Chaturbhujeshwar Academic Journal
Volume 03, Issue 01, 2025. pp. 127–138
Research Article
DOI: https://doi.org/10.3126/caj.v3i1.86875

Unpacking the Aid-Growth Nexus in Nepal: Evidence from Two Decades of Time-Series Data

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Abstract

This study examines the relationship between foreign aid utilization and economic growth in Nepal from 2003/04 to 2023/24, grounded in the Two-Gap Model as a theoretical framework. Using time-series data, it assesses whether actual disbursed foreign aid has contributed to the economic performance of Nepal. Although foreign aid has remained a significant source of development financing, its share in the national budget has steadily declined over the study period. Statistical analyses, including Pearson correlation and simple linear regression, reveal a very weak positive relationship ($r \approx 0.039$) between aid utilization and economic growth. These findings suggest that foreign aid alone has not consistently driven economic growth in Nepal. This may be due to broader structural conditions such as institutional capacity, governance quality, and policy alignment. The study highlights the need for further research on sectoral impacts, the role of political stability and donor coordination, and the underlying causes of fluctuating growth patterns of the country. Overall, while foreign aid continues to play an important role in development financing, it must be supported by domestic reforms to ensure its effectiveness in promoting sustainable and inclusive economic growth. The significance of this study lies in its focus on actual aid utilization and its policy-oriented insights for improving aid effectiveness in the Nepalese context.

Keywords: foreign aid, economic growth, Nepal, aid utilization, two-gap model

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Article History
Received: 2025, Sept.10
Accepted: 2025, Nov. 15

Cite
Adhikari, G. (2025). Unpacking the aid-growth nexus in Nepal: Evidence from two decades of time-series data. *Chaturbhujeshwar Academic Journal* (*CAJ*), *3*(1), 127–138. https://doi.org/10.3126/caj.v3i1.86875

Introduction

Foreign aid is considered important for least developed countries and is expected to contribute to economic growth in many areas (Mishra & Fedorenko, 2019; Dangal et al., 2024; Shah et al., 2023). However, research findings on the relationship between foreign aid and economic growth are mixed, and the issue remains debated among researchers and policymakers for years (Dangal et al., 2024; Dash, 2021; Perkins et al., 2013). Foreign aid is the international transfer of public funds as loans or grants, provided either bilaterally by one government to another or multilaterally through agencies like the World Bank (Todaro & Smith, 2015).

Some researchers (e.g., Sothan, 2018; Sethi et al., 2019) argue that foreign aid supports economic growth by helping underdeveloped countries mobilize domestic resources, access new technology, and enter international markets. Others (e.g., Tiwari, 2011) believe that foreign aid harms growth and view it more as a burden than a benefit. Meanwhile, scholars like Burnside and Dollar (2000, 2004) and Dalgaard et al. (2004)

suggest that aid can be effective, but only when supported by good policy environments.

In South Asian countries, the same debate continues, with mixed and inconclusive findings on the relationship between foreign aid and economic growth (Dash, 2021). Some scholars (e.g., Das and Sethi, 2020; Jena and Sethi, 2020) find a positive link, while others (e.g., Rao et al., 2020) report a negative association. Overall, both global and South Asian studies show that the impact of foreign aid on economic growth remains uncertain.

When it comes to Nepal, the country has been receiving international aid since 1951. The amount of foreign aid increased from 23.6 million US dollars (USD) in 1966 to 262.3 million USD in 1997 (Sapkota, 2024), reaching approximately 831 million USD (11,122.75 crore NPR) in the fiscal year 2023/24 (Ministry of Finance [MOF], 2024). During this period, Nepal's average annual GDP growth over the last 45 years (1975–2020) was 4.02 percent, fluctuating between a high of 8.9 percent and a low of 0.3 percent (Gyanwaly, 2024).

