

Does Foreign Aid Help To Achieve Economic Stability?

It does not convey any meanings

The basic purpose of foreign aid is to stabilise economy of a recipient country.

Write direct statement

Outline:

① Thesis Statement:

Motivation of foreign aid from a donor country towards a recipient country entails the factors of stabilising economy.

It is evident through the application of structural adjustment policies from donor organisations, Foreign Direct Investment (FDI) by developed countries, and enhancement of economic portfolio of developing countries.

② Foreign aid disbursement structure:

2.1 Types of donors; multilateral or bilateral donors

2.2 Types of aid project; Trade tied or untied

3 Composition of aid; commodity, grant, concessional loans.

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③ Foreign aid leading to economic stability

3.1 Through application of structural adjustment policies; fiscal and monetary policies of International Monetary Fund (IMF) and civil service reforms of World Bank (WB)

3.2 In form of Foreign Direct Investment (FDI), Pakistan leveraging from China Pakistan Economic Corridor (CPEC)

3.3 Providing security structure for stability: increased aid flow to Pakistan during Afghan-Soviet war

3.4 Investment in public development projects; Green Revolution and start of Pakistan steel mills with US economic aid.

3.5 Reducing market barriers and targeting areas of good governance; Monetary Consensus of Development

2002.

3.⑥ Structuring: Privatization reforms;
Millennium Corporate Challenge

3.⑦ Trade attached aid; Increased trade
of US with recipients of aid that are
Korea and Brazil.

3.⑧ Through peace keeping mission;
USAID peace keeping mission deployed
in African states

3.⑨ Provision of Economic reconstruction
mission; Marshall Plan of US

4.0
⑩ Economic Portfolio diversification;
Post genocide Rwanda build up in 1994.

④ Foreign aid reflecting economic
instability.

4.1 Display of debt trap diplomacy.

4.2 Entrapment in poverty trap cycle

4.3 Chances of fungibility and volatility
of foreign aid.

4.4 Dependency of developing countries
through passive decision making.

⑤ Recommendations to strengthen
the objective of economic

Stability of foreign aid:

- S.1 Providing certainty in disbursement of aid by developed ~~and~~ countries
- S.2 Mitigating the issue of debt trap.
- S.3 Investment of aid in long term

Stable projects

6. Conclusion

The provision of foreign aid by developing countries to developing one revolves around the achievement of myriad of factors with ranging from dealing with humanitarian crisis to economic stability. Flow of foreign capital explicitly displays an affect on the economic structure and gain of the recipient state.

It allows the fiscal assistance through dissemination of

cushion and breathing space to policy makers. The display of positive outcome of foreign aid mobilisation

is with the help of providing conducive environment, expanding the ambit of recipient country in international market while

expounding the policy structure of low income countries. Therefore,

the mobilisation of foreign aid from a donor country towards

recipient country entails one of the factors of stabilising economy.

It is too much academic

Plz check you write yourself or copy from a research paper

It is evident through the application of structural adjustment policies from donor organisations, Foreign Direct Investment by developed countries, and enhancement of economic portfolio of developing countries.

The structure of disbursement aid ranges from ^{different} donors to the multiple systems of dissemination of aid, and composition of the aid that is provided. Types of donor includes multilateral organisations composed of World Bank (WB), International Monetary Fund (IMF), and United States Aid (USAID). Donors can also be in the form of bilateral in which direct contact of government to government is provided. Furthermore, provided aid can be project tied or untied. Project tied aid makes the recipient country

It does not entail any sense here

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liable to be undertake project
commitment with the donor country.
Moreover, composition of the aid
also plays an integral part of in
aid dissemination. Either it can
be in the form of tangible commodity,
or grant, and even in the shape
of concessional loans with prolonged
period of repayment. Hence, the
foreign aid disbursement is built
upon the multiple tiers of donor,
institutes, type of aid and composition
of aid.

There are multiple aspects where
the disbursement of foreign aid has
led to the ~~an~~ a stable economic
position in the recipient country.

