



LUND UNIVERSITY

School of Economics and Management

Master's Programme in Economic Development and Growth

Donors in Transition: Comparing Aid Allocation Patterns in the Era of the Belt and Road Initiative

An Econometric Analysis

by

Trixi Pairan

tr2855pa-s@student.lu.se

Abstract This paper analyzes Chinese aid allocation from 2013 to 2021 and compares it to traditional as well as emerging donors. In 2013, China launched the Belt and Road Initiative (BRI) which is considered one of China's most ambitious development initiatives in the 21st century. To explore how the BRI reshaped China's motives for aid allocation, I employ a two-part model to explain not only which country characteristics make recipients eligible for aid but also which ones determine the amount of aid. To compare China to other donors, I assess the importance of different factors impacting aid commitments by employing a regression analysis and a variance decomposition technique. My findings show that Chinese aid allocation differs significantly from traditional and emerging donors. The primary driver of Chinese aid is the recipient's political alignment while the main motive for other donors is recipient need, with France being the exception. While proximity and economic interests also play a meaningful role, accountability is no longer an important motive for any donor.

Key Words: Belt and Road Initiative, donor motives, development aid

EKHS42

Master's Thesis (15 credits ECTS)

May 2025

Supervisor: Stefan Öberg

Examiner: Olof Ejermo

Word Count: 16.083

Acknowledgements

I would like to express my gratitude to my supervisor, Dr. Stefan Öberg, for his extensive professional expertise and valuable guidance throughout this project. I also want to thank Professor Dr. Axel Dreher whom I got to know as a teacher during my bachelor's degree and later supported me with methodological insights into his research during my master's thesis. Special thanks go to Professor Dr. Olivier Sterck and Professor Dr. Anke Hoeffler for sharing their work on the importance measure, which enabled a meaningful contribution to the existing literature on aid allocation.

Contents

1	Introduction	7
2	Historical Background	10
2.1	From Communist Rule to the 21st Century	10
2.2	The Belt and Road Initiative	11
3	Conceptual Framework and Literature Review	12
3.1	Motive: Self-interest	12
3.1.1	Economic Interests	12
3.1.2	Political Alignment	14
3.2	Motive: Accountability	15
3.3	Motive: Recipient Need	16
3.4	Motive: Proximity	17
4	Data	18
4.1	Dependent Variable	18
4.2	Explanatory Variables	19
4.3	Data Imputation	22
4.4	Fixed Effects	22
4.5	Lagged versus Contemporary Values	22
5	Methods	23
5.1	Main Specification	23
5.2	Measuring the Importance for Comparisons of Determinants	24
6	Empirical Analysis	26
6.1	China	26
6.2	France	33
6.3	Germany	34
6.4	Japan	35
6.5	United States of America	36
6.6	United Kingdom	36
6.7	United Arab Emirates	37
6.8	South Korea	38
7	Robustness Checks	40
8	Discussion	42
9	Conclusion	45

References	46
10 Appendix	55
A Robustness Checks for the Two-Part Model	55
B Robustness Checks for the Regression Model Comparing Donors . . .	61
C AI Statement	68

List of Figures

- 2.1 Countries participating in the BRI by year of joining. Own Calculations excluding China. Source: [Nedopil \(2025\)](#). 11
- 4.1 Chinese aid commitments per country from 2013 to 2021 in million USD. Own calculations. Source: [Custer et al. \(2023\)](#). 18
- 6.1 Total aid commitments per donor (in million USD, constant 2021). Own calculations. Source: [Custer et al. \(2023\)](#). 27
- 6.2 Number of recipient countries receiving official development aid commitments from each donor. Own calculations. Source: [Custer et al. \(2023\)](#). 28
- 6.3 Importance of categories of predictors for the non-ceteris paribus approach (based on results from Tables 6.2 - 6.4). 36

List of Tables

4.2	Summary Statistics	21
6.1	Two-part model for China's ODA commitments	29
6.2	Regression results: China, France, Germany	30
6.3	Regression results: Japan, USA, United Kingdom	31
6.4	Regression results: United Arab Emirates and South Korea	32
10.1	Two-part model: OOF and dataset without data imputation	56
10.2	Two-part model: Restricted sample	57
10.3	Two-part model: leave-one-out analysis with Africa, America, Europe	58
10.4	Two-part model: leave-one-out analysis with Oceania, Middle East, Asia	59
10.5	Two-part model: loans and grants	60
10.6	Robustness check with life expectancy : China, France, Germany	62
10.7	Robustness check with life expectancy: Japan, USA, United Kingdom	63
10.8	Robustness check with life expectancy: United Arab Emirates and South Korea	64
10.9	Robustness check without polity variable: China, France, Germany	65
10.10	Robustness check without polity variable: Japan, USA, United Kingdom	66
10.11	Robustness check without polity variable: United Arab Emirates and South Korea	67

1

Introduction

At the beginning of 2025, the government of the United States of America (USA) issued executive orders implementing a 90-day suspension of foreign development assistance funding. These orders also moved the U.S. Agency for International Development (USAID) under the control of the U.S. State Department and dissolved other development agencies of the USA. By February 2025, media outlets reported that the Trump administration intended to officially end over 90 percent of USAID programs and thus eliminate 60 billion USD in assistance of the USA globally ([Custer et al., 2025](#)).

At the same time, China continues to put the Belt and Road initiative (BRI) into place. The BRI is considered one of China's most ambitious development initiatives in the 21st century. It reshaped the country's approach to development cooperation with other nations with around 20.5 percent of financial flows qualifying as official development assistance (ODA) ([Chajdas, 2018](#); [Ohashi, 2018](#); [Lynch et al., 2020](#)). Consequently, China's aid efforts have significantly grown in both scale and scope since the launch of the BRI ([Min, 2021](#)).

Those foreign aid practices sparked a debate on whether the new funding gap will be filled by China ([Root, 2025](#); [Custer et al., 2025](#)). While the answer to that question is largely hypothetical, those shifts increase the relevance of understanding how China allocates its ODA commitments, especially in comparison to other donors. These insights enable us to understand whether solely the name of the donors might change or if different donors prioritize different recipient countries, potentially leaving some nations with reduced development assistance.

This thesis assess how China allocated its ODA during the era of the BRI. To this end, the paper examines the motives behind Chinese aid allocation since the launch of the BRI in 2013 and compares Chinese ODA commitments to six other donors: the four largest Western donors (Germany, France, USA, United Kingdom), as well as the two largest emerging donors (South Korea, United Arab Emirates). The comparison helps determine to what extent China's aid allocation deviates from that of other donors.

Following the existing literature, I evaluate donor motives by categorizing the explanatory variables into four categories: recipient need, donor self-interest which includes both political and economic considerations, accountability, and proximity (geographical and cultural).

To assess Chinese aid allocation, the study employs a two-part model to not only explain which characteristics make a country eligible to become a recipient

of Chinese ODA but also which factors determine the amount of Chinese aid. To compare Chinese aid allocation other donors, the study makes use of a regression analysis and a variance decomposition approach to assess the relative importance of different factors in predicting aid commitments.

To the best of my knowledge, this is the first paper to empirically explore and compare China’s motives for aid allocation during the era of the BRI from a global perspective. Updating earlier studies provides valuable insights if the BRI altered China’s development assistance strategy.

Additionally, while much of the existing literature concentrates on Chinese aid to Africa, this study adopts a global perspective. Including all recipient countries not only provides a more comprehensive view of the BRI’s impact, it also tests whether findings from studies focused on Africa hold true on a global scale.

Lastly, the thesis compares China’s motives for ODA commitments not only to those of traditional donors but also of emerging donors which are largely missing in the existing literature (Bräutigam, 2011; Hoeffler and Sterck, 2022). Expanding the literature on emerging donors enables a deeper understanding if China behaves like other emerging donors or if it differs from other donors in general. Moreover, considering emerging donors is highly relevant since their ODA commitments have increased rapidly during recent decades. These donors were often aid recipients until recently and now play an increasingly important role in global development (Dreher et al., 2011).

The findings indicate that the main motive for China’s aid allocation is self-interest in the form of political alignment. Taiwan recognition is the main predictor whether China will allocate ODA to a country. Conditional on being a recipient, UNGA alignment is the main factor increasing the amount of ODA commitments. Being part of the BRI also increases the likelihood of receiving ODA commitments from China. Altogether, factors capturing political alignment account for 70 percent of the explained variation in Chinese ODA. The second important motive is recipient need as China allocates more money to poorer countries.

The comparison reveals that China’s motives differ largely from other donors. The analysis shows that the main motive for other donors is recipient needs measured as population size and income levels, with France being the exception. The role of self-interest remained relatively stable compared to previous periods for traditional donors. In contrast to China, self-interest is driven by economic interests for all other donors, mainly trade ties. China also differs from all other donors in terms of proximity. For China, geographically closer countries receive more ODA and cultural ties have no meaningful impact on Chinese aid allocation. In contrast, proximity is the second largest motive for most donors. This is largely driven by historical ties with former colonies as well as linguistic ties in the case of the UAE. Distance is negatively correlated with ODA commitments for all other donors. Lastly, accountability became relatively less important compared to previous periods.

The remainder of this paper is structured as follows: Section 2 provides the historical background of China’s ODA strategy. Section 3 presents the conceptual framework that categorizes the motives driving donor behavior and reviews the relevant literature on ODA allocation motivations. Section 4 outlines the data used in the analysis. Section 5 explains the empirical model. Section 6 presents the results of the main analysis, while Section 7 includes robustness checks. Section 8 discusses the limitations of the study as well as factors underlying my results.

Finally, Section 9 concludes the paper.

2

Historical Background

2.1 From Communist Rule to the 21st Century

Understanding China's aid motives requires acknowledging the long history of its aid program. Although often described as a 'new' or 'emerging' donor ([Manning, 2006](#); [Walz and Ramachandran, 2011](#); [Hernandez, 2017](#)), China began providing aid in the early 1950s to support the independence and build friendly relations initially with North Korea after the Korean War, followed by the aid to Vietnam and other newly decolonized neighboring countries ([Lin, 1993](#)). Nevertheless, as [Mawdsley \(2012\)](#) points out, Western perspectives have largely failed to recognize China's substantial and enduring role as an aid donor.

China's strategy has to be understood in connection to the Soviet aid model from which China itself had benefited. In this model, leaders assert control over the process and tailor it to fit their nation-building strategy. During his visit to Africa in 1964, Premier Zhou Enlai manifested in the 'Eight Principles of Economic and Technical Aid'. He emphasized not only mutual benefit and respect for national sovereignty as a core principle guiding China's aid and economic cooperation. He also mentioned political non-conditionality and the promotion of self-reliance. In this period, China still had a strong emphasis on autarky. China emphasized that aid should primarily support a country's self-defined development path and viewed economic independence as essential to achieve political independence, particularly to reduce their own other developing countries' reliance on the USA and the West. According to official statements, these principles continue to serve as core guidelines for China's foreign aid policy ([Fuchs and Rudyak, 2017: 3](#); [Watanabe, 2013](#)).

With the country's departure from autarky, Premier Zhao Ziyang announced in 1983 the 'Four Principles of Sino-African Economic and Technical Cooperation'. These principles underlined mutual economic benefit for both partners by highlighting 'common development'. In 2000, Jiang Zemin officially introduced a new policy to encourage businesses to 'go out'. With China opening up to the world, aid became increasingly important as a channel for fostering international relationships and economic development. It was managed by the Ministry of Commerce and aimed at promoting trade and investment ([Fuchs and Rudyak, 2017: 4](#); [Min, 2021](#)).

With Xi becoming President in 2013, China started to focus more on foreign aid as foreign and economic policy instrument and strengthened and reformed its aid system. For example, China announced the BRI in 2013. In February 2017, the top decision-making body for economic reforms (Communist Party's Leading Group on

Comprehensively Deepening Reform) approved the ‘Implementation Guidelines for the Reform of Foreign Aid’. This was the first time that the Leading Group worked on aid allocation marking a shift towards optimizing the strategic layout of foreign aid (Fuchs and Rudyak, 2017: 15).

2.2 The Belt and Road Initiative

In 2013, President Xi Jinping’s administration adopted a more assertive foreign policy approach which included launching the BRI. The BRI encompasses a broad range of activities including infrastructure investments, development aid, trade collaborations, and regional connectivity projects (Min, 2021).

The objective of BRI is to jointly build the ‘Silk Road Economic Belt’ along the ancient Silk Road as well as creating the 21st Century Maritime Silk Road. The BRI outlines five key priorities: policy coordination, infrastructure connectivity, unimpeded trade, financial integration, and people-to-people ties. It thus combines a bold infrastructure plan across Eurasia with a strong emphasis on soft power through cultural exchange in BRI regions. The literature suggests that these areas closely align with China’s foreign aid efforts, positioning the BRI as a major influence in redefining the principles, structure, and implementation of the country’s aid programs. Accordingly, among other financial flows, China’s aid efforts have significantly grown in both scale and scope since the launch of the BRI (Min, 2021).

However, evidence on how the BRI has influenced the motives and priorities of Chinese aid is largely missing.

Several commentators and analysts view the BRI as a reflection of China’s most ambitious international economic goals, comparing it to the US’ Marshall Plan following World War II (Curran, 2016). Although the goals of BRI are often overstated, it shares notable similarities with the tools employed by the USA to rebuild post-World War II Europe, particularly large-scale economic investments and a foreign aid strategy (Min, 2021). Unlike the Marshall Plan, however, the BRI spans multiple countries across Asia, Africa, South America, and Europe (see Figure 2.1).

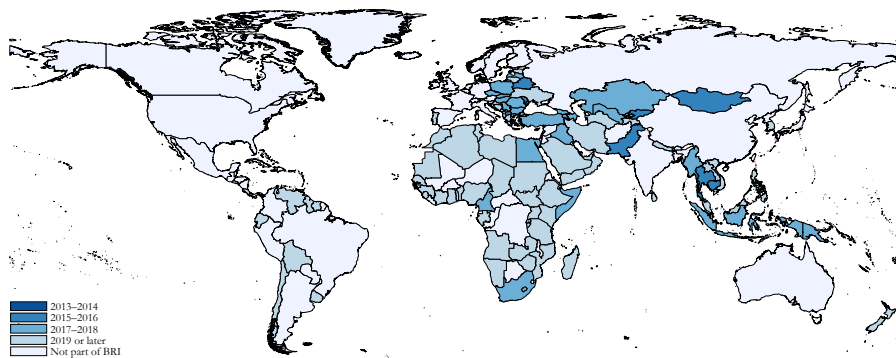


Figure 2.1: Countries participating in the BRI by year of joining. Own Calculations excluding China. Source: Nedopil (2025).

3

Conceptual Framework and Literature Review

This section will give an overview of the donor motives commonly discussed in the literature which can be summarized under four headings (see [Fuchs and Rudyak, 2017](#)). First, I discuss self-interest. This section encompasses economic interests such as promoting trade and investment as well as political interests. The second section on accountability addresses the role of institutional quality to ensure effective use of foreign aid. Third, the recipient need motive which reflects the intention to support the welfare and development of recipient countries facing greater developmental challenges. Fourth, the motive of proximity sheds light on the role of cultural and geographical ties in ODA allocation.

3.1 Motive: Self-interest

This chapter assesses the role of economic and political motives in China's foreign aid policies which serve the donor's self-interest. Self-interest can be a significant motivation for aid provision. [McKinlay and Little \(1977\)](#) suggest that aid enhances a donor's influence, serving multiple functions such as advancing geopolitical objectives, incentivizing alignment in UN General Assembly (UNGA) voting, maintaining historical ties, and fostering trade relationships ([Alesina and Dollar, 2000](#)).