This study focuses on the problem that, although Nepal has been receiving foreign aid for many decades, the country continues to experience fluctuating, decreasing, and slow economic growth. This situation raises critical questions about the actual contribution of foreign aid to the economic development of Nepal. While foreign aid is generally expected to support growth in developing countries, the persistent low-growth and fluctuating trends in Nepal suggest a possible gap between expectations and actual outcomes. Therefore, this study aims to examine the relationship between foreign aid and economic growth in Nepal in order to understand whether foreign aid has played a significant role in influencing the country's economic performance.

Problem Statement

This study is significant as it seeks to clarify the ambiguous relationship between foreign aid and economic growth in Nepal, a country that has experienced decades of aid inflows with inconclusive impacts. The findings aim to offer policymakers and development practitioners evidence-based insights on the effectiveness of foreign aid in promoting sustainable economic development in Nepal. By doing so, this research will help improve the planning, allocation, and utilization of foreign aid resources, ensuring they effectively support Nepal's long-term economic progress.

The theoretical foundation of this study is based on the Two-Gap Model by Chenery and Strout (1967), which highlights how foreign aid can address two critical constraints faced by developing countries: the savings-investment gap and the foreign exchange gap (Todaro & Smith, 2020). When domestic savings fall short of investment requirements for growth, foreign aid or borrowing becomes essential to bridge this gap, as emphasized by Thirlwall and Pacheco-López (2017).

This research begins with an Introduction section that outlines the study's context, problem, objectives, research questions, significance, and theoretical framework. The subsequent Literature Review covers both global and regional empirical studies alongside the national context of Nepal. The Methodology chapter details the research design, data sources, and analytical methods used. The Data Analysis, Findings, and Interpretation section presents results through correlation and regression analyses. Finally, the study concludes with a Discussion and Conclusion, supplemented by References and Appendices.

By addressing the specific challenges faced by Nepal in effectively utilizing foreign aid for economic growth, this study fills a critical gap in the existing literature and serves as a valuable tool for enhancing Nepal's development strategies. It emphasizes the need for evidence-driven policies to maximize the positive impact of foreign aid while addressing macroeconomic constraints and improving aid management in the Nepalese context

The key objective of this study is to analyze the relationship between foreign aid and economic growth in Nepal, with particular focus on the extent to which foreign aid influences the country's economic performance over time.

Literature review

Many economic theories highlight the importance of capital accumulation as a key driver of economic growth. Harrod (1939) and Domar (1946) argued that both domestic and foreign capital contribute to economic expansion by increasing investment levels, which is essential for sustained growth (Perkins et al., 2013; Shah et al., 2023). For example, developing countries with limited domestic savings often rely on foreign support to fund infrastructure and development projects. Building on this foundation, Solow's (1956) growth model emphasized the role of the savings rate and capital stock in determining long-term economic performance, showing that sustained investment leads to higher output over time. Expanding these ideas further, Chenery and Strout (1967) developed the Two-Gap Model, which identifies two critical obstacles in developing economies: the savings–investment gap and the foreign exchange gap (Thirlwall & Pacheco-López, 2017; Todaro & Smith, 2020). Their model suggests that foreign aid becomes necessary when domestic savings and foreign exchange earnings are insufficient to support investment and import needs. Supporting this approach, Shah et al. (2023) argue that foreign aid remains a vital tool for bridging these gaps and achieving growth targets, especially in countries like Nepal that continue to face structural economic challenges.

Many empirical studies have examined the relationship between foreign aid and economic growth, but the debate remains unresolved. Researchers hold different views on the actual impact of aid on the economic performance of recipient countries (Dash, 2021). The evidence is mixed, with results varying depending on the country context, time period, and research methods used (Perkins et al., 2013). Overall, the literature can be grouped into three main perspectives: some studies find a positive relationship, others suggest a negative effect, while some show little or no significant impact of foreign aid on economic growth.

