Promoting 'good behaviour' through aid: Do 'new' donors differ from the 'old' ones?

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Abstract

The relationship between development aid and recipients' 'good behaviour' (human rights, democracy, and good governance) has been frequently examined, in a belief that giving more aid to countries with better performance in these areas can motivate their improvement. Most researchers agree that traditional, Development Assistance Committee (DAC) donors reward recipients' 'good behaviour' at least to some extent; however, the 'new', non-DAC donors have so far been portrayed as largely unconcerned with these issues.

In this paper, I examine the evidence underlying such claims, by investigating whether human rights, democracy, and good governance play any role in 'new' donors' aid allocation. I find that similar to DAC donors, many non-DAC donors pay heed to recipients' democracy, human-rights or good-governance records at some point in their aid decision-making process. These results suggest that the fears raised regarding the nature of 'new' aid might be unfounded and rather point to the emergence of stronger global norms vis-à-vis the importance of human rights, good governance, and democracy to development.

Keywords: development aid, non-DAC, DAC, human rights, democracy, good governance

Introduction

In development aid research, there has lately been an increasing interest in the aid activities of 'new', or more precisely, of non-Development Assistance Committee (non-DAC) donors such as China or the Arab states. As Manning (2006) emphasised, some of these donors have provided aid to developing countries for more than half a century and thus really are not new to development assistance at all. Nevertheless, the presence and impact of their aid programmes were small relative to those of the Development Assistance Committee (DAC)¹ donors from the 1980s up until the beginning of the 2000s before rising again in relative significance.

This surging importance has been met with a mixed reception among Western researchers and commentators. For example, Woods (2008) described the emerging donors' aid programmes as more flexible and hence an often preferable alternative for recipients to the frequently intrusive and administratively burdensome DAC aid. On the other hand, Naím (2007), in a now famous Foreign Policy piece, referred to the aid programmes of countries such as China, Saudi Arabia, and Venezuela as undemocratic and rogue and warned that by displacing DAC aid programmes, these new donors constituted a threat to 'healthy, sustainable development'. In a similar vein although weighing his words more carefully, Manning (2006) raised the possibility that non-DAC donors, by providing aid without conditioning it on human rights or good governance, would cause many developing countries to postpone desirable adjustments of their domestic policies.

Due to the paucity of available data, only several researchers have examined non-DAC aid programmes empirically thus far. Those mostly concluded that although not too different from DAC donors, non-DAC ones pay less heed to their aid recipients' needs (e.g. Woods 2008; Dreher et al. 2011). No study to date, however, has systematically investigated whether non-

DAC aid programmes are indeed more ‘rogue’ than the DAC ones; i.e. whether they differ in conditioning their aid on recipients’ ‘good behaviourⁱⁱ’ (human rights, democracy, and good governance). This paper aims to fill this particular gap in literature and thus contribute to building the pool of existing knowledge about the nature of non-DAC aid programmes, which is critical to determining their likely impact on their aid partners’ development.

This article proceeds in the following manner. First, I discuss the theoretical underpinnings of conditioning aid on recipients’ good behaviour. Second, I introduce existing empirical findings on the link between aid provision on the one side and human rights, democracy, and good governance on the other, paying special attention to research on non-DAC donors, and formulate several hypotheses. Subsequently, I discuss my case selection, describe the sources, limitations, and descriptive statistics of the data used, and introduce the empirical methods chosen to analyse the data. Following that, I present my main results and assess their robustness through a series of sensitivity tests. I finish with a discussion of my main findings and concluding remarks.

Aid and recipients’ human rights, democracy, and good governance

Theoretical linkages between aid and recipients’ good behaviour

In the past decades, there has been a growing recognition amongst DAC donors that human rights, democracy, and good governance constitute an integral part of development. The DAC acknowledged the importance of human rights and good governance to economic and social development for the first time in 1993, in its report *Orientations on Participatory Development and Good Governance* (DAC, Organisation for Economic Co-operation and Development [OECD] 1993: 8). A more recent, 2013 OECD–World Bank report *Integrating Human Rights into Development* explicitly stated that ‘human development and human rights are embedded and reinforce each other conceptually and in practice’ (OECD-World Bank 2013: 118). A 2014 DAC report *Accountability and Democratic Governance* expressed the view that development requires effective governance and democratic institutions that could deliver tangible results (DAC, OECD 2014). By extension, most DAC donors in their development platforms have expressed the belief that the programming of development assistance has an obligation to take recipients’ human rights, democracy, and good governance into account.

Different aid agencies have adopted various ways of doing so, from human-rights based programming through mainstreaming human rights, democracy, and good governance in their work to applying conditionality. Even though the last approach, conditionality, is recommended by the World Bank and OECD (2013) to be used only as a policy of last resort, most bilateral DAC agencies explicitly promise to increase or decrease their volume of aid to recipients in response to their performance in human rights, democracy, and good governance (Piron and De Renzio 2005). Empirical research is split on whether such conditioning indeed promotes good behaviour by aid recipients but many researchers maintain that it does (e.g. Hazelzet 2005; King 1999). Moreover, aid has been shown to be more effective at achieving its goals in countries with better governance, human rights, and democracy records (e.g. Burnside and Dollar 2000; Jenkins and Scanlan 2001; Kosack 2003; Petrikova 2015). Due to the difficulty in measuring the integration of human rights, democracy and good governance into aid programming via other means, aid conditioning is the policy approach examined in this paper, as an approximation of donors’ regard for recipients’ good behaviourⁱⁱⁱ. The absence of agreement amongst researchers and policy makers vis-à-vis how the different components of good behaviour should be measured constitutes an additional layer of difficulty here, which I discuss in greater detail in the ‘Data and descriptive statistics’ section.

Practice by DAC donors

Empirical research has shown that despite their pro-good behaviour rhetoric, DAC donors do not condition their aid provision on recipients' human rights, democracy, and good governance consistently. However, they do appear to do so at least occasionally. Examining the behaviour of all DAC donors, Neumayer (2003a, 2003b) found them to take into account recipients' human rights primarily at the eligibility stage – when deciding whether to disburse any aid to a country at all – with only a few, predominantly Nordic, donors following up this commitment also at the level stage – when deciding how much aid to disburse. Nielsen (2013) also discovered DAC aid to be partially responsive to human rights violations. Doucouliagos and Paldam (2011) confirmed these findings in a meta-analysis of 47 studies linking DAC aid and human rights/democracy, in which they found that both human rights and democracy had a positive and significant, albeit small, impact on the provision of DAC aid, with democracy more so than human rights. Regarding the conditioning of aid on good governance, a relatively newer goal, literature suggests that the DAC efforts have been quite tentative and haphazard but not completely absent (Dollar and Levin 2006; Youngs 2002).

Practice by non-DAC donors

How have non-DAC donors fared in this regard? As mentioned in the introduction, mixed emotions have greeted their rising importance. In addition to the negative expectations voiced by Naím (2007) and Manning (2006), Neumayer (2003c) in his investigation of aid provision from the Gulf States also concluded that Arab donors would render their aid more beneficial if they aligned it more closely with DAC goals. Similarly, Kragelund (2008) maintained that the rising importance of non-DAC donors in Africa complicated efforts to harmonise aid flows and Paulo and Reisen (2010) alleged that the growing relevance of new donors weakened DAC's normative aid-giving framework. On the other hand, Zimmerman and Smith (2011) praised the new donors for bringing to the table new development solutions and Chandy and Kharas (2011) posited that non-DAC donors have demonstrated as deep an interest in delivering a positive impact on recipient countries as DAC donors. Studies by Dreher et al. (2011) and Woods (2008) provided some empirical support for the latter side of the argument, showing that non-DAC aid programmes do not dramatically differ from DAC ones.

Where the two sides of the opinion spectrum about non-DAC donors largely converge, however, is the belief that non-DAC aid is not conditioned on recipients' good behaviour or 'merit' in any way (e.g. Dreher et al. 2013). This belief has been primarily rooted in the strong emphasis placed on non-interference in the internal affairs of aid recipient countries by key documents underpinning non-DAC aid provision, including the ten Bandung Principles (1995)^{iv} and the eight principles of Chinese aid laid out by Premier Zhou Enlai in 1964 (Chandy and Kharas 2011; Mawdsley 2012). Non-DAC donors that are members of the OECD might constitute an exception here because they have generally signed on to the DAC manifesto of promoting recipients' good behaviour through aid.

Nevertheless, the empirical evidence on the relationship between recipients' good behaviour and non-DAC aid is still largely missing. Dreher et al. (2011) found no significant link between aid giving by 16 non-DAC donors and recipients' levels of corruption but did not look at the aid's relationship with human rights, democracy or good governance more generally. Dreher and Fuchs (2011) did look at the effects of human rights on Chinese aid and found no correlation, with McCormick (2008) confirming that finding. Szent-Iványi (2012) arrived at a similar conclusion of no relationship vis-à-vis the aid programmes of four central European countries (Poland, Czech Republic, Hungary, and Slovakia), despite their membership in the OECD. However, the aid programmes of most non-DAC donors have to date not been examined from this perspective.

Hypotheses

In light of the existent research summarised above, as a benchmark I expect to discover DAC aid to be positively and significantly influenced by recipients' good behaviour, i.e. their performance in human rights, democracy, and good governance, at least some of the time^v (Hypothesis 1). I do not anticipate the same result with regard to non-DAC programmes where I hypothesise that - perhaps with the exception of some non-DAC OECD members – they are not positively influenced by any aspect of recipients' good behaviour (Hypothesis 2). On the other hand, I equally do not anticipate discovering non-DAC donors to be consciously rewarding recipients' 'bad behaviour', by providing more aid to countries with worse human-rights, democracy, and governance records (Hypothesis 3).