3.1.1 Economic Interests

After China's experience with the Soviet aid model, economic modernization and development began to take on a more prominent role for Chinese aid policy in the early 1980s. China started to adopt the 'Japanese Model', which means using aid to promote trade and investment ([Shimomura and Wang, 2012](#)). Chinese sources acknowledge that foreign aid is a key tool to encourage trade with other developing nations ([Fuchs and Rudyak, 2017](#)). To integrate aid with trade and investment, China launched foreign aid joint ventures in 1992, establishing them formally as a model of cooperation in the mid-1990s. Joint ventures and concessional loans ([Johnston and Rudyak, 2017](#)) were carried out by Chinese companies based on international agreements between the Chinese government and recipient countries. In this way, they acted as 'door-openers', enabling companies to operate in a low-risk environment while introducing their products to developing countries, with the

costs covered by Chinese official finance (Fuchs and Rudyak, 2017: 10). Today, the smooth entry of companies into Africa is often closely linked to foreign aid and the role of the Ministry of Commerce as the primary coordinating agency for China's aid program has been seen as a reflection of the dominant economic motives behind Beijing's aid efforts (Fuchs and Rudyak, 2017). Dreher and Fuchs (2015) find that the number of Chinese aid projects during 1979-1987 was positively correlated with a country's significance as a destination for Chinese exports providing evidence that Chinese aid was used to promote trade (Fuchs and Rudyak, 2017). This reflects China's departure from autarky during that period.

Quantitative findings by Dreher et al. (2018) considering the years 2000 to 2013 suggest that highly concessional development aid provided by China, which is considered aid in the strict sense, is not influenced by trade interests. However, the link holds true for the allocation of less concessional, more commercially driven forms of Chinese Other Official Flows (OOF). Trade finance represents a key form of OOF and instruments like official export seller's credits and export buyer's credits are specifically structured to promote national economic interests (Moravcsik, 1989). Economic interests have been shown to also influence the aid allocations of Western donors (Fleck and Kilby, 2006; Hoeffler and Outram, 2011; Dreher et al., 2015; Alesina and Dollar, 2000) and emerging donors like India (Dreher et al., 2011; Fuchs and Vadlamannati, 2013). Comparative studies even find that Western donors allocate relatively more aid to their trade partners than China for periods before Xi Jinping came into office in 2013, especially France (Dreher and Fuchs, 2015; Hoeffler and Sterck, 2022).

In the literature on aid allocation, trade relations are often linked to natural resources. Energy supply has become a strategic priority for China, closely tied to its national security and geopolitical interests. With increasing demand since the 1980s, China surpassed the USA and India combined by 2020 and is now the world's largest energy consumer. To reduce reliance on maritime routes like the vulnerable Strait of Malacca, China has built key oil and gas pipelines through BRI regions, including links with Kazakhstan, Russia, and Myanmar (Min, 2021). China's investment in port construction also supports energy transport to meet rising demand. Some analysts suggest that recent BRI port expansions may also serve strategic or defensive purposes (Elmahly and Sun, 2018). The Chinese media continues to deny such claims (Fuchs and Rudyak, 2017).

Considering this strategy shaped by the BRI, some scholars claim that ODA is also used to economically benefit China by strengthening trade relations particularly through access to oil and other primary commodities (Tull, 2006). The rationale is that Africa emerged as a key focus of China's efforts because it is rich in resources. The 'Angola Model' describes China's strategy to encourage its extractive companies to expand abroad with diplomatic and financial backing, offering aid and concessional loans in exchange for access to natural resources to enhance China's energy security (Fuchs and Rudyak, 2017: 11). Some scholars even state that gaining access to natural resources is a primary objective of Chinese aid (Alden, 2005; Tull, 2006; Davies, 2007; Naím, 2007).

Nonetheless, when focusing solely on ODA, there is no strong evidence that China systematically favors resource-rich countries when allocating ODA (Hendrix and Noland, 2014; Dreher and Fuchs, 2015; Hoeffler and Sterck, 2022; Lum et al., 2009). It is only when considering OOF that natural resource wealth appears to

play a significant role in allocation decisions (Dreher et al., 2018). Moreover, about a third of China’s loans to Africa are collateralized mostly by oil but also other commodities. Such resource-backed loans have been granted in particular by the China Exim Bank. This approach is ‘nothing new’ as Western donors also used raw materials as collateral. However, it is significantly less common (Dollar, 2016). While the existing literature which spans until 2013 suggests that only OOF in contrast to ODA is driven by natural resources, I expect that this relationship changed due to China’s higher demand.

Lastly, some scholars claim that the BRI serves as politically driven tool of debt dependency (Wong, 2020). The concern is that recipient nations fall into debt-traps due to potentially predatory loan practices. In fact, the BRI led to a surge in Chinese large-scale lending to other developing countries. At the same time, China’s development-related financial flows have become more varied since the launch of the BRI Min (2021).

3.1.2 Political Alignment

Political alignment is another aspect of self-interest and is based on the idea that recipients are rewarded for political support. There is broad agreement in the literature that Western aid serves political purposes, such as supporting allies, punishing enemies, building coalitions, and shaping public opinion in recipient countries (Morgenthau, 1962; Bueno de Mesquita and Smith, 2007; Dreher et al., 2008). Dreher et al. (2018) argue that there are few reasons to expect non-Western donors, including China, to behave differently. Indeed, China acknowledges the importance of foreign aid in diplomacy to strengthen relations with recipient countries. The term ‘consolidating friendly relations’ is often used to indicate efforts to secure a favorable international environment to support China’s rise as a global power (Fuchs and Rudyak, 2017).

With the launch of the BRI, China elevated the strategic importance of foreign aid in diplomatic efforts (Min, 2021). China moved away from the ‘low profile’ stance to a more proactive one, termed ‘striving for achievement’ (Yan, 2014: 153). Given China’s efforts to link the BRI with Brazil, Russia, India, and South Africa (BRICS) and emphasize its diplomatic dimensions, scholars view strategic alignment as a key outcome of economic cooperation (Singh, 2022). The economic benefits generated by the BRI may incentivize partner governments to avoid political tensions and instead promote stable and cooperative relations with China.

Importantly, China does not seek to challenge the existing international economic order but rather to lead its reform, with foreign aid serving as a tool to gain support in form of international recognition, in global organizations, enhancing China’s international image, and amplifying the influence of China and other developing nations (Fuchs and Rudyak, 2017). There is first empirical evidence supporting this view, showing that the BRI strengthens political ties between China and the recipient countries mainly by deepening trade and investment linkages (Lu et al., 2021).

There are also official statements that having established diplomatic relations with China the primary recipients of foreign aid are developing countries that have established diplomatic relations with the People’s Republic of China (PRC) (Fuchs and Rudyak, 2017). Studies confirm that China’s aid is largely motivated by the

One-China principle which states that Taiwan is a part of the Chinese state represented by the PRC. Taipei, on the other hand, states that it is already a sovereign state, officially known as the Republic of China (Taiwan), with authority over Taiwan, Penghu, Kinmen, Matsu, and several other outlying islands. Most countries, however, do not officially recognize Taiwan as an independent state and have not established formal diplomatic relations (Chong, 2023).

Except for humanitarian assistance following disasters (Tubilewicz, 2012), countries that recognize Taiwan are excluded from receiving Chinese aid (Fuchs and Rudyak, 2017). In contrast, countries that tend to vote in line with China in the UNGA receive significantly higher levels of aid compared to those with weaker voting alignment (Dreher et al., 2018; Strüver, 2016).

This confirms that regarding political alignment, China’s aid allocation patterns are not fundamentally different from those of Western donors, who also favor politically aligned countries (Alesina and Dollar, 2000; Neumayer, 2005; Dreher and Fuchs, 2015). Japan for example tends to allocate more aid to countries that align with its voting patterns in the UNGA (Alesina and Dollar, 2000). A study by Dreher and Fuchs (2015) covering a large period from 1956 to 2006 also finds that while political factors influence China’s aid distribution, China does not prioritize politics significantly more than Western donors. However, when updating such analysis until 2012 for Africa and directly comparing Western donors to China, Hoeffler and Sterck (2022) find that political alignment plays a bigger role for China’s aid allocation. I expect that political alignment plays a central role with Xi Jinping’s focus on the One-China principle especially when comparing China to other donors.

3.2 Motive: Accountability

This paper also considers the recipient’s institutional quality and macroeconomic policies. This aspect is also referred to as recipient merit in Hoeffler and Sterck (2022). Donors may factor in a recipient’s policies and institutions based on the argument that foreign aid is more effective in countries with strong policy environments (Abate, 2022; Svensson, 1999; Burnside and Dollar, 2000; Collier et al., 2002). This strand of the literature builds on the finding of Acemoglu et al. (2005) that institutional quality plays a central role in ensuring long-term economic growth. In line with their research, the empirical literature finds that institutional quality also matters in the relationship between foreign aid and economic growth (Abate, 2022; Hussen and Lee, 2012; Collier et al., 2002; Burnside and Dollar, 2000). Consequently, this motive reflects donors’ expectations that the aid will be used effectively (Hoeffler and Sterck, 2022). Beyond immediate effectiveness, donors might seek to promote and reward democracy and human rights (Svensson, 1999; Neumayer, 2003).

The BRI puts little emphasis on a recipient’s accountability. It is heavily government-driven, with a top-down, intergovernmental process where China takes the lead in initiating and managing aid projects. This approach emphasizes bilateral agreements and prioritizes the interests of recipient governments, potentially sidelining local stakeholders and communities in the development process (Min, 2021). Moreover, the existing literature suggests that China follows a non-interference policy considering the recipient’s domestic affairs.

Empirical evidence exists for Africa for the period until 2013. Studies reveal that once other influencing factors are accounted for, there is no robust evidence

that Chinese ODA commitments allocation accounts for autocratic regimes (Dreher and Fuchs, 2015; Broich, 2017; Dreher et al., 2018). Moreover, China does not give much weight to institutional quality (Hoeffler and Sterck, 2022). Overall, China shows little preference for regime type which is in line with their non-interference policy.

When assessing traditional donors, the emphasis on accountability differs between countries. Surprisingly, only few of the five largest traditional donors (USA, Germany, Japan, France, and the UK) seem to place significant importance on good policies and institutions (Alesina and Dollar, 2000). While Japan gives consideration to recipient’s accountability, it affects France aid allocation the least (Hoeffler and Sterck, 2022). Other comparative studies suggest that both, emerging and traditional donors tend to not consider the level of corruption or institutional characteristics (Dreher et al., 2011; Dreher and Fuchs, 2015). Considering China’s non-interference policy, I expect recipient accountability to play no role in aid allocation also after 2013. The picture of other donors is less straightforward making it even more relevant to update the existing literature and expand it beyond Africa.

3.3 Motive: Recipient Need

This section assesses the impact of recipient need on long-term development projects. Importantly, this does commonly not include humanitarian aid which is provided as an emergency response to natural disasters and post-disaster reconstruction. It is therefore delivered on an ad-hoc basis, with its scale depending on the severity of the crisis, the host country’s needs, and China’s bilateral relations with the affected country (UNDP, 2015). This study, in contrast, investigates motives for ODA commitments.

Throughout the history of Chinese aid, official documents and statements from leadership have consistently emphasized that China provides aid to assist other developing countries in strengthening their independent development capabilities, reducing poverty, and improving people’s livelihoods (Fuchs and Rudyak, 2017). The strong focus of Chinese foreign aid on physical infrastructure, for example, reflects Chinese leaders’ belief in its importance for economic development (Zhang et al., 2015).

Under the BRI, China has increasingly framed its development cooperation as prioritizing improvements in local livelihoods (housing, roads, health care, education, water supply) (Min, 2021). Considering which countries to target, the recipients are expected to be mainly selected by geographical factors rather than need-based since China engages mainly along six economic corridors mainly considering countries along the ancient Silk Road as well as the 21st Century Maritime Silk Road. While the BRI is broadly presented as a mutually beneficial initiative, most scholars agree that a focus on supporting low-income countries plays a role alongside geographical considerations (Johnston, 2019).

Empirical evidence on the period before the launch of the BRI indicates that China allocates more aid to countries with lower income levels (Dreher and Fuchs, 2015; Dreher et al., 2018; Fuchs and Rudyak, 2017; Hoeffler and Sterck, 2022; Broich, 2017). Dreher et al. (2011) compare traditional to emerging donor countries and find that, on average, new donors are less concerned with recipient needs than traditional donors. Another aspect is that income may not only reflect developmental

need, but also the lower cost of securing political support from low-income countries (Bueno de Mesquita and Smith, 2009). Moreover, an analysis of sub-national allocation patterns shows that within countries, relatively more developed provinces tend to receive more Chinese aid (Dreher et al., 2016). I expect that China still allocated ODA after 2013 to those countries with larger needs. The impact of recipient need on Chinese ODA commitments, however, is probably smaller than for traditional donors and comparable to other emerging donors.

3.4 Motive: Proximity

Proximity refers to the relationship between donor and recipient and reflects factors which are geopolitical in nature. Exogenous treated factors are historical ties with former colonies or geographical distance between countries. This is particularly important because it is commonly assumed that donors prefer to assist recipients who are ideologically aligned or potential political allies (Berthélemy, 2006). Next to colonial ties, it is commonly accepted that linguistic ties are a strong indicator of cultural proximity shaping international economic activities such as migration and trade (Isphording and Otten, 2013).

Studies considering the period from 2000 to 2012 suggest that proximity plays a minor role for Chinese aid allocation and is mainly driven by methodological issues such as the fact that the data collection effort by Custer et al. (2023) relied on mainly on sources in Chinese and English. Consequently, those findings should not be over interpreted as a causal relationship (Hoeffler and Sterck, 2022).

For Arabic donors, the literature suggests that aid is largely directed to Muslim-majority countries. Saudi Arabia, for example, has historically been aimed primarily at Muslim recipients, especially those in crisis (e.g., Yemen, Palestine, Pakistan, Egypt, Lebanon). In the past, aid was often linked with cultural-religious identity such as internal dynamics, including the ruling dynasty’s relationship with the religious establishment and a sense of Islamic duty (Blin, 2023).

Among traditional donors, France and the UK stand out for maintaining strong ties with their former colonies. In contrast, proximity appears to play little to no role for other major donors such as Germany, the USA, and Japan, which have limited or no colonial legacies (Hoeffler and Sterck, 2022). Overall, empirical findings indicate a moderate role of proximity in Chinese aid allocation. However, it remains an open question to what extent this is influenced by methodological limitations.

4

Data

4.1 Dependent Variable

This analysis looks at ODA from traditional donors as well as emerging donors. The summary statistics are presented in Table 4.2. ODA is defined by the DAC of the Organisation for Economic Co-operation and Development (OECD) as government aid designed to promote the economic development and welfare of recipient countries. ODA comprises financial flows provided by official sources, primarily national governments and multilateral institutions, and is concessional in nature, meaning it includes grants and soft loans offered at below-market interest rates. It explicitly excludes military assistance and transactions driven by commercial motives, such as export credits. OOF, in contrast, includes loans and export credits with little or no grant element, as well as flows not primarily aimed at development purposes (Hoeffler and Sterck, 2022; OECD, 2024b)

The dependent variable is the log of ODA in constant 2021 USD provided by donor i to recipient j at time t . The study considers aid from eight donors, namely China, Germany, France, USA, UK, South Korea, UAE. My analysis focuses on the period from 2013 to 2021 since the BRI was launched in 2013 when Xi Jinping became president. Figure 4.1 illustrates ODA commitments from China from 2013 to 2021.

