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# Foreign Aid

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## **Videos:**

“Bill Gates explains how people misunderstand U.S. foreign aid”

<https://www.youtube.com/watch?v=tfBqLzCLXw> (3:04 minutes)

“World Poverty: Foreign Aid vs. Charity That Actually Works - Learn Liberty”

<https://www.youtube.com/watch?v=TrEbiUIVQQ> (3:40 minutes)

## **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. What are the opposing ideas in these two videos?
2. What is foreign aid?
3. How much money do you think the U.S. spends annually on foreign aid? Look up the actual number. Was it higher or lower than you expected?
4. Matt Zwolinski said: "Most foreign aid programs are based on a top down model." What is a top down model?
5. Bill Gates said: “If your goal is famine relief, then you should measure the grant by whether people didn’t starve to death. You shouldn’t go in and say, ‘Okay, did the GDP go up?’”  
What did he mean by this?
6. Matt Zwolinski talked about a program that helped Ugandans grow maize more effectively. The program worked, but what were the unintended consequences?
7. Bill Gates said that in the past, it was more common for things to be labeled “foreign aid” even when they were purely politically-motivated, and that this hurt foreign aid’s reputation. Do you think foreign aid has a bad reputation? Why/Why not?
8. Matt Zwolinski said that top down systems often come with "bureaucratic inefficiency."  
What did he mean by this?
9. Bill Gates said that a lot of foreign aid is genuinely trying to get poorer countries to self-sufficiency. Should the U.S. government be spending money to help get other countries to self-sufficiency? Why/Why not?

10. Matt Zwolinski said that top down systems often channel money to the poor through their governments. Is this a bad thing? Why/Why not?
11. Bill Gates said that Korea was once a “huge recipient” of foreign aid, but is now “a very significant donor.” What conclusions can be drawn from this?
12. Matt Zwolinski mentioned a charity that works from the bottom up. How does a bottom up charity differ from top down foreign aid programs? Is it better? Why/Why not?
13. Bill Gates argued that “when you label it ‘aid,’ it seems mysterious,” but if you look at specific successes of foreign aid, it’s clearly valuable. Do you agree with his argument? Why/Why not?
14. Matt Zwolinski said private charities have strong incentives to keep their costs low, their impacts high, and to learn from their mistakes. Why is that? Why don't government programs have the same incentives?
15. Did these two videos share any common ground? Were there any points on which they agreed? If so, what were they?
16. Should one of the arguments we heard carry more weight than the other? If so, which one? Why?
17. Did you have an opinion on this topic before watching these videos? If so, what was it? Has your opinion changed? If so, how? What did you learn from these videos that affects your views on this topic?
18. What else would you like to learn about this topic?