Many researchers argue that foreign aid contributes positively to economic growth in developing countries. According to Chenery and Strout (1967), aid helps fill the savings–investment and foreign exchange gaps, which are major barriers to growth in low-income economies. Scholars such as Gupta (1975), Islam (1992), Hansen and Tarp (2001), Sothan (2018), and Sethi et al. (2019) also emphasize that foreign capital inflows can enhance growth by mobilizing domestic resources, improving access to technology, and integrating economies into global markets (cited in Dash, 2021). Thirlwall and Pacheco-López (2017) argue that the clearest rationale for aid is its role in financing productive investment, especially in public infrastructure, which supports capital accumulation and accelerates growth. Supporting this view, Perkins et al. (2013) note that aid allocated to sectors like roads, electricity, and education can directly enhance productivity. Addison et al. (2005), in a review of studies from 1997 to 2005, found that most empirical evidence supports a positive relationship between aid and growth. In Nepal's context, Dangal et al. (2024) report a statistically significant positive correlation between foreign aid and GDP growth. Similarly, Dash (2021), in a study of eight South Asian countries from 1996 to 2018, finds that foreign aid positively contributes to economic growth in both the short and long term, especially when supported by trade openness and capital formation.

Despite the many positive intentions behind providing international assistance to developing countries, foreign aid has faced significant criticism. Several studies suggest that foreign aid can negatively affect economic growth, especially when governance is weak. For instance, Bräutigam and Knack (2004), Liew et al. (2012), Rajan and Subramanian (2008), report that aid may hinder growth in certain contexts (cited in Shah, 2023). In the case of Nepal, researchers such as Bhatta (2003), Ali (2013), and Easterly (2003), found a negative link between foreign aid and economic progress (cited in Sapkota, 2024). These studies point out that when aid is poorly managed or not aligned with national priorities, it may lead to dependency, misuse, or corruption. Qayyum et al. (2014) highlight that poor governance and high levels of corruption are key reasons why foreign aid especially in the form of loans fails to support development. Similarly, Perkins et al. (2013) note that aid often becomes ineffective when spent on administrative costs, foreign consultants, or projects that do not match the actual needs of the recipient country.

One strong view argues that foreign aid has little to no impact on economic growth in poor countries and may even undermine development by fostering aid dependency (Thirlwall & Pacheco-López, 2017). Supporting this argument, Doucouliagos and Paldam (2008), in a meta-analysis covering 68 countries, found no significant positive relationship between aid and growth. Perkins et al. (2013) also emphasize that aid may be ineffective when it is poorly allocated, particularly when used for maintaining donor-driven bureaucracies or hiring expensive foreign consultants whose work lacks local relevance. In the case of Nepal, Dangal et al. (2024) argue that foreign aid alone does not directly drive economic growth, but when combined with capital, technology, and human resources, it can contribute to long-term development. However, contrasting findings are seen in the study by Chowdhury & Sugema (2005), which reported a positive but modest impact of foreign aid on Indonesia's economic growth between 1970 and 1980 (cited in Sapkota, 2024).

The literature on the relationship between foreign aid and economic growth presents a wide range of findings. Many studies support the positive role of aid in stimulating growth, particularly by addressing the savings–investment and foreign exchange gaps in developing economies (Chenery & Strout, 1967; Thirlwall & Pacheco-López, 2017). Others emphasize that the effectiveness of aid depends heavily on governance quality, institutional strength, and how well aid is aligned with national priorities. While meta-analyses such as Doucouliagos and Paldam (2008) question the overall effectiveness of aid, research by Addison et al. (2005) and Dash (2021) finds a generally positive impact when aid is properly utilized alongside complementary factors such as trade openness and investment. In the context of Nepal, findings remain mixed. Some studies report a positive correlation between aid and GDP growth (Dangal et al., 2024), whereas others highlight issues of aid dependency, mismanagement, and weak institutional frameworks that limit aid's developmental impact (Sapkota, 2024). The gap of budget has been found to be maintained by foreign aid in Nepal Mishra & Aithal (2021a), (2021b), however after the economic upgradation of Nepal from least developed country it might be a new challenge to fulfil the gap of budget. Green band might a significant option for worthy realization of budget gap and controlling financial irregularities through AI-Driven Financial Analytics would be a new venture of research in context of Nepal (Celestin & Mishra, 2024; Celestin & Mishra, 2025). Notably, most existing studies in Nepal rely on data related to foreign aid commitments rather than actual aid utilization, indicating a clear need for further research focused on the effectiveness of aid that has been disbursed and used on the ground.

