



Foreign aid and Development in Bangladesh and the Pacific: A Comparative Secondary Analysis of Benefits, Challenges, and Structural Dependency

Raphael Semel

National University of Samoa, Samoa

* Corresponding Author: **Raphael Semel**

Article Info

ISSN (Online): 2582-7138

Impact Factor (RSIF): 8.04

Volume: 07

Issue: 01

Received: 10-12-2025

Accepted: 12-01-2026

Published: 14-02-2026

Page No: 968-980

Abstract

Foreign aid is commonly defined as the voluntary transfer of resources from one country to another. While such assistance can yield both benefits and drawbacks, its impact on economic growth remains a subject of intense debate. Disentangling the effects of aid is methodologically challenging, particularly in economies where aid is deeply integrated, and opportunities for controlled experimentation are limited. Prominent economists such as Jeffrey Sachs argue that aid serves as a critical driver of growth and development. In contrast, critics like Dambisa Moyo contend that aid has paradoxically perpetuated poverty and impeded growth by fostering corruption, dependency, export constraints, and even susceptibility to health pandemics. This paper examines Bangladesh and the Pacific region as a case study, analyzing both the positive and negative effects of foreign aid on the countries' economic growth and development trajectory.

DOI: <https://doi.org/10.54660/IJMRGE.2026.7.1.968-980>

Keywords: Foreign AID, Assistance, Benefits, Dependence, Recipients & Challenges

Introduction

Concepts and Modalities

Foreign aid, defined as the voluntary transfer of resources, capital, or technical expertise from one country to another, remains a central yet deeply contested feature of the contemporary global political economy (Corporate Finance Institute, 2024) ^[12]. Typically flowing from developed nations to developing countries, this assistance aims to address structural deficits in industrial capacity, human development, and public finance (Corporate Finance Institute, 2024; Khatun, 2025) ^[12, 26]. A developing country, broadly characterized by the absence of a robust industrial base and a comparatively low Human Development Index (HDI), often relies on such external resources to finance its annual development programmes and infrastructure gaps (Corporate Finance Institute, 2024; Stevens, 2025) ^[12, 38]. Aid is delivered through a variety of instruments: it may be offered as a grant (requiring no repayment) or as a loan, which is further classified by the currency of repayment. Loans requiring repayment in foreign currency are termed "hard loans," while those repayable in the recipient's domestic currency, or carrying significantly concessional terms, are referred to as "soft loans" (Corporate Finance Institute, 2024; Khatun, 2025) ^[12, 26]. While these definitions provide a technical foundation, the operational reality of aid is far more complex, encompassing not only financial flows but also the transfer of policy conditions, technical standards, and geopolitical interests (Corporate Finance Institute, 2024; Lowy Institute, 2025) ^[12, 28].

Bangladesh as a Critical Case Study

This research takes Bangladesh as its focal case study to assess and evaluate the multifaceted implications of foreign aid critically. As one of the world's most aid-reliant economies in its early decades, and now a nation navigating the transition from low-income to lower-middle-income status, Bangladesh offers a rich landscape for analysis (Stevens, 2025; Center for Global Development, 2025) ^[38, 10]. The country's recent history - including record-high aid disbursements of USD \$10 billion in FY2021-22 and a structural reliance on loans over grants (evidenced by a loan-to-grant ratio of 92:8 in FY2023-24) - highlights the urgency of evaluating not just the volume of aid, but its governance and outcomes.

Benefits and Drawbacks of Aids

Proponents of foreign aid argue that it yields substantial developmental benefits. It can finance critical infrastructure, strengthen bilateral diplomatic relationships, reduce the impact of acute poverty, and stimulate economic opportunities for both donor and recipient nations (Corporate Finance Institute, 2024; The Financial Express, 2025) [12, 39]. In Bangladesh, aid has historically supported food security, disaster management, and human development indicators (Stevens, 2025) [38]. However, these benefits are far from automatic. The negative implications are equally significant and well-documented. Aid has been criticized for inflating local prices, distorting local markets, and fostering dependency. More critically, it is frequently deployed as a political tool to advance the strategic interests of donor nations, undermining the sovereignty and policy autonomy of recipients.

Recent analyses of Japan's aid to Bangladesh, for instance, reveal that major infrastructure loans - such as the USD \$6 billion Matarbari coal power plant - have locked the country into decades of fossil fuel dependency (The Financial Express, 2025; Stevens, 2025) [39, 38]. This contributed to human rights breaches in coastal communities and burdened the national economy with volatile liquefied natural gas (LNG) import prices. Such cases illustrate that aid, even when packaged as "development cooperation," can prioritize donor commercial interests over recipient climate resilience or energy sovereignty (Corporate Finance Institute, 2024; Lowy Institute, 2025; Duke, Dayant, Ahsan & Rajah, 2025) [12, 28, 17].

A Comparative Lens: The Pacific Region

To contextualize Bangladesh's experience, this study conducts a comparative literature review of the Pacific region, identified as one of the most aid-dependent regions in the world on a per-capita basis (Duke, Dayant, Ahsan & Rajah, 2025; Lowy Institute, 2025) [17, 28]. Despite decades of assistance, the Pacific grapples with persistently low aid effectiveness, high transaction costs, and significant fragmentation in climate finance delivery. The review narrows its focus to four island states - Samoa, Papua New Guinea (PNG), Solomon Islands, and Fiji - to examine the specific terms and conditions attached to their aid agreements. Particular attention is paid to the shifting donor landscape, including Australia's expanding dominance and China's strategic recalibration from debt-financed infrastructure toward smaller, grant-funded "grassroots" projects (Duke, Dayant, Ahsan & Rajah, 2025; Lowy Institute, 2025) [17, 28].

By drawing parallels and divergences between the Pacific Island Countries (PICs) and Bangladesh, this research aims to identify recurring structural challenges - such as weak absorptive capacity, conditionalities that fragment national planning, and the politicization of aid - as well as context-specific successes that may inform policy reforms.

Research Methodology and Analytical Scope

Methodologically, this research employs a secondary research design. Data is collected and synthesized from existing academic literature, policy reports, and development databases concerning aid flows from developed nations to developing countries (Center for Global Development, 2025) [10]. The analytical focus encompasses the full lifecycle of aid: the negotiation and securing of funds, the modalities of

delivery, and the downstream implementation challenges and socio-economic impacts encountered by recipients (Center for Global Development, 2025) [10]. Primary emphasis is placed on foreign aid to Bangladesh, with the Pacific nations serving as a comparative benchmark to illuminate both universal patterns and regionally specific dynamics.

Contribution and Structure of the Study

Ultimately, this research contributes to the ongoing scholarly and policy debate regarding aid effectiveness. By juxtaposing the cases of Bangladesh and the Pacific, it interrogates whether foreign aid functions as a genuine catalyst for sustainable development or, conversely, as a mechanism that perpetuates structural dependency and serves the geopolitical and commercial interests of donors (Khan, 2026; Khatun, 2025) [25, 26]. The study concludes with a discussion of policy implications and a comprehensive list of references.

Literature Review

Introduction to the Comparative Analysis

This literature review examines foreign aid to the Pacific region and selected Pacific Island nations, drawing comparative analysis with Bangladesh, the central case study of this research. The objective is to identify and evaluate the similarities and differences in aid processes, outcomes, and implications between Bangladesh and the Pacific Island Countries (PICs). By juxtaposing these distinct developmental contexts, this review seeks to illuminate recurring structural challenges, context-specific successes, and broader lessons for aid effectiveness.