Data and descriptive statistics

Donors examined

In this paper, I first examine the aid programmes of 25 non-DAC donors - all those for whom sufficient data are publicly available. I consider data for all the countries at once but, following Zimmerman and Smith (2011), organise their results according to three loose groupings– non-DAC members of the OECD (Czech Republic, Cyprus, Estonia, Hungary, Iceland, Israel, Latvia, Lithuania, Poland, Romania, Slovenia, Slovakia, and Turkey)^{vi}, the providers of South-South Co-operation (Brazil, Chile, China, Colombia, India, Russia, South Africa, Taiwan, and Thailand), and Arab donors (Kuwait, Saudi Arabia, and the United Arab Emirates [UAE]).

As a point of comparison, I examine the aid programmes of the 24 established DAC donors, with their results comparably organised into five loose groupings. They are: the largest DAC donors (European Commission [EC], France, Germany, Japan, the United Kingdom [UK], and the United States [US]), the Nordic Plus donors^{vii} (Denmark, Finland, Ireland, the Netherlands, Norway and Sweden), southern European donors (Greece, Italy, Portugal, and Spain), other small European donors (Austria, Belgium, Luxembourg, and Switzerland), and other non-European donors (Australia, Canada, Korea, and New Zealand).

Most of the donor groupings utilised here are merely an attempt at organisation of the donors examined by certain common characteristics in order to facilitate the presentation of results, without extensive theoretical grounding. Consequently, the resultant groups are quite heterogeneous and alternative ones could have been created based on other donor traits. For example, Japan, included here in the largest DAC donors' group based on the total volume of aid provided annually, could have instead been grouped with other non-European aid providers, since in its character Japanese aid arguably resembles Korean aid more than German or French aid, at least according to some authors (Arase 2005; Chun et al. 2010). The Nordic Plus grouping constitutes the most notable exception to this rule, since its members consciously seek to harmonise their aid provision in line with a shared set of beliefs and principles (Selbervik and Nygaard 2006). Nordic Plus donors are also believed to reward recipients' good behaviour more consistently than any other donor (e.g. Gates and Hoeffler 2004).

Choice of variables

Dependent variables

The dependent variable in my study is official development assistance (ODA)^{viii} per capita provided by each of the donors listed in the preceding section. The OECD defines ODA as financial flows to developing countries that have the official aim to promote economic and social development and whose grant element constitutes at least one fourth of the amount provided (OECD). I elected to examine ODA commitments rather than the more commonly

used disbursements primarily because most non-DAC aid data are available only in the form of commitments. There are also certain theoretical advantages to using commitment data, however. As White and McGillivray (1995) and Berthelemy (2006) opined, aid commitments are subject to fewer arbitrary executive decisions and less influenced by recipients' administrative capacity than aid disbursements and hence might reflect donors' intentions more closely.

The requisite data were obtained from the Creditor Reporting System (CRS) database of the OECD and from the AidData database. They are expressed in constant 2011 US dollars and cover 112 developing countries for ten years (2002-2011). I chose 2002 as the lower cut-off point because from that year aid data on many 'new' donors became available while 2011 constitutes the upper border as the year with the most recent data accessible at the time of writing.

Main independent variables

The main independent variables attempt to approximate the aid recipients' performance in good behaviour, operationalised by human rights, democracy, and good governance. The three variables measure overlapping yet distinct aspects of state behaviour. I examine them together not out of a misplaced intention to conflate them but because international aid organisations including the OECD and national aid agencies have generally listed them together when referring to recipients countries' good behaviour and to their own efforts to make aid more effective and responsible. For example, both the *Millennium Declaration* (2000) and the *Busan Partnership Agreement* (2011) posited that 'promoting human rights, democracy, and good governance are an integral part of [donors'] development efforts' (*Busan Partnership Agreement*: 1).

To turn to the variables' conceptualisation, the theoretical concept of human rights is relatively clear, as it is embodied in the widely accepted *Universal Declaration of Human Rights* (1948). Determining the quality of countries' adherence to human rights quantitatively is naturally more problematic. Several possible measures exist – in this paper, I chose to use the Cingranelli-Richards (CIRI) indicators of political and civil rights^{ix} and of social and economic rights, measured on a 0-8 and a 0-14 scales respectively, with higher numbers denoting better performance. However, in order to increase the validity of my results, in a sensitivity analysis I utilise secondary human rights indicators, namely the political rights and civil liberties measures published by Freedom House (FH)^x. In their original format, both measures vary from 1 to 7, with higher numbers indicative of worse performance; however, in order to render them more easily comparable with the CIRI data, I reversed the scales to make higher numbers signify better human rights records.

What exactly constitutes democracy is more disputed but most researchers agree with the Webster dictionary definition as a 'form of government in which the supreme power is vested in the people and exercised by them directly or indirectly through a system of representation usually involving periodically held free elections'^{xi}. Currently, the most frequently used measure of the quality of democracy is Polity IV project's *polity2*, which scores countries from -10 to 10, with higher marks awarded to countries with more democratic regimes.

The most theoretically cloudy concept is the one of 'good governance.' which some researchers understand as the process by which authority in a country is exercised, others as the mechanisms and institutions that enable such process, while yet others as the outcomes of the process (Abdellatif 2003). Here I have chosen to adhere to the OECD (2001) definition of good governance as institutions/policies that are

'participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follow the rule of law. [Also, they] assure that corruption is

minimised, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making'

since this understanding of good governance is promoted, at least amongst DAC donors, as the one to endorse through the provision of aid. The OECD did not come up with a governance measure of its own but the one most closely aligned with its definition, utilised in this paper, is the World Bank's Worldwide Governance Indicators (WGI), which score countries on a scale from -2.5 to 2.5, with higher numbers indicating better governance.

I include two human rights measures (first the CIRI ones and second the FH ones) with the democracy and governance measures in regressions at the same time as correlation tables and VIF tests allayed my fears of potentially too high multicollinearity^{xii}. The correlation tables also demonstrated that all four measures are positively related to each other, confirming that a willing donor can reward recipients' high human rights scores without automatically remunerating their low democracy or governance scores, and vice versa.

Control variables

According to researchers including Neumayer (2003a) and Berthelemy (2006), aside from occasionally rewarding recipients' good behaviour, donors are motivated in their aid giving by their own commercial and geopolitical interests on the one hand and by the recipients' needs on the other. I operationalise donors' own interests through the following variables: the value of exports from each donor to each aid recipient, the recipients' military aid per capita received, a binary variable of whether a recipient was ever a colony, a binary variable that takes the value of 1 if the donor and recipient belong to the same region, and two religion variables (Christian and Muslim, referring to the predominantly practiced religion within a country). Additionally, I also control for the amount of total aid per capita received from other donors, as the amount a donor provides might be influenced by the aid disbursed by other donors (Tarp et al. 1999). The data utilised come from the IMF, AidData, CRS, and the World Bank's World Development Indicators (WDI).

As measures of aid recipients' development needs, I use first their GDP per capita, expressed in constant 2011 US dollars, logged, and adjusted for purchasing power parity. Furthermore, I include Least-Developed Country (LDC), disaster, and conflict dummy variables as well as the log of the recipients' population^{xiii}. These data were obtained from various sources, including the WDI, the Uppsala University Conflict Data Programme, and the International Disaster Database.

Data limitations

Data on my independent variables, widely used by researchers, are generally seen as valid and reliable but the quality of some aid data is more questionable. Members of the DAC are required to share information about the provision of official development assistance with the OECD and its current quality is recognised to be good; however, that is not the case with all non-DAC donors. Particularly data on the aid committed by providers of South-South Co-operation, which I obtained from the AidData database, are not very numerous and hence almost certainly incomplete. Chinese aid data, which were compiled by Dreher and Fuchs (2012), are often not even available as exact values, specifying instead only which country received Chinese aid in which year^{xiv}.

This reality certainly impacts my results but its negative consequences are not as extensive as they could initially appear. While it is probable that the available non-DAC aid data do not capture the full picture of the countries' aid giving, there is generally no indication as to the existence of a specific bias to the omissions (Dreher and Fuchs 2012; Kim and Lightfoot 2011). Consequently, assuming that some aid information has been included and some excluded at

random, the resultant findings on the aid-good behaviour relationships should not differ significantly from those that one would attain with a more complete dataset. Nevertheless, until better data do become available, any conclusions about the nature of non-DAC aid do need to be conscious of these shortcomings^{xv}.

Summary statistics

Table 1 displays descriptive statistics of the key variables used in my study, first for 2002 and second for 2011. I aggregated aid commitments per capita by the different donor groupings used in order to facilitate the understanding of the data presented. The results clearly show that for all donor groups, aid commitments per capita of recipient countries increased from 2002 to 2011, although the increase has been significantly more notable for non-DAC than for DAC donors. The number of recipient countries also grew for all donor groups, with the exception of the Nordic Plus donors. Both these trends are consistent with the reports of rising volumes of non-DAC aid; however, they are likely to be partially driven also by the increasing capacity and willingness of non-DAC donors to publicly disclose information about their aid provision.