Methodology

This study investigates the relationship between foreign aid and economic growth in Nepal over a 21-year period from fiscal year 2003/04 to 2023/24. It adopts a quantitative approach grounded in a positivist research philosophy, using time series data. The study follows a correlational research design, with descriptive elements, where the GDP growth rate (percentage change) is treated as the dependent variable and total foreign aid disbursements/utilized (in crore Nepalese rupees) as the independent variable.

Secondary data were collected and reviewed from credible sources, primarily the annual

Economic Surveys and Red Books published by the Ministry of Finance, which provide official statistics on economic indicators and foreign aid flows. These were supplemented by scholarly literature, including peer-reviewed journal articles, books, and dissertations related to development economics and aid effectiveness in Nepal.

The analysis involved three main steps: first, descriptive statistics were used to observe basic trends in the data; second, Pearson's correlation coefficient was calculated to assess the strength and direction of the relationship between foreign aid and economic growth; and finally, simple linear regression was employed to estimate the extent to which changes in foreign aid are associated with changes in economic growth. All calculations were performed in Microsoft Excel, following standard statistical procedures. The results are presented in tables, figures and texts to enhance clarity.

Results and Discussion

Annual Budget and Foreign Aid

The data from fiscal years 2003/04 and 2023/24 in the table 1 below reveals notable trends in annual budget and foreign aid utilization in Nepal. Over the two decades, the annual budget of the country greatly improved, from NPR 10240 crore in 2003/04 to NPR 175131 crore in 2023/24, reflecting growing fiscal capacity. Foreign aid utilized also increased overall, reaching its highest absolute value of NPR 20942.95 crore in 2020/21. However, the proportion of foreign aid in relation to the total budget was volatile during the period. The average share of foreign aid during the period was around 13.16% of the annual budget, with figures in excess of 17% specifically between 2004/05 and 2011/12. Since then, the proportion has generally declined, dropping to 6.35% in 2023/24. Nevertheless, foreign aid continues to be a significant portion of the nation's budget.

Table 1

Annual Budget and Foreign Aid

Fiscal Year	Annual Budget (NPR in Cror)	Foreign Aid Utilized (NPR in Cror)	Aid (Utilized) % in Annual Budget
2023/24	175131	11122.75	6.35
2022/23	179383	13956.88	7.78
2021/22	163283	15818.17	9.69
2020/21	147465	20942.95	14.20
2019/20	153297	13970.44	9.11
2018/19	131516	14727.12	11.20
2017/18	127899	13155.14	10.29
2016/17	104892	9984.15	9.52
2015/16	81947	7277.23	8.88
2014/15	61810	6390.16	10.34
2013/14	51724	6020.46	11.64
2012/13	40482	4719.92	11.66
2011/12	38490	5189.34	13.48

Fiscal Year	Annual Budget (NPR in Cror)	Foreign Aid Utilized (NPR in Cror)	Aid (Utilized) % in Annual Budget
2010/11	33790	5799.77	17.16
2009/10	28596	4976.94	17.40
2008/09	23602	3635.17	15.40
2007/08	16900	2930.06	17.34
2006/07	14391	2585.43	17.97
2005/06	12689	2204.18	17.37
2004/05	11169	2365.73	21.18
2003/04	10240	1891.24	18.47
MeanValue	NA	8079.20	13.16

Note. Government of Nepal, Economic Survey (2011, 2018, 2023, 2024, 2025)

