth enhancing initiatives, this leave the beneficiaries with gabs to fill as such, dependence syndrome persists. The funds are not focusing at the grass root initiatives like agriculture (food security) and microfinance loans which would promote self sustainability.

Foreign aid renders the recipient country passive in many cases; the major problem associated with foreign aid is that the way how development projects are sometimes constructed and how they are maintained by the local population is not sufficient for sustainability. Often, projects are made with technology that is hard to understand and too difficult to repair, resulting in unavoidable failure over time. Also, in some cases the local population is not very interested in seeing the project to succeed and may revert to disassembling it in order to retain valuable source materials. Finally, villagers do not always maintain such a project as they believe the original development workers will repair it when it fails (which is not always so). In many developing countries like Uganda, ownership of projects initiated through foreign aid is not adequate. The international donors are not very effective in promoting shared responsibilities. This renders the developing country passive recipient.

Another avenue to influence development is technical assistance: here, donors often provide experts in some fields as diverse as agronomy, computer programming, economics, education, engineering, forestry, geology, law, management, medicine, public health and military. These foreign experts do the jobs that local professionals are not qualified in or are in short supply in most cases; they don't train/empower the local professionals to maintain the system put in place. This requires the poor country-Ugandan for that case to refer to the donor country again and again for assistance in repairing and maintaining the system. Benno (2007) estimates show that annually 100,000 foreign experts are deployed in African countries at a cost of nearly $4billlion per year. This does not only drain the African countries of the money they are to use for development activities but also discourages the efforts to build up the local capacity. Aid further engenders psychological dependence on expatriate capacities. Bibanagambah (2000) categorically states that Uganda uses 25% of every 100% dollars for paying back to the creditor.

Eurostep (1999) says that some times pressure to disburse funds fast regardless of local s-constrains causes donors to by pass local institutions and rely heavily on expatriate experts for implementation. This cuts local planning to build local capacity and result in reduced ownership. This could be a deliberate attempt or policy to repatriate a high percentage of aid fund inform of consultancies and contracts, this foreign expatriates draw back a lot of money from the receiving country in terms of wages for the services offered leaving the recipient country with meager fund for running the development program, for example, Japan has as part of her aid condition to use their own nationals inform of technical assistance., under the disguise of transparency and technical know how, it is implemented and this dispels the locals from owning the project.

Sometimes the people cannot own projects initiated by foreign aid because they are not involved in the planning and maintenance. This is common with aid that comes through the Non governmental organizations. They only come to implement what they have developed form their offices irrespective of the opinion of the local people in planning and maintaining them. In many cases, boreholes have been constructed in the country sides and the people use them to access clean water but as soon as it breaks down, no one takes the responsibility for repairing and maintaining it, instead, they cry out to the donors who initiated the project.
Radelet (2006 p.14) emphasized that the neglect of the Recipients Participation and Country Ownership projects. He argued that aid has been weakened by donor domination in setting priorities, designing programs and implementing projects, and push for either a more country led approach in which recipient governments take a stronger role, or a "participatory" approach in which various groups in recipient countries (government, NGOs, charities, the private sector) play a more active role. Note that country ownership and a broad participatory process is not the same thing: the former implies that recipient countries take the lead in setting priorities and programs; the latter implies that broad participation by the public (and not just the government) is required.
This means that they have not owned that project as their own because the assistance came without the participation and commitment of the people towards it maintenance and owning. They see it as the agencies responsibility to repair and for them, they just use it.

Transfer of capital from the rich to poor countries has led to growing dependence syndrome of Uganda on the donor countries because the donor countries don't train the local professional some technical skills. In case of break down, they are referred to by the country for assistance. In some cases they also give it with conditions that spare parts are bought exclusively from them (the donor countries). This promotes dependence syndrome.

The bilateral and multilateral donors also use aid to induce recipient governments to change their development policies in what they the donors believe to be recipients own interests. The push the government into the direct ion they wish it to go. In Uganda, donors have often been criticized projecting their own needs and solutions onto the Ugandan society and culture. Bond Patrick (2004) pointed out that tying aid to politics translates into 'choice less democracy.' Thus, aid is a means of inducing policies and programmes favorable to the donor countries, even though promoting economic performance of recipient countries is the given rationale for doing so.