Table 1. Summary statistics of dependent and main independent variables

	2002					2011				
	Obs	Mean	Std. dev.	Min	Max	Obs	Mean	Std. dev.	Min	Max
<i>Dependent variables*</i>										
<i>Non-DAC donors</i>										
Non-DAC OECD aid per capita	118	0.28	0.69	0.0	5.0	124	1.24	3.23	0.0	18.7
South-South cooperation per capita	37	0.38	1.29	0.0	4.9	133	4.98	26.61	0.0	247.7
Arab aid per capita	89	0.43	1.80	0.0	13.8	109	1.36	6.64	0.0	60.8
<i>DAC donors</i>										
Largest DAC donors' aid per capita	135	73.27	232.86	2043.1	2043.1	137	73.64	165.53	0.0	1306.7
Nordic Plus aid per capita	128	6.01	10.00	0.0	64	125	6.30	15.33	0.0	144.8
Southern European aid per capita	114	5.80	20.45	0.0	155.0	126	8.21	33.94	0.0	319.7
Small European donors' aid per capita	115	2.68	6.25	0.0	46.3	122	2.87	6.74	0.0	48.0
Other non-European aid per capita	133	17.66	82.13	0.0	824.8	134	21.99	102.05	0.0	992.2
<i>Main independent variables</i>										
Political and civil rights (CIRI)	158	5.04	2.23	0.0	8.0	192	5.04	2.24	0.0	8.0
Social and economic rights (CIRI)	158	8.34	4.18	0.0	14.0	192	8.15	4.13	0.0	14.0
Political rights (FH)	192	4.64	2.16	1.0	7.0	194	4.62	2.16	1.0	7.0
Civil liberties (FH)	192	4.61	1.82	1.0	7.0	194	4.32	1.84	1.0	7.0
Democracy	117	1.55	6.36	-10.0	10.0	123	2.32	6.22	-10.0	10.0
Governance	138	-0.42	0.67	-1.8	1.3	146	-0.39	0.67	-2.3	1.2

* aggregated by donor groupings to facilitate presentation

Source: Author's own calculations

Regarding the main independent variables, the average scores on CIRI's political and civil rights as well as on FH's political rights stayed the same in the period analysed and those on democracy slightly improved. However, the scores on governance, on civil liberties, and on social and economic rights deteriorated, likely reflecting a deepening social inequality both globally and in many countries also internally.

Finally, from the unlisted control variables, the levels of GDP per capita and military aid per capita rose, as did the values of exports from all the donors examined to developing countries. Vis-à-vis time-invariant variables, approximately 30 per cent of the sample are Least-Developed Countries, 80 per cent are former colonies, 50 per cent are majority Christian, and 30 per cent majority Muslim.

Empirical methods

The fact that aid data are downward-censored by zero – i.e. they cannot take on negative values – is the chief driver underlying the selection of an appropriate analytical model for this study. There are two common manners of dealing with this issue. The first approach, the Heckman two-step method, estimates first the factors that inspire donors to afford aid to a recipient at all and second the factors that motivate their choice about the precise amount of aid to commit. Mathematically, the model can be expressed with the following set of equations:

$$\begin{aligned} P(Aid_{ijt} > 0) &= F(bZ_{ijt} + v_{ijt}) \\ Aid_{ijt} &= cX_{ijt} + p\sigma f(bZ_{ijt} + v_{ijt}) / F(bZ_{ijt} + v_{ijt}) + u_{ijt} \end{aligned} \quad (1)$$

where i , j , and t represent the donor, recipient, and time respectively; Aid_{ijt} is the dependent variable; Z and X are independent variables for the selection and allocation equations respectively; b and c are parameter vectors; $F()$ stands for the cumulative distribution (probit) function; u and v are normally distributed errors, $cov(u, v) = \rho$, f is the partial distribution function, and σ is the variance of u (Berthelemy 2006).

One mode of implementing the model in panel data is to compute the first equation using a panel Probit regression with boot-strapped standard errors, calculate the inverse Mills ratio and introduce it as an explanatory variable in the second, level-stage equation. The second equation is most often estimated using an OLS panel regression with fixed effects. However, given that the amount of aid committed in one year tends to be highly correlated with the amount committed the year before (in other words, aid data are serially correlated to the first degree) the utilisation of a General Method of Moments (GMM) model could yield more valid results. The main drawback of the Heckman model lies in its requirement that at least one variable included in the first stage be on the basis of theory excluded from the second stage, which is often hard to do.

The second main approach utilised by researchers to analyse censored aid data is the Tobit estimator, which takes the censored-nature of the data directly into consideration. The main difference with the Heckman model is that the Tobit one assumes that the factors that influence donors' decisions whether to provide aid at all are the same as those that influence their decision regarding how much aid to commit. The relevant equation is the following:

$$Aid_{ijt} = \text{Max}(cX_{ijt} + u_{ijt}, 0) \quad (2)$$

where i , j , and t represent the donor, recipient, and time respectively; Aid_{ijt} is the dependent variable; X are independent variables for the selection and allocation process together; c is a parameter vector; u is the error term; and the aid committed is described as the maximum of zero and of a linear combination of the independent variables (Berthelemy, 2006).

Aside from the fact that the assumption that the variables significant at the eligibility stage are identical with those significant at the level stage might not always hold, the Tobit estimator has several other drawbacks. Mainly, it has a hard time managing a larger number of independent variables and it cannot be estimated with fixed effects to control for unobservable country characteristics.

Consequently, as my primary approach I use the Heckman two-step method with Probit regressions to estimate the first-level equations and GMM regressions (xtabond2) to estimate the second-level equations. Following Neumayer (2003c), as the exclusionary variable that is assumed to have an impact at the first but not at the second stage of donors' aid-allocation decisions I use the amount of aid per capita received by each developing country from all other donors in the previous year. This amount is believed to increase a country's chance to receive aid from every donor but not to influence the amount of aid received. In order to ascertain

robustness of the findings obtained through the Heckman approach, as part of the sensitivity analysis I also report estimates obtained with the Tobit model and with OLS regressions with fixed effects as substitutes for the GMM regressions in the second-level equations.

Results

In this section, I present the results obtained with my primary analytical method, a Heckman two-step model with GMM as the second-level estimator. In order not to overwhelm readers with an excessive amount of numbers, tables in the main text display findings on the main independent variables only (Tables 2 and 3). Tables 4 and 5 in the Appendix list all the control variables utilised and indicate which ones were found to have a significant effect on which donor and in which direction – whether positive or negative.

Primary results – The effects of good-behaviour variables on aid provision

Table 2 displays results for the non-DAC donors. Contrary to my initial expectations (Hypothesis 2), the results suggest that many non-DAC donors do reward some aspects of recipients' good behaviour either at the eligibility or at the level stage of their decision-making about aid provision. The most commonly rewarded is democracy, with 18 out of 25 donors committing more aid to countries with better democracy (*polity2*) records. This behaviour is particularly observable amongst the non-DAC members of the OECD. Many donors within this group share a communist past, which has likely rendered them to perceive democracy as the most important good-behaviour trait from the four examined. Other common attributes observable for the loose groupings of non-DAC donors are that the providers of South-South Co-operation seem prone to positively compensate aid recipients' performance in political and civil rights while Arab donors are inclined to do so for recipients' governance.

Notably, even the donors feared to be the most rogue – China and Saudi Arabia – reward some good-behaviour qualities: China social and economic rights^{xvi} and Saudi Arabia governance. On the other hand, many non-DAC donors also apparently reward recipients' 'bad behaviour', which to some extent defies my third hypothesis. This conduct appears most frequently vis-à-vis economic and social rights, with 11 of the 25 non-DAC donors committing more aid, *ceteris paribus*, to countries with worse performance in this area.

Table 3 provides comparable results for DAC countries. In line with my first hypothesis, I expected to discover a positive and significant relationship between DAC aid and recipients' good behaviour at least some of the time. The results attained do support this hypothesis but interestingly, the effect of good behaviour on DAC aid-allocation decisions does not seem greater than on such decisions by non-DAC donors. In fact, the conditioning of DAC aid on recipients' democracy is less consistent than in the case of non-DAC donors. This shortfall, however, is made up by greater consistency in conditioning on other aspects of good behaviour, primarily on economic and social rights and on governance. In the latter, particularly the Nordic Plus donors seem well aligned, with all of them^{xvii} except for Ireland committing more aid to countries with better governance. In other ways, however, the groupings of DAC donors utilised in the presentation of results do not exhibit easily observable common characteristics.

With regard to the provision of aid in reward of bad behaviour, some DAC donors do it as well even though the practice appears to be less common than amongst non-DAC donors. To illustrate, while 15 out of the 25 non-DAC donors reward some aspects of recipients' bad behaviour, ten out of the 24 DAC donors do so (more than 60 per cent^{xviii} of all non-DAC aid committed as opposed to approximately 40 per cent of DAC aid). In the DAC case, it is also not primarily concentrated on compensating countries for poor performance in economic and social rights, as with non-DAC donors, but more equally distributed throughout all four aspects examined (civil and political rights, social and economic rights, democracy, and governance).

