

Syllabus

Course Information

Course Number:	<i>INTA 689</i>
Course Title:	<i>Foreign Aid</i>
Section:	<i>603</i>
Times:	<i>Fridays: 8:30-11:20am</i>
Locations:	<i>Allen 1005</i>
Credit Hours:	<i>3</i>

Instructor Details

Instructor:	<i>Mike Denly, Ph.D.</i>
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Office Hours:	<i>Mon 10:30-11:30am; Wed 10:30am-12:30pm; Fri 2-3pm; book online at denly.youcanbook.me</i>

Course Description

This Master's-level course provides an overview of the role of foreign aid in international development. The course begins by surveying the major development paradigms/frameworks and their pitfalls: modernization, dependency theory, and principal-agent theory. Then, we examine the major ideas, including the Washington Consensus, the importance of institutions, searchers vs. planners, community-driven development, social protection, and the rise of randomized control trials. In the process, the course will explore the role of the various actors (e.g., World Bank, IMF, regional development banks, traditional bilateral donors, China), relevant political economy considerations, and the long-run efficacy of foreign aid. To tackle the latter, the course will notably explore the complicated relationship between foreign aid and corruption—not just at the theoretical level, but also through exploration of auditing, procurement, and social accountability controls. Many classes include guest lectures from leading scholars or aid practitioners, thereby enabling students to engage with the authors of key works and/or policymakers for their careers.

Course Prerequisites

Students must have graduate classification in order to register for the course. It will also be helpful to have already previously taken Quantitative Methods in Public Management I or have some background in statistics, but a statistics background is not a formal course requirement.

Special Course Designation

None.

Course Learning Outcomes

- Understand the basics of foreign aid and not be subject to misinformation on foreign aid
- Understand how to apply causal inference methods that underpin the aid literature

- Be prepared to interview at aid agencies, so that they can hopefully undertake successful careers in foreign aid

Textbook and Resource Materials

The course does not have any required textbooks that we will use every week. Instead, the primary reading material consists of articles that are freely accessible from the links below when on campus. When off campus, students may need to search for the articles on library.tamu.edu.

Computer and Software Requirements

All students must have access to a computer, not a Chromebook, smartphone, or tablet with limited functionality. Students must also bring a computer to every class. It would be helpful if the computers have R and Microsoft Excel pre-installed on their computers. R is open-source, and Microsoft Excel is available for free via students' university email accounts.

Grading Policy

The grading scale below already incorporates very generous grade rounding. Accordingly, there will be no additional rounding of grades under any circumstance.

- >89.5 (A)
- 79.5-89.5 (B)
- 69.5-79.5 (C)
- 59.5-69.5 (D)
- < 59.5 (F)

If students would like to appeal a grade on any assignment, they must make the request to the professor in writing, over email, within 5 days of receiving your grade. In the grade appeal email, students must specify the reason(s) why they think the professor or grader misgraded the assignment. Acceptable reasons include those pertaining to the concepts and material covered during the course. The professor will not consider requests for grade changes that are not germane to the course.

Final grading weights for the individual assignments will be as follows:

- Attendance: 5%
- Class Participation: 10%
- Exam: 20%
- Homework: 15%
- Presentation: 10%
- Quizzes: 20%
- Mock Interview: 20%

Exams – There will be one mid-term exam in this course. The questions will be open-ended, and students will need to write the answers by hand, not with a computer. There will be no multiple choice, cheat sheets, or notes allowed. Per [Student Rule 7](#), students will only be allowed to make-up exams in the case of university-excused absences.

Quizzes – All students must come to class prepared, having completed the readings before class. At the beginning of each class, I will give everyone a five-question, multiple-choice quiz. The quiz serves three purposes. First, the quiz will help keep track of attendance and serve as a commitment device for students to attend class and on-time. Second, the quiz will help ensure students are ready to participate in class discussions (see below). Third, because the quiz will cover the main points from the required reading, the quiz will serve as a reward: students should receive 100% every time if they read. To give students some cushion for bad days or extenuating circumstances, I will drop the lowest 2 scores. I will make no other accommodations should students miss class for any unexcused reason or arrive late and miss the quiz.

Graded Class Participation – Because the material is challenging and passive learning will generally not suffice, the professor will post a score for the semester on Canvas for each student after the fourth class and gradually update it during the semester, as appropriate. This way, the final participation grade will not come as a surprise to students at the end of the semester, and students may address the professor early if they have any concerns.

Graded Attendance – Attending class is crucial for learning the material, attendance will be worth 5% of the overall grade. There are 14 classes, so missing each class will result in a 7% loss toward students attendance grades. For example, if a student misses one class all semester, they will be receive an attendance grade of 93%.

Late Work Policy

Unless students receive prior approval, the professor will not accept late assignments. That is, students who submit a after deliverable after the established deadline will receive a zero. The only exceptions will be make-up for a university-approved absence that is consistent with [Student Rule 7](#).

Course Overview

Class	Topic	Date	HW Due
1	What is Foreign Aid and Who Are the Players?	1/16/2026	
2	Should Foreign Aid Exist? Poverty Traps, Searchers, Planners, and Dependency	1/23/2026	
3	Aid Allocation 1: Principles, Agents, and Who Gets What?	1/30/2026	
4	Aid Allocation 2: Legitimacy and Public Opinion	2/6/2026	Aid Data
5	Aid Effectiveness and Growth 1: Modernization, Institutions, and Politics	2/13/2026	
6	Aid Effectiveness and Growth 2: Paths and Silver Bullets	2/20/2026	
7	Mid-Term Exam	2/27/2026	
8	Aid Effectiveness, Democratization, and Fungibility	3/6/2026	
9	Aid and the Participation Quandary	3/20/2026	
10	Reducing Poverty through Cash Transfers and Social Protection Aid	3/27/2026	
11	Aid and Civil Conflict	4/3/2026	Aid or Cash
12	Aid Effectiveness, Project Outcomes, and Bureaucrats	4/10/2026	
13	Aid Effectiveness, Project Outcomes, and Corruption	4/17/2026	
14	Aid Compliance, Conditionality, and Externalities	4/24/2026	Moyo Review
15	Mock Interview	TBD	

Week 1: What is Foreign Aid and Who Are the Players? (January 16)