Foreign Aid Vs Economic Growth

Table 2 below presents the annual comparison between the foreign aid utilized and the economic growth rate of Nepal from 2003/04 to 2023/24. While both the indicators exhibit fluctuations over the years, the relation between them does not appear to be uniform. In some years such as 2020/21, a massive increase in foreign aid (49.91%) occurred simultaneously with a massive increase in economic growth (285.54%). However, in certain years like 2022/23, a considerable decline in the utilization of foreign aid (−11.77%) did not result in an amount of similar change in growth, which increased marginally (46.72%). Conversely, years like 2016/17 see growth in aid (37.20%) with high economic growth (8.59%), and 2015/16 sees growth in aid (13.88%) alongside zero economic growth. Overall, the overall mean yearly increase in foreign aid stood at 11.52%, compared to 45.89% for mean growth increase. This suggests the need for further statistical analysis to determine whether there is any noteworthy connection between the two variables, beyond yearly fluctuations.

Table 2

Foreign Aid and Economic Growth

Fiscal Years	X: Foreign Aid Utilized (NPR in Cror)	Foreign Aid Increase %	Y: Economic Growth	Growth Increase%
2023/24	11122.75	-20.31	3.36	46.72
2022/23	13956.88	-11.77	2.29	-56.63
2021/22	15818.17	-24.47	5.28	17.59
2020/21	20942.95	49.91	4.49	285.54
2019/20	13970.44	-5.14	-2.42	-137.87
2018/19	14727.12	11.95	6.39	-13.30
2017/18	13155.14	31.76	7.37	-14.20
2016/17	9984.15	37.20	8.59	859
2015/16	7277.23	13.88	0	-100

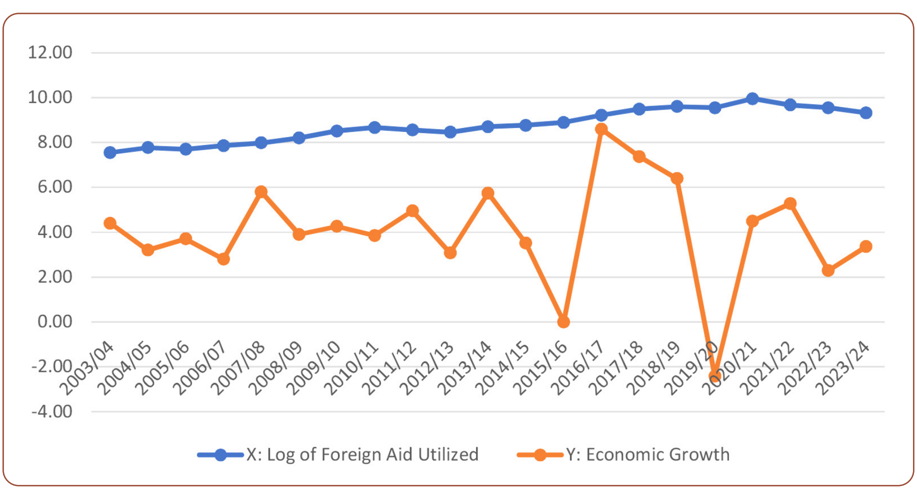
Fiscal Years	X: Foreign Aid Utilized (NPR in Cror)	Foreign Aid Increase %	Y: Economic Growth	Growth Increase%
2014/15	6390.16	6.14	3.51	-38.85
2013/14	6020.46	27.55	5.74	86.97
2012/13	4719.92	-9.05	3.07	-37.98
2011/12	5189.34	-10.53	4.95	28.57
2010/11	5799.77	16.53	3.85	-9.62
2009/10	4976.94	36.91	4.26	9.23
2008/09	3635.17	24.06	3.9	-32.76
2007/08	2930.06	13.33	5.8	107.14
2006/07	2585.43	17.30	2.8	-24.32
2005/06	2204.18	-6.83	3.7	15.63
2004/05	2365.73	25.09	3.2	-27.27
2003/04	1891.24	19.02	4.4	
Mean Value	8079.20	11.52	4.03	45.89

Note. Government of Nepal, Economic Survey (2011, 2018, 2023, 2024, 2025) and Researcher's Calculation, 2025.