Table 2. The effects of human rights, democracy, and governance on the aid provided by non-DAC donors

Non-DAC OECD members																										
	Cyprus		Czech Rep.		Estonia		Hungary		Iceland		Israel		Latvia		Lithuania		Poland		Romania		Slovakia		Slovenia		Turkey	
Stage	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd
Civil and political rights	-0.05	-0.02	0.12	0.02	0.10	0.00	0.02	0.01	-0.02	0.03	0.04	-0.01	0.02	-0.03	0.10	-0.06	-0.05	-0.02	0.10	0.04	0.12	0.02	0.03	0.03	0.04	0.01
	<i>0.54</i>	<i>1.03</i>	2.56	4.25	<i>1.14</i>	<i>0.59</i>	<i>0.38</i>	<i>0.29</i>	<i>0.16</i>	<i>1.63</i>	<i>0.48</i>	<i>0.95</i>	<i>0.18</i>	<i>0.68</i>	<i>1.25</i>	<i>1.10</i>	<i>1.04</i>	<i>0.76</i>	<i>1.18</i>	<i>0.98</i>	2.28	<i>1.23</i>	<i>0.39</i>	<i>1.60</i>	<i>0.80</i>	<i>0.13</i>
Economic and social rights	-0.02	0.00	-0.20	0.00	-0.08	-0.01	-0.11	0.04	-0.24	0.00	0.01	0.08	-0.04	-0.10	-0.10	0.04	-0.10	0.00	-0.19	-0.11	-0.11	-0.01	-0.18	-0.02	-0.17	-0.01
	<i>0.50</i>	<i>0.41</i>	6.29	<i>0.47</i>	<i>1.49</i>	<i>1.23</i>	2.81	2.53	3.18	<i>0.19</i>	<i>0.21</i>	2.38	<i>0.57</i>	<i>1.35</i>	2.09	<i>0.27</i>	3.65	<i>0.95</i>	3.52	0.05	<i>0.35</i>	<i>1.21</i>	4.56	<i>0.21</i>	<i>1.59</i>	<i>0.24</i>
Democracy	0.04	0.00	0.16	0.00	0.05	0.00	0.07	-0.02	0.20	0.03	0.01	0.00	0.01	0.01	0.02	0.04	0.05	0.00	0.09	0.04	0.06	0.04	0.10	0.00	0.08	0.01
	<i>1.24</i>	<i>0.69</i>	8.25	<i>0.47</i>	1.72	1.68	3.00	2.33	3.24	1.90	<i>0.34</i>	<i>0.11</i>	<i>0.32</i>	2.05	<i>0.58</i>	1.98	2.78	<i>0.42</i>	3.06	1.72	3.09	<i>1.13</i>	4.17	<i>0.21</i>	4.41	<i>0.24</i>
Governance	-0.02	0.12	-0.80	0.03	-0.50	0.01	-0.32	-0.01	0.31	0.30	0.02	0.01	-0.48	-0.03	-0.23	0.00	-0.20	0.02	-0.13	0.05	-0.28	-0.08	-0.07	0.12	-0.13	0.10
	<i>0.05</i>	3.01	3.18	<i>1.01</i>	<i>1.40</i>	<i>0.23</i>	<i>1.03</i>	<i>1.30</i>	<i>0.49</i>	<i>2.74</i>	<i>0.05</i>	<i>0.78</i>	<i>0.94</i>	<i>1.48</i>	<i>0.59</i>	<i>0.10</i>	<i>0.85</i>	<i>0.05</i>	<i>0.45</i>	<i>0.21</i>	<i>1.24</i>	<i>1.17</i>	<i>0.25</i>	2.60	<i>0.73</i>	<i>1.29</i>
N	489	108	951	665	951	119	761	186	951	89	951	649	666	47	951	112	951	856	375	78	951	177	951	175	951	576
Log lik./AR2 (Prob>Chi2)	-247.0	0.149	-540.2	0.180	-138.5	0.592	-336.0	0.507	-156.6	0.302	-672.2	0.269	-75.7		-193.0	0.107	-520.5	0.517	-114.7	0.247	-366.2	0.359	-265.9	0.584	-477.2	0.579
Providers of South-South cooperation																										
	Brazil		Chile		China		Colombia		India		Russia		South Africa		Taiwan		Thailand		Kuwait		Saudi Arabia		UAE			
Stage	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd		
Civil and political rights	0.11	-0.07	0.21	0.10	-0.03		0.20	-0.05	-0.08	1.40	-0.03	0.98	0.28	-1.06	0.06	0.10	-0.07	0.12	0.06	0.02	-0.04	0.00	0.04	0.99		
	1.66	<i>0.66</i>	2.19	<i>1.37</i>	<i>0.67</i>		1.91	<i>0.57</i>	<i>1.33</i>	<i>1.43</i>	<i>1.00</i>	<i>0.16</i>	2.07	<i>1.56</i>	<i>0.58</i>	<i>1.37</i>	<i>1.43</i>	<i>1.39</i>	<i>0.89</i>	<i>0.24</i>	<i>0.60</i>	<i>0.04</i>	<i>0.62</i>	3.88		
Economic and social rights	-0.19	0.00	-0.27	-0.09	0.05		-0.11	0.00	-0.22	-1.52	-0.03	0.32	-0.01	0.82	-0.06	-0.09	-0.16	-0.05	-0.07	0.00	-0.10	-0.03	-0.17	-0.04		
	4.36	<i>0.02</i>	<i>4.01</i>	<i>1.51</i>	1.69		<i>1.57</i>	<i>0.18</i>	5.64	3.46	<i>1.62</i>	<i>0.04</i>	<i>0.17</i>	<i>1.23</i>	<i>0.82</i>	<i>1.51</i>	4.95	<i>1.01</i>	<i>1.61</i>	<i>0.00</i>	2.65	<i>0.80</i>	3.68	2.80		
Democracy	0.17	0.04	0.18	0.04	-0.04		0.03	0.00	0.10	0.16	0.01	0.35	0.24	3.73	0.01	-0.04	0.08	-0.01	-0.03	0.03	0.02	0.04	0.06	-0.04		
	5.18	<i>0.02</i>	3.41	1.26	2.37		<i>0.62</i>	<i>0.20</i>	4.81	<i>0.60</i>	<i>1.49</i>	3.90	2.48	3.02	<i>0.27</i>	2.14	4.22	<i>0.66</i>	<i>0.94</i>	<i>1.18</i>	<i>0.95</i>	<i>1.01</i>	1.97	<i>0.29</i>		
Governance	-0.60	-0.09	0.43	0.03	0.17		0.06	0.13	0.37	2.90	0.02	-5.58	-1.83	-6.83	0.38	0.47	-0.13	-0.42	1.05	-0.39	0.34	3.44	0.42	-2.81		
	2.02	1.08	<i>0.96</i>	<i>0.07</i>	<i>0.82</i>		<i>0.19</i>	2.06	<i>1.56</i>	<i>0.85</i>	<i>0.22</i>	<i>0.49</i>	2.17	<i>1.62</i>	<i>0.66</i>	2.20	<i>0.48</i>	<i>1.31</i>	2.41	<i>1.42</i>	<i>1.32</i>	2.57	<i>1.10</i>	<i>0.55</i>		
N	951	175	951	89	761		489	47	666	125	100	21	951	37	951	84	489	78	951	507	951	103	951	479		
Log lik./AR2 (Prob>Chi2)	-359.9	0.521	-127.0	0.892	-334.9		-98.2		-363.7	0.946	-54.8		-77.5	0.156	-185.9	0.519	-534.6	0.289	-318.7	0.261	-279.1	0.903	-284.0	0.867		

For each variable, the coefficient and underneath the Z score are shown. 1st stage regressions were run using a Probit model, 2nd stage regressions using a GMM model – both with robust standard errors. Numbers in bold are significant at least at the 10% level. All regressions included the control variables discussed in the Data section.

Table 3. The effects of human rights, democracy, and governance on the aid provided by DAC donors

