<u>Making Aid Effective</u>

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Introduction

In the current era of globalization, it is concretely clear that the developed world has left developing countries behind in terms of living standards and economic integration. While developed economies have shifted to a focus on information and technologies services, a vast majority of less developed countries (LDCs) still struggle to provide basic necessities to their citizens, and many of these same economies have yet to be introduced to many technological improvements that have enabled sustained growth in developed countries. This gap has become all too apparent for much of the world, and one tool, utilized by countless non-governmental and international organizations, seeks to narrow this divide between the developed and developing worlds: foreign aid.

Foreign aid has become the go-to mechanism for neoclassical economic development as it has allowed capitalist institutions, like the World Bank and the International Monetary Fund (IMF), to seemingly spread neoclassical policy while also encouraging private sector growth and, in turn, economic development for LDCs. However, a general consensus on aid's effectiveness in driving growth or development in LDCs is far from being reached. There are obvious stories of aid success, such as its important role in driving the implementation of Green Revolution technologies in LDCs, which allowed for crucial increases in agricultural productivity, but it seems that for every story of success there is a commensurate story of aid failure. In the case of the Democratic Republic of Congo, the Reagan administration's anti-Soviet agenda during the Cold War led to the complicit funding of Mobutu Sese Seko, who merely stole aid funds for himself and his political supporters[1]. Similarly, IMF loans in Pakistan were used by corrupt officials to "pay" ghost employees in the Pakistani educational system, so in reality, the funds

[1] Andy Baker, "Underdevelopment and Diversity in the Global South," in *Shaping the Developing World the West, the South, and the Natural World*, ed. Christina West (London: SAGE, 2022), 24–26.

were grossly misused and created no real benefit for Pakistani citizens[2]. Even though the goals of aid are often good in nature, other agendas, both on the part of donors and recipients, often reduce aid effectiveness.

In this paper, I argue that aid projects must be greatly improved in a number of ways for them to have any positive effect on development. The blind distribution of aid money to LDCs has evidently established no long lasting transformations to state development due to the shortsighted, uninvolved, and wasteful nature of current aid programs. In order for aid to effectively drive economic and human development, the long term viability of aid solutions must be a priority, donors and recipients must both be equally involved in aid design and implementation, project outcomes must be properly monitored and evaluated to ensure that aid continually provides benefits to recipients, and aid coming from a variety of sources must be organized in a harmonious manner that allows for easy communication of goals and implementation between donors and recipients.

Theory

Theoretical understandings of the effectiveness of aid are grounded in various factors that reflect fundamental determinants of developmental capacity. One idea, supported by numerous aid theorists, is that the strength of recipient countries' institutions and economic policy plays a significant role in aid effectiveness. This idea led to the belief that aid is most effective when it is directed toward countries with appropriate institutions, economic policy, and a general willingness to fully reform economically, and this has led to the implementation of conditionality in foreign aid, which is often employed by the IMF. In Axel Dreher's "IMF Conditionality:

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[2] Andy Baker, "Foreign Aid and the Bretton Woods Institutions," in *Shaping the Developing World the West, the South, and the Natural World*, ed. Christina West (London: SAGE, 2022), 140–167.

Theory and Evidence," Dreher claims that the IMF exploits aid conditions to "bribe" governments to pursue desired policies as it restricts the way aid is spent if the conditions are not met[3].

The idea of aid conditionality is controversial, and conclusions regarding their effectiveness are, well, inconclusive. One economic theorist, William Easterly, states, in "Can Foreign Aid Buy Growth?", that the IMF and the World Bank repeatedly give aid to countries, like Kenya, that repeatedly violate loan conditionality, which renders conditions useless in judging whether or not countries have, or are willing to reform to, the correct institutions[4]. In the article "A Primer on Foreign Aid" from Steven Radelet, Radelet outlines three apparent problems with the idea of aid conditionality: it is not always clear what conditions can ensure sustained growth, donors often do not implement enough conditions to ensure recipients' fiscal austerity, and conditionality as a driver for economic reform just plainly does not work[5]. Radelet finds empirical evidence that states will enact economic reform whenever it suits them and not according to condition deadlines. This may blow Dreher's previous theoretical understanding of aid conditions as an effective form of persuasion out of the water.