Firstly, the stringent application
of Structural Adjustment Policies (SAP)
by supranational institutes provides
a ~~rob~~ bolstering of the domestic
framework of the state. International
Monetary Fund, plans the disbursal

of tranche on the basis of application of fiscal policies. Such monetary policies include reduction of π in subsidies, overhaul of tax architecture and privatization. Moreover, another institute in form of World Bank (WB) focuses on the imposition of reforms in the administrative structure especially bureaucracy. Therefore, the disposal of foreign aid directly aligns the policy prescription of the country leading towards economic stability.

Secondly, Foreign aid can be in the form of Foreign Direct Investment (FDI) leading the country towards development. Foreign Direct Investment allows the developed state to build and utilise the infrastructure of the developed & developing states, while leveraging the economy of

the latter. One of the biggest FDI is seen in Pakistan's history

Plz follow grammar rules

is in the form of China's Pakistan Economic Corridor (CPEC) initiated

CPEC is one of the chief example where Pakistan achieves the biggest portion in foreign aid

by China. This \$62 billion investment gives an exponential boost to

Pakistan's economy, while utilising the indigenous resources available

in country. Therefore, foreign aid straightens the path towards economic stability.

There is no transition of ideas Within paragraphs

Thirdly, foreign aid in the form of tangible products can benefit the be advantageous for the beneficiary through fast ring of defence system. Many a times, military assistance aids the under-developed nation to gain a composure in the geopolitical arena.

As observed

As seen during the Soviet-Afghan war era Pakistan faced an increase mobilisation of funds

from the western world. This military and monetary assistance enabled Pakistan to see an accelerated trajectory of growth. For this reason, international aid accretes a country to gain economic balance.

Fourthly, the disposal of overseas aid assists a country developing a country to incline towards public development projects. Sufficient financial funds allows a country to show proclivity in enhancing the public sector of state. Similar case seen in Pakistan, where the initiation of green revolution and start of Pakistan Steels Mill stands on the foundation of aid given by US. The rise in financial stability allows the country to focus on the public projects sector to harness benefit

This is very technical

International aid

for the society. As a result, the acquisition of foreign aid by a recipient state allows it to thrive & prosper.

Write grammatically
Correct sentence

Fifthly, sometimes the provision of foreign aid is based on the idea of opening of market reforms and curtailing the trade barriers. Opening up of the trade market to policies and reducing barriers, allow a country to diversify its export products.

Again expression is vague

Monetary Consensus of Development 2002 redirects a country to reflect on the trading policies and good governance to be allowed for gaining financial assistance from international institutes.

It is 2024 sir plz

The guidance provided by donors on the basis of adopting certain path assists the underdeveloped states to reinvigorate their system. Hence, the acquiring foreign aid is built upon the idea of gaining

economic stability.

Sixthly, the disbursement of foreign aid sometimes Requires the receiver to accelerate upon the privatisation reforms. Privitization enhances efficacy and productivity of a country, while ~~allowing it~~ to properly utilize the financial assistance. Millenium Corporate Challenge (MCC), a USAID agency directs fund to poor countries with sound privitisation policies. Such dictation of disbursement of tranche instigates a country to look towards privitisation. Hence, the gain of foreign aid by beneficiary, guides it to straighten its path towards economic stability.

~~Seventhly, project tied aid~~
~~compels the under developed nations~~
~~to enhance their engagement~~

with the benefactors. Project or trade tied aid provides an easy conduit for the recipient to accelerate their ~~com~~.

~~Consequently, foreign assistance provides leverage to the developing states, while reflecting the prospect of flourishing economy.~~

As seen in case of Korea and Brazil, US has shown an exponential increase in trade with these countries

on the basis of first providing aid compensation. Consequently, foreign assistance provides leverage to the developing states, while reflecting the prospect of flourishing economy.

Eightily, peace keeping missions are also providing a different aspect of foreign assistance

Several countries in world, are inflicted by the contagious

It is writing in air

wave of civil war and internal conflicts. In this aspect, USAID is

providing peace keeping missions in several African states. The

presence of peacekeeping mission in rebellious areas allows the

build tone down of conflict

and provides semblance to gain financial stability. Therefore,

the international assistance

involved in providing peace in

conflicted areas, acts as building

blocks to achieve economic

prosperity.

