
The Pros and Cons of Foreign Aid

Segment Length: 1:26 minutes; 4:48 minutes

Videos:

“Bill Gates: Foreign Aid Works”

<https://www.youtube.com/watch?v=HzHzwnSqYgs>

“Foreign Aid Worse for Global Economy?”

See website: https://stosselintheclassroom.org/both_sides/

Guide:

The questions below will help students achieve a better understanding of the arguments made on either side of a contentious topic. Because these questions often touch upon statements made briefly in the videos, we recommend reading the questions before watching each video.

Students are encouraged to take notes during the videos, and it may be helpful for students to break into groups, each taking responsibility for only a few questions, before coming together for discussion.

Analysis Questions:

1. Bill Gates uses child mortality statistics to show that the plight of developing nations has improved dramatically since 1960, during which time aid from foreign countries has taken place. What assumptions does he make in his argument? What else has occurred since 1960 that could help to explain the improvement of poor nations?
2. Bono says the traditional system of using foreign aid to improve struggling nations is paternalistic. What does he mean by that?
3. Michael Matheson Miller tells John Stossel that foreign aid can be both good and bad. What is the distinguishing feature between beneficial and harmful aid for Miller?
4. What is the emergency model of development described in the second video? Why might this model become less effective as time goes on, as argued by Michael Matheson Miller? What does it mean to crowd out local businesses? How could aid be responsible for this crowding out?
5. The President of Rwanda maintains that there is less independence for those who receive aid. How so?
6. John Stossel claims that aid encouraged Haitians to be helpless. How could aid have such an effect? If Stossel is right, what insight might Haiti give us as to why some nations are still developing? That is, what do nations like Haiti seem to lack, besides wealth, that makes them poor even after receiving aid?

7. What principle of charity does the Haitian rice industry illustrate?
8. According to the arguments presented in the John Stossel segment, what might effective foreign aid look like? How would charitable donations to other nations have to change to better serve those nations' needs?