Foreign Aid to the Pacific Region

The Pacific Islands constitute one of the most aid-dependent regions in the world. Drawing on OECD Development Assistance Committee (DAC) data, Dornan and Pryke (2017) examine developments in aid delivery to the region since 2000, documenting substantial shifts in both the volume and architecture of development assistance (Dornan & Pryke, 2017) [16]. The Millennium Declaration and the subsequent Millennium Development Goals (MDGs) catalysed renewed commitments from OECD donors to increase aid flows to developing countries, agreements formalised at the 2002 Monterrey Consensus (Dayant, 2019) [14].

Official Development Assistance (ODA) in the Pacific is higher on a per capita basis than in any other global region. Ten Pacific Island countries rank among the 25 nations where ODA constitutes the highest proportion of national income (Dziedzic, 2022) [18]. The structural significance of ODA to Small Island Developing States (SIDS) - of which Pacific nations form the largest grouping - is theoretically formalised in the Migration, Remittances, Aid and Bureaucracy (MIRAB) model. This framework posits that aid, remittances, and public sector employment are central to funding government expenditure and service delivery in these states (Dornan & Pryke, 2017) [16]. While a widespread belief persists, that foreign aid has contributed to the relatively high living standards observed across many Pacific SIDS, this view remains contested and is not uniformly applicable across all Pacific countries.

Foreign Aid to Samoa

Since attaining statehood in 1962, Samoa has received foreign assistance through multilateral and bilateral partnerships, principally with Australia, New Zealand, China,

Japan, and the Asian Development Bank (Australian Department of Foreign Affairs, 2018) ^[4]. Aid to Samoa is predominantly delivered as soft loans - concessional financing with below-market interest rates and extended repayment terms - although hard loans are occasionally utilized.

Objectives and Sectoral Focus

Foreign aid to Samoa pursues multiple developmental objectives: stimulating economic growth, strengthening the resilience of critical economic infrastructure, improving the regulatory environment for business and international trade, and supporting domestic reform agendas (Mata'afa-Tufele, 2021) ^[29]. In the social sector, aid supports health and education systems, facilitates secondary and vocational education completion, and funds youth development programmes. Governance assistance includes strengthening local policing through the Samoa-Australia Policing Partnership, enhancing public sector efficiency, and creating enabling environments for private-sector-led growth (Australian Department of Foreign Affairs, 2023) ^[5]. Gender equality initiatives have focused on increasing women's political participation and leadership representation, while civil society and private sector partnerships address broader development challenges and improve living standards (Australian Department of Foreign Affairs, 2018) ^[4].

Remittances as a Form of Aid

An additional, non-traditional form of foreign assistance flows through remittances from Samoans employed overseas. These financial transfers support household-level development outcomes, including housing improvements and small enterprise formation (Mata'afa-Tufele, 2021) ^[29]. Pacific Island nations, including Samoa, have increasingly participated in seasonal labour mobility schemes - notably fruit-picking programmes in Australia and New Zealand - which generate significant remittance flows that enhance family livelihoods, land development, housing quality, and overall living standards (ADB, 2021) ^[2].

Positive Implications

Foreign aid has conferred multiple advantages upon Samoa. It has stimulated domestic economic growth, strengthened bilateral diplomatic and trade relationships, and mitigated adverse impacts on living standards (Australian Department of Foreign Affairs, 2023) ^[5]. Aid has contributed to institutional strengthening, corruption prevention, and transparency promotion within Samoan society. Additionally, assistance has supported agricultural improvement programmes and environmental protection initiatives (Mata'afa-Tufele, 2021) ^[29].

Negative Implications

Notwithstanding these benefits, foreign aid has generated discernible disadvantages. Increased aid inflows have contributed to local price inflation, as expanded purchasing power exceeds local supply capacity, driving up goods and service prices. Small enterprises operating at diseconomies of scale struggle to remain competitive in this environment (Australian Department of Foreign Affairs, 2023; Mata'afa-Tufele, 2021) ^[5, 29].

Critically, aid to Samoa functions as a geopolitical instrument. Donor assistance is rarely a straightforward transfer of resources; rather, it constitutes a complex political

manoeuvre encompassing multiple, often opaque, strategic purposes that produce variable impacts and occasionally harmful consequences (ADB, 2021) ^[2]. Furthermore, aid does not guarantee beneficial outcomes in the absence of robust accountability mechanisms. Weak follow-up systems permit the misappropriation of funds by bureaucrats and politicians - a phenomenon documented in successive Samoan administrations (Australian Department of Foreign Affairs, 2018) ^[4].

Foreign Aid to Papua New Guinea

More than four decades after achieving political independence in 1975, Papua New Guinea continues to receive substantial foreign aid for socioeconomic development (Hnanguie, 2003) ^[21]. Despite this sustained assistance, the country's disappointing development record has prompted donor calls for either elimination or wholesale reform of aid programmes (Feeny, 2023) ^[19].

PNG's principal bilateral donors include Japan, Australia, Germany, the United States, China, New Zealand, and Korea. Multilateral and international partners encompass the World Bank Group, Asian Development Bank (ADB), European Union, United Nations system, International Fund for Agricultural Development (IFAD), Commonwealth Fund for Technical Cooperation, and Kuwait Development Fund (Hnanguie, 2003) ^[21].

Donor Motivations and National Priorities

Donor assistance is motivated by diverse strategic, economic, political, ideological, and historical considerations. For recipient countries such as PNG, aid represents a critical source of capital that compensates for domestic resource constraints impeding social and economic development (Coyle, 2023) ^[13].

PNG's foreign aid policy mandates that all assistance be directed toward government priority programmes and projects. In the absence of comprehensive national development plans, the Public Investment Programme - guided by successive Medium-Term Development Strategies - has functioned as the primary vehicle for channelling aid toward priority sectors (Pryke, 2019) ^[33]. Net ODA disbursements to PNG increased from K280 million in 1975 to K520 million in 2000, representing growth exceeding 50 per cent. Following a peak in the early 1990s, disbursements declined in absolute terms during 1999. Net DAC disbursements grew at an average annual rate of 3 per cent between 1975 and 2000 (Coyle, 2023) ^[13].

Positive Impacts of Foreign Aid

Evaluating aid effectiveness in PNG requires specification of evaluative criteria. As a resource transfer mechanism and project financing instrument, aid has registered measurable success (Hnanguie, 2003) ^[21]. Aid facilitated the bridging of investment-savings gaps in gross terms, addressed foreign exchange constraints, and financed development projects, achieving high internal rates of return - including schools, clinics, health posts, bridges, roads, capacity-building initiatives, and water supply systems (Pryke, 2019) ^[33].

During much of the post-independence period, PNG ranked as Australia's largest bilateral aid recipient, reflecting historical ties and poverty alleviation objectives. Tangible aid outcomes are visible nationwide: road and bridge construction, school and hospital infrastructure, institutional establishment, and overseas technical training for thousands

of Papua New Guineans (Hnanguie, 2003) ^[21].

In the health sector, aid has financed major infrastructure - including Port Moresby General Hospital - and supported eradication campaigns against smallpox and polio. Fertility declines in selected provinces are directly attributable to donor population programmes, particularly United Nations initiatives (Kabir, 2020) ^[24]. The ongoing HIV/AIDS response remains almost entirely aid-funded, encompassing health infrastructure, personnel training, public awareness campaigns, and initial advocacy efforts to secure government commitment to public health action (Brown, 2021) ^[9].