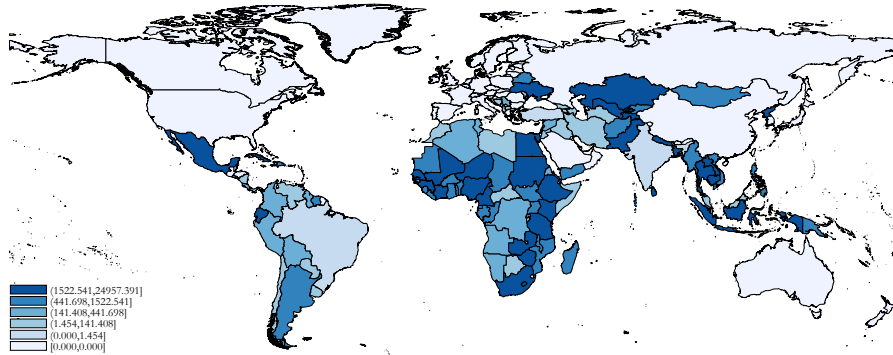


Figure 4.1: Chinese aid commitments per country from 2013 to 2021 in million USD. Own calculations. Source: Custer et al. (2023).

I use aggregate values for ODA collected in the commitment year of the respective projects. Moreover, by method design, the study only considers aid allocated to countries and not regional aid directed at a group of countries within a specific

geographic area, such as Sub-Saharan Africa. I include all countries who received aid at least once between 2013 and 2021. Additionally, a small share of Chinese ODA of around 358 million remained unspecified in terms of modality. I drop information on debt rescheduling to avoid double counting of Chinese ODA.

To address both missing values and no aid allocation, I adopt the same approach as [Dreher et al. \(2018\)](#): zero ODA values are set to one before taking the natural logarithm, and missing observations are set to zero before taking the natural logarithm. This approach ensures that all observations can be included in the regression analysis without generating undefined log values, while preserving the distinction between truly missing data and zero aid flows.

The information on project amounts for China is taken from the AidData’s Chinese Official Finance dataset created by [Custer et al. \(2023\)](#). China itself does not report its international aid activities to global organizations, nor has it published an official, comprehensive database of its aid ([Fuchs and Rudyak, 2017](#)). But thanks to the extensive work by [Custer et al. \(2023\)](#) in compiling data on Chinese official flows, it is now possible to directly compare Chinese and aid allocation models of other donors. The dataset categorizes official flows into ODA-like, OOF-like and vague flows.

Data on aid allocation on donors other than China is provided by the OECD which is the key resource for policymakers and analysts in monitoring aid flows and evaluating their impact. The OECD, through its DAC, compiles statistics on ODA based on self-reported data from its member countries. This information is gathered through the DAC questionnaire, in which members detail the volume and recipients of their aid flows. Notably, the UAE are not a DAC member but has been a participant since 2014, voluntarily reporting its aid data ([OECD, 2024a](#)).

4.2 Explanatory Variables

Donors allocate aid for various purposes. I largely follow [Hoeffler and Sterck \(2022\)](#) for the choice of explanatory variables to analyze allocation patterns and categorize the key drivers of aid into recipient need, government quality of recipient countries, political alignment, and economic interest, while also considering donors’ historical and cultural ties to recipients. The analysis considers the lags of all explanatory variables. A full list in form of the summary statistics is presented in Table 4.2.

To account for needs of recipient countries. GDP per capita and population size are taken from [World Bank \(2023\)](#), and the total number of people affected by natural disasters in the recipient country is taken from ([Guha-Sapir and Below, 2017](#)). To capture the disease burden in recipient countries, I use the measure of Disability-Adjusted Life Years (DALYs) provided by [IHME \(2018\)](#). To avoid multicollinearity issues, I include DALYs per capita in the analysis.

The second category consists of variables that reflect the quality of recipient countries and therefore accounts for the likelihood that aid will be effectively used. The institutional quality of a country is proxied by the polity2 score, constructed by [Marshall et al. \(2013\)](#), which ranges from -10 (total autocracy) to $+10$ (total democracy). The control of corruption is measured by the index from the Worldwide Governance Indicators ([Kauffmann et al., 2004](#)), capturing perceptions of corruption, where higher values represent lower corruption. Since part of ODA is provided

as loans, I proxy for recipient countries' creditworthiness using the external debt-to-GDP ratio, which can be calculated using the World Bank Development Indicators

([World Bank, 2023](#)). The third category includes variables that reflect the geographical and historical proximity between donors and recipients. To capture historical and cultural ties, I follow [Hoeffler and Sterck \(2022\)](#), I employ a dummy variable that equals one if the country is a former French or British colony and zero otherwise. I expand the set of variables and also include a dummy for Arabic language to better capture proximity of the UAE. The dummy takes the value one if the respective language is spoken in the recipient country, irrespective of whether this status is de jure (official language) or de facto (widely used in administration, education, or media). This approach allows for within-country variation. For example, Morocco and Algeria are coded as one for both former French colony and Arabic language, reflecting cultural ties to different donors. I also include a variable to account for the geographical distance between the donor and recipient countries ([GitHub, 2023](#)). Additionally, a dummy is included which takes the value of one if a country is part of the BRI and zero otherwise ([Nedopil, 2025](#)).

The final category includes variables that capture the strategic interests of donors in providing aid, either to reward past behavior or influence future actions of recipient countries. The first variable measures the alignment of UNGA voting patterns between the donor and recipient. UNGA voting similarity ranges from 0 to 1, where 1 indicates identical voting behavior and 0 indicates opposite behavior, with abstentions and absences coded as 0.5 ([Voeten et al., 2009](#)). The second variable is a dummy equal to one for recipient countries that are members of the UN Security Council (UNSC) ([United Nations, 2015](#)). The third variable is a dummy indicating whether the recipient country has produced any oil between 2000 and 2022. To account for economic ties, I make use of the value of total trade flows (exports+imports) between the donor and recipient countries ([UN Comtrade, 2023](#)). A further dummy variable indicates whether the recipient country officially recognizes the government of Taiwan, which implicitly opposes the 'One-China Policy' ([World Population Review, 2023](#)). To compare donors, I follow [Dreher et al. \(2018\)](#) and ([Hoeffler and Sterck, 2022](#)) and include a variable that captures strategic competition among donors, using the residuals from an OLS regression of logged ODA commitments from other donors (in constant 2021 USD) on all other explanatory variables.. The value of the variable is estimated for each donor and year. Lastly, I include a dummy variable identifying right-wing, conservative, or Christian democratic governments in recipient countries ([Beck et al., 2001](#)). Finally, I incorporate time-varying measures of natural resource rents, expressed as a percentage of GDP, obtained from [World Bank \(2023\)](#) data, to account for the influence of natural resource richness.

Table 4.1: Summary Statistics

Variable	Obs	Mean	Std, dev,	Min	Max
Outcomes					
ODA from China (in billions)	2,250	0.075	0.642	0	25
ODA from USA (in billions)	2,250	0.158	0.392	0	4
ODA from Japan (in billions)	2,250	0.091	0.414	0	10
ODA from France (in billions)	2,250	0.053	0.144	0	2
ODA from Germany (in billions)	2,250	0.088	0.251	0	3
ODA from UK (in billions)	2,250	0.046	0.141	0	1
ODA from South Korea (in billions)	2,250	0.011	0.037	0	0.478
ODA from UAE (in billions)	2,250	0.029	0.317	0	9
Need					
GDP per capita (in thousands)	1,702	17	26	0	223
Population size (in billions)	1,737	0.039	0.144	0	1
Disasters (in billions affected)	1,044	0.001	0.012	0	0.347
DALYs (in billions)	1,755	0.014	0.047	0.001	0.53
Accountability					
Polity	157	4	6	-10	10
Control of corruption	1,744	-0.054	0.993	-2	2
External Debt/GDP	1,046	0.521	0.435	0.013	4
Proximity					
English language	2,250	0.176	0.381	0	1
Former French colony	2,250	0.092	0.289	0	1
Former British colony	2,250	0.224	0.417	0	1
Distance from China (km)	1,772	8,548	3,991	0	19,341
Distance from Japan (km)	1,773	9,837	3,586	32	18,672
Distance from USA (km)	1,773	9,689	3,372	245	16,875
Distance from UK (km)	1,773	6,465	3,810	179	18,394
Distance from Germany (km)	1,773	6,124	4,061	103	18,318
Distance from UAE (km)	1,773	6,627	4,144	66	16,568
Distance from France (km)	1,773	6,190	4,107	68	19,124
Self-interest					
UNGA voting alignment with China	1,709	0.696	0.163	0.11	1
UNGA voting alignment with USA	1,709	0.252	0.153	0	1
UNGA voting alignment with France	1,655	0.669	0.137	0.344	1
UNGA voting alignment with Germany	1,655	0.718	0.135	0.344	1
UNGA voting alignment with South Korea	1,655	0.73	0.112	0	1
UNGA voting alignment with UAE	1664	0.859	0.141	0	1
UNGA voting alignment with UK	1,655	0.643	0.141	0	1
UNGA voting alignment with Japan	1,655	0.765	0.096	0	1
Taiwan recognition	2,250	0.074	0.262	0	1
BRI participation	2,250	0.289	0.454	0	1
Oil dummy	2,250	0.528	0.499	0	1
Natural resource rents (% of GDP)	1,700	6	9	0	79
Trade with China (in billions)	386	19	55	0	557
Trade with Japan (in billions)	380	7	29	0.164	310
Trade with USA (in billions)	684	18	47	0.438	638
Trade with France (in billions)	782	7	18	0.008	209
Trade with Germany (in billions)	779	11	28	2	222
Trade with UK (in billions)	520	7	18	0.002	157
Trade with South Korea (in billions)	384	5	20	0.009	235
Trade with UAE (in billions)	373	1	4	0.477	36

Notes: The table depicts the variables before data imputation.

4.3 Data Imputation

This analysis uses a two-step imputation method to address missing values in a panel dataset. First, linear interpolation is applied within each unit over time, estimating missing values based on existing trends. This method is commonly used for time-series data ([Chow and Lin, 1971](#)). Second, any values still missing are replaced with country-specific means, a technique often used in panel data analysis ([Jadhav et al., 2019](#)). If there is no data for a country in any year, the data remains missing. This combination improves both temporal consistency and cross-sectional completeness.

4.4 Fixed Effects

The main specification incorporates time fixed effects but omits fixed effects for recipient countries. A significant portion of the variation that the method aims to explain occurs between countries. Simple regressions that include recipient country fixed effects reveal that between-country variation accounts from 29 percent (for South Korea) to 56 percent (for Germany) of the total variation in ODA. Including fixed effects for recipient countries would, therefore, eliminate a considerable amount of potentially valuable variation in ODA. Additionally, several key explanatory factors of the study are either time-invariant or change only marginally over time. As a result, including recipient country fixed effects for these factors would lead to multicollinearity issues ([Hoeffler and Sterck, 2022](#)).

4.5 Lagged versus Contemporary Values

A key methodological issue is whether changes in explanatory variables take time to influence ODA. This differs for each variable. While changes in the explanatory variable usually influence ODA more gradually like policies or trade, other variables, like responses to disasters or shifts in UNGA voting patterns might prompt immediate reactions from donor countries.

Lagging explanatory variables is also commonly used to address reverse causality. In the study, reverse causality is a concern because, in theory, aid could directly impact governance, debt levels, and GDP per capita (either positively or negatively).

In the benchmark analysis, I follow the approach of [Dreher et al. \(2018\)](#) and lag explanatory variables by one year. While this practice is common, it has recently been criticized as an inadequate solution to reverse causality ([Reed, 2015](#); [Belle-mare et al., 2017](#); [Leszczensky and Wolbring, 2019](#)). I therefore acknowledge that this choice is somewhat arbitrary and unlikely to fully address concerns about endogeneity. However, this limitation is less critical given that the aim of the analysis is to identify key predictors of ODA rather than to establish causal relationships.

5

Methods

5.1 Main Specification

Following a strand of the aid allocation literature (e.g. (Clist, 2011)), I apply a two-part model as proposed by Cragg (1971) to explain not only which country characteristics make them eligible for aid but also which ones determine the amount of aid. The model can be implemented using the *twopm* command in Stata which was developed by Belotti et al. (2015). Comparably to datasets on the period before 2013 (Hoeffler and Sterck, 2022), also my dataset reflects that donors do not allocate aid to all recipients every year resulting in approximately 20 percent of observations being zero-valued. China provided aid to 78 percent of recipient-year pairs. The five OECD donors as well as Korea show a higher coverage while the UAE has the lowest coverage with 74 percent.

A large share of zero observations in the ODA data risks biased estimates with other models like a standard linear model or a Heckman model. The two-part model, on the other side, treats zeros as true outcomes instead of censored values, and makes no assumptions about the correlation between the errors in the two equations. This allows for more flexible and empirically grounded estimation of both the determinants of a non-zero outcome and determinants of the magnitude of that outcome, conditional on it being non-zero (Belotti et al., 2015). The Cragg two-part model employs two distinct parts.

First, a selection model and, second, a model estimating the level. In the first part, a logit model estimates the probability that the donors determine any aid to a country. In the second stage, I use ordinary least squares (OLS) to model the amount of aid the donor choose to allocate, conditional on a positive decision (Dudley and Montmarquette, 1976).

While these two equations are estimated separately from an econometric standpoint, the outcomes of the levels equation should be interpreted conditionally, since the OLS includes only those countries that actually receive aid. Monte Carlo simulations by Manning et al. (1987) indicate that this model outperforms the alternatives, and Clist (2011) showed that the assumptions required for alternative methods to yield unbiased results do not hold in this context. Formally, the expected value of ODA_{it} conditional on covariates X_{it} is decomposed as:

$$E(ODA_{it} | X_{it}) = \Pr(ODA_{it} > 0 | X_{it}) \times E(ODA_{it} | ODA_{it} > 0, X_{it}) \quad (5.1)$$

The first part is estimated using a binary logit model:

$$\Pr(\text{ODA}_{it} > 0 \mid X_{it}) = \frac{1}{1 + e^{-X_{it}\beta}} \quad (5.2)$$

The second part models the log of aid commitments using ordinary least squares:

$$\ln(\text{ODA}_{it}) = X_{it}\beta + \varepsilon_{it}, \quad \text{for } \text{ODA}_{it} > 0 \quad (5.3)$$

The choice of the explanatory variables follow a commonly used framework (see [Dreher et al. 2018](#), [Hoeffler and Sterck 2018](#)) to enable meaningful comparison among the literature. However, I made some updates. First, I dropped the language dummies for English and French and only kept the colony dummy to avoid multicollinearity. Further, I added a dummy for Arabic speaking countries to also capture the role of proximity for emerging donors, particularly the UAE.

Considering the updated time period of my analysis, I include a dummy indicating if the recipient country is part of the BRI. In contrast to previous studies, I include all explanatory variables for each donor. This is similar to including negative control (i.e., a variable that should not have any effect on the outcome). For example, the results for the other countries would show if there are other unobserved aspects of the BRI countries that make them attract ODA.

5.2 Measuring the Importance for Comparisons of Determinants

In a second part of the analysis, I will compare Chinese development aid with traditional donors and emerging donors. To investigate this question, I expand my panel dataset including the aid of Germany, UK, USA, France, South Korea, and UAE.