Moyo (2009) relates a shocking statistic that between 1970 and 1998, when aid flows to Africa were at their peak, poverty in Africa rose from 11% to a staggering 66%. Moyo describes that foreign aid actually hinders self-sustainability and innovation by African people.Aid also slows down growth by undermining incentives for private sector activities. Dwight (2006) says that large aid flow can spur inflation which causes real appreciation of foreign exchange which reduces profitability of production of all tradable goods. Moyo (2009) gives one example when a Hollywood star donates a large batch of mosquito nets to be given out for free; this disposed the local business selling these same nets which discouraged the local production of Mosquito nets. It enlarges the government related services supporting aid projects drawing workers from other productive such as agro based processing, garments and foot ware exports which are key engines of growth. This creates a situation that Stephen younger calls *Dutch disease*[3] effect. A case in point is Ghana by 1980s and early 1990s had large flow of aid which resulted into undermined export.

Food surpluses that resulted from faulty agriculture- or other policies have been dumped in poor countries under the disguise of aid. This has helped to wipe out local production and increasing dependency. Local production is affected by food aid in many ways vey negatively. To many Ugandans, it seems obvious that donating food aid is a good way for rich countries to help poor countries like Uganda. This sometimes is very true but donations of food can hurt local farmers by undermining their incentives to produce food. If all food is produced locally, there would be no need for imports. Dwight (2006) commends that donations lower the prices of food in the local market; it benefits consumers but displaces local production. Today in some parts of northern Uganda (probably because of the Food supply by the World food program) some people especially the children who were born and reared up from the camp know food as something coming from the Lorries other than the garden. The local production of food as greatly gone down. A critical example to illustrate the above idea is in Ethiopia. Tillmann Elliesen (2001) states:

> *Food aid deters the farmers from using innovative techniques and relying upon themselves. They take the aid whether they need it or not. That is not the judgment of an arrogant European, but the assessment of Yibabe Adane, Extension Team Leader in the Department of Agriculture in South Gondar, an administrative district in northern Ethiopia. The people of the district, which is part of the Amhara uplands ranging 1,000–3,000 feet above sea level, have one of the country's highest rates of chronic malnutrition or poor nutrition. About five million people of the Amhara are considered as affected by food insecurity.*[4]

The people's will to self-help is undermined by an excess of food aid even in Uganda today, a case in point is northern Uganda that the people only realized that they needed to grow their own food when the world food program was pulling out. In Northern Uganda, all the people in Internally Displaced Camps (IPDs) over 1.5 million are totally dependent on donor food. This leads to a negative attitude on the affected people and creates a dependency syndrome. The World Food Program has projected food requirements for 2005 at 244,645 tones valued at US$ 128.6 million. Why can't 10% of this money be invested in production of food locally? This implies that aid limits innovativeness and promotes dependence because of its little support to sustainability.

Moyo Dambisa (2009) made a strong assertion that foreign aid is actually breeding corruption in Africa as 'pity' from western nation's puts money in the hands of corrupt and tyrannical leaders

[3] Stephen Younger, 1992. *Aid and the Dutch Disease: Microeconomic Management When Every Body Loves You*. World development 20, no 11

[4] Tillmann (2001) *Imported dependency syndrome- Food Aid Weakens Ethiopia's Self-help Capacity.* Available at http://chora.virtualave.net/food-aid-dependency.htm [viewed at 9: 40 am 5th November 2009]

while turning a blind eye to their actions. The usual corruption of nations like Uganda in development and ambiguous political agendas tend to slow down social and economic implementation and technology transfer. A wider gap of income distribution would exist between larger metropolitan and rural areas, thus creating further conflicts that would become more difficult to find remedy over the long run. Instead of peace and prosperity, imbalance would cause social injustice, unnecessary conflicts and lingering stagnation. Corruption on the governmental level may lead the officials and politicians to misuse foreign aid for their personal benefits and political advantages, rather than utilize them for popular welfare projects and programs. Moyo (2009) describes aid as money taken from the poor from the rich countries and given to the rich in the poor countries. This is because of mass corruption which makes them not to reach the grass root but remains with the corrupt officials which makes the local need unmet. As a result, they seek foreign assistance again. In Uganda, a typical example can be the global fund money which was shared by a few people leaving the mass population to continue their routine death off malaria, tuberculosis and HIV/AIDS. This forces the people to seek help again from the developed world through advocacy hence dependence.