The idea of strong institutions being best able to implement aid also relates to the theoretical understanding of absorptive capacity, which is the ability of states to effectively consume aid through their state capacity. Andy Baker notes that aid projects often fail due to recipient countries' lack of absorptive capacity as these states simply cannot translate aid into real benefits without the necessary capacity[6]. Going off of this, Peter Bauer presents the

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[3] Axel Dreher, "IMF Conditionality: Theory and Evidence," *Public Choice* 141, no. 1/2 (October 2009): 233-67, https://www.jstor.org/stable/40270954.
[4] William Easterly, "Can Foreign Aid Buy Growth?," *Journal of Economic Perspectives* 17, no. 3 (Summer 2003): 23-48, https://pubs.aeaweb.org/doi/pdfplus/10.1257/089533003769204344.
[5] Steven Radelet, "A Primer on Foreign Aid," *Center for Global Development,* no. 92 (July 2006), https://www.files.ethz.ch/isn/36066/2006_07_24.pdf.
[6] Baker, "Foreign Aid and the Bretton Woods Institutions," 152.

"fundamental paradox of aid," which states that if states had enough absorptive capacity, then those states would hardly need aid in the first place[7]. This has led to the idea of aid also having diminishing returns as Ekanayake finds that the relationship between aid and growth is an inverted one[8]. These diminishing returns may suggest that aid will be effective at certain amounts, but with increasing volumes of aid, states lack the absorptive capacity to make use of so much capital and so less benefits are realized. This paradox produces many theoretical questions about which countries, and at what levels of development, aid can be most effective as it implies that states without any absorptive capacity can, initially, only benefit from small amounts of aid.

In Baker's book as well, economist Dambisa Moyo claims that aid may breed "aid dependency" in Africa, and this idea underlies many theoretical understandings of how aid can be most effective[9]. Following the idea of aid dependency, theorists have come to the conclusion that aid should be distributed in a way that encourages self-sufficiency and sustainable growth, for, otherwise, funds may simply be used to prop up incompetent governments like the Mobutu regime. This has led to the belief that disincentivizing corrupt practices and aid reliance should be priorities for donors. This conclusion has drawn theorists toward the idea of providing aid that acts as an engine for further development in the private sector, for private sectors of national economies will provide the initial groundwork for long term economic growth rather than allowing for the proliferation of rent-seeking, aid-reliant behavior. Creating incentives and encouraging policy that will drive growth in the private economy is thus a theoretical solution to aid dependency.

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[7] Baker, "Foreign Aid and the Bretton Woods Institutions," 152.
[8] EM Ekanayake, and Dasha Chatrna, "The Effect of Foreign Aid on Economic Growth in Developing Countries," *Journal of International Business and Cultural Studies,* http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.534.1944&rep=rep1&type=pdf.
[9] Baker, "Foreign Aid and the Bretton Woods Institutions," 152.

Another important theoretical concept is the idea of donor fragmentation, which is the discontinuity between different aid organizations' efforts within one country. Donor fragmentation is just one factor that adds unnecessary costs for recipients of aid. State governments, when dealing with a multitude of aid organizations, often have to juggle different organizations' priorities while also finding an effective way of implementing each organization's plans, and this costs state governments immense time and resources that could be better spent actually working on projects and deriving actual benefits. Tied aid, which requires recipients to buy donor products or services, adds more unnecessary costs for recipients receiving this kind of aid. Tied aid merely subjects countries to "a monopolistic arrangement," limiting choice to products that are often not the best choice economically, "increas[ing] costs to recipients by 20 percent"[10]. These costs are altogether unnecessary, but donors' separate agendas from beneficiaries makes aid less effective and more costly for recipient states.