Agricultural aid established research and extension networks crucial for developing and disseminating high-yield tree crop varieties, now integral to national cropping systems (Kabir, 2020) ^[24]. Transport and infrastructure assistance contributed substantially to constructing and upgrading major road networks, including sections of the Hiritano and Okuk highways. Across agriculture, livestock, fisheries, education, health, water supply, finance, transport, and institutional capacity development, aid has left an indelible imprint (Hnanguie, 2003) ^[21]. Humanitarian assistance mitigated the social impacts of the 1998 Aitape tsunami, facilitated Kokopo's reconstruction following the 1996 volcanic eruptions, and supported Bougainville's post-conflict rebuilding from 2000 onward.

From the early 1990s, donors - led by the World Bank - supported successive governments in undertaking economic policy reform to reduce state interventionism and create private-sector-friendly policy environments (Brown, 2021) ^[9]. Despite resistance from entrenched interests, three decades of reform effort have yielded substantial progress. Aid-supported reforms have facilitated realistic exchange rate policies, improved monetary management, widespread deregulation, and price liberalisation. While privatisation and institutional reform remain incomplete, donor-led reform processes have demonstrably transformed PNG's policy environment (Tosun, Kirikkaleli, & Safakli, 2020) ^[40].

Negative Impacts of Foreign Aid

Over the past 48 years, even ostensibly positive achievements have attracted increasing scrutiny. The advent of structural adjustment programmes blurred aid objectives and complicated effectiveness evaluation (Feeny, 2023) ^[19].

The evidentiary record suggests that foreign aid to PNG between 1975 and 2000 registered more failures than successes. The ADB's 1998 Country Assistance Plan reported that only five of 16 evaluated projects were rated as generally successful. The World Bank's evaluation of 30 projects undertaken since 1968 indicated a failure rate of 22 per cent for projects completed between 1968 and 1978, escalating to 60 per cent for post-1978 projects (Hnanguie, 2003) ^[21]. This elevated failure rate is largely attributable to inadequate counterpart funding and government economic mismanagement.

Multiple factors have undermined aid effectiveness in PNG. First, aid effectiveness was compromised when donor objectives diverged from PNG's economic development priorities. Aid motivated by donor commercial or foreign policy considerations frequently failed to serve local economic interests (Feeny, 2023) ^[19]. Such non-economic motives produced aid activities poorly tailored to PNG's specific needs and absorptive capacities. Second, PNG's socioeconomic and political environment critically affected aid outcomes, with economic policy quality and

governmental stability exerting decisive influence (Tosun, Kirikkaleli, & Safakli, 2020) ^[40].

The government's capacity to integrate aid within coherent development strategy and management frameworks proved essential to aid success. Donors cannot compensate for the absence of an effective government equipped with appropriate budgeting and planning processes (Feeny, 2023) ^[19]. Recurring aid problems in PNG originate in governmental functional breakdowns. Project sustainability failures following donor resource termination typically reflect inadequate recurrent expenditure budgeting. Similarly, aid coordination failures - producing overlapping, contradictory, and redundant activities stem from government incapacity to integrate donor assistance within coherent national development budgeting and planning exercises (Hnanguie, 2003) ^[21].

Chronic political instability and infighting have institutionalized crisis management modalities, whereby long-term development planning and systematic budgeting are supplanted by ad hoc gap-filling, continuous external creditor negotiation, and increased politicization of revenue allocation (Pryke, 2019) ^[33]. Over time, sound management practices erode, and public corruption proliferates. Persistent under-investment in maintenance and recurrent expenditures progressively incapacitates public organizations. Resource-starved public managers and politicians increasingly lobby for foreign aid to address pressing emergency needs rather than long-term development challenges (Coyle, 2023) ^[13].

Pressed to demonstrate rapid results, donor agencies frequently circumvent the arduous, long-term task of developing central government management capacities. Donors have exercised control over project identification, design, and evaluation to compensate for limited government capacity to undertake these critical functions (Feeny, 2023) ^[19]. Many aid projects continue to be designed with minimal local input. Donors deploy long-term expatriate technical advisers rather than rely on local expertise (Coyle, 2023) ^[13]. More perniciously, donors have attempted to bypass central government institutions entirely - establishing stand-alone project structures and increasingly channeling resources through civil society and non-governmental organizations (Hnanguie, 2003) ^[21].

These practices systematically undermine capacity development by marginalizing government institutions within aid processes. For example, only two per cent of all projects within the predominantly donor-funded Public Investment Programme have ever undergone formal government evaluation (Hnanguie, 2003) ^[21]. Valuable opportunities for experiential learning in project design and evaluation are forfeited. More seriously, such practices erode government 'ownership' over projects and diminish prospects for sustained long-term financial commitment (Pryke, 2019) ^[33]. Higher levels of aid effectiveness are attainable when the government integrates aid within domestic budgeting and planning frameworks and exercises the prerogative to refuse assistance inconsistent with national development priorities (Feeny, 2023) ^[19].

Foreign Aid to Fiji

Fiji maintains multilateral and bilateral relationships through which development assistance flows from donor nations (Tosun, Kirikkaleli, & Safakli, 2020) ^[40]. Principal bilateral donors include Japan, Australia, Germany, the United States, China, New Zealand, and Korea. Multilateral partners

comprise the World Bank Group, Asian Development Bank, European Union, United Nations system, International Fund for Agricultural Development, and Commonwealth Fund for Technical Cooperation (Nailatikau, 2022) ^[30].

Aid Volume and Dependency Profile

Fiji receives comparatively modest foreign aid relative to regional neighbors. Average annual aid flows constitute approximately two per cent of Fiji's gross domestic product (GDP), significantly below corresponding ratios for Samoa (35 per cent), Solomon Islands (60 per cent), Tonga (34 per cent), and Vanuatu (25 per cent) (World Bank Group, 2021) ^[44]. On a per capita basis, Fiji receives US\$87, substantially less than Samoa (US\$527), Solomon Islands (US\$612), Tonga (US\$909), and Vanuatu (US\$506) (Australian Department of Foreign Affairs, 2023) ^[5]. Fiji's aid dependency is thus considerably attenuated. Moreover, annual remittances from overseas residents - driven by globalization and increased professional and worker migration—have progressively eclipsed foreign aid in economic significance (Nailatikau, 2022) ^[30].

Contributions to Social and Economic Development

Foreign aid has helped bridge Fiji's investment-savings gaps in gross terms, address foreign exchange constraints, and finance development projects, achieving high internal rates of return, including schools, clinics, health posts, bridges, roads, capacity-building, and training programmes (Salem, 2020) ^[37].

As in PNG, many aid achievements were compromised by counterproductive government economic policies. Donors have supported successive administrations in undertaking economic policy reform to reduce state intervention and cultivate private-sector-friendly policy environments (Ligaiula, 2022) ^[27]. Three decades of reform effort have generated substantial progress. Aid has supported the implementation of realistic exchange rate policies, improved monetary management, widespread deregulation, and price liberalisation. While privatisation and institutional reform agendas remain incomplete, donor-led reform processes have contributed to transforming Fiji's policy environment, social services, and economic growth trajectory (Salem, 2020) ^[37].

Negative Impacts of Foreign Aid

Professor Helen Hughes delivered a severe indictment of aid effectiveness in Fiji, observing poor economic growth despite plentiful Western aid and concluding that foreign aid had failed the country (Ligaiula, 2022) ^[27]. Hughes identified systemic weaknesses in aid administration: poor project selection; ineffective implementation; lax monitoring; and inadequate evaluation. She further criticised Fijian government leaders for manipulating donor competition to capture aid resources for personal benefit (Salem, 2020) ^[37]. The post-9/11 war on terrorism reoriented donor priorities. Roger Riddle, in a keynote workshop address, observed that evaluative questions had shifted over three decades: from whether projects met immediate infrastructure objectives, to whether aid made measurable impacts on poverty, and ultimately to whether recipient countries might have been better off without aid altogether (Nailatikau, 2022) ^[30].

