

Discuss “Does Foreign Aid Help?”



Starving Child – Could Aid Help?

Questions to Answer:

1. Do you feel that the amount the United States spends on foreign aid is too much, too little, or about right? If too much, do you advocate cutting foreign aid? If too little, would you support an increase in the federal budget aid allocation? What are your reasons for your opinions?
2. Do you believe that U.S. foreign aid should be closely monitored to assure that assistance benefits the poor and the social and developmental programs that promise most effective improvement in their circumstances of life — even if such donor control is resented or rejected by recipient countries? Why or why not?
3. Aid versus Investment: One widely held opinion is that money now spent on direct and indirect foreign aid more properly should be spent on domestic programs dealing with poverty, unemployment, homelessness, inner-city decay, and the like. An equally strongly held contrary view is that foreign aid should take priority, for it is needed to address world and regional problems of overpopulation, hunger, disease, and civil and ethnic strife those conditions foster. Assuming you had to choose one of the two polar positions, which view would you support, and why?
4. It is important to discuss the difference between good aid and bad aid. What is good aid?
5. Discuss one case study of good aid and one case study of bad aid.
6. From the article “Eyes Wide Open”, discuss the targeted use of foreign aid.

Points to consider while answering the above questions: a) Economic & humanitarian aid to Sub-Saharan Africa has dropped since the cold war (30%); b) Poor countries of the world owe \$2 trillion in development related debts to outside lenders in 2000; c) political interest drives donor countries to offer aid; d) health benefits from aid to LDC can be measured by an increasing life expectancy; e) aid has contributed to an increase in food production in LDC; f) the foreign aid of the U.S. has averaged more than 1% of the federal budget (~\$580 billion dollars between 1946 and 2000), but has recently dropped to less than 1%; g) most of U.S. aid goes to few countries (40% to Egypt and Israel in 1997); h) 76% of U.S. aid flows back in the form of tied purchases; i) MDC are net recipients of funds from LDC – not donors.