Stage	Largest DAC donors												Nordic Plus donors											
	EC		France		Germany		Japan		UK		US		Denmark		Finland		Ireland		Netherlands		Norway		Sweden	
	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd
Civil and political rights	-0.67	1.34	0.33	1.45	-0.06	-0.08	0.11	0.33	0.01	-0.13	0.13	-0.09	0.55	-0.44	0.28	-0.25	-0.10	1.34	-0.05	-0.24	0.05	-0.06	-0.07	0.02
	1.63	0.82	0.39	3.28	0.39	0.32	1.17	2.89	0.10	1.01	1.07	0.30	0.78	1.14	2.89	1.61	1.15	1.99	0.51	1.57	0.53	1.57	0.50	0.87
Economic and social rights	-0.14	-0.14	0.46	0.03	0.33	0.07	-0.02	0.72	-0.08	-0.01	-0.03	-0.38	-1.81	0.01	-0.06	0.02	0.04	0.01	-0.05	0.36	-0.01	0.00	-0.03	0.28
	0.62	0.23	1.47	0.02	2.70	0.51	0.39	1.98	1.52	0.62	0.38	1.73	3.11	0.39	1.07	0.36	0.68	1.05	2.26	1.16	0.22	0.12	0.31	1.50
Democracy	-0.07	0.52	-0.25	0.03	-0.13	-0.06	-0.05	0.01	0.03	0.05	0.11	0.14	0.08	-0.01	0.05	-0.01	0.02	0.01	-0.44	-0.13	-0.04	0.00	0.00	0.11
	0.48	2.18	1.48	1.39	1.98	0.72	1.28	0.15	0.97	0.72	2.36	1.87	2.13	0.78	1.26	0.65	0.59	0.51	1.35	1.06	0.94	0.19	0.07	0.98
Governance	1.17	1.41	-1.31	-3.68	0.75	1.28	0.62	0.21	0.68	1.15	-3.24	2.23	0.74	0.13	0.82	0.43	0.36	-0.36	1.24	-0.62	0.98	0.04	1.57	-0.13
	0.51	0.30	0.94	2.05	1.12	1.70	1.33	0.43	1.91	1.89	3.81	1.28	1.72	1.53	1.97	1.17	0.80	1.33	3.05	0.60	2.11	0.37	2.60	1.09
N	951	804	951	812	951	838	951	810	951	805	951	769	951	548	951	646	951	534	951	647	951	693	951	710
Log lik./AR2 (Prob>Chi2)	-14.0	0.104	-16.5	0.224	-69.7	0.212	-219.9	0.186	-201.3	0.168	-128.7	0.253	-274.2	0.574	-207.5	0.935	-268.3	0.129	-254.0	0.285	-164.5	0.416	-114.9	0.391
Stage	Southern European donors								Small European donors								Other non-European donors							
	Greece		Italy		Portugal		Spain		Austria		Belgium		Luxembourg		Switzerland		Australia		Canada		Korea		New Zealand	
	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd
Civil and political rights	0.13	0.04	0.01	0.13	-0.04	-0.73	-0.06	-0.08	0.01	0.01	0.08	0.00	-0.16	-0.04	0.03	0.06	0.06	0.09	-0.13	0.02	0.00	0.39	-0.08	0.02
	2.01	0.51	0.07	1.26	0.61	1.36	0.64	0.76	0.10	0.21	0.96	0.08	1.81	1.50	0.24	0.84	0.88	0.59	0.66	0.29	0.01	0.79	1.11	0.83
Economic and social rights	-0.03	0.13	-0.02	-0.05	0.00	0.57	-0.08	0.07	0.09	-0.01	0.05	0.01	-0.02	-0.02	-0.02	0.04	-0.09	0.06	0.24	0.01	0.16	-0.01	0.15	0.01
	0.87	1.81	0.29	0.93	0.08	1.14	1.08	1.42	1.18	0.41	0.82	0.58	0.26	0.24	0.23	1.17	2.08	0.33	1.79	0.23	2.73	0.55	2.89	2.31
Democracy	0.02	-0.03	0.00	0.11	0.07	-0.19	0.14	-0.03	0.08	0.01	0.03	0.00	0.61	-0.03	-0.02	-0.02	0.05	0.02	0.02	-0.02	-0.80	0.10	0.03	0.24
	0.90	1.19	0.02	3.55	2.26	0.73	3.15	1.13	1.65	0.75	0.85	0.16	1.55	0.60	0.43	0.60	1.66	0.25	0.38	1.06	2.27	1.15	0.73	1.04
Governance	0.10	-0.39	0.62	-1.13	-0.55	-0.82	-0.19	-0.95	0.08	0.22	-0.26	0.15	1.21	0.21	-0.18	0.19	0.57	-1.09	-0.50	0.05	-0.29	-0.36	0.24	-0.13
	0.36	1.21	1.07	3.65	1.45	0.45	0.39	1.94	0.17	1.62	0.65	0.75	2.37	1.62	0.26	0.61	1.65	1.10	0.88	0.17	1.03	0.51	0.55	1.72
N	951	583	951	664	951	236	951	683	951	787	951	658	951	515	951	693	951	355	951	786	951	674	951	470
Log lik./AR2 (Prob>Chi2)	-374.5	0.124	-172.3	0.669	-351.2	0.255	-168.4	0.116	-163.0	0.142	-197.4	0.904	-249.6	0.307	-117.8	0.248	-369.1	0.286	-42.1	0.180	-200.1	0.112	-306.7	0.160

For each variable, the coefficient and underneath the Z score are shown. 1st stage regressions were run using a Probit model, 2nd stage regressions using a GMM model – both with robust standard errors. Numbers in bold are significant at least at the 10% level. All regressions included the control variables discussed in the Data section.

Secondary results – The effects of control variables on aid provision

Looking at factors other than recipients' good behaviour that motivate aid provision from non-DAC donors, Table 4 in the Appendix shows that aid received in the previous year and a shared region are the most consistently and positively significant variables. In other words, most non-DAC donors are more likely to commit (more) aid to countries that lie in the same geographical region as themselves and that received a lot of aid from them in the previous year. While the first variable is indicative of a strategic choice on part of the donors – they are making an effort to build up and improve their own region, from which their own country could also benefit – the second one speaks of the 'bureaucratic inertia' of aid, which often tends to flow to countries only because they have been that donor's aid recipients for a long time already (e.g. Carey 2007). This element is further reinforced by the fact that aid projects and programmes are generally of longer duration than one year (usually three to five).

Focusing on differences between the three non-DAC groups examined, while the non-DAC members of the OECD commit more aid to countries that already receive aid from other sources, this practice is not equally common amongst the providers of South-South Co-operation, affording some evidence to the argument that the new donors contribute to plugging the gaps in aid provision by DAC donors and hence complement each other's aid efforts (Chandy and Kharas 2011). The specificity of Arab donors appears to lie primarily in the greater role that recipients' religion plays in their decision-making about aid: all three Arab donors are more likely to choose other majority Muslim countries as aid recipients. Finally, the non-DAC OECD members have been comparatively less motivated by trade with recipients than the other non-DAC donors.

Turning now to DAC aid, Table 5 in the Appendix reveals that DAC donors just like non-DAC ones seem to be chiefly motivated in their decisions about how much aid to commit by the amount of aid provided in the year prior. Other salient determinants are the amount of aid received from other donors, recipients' level of economic wellbeing (GDPpc and LDC status) and other recipient needs (conflicts and disasters). The latter two factors, recipients' economic wellbeing and their other needs, appear to influence DAC aid in general more than non-DAC aid. A comparison of the various DAC groupings, on the other hand, does not reveal any conspicuous disparity. Minor differences can be observed regarding the influence of colonial past, which particularly impacts aid commitments by the largest DAC donors, and of commercial interests, which affect the aid provision by the largest DAC donors and Southern European donors more than the aid provision by other DAC donors. The final interesting observation here, applicable both to non-DAC and DAC donors, is that they are more likely to select as aid recipients developing countries with larger populations but once selected, they provide more per-capita aid to countries with smaller populations^{xix}.

Sensitivity analysis

In order to assess the robustness of the results discussed in the previous section, I perform two different sensitivity tests. First, I substitute the two CIRI human rights measures – on political and civil rights and on economic and social rights – with Freedom House's measures of political rights and civil liberties. Second, I estimate the original models using different empirical methods – OLS panel regressions with fixed effects instead of GMM regressions in the second stage of the Heckman two-step approach and panel Tobit regressions with robust standard errors.

Table 6 in the Appendix shows results from the first robustness test, specifically how political rights and civil liberties as measured by Freedom House affect aid giving by the donors examined and whether the impact discovered differs from the one found when using the CIRI human rights indicators. The two sets of indicators evaluate similar albeit not identical concepts

and the estimates in Table 6 confirm that similarity. Most of the findings align both in significance and in direction with those obtained with the CIRI data.

Key outcomes from the second sensitivity test can be viewed in Table 7 in the Appendix. Results from the OLS regressions with fixed effects are very similar to those attained in the GMM regressions utilised in the main analysis, with good behaviour variables exhibiting almost identical patterns in terms of direction and significance. One minor difference is that the estimates in the OLS regressions are slightly more significant, which is likely due to OLS not controlling for serial correlation of the aid data as does the GMM estimator. The Tobit estimator examines the two stages within the aid-disbursement process simultaneously and hence its findings do not align either with the Probit or with the GMM ones. Nevertheless, the results still show a relatively consistent pattern, i.e. if both the Probit and GMM estimates were positive, the Tobit one is as well and vice versa.

Concluding remarks

For decades now, DAC donors have been verbally committed to promoting human rights, democracy, and good governance amongst their aid recipients, including through aid conditionality. The actual existence of this practice has been to some degree substantiated through empirical evidence and hence I anticipated finding a positive relationship between at least some DAC members' aid provision and recipients' good behaviour (Hypothesis 1). Conversely, with a view to the generally absent verbal commitment of non-DAC donors to promote better behaviour amongst their aid recipients, I did not hold out a comparable expectation vis-à-vis non-DAC donors (Hypothesis 2). The repeated emphasis of non-DAC donors – particularly those that are not members of the OECD – on non-interference in the internal affairs of their development partners further strengthened this belief. Nevertheless, as several empirical studies on the nature of non-DAC aid found it not to differ dramatically from DAC aid, I equally did not anticipate non-DAC aid to be provided in reward of aid recipients' bad behaviour (Hypothesis 3). My results have provided evidence in support of the first hypothesis but to some extent contradicted both the second and the third one.

Regarding DAC aid first, as researchers before me, including Neumayer (2003a), Berthelemy (2005), and Nielsen (2013), I found most DAC donors to reward some aspects of recipients' good behaviour in their aid-allocation decisions. They do so sometimes at the level stage but more often, still in line with Neumayer's (2003a) findings from a decade ago, at the gate-keeping stage, when they determine whether to provide aid to a country at all. However, the donors are not particularly consistent in this behaviour – while some compensate recipients for better performance in civil and political rights, others do so for social and economic rights, for democracy or for governance. Most of them do not reward their aid recipients in more than one aspect of good behaviour and none do so in more than two, not even the Nordic Plus donors, who have been described as the most socially conscious donors. The similarity within the group is notable, however, as all the Nordic Plus members except for Ireland condition their aid commitments on recipients' governance records. However, the other DAC country groupings have not exhibited an analogous level of similarity amongst each other from the perspective of conditioning aid on recipients' good behaviour.

The key finding of this paper is that non-DAC donors do not differ significantly from DAC donors in rewarding recipients' human rights, democracy, and governance performance, despite expectations to the contrary. Unlike DAC donors, many non-DAC donors have made no promises to condition their aid on recipients' good behaviour. Consequently, I anticipated discovering no statistical relationship between recipient countries' human rights, democracy, and governance records on the one side and non-DAC aid on the other, perhaps with the exception of aid from non-DAC donors that are members of the OECD. However, I found most non-DAC donors, not just the OECD members, to be rewarding some aspects of their

recipients' good behaviour at some point in their aid commitments. This rewarding is not uniform or consistent– for example, while non-DAC OECD members focus in aid provision on countries with better democracy scores, providers of South-South Co-operation do so more often for political and civil rights – but neither is, as mentioned previously, the rewarding by DAC donors.