Instead of relying solely on the size or statistical significance of regression coefficients, I follow the methodology of [Sterck \(2019\)](#) as applied in [Hoeffler and Sterck \(2022\)](#). This means that the predictive importance of each explanatory variable is quantified by decomposing the variance of the dependent variable. The approach focuses on assessing the relative importance of the respective four main motives discussed in this thesis. (recipient need, recipient accountability, donor self-interest, and proximity). The underlying model is a standard linear regression model of the form:

$$\begin{aligned} \ln(\text{ODA}_{i,j,t}) = & \beta_0 + \sum_{i=1}^n \beta_1 \text{needs}_{i,j,t-1} + \sum_{i=1}^n \beta_2 \text{accountability}_{i,j,t-1} \\ & + \sum_{i=1}^n \beta_3 \text{self-interest}_{i,j,t-1} + \sum_{i=1}^n \beta_4 \text{proximity}_{i,j,t-1} + \gamma_i + \varepsilon_{i,j,t} \end{aligned} \quad (5.4)$$

where γ depicts year fixed effects, j depicts different donors, i depicts different recipient countries, and t depicts time in years. The total variance of the dependent variable ODA_{it} can be decomposed as follows:

$$\text{Var}(y) = \sum_{i=1}^n \text{Var}(\beta_i x_i) + 2 \sum_{i=1}^{n-1} \sum_{j=i+1}^n \text{Cov}(\beta_i x_i, \beta_j x_j) + \text{Var}(\varepsilon). \quad (5.5)$$

This decomposition allows to distinguish between the independent contribution of each variable and the interactions it has with other explanatory variables. Two complementary approaches are used. First, *ceteris paribus* importance. This method captures the variation in the dependent variable that is solely attributable to each individual variable, holding all others constant to remove any shared explanatory power. It is given by:

$$b_i^{*2} = \frac{\text{Var}(\beta_i x_i)}{\text{Var}(y)} \quad (5.6)$$

This measure corresponds to the square of the standardized beta coefficient and allows for straightforward interpretation. It quantifies the share of variance in ODA_{it} that is explained by a one-standard deviation change in x_i , independently of other factors. If there is only one explanatory variable, the b_i^{*2} would equal the R^2 of the regression. (Sterck, 2019). If all explanatory variables are completely uncorrelated, the b_i^{*2} would correspond to the partial R^2 's in a model with several explanatory variables.

Second, the non-*ceteris paribus* importance. This approach includes both the independent variation and the covariances between each variable and all others, i.e., the importance measure is estimated based on another. This measure enables a comprehensive picture of how a variable operates within the model:

$$E_i = \frac{\text{Var}(\beta_i x_i) + \sum_{j \neq i} \text{Cov}(\beta_i x_i, \beta_j x_j)}{\text{Var}(y)} \quad (5.7)$$

This elasticity measure captures how much of the total variance in ODA_{it} is associated with a given variable, including its interactions with other covariates. The sum of all E_i equals the model's R^2 expressed as percentage points.

These two measures are interpreted jointly because both measures provide an estimate of the share of variation explained by each variable as percentages. Additionally, the size of the estimates can be compared across the measures. If a variable's non-*ceteris paribus* importance exceeds its *ceteris paribus* importance, this indicates that it reinforces other variables' effects. Conversely, a lower non-*ceteris paribus* importance suggests it counteracts other explanatory variables. Following Sterck (2019), I use the two complementary statistics b_i^{*2} and E_i to systematically compare the predictive strength of each determinant across donors. In Figure 6.3, I present the non-*ceteris paribus* importance measure summed by the groups of variables: Recipient needs, self-interest, proximity, and accountability.

6

Empirical Analysis

The empirical analysis presents the findings of the empirical analysis, the interpretation and comparison with the current literature for each donor respectively. First, it presents the findings for China based on the results of the two-part model in Table 6.1 as well as the importance measures in Table 6.2 to better understand Chinese aid allocation worldwide since 2013. Afterwards, the results for France, Germany (Table 6.2), Japan, the USA, the UK (Table 6.3) and the UAE and South Korea (Table 6.4) are presented and interpreted.

6.1 China

Figure 6.1 shows the evolution of aid commitments per year over time for each donor. China's aid volume rose substantially from around 16,000 million USD in 2013 to around 46,000 million USD in 2017, even surpassing the USA. This peak, however, was driven by some outliers in the form of exceptionally large loan commitments: in 2017, China committed a loan of 23 billion USD for a project in aluminum cooperation in Guinea, as well as 30 additional projects with loans over 1,000 million. In contrast, the median over all 4,192 projects from 2013 to 2021 is 1,2 million USD. Consequently, the distribution of the amounts given by China as ODA is heavily right-skewed, driven by a few exceptionally large disbursements. After 2017, the amount of ODA commitments fell back to its 2004 level. The number of recipient countries increased from 92 in 2013 to 106 in 2021, with a peak of 109 reached in 2020 (Figure 6.2).

China disbursed approximately 1.14 trillion USD in OOF and 170 billion USD in ODA from 2013 to 2021. Within ODA, the composition of instruments highlights notable trends. Grants accounted for roughly 48.3 billion USD across 3,765 projects, with an average size of approximately 12,8 million USD. In contrast, loans totaled 121 billion USD from only 416 agreements, implying a significantly higher average commitment of 274 million USD per loan.

The two-part model suggests that the main determinant of whether a country receives aid is its alignment with the One-China Policy. Applying the odds ratio ($e^{-4.45}$), we can interpret the coefficient to mean that countries recognizing Taiwan have only about 1.2 percent of the odds of being selected by China as aid recipients, compared to countries that do not recognize Taiwan. The second part of the model indicates that a one percentage point increase in UNGA voting alignment with China is associated with approximately a 4 percent increase in ODA commitments

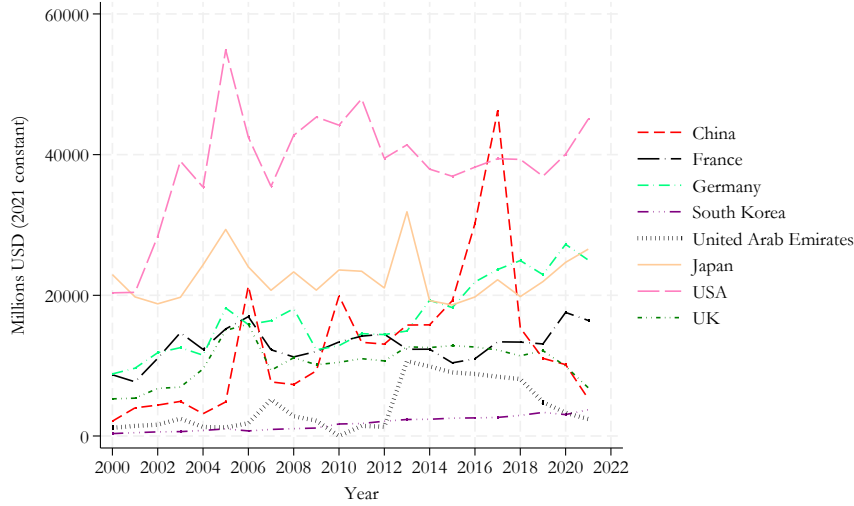


Figure 6.1: Total aid commitments per donor (in million USD, constant 2021). Own calculations. Source: [Custer et al. \(2023\)](#).

(see Table 6.1). Table 6.2 also indicates that participating in the BRI increases Chinese aid allocation. This finding is also illustrated by comparing Figure 2.1 to 4.1. This confirms that BRI participants increases ODA commitments. However, receiving aid is not limited to BRI participation. Moreover, the table confirms the importance of aligning with the One-China Policy as Taiwan recognition explains 65 percent of Chinese ODA variation. This makes it the key determinant of Chinese aid allocation. Figure 6.3 confirms that self-interest plays a big role in Chinese aid allocation even when compared to other donors. Those findings are in line with the literature on previous periods ([Strüver, 2016](#); [Dreher et al., 2018](#)) and confirm the consistency of Beijing’s focus on political alignment also after the introduction of the BRI.

Contrary to claims of future developments by scholars, China did not begin to prioritize resource-rich countries or trade partners in its aid allocation but the motive of self-interest is driven by political interests. In sum, political alignment is the most significant driver of Chinese aid commitments after 2013.

Figure 6.3 shows that China’s second important motive is recipient’s needs. The two-part model (see Table 6.1) indicates that poorer countries are more likely to be chosen as recipients of Chinese aid, and also tend to receive more aid. The Table 6.2 confirms that GDP per capita is negatively associated with aid flows, meaning poorer countries tend to receive more aid. The ceteris paribus explanatory power of GDP per capita is about 9.4 percent, slightly larger than the non-ceteris paribus value (5.8 percent). Consequently, economic performance accounts for notable share of total explained variation. In contrast, population size, the number of disaster victims and DALYs do not significantly influence aid allocations.

Moreover, China is the only donor whose aid allocation does not increase with the recipient country’s population size. Intuitively, one would expect countries with a larger population to receive more aid so that the benefits can reach more people. [Dreher et al. \(2018\)](#) argue, that one reason may be that influencing large countries is costly whereas political influence via ODA is easier gained in smaller countries. The findings on recipient need are similar to the ones of earlier studies ([Dreher et al.,](#)

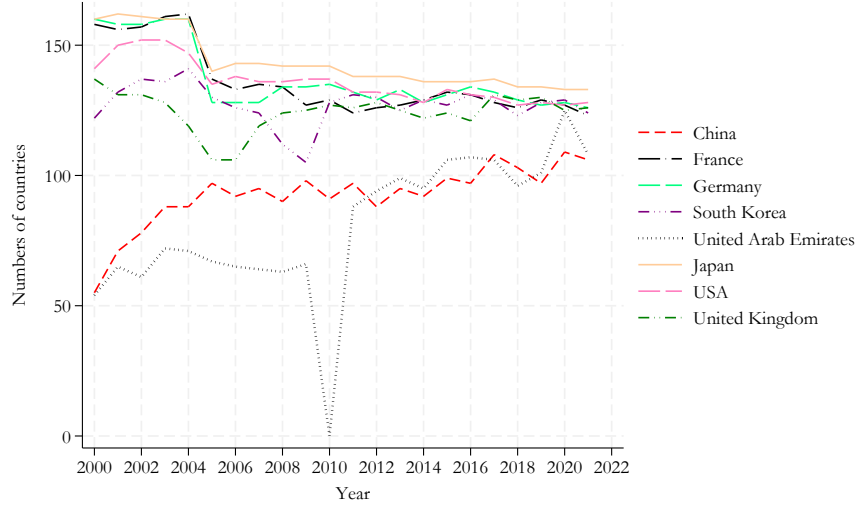


Figure 6.2: Number of recipient countries receiving official development aid commitments from each donor. Own calculations. Source: Custer et al. (2023).

2011). Nonetheless, it seems that the role of recipient need relative to other motives further declined.

The variables reflecting recipient accountability have high p-values and low explanatory power, suggesting that the political and policy environment does not notably affect Chinese aid distribution for both methods (see Tables 6.1 and 6.2). This confirms that China follows its non-interference policy and is in line with studies on previous periods focusing on Africa (Dreher and Fuchs, 2015; Broich, 2017).

Debt sustainability, however, is positive and statistically significant at the 10 percent level indicating that countries with higher external debt as a percentage of GDP tend to receive more Chinese aid. As Table 10.5 reveals, this does not spark concerns regarding the debt-trap diplomacy in aid allocation since this finding is driven by grants. This might even indicate that captures rather recipient's need like for the UK. In line with the existing literature (Lum et al., 2009; Hendrix and Noland, 2014; Dreher and Fuchs, 2015; Hoeffler and Sterck, 2022) but contrary to the claims of some critics (e.g., Tull, 2006; Naím 2007), oil-producing countries did not start to receive statistically significant more aid. Additionally, the continuous measure of natural resource rents is even negative and significant at the 10 percent level.

Table 6.1: Two-part model for China's ODA commitments

	Logit			OLS		
	(1)	(2)	(3)	(4)	(5)	(6)
Need						
GDP per capita (log)	-1.012** (0.310)	-1.064*** (0.301)	-1.014** (0.310)	-0.512** (0.172)	-0.568** (0.177)	-0.557** (0.178)
Population (log)	-0.315 (0.255)	-0.333 (0.233)	-0.315 (0.257)	0.142 (0.158)	0.150 (0.155)	0.151 (0.155)
Disasters (log)	0.082 (0.050)	0.085 (0.047)	0.082 (0.049)	-0.066* (0.033)	-0.069* (0.031)	-0.069* (0.032)
DALYs per capita (log)	-1.038 (0.823)	-0.992 (0.765)	-1.102 (0.811)	-0.877 (0.454)	-1.094* (0.505)	-1.105* (0.493)
Accountability						
Polity	-0.038 (0.038)	-0.033 (0.038)	-0.038 (0.037)	-0.014 (0.023)	-0.012 (0.023)	-0.012 (0.023)
Control of corruption	0.224 (0.336)	0.256 (0.321)	0.202 (0.329)	-0.034 (0.231)	-0.068 (0.248)	-0.075 (0.244)
External Debt/GDP	0.994 (0.540)	0.956 (0.542)	1.026 (0.561)	0.273 (0.202)	0.332 (0.222)	0.342 (0.218)
Proximity						
English language	0.829 (0.569)		0.688 (0.656)	0.446 (0.290)		0.086 (0.387)
English colony		0.544 (0.403)	0.220 (0.478)		0.657* (0.293)	0.616 (0.388)
French colony	-0.168 (0.528)	-0.131 (0.487)	-0.105 (0.535)	0.505 (0.335)	0.649 (0.340)	0.664 (0.344)
Arabic language	-0.458 (0.463)	-0.641 (0.464)	-0.537 (0.488)	-0.727* (0.362)	-0.873* (0.350)	-0.861* (0.360)
Distance from donor (log)	0.692* (0.324)	0.779* (0.308)	0.729* (0.336)	0.048 (0.239)	0.134 (0.237)	0.121 (0.251)
Self-interest						
UNSC member	0.769 (0.556)	0.796 (0.568)	0.774 (0.557)	-0.325 (0.373)	-0.291 (0.365)	-0.287 (0.367)
Trade with donor (log)	0.079 (0.176)	0.114 (0.160)	0.080 (0.177)	0.032 (0.107)	0.033 (0.104)	0.029 (0.106)
Oil dummy	0.251 (0.378)	0.171 (0.376)	0.237 (0.387)	0.299 (0.328)	0.237 (0.300)	0.245 (0.314)
Natural res. rents	-0.013 (0.013)	-0.013 (0.013)	-0.013 (0.013)	-0.023* (0.010)	-0.018 (0.010)	-0.018 (0.010)
UNGA	1.614 -1.434	1.493 -1.472	1.495 -1.467	4.000*** (0.969)	3.492*** -1.038	3.511*** -1.042
BRI	0.467 (0.311)	0.556 (0.319)	0.498 (0.306)	0.298 (0.289)	0.385 (0.274)	0.370 (0.287)
Taiwan	-4.469*** (0.447)	-4.447*** (0.444)	-4.484*** (0.455)	0.774 -1.096	0.784 -1.085	0.787 -1.086
Observations	893	893	893	733	733	733
pseudo- R^2	0.260	0.257	0.261			
R^2				0.166	0.172	0.172

Notes: The dependent variable in columns (1)–(3) is an indicator variable for whether a country received any Chinese ODA. In columns (4)–(6), the dependent variable is Chinese ODA (log). Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