Figure 1 compares the logarithm of foreign aid utilized and economic growth in Nepal from 2003/04 to 2023/24. While foreign aid shows a generally steady upward trend, economic growth appears far more volatile, with noticeable peaks and sharp declines particularly in 2015/16 and 2020/21, the latter likely due to the COVID-19 pandemic. Although some years show parallel movement, such as 2007/08 and 2016/17, this pattern is not consistent across the period. Several years reflect stable or rising aid levels despite declining growth, indicating that foreign aid alone may not drive economic performance. Therefore, the graph suggests only a weak visual association, and no conclusive relationship can be inferred without further statistical analysis and consideration of other influencing factors.

Figure 1

Foreign Aid and Economic Growth



Correlation Analysis

Correlation analysis is used to measure the strength and direction of the linear relationship between two quantitative variables. In this study, it has been used to explore how changes in total foreign aid used (X) are related to changes in economic growth rate (Y) of Nepal over a period of 21 years. The Pearson correlation coefficient, which is a widely used statistical measure for this purpose, has been used for this purpose. The results of correlation coefficients are presented and interpreted below to explore whether a meaningful connection exists between foreign aid and economic growth of the country.

$$\Sigma (X-\bar{X}) \times \Sigma (Y-\bar{Y})$$

We know that Pearson correlation (r) =

$$\sqrt{\Sigma (X-\bar{X})^2 \times \Sigma (Y-\bar{Y})^2}$$

As we already have,

$\sum(X-\bar{X})2 = 601558886.12$

$\sum(Y-\bar{Y})2 = 111.25$

$\sum(X-\bar{X})\ (Y-\bar{Y}) = 10120.78$

Then, 10120.78

$$r = \sqrt{\frac{601558886.12 \times 111.25}{10120.78}}$$

$$= \sqrt{\frac{66927952095}{10120.78}}$$

258704.37

$r \approx 0.039$

The Pearson correlation coefficient $r \approx 0.039$ indicates a very weak positive linear relationship between total utilized foreign aid and economic growth during the study period (2003/04 to 2023/24). Since the value is close to zero, it suggests that changes in foreign aid amounts have almost no linear association with changes in economic growth rates. This means that foreign aid does not appear to strongly influence economic growth for Nepal during the years analyzed, or other factors may be overshadowing its effect. It is the issue of further study.

Regression Analysis

Regression analysis is a statistical tool used to estimate the effect of one variable on another. It helps to quantify how much change in an independent variable is associated with change in a dependent variable. In this study, Simple linear regression is applied to examine the impact of the variation in total utilized foreign aid (in crore NPR) on the rate of economic growth of Nepal over the period. This method not only identifies the direction of the relationship but also calculates how much the economic growth rate is expected to change for each 1 crore NPR increase in foreign aid. The following analysis presents the regression equation and interprets its meaning in the context of development experience in Nepal.

Simple Linear Regression (Y) = a + bX

Where,

a = Intercept (theoretical growth when aid = 0)

b = Slope (change in growth per 1 crore increase in aid)

We know that, $a = y - b.\bar{X}$

$$\Sigma (X-\bar{X}) \times \Sigma (Y-\bar{Y})$$

$$B = \Sigma (X-\bar{X})^2$$

As we already have,

$\Sigma(X-\bar{X})^2\ (Y-\bar{Y}) = 10120.78$

$\Sigma(X-\bar{X})^2 = 601558886.12$

$\bar{X} = 8079.20$

$\bar{Y} = 4.03$

Then,

$$b = \frac{10,120.78}{601558886.12} = 0.00001682$$

$a = 4.03 - (0.00001682 \times 8079.20) = 4.03 - 0.1359 \approx 3.8941$

Now, final regression equation is,

$Y = 3.8941 + 0.00001682.X$

Where,

Y = Economic Growth (%)

X = Total Foreign Aid (in crore NPR)

The intercept (3.8941) means that if foreign aid is zero, economic growth of Nepal would be approximately 3.89 % based on historical trends. Furthermore, the slope (0.00001682) indicates that with each 1 crore NPR increase in foreign aid, the rate of economic growth will increase by approximately 0.00001682 %.