Class:

- The origins of foreign aid
- Bretton Woods: the creation of the IMF and World Bank
- The role of foreign aid in foreign policy
- Aid types: bilateral, multilateral, and earmarked
- OECD DAC donors
- China and the Belt and Road Initiative (BRI)
- Budgetary outlays on foreign aid

Required Readings:

- Truman, Harry. 1947. "Second Inaugural Address (Four Points Speech)."
 - Watch the [video](#) or [read the transcript](#).
- Riddell, Roger. 2007. *Does Foreign Aid Really Work?* Oxford: Oxford University Press
 - Read: Chapters 2-3.
- Apodoca, Clair. 2017. "[Foreign Aid as a Foreign Policy Tool](#)." *Oxford Research Encyclopedia of Politics*. Oxford: Oxford University Press.
- Ingram, George. 2019. "[What Every American Should Know About Foreign Aid](#)." Brookings Institution.
- Dreher, Axel, Andreas Fuchs, Bradley Parks, Austin Strange, and Michael Tierney. 2022. *Banking on Beijing: The Aims and Impacts of China's Overseas Development Program*. Cambridge: Cambridge University Press.
 - Read: only Chapter 1 [Canvas]

Optional Readings:

- Bennon, Michael, and Francis Fukuyama. 2022. "[The Obsolescing Bargain Crosses the Belt and Road Initiative: Renegotiations on BRI Projects](#)." *Oxford Review of Economic Policy* 38(2): 278–301.
- Cordella, Tito, Maia Cufre, and Andrea Presbitero. 2026. "[The HIPC Initiative and China's Emergence as a Lender: Post Hoc or Propter Hoc](#)." *Journal of Development Economics* 179(103632):1-9.
- Eichenauer, Vera, and Bernhard Reinsberg. 2017. "[What Determines Earmarked Funding to International Development Organizations? Evidence from the New Multi-Bi Aid Data](#)." *Review of International Organizations* 12: 171-197.

- Tierney, Michael et al. 2011. "[More Dollars than Sense: Refining Our Knowledge of Development Finance Using AidData.](#)" *World Development* 39(11): 1891-1906.
- Mongenthou, Hans. 1962. "[A Political Theory of Foreign Aid.](#)" *American Political Science Review* 56(2): 301-309.

Week 2: Should Foreign Aid Exist? Poverty Traps, Searching, Planning, and Dependency (January 23)

Class:

- Poverty traps
- Searching versus planning
- Dependency theory
- Micro versus macro approaches on aid
- Methods primers: field experiments and external validity

Potential Student Presentations:

- Collier, Paul. 2007. *The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It?* Oxford: Oxford University Press.
- Deaton, Angus. 2013. *The Great Escape: Health, Wealth, and the Origins of Inequality.* Princeton: Princeton University Press.

Required Readings:

- Sachs, Jeffrey. 2005. [The End of Poverty: Economic Possibilities for Our Time](#). New York: Penguin Books.
 - Read: Chapter 1 (Pages 5-25)
- Easterly, William. 2006. *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good.* New York: Penguin Books.
 - Read: Chapter 1 (Pages 1-30) [Canvas]
- Moyo, Dambisa. 2009. *Dead Aid: Why Aid Is Not Working and Why There Is Another Way for Africa.* London: Allen Lane
 - Read: Chapter 5 (Pages 74-76) [Canvas] and [Paul Collier's review of the book](#)
- Banerjee, Abhijit, and Esther Duflo. 2011. *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty* New York: Public Affairs.
 - Read: Chapter 1 (Pages 1-16) [Canvas]

Optional Readings:

- Cohen, Jessica, and Pascaline Dupas. 2010. “[Free Distribution or Cost-Sharing? Evidence from a Randomized Malaria Prevention Experiment.](#)” *Quarterly Journal of Economics* 125(1): 1–45.
- Cohen, Jessica, and William Easterly. 2009. “Introduction: Thinking Big versus Thinking Small.” In *What Works in Development? Thinking Big and Thinking Small* Eds. Jessica Cohen and William Easterly. Washington, DC: Brookings Institution Press. Chapter 1, pages 1-23.
- Dupas, Pascaline. 2014. “Getting Essential Health Products to their End Users: Subsidize, but How Much?” *Science* 345(6202): 1279-1281.
- Kraay, Aart, and David McKenzie. 2014. “[Do Poverty Traps Exist? Assessing the Evidence.](#)” *Journal of Economic Perspectives* 28(3): 127-148.
- Balboni, Clare, Oriana Bandiera, Robin Burgess, Maitreesh Ghatak, and Anton Heil. 2022. “[Why Do People Stay Poor?](#)” *Quarterly Journal of Economics* 137(2): 785-844.
- Ravallion, Martin. 2012. “Review: Fighting Poverty One Experiment at a Time: A Review of Abhijit Banerjee and Esther Duflo’s ‘Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty’.” *Journal of Economic Literature* 50(1): 103-114.
- Ravallion, Martin. 2020. “Should the Randomistas (Continue to) Rule?” In *Randomized Control Trials in the Field of Development: A Critical Perspective*. Eds. Florent Bédécarrats, Isabelle Guérin, and François Roubaud. Chapter 1, pages 47-78.
- Rosenstein-Rodan, Paul. 1943. “[Problems of Industrialisation of Eastern and South-Eastern Europe.](#)” *Economic Journal* 53(210/211): 202-211.

Week 3: Aid Allocation I: Principals, Bureaucracy, and Who Gets What? (January 30)

Class:

- The principal-agent framework
- Constructivist approaches
- Public choice approaches
- Which countries receive foreign aid and why?
 - Governance
 - Donors’ strategic interests
 - Cold War
 - Post-9/11 period
- Aid finance types: concessional and market-based

- Aid delivery methods: bypass or engage
- Aid allocation within countries
- Methods primer: reading a regression table

Potential Student Presentation:

- Swedlund, Haley. 2017. *The Development Dance: How Donors and Recipients Negotiate the Delivery of Foreign Aid*. Ithaca, NY: Cornell University Press.