Table 6.2: Regression results: China, France, Germany

	Dependent variable: ODA (log)								
	China			France			Germany		
	(1) β_i	(2) b_i^{*2}	(3) E_i	(4) β_i	(5) b_i^{*2}	(6) E_i	(7) β_i	(8) b_i^{*2}	(9) E_i
Need									
GDP per capita (log)	-2.221*** (0.000)	9.363	5.825	-0.148 (0.504)	0.309	-0.279	-0.795*** (0.000)	8.790	2.178
Population (log)	-0.643 (0.212)	2.067	-0.169	0.475*** (0.004)	9.697	17.740	0.940*** (0.000)	37.700	43.670
Disasters (log)	0.103 (0.396)	0.236	0.314	0.002 (0.910)	0.001	0.046	-0.013 (0.491)	0.031	-0.218
DALYs per capita (log)	-2.203 (0.161)	1.346	-1.142	-0.226 (0.575)	0.104	0.283	-0.685 (0.107)	0.945	0.757
Accountability									
Polity	-0.049 (0.537)	0.149	0.400	0.046** (0.040)	1.067	-0.106	0.019 (0.445)	0.183	-0.169
Control of corruption	0.165 (0.783)	0.017	-0.020	0.193 (0.448)	0.198	-0.471	0.456** (0.024)	1.085	-1.600
External Debt/GDP	1.219* (0.094)	0.501	0.285	0.127 (0.624)	0.042	-0.252	0.568 (0.169)	0.823	-0.453
Proximity									
English colony	1.396* (0.094)	0.903	1.207	-0.471 (0.158)	0.808	1.684	-0.023 (0.942)	0.002	-0.002
French colony	0.236 (0.827)	0.020	0.021	1.672*** (0.000)	7.740	10.900	-0.520 (0.144)	0.735	0.672
Arabic language	-1.657* (0.100)	0.664	-0.012	0.965*** (0.004)	1.692	2.882	0.154 (0.848)	0.042	0.126
Distance from donor (log)	1.098 (0.126)	0.917	-0.814	-0.255 (0.372)	0.317	1.185	-0.999*** (0.006)	5.453	5.561
Self-interest									
UNSC member	1.365 (0.111)	0.193	0.211	0.245 (0.272)	0.056	0.422	-0.067 (0.754)	0.004	-0.099
Trade with donor (log)	0.196 (0.528)	0.304	-0.264	0.489*** (0.002)	16.890	29.340	0.312*** (0.001)	6.243	14.420
Oil dummy	0.751 (0.324)	0.248	0.102	-0.000 (0.999)	0.000	-0.001	0.113 (0.678)	0.042	0.662
Natural res. rents	-0.055* (0.083)	0.581	0.007	-0.015 (0.244)	0.347	0.895	0.006 (0.752)	0.053	-0.303
UNGA	5.605* (0.095)	0.723	0.597	-0.354 (0.737)	0.023	-0.023	0.323 (0.699)	0.027	0.187
BRI	1.173* (0.095)	0.726	1.046	-0.114 (0.575)	0.053	-0.172	-0.215 (0.521)	0.186	-0.410
Taiwan	-12.390*** (0.000)	17.570	17.240	-0.530 (0.146)	0.364	1.191	0.439 (0.201)	0.245	-0.756
Predicted ODA	0.214* (0.083)	0.393	0.447	0.443*** (0.000)	2.605	1.870	0.597*** (0.000)	4.429	3.416
Observations	893			934			936		
R-squared	0.266			0.679			0.685		

Notes: Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

Table 6.3: Regression results: Japan, USA, United Kingdom

	Dependent variable: ODA (log)								
	Japan			United States of America			United Kingdom		
	(1) β_i	(2) b_i^{*2}	(3) E_i	(4) β_i	(5) b_i^{*2}	(6) E_i	(7) β_i	(8) b_i^{*2}	(9) E_i
Need									
GDP per capita (log)	-0.934*** (0.000)	21.590	8.070	-1.115*** (0.000)	20.040	14.310	-1.212*** (0.005)	8.452	1.856
Population (log)	0.436*** (0.000)	14.400	22.280	0.782*** (0.000)	30.210	31.040	1.009*** (0.000)	17.990	21.090
Disasters (log)	0.004 (0.873)	0.004	0.178	-0.050** (0.046)	0.501	-1.026	-0.067* (0.075)	0.322	-0.543
DALYs per capita (log)	-1.300*** (0.000)	6.041	3.890	0.117 (0.855)	0.032	0.257	-0.970* (0.085)	0.786	0.530
Accountability									
Polity	0.032 (0.167)	0.896	-0.393	0.032 (0.329)	0.603	-0.012	0.018 (0.582)	0.070	-0.043
Control of corruption	0.537*** (0.002)	2.684	-1.351	0.282 (0.298)	0.482	-1.723	0.154 (0.635)	0.052	-0.190
External Debt/GDP	0.088 (0.696)	0.035	-0.261	0.238 (0.411)	0.168	-0.614	0.876** (0.015)	0.812	-0.222
Proximity									
English colony	0.496** (0.020)	1.568	2.089	0.330 (0.341)	0.451	1.091	1.733*** (0.000)	4.464	8.189
French colony	0.293 (0.231)	0.414	0.090	-0.573 (0.134)	1.033	0.248	-3.556*** (0.000)	14.150	14.720
Arabic language	0.542 (0.146)	0.930	0.756	1.177*** (0.008)	2.863	1.409	1.025* (0.057)	0.776	0.693
Distance from donor (log)	-1.174*** (0.000)	7.486	11.440	-0.191 (0.639)	0.132	-0.243	-0.329 (0.381)	0.149	-0.055
Self-interest									
UNSC member	-0.709 (0.145)	0.833	-0.334	-0.401 (0.221)	0.174	-0.232	-1.261* (0.077)	0.615	-0.227
Trade with donor (log)	0.202*** (0.002)	6.818	12.420	0.112 (0.361)	1.172	2.499	0.369* (0.082)	3.726	6.948
Oil dummy	0.068 (0.706)	0.027	0.319	0.219 (0.572)	0.181	0.672	-0.616 (0.312)	0.514	-0.861
Natural res. rents	0.004 (0.697)	0.049	-0.143	-0.003 (0.833)	0.016	0.104	-0.032* (0.090)	0.620	1.357
UNGA	0.219 (0.757)	0.026	0.179	2.675 (0.224)	0.838	-0.154	-0.186 (0.918)	0.002	-0.008
BRI	-0.055 (0.736)	0.022	-0.044	0.335 (0.235)	0.522	0.156	0.275 (0.270)	0.126	0.425
Taiwan	0.490* (0.073)	0.544	-0.618	1.125* (0.060)	1.868	0.297	-0.055 (0.928)	0.002	0.055
Predicted ODA	0.377*** (0.000)	3.346	2.226	0.477*** (0.000)	3.252	3.496	0.478** (0.018)	1.114	0.805
Observations	936			935			934		
R-squared	0.609			0.518			0.558		

Notes: Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

Table 6.4: Regression results: United Arab Emirates and South Korea

	Dependent variable: ODA (log)					
	United Arab Emirates			South Korea		
	(1) β_i	(2) b_i^{*2}	(3) E_i	(4) β_i	(5) b_i^{*2}	(6) E_i
Need						
GDP per capita (log)	-1.599*** (0.001)	6.493	6.206	-1.390*** (0.000)	11.110	3.693
Population (log)	0.966*** (0.001)	7.154	9.545	0.730** (0.019)	9.413	13.300
Disasters (log)	-0.164*** (0.007)	0.860	-0.500	-0.078 (0.124)	0.445	-0.802
DALYs per capita (log)	-1.751 (0.134)	1.123	-0.277	-3.610*** (0.002)	10.800	5.502
Accountability						
Polity	-0.022 (0.715)	0.044	0.387	0.044 (0.355)	0.407	-0.436
Control of corruption	-0.384 (0.562)	0.136	0.780	0.173 (0.713)	0.064	-0.381
External Debt/GDP	0.836 (0.170)	0.321	-0.420	-0.179 (0.764)	0.034	0.241
Proximity						
English colony	1.050 (0.101)	0.713	1.220	0.765* (0.058)	0.868	0.747
French colony	0.983 (0.202)	0.477	0.843	0.059 (0.928)	0.004	-0.028
Arabic language	4.977*** (0.000)	8.049	10.020	-0.340 (0.610)	0.085	0.038
Distance from donor (log)	-0.142 (0.842)	0.025	0.514	-1.172** (0.016)	2.276	3.746
Self-interest						
UNSC member	-0.089 (0.894)	0.001	-0.015	-0.160 (0.747)	0.010	-0.073
Trade with donor (log)	0.206 (0.261)	0.824	3.435	0.138 (0.528)	0.800	3.216
Oil dummy	-0.512 (0.462)	0.154	-0.072	0.936 (0.110)	1.183	2.511
Natural res. rents	-0.084** (0.011)	1.842	1.590	0.019 (0.430)	0.209	-0.105
UNGA	0.447 (0.765)	0.024	0.204	-3.384* (0.089)	1.219	0.129
BRI	-1.431** (0.018)	1.487	-0.790	0.872** (0.048)	1.265	1.384
Taiwan	-3.214*** (0.002)	2.418	3.835	2.740*** (0.000)	3.964	1.535
Predicted ODA	0.472* (0.066)	0.512	0.441	1.027*** (0.000)	5.305	3.525
Observations	920			933		
R-squared	0.424			0.400		

Notes: Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

Interestingly, the English colony dummy is positively correlated and statistically significant at the 10 percent level (Table 6.2 column (1)). This confirms findings from studies on previous periods (Dreher et al., 2018; Hoeffler and Sterck, 2022). One explanation is that this may be due to data collection biases since Custer et al. (2023) relied mainly on English- and Chinese-language sources (Hoeffler and Sterck, 2022). An alternative explanation is that English is widely taught in China, potentially easing communication with recipients (Wei and Su, 2012). I argue that since the variable for English language is not statistically significant (see Table 6.1, columns (3) and (6)), previous findings should be interpreted with caution as a focus on English-speaking countries could simply capture strategic geographical preferences.

Lastly, predicted ODA captures the expected aid level based on OECD donor logic. The coefficient is smaller than for all the other donors and only statistically significant at the 10 percent level. This implies that China's actual aid allocation only weakly aligns with the allocation pattern of Western donors. This is in line with expectations because China is comparable to traditional donors by considering recipient's needs. Nonetheless, China follows mainly strategic considerations like adherence to the One-China policy, which are not reflected in the predicted ODA model.

6.2 France

Aid commitments from France have ranged between 10,400 and 17,500 million USD over the study period (Figure 6.1). Figure 6.3 shows that France is the only traditional donor whose primary motive for aid allocation is self-interest. Trade is a key predictor and explains 29 percent of French ODA variation which makes it the most important determinant of French aid allocation. In contrast to China, where political alignment plays a central role, France's aid allocation is primarily driven by economic interests, while UNGA voting alignment and UNSC membership appear to have no significant influence.

Like China, France's second important motive is recipient's needs. This is driven by population size which is the only relevant variable among the need-based indicators. This implies that larger countries receive more aid. Interestingly, the *ceteris paribus* importance of population size is more than twice as large as their non-*ceteris paribus* importance highlighting the importance explaining the variation in French aid (17.7 vs. 9.7 percent, see Table 6.2, columns (5)-(6)).

Considering proximity, France particularly targets its former colonies. The coefficient is statistically significant at the 1 percent level and account for nearly (see 11 percent of total variation. The results regarding Arabic language indicate a concentration of French aid in North Africa, likely also reflecting links with its former colonial territories. The former colony dummy, trade, and also Arabic language are correlated and reinforce one another as France trades more with its former colonies. Since the variables are also positively correlated with aid, the combined effects increases the non-*ceteris paribus* importance relative to their *ceteris-paribus* importance.

Lastly, France considers recipient accountability. The polity score is positively associated with aid and statistically significant, implying that France allocates more aid to democratic countries. However, the contribution to the explanatory power

of indicators capturing a country’s accountability very low and non-ceteris paribus importance is even negative. Overall, my findings are in line with the findings of [Hoeffler and Sterck \(2022\)](#). France has a strong focus on economic self-interest and its aid allocation is largely driven by historical ties to former colonies while recipient’s needs play a smaller role in comparison to other donors (see also Figure 6.3).

6.3 Germany

German aid commitments rose from around 15,000 million USD in 2013 to over 27,000 million USD by 2020 and surpassed Japan’s aid amount in 2015 making it the second largest donor worldwide (Figure 6.1).

Figure 6.3 shows that, compared to France and China, Germany places much greater emphasis on recipient need when allocating aid. Countries with larger populations receive significantly more aid, and the population elasticity of German ODA is nearly 1. This implies that aid levels scale roughly in proportion to population size. In fact, population size alone accounts for 43.7 percent of the total variation in German ODA, which represents more than one-half of the model’s explanatory power. Germany also allocates more aid to countries with lower GDP per capita ($p\text{-value} < 0.01$) which has not been the case in previous periods (see [Hoeffler and Sterck, 2022](#)).

Governance matters since countries with stronger control of corruption tend to receive more aid. Trade, a common indicator of donor self-interest, is positively correlated with German aid and accounts for 14 percent of the explained variation of German ODA. In sum, while need-based factors dominate the allocation of German aid, economic ties also contribute meaningfully to where German ODA flows while considering governance quality.

The literature also suggested to include Disability-Adjusted Life Years (DALYs) in the specification to measure disease burden in recipient countries [Hoeffler and Sterck \(2022\)](#). My results are not in line with the previous literature in this aspect and suggest no statistically significant impact of DALYs on ODA but the sign is even negative. This is in stark contrast to the current literature emphasizing Germany’s increasing focus on global health ([Kickbusch et al., 2017](#)) and the finding that DALYs emerge as both statistically significant and relatively influential ([Hoeffler and Sterck, 2022](#)). Table 10.6 confirms this finding as it shows that Germany allocates more aid to countries with higher life expectancy. This finding marks a shift in Germany’s aid allocation pattern.

Lastly, the coefficient of predicted ODA is very similar in size to other major donors and is statistically significant at the 1 percent level. This implies that Germany’s actual aid allocation closely aligns with the predicted pattern based on the five largest traditional donors. This is in line with the expectations because Germany emphasizes developmental criteria such as poverty levels and governance quality in its aid strategy but also considers self-interests to a degree comparable to that of other Western donors.

Overall, German aid allocation follows the pattern of previous periods. It is still driven by population size and trade ties but became more need-based with a stronger emphasis on allocating money to poorer countries. Accountability seems to be small but stable over different periods.

6.4 Japan

Japanese aid commitments peaked in 2013 at around 32,000 million USD but have overall remained relatively stable between 19,200 million USD in 2014 and eventually reaching 26,600 million USD in 2021 (Figure 6.1). The results are presented in columns (1)–(3) of Table 6.3.

Similar to Germany, Japan’s aid allocation appears primarily driven by recipient need with self-interest and proximity both playing a considerable role. Population size stands out as the most important factor, accounting for 22.3 percent of the variation in aid flows. Japan also commits more aid to countries with lower GDP per capita. The relationship is nearly proportionally where a 1 percent increase in GDP per capita leads to a 1 percent increase in Japanese ODA. In line with the findings on Germany, disease burden also decreases Japanese ODA. This, however, is robust to using life expectancy as an alternative measure of a population’s health (see Figure 10.7). Combined, the need-based variables account for over half of the explanatory power of the model.

Regarding proximity, Japan does not allocate aid preferentially to its immediate neighbors, which aligns with the allocation patterns of Western donors, particularly Germany. In contrast, China tends to favor geographically closer countries. Interestingly, like China, Japan also allocates more aid to former British colonies, offering some support for the explanation by [Hoeffler and Sterck \(2022\)](#) that reduced language barriers may facilitate aid relationships. However, as [Hoeffler and Sterck \(2022\)](#) themselves caution, this interpretation should be treated with a degree of skepticism.

Donor self-interest is mainly driven by trade flows. Trade with the Japan is a statistically significant and meaningful predictor of aid. With a non-ceteris importance of 12 percent, it is the second important variable indicating that donor self-interest plays a non-negligible role in shaping Japanese aid allocation. Other self-interest indicators, however, lack statistical significance and substantive importance. Accountability-related factors also influence Japanese aid allocation. Countries with stronger control of corruption tend to receive more aid, indicating that Japan rewards good governance. The ceteris paribus importance of this variable is 2.7 percent, while its non-ceteris paribus importance is –1.3 percent. This discrepancy suggests that the positive effect of governance is partially offset by its correlation with other key variables. In particular, countries with better corruption control often have smaller needs and therefore are associated with lower aid levels. As a result, when all other variables are not held constant, the contribution of governance appears weaker than it actually is.