Is non-DAC aid then promoting good behaviour amongst its recipients? Even after setting aside the quandary of whether aid conditioning has the ability to do so at all, the answer to that question cannot be directly positive as my results suggest that many non-DAC donors also reward their recipients for certain aspects of bad behaviour. Often they do so simultaneously with rewarding some aspects of good behaviour, for example, by committing more aid to countries with better governance scores but at the same time less aid to countries with better democracy performance. Many DAC donors do not differ from non-DAC ones on this account either, however. Although this negative conditioning by both non-DAC and DAC donors appears even more haphazard than the positive one and as such is likely a side-effect of political considerations rather than a of deliberate intent, it is still objectionable as it might arguably promote the abuse of human rights, democracy, and governance amongst some aid recipients.

Consequently, although it is not clear from this study whether either DAC or non-DAC aid actually fosters better behaviour amongst aid recipients, on the issues of aid conditioning on human rights, democracy, and good governance the DAC and non-DAC donors have turned out to be quite comparable. In fact, differences within the two groups of donors appear greater than those between them, at least over the decade examined. From this viewpoint it is understandable why the partnership agreement from Busan (2011), signed by both DAC and non-DAC donors, has been able to mention human rights, good governance, and to some extent even democracy as the common underpinning principles of all development co-operation provided globally. This starting convergence of the DAC and non-DAC relationships between aid and recipients' good behaviour both in theory and in practice might signify the emergence of stronger universal norms with regard to the importance of human rights, democracy, and good governance to development.

To argue that DAC and non-DAC aid have now become undistinguishable in their characteristics would be premature, however. Even though this study focused on the good-behaviour aspects of aid provision and shown the two donor groups (DAC and non-DAC) to be very similar from this perspective, DAC aid when analysed as a group appears to be better targeted towards recipients' needs than non-DAC aid overall^{xx}. Nonetheless, as Chandy and Kharas (2011) posited, the different characteristics and modalities of non-DAC aid as opposed to DAC aid do not necessarily mean that non-DAC aid is worse but perhaps only different and by extension complementary to DAC aid. This might be particularly true of the providers of South-South Co-operation, who – unlike the rest of non-DAC and DAC donors – commit more aid to countries largely left behind by other donors.

In conclusion, while non-DAC aid does not appear to be systematically and consistently conditioned on recipients' good behaviour, it equally does not appear to be rogue. Rather, my analysis has suggested that non-DAC donors are motivated by a similar mix of self-interest, development-need, and good-behaviour reasons as DAC donors. The main difference between the two groups appears to lie in the slightly greater attention that DAC donors pay to recipients' development needs.

The answer to the central question of this paper, in which I enquired whether non-DAC donors differed from DAC ones in their conditioning of aid on human rights, democracy, and governance, is hence largely no. Even though many non-DAC donors never pledged to reward good human-rights, democracy, and governance records in their aid giving, my results suggest that they nonetheless often do so. This conditioning on their part seems somewhat random, but

so does such conditioning by DAC donors, in spite of their much stronger verbal commitment to the cause.

The expressed worry that the rising significance of new donors will disturb the harmonious and sustainable development brought forward by DAC aid programmes hence appears unfounded, even in the case of the most ‘feared’ donors such as Saudi Arabia and China. Instead, my results tentatively point to the emergence of stronger and wider acceptance of human rights, democracy, and good governance as essential to sustainable development amongst all donors, not only verbally as exemplified by the Busan Partnership Agreement (2011) but also in practice. Future research in this area should open up the ‘black box’ of aid flows and explore whether donors condition aid giving on recipients’ good behaviour differently through different aid instruments (e.g. grants versus concessional loans). Further studies could also look at other approaches to integrating human rights, democracy, and good governance in development programming, explore whether DAC and non-DAC practice converges or rather diverges in those areas, and perhaps most importantly, investigate whether such interventions actually have the potential to foster good behaviour amongst aid recipients.

ⁱ A part of the Organisation for Economic Co-operation and Development (OECD) since 1961, the Development Assistance Committee is an international forum for many of the world’s largest providers of development aid. As of 2015, it has 29 members: Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, the European Commission, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, South Korea, Luxembourg, the Netherlands, New Zealand, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, the United Kingdom, and the United States of America (<http://www.oecd.org/dac/developmentassistancecommittee.htm> (10 March, 2015)).

ⁱⁱ Throughout the article, I refer to aid recipients’ positive performance in the areas of human rights, democracy, and good governance as ‘good behaviour’ and to negative performance in those areas as ‘bad behaviour’. I chose to operationalise ‘good behaviour’ as respect for human rights, democracy, and good governance because they are most commonly mentioned by aid documents as the qualities that aid should strive to foster. Different aid agencies have set out to promote other positive qualities as well, including peace, gender quality, and the rule of law, but in order to keep my analysis focused and concise, I chose not to examine those in this article. (In addition, ‘rule of law’ constitutes a subset of most good-governance measures).

ⁱⁱⁱ This approximation has been commonly used by researchers including Neumayer (2003a, 2003b) and Doucouliagos and Paldam (2011).

^{iv} The South-South Co-operation Movement effectively dates back to this African-Asian Conference. While the non-interference clause in the Bandung Principles is frequently referenced, it is less known that the Principles also mention the importance of respect for human rights.

^v By ‘some of the time’ I mean that I expect to find that at least some DAC donors reward recipients’ good behaviour either at the eligibility or at the level stage.

^{vi} The Czech Republic, Iceland, Poland, Slovenia, and Slovakia are now members of the DAC but became so only in 2013. Romania is not yet member of the OECD but I include it in this group because it is an EU member state.

^{vii} The Nordic Plus are an informal collective of like-minded donors; the UK is also often included in the group but I examine it here as part of the largest DAC donor group instead.

^{viii} Data on net official development assistance only – repayments were subtracted.

^{ix} Referred to as ‘physical integrity rights’ in the database.

^x These are used more frequently in literature than the CIRI measures but have been shown to contain a strong pro-US bias (Steiner 2014).

^{xi} <http://www.merriam-webster.com/dictionary/democracy>

^{xii} On the other hand, the two sets of human rights measures are too collinear to be included in one regression together.

^{xiii} I use population as a control variable to capture the ‘small-country bias’, according to which smaller countries receive higher amounts of aid per capita than more populous countries (Dreher et al. 2011).

^{xiv} Usually also specific projects are mentioned.

^{xv} Another potential limitation here, pointed out by an anonymous reviewer, could be the generally better quality of aid data from more recent years than from the more distant ones. However, since I used as the lower cut-off point a relatively recent year of 2002, the difference in the quality of the first- and last-period data is likely not very significant in my study.

^{xvi} The finding on China’s support for social and economic rights is not actually very surprising given its regime’s formally Communist underpinning.

^{xvii} Including the UK, which in this study has been listed in the group *Largest DAC donors*.

^{xviii} On the basis of my data, I calculated approximately 60 per cent of non-DAC aid but that was without Chinese aid since no precise information on that aid exists. Since China is probably the largest non-DAC aid provider, the percentage is likely significantly higher than 60.

^{xix} Confirmation of the afore-mentioned ‘small-country bias’.

^{xx} That is if as ‘needs’ one understands countries’ level of economic development or having experienced a disaster. This finding aligns with conclusions by Dreher et al. (2011).

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Appendix

Table 4. The effects of control variables on non-DAC aid

Regression stage	Non-DAC OECD members																									
	Czech Rep.		Cyprus		Estonia		Hungary		Iceland		Israel		Latvia		Lithuania		Poland		Romania		Slovakia		Slovenia		Turkey	
	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd
Aid previous year (volume)		+		+		+		+		+		+				+		+		+		+		+		+
Exports		+		+				+				+					+					+		+		+
Military aid per cap.										+											+	-				
Colony		+										-	+				-		+					-	-	
Region		+		+	+		+	+		+				+		+		+		+		+				+
Muslim			-		+					+		-				-										+
Christian								-		+						+							+	-		
GDP per cap. (log)		+				-		+		-		-					+				+				+	
LDC		+				+		+		+						-	+				+		+			
Conflict						+		+		+				-					+			+				
Disaster			+			-		-		+		-	-	+				+		-				-		
Population (log)		+		-	+		+		+	-	+	+		-	+	-	+	-			+		+	+	-	
Aid from other donors (pc)		+			+		+		+		+				+		+		+		+		+		+	

Regression stage	Providers of South-South cooperation																Arab donors							
	Brazil		Chile		China		Colombia		India		Russia		South Africa		Taiwan		Thailand		Kuwait		Saudi Arabia		UAE	
	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd
Aid previous year (volume)		+		+				+		+				+		+				+		+		+
Exports		+				+				+				+		+		+		+		+		+
Military aid per cap.			+			+				-				+								-		+
Colony		+				+								-			+						+	
Region				+		+		+		+		+				+	+	+			+	-		+
Muslim																	-		+		+	+	+	-
Christian				+		-		-							+	+			-			+	-	
GDP per cap. (log)		+				-		-									-		-		-	+		+
LDC		+		+						+	+							+						
Conflict										-				+				-				-	-	
Disaster		-		-				+		-				+					-	-		+	-	+
Population (log)		+								-									+	-		-	+	-
Aid from other donors (pc)		+								+							+		+		+			

+ means a positive significant effect, - a negative significant effect, a blank space no effect. The Heckman two-step method with GMM was used to estimate the requisite regressions.