The differing agendas along the chain of aid reception relates to the theory of the principal-agent problem. In Steven Radelet's article, Radelet explains that the principal-agent problem occurs with extensive chains of authoritative principals acting on behalf of agents, or, in the case of foreign aid, governments and aid organizations acting for the beneficiaries, or recipient citizens[11]. The disconnect between each principal-agent relationship generates a network of disorganized agendas, and these make the wishes of beneficiaries extremely distant from those of aid organizations, elected officials, and country leaders. This disharmony, ultimately, renders aid less effective than it could potentially be as funds are susceptible to mismanagement and beneficiaries have few highways to hold principals accountable with little knowledge of fund distributions. This formed the belief that donor and recipient agendas can

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[10] Baker, "Foreign Aid and the Bretton Woods Institutions," 149.
[11] Radelet, "A Primer on Foreign Aid."

often undermine foreign aid's effectiveness as states, organizations, and elected officials may seek other achievements like reducing crime, implementing "quick fix" policy changes that fail to establish sustained growth, and corrupt policy to steal aid funds for personal gain.

Because of these theoretical beliefs, aid is largely thought to be most effective only under the correct circumstances. Various analyses have been conducted using control variables like institutional quality, levels of state development, amounts of economic diversity, economic liberalization, corruption, and debt as a way of examining which factors most significantly influence the effect of aid on development. Clearly, there is a wide range of possible determinants of aid effectiveness which are also deeply connected to fundamental determinants of productivity and capacity. Many explanations of how aid affects development have arisen from these analyses, but the prevailing statistics suggest that the effect of aid on development is negligible unless the right steps are taken to ensure that such aid effects sustained growth.

Research Design

For my research design, I have reviewed a plethora of the most influential analyses of the effect of aid on economic and human development. These papers provide anecdotal and statistical evidence of the most significant factors that determine aid's effectiveness in encouraging state development, and they also give a broad overview of the theoretical journey regarding foreign aid. Many attitudes toward aid have been shaped by these kinds of analyses, so it is essential to understand the basis of different aid theory shifts in order to have a fuller understanding of how aid will be most effective.

Statistical analyses have been crucial in determining aid policy historically, for early analyses suggested that aid had a positive relationship with economic growth, which triggered a period of increased US aid contributions. However, once scholars began to critically analyze this approach, statistical analyses were found to often be fragile and open to interpretation. One example of this is the disagreement on the definition of aid assistance, for earlier models use Effective Development Assistance (EDA) rather than Official Development Assistance (ODA) when quantifying foreign aid. This dispute may seem trivial, but this simple change in definitions led altered statistical models to provide drastically different results which had almost opposite implications for policy making. This, and other problems relating to causality and availability of data, has made these analyses fatally flawed in some cases. Nonetheless, these have been used to support aid policy making in the past, and the numbers do not lie in revealing that the effect of aid on development is a fragile effect that can be significantly influenced by a myriad of variables.

To support these quantitative analyses, I will also gather qualitative evidence that gives some insights into how aid is, and can be more, successful. This gives anecdotal weight to whether different aid designs are effective or not, for evaluating specific aid projects is necessary to obtain an inkling of an idea about how distant projects can be effective. Furthermore, anecdotal support provides concrete, detailed evidence of when and what policies made aid effective. By taking into account both anecdotal aid successes and the power of statistical analysis, I hope to come to a well-informed conclusion of what circumstances and designs make foreign aid most effective for recipient countries' development.

Results and Analysis

Over the course of aid research, emerging studies have continually built upon earlier research. In Easterly's "Can Foreign Aid Buy Growth?," Easterly discusses the early model developed by Craig Burnside and David Dollar, which found an interaction between aid and good policy to have a significant positive effect on economic growth[12]. Their model spurred a period of increased foreign aid contributions from the US to developing countries with seemingly good policies and had major ramifications for US aid policy. However, different models have improved upon Burnside and Dollar's model with newly available data and more sophisticated model specifications. Overall, the statistical effect of aid on state development has been found to be slightly positive or negligible at best and is, in some cases, even negative.