Benno (2007) says that the present aid in most developing countries like Uganda goes a lot to debt service; this leaves Uganda and others without adequate savings subsequently leading to borrowing-dependence on foreign aid. In Uganda between 1990/ 1991 and 1997/1998, while grant accounted for a total of 55%, loans accounted for 45%. This Benno calls a stock of debt because it has to be paid back. Foreign aid from donor countries sometimes comes in the form of large loan amounts and not contributions. Adding to this, Bond (2004) says that it is reliably estimated that for every dollar given in official development aid, three go back to the rich countries in debt service payments. Under the auspice of mandating policies for the good of the countries, aid actually decreases the level of control the government has over domestic expenditure allocation (both domestic and external). Additional pressure is created on the poor and underdeveloped countries to arrange repayment of high loans. Foreign aid can be used as a means to create sufficient economic or political pressure on the receiving countries, in instances such as repayment of the aids taken as loans. It drains the economy to the extent that there would be need to borrow more money either to settle the debt or to finance other development activities after the debt services. Ntuli (2004) beautifully highlights the fact Africa is contributing too much to the development of the developed countries –the donors- that in order to understand Africa's relationship with the developed world, it is important to look at figures which show that, far from contributing nothing to the economy of developed countries and taking everything in return, Africa's contribution to developed countries could be considered as its own form of development aid to them. This implies that a lot is being spent by African countries like Uganda towards settling debts with interests which creates a viscous circle of borrowing which can be summarized by the phrase 'dependence syndrome.'

A common criticism in recent years is that rich countries have put so many conditions on aid that it has reduced aid effectiveness. In the example of tied aid, donor countries often require the recipient to purchase goods and services from the donor, even if these are cheaper elsewhere. Other conditions include opening up the country to foreign investment, even if it might not be ready to do so. Donors use aid assistance as lever to influence policy in recipient countries. Some policies do not advance development. They tie aid funds to the purchase of goods and services as a way of increasing their own market for exports.

Thriwall (1994) states two dimensions of restriction of how assistance should be spent or restriction on where assistance should be spent. This procurement tying reduces the work of the assistance because it prevents recipients fro shopping around to find exactly the goods they want in the cheapest market. These conditions lead to promotion of inappropriate policies like the Structural Adjustment Programs (SAPs) of 1980. Nduhukhire-Owa-Mataze (2003) cites the second Obote’s regime of 1980-1985 as a more open theater for multinational agencies and companies that used the structural adjustment phase one of 1981-1984 as their base. The NRM government also since 1987 has become a disciplined policy-implementer for the multilateral agencies turning it away from fighting neo-colonialism into a darling of big capital. Ntuli (2004) on the other hand presents Structural Adjustments demands and pre-conditions to receiving aid that developing countries like Uganda should open her markets to globalization and privatize their utilities such as water and electricity services. Among the other requirements were tightening of state expenditure and devaluation of currencies resulting in an end to free health and education and dramatic cut backs in these services. This caused massive unemployment and distortion of organized structures at the cough of the donors, this intern created a big unproductive population without adequate empowerment for self-help projects.

Hulme (1997) describes the relationship between the sate and the donors as having two main dimensions. The first concerns particular objectives that donors seek to achieve through interacting with others. These are combinations of officially stated goals (assisting poorer nations and promoting national economic development) and hidden objective of opening up new export market).

Persistent Maldevelopment and mal adjustment of the economy: since decision making are always biased and made to appease the donors, development initiative aided by donations in Uganda are mostly associated with misallocation of resources which creates irrelevant development; development that does not meet the needs of the people and only presents maladjustment. This can also be because foreign aid come with too many strings attached which leaves the needs of the people (unmet) unattended to.

Some times donors give aid just to reward political friends and military allies. It can help to keep bad governments in power, thus helping to perpetuate poor economic policies and postpone reform. In some cases, the same donor who supports the government against her enemy like rebel groups are also accused to giving clandestine support to the rebels. Radelet (2006) commends that aid provided to countries in the midst of war might inadvertently help finance and perpetuate the conflict, and add to instability. This creates instability and confusion in the country to allow them dumb or market their outdate weapons. In Uganda, United States provided a lot of support to the government against the LRA in terms of cash and light weapons; they are also accused of having supported the LRA in the 1990s. This made Uganda government to rely on donors to finance more war activities and also emergency relief services to the people in the war torn area.