Accumulating evidence suggests that unconditional aid flows have perpetuated poverty and deepened dependency syndromes.

Aid has been implicated in suppressing traditional crop exports, eroding the international competitiveness of domestically processed goods, and contributing to real exchange rate appreciation—a variant of Dutch disease that renders exports less attractive in international markets (Ligaiula, 2022; Nailatikau, 2022) ^[27, 30].

Summary and Comparative Implications

This review has documented both convergent and divergent patterns in foreign aid to Bangladesh and the Pacific Island Countries. Across cases, aid demonstrates a fundamentally dualistic character: capable of financing critical infrastructure, human development, and policy reform, yet simultaneously vulnerable to political capture, institutional marginalisation, and unintended economic distortions.

The Pacific cases illuminate structural challenges - aid dependency, weak absorptive capacity, donor fragmentation, and the erosion of local ownership—that resonate with Bangladesh's experience. Samoa exemplifies the geopolitical instrumentalisation of aid and accountability deficits that enable resource misappropriation. PNG provides extensive evidence of how chronic political instability, weak planning systems, and donor practices that circumvent government institutions systematically undermine aid effectiveness and capacity development. Fiji demonstrates that lower aid dependency does not immunise recipients from the dysfunctions of poor project selection, weak implementation, and Dutch disease effects.

These comparative insights inform the subsequent analysis of Bangladesh's aid experience, to which this study now turns. The convergent challenges identified across these distinct developmental contexts underscore the imperative for systemic reform in both donor practices and recipient governance frameworks. Without such reform, foreign aid risks perpetuating the very structural dependencies it purports to resolve.

Research methodology

Research Design

This study employs a secondary research design, which refers to the systematic gathering and synthesis of information that already exists and is publicly available. Unlike primary research, which generates new data, secondary research utilises data previously collected by other investigators, often subjected to prior statistical analysis, and not owned by the present researcher (Ruggiano & Perry, 2019) ^[36]. Such data are typically derived from primary sources and subsequently made accessible for broader scholarly and professional use. Secondary data thus constitutes second-hand information, originally gathered by others for distinct purposes. In secondary research, existing data are systematically collated, critically evaluated, and synthesised to enhance the overall effectiveness and analytical depth of the new investigation. This research draws upon data originally collected by other scholars and institutions concerning foreign aid and its positive and negative implications for recipient countries (Cheong, Lyons, Houghton, & Majumdar, 2023) ^[11].

Data Sources

The data for this study were collected from a diverse range of online sources, including:

1. Peer-reviewed academic journals
2. Official policy documents and government reports

3. Scholarly books and book chapters
4. Institutional and development agency reports
5. Newspapers and reputable periodicals
6. Magazines and grey literature

These sources were selected based on their relevance, authority, and contribution to understanding the multifaceted dimensions of foreign aid.

Types of Secondary Data

Secondary data may be classified into two principal types: qualitative and quantitative. Qualitative secondary data concern intangible attributes and encompass factors such as quality, preference, perception, appearance, and contextual meaning (Wickham, 2019) [43]. Such data are essential for exploring the nuanced experiences, policy environments, and socio-political dynamics that shape aid effectiveness.

Quantitative secondary data comprises numerical information, including statistics, percentages, financial flows, and econometric indicators (Wickham, 2019) [43]. These data enable the measurement of aid volumes, sectoral allocations, and developmental outcomes.

This research integrates both qualitative and quantitative secondary data from a broad array of online documents and datasets, ensuring a comprehensive and methodologically balanced investigation.

Data Collection Procedure

Data collection constitutes a fundamental component of any research study. It involves the systematic gathering of information from available sources to address a defined research problem (George, 2023) [20]. The process enables researchers to evaluate current outcomes, identify patterns, and project future trends and possibilities. Effective data collection typically proceeds from the most foundational information relevant to the problem, progressively expanding in volume and complexity as the investigation advances (Wickham, 2019) [43].

Two overarching methods of data collection are recognised: primary and secondary. Each method requires careful identification of data types, sources, and appropriate collection techniques. Diverse collection methods are employed across commercial, governmental, and academic research contexts, with various sources accessed depending on whether primary or secondary data are being gathered (George, 2023) [20]. Whether applied to scholarly inquiry or practical problem-solving, rigorous data collection enhances decision-making and improves research outcomes.

This study utilizes secondary data collection exclusively, concentrating on the field of foreign aid assistance - particularly flows from developed to developing nations. Data were collected on multiple dimensions of aid, including:

1. Donor and recipient perspectives on aid objectives and effectiveness
2. Processes of aid negotiation, disbursement, and implementation
3. Challenges encountered during the aid lifecycle
4. Advantages and disadvantages, including both intended benefits and unintended consequences (Cheong, Lyons, Houghton, & Majumdar, 2023)

In secondary research, the capacity to collect authentic and relevant data—and to formulate solutions that meet research

objectives—ultimately depends upon the researcher's ability to exercise critical thinking in digesting, interpreting, and synthesizing existing information.

Data Analysis

Secondary data analysis involves the use of data originally gathered by other researchers and is defined as the reanalysis of previously collected information (Wickham, 2019) [43]. It may also be understood as the analysis of data by researchers who were not involved in the original data collection process (Ruggiano & Perry, 2019) [36]. A wide variety of data sources are available for secondary analysis, and the selection of appropriate sources is determined by the specific focus and objectives of the research (Ruggiano & Perry, 2019) [36].

Secondary data analysis is one of the most widely employed data collection and analytical techniques in social science research (Wickham, 2019) [43]. Despite its long-standing tradition and continued prevalence, the method is not without its critics. A principal criticism holds that secondary analysis is suitable only for highly experienced researchers (Cheong, Lyons, Houghton, & Majumdar, 2023) [11]. Nevertheless, notwithstanding its inherent limitations, secondary data analysis remains an invaluable research technique—not only within the social sciences but across virtually all disciplines. Ruggiano and Perry (2019) [36] contend that it is difficult to conceive of any credible research study that does not, in some measure, benefit from secondary data analysis.

This study undertakes a systematic and critical examination of existing data and information on foreign aid. The analytical focus encompasses:

1. The processes by which recipient countries secure foreign aid
2. The modalities of aid delivery and implementation
3. The benefits derived from aid assistance
4. The positive and negative implications experienced by recipient countries

Bangladesh was purposively selected as the case study for this investigation. The analysis examines how and from whom Bangladesh has received foreign aid, the types of benefits accrued, the implications - both favourable and adverse - encountered, and the specific challenges that have arisen in the course of aid receipt. These data were systematically analysed, interpreted, and synthesised to generate the findings and conclusions presented in this study.

Ethical Considerations in Secondary Research

Although secondary research does not involve direct interaction with human participants, ethical considerations remain pertinent. This study ensures that all secondary data sources are properly attributed and cited in accordance with academic integrity standards. Data are used exclusively for the purposes for which they were originally made publicly available, and no misrepresentation of the original authors' findings or intentions is undertaken.