Further along in Easterly's "Can Foreign Aid Buy Growth?," Easterly discusses a model he utilizes with new data, a new definition for aid and policy, and a larger sample[13]. Burnside and Dollar's model used Effective Development Assistance (EDA), but Easterly's new model used Official Development Assistance (ODA), which accounts for more aid assistance payments than the previous indicator. With these changes, Easterly found no significant support for Burnside and Dollar's conclusion that aid works better in countries with good policy, and using the Sachs-Warner measure of openness for policy further found no significance. Easterly thus concluded that the macroeconomic evidence and his analysis did not support claims that aid acts as a catalyst for economic growth.

The interaction between aid and policy was further proved to be insignificant in Dalgaard et al.'s "On the Empirics of Foreign Aid and Growth." Their interaction was insignificant and showed little certainty in whether the coefficient's true value was directional or zero. However, their model supports the claim that aid comes with diminishing returns, for aid was found to have a positive impact on GDP per capita but only at lower volumes[14]. With this in mind, Dalgaard et

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[12] Easterly, "Can Foreign Aid Buy Growth?," 23.
[13] Easterly, "Can Foreign Aid Buy Growth?," 27-29.
[14] Carl-Johan Dalgaard, Henrik Hansen, and Finn Tarp, "On the Empirics of Foreign Aid and Growth," in *The Economic Journal* 114, no. 496 (June 2004): 191–216, https://doi.org/10.1111/j.1468-0297.2004.00219.x.

al. confidently concluded that aid does have a positive effect on economic growth, but they further found that climatic differences were significant in determining aid effectiveness. Dalgaard et al. include an interaction between aid and proportion of tropical land which was statistically significant and conclude that "aid has a strong positive impact on growth outside the tropical region, while the impact is much smaller in the tropics"[15]. This directly links to Jeffrey Sachs's idea of tropical climates being less conducive to development due to tropical land's unproductive soil and disease, but Dalgaard et al. also acknowledge that this variable may just act as a proxy for other determinants of development within those regions. Either way, this shows that geography does have a role in determining the effect of aid on economic development. Whether this geographical aspect is due to institutions, disease, or other random covariants with aid and geography is debatable, but Dalgaard et al.'s model did find climate-related factors to be significant and the aid-policy interaction to be insignificant. It is difficult to determine how tropical climates might directly influence aid effectiveness though, for, as the authors acknowledge, tropics may simply be proxying for other state characteristics. So, while this finding is intriguing, it merely shows that a better understanding of local contexts should always be a consideration.

Other studies work to explore factors of aid's effect on growth in different economic environments. In EM Ekanayake's "The Effect of Foreign Aid on Economic Growth in Developing Countries," Ekanayake found no statistically significant relationship between aid and growth, so all effects of aid on economic development may be completely random in their model[16]. Even though the effects are insignificant, Ekanayake's model found that, controlling for income level, aid has a negative effect on economic growth in middle-income countries,

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[15] Dalgaard, Hansen, and Tarp, "On the Empirics of Foreign Aid and Growth."
[16] Ekanayake and Chatrna, "The Effect of Foreign Aid on Economic Growth in Developing Countries."

suggesting that aid to these less-needy countries is more of a waste than if the aid was given to lower income countries. Ekanayake's model thus reveals that aid will affect different countries' prospects for economic growth depending on the level of income. This may tie into Bauer's idea of states having enough absorptive capacity not necessarily needing assistance in the first place. In Robert Gillanders's "The Effects of Foreign Aid in Sub-Saharan Africa," Gillanders, using a panel vector autoregression (PVAR) model, found that aid had no effect on long term growth and that its slight positive effect on growth in smaller time frames was negligible[17]. Gillanders also used Ease of Doing Business rankings to measure institutional strength, and with this, he found that aid has a small positive effect on countries with both good and bad economic policy. Furthermore, Gillanders found that aid had no clear negative effect on life expectancy in democracies and autocracies, suggesting that government institutions may not have much influence on aid effectiveness. In Claudia Williamson's "Foreign Aid and Human Development: The Impact of Foreign Aid to the Health Sector," Williamson found that foreign aid specific to the health sector does not significantly improve overall health in recipient countries, even after controlling for GDP and institutional quality and conducting reverse causality tests[18]. These papers show that aid should largely be directed to lower income countries regardless of the policies or institutions in place, but they also illustrate that the effect of aid on development may only be slightly positive.