In sum, Japan’s aid allocation appears to be shaped mainly by need and trade ties but considering recipient’s accountability. Compared to previous periods, these findings suggests that accountability became less important while economic interests are on the rise ([Hoeffler and Sterck, 2022](#)).

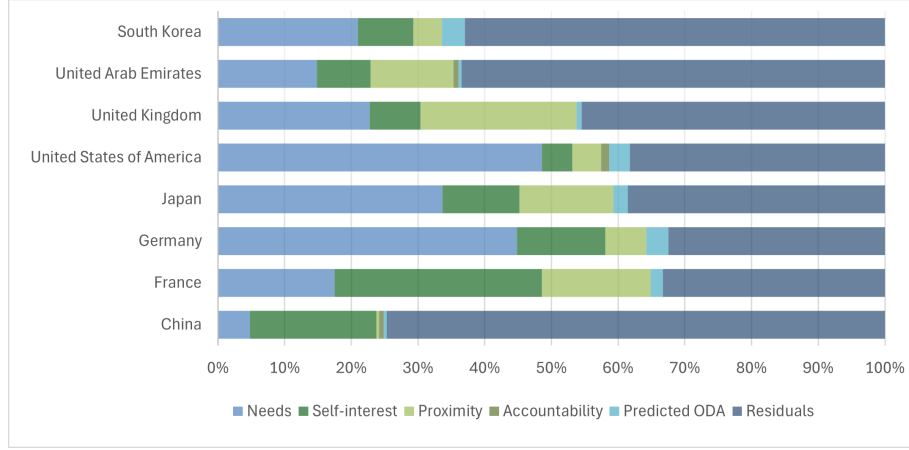


Figure 6.3: Importance of categories of predictors for the non-ceteris paribus approach (based on results from Tables 6.2 - 6.4).

6.5 United States of America

USA aid commitments are the highest among all donors besides a short peak of Chinese ODA in 2017. The aid fluctuated around 40,000 million USD, amounting to 41,394 million USD in 2013 and 45,050 million USD in 2021 (Figure 6.1). This highlights the prominent role the USA has played in aid allocation so far and points to the potentially significant consequences of a cut to USAID.

The literature suggests aid allocation of the USA was strongly driven by recipient needs until 2012 (Hoeffler and Sterck, 2022). My findings show that this trend continues. Population size is the most influential factor, explaining over half of the total variation in ODA of the USA. The USA also allocates significantly more aid to countries with lower GDP per capita. Taken together, those two variables explain nearly 90 percent of all variation. Consequently, the motive of US aid is nearly solely the recipient's need.

Accountability factors appear to have little influence on aid allocation. The coefficients for levels of corruption and the polity index capturing levels of democracy are both very small and statistically insignificant. Proximity also affects US aid allocation, with a greater amount of aid directed to English- and Arabic-speaking countries with a joint explanatory power of 2.5 percent, it shows that proximity plays a secondary, yet non-negligible, role in determining US aid distribution. The underlying channels include both linguistic ties and politically driven engagement.

Lastly, also the USA allocates more aid to its trade partners. While not statistically significant, trade accounts for 3 percent of variation in US ODA. Overall, the USA prioritizes the needs of the recipient, with other factors contributing only marginally to the explanation of aid allocation.

6.6 United Kingdom

UK aid commitments are less volatile than those of other donors and declining since 2019 making the UK the smallest out of the traditional donors. Aid from the UK accounted for 12,679 million USD in 2013 and remained relatively stable until 2019

(12,136 million USD). Since then, it dropped by over 40 percent to 6,859 million USD in 2021 (Figure 6.1).

UK aid commitments appear to be largely driven by population size and proximity. The most important driver of aid allocation, is a country's population size accounting for 21.1 percent of the total variation. The UK also allocates more aid to countries with a lower GDP per capita. Like the other Western donors, countries with a higher disease burden and those who are affected by disasters receive less aid but the relative importance is marginal.

The rest of the variation in UK aid is mostly explained by the UK's historical and linguistic ties to recipient countries. The UK commits more aid to former colonies and less aid to former French colonies. Historical ties explain together around 23 percent of total variation. The effects of these factors are mutually reinforcing, which explains why their non-ceteris paribus importance (8.2 and 14.7 percent, respectively) is higher than their ceteris paribus importance (4.5 and 14.2 percent, respectively).

The UK also allocates more money to trade partners but seems to not account for political alignment or resource endowments. Instead, those two variables are negative and significant at the 10 percent level. Comparable to the findings for France, the former colony dummy and trade are correlated and reinforce one another as the UK also trades more with its former colonies. As seen before, the combined effects increase the non-ceteris paribus importance relative to their ceteris-paribus importance (for trade, 3.7 percent and 6.9 percent, respectively). Lastly, accountability variables do not appear to be important for explaining allocation of UK ODA. However, they are all positive and the debt/gdp ratio is statistically significant at the 5 percent level, suggesting that this variable aligns more closely with need in the UK case. However, its overall importance is low, meaning that its categorization has little impact on the results.

In conclusion, UK ODA commitments are largely driven by population size and historical proximity. Those findings are in line with the existing literature especially regarding proximity. Next to the negative effect of DALYs which deviates strongly from the existing literature for all donors, the small role of GDP per capita also presents a significant shift in aid allocation since it used to play a big role even compared to other donors (see [Hoeffler and Sterck, 2022](#)).

6.7 United Arab Emirates

Aid from the UAE increased sharply in the study period compared to its levels before to 10,633 million USD in 2013 and then slowly decreased to 2,401 million USD but staying above its pre-2012 levels (Figure 6.1). This is in line with the fact that UAE became a participant of the OECD's DAC in 2014, just in the beginning of my study period ([OECD, 2025](#)).

Figure 6.3 suggests that aid of the UAE is mainly driven by needs. Population size increases aid nearly proportionally meaning that a 1 percent increase in population size increases ODA by 1 percent. For GDP per capita, the increase is even larger, a 1 percent increase in GDP per capita increases ODA by 1.6 percent. Another dimension that strongly impacts aid allocation of the UAE is proximity. The coefficient is very large and statistically significant at the 1 percent level. The coefficient implies that Arabic-speaking countries receive, on

average, approximately 144 times more ODA than non-Arabic-speaking countries (multiplicative effect = $e^{4.977} \approx 144.6$).

Considering geographic and political proximity, the UAE tend to allocate more aid to their trade partners and less to countries with substantial natural resource endowments. Additionally, they provide more aid to countries that do not recognize Taiwan and are not part of the BRI. However, the magnitude and significance of these coefficients are notably smaller than those observed for China and should. Therefore, any causal interpretation should be made with caution.

My study shows that for the period from 2013 to 2021, recipient's need was the main driver of aid allocation. The UAE also allocated more money to countries with lower GDP per capita. Both factors are statistically significant and their joint non-ceteris paribus importance explains nearly half of total variation in aid allocation. Another factor that has been overlooked so far by the literature is proximity. My analysis suggests that Arabic language is key explanatory variable. To better interpret this finding, there is a new study that suggests aid often flows to Arabic-speaking countries, but this is more closely tied to shared religious, cultural, or geopolitical ties rather than language alone ([Blin, 2023](#)). These insights suggest that my Arabic language dummy variable effectively captures broader dimensions of cultural proximity.

In conclusion, self-interest does play a role but is not as central as suggested by the current literature which finds that aid decisions are driven by the domestic and foreign policy priorities of the donors. The small existing literature on Arab donors suggests that this dynamic leads to the use of aid as a tool to advance the donors' interests in the region to achieve their geopolitical and economic goals ([Dandashly and Kourtelis, 2023](#)).

6.8 South Korea

As a recent country to join the OECD's DAC in 2010, South Korea has expressed its ambition to become a major provider of ODA. Drawing on its own experience as a former major aid recipient, South Korea emphasizes an approach to aid that reflects the perspective of recipients ([Kim and Oh, 2012](#)).

Those claims seem to hold true since recipient needs is the main motivation for South Korean aid allocation (see Table 6.3) with population size being more important than GDP per capita. The second important motive for South Korean aid allocation is self-interest driven by economic rather than political interests. South Korea allocates less aid to those voting in line in the UNGA, more aid to members of the BRI and more money to those recognizing Taiwan as a sovereign state. This allocation pattern indicates that South Korea does not consider political alignment. Considering economic interests, on the other side, countries with oil endowments are more likely to receive aid as well as trade partners. These coefficients are not statistically significant and their joint non-ceteris paribus importance accounts for around 15 percent of all variation. This indicates that the focus on economic interests is one of the smallest among all donors but not to be neglected.

Lastly, better control of corruption as well as the polity index are both positive but with large p-values and low importance. To conclude, South Korea as an emerging donor is very similar to Western donors in terms of need-based variables, accountability and proximity. In terms of self-interest, the picture is notably dif-

ferent, with no clear political agenda and statistically insignificant coefficients for economic interests.

Robustness Checks

The data collection effort of [Custer et al. \(2023\)](#) does not only overcome the problem of limited transparency of aid flows by recording all financial flows, it also categorizes them into ODA- and OOF-like flows. The main difficulty is that the Chinese government promotes close coordination among its agencies and economic actors, integrating aid with direct investment, service contracts, labor cooperation, trade, and exports. This often blurs the line between aid and investment ([Min, 2021](#)). Existing research suggests that OOF is allocated differently from ODA. To assess whether the AidData classification effectively distinguishes between these two types of flows, I re-estimated the two-part model using only OOF data. The results, presented in [Table 10.1](#), indicate that the underlying allocation motives differ substantially between ODA and OOF, suggesting that the classification scheme has indeed captured meaningful differences. At the same time, this highlights the need for further research to understand how much these flow-types are linked to each other.

Another potential source of methodological bias is data imputation. Considering that most variables in the panel dataset exhibit low volatility and the imputation method used is conservative, this approach mainly helps to preserve a larger number of observations. As shown in [Table 10.1](#), data imputation significantly increased the sample size without introducing bias into the results. Notable, I excluded the *polity* variable due to insufficient observations and presented the table also without including trade since this variable significantly reduces the sample size. Due to the limited number of observations for the *Polity* variable, the analysis is also conducted for all donors with this variable excluded. The results, presented in [Table 10.9–10.11](#), indicate that the extensive imputation applied to the *Polity* variable did not meaningfully affect the estimated coefficients of the other explanatory variables. This supports the inclusion of the *Polity* variable in the main specification to enhance comparability with the existing literature.

The study reveals that China allocates more ODA to countries with a higher external debt-to-GDP ratio. Considering growing concerns in the literature about debt sustainability in recipient countries ([Min, 2021](#)), I included a robustness check to gain a deeper understanding of what is driving this effect. Although the literature on motives of ODA commitments focuses on total commitments defined as ODA, [Table 10.5](#) repeats the analysis considering the two instruments, grants and loans, separately. The results reveal that the finding is only robust when considering only grants and not loans. This indicates that the variable captures recipient need rather than self-interest. Importantly, a broad understanding of the role of debt-trap

diplomacy in aid allocation falls outside the scope of the study and further research specifically addressing this issue is needed.

One finding of this study which is not in line with the literature is that countries affected by disasters or with higher disease burdens tend to receive less aid. The negative effect of disasters may be explained by the nature of ODA, which typically targets large-scale development projects, whereas disasters primarily attract direct humanitarian aid. However, the negative relationship between aid and disease burden remains unexplained. To investigate further, I conducted a robustness check by substituting DALYs with life expectancy. The results in Table 10.6-10.8 suggest that donors tend to allocate more aid to countries with higher life expectancy. Although the coefficient is statistically significant for some donors, its non-ceteris paribus importance remains limited. I conclude that donors do consider recipient needs in terms of population size and income levels, but the broader humanitarian situation appears to play a minimal role in aid allocation and, in some cases, may even reduce it.

To address further methodological sources for bias, Table 10.2 present the findings when restricting the sample to 2013 to 2019 to avoid biases caused by COVID-19 and excluding 2017 to confirm that the findings are not driven by the extreme outlier in Chinese aid allocation (see Figure 6.3). The checks confirm that the findings are neither driven by aid allocation in 2017 nor biased due to potentially different aid allocation patterns during COVID-19.

China has a very consistent policy response to countries recognizing Taiwan as a sovereign state with countries recognizing Taiwan generally not receiving Chinese ODA. Exceptions to this pattern are rare. During the study period, Panama, Nicaragua, and Nauru received small amounts of aid prior to making the diplomatic switch. Another outlier is Haiti who once received Chinese ODA while maintaining official ties with Taiwan. The assistance was provided in 2016 following Hurricane Matthew in the form of teaching supplies and sports equipment. This illustrates that most of the variation of the dummy stems from twelve countries ending diplomatic recognition of Taiwan between 2013 and 2021: The Dominican Republic, El Salvador, the Solomon Islands, São Tomé and Príncipe, Nicaragua, Kiribati, the Gambia, Burkina Faso, Nicaragua, Panama, Honduras, and Nauru. Severing diplomatic ties with Taiwan was for all countries followed by an immediate disbursement of Chinese aid. Consequently, including the Taiwan dummy risks creating issues of colinearity. Table 10.2 depicts how an exclusion of the dummy affects the results of the two-part model. The results in column (3) indicate that being part of the BRI is now the main predictor of receiving Chinese ODA. The second part in column (6) indicates that UNGA voting alignment is still the main factor increasing ODA commitments under the condition of being a recipient. In sum, the results did not change meaningfully but reveal the importance of participating in the BRI for becoming a recipient country.

Lastly, one of the main contributions of this paper is that it considers all recipient countries and not only Africa. This raises the question if my findings are driven by a specific region. To avoid such bias, I conduct a leave-one-out analysis. The findings in Table 10.3-10.4 indicate that the results are not driven by one region.

Discussion

First, this section addresses problems arising from my model-specification. For the analysis, I chose to consider the year when the aid amount was committed, as this reflects the recipient's characteristics at the time the donor decided to initiate the project. However, this approach has limitations, as not all funds are disbursed in the commitment year but are spread over several years. For instance, the average duration of a Chinese project is 1.3 years, and around 30 percent of projects are not completed yet. Nevertheless, I do not expect this approach to bias my findings, as once a project is committed, I assume it is less vulnerable to changes in the recipient's characteristics. For example, a decrease in a recipient's accountability is unlikely to stop an infrastructure project half way. Additionally, many of the variables considered are relatively stable, such as whether a country is English-speaking or its population size, further reducing sensitivity to missing data on the exact year of aid disbursement.

Second, due to the model design, this study focuses on bilateral aid and does not consider engagement in multilateral aid. While the OECD–DAC average of multilateral aid is around 25 percent, China's development financing was mainly bilateral for decades, with minimal multilateral aid of just 0.08 percent in the 1970s and 3.42 percent by 2007 ([Gulrajani, 2016](#)). However, the launch of the BRI encouraged a shift towards multilateral partnerships as it enhances collaboration. China has taken a more active international role and shows increasing openness to multilateral aid ([Min, 2021](#)). Excluding multilateral aid may understate China's evolving development strategy and limit the comparability with donors who are part of the DAC and thus allocate a significantly larger share of their assistance through multilateral channels. However, I expect this to not have a severe effect on my findings, as bilateral aid is a more direct expression of donor motives towards specific recipient countries, whereas multilateral aid tends to follow broader, collective allocation principles that are less suited for analyzing individual donor preferences.