Table 5. The effects of control variables on DAC aid

Regression stage	Largest DAC donors												Nordic Plus donors											
	EC		Germany		France		Japan		UK		US		Denmark		Finland		Ireland		Netherlands		Norway		Sweden	
	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd
Aid in previous year (volume)		+				+		+		+		+		+		+		+		+		+		+
Exports		+		+		+		+				+	-			+		+		+		+		+
Military aid per cap.								+				+	-											
Colony		+		+		+		+		+				-				-				-		+
Region				+				+		+		-						-					+	
Muslim						-							-							-		+		
Christian																			-		+			
GDP per cap. (log)		-		-				-		-		-	-		-	-	-	-	-	-		+	-	
LDC						+				-									-		+		+	
Conflict		+								-								-				+		
Disaster		+		+				+		-						-	+		+		-			+
Population (log)	+	-	+	-	+		+	-	+			-	+		+		+		+		+		+	
Aid from other donors (pc)	+		+				+				+		+		+		+		+		-		+	
Regression stage	Southern European donors								Small European donors								Other non-European donors							
	Greece		Italy		Portugal		Spain		Austria		Belgium		Luxembourg		Switzerland		Australia		Canada		Korea		New Zealand	
	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd
Aid in previous year (volume)		+				+		+		+		+		+				+		+		+		+
Exports	+	+			+													+		+		+		
Military aid per cap.								-																
Colony				+			+					+			-		+		+				+	
Region	+	+	+				+				+						+	+		+			+	+
Muslim						+					-		-		-		-				-	-	-	
Christian				+	-										-		+		-		-	-		+
GDP per cap. (log)								+		-		-	-		-				-				-	
LDC	+						+				+										-		+	
Conflict																	-				-			
Disaster						-		+	+		+		+				-		+				+	
Population (log)	+		+	-	+	+	+		+	-	+		+		+	-	+		+		+		-	
Aid from other donors (pc)			+				+		+		+		+		+		+		+				-	

+ means a positive significant effect, - a negative significant effect, a blank space no effect. The Heckman two-step method with GMM was used to estimate the requisite regressions.

Table 6. Sensitivity Analysis Test (1): CIRI Human Rights Measures Substituted by Freedom House Measures of Human Rights

Non-DAC OECD Members																										
	Cyprus		Czech Rep.		Estonia		Hungary		Iceland		Israel		Latvia		Lithuania		Poland		Romania		Slovakia		Slovenia		Turkey	
Stage	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd
Political rights	0.32	0.00	0.17	0.02	0.19	0.00	0.40	-0.02	0.09	-0.05	-0.17	0.02	0.13	0.33	0.25	-0.01	-0.13	0.00	-0.02	0.27	0.04	0.05	0.41	0.03	0.27	0.19
	2.34	0.06	1.66	0.43	1.41	0.29	2.84	0.78	0.50	1.18	1.16	0.97	0.86	3.14	1.92	1.06	1.40	0.04	0.18	0.15	0.35	1.32	3.42	0.44	2.90	1.10
Civil liberties	-0.55	0.01	-0.67	0.00	-0.27	-0.01	-0.47	0.04	-0.36	-0.05	0.05	0.09	-0.07	-0.04	-0.07	0.01	-0.20	0.07	-0.07	-0.12	-0.08	-0.05	-0.05	-0.05	-0.18	-0.22
	3.04	1.17	5.77	0.41	1.53	0.85	3.12	1.08	1.62	1.28	0.29	2.69	0.36	1.48	1.46	1.96	1.43	1.14	0.45	1.58	0.73	0.73	0.36	0.92	1.77	1.49
N	951	108	951	665	951	119	951	186	951	89	951	649	951	47	951	112	951	856	951	78	951	177	951	175	951	576
Providers of South-South cooperation																		Arab donors								
	Brazil		Chile		China		Colombia		India		Russia		South Africa		Taiwan		Thailand		Kuwait		Saudi Arabia		UAE			
Stage	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd		
Political rights	0.16	-0.18	1.20	0.00	-0.18		0.31	0.01	-0.15	0.12	0.06	1.62	0.21	0.06	0.28	0.79	0.24	1.12	0.31	1.19	0.10	0.16	0.13	0.09		
	1.32	1.13	2.13	0.11	2.02		1.83	0.59	1.64	0.13	1.07	1.68	1.85	0.97	2.53	0.49	2.59	1.34	2.28	2.61	0.91	1.04	1.00	1.56		
Civil liberties	-0.45	0.20	-0.15	-0.05	0.16		-0.36	0.00	-0.22	4.15	0.00	0.83	-0.16	0.58	-0.78	-2.61	-0.43	-0.35	-0.40	0.09	-0.23	-1.27	-0.42	-0.05		
	3.09	0.18	0.61	0.29	1.65		1.74	0.44	2.07	1.31	0.06	0.18	0.49	1.55	4.41	1.03	3.08	0.31	2.31	0.34	1.93	1.29	2.83	1.09		
N	951	175	951	89	951		951	122	951	125	100	21	951	37	951	84	951		951	507	951	103	951	479		
Largest DAC donors												Nordic Plus donors														
	EC		France		Germany		Japan		UK		US		Denmark		Finland		Ireland		Netherlands		Norway		Sweden			
Stage	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd		
Political rights	-0.12	1.50	0.27	0.66	0.54	0.10	0.08	0.64	0.12	-0.02	0.02	0.60	-0.01	-0.01	0.21	-0.02	-0.13	0.66	-0.10	-0.15	-0.02	0.07	0.07	0.00		
	0.99	1.35	1.02	2.86	1.31	0.29	0.43	1.93	1.18	0.60	0.07	1.06	0.10	1.07	1.78	2.16	1.16	1.85	0.98	0.88	0.11	0.75	0.31	0.06		
Civil liberties	-0.25	-0.63	-0.08	1.09	-0.38	0.91	0.01	0.07	-0.26	0.12	-0.25	-0.52	-0.91	0.13	-0.46	0.03	-0.01	-0.01	-0.06	-0.07	0.06	0.01	-0.32	0.13		
	0.92	0.46	0.19	3.54	1.30	1.52	2.21	0.78	1.80	0.34	0.89	0.86	0.60	2.22	1.45	2.39	0.04	0.39	0.40	0.45	0.34	0.09	1.25	1.69		
N	951	856	951	812	951	856	951	856	951	805	951	856	951	548	951	646	951	534	951	647	951	693	951	856		
Southern European donors								Small European donors								Other non-European donors										
	Greece		Italy		Portugal		Spain		Austria		Belgium		Luxembourg		Switzerland		Australia		Canada		Korea		New Zealand			
Stage	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd		
Political rights	0.22	-0.05	0.16	0.59	-0.01	0.36	-0.09	0.17	0.05	0.09	0.20	0.75	-0.16	-0.02	0.29	0.04	0.26	-0.49	-0.35	-0.10	0.01	0.04	0.03	0.02		
	2.58	0.49	1.15	1.27	0.06	0.70	0.68	0.74	0.39	1.00	1.51	1.36	0.97	0.52	1.00	0.24	1.90	0.79	0.89	1.33	0.04	1.52	0.19	0.46		
Civil liberties	-0.39	0.05	-0.26	-0.77	0.02	-0.38	-0.15	0.17	0.11	0.10	-0.22	0.33	0.13	-0.07	0.09	0.13	-0.26	0.16	0.21	0.06	0.13	-0.05	0.33	0.11		
	3.23	1.25	1.30	1.25	0.13	0.44	0.62	0.37	0.56	0.67	1.36	1.02	0.67	1.35	0.27	0.81	2.03	0.37	0.57	0.52	2.17	1.49	1.68	1.75		
N	951	583	951	664	951	236	951	683	951	787	951	658	951	515	951	693	951	355	951	786	951	674	951	470		

This table displays results from regressions identical to those in Tables 2 and 3 with the exception that the CIRI human rights measures were substituted by the FH measures. For each independent variable, the coefficient and underneath the Z score are shown. Numbers in bold are significant at least at the 10% level.

Table 7. Sensitivity Analysis (2): Regressions Estimated with Tobit Models and Panel OLS Regressions with Fixed Effects