Looking at country cases, the circumstances that allow for effective implementations of aid become clear. In Andrew Mwenda's "Foreign Aid and the Weakening of Democratic Accountability in Uganda," Mwenda claims that aid has allowed Uganda to avoid implementing

[17] Robert Gillanders, "The Effects of Foreign Aid in Sub-Saharan Africa," in *The Economic and Social Review* 47, no. 3 (Autumn 2016): 339-360, https://www.esr.ie/article/view/604.
[18] Claudia Williamson, "Foreign Aid and Human Development: The Impact of Foreign Aid to the Health Sector," in *Southern Economic Journal* 75, no. 1 (July 2008): 188–207, https://doi.org/10.2307/20112034.

necessary reforms and has thus stifled long term growth and democratic accountability[19]. Mwenda found that increased aid in the 1990s led Uganda to having more debt from 2000-2003, and after their debt was forgiven, poverty further increased[20]. Mwenda blames aid's ineffectiveness in Uganda on the absence of fiscal austerity, for Uganda used aid funds to increase its military forces and patronage to political administration. To Mwenda, proper conditions and more involved donors would have increased aid effectiveness in Uganda. In "The Success of Humanitarian Aid to India", Paula Gibson notes that aid has been helpful in the construction of more hospitals and housing in India, and the number of performed surgeries and disaster response centers has increased as a result of aid[21]. The case of India shows that aid can enormously assist countries when it goes toward specific construction projects and contributes to material improvements in the health sector, which is often lacking resources in LDCs. These two cases show that with involved aid efforts to the health and private sectors, aid can be much more effective.

Susan Paganelli's article "African Aid and Success: Four Keys" offers a few generally successful aid strategies in Africa[22]. First, Paganelli says that maximizing simplicity by keeping projects controllable, minimizing the layers of bureaucracy and donor fragmentation, and maintaining sensible recipient obligations makes for effective aid programs. In Bangladesh, Paganelli says that the Village Phone program, which simply trained recipients to use telephones, created meaningful opportunities for recipients, drove development, and was so successful that it spread to other countries like Uganda. Second, Paganelli says that donor engagement is vital for

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[19] Andrew Mwenda, "Foreign Aid and the Weakening of Democratic Accountability in Uganda," in *Cato Briefing Papers,* no. 88 (July 2006): 1-8, https://www.cato.org/sites/cato.org/files/pubs/pdf/fpb88.pdf.
[20] Mwenda, "Foreign Aid and the Weakening of Democratic Accountability in Uganda," 6-7.
[21] Paula Gibson, "The Success of Humanitarian Aid to India," *The Borgen Project*, December 2017, https://borgenproject.org/success-humanitarian-aid-india/.
[22] Susan Paganelli, "African Aid and Success: Four Keys," in *Topical Review Digest: Human Rights in Sub-Saharan Africa*, 2009: 105-128, https://www.du.edu/korbel/hrhw/researchdigest/africa/AfricanAid.pdf.