Required Readings:

- Long, Abby. 2015. “[10 Things to Know About Reading a Regression Table](#).” *EGAP Methods Guides* Accessed: January 12, 2024.
 - Read: the Abstract, Sections 1-4 & 8, and play with the [Shiny App](#)—especially if you have not previously taken statistics.
- Bermeo, Sarah. 2017. “[Aid Allocation and Targeted Development in an Increasingly Connected World](#).” *International Organization* 71: 735-766.
- Dietrich, Simone. 2021. *States, Markets, and Foreign Aid*. Cambridge: Cambridge University Press.
 - Read: Chapter 1 (Pages 1-35)
- Denly, Michael. 2025. “[Bureaucratic Autonomy and Donor Strategic Interest in Multilateral Foreign Aid](#).” Working paper.
- Briggs, Ryan. 2021. “[Why Foreign Aid Does Not Target the Poorest](#).” *International Studies Quarterly* 65(3): 739–752.

Optional Readings:

- Hawkins, Darren, David Lake, Daniel Nielson, and Michael Tierney. 2006. *Delegation and Agency in International Organizations*. Cambridge: Cambridge University Press.
- Vivalt, Eva, and Aidan Coville. 2023. “[How Do Policymakers Update their Beliefs?](#)” *Journal of Development Economics* 165(103121): 1-14.

Week 4: Aid Allocation II: Legitimacy and Public Opinion (February 6)Class:

- Guest appearance from Professor Andrew Natsios, former USAID Administrator
- Citizen perspectives on aid in donor countries
- Citizen perspectives on aid in recipient countries

- Elite perspectives on aid in recipient countries
- Political credit-claiming
- Methods primer: interactions (part 1)

Required Readings:

- Clark, William Roberts, and Matt Golder. 2023. *Interaction Models: Specification and Interpretation*. Cambridge: Cambridge University Press.
 - Read: Pages 1-2 and xxi-xxii from the Preface (in that order)
- Prather, Lauren. 2024. “[Ideology at the Water’s Edge: Explaining Variation in Public Support for Foreign Aid.](#)” *World Development* 176(106472): 1-14.
- Baldwin, Kate, and Matthew Winters. 2023. “[Foreign Aid and Political Support: How Politicians’ Aid Oversight Capacity and Voter Information Condition Credit-Giving.](#)” *World Politics* 75(1): 1-42.
- Findley, Michael, Adam Harris, Daniel Nielson, and Helen Milner. 2017. “[Who Controls Foreign Aid? Elite Versus Public Perceptions of Donor Influence in Aid-Dependent Uganda.](#)” *International Organization* 71(4): 633-663.

Optional Readings:

- Bearce, David, and Brandy Joliff Scott. 2019. “[Popular Non-Support for International Organizations: How Extensive and What Does This Represent?](#)” *Review of International Organizations* 14: 187–216.
- Cruz, Cesi, and Christina Schneider. 2017. “[Foreign Aid and Undeserved Credit Claiming.](#)” *American Journal of Political Science* 61(2): 396-408.
- Dietrich, Simone, Minhaj Mahmud, and Matthew S. Winters. 2018. “[Foreign Aid, Foreign Policy, and Domestic Government Legitimacy: Survey Experimental Evidence from Bangladesh.](#)” *Journal of Politics* 80(1): 133-148.
- Milner, Helen, Daniel Nielson, and Michael Findley. 2016. “[Citizen Preferences and Public Goods: Comparing Preferences for Foreign Aid and Government Programs in Uganda.](#)” *Review of International Organizations* 11: 219–245.
- de la Cuesta, Brandon, Helen Milner, Daniel Nielson, and Stephen Knack. 2019. “[Oil and Aid Revenue Produce Equal Demands for Accountability as Taxes in Ghana and Uganda.](#)” *Proceedings of the National Academy of Sciences* 116(36): 17717-17722.

Required Aid Data Assignment:

1. Download [aid data from the OECD DAC](#) for the 1990-2020 period.
2. Document the total aid commitments levels for the top 5 bilateral donors in the data, using a line graph.

3. Document the total aid commitment levels for the top 5 multilateral donors examined in the data, using a line graph.
4. Using line graphs, disaggregate your results for each individual donor.
5. Present a tables of the top 5 donors, including both bilateral and multilateral ones.
6. Present a table of the top 5 recipients.

Ensure that all of your results are presented in deflated/constant dollars, so as to take into account potential inflation. Please complete this assignment with another classmate, one of whom should have previously taken Quantitative Methods 1 or 2 with me. Both students will receive the same grade on the assignment, but please both submit your assignment on Canvas before the start of class.

Students may complete the assignment in R, Excel, or Stata. If students choose to complete the assignment in R or Stata, they must submit the data file as an Excel or CSV file as well as include a Word Document or .pdf file that responds to the individual questions to complement the coding file. If using R, the easiest way to complete the assignment would be through a Quarto document. If using Stata, it may be easiest using Stata Markdown. If using Excel, please make separate tabs for each plot on the Excel file to complement the Word document or .pdf file explaining the results.

Week 5: Aid Effectiveness and Growth I: Modernization, Institutions, and Politics (February 13)

Class:

- Guest lecture from Professor David Bearce, Texas A&M University
- The aggregate long-term effect of foreign aid on economic growth
- The short-term effect of foreign aid on growth
- The moderating effect of institutions of aid on growth
- The Cold War's effect on the aid-growth nexus
- Methods primer: interactions (part 2)
- Methods primer: instrumental variables

Required Readings:

- Bearce, David, and Daniel Tirone. 2010. "[Foreign Aid Effectiveness and the Strategic Goals of Donor Governments.](#)" *Journal of Politics* 72(3): 837-851.
- Arndt, Channing, Sam Jones, and Finn Tarp. 2015. "[Assessing Foreign Aid's Long-run Contribution to Growth and Development.](#)" *World Development* 69: 6-18.
 - Read the instrumental variables primer on Canvas prior to reading this article.