Non-DAC OECD Members																										
	Cyprus		Czech Rep.		Estonia		Hungary		Iceland		Israel		Latvia		Lithuania		Poland		Romania		Slovakia		Slovenia		Turkey	
	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe
Civil and political rights	-0.04	0.02	0.01	0.01	0.00	0.00	0.00	0.00	0.05	0.00	-0.01	-0.01	0.00	-0.04	-0.04	0.00	-0.01	-0.02	0.07	-0.09	0.12	0.05	0.01	0.03	0.02	0.02
	0.73	0.95	2.11	1.60	0.37	0.24	0.26	0.18	0.29	0.02	0.75	1.15	0.07	1.14	1.22	0.34	0.47	0.53	0.13	0.41	2.53	1.92	0.47	1.15	0.33	0.31
Economic and social rights	-0.04	0.02	-0.01	0.00	-0.02	-0.07	-0.02	0.02	-0.05	-0.01	-0.01	0.02	-0.02	0.02	-0.03	0.00	-0.02	0.04	-0.45	-0.27	-0.11	-0.04	-0.08	-0.02	-0.09	0.04
	1.36	1.20	3.97	0.46	0.99	2.97	3.11	1.94	4.15	0.73	1.06	2.37	1.79	0.71	1.73	1.13	1.26	1.37	1.49	1.68	0.35	2.78	5.23	1.40	2.48	0.78
Democracy	0.04	0.00	0.01	0.00	0.15	0.03	0.01	-0.01	0.19	0.01	0.00	0.00	0.01	0.09	0.00	0.30	0.01	0.00	0.23	0.41	0.06	0.03	0.04	-0.01	0.16	0.12
	1.97	0.43	4.77	0.82	1.72	1.37	2.44	0.69	2.31	0.24	0.50	0.56	1.54	1.34	0.03	1.94	0.93	0.12	1.34	0.70	3.09	2.73	4.27	0.33	6.39	3.13
Governance	0.04	0.06	-0.10	-0.06	0.02	0.06	-0.04	-0.01	0.21	0.36	-0.05	0.17	-0.04	0.34	0.32	0.06	-0.11	-0.26	0.12	-0.17	-0.28	-0.15	0.11	0.39	-1.07	-0.95
	0.16	2.61	2.64	0.58	0.09	2.64	0.61	0.08	1.80	1.42	0.60	2.13	0.52	1.43	2.21	2.33	0.71	0.81	0.71	0.05	1.24	1.36	0.96	1.53	3.33	1.44
N	951	110	951	665	951	76	951	186	951	95	951	649	951		951	122	951	856	951	95	951	177	951	175	951	576
Log lik./R2 (within)	2674	0.23	-540.2	0.06	3279	0.71	-153.3	6.39	1454	0.169	-433.4	0.157	3576	0.82	3264	0.29	-1053	0.01	279	0.30	-366.2	0.05	-191.4	14.19	-1001	0.087
Providers of South-South cooperation																		Arab donors								
	Brazil		Chile		China		Colombia		India		Russia		South Africa		Taiwan		Thailand		Kuwait		Saudi Arabia		UAE			
	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe
Civil and political rights	0.08	-0.13	0.04	0.01			0.14	0.00	-1.85	3.37	-0.39	0.98	-0.02	0.60	0.00	-0.04	0.02	-0.11	0.20	0.12	-0.22	-0.41	0.17	0.36		
	1.62	0.93	3.86	1.13			2.14	0.57	0.76	1.64	0.72	0.16	0.08	0.70	0.34	1.58	1.31	1.17	2.25	1.02	0.83	1.56	0.26	1.09		
Economic and social rights	-0.08	0.14	-0.04	-0.01			0.02	0.00	-10.10	-1.96	-0.50	0.32	-0.48	0.43	-0.31	-0.01	-0.01	-0.02	-0.13	0.10	-0.49	-0.14	-1.23	-0.43		
	2.71	1.74	0.69	1.63			0.40	0.18	6.37	1.24	1.35	0.04	2.60	0.76	0.77	0.32	0.77	0.37	1.46	1.09	2.88	1.09	3.01	1.85		
Democracy	0.09	0.02	0.02	0.30			0.03	0.00	5.39	-1.40	0.26	0.35	0.48	2.18	-0.01	0.01	-0.01	0.01	-0.03	0.02	0.03	-0.07	0.08	0.02		
	4.29	1.74	0.65	1.84			1.48	0.20	5.34	1.53	1.39	3.90	3.49	2.87	2.10	0.36	0.87	0.24	1.10	0.28	0.29	0.62	0.34	0.14		
Governance	-0.36	-0.21	0.07	0.00			-0.33	0.13	11.07	37.82	0.13	-5.58	-1.03	-6.26	0.03	-0.15	-0.07	0.42	2.39	-1.11	1.76	2.85	4.22	-3.91		
	1.88	1.16	1.61	0.26			1.47	2.06	1.21	1.43	0.06	0.49	0.80	1.57	0.96	0.96	0.88	0.44	1.69	1.06	1.52	2.13	1.25	1.43		
N	951	175	951	111			951	47	951	125	100	21	951	37	951	109	951	318	951	507	951	103	951	479		
Log lik./R2 (within)	-412.6	36.27	4216	0.20			2330	0.47	-833.7	27.90	-55.73	43.51	-116.0	68.09	44.97	0.09	-1184	0.02	-1516	0.390	-499.3	0.253	-2116	0.034		

For each independent variable, the coefficient and underneath the Z score are shown. Numbers in bold are significant at least at the 10% level. All regressions included the control variables specified in the Data section.

Table 7 (continued). Sensitivity Analysis (2): Regressions Estimated with Tobit Models and Panel OLS Regressions with Fixed Effects

Stage	Largest DAC donors												Nordic Plus donors											
	EC		France		Germany		Japan		UK		US		Denmark		Finland		Ireland		Netherlands		Norway		Sweden	
	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe	Tobit	OLSfe
Civil and political rights	-0.49	1.95	0.18	0.18	-0.23	0.14	0.00	0.28	-0.10	-0.17	0.11	-0.15	0.04	-0.02	0.02	-0.01	0.09	1.20	-0.38	0.26	0.10	0.06	0.39	0.54
	1.31	1.16	0.88	0.81	1.11	0.57	0.00	1.91	1.34	1.60	0.40	0.46	1.09	0.33	0.02	0.69	0.78	1.70	1.25	1.12	1.48	0.47	1.14	1.68
Economic and social rights	-0.09	-0.62	0.17	0.18	0.09	0.13	-0.16	0.42	-0.01	0.01	-0.53	-0.08	0.02	0.02	-0.43	0.01	-1.42	0.01	0.15	-0.07	-0.04	-0.08	0.45	0.44
	0.36	0.47	1.28	1.10	0.68	2.20	1.20	1.40	0.09	0.07	2.92	0.34	0.89	0.47	0.57	0.86	1.74	0.57	0.74	0.71	0.89	1.04	1.90	1.86
Democracy	0.16	1.50	0.06	0.13	-0.04	-0.04	0.00	0.00	0.27	0.04	0.16	0.11	-0.12	-0.18	1.06	0.83	0.21	0.06	-0.07	-0.10	0.01	0.02	0.11	0.15
	0.91	1.69	0.61	1.06	0.51	0.35	0.03	0.00	0.73	0.56	1.31	0.83	2.12	1.08	1.99	1.65	3.69	1.26	0.54	1.15	0.52	1.22	7.20	0.98
Governance	0.15	1.56	-0.21	-0.39	2.06	1.40	0.28	0.51	0.89	1.81	2.01	5.47	0.95	1.45	0.03	0.06	-0.03	0.32	3.29	-4.03	0.39	0.70	0.31	0.37
	0.06	2.08	0.16	0.21	1.89	0.76	0.81	1.33	3.21	2.15	1.21	1.77	3.75	2.15	0.34	0.47	0.43	1.56	1.79	0.92	1.52	0.65	1.39	1.52
N	951	856	951	825	951	856	951	856	951	801	951	856	951	668	951	779	951	643	951	712	951	810	951	856
Log lik./R2 (within)	-4630	0.803	5443	0.05	-3914	0.078	1347	0.100	1048	0.02	-3426	0.362	-1353	0.14	-315	0.01	-412	0.10	-3284	0.04	-1896	0.02	-2024	0.091
Stage	Southern European donors								Small European donors								Other non-European donors							
	Greece		Italy		Portugal		Spain		Austria		Belgium		Luxembourg		Switzerland		Australia		Canada		Korea		New Zealand	
	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd	1st	2nd
Civil and political rights	0.49	0.03	-0.12	0.02	-0.12	-0.47	-0.85	0.18	0.01	0.00	0.01	-0.02	-0.12	0.02	0.01	0.49	0.13	0.21	0.09	0.05	0.60	0.63	-0.01	0.00
	1.14	0.32	0.85	0.21	0.50	0.82	0.71	1.70	0.23	0.06	0.52	0.69	1.03	0.98	0.18	1.91	1.35	1.17	1.32	0.55	2.29	1.81	0.72	0.23
Economic and social rights	0.03	0.04	0.16	0.00	0.03	0.86	-0.08	-0.05	0.02	0.02	0.01	0.02	-0.22	0.00	0.17	0.03	0.10	0.23	0.08	0.01	-0.02	0.02	-0.03	0.13
	0.94	1.01	2.00	0.01	0.21	1.08	1.19	0.53	0.87	1.16	0.43	1.40	1.61	0.22	1.89	0.69	1.47	0.85	0.20	0.03	1.00	0.58	0.54	1.24
Democracy	0.01	-0.02	-0.03	0.06	0.04	0.07	0.06	0.09	0.01	0.01	0.01	-0.01	0.10	0.00	-0.05	-0.08	0.50	0.18	-0.02	0.01	0.02	-0.01	0.00	0.01
	0.64	1.06	0.72	1.02	0.34	0.28	1.41	2.05	0.64	1.40	1.14	0.91	0.96	0.22	1.94	1.23	1.80	1.96	0.83	0.20	1.44	0.57	0.80	0.62
Governance	0.01	-0.06	-1.28	-1.07	-0.85	-3.46	-0.70	1.49	0.20	0.12	0.22	1.15	-0.10	-0.07	-0.17	0.28	-2.94	-1.37	0.11	1.39	-0.33	-1.16	0.12	-0.16
	0.06	0.31	2.74	1.56	0.54	0.69	1.10	1.11	1.02	0.46	1.50	2.55	0.67	0.35	0.45	0.55	1.86	1.15	0.31	1.32	2.31	1.56	2.04	1.78
N	951	653	951	785	951	337	951	804	951	789	951	777	951	645	951	800	951	518	951	885	951	813	951	492
Log lik./R2 (within)	-1491	0.009	-2627	0.012	-3058	0.175	-2251	0.026	-1486	0.089	-999	0.075	-1123	0.082	-1775	0.022	-2357	0.058	-1879	0.03	-983	0.104	-200	0.034

For each independent variable, the coefficient and underneath the Z score are shown. Numbers in bold are significant at least at the 10% level. All regressions included the control variables specified in the Data section.