Ninety foreign aid can assist

the build up of war torn areas

and providing them guidance

to ~~be~~ shape an economic

framework. Multiple scenarios

in history reflect the dire

situations of the war torn

countries. The most prominent

one is the state of European

countries after World War II, where the
propagation of Marshall Plan by US
allowed the rise of European countries
again. Marshall plan revolved around
the idea of providing ^{only} financial
breathing space to policy makers,
~~which~~ allowing them to restructure
the economic framework. Therefore,
the injection of foreign aid, proves to
revitalised the revitalising the
economic integrity of the beneficiary.

Tenthly, foreign assistance can
rejuvenate the economy of
the country through providing
diversifying their economic portfolio.
The pillars of economic revenue need
to be build up on multiple aspects
of revenue generation, explicitly
which sometimes require monetary
support. Post war build up of Rwanda,
explicitly displays the effectiveness
of foreign aid. Correct usage of
foreign aid diversified the economic

portfolio of Rwanda, through
enhanced focus on research and
development. Hence, the liberalisation
of foreign aid supports a
robust structure of economy.

In contrast with the idea
of stable economic stability being
provided by foreign aid, the
paradoxical affect of foreign
assistance is also seen. In the
first place, the most prominent one
is the debt trap diplomacy,
prominently seen. This notion is
based on the idea of exploitation
of indigenous resources and providing
minimum profit to the under-
developed state. Multiple regional
projects including One Belt and
Road Initiative are marked as
the advocates of providing
debt trap diplomacy. Therefore,
the flow of foreign aid, sometimes
confers upon the idea of exploitation

and leading towards economic
instability.

In the second place, a perilous
effect of foreign aid is seen
in the form of poverty trap
cycle. The vicious dependence
on the foreign aid, encourages
a country and compels it to
gather foreign assistance again
and again. This dependency of
foreign assistance is overtly
pointed out by the developing countries
towards the donor institutes
by the developing countries.

Either multilateral or bilateral
donors, the presence of entrapment
restricts a country from achieving
economic stability. Consequently,
the course of international
assistance propels a state to a
critical juncture.

In the third place, multiple

Other weak factors are displayed by the foreign assistance. They are in the form of fungibility and volatility, where the presence of foreign aid reflects the negative point. Due to presence of fungibility of aid, utilisation of aid in other than

assigned domain constructs a problem. Moreover, the unpredictable nature of acquiring financial help, enhance the prospect of volatility. Therefore, the acquisition of foreign aid debilitates the system to some extent.

In the fourth place, foreign aid originates passivity in the beneficiary states. The notion of flow of financial reserves from the developed countries, renders the recipient slow down in taking robust steps, while correcting the

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domestic landscape of the country. This passive behaviour leads to decreased concentration of policy makers towards strengthening the economic integrity of the state. As a result continuous mobilisation of international aid incapacitates the underdeveloped countries to gain economic balance.

There are persuasive arguments

The provision of foreign aid, can open widen the scope of economic development through inclusion of certain features. The first priority, should be given to disbursement of foreign aid without the issue of uncertainty and influence of political gain. Then the issue of exploitation of natural resources by the developed states should be addressed to neutralise the reflection of misuse. Moreover, the onus of correct utilisation of foreign assistance lies with the

developing nations, to correctly invest the aid in achieving long term goals. The On that basis, the parochial vision of economic instability attached with international assistance can be toned down with correct implementation in generation of certain features in aid system.

In crux, the flow of foreign aid possesses multiple lucrative benefits for the benefactor and beneficiary to acquire. The mobilisation of foreign aid assists a country to reinvigorate its financial structure in accordance with the Structural Adjustment Policies (SAP), opening up of the market reforms providing peace keeping missions and fiscal support in form of FDI. Moreover, certain loopholes in form of fungibility, volatility and passive decision

making of the recipient country
is also ~~expanding~~ ~~seen~~. Integration
of certain features in form of
~~abetting debt trap diplomacy~~
and ~~resource exploitation~~ can
further strengthen position of
foreign aid. Hence, the road
to economic stability is paved
through the foreign assistance