- Clark, William Roberts, and Matt Golder. 2023. *Interaction Models: Specification and Interpretation*. Cambridge: Cambridge University Press.
 - Read: pages 15-27.
- Burnside, Craig, and David Dollar. 2000. “[Aid, Policies, and Growth](#).” *American Economic Review* 90(4): 847-868.
- Kraay, Aart. 2012. “[How Large Is the Government Spending Multiplier? Evidence from World Bank Lending](#).” *Quarterly Journal of Economics* 127(2): 829-887.
 - Read: pages 829-834 (“Introduction”)

Optional Readings:

- Arndt, Channing, Sam Jones, and Finn Tarp. 2016. “[What Is the Aggregate Economic Rate of Return to Foreign Aid?](#)” *World Bank Economic Review* 30(3): 446-474.
- Burnside, Craig, and David Dollar. 2004. “[Aid, Policies, and Growth: Revisiting the Evidence](#).” Policy Research Working Paper; No. 3251. Washington, DC: World Bank.
- Civelli, Andrea, Andrew Horowitz, and Arilton Teixeira. 2018. “[Foreign Aid and Growth: A SP P-VAR analysis Using Satellite Sub-National Data for Uganda](#).” *Journal of Development Economics* 134:50-67.
- Dalgaard, Carl-Johan, and Henrik Hansen. 2017. “[The Return to Foreign Aid](#).” *Journal of Development Studies* 53(7): 998-1018.
- Douch, Mustapha, Huw Edwards, Todd Landman, and Sushanta Mallick. 2022. “[Aid Effectiveness: Human Rights as a Conditionality Measure](#).” *World Development* 158(105978): 1-22.
- Temple, Jonathan, and Nicolas Van de Sijpe. 2017. “[Foreign Aid and Domestic Absorption](#).” *Journal of International Economics* 108: 431-443.

Week 6: Aid Effectiveness and Growth II: Paths and Silver Bullets (February 20)

Class:

- The value of Western advice and best practices
- The Washington Consensus
- The Augmented Washington Consensus
- Structural adjustment
- The Strategic Compact
- The Highly-Indebted Poor Countries Initiative (HIPC)
- The Millennium Development Goals (MDGs)

- The Sustainable Development Goals (SDGs)

Potential Student Presentations:

- Sharma, Patrick. 2017. *Robert McNamara's Other War: The World Bank and International Development*. Philadelphia: University of Pennsylvania Press.
- Wolfensohn, James. 2010. *A Global Life: A Global Life: My Journey Among Rich and Poor, from Sydney to Wall Street to the World Bank*. Public Affairs: New York.

Required Readings:

- Acemoglu, Daron, and James Robinson. 2012. *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. New York: Crown Books.
 - Read: only pages 63-69 (“The Ignorance Hypothesis”) [e-book on library website]
- Williamson, John. 2000. “[What Should the World Bank Think about the Washington Consensus?](#)” *World Bank Research Observer* 15(2): 251-264.
- Rodrik, Dani. 2006. “[Goodbye Washington Consensus, Hello Washington Confusion? A Review of the World Bank's Economic Growth in the 1990s: Learning from a Decade of Reform.](#)” *Journal of Economic Literature* 44(4): 973-987.
- Easterly, William. 2019. “[In Search of Reforms for Growth: New Stylized Facts on Policy and Growth Outcomes.](#)” NBER Working Paper.

Optional Readings:

- Grier, Kevin, and Robin Grier. 2021. “[The Washington Consensus Works: Causal Effects of Reform, 1970-2015.](#)” *Journal of Comparative Economics* 49(1): 59-72.
- Estevadeordal, Antoni, and Alan M. Taylor. 2013. “[Is the Washington Consensus Dead? Growth, Openness, and the Great Liberalization, 1970s–2000s](#)” *Review of Economics and Statistics* 95(5): 1669–1690.
- Marchesi, Silvia, and Emanuela Sirtori. 2011. “[Is Two Better than One? The Effects of IMF and World Bank Interaction on Growth.](#)” *Review of International Organizations* 6: 287–306.
- Easterly, William. 2007 “[Was Development Assistance a Mistake?](#)” *AEA Papers and Proceedings* 97(2): 328-332.

Week 7: Midterm Exam (February 27)

Class:

- Exam

Week 8: Aid Effectiveness, Democratization, and Fungibility (March 6)

Class:

- The aid curse
- The aid-democracy nexus
- Elite capture of foreign aid

Potential Student Presentation:

- Natsios, Andrew. 2024. *Guns Are Not Enough: Foreign Aid in the National Interest*. Unpublished Manuscript.

Required Readings:

- Altincekic, Ceren, and David Bearce. 2014. [“Why There Should Be No Political Foreign Aid Curse.”](#) *World Development* 64: 18-32.
- Bermeo, Sarah. 2016. [“Aid Is Not Oil: Donor Preferences, Heterogeneous Aid, and the Aid-Democratization Relationship.”](#) *International Organization* 70(1): 1-32.
 - Read the whole article, except only skim the “Modeling Foreign Aid” section (Pages 8-12)
- Andersen, Jorgen Juel, Niels Johannessen, and Bob Rijkers. 2022. [“Elite Capture of Foreign Aid: Evidence from Offshore Bank Accounts.”](#) *Journal of Political Economy* 130(2): 388-425.

Optional Readings:

- Collier, Paul. 2006. [“Is Aid Oil? An Analysis Of Whether Africa Can Absorb More Aid.”](#) *World Development* 34(9): 1482-1497.
- Jones, Sam, and Finn Tarp. 2016. [“Does Foreign Aid Harm Political Institutions?”](#) *Journal of Development Economics* 118: 266-281.
- Van de Walle, Dominique, and Ren Mu. 2007. [“Fungibility and the Flypaper Effect of Project Aid: Micro-Evidence for Vietnam”](#) *Journal of Development Economics* 84(2): 667-685.
- Van de Sijpe, Nicolas. 2013. [“Is Foreign Aid Fungible? Evidence from the Education and Health Sectors.”](#) *World Bank Economic Review* 27(2): 320-356.
- Wright, Joseph. 2009. [“How Foreign Aid Can Foster Democratization in Authoritarian Regimes.”](#) *American Journal of Political Science* 53(3): 552–571.
- Feyzioglu, Tarhan, Vinaya Swaroop, and Min Zhu. 1998. [“A Panel Data Analysis on the Fungibility of Foreign Aid.”](#) *World Bank Economic Review* 12(1): 29-58.

