

primary instructional tool.²⁸ These students do not have to pay room and board or meal plan fees like residential students, and often find it easier to work with the more flexible schedule that online classes provide.

Whether or not the growth in online education will remain steady as the economy continues to recover is yet to be seen. According to the 2010 Sloan Consortium report, even if better economic conditions make online education less necessary for some, demand for online education may still rise if other attractive aspects continue to draw students.

The UK's Decision to Phase-Out Aid to India: Progressive or naïve?

By Anne Evered

On November 8 of this year, the United Kingdom announced that it will be phasing out £200m (\$319m) worth of aid to India between now and 2015. Justine Greening, the UK's international development secretary, gave the official statement. Greening, who visited India the week of the announcement, said the decision reflects the country's growing economy and progress. "The growing two-way trade and investment between our two countries means that our development partnership should increasingly be about trade not aid," Ms. Greening commented.

The controversial decision has been simultaneously praised as forward-thinking and criticized for being hasty.

The decision will likely be popular with Tory members of parliament, as well as members of the Conservative Party who have pressed for cuts in aid spending by the U.K., as the country struggles with its own large deficit. India is increasingly being seen as capable of providing the funds for its development programs on its own.

Many charity organizations, however, such as Oxfam and Save the Children, are hesitant to praise the decision to cut foreign aid to India, fearing that while India is

making progress both economically and socially, there is still huge inequality of wealth. These charities warn that the UK's decision will hurt the poorest families in India, where one-third of the world's poorest live. They suggest that, at the very least, after 2015 the UK should support Indian NGOS in battling infant mortality and work towards improving health standards in the country. Some have suggested that aid to India, rather than being cut, should be better directed towards the specific challenges India currently faces, such as the large inequality between social classes.

The aid relationship between India and the UK reflects the deep historical ties between the two countries. The UK has provided aid to India for fifty years and the country currently receives £280 million (\$448 million), most of which goes to education and health programs, such as the funds to provide bed nets to stop the spread of malaria. In 2011-2012, India was the second greatest recipient of aid from the UK, just behind Ethiopia. In the two years before that, India had been the top recipient.

Keith Vaz, Labor member of parliament and former chair of the Indian-British parliamentary group, said the government had to make sure that the Indian government still felt that the bilateral relationship remained important to the UK.

India's Foreign Minister Salman Khurshid issued a statement indicating that the Indian government agrees that the aid relationship with the U.K. is in need of a change. "Aid is the past and trade is the future, so we are looking to the future," Mr. Khurshid said after meeting with the British foreign minister, William Hague.

After 2015, UK will still provide assistance to India, but in the form of technical assistance rather than direct aid. The new program, only costing about £30 million a year, will focus on areas such as trade, skill and private sector investment. The UK estimates that because of this decision, the country will eventually be paying about one-tenth the current amount to India.

The UK will keep its commitment to spend 0.7% of its GDP on aid. Overall aid spending by UK will not go down, but will be redirected to other countries determined to be more in need. This decision to phase-out aid to India is not the first of its kind. Indeed, in 2010 the UK stopped providing financial aid to China, Brazil and Russia.

Giving his opinion on how the UK's decision will affect India's development, Stanford Professor Saumitra Jha emphasized the importance of the long history between

the two countries: “it is good to remember that the UK and India of course have a long history together, and I doubt that turning off the aid spigot for a while will have that much effect on their relations.”

Professor Jha is an assistant professor of political economy in Stanford’s Graduate School of Business with research interests in development economics and the political economy of South Asia.

He commented that the UK’s decision in some ways was unsurprising: that “if the UK wants to buy influence with its aid, it is unlikely to get as much for each pound in India as it may in other countries.” However, Professor Jha also stressed that South Asia, particularly India, provides many opportunities for the UK government to reduce poverty, if that is its objective.

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Honors Thesis: The Veil of Communism: An Analysis of Lifespan, GDP per Capita, Human Capital, and Agricultural Productivity in Eastern Europe

By Matei Dăian

Editor’s Note: Due to the length of Honors Theses, we only publish the Abstract, Introduction, and Conclusion. The full thesis can be read here:

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