Negative side effects of aid can include an unbalanced appreciation of the recipient's currency. Increasing corruption, and adverse political effects such as postponements of necessary economic and democratic reforms

The Insatiable nature of human needs is another key factor for dependence syndrome in Uganda. Using the analogy of a dogs and bones, it is then logical to deduce that naturally human beings even those in Uganda tend towards the one who gives them what hey need just as a dog tend to draw nearer to the ones who give it bones. The aid that Uganda receives from foreign economies and bodies seem to call for more begging just because of the insatiable nature of human needs. The more it receives, the more it needs more. This unsatisfying nature of human needs creates dependence syndrome in Uganda.

Foreign and self sustaining development in Uganda

In spite of the above link or correlation between foreign aid and dependence syndrome in Uganda, there are evidential situations which show that foreign aid is directly promoting self sustainability and independence of the Ugandan economy other than dependence on foreign aid.

That aid necessarily promotes dependency is demonstrable false by Ismail Seragaldin (1995). Economies like Taiwan and Korea have received substantial amounts of aid but today they are economic power houses in their own right. With that in the background therefore, foreign aid cannot be solely condemned as a factor that leads to dependence syndrome. In many instance, aid has helped to create self reliance in Uganda as illustrated below.

Domestic capital and development aid will all be necessary, especially in poor countries like Uganda where Public-Private Partnerships (PPPs) including the host-country governments, donors, multilateral development banks, NGOs and private companies represent an important option for mobilizing the needed investment; some analysts are of the opinion that development aid should be reduced progressively in favor of local development initiatives of which the which the local potentials are developed. The local industries will develop, employment will rise, there will be the inflow of technology (producer goods), and in the long run the country will become self-reliant thus reducing the dependency syndrome.

Foreign aid helps provide public goods in Uganda. It is often invested in social expenditures which require huge amount of capital investments like education, health, clean water, transportation (roads), medical programs and training. Key examples can be the Universal Primary Education (UPE), road constructions and rehabilitation to enhance exports and exploitation of raw materials in remote areas. This is very expensive ventures that Uganda alone without the help of aid from the World Bank and USAID would not be able to implement. These social services are essential to development and self sustainability. Here, ignorance is dispelled infavour of literacy and numeracy, citizens health are assured, skilled labour force is produced and aid to trade are established. Foreign aid provides poor nations like Uganda extra capital to finance its development. Things such as roads, bridges, irrigation system, schools, electricity, and digital network cannot be implemented if they are not financed by foreign aid. They go to facilitate communication, build competence and achieve desirable productivity. These are the building blocks of social and economic development. Good roads lead to good transportation and facilitate the exploitation of natural resource with improved communication and connection between the firms and markets. Good schools provide knowledge and expertise. Electricity stimulates energy and movement while digital network speeds up social and commercial transactions across regions of the world. All these things help to integrate the national economy. This therefore implies that foreign aid stimulates development in Uganda by putting up infrastructures and supporting productive sectors like agriculture. These promote development objectives in the country and as such self reliance/ sustainability is realized other than dependence on foreign support in along run.

Bond (2004) firmly asserts that aid can be a midwife of good policies. To Uganda, while donors are often criticized for imposing too many conditions, they are almost as often criticized for not imposing '**enough'** conditions. Some advocates that criticize the IMF for imposing too much fiscal austerity also insist that it should require governments to spend a minimum amount on health and education. The conditions that the donors give sometimes help in the long run to create sustainability and self reliance in Uganda, for example, some practices of democracy can be identified in Uganda today, they trace their origin to donor conditions, Education For All (EFA) gave birth to UPE and then peace and stability has also be attained through donors conditions to the government to accept peace talks with rebelling groups. The World Bank is often asked to add conditions to force governments to take specific actions, for example on projects that have potential adverse environmental consequences.

Foreign aid creates employment opportunities to the people of Uganda. Employment is created in many ways by aid. The intervention of the multinational companies and foreign aid to Uganda promote pro-community development projects, for example, agricultural sectors. New projects are rolled out and implemented because of available funds, for example, NAADS, PEAP, NUSAF and UPE. Job opportunities are offered to many Ugandans that help to make them productive and self reliant/sustainable. It ensures the employees income which can be converted into productive self help projects at the grass roots and also as a source of revenue to the government. This made Uganda to do have productive population although a large percent are still without job opportunity/employment.

Foreign aid supplements domestic resources for investment in Uganda. The saving gab is bridged by the use of foreign aid. The low per capita incomes and poor savings reduces the abilities to realize investment resources but foreign aid bridges this gap and enables the country to undertake its urgently needed investment activities, this induces self reliance.