Spring Break – NO CLASS (March 13)

Week 9: Aid and the Participation Quandary (March 20)

Class:

- Guest appearance from Professor Jessica Gottlieb
- Beneficiary participation in foreign aid
- Community-driven development
- Community-driven reconstruction
- The role of non-governmental organizations (NGOs) in aid

Potential Student Presentation:

- Agarwal, Sanjay, and Warren A. Van Wicklin. 2020. *How, When and Why to Use Demand-side Governance Approaches in Projects*. Washington, DC: World Bank.

Required Readings:

- Casey, Katherine. 2018. "[Radical Decentralization: Does Community-Driven Development Work?](#)" *Annual Review of Economics* 10: 139-163.
- Samii, Cyrus. 2023. "[Revisiting Community-Driven Reconstruction in Fragile States](#)." UNU-WIDER Working paper.
- Bleck, Jaimie, Lucia Carillo, Jessica Gottlieb, Katrina Kosec, Jordan Kyle, and Moumouni Soumano. 2024. "[Unlocking Locally-led Resilience amid Conflict and Climate Stress Views from Community Leaders in Mali on Development Priorities, Aid Distribution, and Anticipatory Action](#)." International Food Policy Research Institute Working Paper 02272

Optional Readings:

- Baldwin, Kate, Dean Karlan, Christopher Udry, and Ernest Appiah. 2023. "[How Political Insiders Lose Out When International Aid Underperforms: Evidence From a Participatory Development Experiment in Ghana](#)." *World Development* 169(106296): 1-14.
 - Read the article or listen the [VoxDev](#) podcast.
 - Björkman, Martina, Damien de Walque, and Jakob Svensson. 2017. "[Experimental Evidence on the Long-Run Impact of Community-Based Monitoring](#)." *American Economic Journal: Applied Economics* 9(1): 33-69.
 - Fearon, James, Macartan Humphreys, and Jeremy Weinstein. 2009. "[Can Development Aid Contribute to Social Cohesion after Civil War? Evidence a Field Experiment in Post-Conflict Liberia](#)." *American Economic Review* 99(2): 287-291.
 - Pritchett, Lant, and Michael Woolcock. 2004. "[Solutions when the Solution is the Problem: Arraying the Disarray in Development](#)." *World Development* 32(2): 191-212.
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Week 10: Reducing Poverty through Cash Transfers and Social Protection (March 27)

Class:

- Guest lecture from Dr. Arthur Alik-Lagrange, Senior Poverty Economist at the World Bank
- Unconditional cash transfers (e.g., Give Directly)
- Conditional cash transfers (e.g., Bolsa Familia, PROGRESA/Oportunidades)
- Workfare programs
- Poverty targeting methods: proxy-means test, household economy analyses, etc.
- Approaches in fragile states

Required Readings:

- Alik-Lagrange, Arthur, Sarah K. Dreier, Milli Lake, and Alesha Porisky. 2021. "[Social Protection and State–Society Relations in Environments of Low and Uneven State Capacity.](#)" *Annual Review of Political Science* 24: 151-174.
 - Read the article and listen to this [VoxDev podcast](#).
- Baird, Sarah, Craig McIntosh, and Berk Özler. 2011. "[Cash or Condition: Evidence from a Cash Transfer Experiment.](#)" *Quarterly Journal of Economics* 126(4): 1709–1753.
- Egger, Dennis, Johannes Haushoffer, Edward Miguel, Paul Niehaus, and Michael Walker. 2022. "[General Equilibrium Effects of Cash Transfers: Experimental Evidence From Kenya.](#)" *Econometrica* 90(6): 2603-2643.

Optional Readings:

- Hanna, Remma, and Benjamin Olken. 2026. [Handbook of Social Protection](#). Cambridge, MA: MIT Press.
- Lake, Milli, Robert Pierotti, and Arthur-Alik Lagrange. 2023. "[Resilience, Vulnerability, and Social Isolation: Barriers to Poverty Reduction in War.](#)" *International Studies Quarterly* 67(squad075): 1-15.
- Alik-Lagrange, Arthur, Nicolas Buehren, Marcus Goldstein, and Johannes Hoogeveen. 2023. "[Welfare Impacts of Public Works in Fragile and Conflict-Affected Economies: The Londö Public Works in the Central African Republic.](#)" *Labour Economics* 81(102293): 1-19.
- Banerjee, Abhijit, Rema Hanna, Benjamin Olken, and Diana Sverdlin Lisker. 2024. "[Social Protection in the Developing World.](#)" *Journal of Economic Literature*
- Ravallion, Martin. 2016. *The Economics of Poverty: History, Measurement, and Policy* Oxford: Oxford University Press

Week 11: Aid Effectiveness and Civil Conflict (April 3)

Class:

- Guest lecture from Professor Michael Findley, University of Texas at Austin (tentative)
- Winning hearts and minds through foreign aid
- The direct, indirect, and conditional effects of aid on war
- Capture of foreign aid by non-state actors (e.g., rebel groups)

Potential Student Presentation:

- TBD

Required Readings:

- Berman, Eli, Jacob Shapiro, and Joseph Felter. 2015. "[Aid for Peace: Does Money Buy Hearts and Minds?](#)" *Foreign Affairs* [Canvas]
- Findley, Michael. 2018. "[Does Foreign Aid Build Peace?](#)" *Annual Review of Political Science* 21:359–84.
- Carnegie, Allison, Kimberly Howe, Adam Lichtenheld, and Dipali Mukhopadhyay. 2022. "[Winning Hearts and Minds for Rebel Rulers: Foreign Aid and Military Contestation in Syria.](#)" *British Journal of Political Science* 52(3): 1333-1354.

Required Aid or Cash Assignment:

- Based on what you have learned thus far in the course, please submit a 2-3 page reflection (12 point font; double-spaced) answering one question: if money was not an issue, would it best to design to a foreign aid program to give some form of a cash transfer or a more traditional input-oriented aid program? When answering this question, you must cite at least 4 required or optional course readings with page numbers. There is no *correct* answer here, but some answers will be more convincing than others, depending on how they integrate citations to course material.