Limitations and Mitigation Strategies

Secondary research is subject to certain inherent limitations. These include the researcher's lack of control over original data quality, potential mismatches between the original data collection purposes and the present research questions, and the possibility of publication bias in available literature. To mitigate these limitations, this study:

1. Triangulates findings across multiple independent sources
2. Critically evaluates the methodological rigour of original studies
3. Explicitly acknowledges where data limitations may affect conclusions

Research Cases Review Analysis

Foreign aid assistance: A case study of Bangladesh

Bangladesh has been a foreign aid recipient since it became independent. According to research done on the effects of foreign aid in Bangladesh, there are two different views (Sen, Islam *et al.*, 2019) [3]. The traditional view shows the significant beneficial effects on the recipient countries. It is argued that foreign capital not only complements domestic resources of the capital-deficient countries, but also helps to relieve (Sen, Islam *et al.*, 2019) [3]. It helps to access modern technology and managerial skills in the recipient countries. But the economic growth of recipient countries over the last four decades does not support the conventional wisdom. According to Rafi and Khan, (2021) [34], there is a negative experience of foreign capital flows.

The radical anti-aid view shows the negative effect of foreign aid. It occurs due to inappropriate technology, distorts domestic income distribution, and leads to a corrupt government in those recipient countries (Sen, Islam *et al.*, 2019) [3]. These two different views describe the foreign aid from other countries that is received by Bangladesh. For collecting foreign aid, Bangladesh takes a risk like corruptions come into play, and political harassment also takes its toll. There are many types of hidden agendas and string attach to foreign aid that Bangladesh must be aware.

These impediments and hindrances with foreign aid put a lot of pressure on the Bangladesh government to be cautious and carefully use the aid properly (Sen, Islam *et al.*, 2019) [3].

Early trend of foreign aid to Bangladesh

In the early trends of development aid to Bangladesh, the country in the first three decades received a lot of foreign aid and financial assistance from other countries since its independence in 1971 (Rafi & Khan, 2021) [34]. They said in the last two decades, the disbursement of foreign aid increased, causing annual GDP to increase too at the rate of 6.15 percent. The social and economic indicators, such as the increase in life expectancy at birth, increased from 65 years in 2001 to 72 years in 2019. Along with that, the adolescent birth rate (per 1,000 women) fell from 109 in 2001 to 81 in 2019, due to efforts to reduce the child marriage rate and increasing secondary school enrollment rates from 51% to 72% (Rafi & Khan, 2021) [34]. The infant mortality rate (under 5) decreased from 81.6 (per 1,000 live births) in 2001 to 30.8 in 2019. As per the Centre for Policy Dialogue (CPD) Bangladesh, health aid has been a significant determinant of health outcomes in Bangladesh in the past two decades.

According to Rafi and Khan (2021) [34], foreign aid towards health has increased from approximately USD 138 million in 2001 to USD 203 million in 2018. Therefore, improvements in the social indicators can be largely attributed to the efforts of the Government of Bangladesh and Non-government Organizations, and foreign aid received in sectors that improved social indicators in Bangladesh (Rafi & Khan, 2021) [34]. The table below indicates the disbursement of aid annual GDP growth of Bangladesh.

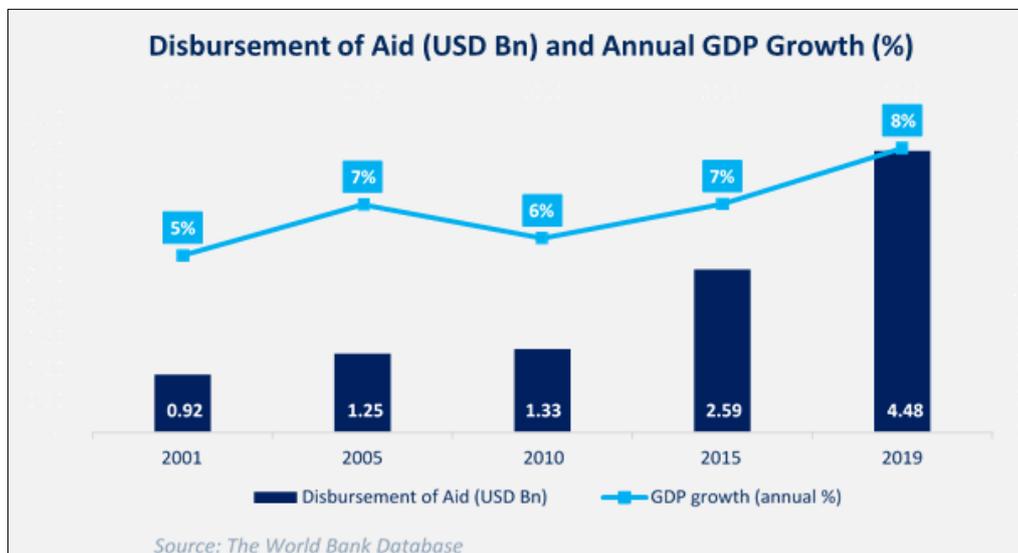


Fig 1: Comparison of ODA disbursed and the annual GDP growth.

According to Hossain's (2014) research, Bangladesh has been a foreign aid recipient country receiving about \$56.5 billion in foreign aid from the donor countries during the 1971-2012 period. This shows that Bangladesh has been a recipient of foreign aid since the nineties. They, like every other aid recipient country, have been dependent on aid. Bangladesh receives foreign assistance mainly to finance the budget and trade deficit, plus the annual development program (Hossain, 2014) [23]. The foreign assistance

received by Bangladesh is constituted mainly by grants and interest-based loans. During the 1971-2021 period, loans occupied a large portion (58.22 percent) of the total external assistance, while grants made up 41.78 percent of all foreign assistance (Hossain, 2014) [23]. The fact that the amount of loans by the government of Bangladesh to outside countries exceeds the amount of the grants that the country receives. Plunging Bangladesh into deep loans that they are unable to pay on time.

Effect of labor migration on Bangladesh

Labor migration has long been a prominent poverty alleviation and development strategy for Bangladesh since its independence in 1971 (Ahmed, Islam & Moniruzzaman, 2025) [3]. This is another form of aid from foreign countries that is provided to Bangladeshi women. This is to alleviate poverty in developing countries, especially families that are below the poverty line. Annually, around half a million Bangladeshis leave the country to work overseas, and the remittances sent by the migrants is pivotal for Bangladesh's economy. According to Ansar's (2022) research, there has been a consistent growth in remittances, and in 2020, it stands at \$21.75 billion - an increase of 18.4% from 2019. International remittance accounted for 6.6% of Bangladesh's GDP in 2020, placing it at the eighth position among the largest remittance-receiving countries of the world, which underlines the importance of labor migration in Bangladesh (Ahmed, Islam & Moniruzzaman, 2025) [3]. Remittances are the money that is earned by Bangladeshi migrant labourers and is sent back home to develop their families that are back

home in Bangladesh. This financial assistance very much helped Bangladesh families to meet their social needs like food, water, clothing, school fees, medical costs, and other household needs.

The pandemic from 2019-2021 put a pause on this migration labours in many regions and countries around the world, with no exception to Samoa. Due to the closing of borders all around the world, the number of labour immigrants has dropped. For example, Bangladesh's decrease of 69% in sending labour forces overseas compared to 2018, the year before the pandemic. While in 2019, more than 700,000 Bangladeshi migrants migrated as guest workers, this figure dropped to 217,669 in 2020 (see Table 1). In the case of women's migration, the drop in statistics is even higher. A total of 21,934 female workers migrated from Bangladesh as guest workers in 2020, which was 104,786 in 2019—almost four times higher and fell by 79% compared with the previous year (see Table 2) (Ahmed, Islam & Moniruzzaman, 2025) [3].