Third, the results concerning accountability require more thorough examination to fully understand their implications. Figure 6.3 indicates that accountability plays a no role for most donors. One possible explanation for that shift is that emerging donors such as China, the UAE or Saudi Arabia increasingly provide aid which is not linked to conditions ([Dreher et al., 2015](#); [Blin, 2023](#); [Gökalp, 2020](#)). Facing this competition, traditional donors might have shifted toward prioritizing strategic influence over accountability-based criteria. On the other side, there are some developments that suggests that accountability will not disappear as a motive. Saudi Arabia, for

example, announced in 2023 that it will begin to attach conditions regarding accountability to its foreign aid, marking a shift in its policy from solely supporting geopolitical interests to promoting responsible economic policies and reforms aligned with IMF standards (Blin, 2023). A third explanation is methodological. Figure 6.3 is based on the non-ceteris paribus importance measure. Considering statistical significance as well as the ceteris paribus importance, accountability still has a significant effect on aid allocation, especially for Japan, Germany, and France. This discrepancy likely arises because the positive effect of governance is partially offset by its correlation with other key variables. In particular, countries with better corruption control often have smaller needs and therefore are associated with lower aid levels. Consequently, the evidence suggesting that accountability might disappear as a donor motive is not as clear as Figure 6.3 suggests.

A fourth aspect is that the study heavily relies on Custer et al. (2023) specification of ODA- and OOF-like aid flows. I do not expect this specification to bias my comparison with other donors because Custer et al. (2023) follow the OECD-DAC methodology and consider standardized criteria for development intent, recipient eligibility, and concessionality thresholds that adjust for changes in OECD definitions over time. Nonetheless, my findings only hold true for motives for ODA and does not account for complex interconnections of the two flow types. This could pose potential weaknesses because China's development financing is typically bundled with broader investment packages that include both concessional and non-concessional loans (Min, 2021). My data confirms that while China's ODA amount continues to expand and the scale is now comparable to the US, the composition of total finance volume differs significantly: More than a quarter of China's finance is OOF with ODA being a smaller part of the overall volume (Custer et al., 2023). For the US, 93 percent of development finance qualifies as ODA (Fuchs and Rudyak, 2017). Considering that the robustness check in Table 10.1 confirms that OOF behaves very differently than ODA, it is important to keep in mind that the findings provide insights in ODA flow and does not consider any interrelation with OOF.

Lastly, this paragraph attempts to address the question raised in the introduction regarding whether cuts in USAID will influence Chinese aid allocation. The existing literature suggests that the impact of China's ODA on traditional donors has not been as transformative as often assumed, and that Chinese ODA does not significantly affect the activities of other donors over time (Humphrey and Michaelowa, 2019). By connecting the literature with the study's findings on the very different motives of China and the USA, I hypothesize that China will not step in to fill the gap left by declining ODA commitments of the USA. Rather, China's influence likely increases automatically in relative terms in countries where it is already present simply because the USA is no longer active there. Countries that are not part of the BRI, and especially those that do not align with the One-China Policy, will most likely experience substantial reductions in ODA commitments.

To better understand the real implications, a closer look at the dataset highlights which countries will be probably most affected. In 2021, the USA allocated USD 1,407 million to countries that officially recognize Taiwan. Haiti and Guatemala alone received more than 70 percent of this amount, making them very vulnerable to reductions in USAID. Moreover, while US ODA is spread across a broad set of recipient countries, Chinese ODA is concentrated among fewer partners. These aid allocation patterns will increase the pressure on countries recognizing Taiwan to

politically align with China to avoid significant losses in development assistance.

9

Conclusion

The study found that political alignment is the main motive of Chinese aid allocation. In line with the literature on previous periods, China has a very consistent policy response regarding the One-China Policy with countries recognizing Taiwan as a sovereign state generally not receiving Chinese ODA. Moreover, the study confirms that countries participating in the BRI are more likely to receive Chinese ODA. The amount of aid allocated under the condition of being a recipient is mainly driven by UNGA voting alignment with China.

Interestingly, different from what scholars suggested, self-interest is barely driven by economic interests. Most importantly, there is no evidence that natural resource richness affects aid allocation. Moreover, the study reveals a positive relationship of an extern debt-to-GDP ratio which is mainly driven by grants contradicting claims of debt-trap diplomacy. While this is no robust proof of the issue, it highlights the need for further research.

Even if only of secondary importance, China is similar to other donors insofar that it also allocates more aid to countries with lower income levels. But overall, the study reveals that China continues to differ significantly from traditional Western donors and notably also from other emerging donors.

In comparison, needs are the main motive for aid allocation of all other donors, with France being the exception. For Germany and the USA, recipient need plays the biggest role while France's main motive for ODA commitments is economic interests. Interestingly, the need motive is strongly impacted by population size and income levels but not by disasters or disease burden. This could indicate that long-term development projects are based on structural rather than situational factors, in contrast to short-term humanitarian aid.

The motive of proximity is important for all donors except China and is driven by both geographical and cultural ties, with the latter being particularly important for former colonial powers. Those findings are in line with the literature on previous periods indicating that findings from studies on Africa hold in the global perspective. Considering changes over time, self-interest has become more important for most donors and the importance of accountability decreased, especially for Japan, but also for Germany, the USA, and the UK. Overall, the motives of traditional donors seem to change over time, but only modestly.

Considering emerging donors, the study reveals that South Korea strongly orients itself towards the aid allocation motives of the traditional donors, including recipient need as a main motive and having an emphasis on aid allocation to trade partners.

Considering the UAE as an emerging Arab donor, my analysis reveals that proximity has a strong impact on aid allocation nearly surpassing the role of recipient's need. The UAE appear to follow the allocation patterns of traditional donors, with a pronounced focus on Arabic-speaking countries that substitutes for Western donors' emphasis on former colonies.

The analysis has important policy implications. The results show that China's aid allocation motives differ largely from other donors. Considering cuts in USAID, China will probably not fill a emerging funding gap since its ODA allocation is driven by very different strategy than ODA of the USA. Rather, China's relative influence may increase in countries in which it is already an active donor due to less competition with the currently largest global donor, the USA. This implies that need-oriented donors should focus on countries which are not part of the BRI, especially those that do not align with the One-China Policy. The reason is that specific countries like Haiti or Guatemala are likely to face significant reductions in ODA commitments. This might increase pressure on the countries to adjust their foreign policies and align with China in order to become eligible for Chinese ODA.

Future research should focus on assessing sectoral shifts. Understanding if motives differ for sectors adds to the literature on China's motives revealing when aid is allocated to enable prestigious infrastructure projects, support education or improve energy production. Moreover, the literature suggests close ties between ODA and OOF (Min, 2021). This highlights the need to better understand how these flows are interrelated and which motives drive OOF.

The study highlighted the need to regularly update studies on donor motives. The study revealed that also traditional donors change their motives over time but the main insight is to understand how emerging donors develop. In 2024, China announced a shift in its BRI strategy towards 'small and beautiful' projects. This strategy encompasses the implementation of small-scale infrastructure construction and renovation projects, as well as the provision of assistance in agriculture and rural development. In addition, there will be a strong focus on medical and healthcare support, educational and training assistance, and the delivery of emergency humanitarian aid (CIDCA, 2025). This shift underscores that China's ODA is shaped by long-term strategies, which significantly influence its underlying motives. Those developments underline the continued relevance of the topic and the need for regular revisions of the existing research.

Bibliography

- Abate, C. A. (2022). The relationship between aid and economic growth of developing countries: Does institutional quality and economic freedom matter? *Cogent Economics & Finance*, 10(1). <https://doi.org/10.1080/23322039.2022.2062092>.
- Acemoglu, D., Johnson, S., and Robinson, J. A. (2005). Institutions as a fundamental cause of long-run growth. In Aghion, P. and Durlauf, S. N., editors, *Handbook of Economic Growth*, volume 1, pages 385–472. Elsevier. [https://doi.org/10.1016/S1574-0684\(05\)01006-3](https://doi.org/10.1016/S1574-0684(05)01006-3).
- Alden, C. (2005). China in africa. *Survival*, 47(3):147–164. <https://doi.org/10.1080/00396330500248086>.
- Alesina, A. and Dollar, D. (2000). Who gives foreign aid to whom and why? *Journal of economic growth*, 5:33–63. <https://doi.org/10.1023/A:1009874203400>.
- Beck, T., Clarke, G., Groff, A., Keefer, P., and Walsh, P. (2001). New tools in comparative political economy: The database of political institutions. *The World Bank Economic Review*, 15(1):165–176. <https://doi.org/10.1093/wber/15.1.165>.
- Bellemare, M. F., Masaki, T., and Pepinsky, T. B. (2017). Lagged explanatory variables and the estimation of causal effect. *The Journal of Politics*, 79(3):949–963. <https://doi.org/10.1086/690946>.
- Belotti, F., Deb, P., Manning, W. G., and Norton, E. C. (2015). twopm: Two-part models. *The Stata Journal*, 15(1):3–20. <https://doi.org/10.1177/1536867X1501500102>.
- Berthélemy, J.-C. (2006). Aid allocation: Comparing donors’ behaviours. *Swedish Economic Policy Review*, 13:75–109. <https://shs.hal.science/halshs-00305484>.
- Blin, L. (2023). Recent trends in saudi arabia’s foreign aid policy. *The Middle East Directions Programme Blog*. <https://blogs.eui.eu/medirections/recent-trends-in-saudi-arabias-foreign-aid-policy/>.
- Bräutigam, D. (2011). Aid ‘with chinese characteristics’: Chinese foreign aid and development finance meet the oecd-dac aid regime. *Journal of international development*, 23(5):752–764. <https://doi.org/10.1002/jid.1798>.
- Broich, T. (2017). Do authoritarian regimes receive more chinese development finance than democratic ones? empirical evidence for africa. *UNU-MERIT Working Paper 2017*, (11). <https://doi.org/10.1016/j.chieco.2017.09.006>.

- Bueno de Mesquita, B. and Smith, A. (2007). Foreign aid and policy concessions. *Journal of Conflict Resolution*, 51(2):251–284. <https://doi.org/10.1177/0022002706297696>.
- Bueno de Mesquita, B. and Smith, A. (2009). A political economy of aid. *International Organization*, 63(2):309–340. <https://doi.org/10.1017/S0020818309090109>.
- Burnside, C. and Dollar, D. (2000). Aid, policies, and growth. *American economic review*, 90(4):847–868. <https://www.jstor.org/stable/117311>.
- Chajdas, T. (2018). Bri initiative: a new model of development aid? pages 416–453. <https://doi.org/10.53989/jcp.v2i3.23.11>.
- Chong, J. I. (2023). The many ”one chinas”: Multiple approaches to taiwan and china. *Carnegie Endowment for International Peace*. <https://scholarbank.nus.edu.sg/handle/10635/243209>.
- Chow, G. C. and Lin, A.-l. (1971). Best linear unbiased interpolation, distribution, and extrapolation of time series by related series. *The Review of Economics and Statistics*, 53(4):372–375. <https://doi.org/10.2307/1928739>.
- CIDCA (2025). ”small and beautiful” projects: China aid for a shared future. *International Development Cooperation: China’s Practice*, Fifth Issue. <http://en.cidca.gov.cn>.
- Clist, P. (2011). 25 years of aid allocation practice: Whither selectivity? *World Development*, 39(10):1724–1734. <https://doi.org/10.1016/j.worlddev.2011.04.031>.
- Collier, P., Dollar, D., et al. (2002). *Globalization, growth, and poverty: Building an inclusive world economy*. World Bank Publications. 954071468778196576.
- Cragg, J. G. (1971). Some statistical models for limited dependent variables with application to the demand for durable goods. *Econometrica: journal of the Econometric Society*, pages 829–844. <http://dx.doi.org/10.2307/1909582>.
- Curran, E. (2016). China’s marshall plan. *Bloomberg*. <https://www.bloomberg.com/news/articles/2016-08-07/china-s-marshall-plan>.
- Custer, S., Burgess, B., and Sritharan, N. (2025). Into the breach: Will china step up as the u.s. retreats on global development? *AidData at William & Mary*. [https://docs.aiddata.org/ad4/pdfs/Into the Breach.pdf](https://docs.aiddata.org/ad4/pdfs/Into%20the%20Breach.pdf).
- Custer, S., Dreher, A., Elston, T. B., Escobar, B., Fedorochko, R., Fuchs, A., Ghose, S., Lin, J., Malik, A., Parks, B. C., Solomon, K., Strange, A., Tierney, M. J., Vlasto, L., Walsh, K., Wang, F., Zaleski, L., and Zhang, S. (2023). Tracking chinese development finance: An application of aiddata’s tuff 3.0 methodology. *AidData at William & Mary*. [https://docs.aiddata.org/ad4/pdfs/AidData TUFF methodology 3 0.pdf](https://docs.aiddata.org/ad4/pdfs/AidData%20TUFF%20methodology%203.0.pdf).
- Dandashly, A. and Kourtelis, C. (2023). The provision of arab gulf aid: The emergence of new donors. *International Politics*, 60:406–427. 10.1057/s41311-022-00418-4.

- Davies, P. (2007). China and the end of poverty in africa – towards mutual benefit? *Diakonia*. <https://www.sarpn.org/documents/d0002825>.
- Dollar, D. (2016). China's engagement with africa. *China Center at Brookings*. <https://www.brookings.edu/wp-content/uploads/2016/07/Chinas-Engagement-with-Africa-David-Dollar-July-2016.pdf>.
- Dreher, A. and Fuchs, A. (2015). Rogue aid? an empirical analysis of china's aid allocation. *Canadian Journal of Economics*, 48(3):988–1023. <https://doi.org/10.1111/caje.12166>.
- Dreher, A., Fuchs, A., Hodler, R., Parks, B. C., Raschky, P. A., and Tierney, M. J. (2016). Aid on demand: African leaders and the geography of china's foreign assistance. (3). https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2900351.
- Dreher, A., Fuchs, A., Parks, B., Strange, A. M., and Tierney, M. J. (2018). Apples and dragon fruits: The determinants of aid and other forms of state financing from china to africa. *International Studies Quarterly*, 62(1):182–194. <https://doi.org/10.1093/isq/sqx052> [Titel anhand dieser DOI in Citavi-Projekt übernehmen].
- Dreher, A., Nunnenkamp, P., and Schmaljohann, M. (2015). The allocation of german aid: self-interest and government ideology. *Economics & Politics*, 27(1):160–184. <https://doi.org/10.1111/ecpo.12052>.
- Dreher, A., Nunnenkamp, P., and Thiele, R. (2008). Does us aid buy un general assembly votes? a disaggregated analysis. *Public Choice*, 136(1-2):139–164. <https://doi.org/10.1007/s11127-008-9286-x>.
- Dreher, A., Nunnenkamp, P., and Thiele, R. (2011). Are 'new' donors different? comparing the allocation of bilateral aid between non-dac and dac donor countries. *World Development*, 39:1950–1968. <https://doi.org/10.1016/j.worlddev.2011.07.024>.
- Dudley, L. and Montmarquette, C. (1976). A model of the supply of bilateral foreign aid. *The American Economic Review*, 66(1):132–142. <https://www.jstor.org/stable/1804951>.
- Elmahly, H. and Sun, D. (2018). China's military diplomacy towards arab countries in africa's peace and security: The case of djibouti. *Contemporary Arab Affairs*, 11(4):111–134. <https://doi.org/10.1525/caa.2018.114006>.
- Fleck, R. K. and Kilby, C. (2006). How do political changes influence us bilateral aid allocations? evidence from panel data. *Review of Development Economics*, 10(2):210–223. <https://doi.org/10.1111/j.1467-9361.2006.00316.x>.
- Fuchs, A. and Rudyak, M. (2017). The motives of china's foreign aid. <https://andreas-fuchs.weebly.com/uploads>.
- Fuchs, A. and Vadlamannati, K. C. (2013). The needy donor: An empirical analysis of india's aid motives. *World Development*, 44:110–128. <https://doi.org/10.2139/ssrn.2140949>.