Optional Readings:

- Berman, Eli, Jacob Shapiro, and Joseph Felter. 2011. "[Can Hearts and Minds Be Bought? The Economics of Counterinsurgency in Iraq.](#)" *Journal of Political Economy* 119(4): 766-819.
- Girod, Desh. 2012. "[Effective Foreign Aid Following Civil War: The Nonstrategic-Desperation Hypothesis.](#)" *American Journal of Political Science* 56(1): 188-201.
- Findley, Michael, Joseph K. Young, Daniel Strandow, and Olgahan Cat. 2023. "[Aiding War: Foreign Aid and the Intensity of Violent Armed Conflict.](#)" *International Studies Quarterly* 67(squad048): 1-15.
- Child, Travers B. 2023. "[Losing Hearts and Minds: Aid and Ideology.](#)" *Journal of Conflict Resolution* 67(2-3): 457-493.

- Child, Travers B. 2019. “[Conflict and Counterinsurgency Aid: Drawing Sectoral Distinctions.](#)” *Journal of Development Economics* 141(102245): 1-13.
- Campbell, Susanna, and Gabriele Spilker. 2022. “[Aiding War or Peace? The Insiders’ View on Aid to Postconflict Transitions.](#)” *Journal of Politics* 84(3): 1370-1383.
- Sexton, Renard, and Christoph Zürcher. 2024. “[Aid, Attitudes, and Insurgency: Evidence from Development Projects in Northern Afghanistan.](#)” *American Journal of Political Science*
- Zürcher, Christoph. 2017. “[What Do We \(Not\) Know About Development Aid and Violence? A Systematic Review.](#)” *World Development* 98: 506-522.

Week 12: Aid Effectiveness, Project Outcomes, and Bureaucrats (April 10)

Class:

- Guest lecture from Dr. Mirko Heinzel, Maastricht University
- Macro/country-level determinants of aid outcomes
- Micro/project-level determinants of aid outcomes
- Bureaucrats’ contributions to aid effectiveness
- Earmarked funding and its impact on aid bureaucracies and effectiveness
- Methods primer: standard natural experiments

Potential Student Presentation:

- Weaver, Catherine. 2008. *Hypocrisy Trap: The World Bank and the Poverty of Reform*. Princeton: Princeton University Press.

Required Readings:

- Bulman, David, Walter Kolkma, and Aart Kraay. 2017. “[Good Countries or Good Projects? Macro and Micro Correlates of World Bank and Asian Development Bank Project Performance.](#)” *Review of International Organizations* 12: 335–363.
- Heinzel, Mirko. 2022. “[International Bureaucrats and Organizational Performance: Country-Specific Knowledge and Sectoral Knowledge in World Bank Projects](#)” *International Studies Quarterly* 66(squac013): 1-13.
- Heinzel, Mirko, Ben Cormier, and Bernhard Reinsberg. 2023. “[Earmarked Funding and the Control–Performance Trade-Off in International Development Organizations.](#)” *International Organization* 77(2): 475-495.
- Clark, Richard, and Noah Zucker. 2024. “[Climate Cascades: IOs and the Prioritization of Climate Action.](#)” *American Journal of Political Science*

Optional Readings:

- Einhorn, Jessica. 2001. “[The World Bank’s Mission Creep.](#)” *Foreign Affairs* 80(5): 22-35.
- Ashton, Leigh, Jed Friedman, Diana Goldemberg, Mustafa Zakir Hussain, Thomas Kenyon, Akib Khan, and Mo Zhou. 2023. “[A Puzzle with Missing Pieces: Explaining the Effectiveness of World Bank Development Projects](#)” *World Bank Research Observer* 38(1): 115–146.
- Honig, Dan. 2019. “[When Reporting Undermines Performance: The Costs of Politically Constrained Organizational Autonomy in Foreign Aid Implementation.](#)” *International Organization* 73(1), 171–201.
- Winters, Matthew. 2019. “[Too Many Cooks in the Kitchen? The Division of Financing in World Bank Projects and Project Performance.](#)” *Politics and Governance* 7(2): 117-126..

Week 13: Aid Effectiveness, Project Outcomes, and Corruption (April 17)

Class:

- Guest lecture from Daniel Boyce, Former Practice Manager in Public Financial Management for the Europe & Central Asia and Latin America Regions at the World Bank
- Input-based financing
- Results-based financing
- Audits
- Procurement
- Isomorphic mimicry and best practices
- Methodological primer on matching

Potential Student Presentation:

- Levy, Brian. 2014. *Working with the Grain: Integrating Governance and Growth in Development Strategies*. Oxford: Oxford University Press.

Required Readings:

- Kenny, Charles. 2017. *Results, Not Receipts: Counting the Right Things in Aid and Corruption*. Washington, DC: Center for Global Development.
 - Read: Chapter 1 (Pages 1-17)
- Fukuyama, Francis, and Francesca Recanatini. 2021. “[Corruption, Elites, and Power: An Overview of International Policy Efforts to Improve the Quality of Government?](#)” *Oxford Handbook of the Quality of Government* Oxford: Oxford University Press. Chapter 22: 471-494.
- Olken, Benjamin. 2007. “[Monitoring Corruption: Evidence from a Field Experiment in Indonesia.](#)” *Journal of Political Economy* 115(2): 200-249.

– Read: Pages 200-207

- Denly, Michael. 2024. “[Aid, Institutions, and the Potential of Anti-Corruption.](#)” Working paper.

Optional Readings:

- Dávid-Barrett, Elizabeth, and Mihály Fazekas. 2020. “[Anti-Corruption in Aid-Funded Procurement: Is Corruption Reduced or Merely Displaced?](#)” *World Development* 132(105000): 1-13.
- Olken, Benjamin, Junko Onishi, and Susan Wong. 2014. “[Should Aid Reward Performance? Evidence from a Field Experiment on Health and Education in Indonesia.](#)” *American Economic Journal: Applied Economics* 6(4): 1-34.

Week 14: Aid Compliance, Conditionality, and Externalities (April 24)

Class:

- Guest lecture from Iván Besserer, Senior Social Safeguards Specialist at the World Bank’s International Finance Corporation (tentative)
- External determinants of aid compliance
- Bureaucratic determinants of aid compliance
- Environmental and social safeguard policies
- Private-sector approaches to development

Potential Student Presentations:

- Buntaine, Mark. 2016. *Giving Aid Effectively: The Politics of Environmental Performance and Selectivity at Multilateral Development Banks*. Oxford: Oxford University Press.
- Park, Susan. 2022. *The Good Hegemon: US Power, Accountability as Justice, and the Multilateral Development Banks*. Oxford: Oxford University Press.
- Tello, Rodolfo. 2015. *Social Safeguards: Avoiding the Unintended Impacts of Development*. Arlington, Virginia: Amakella Publishing.