Fig 2: Year-wise international labor migration from Bangladesh (2011–2020)



Fig 3: Year-wise overseas employment of women migrants from Bangladesh (2011–2020)

The first table shows the international labour migration for all the migrant laborers in the years 2011-2020, and the second table shows the year-wise overseas employment of women migrants from Bangladesh from the years 2011-2022. The statistics in table one shows that the number of migrant laborers from the beginning was not a steady flow; it went up in 2011-2012 and fluctuated in 2013-2015. Its peak year was 2017. However, it fluctuated again in 2020 with the lowest number of migrant laborers due to the rise of the COVID-19 pandemic. Table 2 shows the statistics of women migrants from Bangladesh. It started with the lowest number of women migrants in 2011, and it increased slowly afterwards. Its peak point was 2016-2017; however, in 2020, it dropped lower than the starting point because of the COVID-19 pandemic (Ansar, 2022) ^[3]. During the same period, Bangladesh has also received a record number of returnee migrants owing to job loss, arbitrary dismissal, and forced deportation. According to the Bangladesh Ministry of Expatriate Welfare and Overseas Employment, a total of 408,000 migrant workers returned to the country in 2020. Thus, around 2000 migrant workers returned to Bangladesh daily since the pandemic's beginning.

Overview of Foreign Aid to Bangladesh

Bangladesh, as a developing country, maintains extensive multilateral and bilateral relationships with donor governments and international financial institutions. Since gaining independence in 1971, the nation has been a consistent recipient of foreign aid and remains substantially reliant on external assistance—a characteristic it shares with many developing economies (Sen, Islam *et al.*, 2019) ^[3]. These diplomatic and developmental partnerships have facilitated significant inflows of development assistance from developed nations, directed toward fostering social and economic growth.

The impact of foreign aid on Bangladesh's development trajectory is substantial and multifaceted. Aid has financed extensive infrastructure development and sectoral projects across agriculture, livestock, fisheries, education, health, water supply, finance, transport, and socioeconomic infrastructure, in addition to supporting institutional capacity building and training programmes. Hossain (2014) ^[23] documents that Bangladesh received approximately US\$56.5 billion in foreign aid from donor countries during the 1971–2012 period, resources that underpinned considerable infrastructure expansion and social service delivery to the Bangladeshi population.

Challenges and Adverse Impacts in Bangladesh

Notwithstanding these developmental contributions, foreign aid to Bangladesh has been accompanied by significant challenges, resistance, and unintended negative consequences. The COVID-19 pandemic, for instance, precipitated substantial disruptions to aid-funded projects and activities. Ansar (2022) ^[3] highlights the severe contraction in women's overseas employment as an illustrative case: the number of female migrant workers from Bangladesh plummeted from 104,786 in 2019 to just 21,934 in 2020 - a decline of approximately 79 per cent. This dramatic reduction not only diminished remittance flows but also exposed the vulnerability of aid-dependent development strategies to exogenous shocks.

Comparative Analysis: The Pacific Region

The experiences of Bangladesh find strong resonance in the Pacific region, where small island states - including Samoa, Papua New Guinea (PNG), and Fiji - have likewise received substantial development assistance from developed nations to advance social and economic infrastructure.

Papua New Guinea: Hnanguie (2003) ^[21] observes that the relatively large volume of foreign aid flowing into PNG since 1975 has contributed measurably to national development. Sectoral gains parallel those observed in Bangladesh, encompassing agriculture, livestock, fisheries, education, health, water supply, finance, transport, socioeconomic infrastructure, and institutional capacity building.

Samoa: Mata'afa-Tufele (2021) ^[29] reports that foreign aid to Samoa has stimulated economic growth, strengthened critical economic infrastructure resilience, and improved the regulatory environment for business and international trade - reforms explicitly designed to support and sustain economic expansion.

Fiji: Nailatikau (2022) ^[30] similarly emphasises that foreign aid has supported Fiji's social and economic development, with financial assistance directed toward income-generating activities, poverty reduction initiatives, and institutional capacity building.

Divergent Outcomes and the Question of Effectiveness

The effectiveness of foreign aid across these contexts remains contested. As Brown (2021) ^[9] notes, evaluative conclusions depend fundamentally upon the criteria applied. As a resource transfer mechanism and project financing instrument, aid has registered measurable successes. However, when assessed against broader developmental benchmarks, the record is decidedly mixed.

Governance and Administrative Weaknesses

All three Pacific Island nations, like Bangladesh, have encountered persistent challenges in securing and implementing aid. These include governmental mishandling of aid funds, programme management deficiencies, and workforce skill deficits that constrain capacity to manage and execute large-scale infrastructure projects.

Ligaiula (2022) ^[27] identifies systemic weaknesses in Fiji's aid administration: poor project selection, ineffective implementation, lax monitoring of progress, and inadequate evaluation protocols. More critically, Salem (2020) ^[37] documents instances where Fijian government leaders engaged in strategic manipulation of donor competition - playing one donor against another - to capture aid resources for personal benefit rather than developmental purposes.

Project Failure Rates

The empirical record from PNG is particularly sobering. Hnanguie (2003) ^[21] reports that of 16 Asian Development Bank-assisted projects evaluated, only five were rated as generally successful. World Bank project performance similarly deteriorated over time: projects completed between 1968 and 1978 registered a failure rate of 22 per cent, which escalated to 60 per cent for projects completed after 1978.

This pattern of declining aid effectiveness corresponds closely with governance deterioration and economic mismanagement documented in Bangladesh and elsewhere.

Economic Distortions

Samoa exemplifies the paradoxical economic consequences of aid inflows. Mata'afa-Tufele (2021) ^[29] explains that increased import capacity - fueled by aid-financed purchasing

power - has inflated local prices for goods and services. As demand pressures exceed domestic supply capacity, prices rise disproportionately. Small enterprises operating at diseconomies of scale struggle to remain competitive in this environment, while larger firms capable of achieving economies of scale capture disproportionate benefits. This dynamic illustrates the distributional inequities that aid can inadvertently generate.

Convergent Patterns Across Contexts

Table 1: The comparative analysis reveals several convergent patterns between Bangladesh and the Pacific Island Countries

Dimension	Bangladesh	Pacific Island Countries
Sectoral achievements	Agriculture, health, education, infrastructure, and capacity building	Agriculture, health, education, infrastructure, and capacity building
Governance challenges	Corruption, weak implementation, and political interference	Corruption, weak project selection, inadequate monitoring, and political manipulation
Economic distortions	Inflation, dependency, and project delays	Dutch disease effects (Fiji), local price inflation (Samoa), and debt burdens
Exogenous shocks	COVID-19 disruption to migration and remittances	Climate vulnerability, global economic volatility
Donor practices	Conditionalities, tied aid, and expatriate reliance	Parallel structures, limited local ownership, and expatriate technical advisers

Discussion

The Paradox of Development Assistance

This interpretive analysis examines the complex and often contradictory role of foreign aid in Bangladesh's development trajectory, drawing comparative insights from Pacific Island nations. The research case studies present a fundamental paradox: despite decades of substantial development assistance and measurable improvements in certain social indicators, the overall effectiveness of foreign aid remains deeply contested. This discussion interprets these findings through multiple analytical lenses - political economy, institutional theory, and post-development perspectives - to understand why aid outcomes diverge so significantly from intended objectives.

The research's attention to labour migration introduces an alternative conceptualization of foreign assistance. Unlike official development assistance, which is channelled through governments and international institutions. As highlighted by Ahmed, Islam & Moniruzzaman (2025) ^[3], remittances represent direct transfers from migrant workers to their families. This form of assistance operates through different mechanisms, with distinct implications for poverty alleviation and household welfare.