aid effectiveness, so donor involvement, monitoring, and ready assistance are necessary. Third, project designs should be resilient, meaning that the project should have long term goals and sustainability in mind. Paganelli criticizes donors' expectation of quick fixes and claims that the long term feasibility of any project must be a main priority. In the case of the Sierra Leone mining cooperative project, the project had to be terminated within a year and brought no meaningful benefits to miners due to its lack of resilience, so for any project to be effective, it has to be able to last into the future and should be evaluated for its ability to do so[23]. Fourth, Paganelli asserts that indigenous involvement is imperative, for aid recipients must have some stake in the outcomes of nearby aid projects. In Malawi, Paganelli demonstrates that indigenous involvement allowed for Malawian workers to come up with an effective plan that allowed for widespread distribution of insecticide treated bed nets for Malawian mothers, but in Zambia, Zambians were given no say in the project's design and, as a result, 70% of the recipients of free bed nets did not actually use them[24]. Paganelli's examples reveal that effective aid does require extensive involvement of both parties, proper evaluations of project feasibility for long term development, and straightforward plans that allow for easy communication and realistic expectations for recipients.

To conclude, from a vast array of evidence, I believe that for aid to be an effective driver of development, aid donors should be actively involved in aid implementation, projects should be properly evaluated in terms of long term viability, aid should be given solely to the neediest of countries regardless of the institutions in place, aid should be streamlined in a way that reduces costs and confusion for recipient countries, and aid should be used to provide specific material improvements to private entrepreneurs and the health and education sectors. Aid organizations

[23] Paganelli, "African Aid and Success: Four Keys," 107.
[24] Paganelli, "African Aid and Success: Four Keys," 107.

often simply throw aid money at countries that seem to need it while also expecting miraculous quick fixes, but this wasteful practice has clearly contributed to no transformative improvements in development. From an economist in Easterly's "Can Foreign Aid Buy Growth?," this leads to "a donor's sense of mission… relat[ing] not necessarily to economic development but to the commitment of resources," and rather than this superficial commitment that drives no real change, donor organizations and countries need to be fully committed to taking an active role in effectively distributing needed resources to recipient countries[25]. Otherwise, funds may be misused, intentions of donors and recipients may be lost, and aid loses its effectiveness. The World Bank has been found to only review about 5% of its loans after 3-10 years, and there are almost no systematic evaluations of projects by NGOs[26]. Increased evaluation of projects would quickly reveal which wasteful projects need to be done away with and which programs are effective enough to maintain. Furthermore, since conditionality has been proven to be ineffective in driving economic reform, institutional policies have not been found to be significant in determining aid effectiveness, and middle income recipients have been found to be negatively affected by aid, aid should solely be given to the neediest of countries regardless of the economic policies, institutions, or regimes in place. Aid has been found to be slightly positive on growth, so with evaluations that would ensure increased effectiveness and effectual engagement, limiting aid to the most desperate countries would focus significant aid efforts where they are actually needed. Along with this, the elimination of much donor fragmentation would make effective aid implementation much easier, so aid organizations and countries need to come up with more streamlined processes that would greatly reduce the costs of aid implementation and disorganization in recipient countries. Finally, aid should provide specific material improvements

[25] Easterly, "Can Foreign Aid Buy Growth?," 34.
[26] Easterly, "Can Foreign Aid Buy Growth?," 38.

to the health, education, and private sectors, for these sectors' improvements evidently enable more human and economic development to then take place. These are obviously hefty steps to be taken to improve aid effectiveness, but the evidence is clear in establishing that a full commitment to taking these steps would result in significantly positive changes to aid's effect on development.

Conclusion

There is still much to be discovered about how effective foreign aid can be in accelerating LDCs' development, and the question of whether aid has any positive effect on development whatsoever is still highly contested. However, these questions cannot prompt a complete termination of aid efforts, for aid has evidently brought desired outcomes when it is applied in a practical and productive manner. Without aid, it is easy to imagine entire regions being markedly mired in preventable famine and disease, and aid's ability to reduce the harmful impacts of these endemic crises is plain. The problems of aid often arise when there is little commitment, communication, and cooperation between donors and recipients, and steps to increase both parties' active coordination with one another are necessary for aid to effectively fuel development. Streamlining aid efforts, making more room for local participation, and properly evaluating specific projects' outcomes and flaws are just a few important actions to be taken to make aid effective.

