

**OFFICE OF THE DEAN,
SCHOOL OF ECONOMICS,
COLLEGE OF BUSINESS AND MANAGEMENT SCIENCES**

Invitation for a Viva-Voce at COBAMS

Dear All,

This is to invite you (Academicians and the General Public) to a PhD Viva-Voce session to be held on **Thursday 31st August, 2017** in the conference room at the College of Business and Management Sciences. The name of the candidate, supervisors, dissertation topic, scheduled time, and the abstract appears below:

Candidate: KOSEA WAMBAKA

Supervisors: JOHN KR MUTENYO

: ERIA HISALI

TOPIC: FOREIGN AID, SAVINGS AND ECONOMIC GROWTH: EMPIRICAL EVIDENCE FROM SUB SAHARAN AFRICA

TIME: 9:00am to 12:00pm

ABSTRACT

Sub-Saharan African Countries have been receiving the highest amount of aid for the purpose of promoting growth and development compared to other aid recipient regions yet they continue to perform poorly relative to other regions in terms of economic growth and savings. Although various scholars have empirically investigated the impact of aid on growth and savings in Sub-Saharan Africa, the findings are largely mixed and inconclusive. This may be attributed to the use of aggregate forms of aid in estimation models, which do not specify which particular type of aid influences growth and savings. Thus, this study sought to examine the impact of technical and non-technical aid on economic growth and domestic savings in sub-Sahara African countries. Specifically, it sought to: (i) determine the impact of technical and non-technical aid on economic growth, (ii) determine the impact of technical and non-technical aid on domestic savings, and (iii) investigate whether the impact of foreign aid on growth and domestic savings depends on the existing quality of institutions in Sub-Saharan Countries. Using panel data comprising 28 sub-Sahara African countries and

covering the period 1993 – 2013, appropriate growth and domestic savings models were specified and estimated using the techniques of system GMM and random effects respectively. The findings showed a negative impact of non-technical aid on economic growth, while technical aid had no significant impact of on growth. Non-technical aid had a crowding-out effect on domestic savings, while technical aid had no significant impact on domestic savings. The quality of institutions determines the impact of aid on growth and not domestic savings. Based on the results of the study, the researcher recommends that governments of Sub-Saharan African countries should establish efficient and effective institutional governance systems, formulate and implement effective policy regimes that will ensure efficient and effective use of foreign aid.