

Donors Go Back Home: New Financing Possibilities and Changing Aid Relations in Zambia

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The global economy is currently in a flux. Emerging economies experience unprecedented economic growth rates and increasingly have a voice in global governance. This has a major impact upon traditional North-South relations. In particular, the re-emergence of Southern donors, rising primary commodity prices, and new lending possibilities, set in motion amongst others by debt-forgiveness, change aid relations and provide Southern governments with (potentially) more policy space. In light of these changes, this paper seeks to further our understanding of how aid relations are changing in Zambia. It does so by scrutinising the real changes in external financial flows to Zambia and analyses how these changes are used in domestic politics in Zambia. Based on fieldwork in Zambia among ‘new’ and ‘old’ donors as well as among representatives of the Zambian state, this paper argues that albeit real changes in external financial flows are still small, the very perception of changes alters the behaviour of traditional donors as well as of the Zambian government. Thereby, aid-relations change and more room is created for the Zambian political elite to shape future politics.