Foreign aid has raised the level of national productivity through professionalism. Radelet (2006) affirms this fact by saying that aid increases worker productivity through investments in health or education. In Uganda today, the funds that got from donors are often being used for adequate capacity building and training of nationals to acquire some technical knowledge or skills, this is because skilled labour has higher marginal productivity. In becoming agents for change, foreign expatriates have always new systems in place and training the locals; the 'technical know how'

required and is disseminated to Ugandan employees for self sustainability and increased productivity.
Foreign aid in Uganda has helped in supporting subsistence consumption of food and other commodities especially in emergency situations following natural disasters and catastrophe, for example, it has helped in aversion of catastrophe like famine in Eastern Uganda through the World Food Program (WFP) and this promoted a healthy population. Aid informs of food and clothing has also been released to the northern part of the country during the 22year old LRA war in Uganda. This has saved the people for loss of life and massive suffering. Besides giving people food stuff, foreign aid has help in building food security in northern Uganda since most funds have been used to buy farm implements and establishment of extensions agricultural stations in the community. This has heavily contributed to the self reliance of the people as far as food production is concerned. With or without food aid today, the people in northern Uganda can survive.

Foreign aid fills in the capital gab in Uganda: Capital deficiency is reduced as transfer of capital from rich to poor countries is growing. Technological backwardness is reduced. Aid has helped in providing a conduit for the transfer of technology or knowledge from rich countries to poor countries by paying for capital goods imports, through technical assistance, or through direct transfer of technologies such as the introduction of modernization in agriculture. This has helped Uganda to improve its exports, that is, from exporting raw material to exporting processed goods, here, manufacturing industries capacities are raised, payment increased and it widens the tax base of the country. Foreign aid gives adequate source of sufficient technology to Uganda. Here both financial capital and technical know how, skilled personnel, advanced production techniques for favorable competition on the world market, for example, steel industries, Chemical Plants (for example, for production of ARVs). This encourages local enterprise and reduces cost on imports. This promotes economic independence.

Rural development has been the issue focused at by foreign aid for rural transformation and also poverty alleviation. Project aid has been injected into the Ugandan economy with the intention of alleviating the rural poor from the uncomfortable position of living below the poverty line. This manages rural urban migration with all its associated problems like robbery, slum development and unemployment since the rural sector has some active programs running, for example, agriculture through NAADS, Cattle Restocking, Northern Uganda Social Action Fund (NUSAF), and Poverty Eradication Action Plan (PEAP). Foreign help to Uganda in some cases has been more endogenous, which means that needs as well as solutions are being devised in accordance with local cultures. For example, sometimes projects are set-up which wishes to make local groups cooperate together.

Other factors that encourage dependence of Uganda on of developed nations

The force of globalization: With Globalization wave sweeping a cross the world, total independence of a country from another may not be possible. Globalization stresses the need for interdependence of one nation to other. A saying goes that no man is highland. This implies that

Uganda is not a self sufficient entity able to meet all her needs. It has to rely on other nation through trade and forms of assistance to get the natural and man made resources for effective development. This encourages routine dependence that may be considered as inability to solve her problem on her own which is dependence syndrome.

Natural and Man Made catastrophe: There are some crisis situations that make Uganda to depend on other nations and are not necessarily because of orientation towards foreign aid but because of disasters or calamities that weighs down the countries disaster containing capacity of. These can be like severe famine, heavy floods and ruins of wars, for example, those war devastating effects of the LRA war in northern Uganda. Humanitarian assistance and reconstruction of the place can not be offered by the government alone, other well wishers contributions informs of foreign aid are very necessary for fast and effective recovery.

Brain drain is the movement of highly skilled labour force form one country to another country where they better conditions of work and where they earn more money. Ntuli (2004) cites a UNDP calculation which shows that by 1987 nearly one third of Africa's skilled people had moved to Europe – Sudan lost 17 per cent of doctors and dentists, 20 per cent of university teaching staff, 30 per cent of engineers and 45 per cent of surveyors in 1978; 60 per cent of Ghanaian doctors trained in the early 80s are now abroad; and Africa as a whole is thought to have lost up to 60,000 middle and high level managers between 1985 and 1990.the Ugandan society also lost a number of highly skilled people ranging from professors, doctors, engineers and other very scarce competent skilled individuals. Others went for better pastures and other took shelter because of political reasons; these has made Uganda to depend on other foreign assistance for covering the technological gab created by brain drain.