Annotated Bibliography

Baker, Andy. "Foreign Aid and the Bretton Woods Institutions." *Shaping the Developing World the West, the South, and the Natural World*, ed. Christina West, 140–167. London: SAGE, 2022. --- This chapter gives some good ideas and theories about aid effectiveness and the Bretton Woods Institutions.

---. "Underdevelopment and Diversity in the Global South." *Shaping the Developing World the West, the South, and the Natural World*, ed. Christina West, 24–26. London: SAGE, 2022. --- This section of Baker's book talks about the foreign aid relationship between the Reagan and Mobutu administrations.

Dalgaard, Carl-Johan, Henrik Hansen, and Finn Tarp. "On the Empirics of Foreign Aid and Growth." *The Economic Journal* 114, no. 496 (June 2004): 191–216. https://doi.org/10.1111/j.1468-0297.2004.00219.x. --- This article gives a broad overview of different theories on foreign aid, including the dependence of state policy in determining aid effectiveness.

Dreher, Axel. "IMF Conditionality: Theory and Evidence." *Public Choice* 141, no. 1/2 (October 2009): 233-67. https://www.jstor.org/stable/40270954. --- This paper from class gives an idea of some of the theoretical ideas surrounding IMF loan conditions.

Easterly, William. "Can Foreign Aid Buy Growth?" *Journal of Economic Perspectives* 17, no. 3 (Summer 2003): 23-48. https://pubs.aeaweb.org/doi/pdfplus/10.1257/089533003769204344. --- This journal article gives similar analysis on theories about foreign aid and economic growth.

Ekanayake, EM, and Dasha Chatrna. "The Effect of Foreign Aid on Economic Growth in Developing Countries." *Journal of International Business and Cultural Studies.*

http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.534.1944&rep=rep1&type=pdf. --- Ekanayake's paper conducts some analysis on the effectiveness of foreign aid, particularly in developing countries. This goes into the idea of aid being effective at different levels for different levels of state development.

Gibson, Paula. "The Success of Humanitarian Aid to India." *The Borgen Project*, December 2017. https://borgenproject.org/success-humanitarian-aid-india/. --- This article from *The Borgen Project* reveals what made humanitarian aid successfully effective in India.

Gillanders, Robert. "The Effects of Foreign Aid in Sub-Saharan Africa." *The Economic and Social Review* 47*,* no. 3 (Autumn 2016): 339-360. https://www.esr.ie/article/view/604. --- This article discusses the statistical effects of foreign aid in Sub-Saharan Africa. Discussion of this region is important as many of these countries heavily rely on foreign aid.

Mwenda, Andrew. "Foreign Aid and the Weakening of Democratic Accountability in Uganda." *Cato Briefing Papers,* no. 88 (July 2006): 1-8. https://www.cato.org/sites/cato.org/files/pubs/pdf/fpb88.pdf. --- This article discusses the impact of foreign aid on Uganda's political institutions, which is important as institutions form the foundations of state development.

Paganelli, Susan. "African Aid and Success: Four Keys." *Topical Review Digest: Human Rights in Sub-Saharan Africa*, 2009: 105-128. https://www.du.edu/korbel/hrhw/researchdigest/africa/AfricanAid.pdf. --- This article in University of Denver's *Topical Review Digest* gives great insight into successful aid strategies in Africa.

Radelet, Steven. “A Primer on Foreign Aid.” *Center for Global Development,* no. 92 (July 2006). https://www.files.ethz.ch/isn/36066/2006_07_24.pdf. --- This article gives a broad overview of theory on foreign aid effectiveness.

Williamson, Claudia R. “Foreign Aid and Human Development: The Impact of Foreign Aid to the Health Sector.” *Southern Economic Journal* 75, no. 1 (July 2008): 188–207. https://doi.org/10.2307/20112034. --- This article gives great insight into the effect of foreign aid on healthcare. Healthcare is a central aspect of human development, so if aid is said to not assist health care much, then human development may similarly be lacking.