Traditional versus Radical Interpretations

The research establishes a dialectical tension between traditional and radical views of foreign aid. The traditional perspective, grounded in neoclassical economic theory, posits that foreign capital addresses savings-investment gaps, facilitates technology transfer, and supplies managerial expertise unavailable domestically. This interpretation treats developing countries as capital-deficient systems in which external resources can be helpful. Bangladesh's early development planning explicitly embraced this logic, with foreign aid positioned as complementary to domestic resources (Husain, 2018) ^[23].

However, the empirical evidence resists such a straightforward interpretation. The radical anti-aid view challenges this mechanistic understanding, suggesting that aid's negative consequences - inappropriate technology

adoption, distorted income distribution, and entrenched corruption - are not merely implementation failures but systematic outcomes of aid dependency itself. This perspective resonates with dependency theory, which argues that external resource flows reproduce rather than resolve underdevelopment by integrating recipient economies into global hierarchies on unfavourable terms.

The Implementation Gap

A critical interpretive lens reveals that aid effectiveness is fundamentally an institutional question. The research documents systematic weaknesses across both Bangladesh and Pacific Island contexts: poor project selection, ineffective implementation, lax monitoring, and inadequate evaluation protocols. These are not random failures but patterned outcomes reflecting institutional capacity constraints, governance deficits, and the misalignment between donor requirements and recipient realities.

The World Bank's project failure rate in PNG, escalating from 22% (1968-1978) to 60% (post-1978) alongside governance deterioration, powerfully illustrates this institutional mediation. Aid does not operate in a vacuum but flows through existing institutional architectures that shape its deployment and impact as reaffirmed by Ullah, Ibrahim & Islam, 2025. Where institutions are weak, captured, or misaligned with developmental objectives, even well-designed aid programmes underperform.

The Samoa case - where aid-financed import capacity inflates local prices, disadvantaging small enterprises - illustrates the economic distortions that accompany resource inflows. This phenomenon, analogous to Dutch disease in resource-rich economies, occurs when external inflows (Delamou, 2025) ^[15] appreciate real exchange rates or inflate non-traded goods prices, undermining the competitiveness of domestic producers (Behzadan & Chisik, 2024 ^[8]; Nguyen Phuc, Nguyen Viet *et al*, 2024 ^[31]).

Interpreting this dynamic requires attention to the structural transformation that aid is meant to enable versus the transformations it actually produces. Rather than catalysing productive diversification, aid may inadvertently reinforce

dependence on imports and external financing, creating economies structured around aid receipt rather than productive transformation.

Principal-Agent Problem in Aid Relationships

Interpreting these patterns through principal-agent theory illuminates the structural tensions inherent in aid relationships. Donors (principals) delegate implementation to recipient governments, NGOs, and other actors (agents) whose interests may diverge from donor objectives. According to Abate (2022) ^[1], information asymmetries, monitoring difficulties, and competing accountability structures create spaces for slippage between intent and outcome.

The research identifies multiple manifestations of this principal-agent problem: governmental mishandling of aid funds, programme management deficiencies, and the documented instance of Fijian leaders manipulating donor competition for personal benefit (Salem, 2020) ^[37]. These behaviours are not merely individual malfeasance but rational responses to incentive structures that reward aid capture over developmental outcomes.

Aid, Sovereignty, and Conditionality

The research implicitly raises questions about the relationship between aid receipt and national sovereignty. The reference to hidden agendas and string attachments suggests that aid relationships embody power asymmetries that constrain recipient policy autonomy. Bangladesh, like other aid-dependent nations, must navigate conditionalities that may not align with domestic priorities or developmental philosophies as highlighted by Uddin (2024) ^[41].

This dynamic is particularly salient in the Pacific context, where small island states face pronounced power imbalances in negotiations with larger donors. The expatriate technical advisers and parallel implementation structures documented across cases represent not merely technical assistance but the institutionalization of external control over development processes.

Corruption as Systemic

The research identifies corruption as a persistent challenge across all cases examined. However, an interpretive analysis suggests understanding corruption not as an individual moral failing but as a systemic outcome of aid relationships themselves. When aid flows exceed institutional absorptive capacity, when accountability mechanisms are externally imposed rather than locally owned, and when aid creates rent-seeking opportunities without corresponding institutional constraints, corruption becomes predictable rather than exceptional.

Hossain (2021) ^[22] stated that Bangladesh's experience of foreign aid corruptions come into play exemplifies how aid can inadvertently strengthen extractive rather than productive state-society relations. This interpretation aligns with political economy analyses suggesting that aid dependence may undermine the development of domestic accountability relationships between citizens and states.

Convergent Patterns, Divergent Contexts

The comparative analysis reveals striking parallels between Bangladesh and Pacific Island nations despite vastly different geographic, cultural, and historical contexts. Highlighted by Robergh, Banks *et al* (2025) ^[35] that both experience sectoral

achievements alongside governance challenges, economic distortions alongside infrastructure development, and vulnerability to shocks alongside resilience in certain domains. This convergence suggests that aid effectiveness patterns transcend specific national characteristics, reflecting structural features of aid relationships themselves. Where institutional capacity is weak, where accountability runs upward to donors rather than downward to citizens, and where aid creates economic distortions through Dutch disease or inflation, similar problems emerge regardless of context.

Beyond Binary Assessments

This interpretive analysis suggests moving beyond binary assessments of aid as either effective or ineffective, beneficial or harmful. The Bangladesh case demonstrates that aid can simultaneously achieve sectoral successes while generating systemic distortions, improve social indicators while undermining institutional development, and enable poverty reduction while creating new vulnerabilities.

This simultaneity demands analytical frameworks capable of holding contradiction. Rather than asking whether aid works, we might ask: Under what conditions, through what mechanisms, and for whom does aid produce particular outcomes? How do aid relationships interact with existing institutional configurations, political settlements, and social structures to generate divergent effects across sectors and populations?

Conclusion

This interpretive analysis yields several implications for development policy and practice. First, institutional strengthening must precede or accompany resource transfers; aid cannot substitute for domestic capacity but must build it. Second, accountability mechanisms should run in multiple directions - to donors and citizens, and horizontally among implementing actors - rather than privileging accountability to funders. Third, aid relationships should be structured to enhance rather than undermine recipient autonomy, recognizing that sovereignty is not merely a normative principle but a developmental prerequisite.

Finally, the vulnerabilities exposed by the pandemic suggest the need for development models that build resilience rather than dependence. This means diversifying external engagements, strengthening domestic productive capacity, and ensuring that integration into global systems does not foreclose alternative development pathways. For Bangladesh, for Pacific Island nations, and for aid recipients everywhere, the challenge is not to accept or reject aid but to transform the relationships through which it flows.

References

1. Abate CA. Is too much foreign aid a curse or blessing to developing countries? *Heliyon*. 2022;8(9):e10463. doi:10.1016/j.heliyon.2022.e10463.
2. Asian Development Bank. Pacific approach, 2021–2025: ADB's work in Samoa. Manila: Asian Development Bank; 2021. Available from: <https://www.adb.org/countries/samoa/overview>
3. Ahmed F, Islam MM, Moniruzzaman M. The impact of returnee migrants' remittances on reducing household inequality and poverty in Bangladesh: a micro-level study. *Rev Dev Econ*. 2025;29(3):1393-1415.
4. Australian Department of Foreign Affairs and Trade. Samoa aid program performance report 2018–19.