Required Assignment:

- Based on Dambisa Moyo’s *Dead Aid* and what you have learned from other readings in the course, write 5-6 double-spaced pages in 12-point font documenting (a) what remains true; (b) what Moyo exaggerated or took out of context; and (c) what we know more about now given that the book was initially published in 2009. Please work independently on this assignment—i.e., do not work with others. Additionally, please reference specific page numbers when referring to Moyo’s arguments. Usually, it is helpful to reference page numbers when referring to other articles, too.

Required Readings:

- Girod, Desh, and Jennifer Tobin. 2017. [“Take the Money and Run: The Determinants of Compliance with Aid Agreements.”](#) *International Organization* 70(1): 209-239.
- Rappeport, Alan. 2024. [“Investigation Finds World Bank Failed to Police Abuse at Kenyan Schools.”](#) *New York Times* March, 24, 2024.
- Compliance Advisor Ombudsman for IFC & MIGA. 2023. [“Compliance Investigation Report CAO Initiated Investigation of IFC’s Investment in Bridge International Academies \(Bridge-04\).”](#)
 - Read only the executive summary
- International Consortium of Investigative Journalists. 2015. [“Evicted and Abandoned: The World Bank’s Broken Promise to the Poor.”](#)
 - Read the main findings and watch a few of the videos
- Denly, Michael. 2023. [“Preventing the Negative Externalities of Development.”](#) Working Paper.

Optional Readings:

- Reinsberg, Bernhard, Thomas Stubbs, and Kentikelenis, Alexander. 2022. [“Unimplementable by Design? Understanding \(Non-\)Compliance with International Monetary Fund Policy Conditionality.”](#) *Governance* 35: 689-715.
- Wolfram, Catherine, Edward Miguel, Eric Hsu, and Susanna Berkouer. 2023. [“Contracting Structures in Public Procurement: Evidence from Donor-Funded Electrification in Kenya.”](#) NBER Working Paper.
 - Watch [the presentation](#) or read the paper

In Lieu of a Final Exam: Mock Job Interview

Many students take this course because they see working in foreign aid as a viable career option. In this light, there will be no final exam. Instead, there will be a mock interview for the same entry-level job at the World Bank that I received when I was a 26-year-old, recent Master’s degree graduate.

Mock job description: The World Bank is seeking a junior consultant to work on introductory data analysis regarding its projects and operations. In particular, the selected candidate will contribute to (i) safeguarding the quality of the World Bank’s operational data portfolio through the analysis and revision of project-level sector and theme codes, climate change adaptation and mitigation co-benefits, and other project-level data initiatives; (ii) engaging with external actors, including the OECD DAC and International Aid Transparency Initiative, as well as adapting and coding data according to their classification systems; and (iii) reporting to senior management on the status of World Bank commitments, disbursements, procurement, and the lending pipeline.

The selected candidate will have a Master’s degree in economics, political science, public policy, or a field related to international development. It will also be necessary for the selected candidate have at least 2-3 years of related experience. Especially valuable will be a holistic understanding of foreign aid and the World Bank’s approach to

it—notably, the major bullet points covered in each class on this syllabus; relevant data cleaning skills in programs such as Excel, R, and/or Stata; and knowledge of statistics and causal inference methods. (Hint to students: make sure you understand the methods covered in the articles that we read.)

Interested candidates should submit a 1-2 page resume and cover letter at least one day prior to the interview on Canvas.

Acknowledgment

Some of the material above draws from Professor Matt Winters' 2014 foreign aid syllabus, which he has posted on his [website](#). Thank you, Matt!

University Policies

Attendance Policy

The university views class attendance and participation as an individual student responsibility. Students are expected to attend class and to complete all assignments.

Please refer to [Student Rule 7](#) in its entirety for information about excused absences, including definitions, and related documentation and timelines.

Makeup Work Policy

Students will be excused from attending class on the day of a graded activity or when attendance contributes to a student's grade, for the reasons stated in Student Rule 7, or other reason deemed appropriate by the instructor.

Please refer to [Student Rule 7](#) in its entirety for information about makeup work, including definitions, and related documentation and timelines.

Absences related to Title IX of the Education Amendments of 1972 may necessitate a period of more than 30 days for make-up work, and the timeframe for make-up work should be agreed upon by the student and instructor" ([Student Rule 7, Section 7.4.1](#)).

"The instructor is under no obligation to provide an opportunity for the student to make up work missed because of an unexcused absence" ([Student Rule 7, Section 7.4.2](#)).

Students who request an excused absence are expected to uphold the Aggie Honor Code and Student Conduct Code (See [Student Rule 24](#)).

Academic Integrity Statement and Policy

"An Aggie does not lie, cheat or steal, or tolerate those who do."

"Texas A&M University students are responsible for authenticating all work submitted to an instructor. If asked, students must be able to produce proof that the item submitted is indeed the work of that student. Students must keep appropriate records at all times. The inability to authenticate one's work, should the instructor request it, may be sufficient grounds to initiate an academic misconduct case" ([Section 20.1.2.3, Student Rule 20](#)).

You can learn more about the Aggie Honor System Office Rules and Procedures, academic integrity, and your rights and responsibilities at aggiehonor.tamu.edu.

Notice of Nondiscrimination

Texas A&M University is committed to providing safe and non-discriminatory learning, living, and work environments for all members of the University community. The University provides equal opportunity to all employees, students, applicants for employment or admission, and the public regardless of race, color, sex (including pregnancy and related conditions), religion, national origin, age, disability, genetic information, or veteran status. Texas A&M University will promptly, thoroughly, and fairly investigate and resolve all complaints of discrimination, harassment (including sexual harassment), complicity and related retaliation based on a protected class in accordance with System Regulation 08.01.01, University Rule 08.01.01.M1, Standard Administrative Procedure (SAP) 08.01.01.M1.01, and applicable federal and state laws. In accordance with Title IX and its implementing regulations, Texas A&M does not discriminate on the basis of sex in any educational program or activity, including admissions and employment. The following person has been designated to handle inquiries and complaints regarding the non-discrimination policies: Jennifer M. Smith, TAMU Associate VP & Title IX Coordinator at YMCA Ste 108, College Station, TX 77843, 979-458-8407, or email civilrights@tamu.edu. For other reporting options, visit <https://ocrcas.ed.gov/contact-ocr> to locate the address and phone number of the office that serves your area, or call 1-800-421-3481.

