

Topic: Does Foreign Aid help to achieve economic stability?

Outline:

1. Introduction:

Thesis Statement: Foreign aid can both support and hinder economic stability. However, its negative consequences are higher due to wide range of dependency risks on donor countries. Despite massive foreign aids, many countries have failed to achieve self-sustaining economic growth.

2. Relationship between foreign aid and economic stability.

3. Foreign aid does not help to achieve economic stability. (Thesis)

a. Foreign aid fails to stabilize the economy when government spends it on consumption.

b. Donor country's interference in recipient country's affairs undermines its independence and self-reliance.

c. External debt has been the primary cause of all ills of economy.

d. Foreign aid leads to long term dependency.

e. Foreign aid leads to over reliance on external technology, stifling local innovation.

4. Foreign aid helps to achieve economic stability. (Anti-Thesis).

a. External debt is helpful when government utilizes it for investment-oriented projects.

b. It helps rulers to extend their power

to prolong their rule.

c. Donors provide aid to meet their strategic and economic interests.

d. Foreign aid provides crucial support for development and poverty reduction.

e. Foreign aid brings in expertise and resources that help local industries to grow.

5. Despite massive foreign aids, many nations have failed to achieve self-sustaining economic growth. (Synthesis).

a. Foreign aid policies force government to hike prices of essential goods.

b. Political interference of donor countries cause trouble and conflicts in government.

c. Giving aid is the interest of donors rather than the recipients.

d. Dependency limits a country's ability to become self-sufficient.

e. Foreign aid undermines local capacity building and create long term dependencies that hinder sustainable development.

6. Conclusion.