Some recommendations

Foreign aid as discussed by above in the Ugandan perspective leaves a lot to be desired by Uganda in order to overcome the shocks that the economy is experiencing because of it and with that in mind, I would like to suggest the following ways managing and recovering from dependence syndrome

Technical assistance can be reduced in Uganda by expand a science based tertiary education**,** Containing brain drain and using expert national in the Diaspora on part time basis incases of needs. Here learning from what

Corruption should be uprooted; this makes the money for public good to do exactly what they are meant for. This reduces the burden of begging every time for the same project that was funded but the money was embezzled by a few senior people leaving the entire country in misery, shame and a beggar nation.

Rural Savings and capital accumulation should be emphasized by the nation. This however should be done carefully. Moyo (2009) asserts that the current aid could be funneled toward microfinance. This is to encourage the culture of savings right from the grass root to promote vibrant economic growth. It should not lead to savings for the sake but for promoting development. The development pattern should ne favorable to the entire economy, that is both rural and urban sectors should be catered for and diversification of economy should be emphasized. This would help to contain certain shock that the economy is experiencing today which makes it jump immediately for foreign aid as the best option.

Priorities and scale of preference of the economy should be on productive sectors like agriculture and rural transformation for effective poverty eradication and creation of a self reliant and self sustaining community. This would reduce the level of dependence, hooliganism, poverty and unemployment but rather replaces them with an empowered productive populace capable of pragmatic judgment and autonomous contribution and participation into the national development.

The government of Uganda should also continue negotiating for better terms of trade other than relying on aid or donation which often times come with a lot of strings attached. This is embedded in what Moyo (2009) recommended that African nations should instead invest in bonds and the sale of African food and goods on the world market, and work more closely with China, who at least gives the impression of business between equal partners.

Academic position

From the above discussion it is worth noting that foreign aid entertains the attitude of dependence syndrome in Uganda and it affect the growth and socio-economic and political performance of the country is a large magnitude. This does not mean that foreign aid has only negative impact on the Uganda's economy, in some cases, foreign aid also clearly promoted self-reliance and sustainability of the Ugandan economy by funding self-help project and promoting human development of the people to full potentials to empower them for their roles, participation and responsibility in national development.

With the above presentation, an evidential data seems to depict that development comes through indigenous efforts and not through foreign aid. Moreover, there are serious political, economic and moral hazards of a foreign aid led growth model and long-term dependence on foreign aid. Therefore, foreign aid may be desirable but not essential for the development of t Uganda. But more importantly, while negotiating aid, the Uganda as the recipient country should be cautious of donor motives behind the aid they give versus the effects on the national sovereignty and foreign policy interests.

Therefore, Ugandans (the government and the people) should take into account that they are the once to give a push to the country towards meaningful development by sacrificing their contributions towards the nations objective in a concerted effort.

There should be radical changes in the economy to promote social services, human development, attitude change, productive enterprises locally and also globally without fear or shame. The key sectors to be rehabilitated are; the private sector for local production should be subsidized and the education sector to produce productive and innovative citizens capable of using optimally the available resources for greater economic and national development as a whole.

Peace and stability should be maintained with national unity and patriotism at the centre. The rights of the people to freely participate in productive activities should be guaranteed with constant checks on exploitative multinational cooperation's operating within the country. This calls upon the country to practice democracy and good governance.

Above all, as Walter Rodney (1973) and Ddumba (2009 p. 496) said that "development need the indigenous base" for it can only arise from within the country and cannot be implanted from outside, therefore, Ugandans should become self-conscious and determined to take their destiny into their own hands

Appendix I (some Visual aid showing the impact of foreign aid on developing countries)

Pictures of how aid can lure the country to follow painfully the donor foot steps (an extract from Society for International Development, 2004.The Story of Uganda: The Uganda Scenarios Project. Rome: Society for International Development. Page 9)

Picture on how aid can eat up the developing countries economy without realizing the pinch in the short run (A visual extract from Society for International Development, 2004.The Story of Uganda: The Uganda Scenarios Project. Rome: Society for International Development. Page 10)

How the loans from multilateral agencies can squish developing countries to pay which results into additional borrowings (Society for International Development, 2004.The Story of Uganda: The Uganda Scenarios Project. Rome: Society for International Development page 36)

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