Civil Rights, Free Speech, and Title IX Policies

Texas A&M University is committed to fostering a learning environment that is safe and productive for all. University policies and federal and state laws prohibit discrimination and harassment based on an individual's race, color, sex, (including pregnancy and related conditions), religion, national origin, age, disability, genetic information, veteran status, or any other legally protected characteristic. This includes forms of sex-based violence, such as sexual assault, sexual harassment, sexual exploitation, dating/domestic violence, and stalking.

Students can report discrimination/harassment, access supportive resources, or learn more about their options for resolving complaints on the [University's Civil Rights & Title IX webpage](#).

Students should be aware that all university employees (except medical or mental health providers) are mandatory reporters, which means that if they observe, experience or become aware of an incident that they reasonably believe to be discrimination/harassment alleged to have been committed by or against a person who was a student or employee at the time of the incident, the employee must report the incident to the university.

Americans with Disabilities Act (ADA) Policy

Texas A&M University is committed to providing equitable access to learning opportunities for all students. If you experience barriers to your education due to a disability or think you may have a disability, please contact the Disability Resources office on your campus (resources listed below) Disabilities may include, but are not limited to attentional, learning, mental health, sensory, physical, or chronic health conditions. All students are encouraged to discuss their disability related needs with Disability Resources and their instructors as soon as possible.

To request academic accommodations, contact the designated ADA office based on your location:

- Texas A&M University, College of Nursing, College of Dentistry, Irma Lerma Rangel College of Pharmacy College Station, College of Medicine, School of Public Health, Institute of Biosciences and Technology, EnMed Program, Bush School in Washington DC, Mays Business School – CityCentre, TAMU Engineering Academies, Texas A&M University Higher Education Center at McAllen and Texas A&M University at Galveston should contact [Disability Resources](#) at (979) 845-1637 or disability@tamu.edu.

If you are experiencing difficulties with your approved accommodations, contact the office responsible for approving your accommodations or the Texas A&M ADA Coordinator Julie Kuder at ADA.Coordinator@tamu.edu or (979) 458-8407.

Pregnancy Accommodations

Texas A&M provides reasonable accommodations to students due to pregnancy and/or related conditions, such as childbirth, recovery and lactation. Students should contact the University's [Pregnancy Coordinator](#) as soon as they become aware of the need for accommodation. Depending on the circumstances, accommodations could include extended time to complete assignments or exams, changes in course sequence, or modifications to the physical classroom environment. Texas A&M will also allow a voluntary leave of absence, ensure the availability of lactation space, and maintain grievance procedures to provide for the prompt and equitable resolution of complaints of sex discrimination. For information regarding pregnancy accommodations, email TIX.Pregnancy@tamu.edu.

Statement on Mental Health and Wellness

Texas A&M University recognizes that mental health and wellness are critical factors influencing a student's academic success and overall wellbeing. Students are encouraged to engage in healthy self-care practices by utilizing the resources and services available through [University Health Services](#) on its [mental health webpage](#). The [TELUS Health Student Support app](#) provides access to professional counseling in multiple languages anytime, anywhere by phone or chat, and the 988 Suicide & Crisis Lifeline offers 24-hour emergency support at 988 or 988lifeline.org.

Texas A&M College Station

Students needing a listening ear can contact University Health Services (979.458.4584) 24-hour emergency help is also available through the 988 Suicide & Crisis Lifeline (988) or at 988lifeline.org.

Statement on the Family Educational Rights and Privacy Act (FERPA)

FERPA is a federal law designed to protect the privacy of educational records by limiting access to these records, to establish the right of students to inspect and review their educational records and to provide guidelines for the correction of inaccurate and misleading data through informal and formal hearings. Currently enrolled students wishing to withhold any or all directory information items can do so within howdy.tamu.edu using the Directory Information Withholding Form. The complete [FERPA Notice To Students](#) and the student records policy is available on the Office of the Registrar webpage. Items that can never be identified as public information are a student's social security number, citizenship, gender, grades, GPR or class schedule. All efforts will be made in this class to protect your privacy and to ensure confidential treatment of information associated with or generated by your participation in the class.

Directory items include name, UIN, local address, permanent address, email address, local telephone number, permanent telephone number, dates of attendance, program of study (college, major, campus), classification, previous institutions attended, degrees honors and awards received, participation in officially recognized activities and sports, medical residence location and medical residence specialization.

Free Speech and Civil Discourse

Texas A&M recognizes that the pursuit of truth through open and robust discourse is critical to academic inquiry. However, as a community of scholars, the university has an aspirational expectation that such discourse will be conducted in accordance with Aggie Core Values. In this "marketplace of ideas," we encourage civil dialogue cre-

ating an environment that allows individuals to express their ideas and to have their ideas challenged in respectful and responsible ways. Students can learn more about Freedom of Expression and Free Speech on the University's [website](#) about the [First Amendment](#).

Artificial Intelligence Statement

Generative Artificial Intelligence (AI) text generators and natural language processing tools, including but not limited to ChatGPT and Claude, are explicitly prohibited for quizzes and exams in this course. The professor also highly discourages the use of these tools to complete in-class group work and Dream Job assignments. However, students may use generative AI tools for *coding help* as a last-resort measure—i.e., after checking with your classmates, the professor, and online help forums, etc. In any case, students may not use generative AI tools for the write up of their assignments. Submitting work with a significant percentage of AI-generated content can be considered academic misconduct under Texas A&M University Student Rule 20. Exceptions including pre-existing software additions such as spelling and grammar checkers, which are acceptable. Honestly, it is very easy for professors to spot if you use ChatGPT or another generative AI tool, so particularly in this first course, try to do everything yourself. It will pay off in the long run.