This result from regression analysis shows that though the correlation between foreign aid and economic growth is positive, it is very weak. It suggests that foreign aid, though a causative force for economic growth, individually is not forceful in the case of Nepal. This suggests that while foreign aid may contribute slightly to economic growth, its impact alone is not significant in the Nepali context.

Discussion

The relationship between foreign aid utilization and economic growth in Nepal, grounded in the Two-Gap Model (Chenery & Strout, 1967), reveals a complex and nuanced picture. While the model suggests that foreign aid should help bridge critical resource gaps such as savings, investment, and foreign exchange empirical evidence indicates that aid's impact on Nepal's economic performance has been limited and inconsistent.

The analysis over the 21-year period (2003/04–2023/24) shows that although foreign aid increased in absolute terms, its relative share in the national budget declined significantly, from over 17% in the mid-2000s to approximately 6.35% in 2023/24. Despite these inflows, Nepal experienced persistent economic volatility, with periods of stagnation or decline in growth rates, notably during years of substantial aid disbursement, such as 2015/16 and 2022/23. This pattern underscores that aid alone does not automatically translate into sustained economic growth.

Statistical analyses, including the Pearson correlation coefficient ($r \approx 0.039$), and linear regression results with a negligible slope (0.00001682), reinforce the weak connection between aid utilization and economic growth. Such findings align with the broader critique in the literature emphasizing that aid effectiveness is highly contingent upon institutional quality, governance, policy coherence, and the absorptive capacity of recipient countries (Bräutigam & Knack, 2004; Rajan & Subramanian, 2008; Qayyum et al., 2014). In Nepal's context, governance challenges, policy misalignments, and institutional inefficiencies have limited aid's potential positive impact, corroborating the observations of recent studies (Sapkota, 2024; Dangal et al., 2024).

Interestingly, the findings diverge from the optimistic assumptions of the Two-Gap Model, which posits that aid can effectively support growth when it fills savings and foreign exchange gaps. However, empirical studies, such as those by Dash (2021) and Addison et al. (2005), highlight the conditional nature of aid effectiveness, emphasizing that positive outcomes depend on factors like trade openness, sound macroeconomic management, and investment climates conditions that have often been inadequately met in Nepal.

Moreover, this research emphasizes that aid disbursement, although substantial, is not sufficient to fuel long-term growth without robust domestic institutions and coherent policies. Future avenues, including leveraging AI-driven financial analytics to enhance fiscal transparency and governance, could be significant for Nepal's sustainable development. Furthermore, the research uniquely focuses on actual aid utilization rather than commitments, offering a more accurate assessment of aid's practical influence on Nepal's economy. Overall, the findings underscore the need for a strategic reorientation in aid policies, emphasizing institutional strengthening and efficient resource management for aid to realize its full potential in promoting Nepal's economic development (Celestin & Mishra, 2024; Celestin & Mishra, 2025).

Conclusion

Foreign aid continues to serve as a vital financial resource for Nepal, especially in sectors constrained by limited domestic funding. However, this study reveals that aid utilization has had a weak and inconsistent impact on economic growth, pointing to deeper structural issues. The limited correlation observed suggests that aid alone cannot drive growth without strong institutions, effective governance, and alignment with national development priorities.

To enhance aid effectiveness, future research should examine which sectors-such as infrastructure, health, or education-generate the most significant growth outcomes. Qualitative investigations into governance and implementation bottlenecks, alongside longitudinal analyses that incorporate variables like political stability, corruption, and donor coordination, would provide a fuller understanding of aid dynamics in Nepal.

Ultimately, translating aid into sustained economic progress requires not only continued financial inflows but also strategic reforms that strengthen institutions and ensure that resources are efficiently planned, implemented, and monitored. A deeper understanding of sectoral impacts and underlying causes of economic volatility seems to be essential in shaping more effective development policies and practices.

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