- Canberra: DFAT; 2018. Available from: <https://www.dfat.gov.au/about-us/publications/Pages/samoa-aid-program-performance-report-2018-19>
5. Australian Department of Foreign Affairs and Trade. Development assistance in Samoa: Australia's development partnership with Samoa. Canberra: DFAT; 2023. Available from: <https://www.dfat.gov.au/geo/samoa/development-assistance>
 6. Australian Department of Foreign Affairs and Trade. Development assistance in Fiji: Australia's development partnership with Fiji. Canberra: DFAT; 2023. Available from: <https://www.dfat.gov.au/geo/fiji/development-assistance/development-partnership-with-fiji>
 7. Bangladesh Pratidin. Japan's SMBC accused of worsening climate risks in Bangladesh. Bangladesh Pratidin. 2025 May 22.
 8. Behzadan N, Chisik R. The paradox of transfers: distribution and the Dutch disease. *South Econ J*. 2024;91(3):1140-1175.
 9. Brown S. The impact of COVID-19 on development assistance. *Int J*. 2021;76(1):42-54. doi:10.1177/0020702020986888.
 10. Center for Global Development. Aid isn't fairy dust: long-term changes and the lessons of the past decade. Washington (DC): Center for Global Development; 2025 Nov 13.
 11. Cheong H, Lyons A, Houghton R, Majumdar A. Secondary qualitative research methodology using online data within the context of social sciences. *Int J Qual Methods*. 2023;22. doi:10.1177/16094069231180160.
 12. Corporate Finance Institute. Foreign aid. Corporate Finance Institute; 2024.
 13. Coyle N. Australia needs to rethink Papua New Guinea aid: people need power and water, not governance workshops. *The Guardian*. 2023 Jan 11.
 14. Dayant A. Follow the money: how foreign aid spending tells of Pacific priorities. Lowy Institute; 2019 Apr 17.
 15. Delamou CC. Curing the Dutch disease: the role of tariffs. *J Gov Econ*. 2025;18:100147. doi:10.1016/j.jge.2025.100147.
 16. Dornan M, Pryke J. Foreign aid to the Pacific: trends and developments in the twenty-first century. *Asia Pac Policy Stud*. 2017. doi:10.1002/app5.185.
 17. Duke R, Dayant A, Ahsan N, Rajah R. Pacific aid map: 2025 key findings. Sydney: Lowy Institute; 2025 Oct 27.
 18. Dziedzic S. Donors dig deep to prop up Pacific economies left reeling by the dire consequences of COVID. *ABC News*. 2022 Oct 31.
 19. Feeny S. What determines foreign aid to Papua New Guinea? An inter-temporal model of aid allocation. Helsinki: World Institute for Development Economics Research; 2023.
 20. George T. What is secondary research? Definition, types, & examples. *Scribbr*; 2023 Jun 22.
 21. Hnanguie CT. The future of foreign aid in Papua New Guinea after 25 years of successes and failures? Papua New Guinea Books; 2003. Available from: <http://www.pngbuai.com>
 22. Hossain N. Reflections on Bangladesh at 50. *Contemp South Asia*. 2021;29(4):495-499. doi:10.1080/09584935.2021.1997919.
 23. Husain M. Dichotomy of development aid's ambition and neoliberal imperatives: a case-study of private-sector development in Bangladesh. *Dev Policy Rev*. 2018;36:O803-O814.
 24. Kabir MA. Foreign aid effectiveness: evidence from panel data analysis. *Glob J Emerg Mark Econ*. 2020;12(3):283-302. doi:10.1177/0974910120961570.
 25. Khan MMI. The interim has little to show in foreign aid governance. *The Daily Star*. 2026 Jan 14.
 26. Khatun F. Foreign aid slows as loan pressure rises. Dhaka: Centre for Policy Dialogue; 2025 Jul 28.
 27. Ligaiula P. Australia to provide additional support to Fiji. *Pacific News Service*; 2022 Mar 15. Available from: <https://pina.com.fj/2023/03/15/australia-to-provide-additional-support-to-fiji/>
 28. Lowy Institute. The Pacific will endure US aid cuts, but China wins narrative advantage. Sydney: Lowy Institute; 2025 Nov 19.
 29. Mata'afa-Tufele T. Grants, aid could assist Samoa's recovery: expert. *Samoa Observer*. 2021 Oct 6.
 30. Nailatikau M. Where the buck stops: aid in Fiji. Sydney: Lowy Institute; 2022 Oct 30. Available from: <https://www.lowyinstitute.org/the-interpreter/where-buck-stops-aid-fiji>
 31. Nguyen PH, Nguyen VD, Le TKX, Nguyen VC, Nguyen VM. Does official development assistance (ODA) cause the Dutch disease in developing countries? *Int J Soc Econ*. 2024;ahead-of-print. doi:10.1108/IJSE-12-2022-0777.
 32. Planning & Development Board, Punjab. Foreign assistance. Lahore: Government of Punjab.
 33. Pryke J. The curious case of aid concentration in Papua New Guinea. Sydney: Lowy Institute; 2019 Feb 14. Available from: <https://www.lowyinstitute.org/the-interpreter/curious-case-aid-concentration-papua-new-guinea>
 34. Rafi KM, Khan FH. Foreign aid to Bangladesh: a thing of the past? Dhaka: Light Castle Analytical Wing; 2021 Jun 14. Available from: <https://www.lightcastlebd.com/insights/2021/06/foreign-aid-bangladesh/>
 35. Roborgh S, Banks N, Islam MA, Morshed KAM, Oberreit J. BRAC in Bangladesh and beyond: bridging the humanitarian-development nexus through localisation. *Dev Pract*. 2024;34(2):238-252. doi:10.1080/09614524.2023.2273756.
 36. Ruggiano N, Perry TE. Conducting secondary analysis of qualitative data: should we, can we, and how? *Qual Soc Work*. 2019;18(1):81-97. doi:10.1177/1473325017700701.
 37. Salem S. Chinese foreign aid to Fiji: threat or opportunity. *China Report*. 2020;56(2):242-258. doi:10.1177/0009445520916875.
 38. Stevens R. Breaking down the foreign aid behemoth: the uneven development paths of South Asian nations. *Australian Institute of International Affairs*; 2025 Feb 25.
 39. The Financial Express. The future of megaprojects funded by JICA remains clouded. *The Financial Express*. 2025 Nov 3.
 40. Tosun E, Kirikkaleli D, Safakli OV. An isolated island economy analysis on the effectiveness of foreign aid: TRNC. *SAGE Open*. 2020;10(2). doi:10.1177/2158244020924376.

41. Uddin MR. The role of the digital economy in Bangladesh's economic development. *Sustain Technol Entrep.* 2024;3(1):100054. doi:10.1016/j.stae.2023.100054.
42. Ullah AKMA, Ibrahim K, Islam M. Foreign aid in global development: empowerment or entrapment? *Alternatives (Glo Loc Polit).* 2025;0(0). doi:10.1177/03043754251379159.
43. Wickham RJ. Secondary analysis research. *J Adv Pract Oncol.* 2019;10(4):395-400. Available from: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7520737/>
44. World Bank Group. World Bank Group's new country partnership framework for Fiji (2021–2024). Washington (DC): World Bank; 2021 Jan 29. Available from: <https://www.worldbank.org/en/country/pacificislands/brief/world-bank-groups-new-country-partnership-framework-for-fiji-2021-2024>

How to Cite This Article

Semel R. Foreign aid and development in Bangladesh and the Pacific: a comparative secondary analysis of benefits, challenges, and structural dependency. *Int J Multidiscip Res Growth Eval.* 2026;7(1):968-980. doi:10.54660/IJMRGE.2026.7.1.968-980.

Creative Commons (CC) License

This is an open access journal, and articles are distributed under the terms of the Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International (CC BY-NC-SA 4.0) License, which allows others to remix, tweak, and build upon the work non-commercially, as long as appropriate credit is given and the new creations are licensed under the identical terms.