

Foreign Aid: A Road to Stability or Disaster.

(1) Introduction.

Thesis Statement

Foreign aid helps countries avert economic crises in short term. This makes many believe that it is a road to stability. However, a comprehensive analysis indicates that it is a seed to disaster.

(2) How foreign aid can be a road to disaster or stability

(3) How foreign aid can be a recipe for disaster.

(a) Taking away sovereignty of states.

(b) Perpetuation of culture of regressive taxes due to lenders' structural adjustment policies.

(c) Plunging of currencies of borrowers to the lowest level.

(d) Creation of dependency syndrome for borrowers.

(e) Deterioration of socio-economic development of borrowers.

(4) How foreign aid can be a recipe for stability.

(a) Taking away of sovereignty of states for their interest.

(b) Provision of technical assistance to borrowers.

(c) Enhancement of economic growth of borrowers because of technical assistance.

(d) Provision of aid to borrowers in times of crises.