- GitHub (2023). Country distance dataset. <https://gist.github.com/metal3d/5b925077e66194551df949de64e910f6>.
- Guha-Sapir, D. and Below, R. (2017). Em-dat: The international disaster database. <https://www.emdat.be/>.
- Gulrajani, N. (2016). Bilateral versus multilateral aid channels: Strategic choices for donors. <https://odi.org/en/publications/bilateral-versus-multilateral-aid-channels-strategic-choices-for-donors/>.
- Gökalp, D. (2020). The uae’s humanitarian diplomacy: Claiming state sovereignty, regional leverage and international recognition. *CMI Working Paper*, (1):11. <https://www.cmi.no/publications/7169-the-uaes-humanitarian-diplomacy-claiming-state-sovereignty>.
- Hendrix, C. S. and Noland, M. (2014). *Confronting the Curse: The Economics and Geopolitics of Natural Resource Governance*. Washington, DC. <https://ideas.repec.org/b/iie/ppress/6765.html>.
- Hernandez, D. (2017). Are “new” donors challenging world bank conditionality? *World Development*, 96:529–549. <https://doi.org/10.1016/j.worlddev.2017.03.035>.
- Hoeffler, A. and Outram, V. (2011). Need, merit, or self-interest – what determines the allocation of aid? *Review of Development Economics*, 15(2):237–250. <https://doi.org/10.1111/j.1467-9361.2011.00611.x>.
- Hoeffler, A. and Sterck, O. (2022). Is chinese aid different? *World Development*, 156:105908. <https://doi.org/10.1016/j.worlddev.2022.105908>.
- Humphrey, C. and Michaelowa, K. (2019). China in africa: Competition for traditional development finance institutions? *World Development*, 120:15–28. <https://doi.org/10.1016/j.worlddev.2019.03.014>.
- Hussen, M. S. and Lee, K. W. (2012). The impact of foreign aid on economic growth in ethiopia. *Asian International Studies Review*, 13(2):87–112. <https://doi.org/10.16934/isr.13.2.201212.87>.
- IHME (2018). Global burden of disease study 2017 results: Disability-adjusted life years (dalys). <https://vizhub.healthdata.org/gbd-results/>.
- Isphording, I. E. and Otten, S. (2013). The costs of babylon—linguistic distance in applied economics. *Review of International Economics*, 21(2):256–271. <https://doi.org/10.1111/roie.12041>.
- Jadhav, A., Pramod, D., and Ramanathan, K. (2019). Comparison of performance of data imputation methods for numeric dataset. *Applied Artificial Intelligence*, 33(10):913–933. <https://doi.org/10.1080/08839514.2019.1637138>.
- Johnston, L. A. (2019). The belt and road initiative: What is in it for china? *Asia & the Pacific Policy Studies*, 6(1):40–58. <https://doi.org/10.1002/app5.265>.

- Johnston, L. A. and Rudyak, M. (2017). China’s ‘innovative and pragmatic’ foreign aid: shaped by and now shaping globalisation. In Song, L. et al., editors, *China’s New Sources of Economic Growth*, pages 431–451. ANU Press, Canberra. <https://doi.org/10.22459/CNSEG.07.2017.19>.
- Kauffmann, D., Kraay, A., and Mastruzzi, M. (2004). Governance matters iii: Governance indicators for 1996, 1998, 2000 and 2002. *World Bank Economic Review*, 18(2):253–287. <https://doi.org/10.1093/wber/lhh041>.
- Kickbusch, I., Franz, C., Holzscheiter, A., Hunger, I., Jahn, A., Köhler, C., Razum, O., and Schmidt, J.-O. (2017). Germany’s expanding role in global health. *The Lancet*, 390(10097):898–912. [https://doi.org/10.1016/S0140-6736\(17\)31466-3](https://doi.org/10.1016/S0140-6736(17)31466-3).
- Kim, E. M. and Oh, J. (2012). Determinants of foreign aid: The case of south korea. *Journal of East Asian Studies*, 12(2):251–274. <https://doi.org/10.1017/S1598240800007852>.
- Leszczensky, L. and Wolbring, T. (2019). How to deal with reverse causality using panel data? recommendations for researchers based on a simulation study. *Sociological Methods Research*. <https://doi.org/10.1177/0049124119882473>.
- Lin, T. (1993). *The Foreign Aid Policy of the People’s Republic of China: A Theoretical Analysis*. Ph.d. dissertation, Northern Illinois University, DeKalb, IL. <https://search.proquest.com/docview/304056397>.
- Lu, Y., Gu, W., and Zeng, K. (2021). Does the belt and road initiative promote bilateral political relations? *China & World Economy*, 29(5):57–83. <https://doi.org/10.1111/cwe.12387>.
- Lum, T., Fischer, H., Gomez-Granger, J., and Leland, A. (2009). China’s foreign aid activities in africa, latin america, and southeast asia. *Congressional Research Service*. <https://sgp.fas.org/crs/row/R40361.pdf>.
- Lynch, L., Andersen, S., and Zhu, T. (2020). China’s foreign aid: A primer for recipient countries, donors, and aid providers. *Center for Global Development*. <https://www.cgdev.org/publication>.
- Manning, R. (2006). Will ‘emerging donors’ change the face of international co-operation? *Development policy review*, 24(4):371–385. <https://doi.org/10.1111/j.1467-7679.2006.00330.x>.
- Manning, W. G., Duan, N., and Rogers, W. H. (1987). Monte carlo evidence on the choice between sample selection and two-part models. *Journal of Econometrics*, 35:59–82. [https://doi.org/10.1016/0304-4076\(87\)90081-9](https://doi.org/10.1016/0304-4076(87)90081-9).
- Marshall, M. G., Gurr, T. R., and Jaggers, K. (2013). Polity iv project: Political regime characteristics and transitions. *Center for Systemic Peace*, pages pp. 1800–2012. <https://www.systemicpeace.org/polityproject.html>.
- Mawdsley, E. (2012). The changing geographies of foreign aid and development co-operation: contributions from gift theory. *Transactions of the Institute of British Geographers*, 37(2):256–272. <https://doi.org/10.1111/j.1475-5661.2011.00467.x>.

- McKinlay, R. D. and Little, R. (1977). A foreign policy model of us bilateral aid allocation. *World Politics*, 30(1):58–86. <https://doi.org/1843762803>.
- Min, Z. (2021). The belt and road initiative: Implications for china’s foreign aid. *China: An International Journal*, 19(4):75–99. <https://doi.org/10.1353/chn.2021.0042>.
- Moravcsik, A. M. (1989). Disciplining trade finance: the oecd export credit arrangement. *International Organization*, 43(1):173–205. <https://www.jstor.org/stable/2706730>.
- Morgenthau, H. (1962). A political theory of foreign aid. *American Political Science Review*, 56(2):301–309. <https://condevcenter.org/Portals/0/Block>
- Naím, M. (2007). Missing links: rogue aid. *Foreign Policy*, (159):95–96. <https://www.proquest.com/openview>.
- Nedopil, C. (2025). Countries of the belt and road initiative. *Shanghai, Green Finance & Development Center, FISF Fudan University*. www.greenfdc.org.
- Neumayer, E. (2003). The determinants of aid allocation by regional multilateral development banks and united nations agencies. *International Studies Quarterly*, 47(1):101–122.
- Neumayer, E. (2005). Do international human rights treaties improve respect for human rights? *Journal of Conflict Resolution*, 49(6):925–953. <https://doi.org/10.1111/1468-2478.4701005>.
- OECD (2024a). Development finance statistics: Data on flows to developing countries. <https://www.oecd.org/en/data/datasets/development-finance-statistics-data-on-flows-to-developing-countries.html>.
- OECD (2024b). Official development assistance. definition and coverage. <https://www.oecd.org/en/topics/sub-issues/oda-eligibility-and-conditions/official-development-assistance-definition-and-coverage.html>.
- OECD (2025). Dac5: Aid (oda) by sector and provider. <https://data-explorer.oecd.org>.
- Ohashi, H. (2018). The belt and road initiative (bri) in the context of china’s opening-up policy. *Journal of Contemporary East Asia Studies*, 7(2):85–103. <https://doi.org/10.1080/24761028.2018.1564615>.
- Reed, W. R. (2015). On the practice of lagging variables to avoid simultaneity. *Oxford Bulletin of Economics and Statistics*, 77(6):897–905. <https://doi.org/10.1111/obes.12088>.
- Root, R. L. (2025). The us aid freeze has left a funding gap. what if china steps in? *Devex*. <https://www.devex.com/news/the-us-aid-freeze-has-left-a-funding-gap-what-if-china-steps-in-109534>.

- Shimomura, Y. and Wang, P. (2012). The evolution of ‘aid, investment, trade synthesis’ in china and japan. In Sato, J. and Shimomura, Y., editors, *The Rise of Asian Donors: Japan’s Impact on the Evolution of Emerging Donors*, pages 114–132. Routledge, Abington, UK.
- Singh, A. G. (2022). Brics and bri: China aims for strategic alignment. *Research Foundation. ORFOnline*. <https://www.orfonline.org>.
- Sterck, O. (2019). Stars, wars, and development. *SSRN*. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3386218.
- Strüver, G. (2016). What friends are made of: bilateral linkages and domestic drivers of foreign policy alignment with china. *Foreign Policy Analysis*, 12(2):170–191. <https://doi.org/10.1111/fpa.12050>.
- Svensson, L. E. (1999). Inflation targeting: some extensions. *Scandinavian journal of Economics*, 101(3):337–361. <https://www.jstor.org/stable/3440742>.
- Tubilewicz, C. (2012). The politics of compassion: examining a divided china’s humanitarian assistance to haiti. *International Relations of the Asia-Pacific*, 12(3):449–481. <https://doi.org/10.1093/irap/lcs007>.
- Tull, D. M. (2006). China’s engagement in africa: scope, significance and consequences. *The Journal of Modern African Studies*, 44(3):459–479.
- UN Comtrade (2023). Trade flow data. <https://comtradeplus.un.org/TradeFlow>.
- UNDP (2015). China’s humanitarian aid. *UNDP South-South Cooperation China*, (9). <https://www.undp.org/china/publications/issue-brief-governance-system-chinas-foreign-assistance>.
- United Nations (2015). Security council membership by year. *Dag Hammarskjöld Library*. <https://research.un.org/en/docs/sc/membership>.
- Voeten, E., Strezhnev, A., and Bailey, M. (2009). United nations general assembly voting data. <https://doi.org/10.7910/DVN/LEJUQZ>.
- Walz, J. and Ramachandran, V. (2011). Brave new world: a literature review of emerging donors and the changing nature of foreign assistance. *SSRN*, (273). <https://doi.org/10.2139/ssrn.1972394>.
- Watanabe, S. (2013). How have major donors affected china’s economic development and foreign aid policy? In Sato, J. and Shimomura, Y., editors, *The Rise of Asian Donors: Japan’s Impact on the Evolution of Emerging Donors*, pages 87–113. Routledge, Abington, UK. 9780203097205.
- Wei, R. and Su, J. (2012). The statistics of english in china. *English Today*, 28(3):10–14. <https://doi.org/10.1017/S0266078412000223>.
- Wong, W. K. O. (2020). Bri projects: The “rules of engagement”. *Asian Education and Development Studies*, 9(3):337–347. <https://doi.org/10.1108/AEDS-10-2019-0167>.

- World Bank (2023). World development indicators. <https://databank.worldbank.org/source/world-development-indicators>.
- World Population Review (2023). Countries that recognize taiwan. <https://worldpopulationreview.com/country-rankings/countries-that-recognize-taiwan>.
- Yan, X. (2014). From keeping a low profile to striving for achievement. *The Chinese Journal of International Politics*, 7(2):153–184. <https://doi.org/10.1093/cjip/pou027>.
- Zhang, Y., Gu, J., and Chen, Y. (2015). China’s engagement in international development cooperation: the state of the debate. *IDS Evidence Report*, (116). OT/11009/5/1/2/149.

10

Appendix

A Robustness Checks for the Two-Part Model

Table 10.1: Two-part model: OOF and dataset without data imputation

	Logit			OLS		
	OOF	w/o imputation		OOF	w/o imputation	
	(1)	(2)	(3)	(4)	(5)	(6)
Need						
GDP per capita (log)	0.556*	-0.658*	0.475	0.719*	-0.795***	-1.025*
Population (log)	(0.222)	(0.303)	-1.256	(0.281)	(0.211)	(0.505)
Disasters (log)	0.342	-0.523**	-0.565	0.272	0.171	0.520
	(0.200)	(0.172)	(0.552)	(0.189)	(0.125)	(0.415)
DALYs per capita (log)	0.074	0.050	0.144	-0.015	-0.072*	-0.083
	(0.042)	(0.045)	(0.093)	(0.037)	(0.035)	(0.091)
	0.672	0.215	1.707	0.058	-1.561**	-3.041*
	(0.556)	(0.942)	-2.047	(0.634)	(0.580)	-1.321
Accountability						
Polity	-0.009			-0.009		
	(0.027)			(0.030)		
Control of corruption	-0.118	-0.557	-2.077*	-0.910*	-0.096	0.193
	(0.275)	(0.367)	(0.907)	(0.405)	(0.306)	(0.574)
External Debt/GDP	0.872	0.944	2.220	0.459	0.393	-0.068
	(0.498)	(0.619)	-1.160	(0.394)	(0.228)	(0.816)
Proximity						
French colony	0.653	0.009	-0.470	0.014	0.417	-0.019
	(0.355)	(0.463)	(0.685)	(0.339)	(0.415)	(0.847)
British colony	0.472	0.668	0.058	0.240	0.582	0.536
	(0.284)	(0.485)	(0.848)	(0.291)	(0.300)	(0.614)
Arabic language	-1.565***	-0.875	-0.865	-0.148	-0.897*	-1.602
	(0.449)	(0.549)	(1.735)	(0.587)	(0.364)	(0.932)
Distance from donor (log)	-0.227	0.426	-0.005	0.026	0.318	1.004
	(0.283)	(0.332)	(1.033)	(0.291)	(0.235)	(0.550)
Self-interest						
UNSC member	-0.234	0.451	-0.188	0.305	-0.234	-1.015
	(0.402)	(0.574)	(1.123)	(0.312)	(0.442)	(1.127)
Trade with donor (log)	0.253		-0.438	0.376*		-0.309
	(0.153)		(0.623)	(0.157)		(0.360)
Oil dummy	0.024	0.436	0.213	-0.346	0.121	-0.614
	(0.323)	(0.559)	(1.211)	(0.356)	(0.395)	(0.678)
Natural res rents	0.004	-0.030	-0.011	-0.004	-0.033*	-0.057
	(0.014)	(0.020)	(0.053)	(0.015)	(0.013)	(0.050)
Taiwan	-1.375	-6.271***	-7.017***	-0.989	-1.567	1.852
	(0.839)	(0.961)	(1.379)	(0.705)	(2.827)	(1.031)
UNGA	1.328	3.493	-2.040	-0.515	4.873***	5.232
	-1.567	(1.826)	-3815	-1.413	(1.312)	(3.240)
BRI	0.045	0.158	-0.651	0.617	0.539	1.879
	(0.297)	(0.354)	(0.948)	(0.343)	(0.348)	(1.078)
Observations	845	650	143	434	572	105
Pseudo- R^2	0.231	0.391	0.471			
R^2				0.322	0.181	0.231

Notes: The dependent variable is Chinese ODA (log). Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

Table 10.2: Two-part model: Restricted sample

	Logit			OLS		
	w/o 2017	w/o COVID-19	w/o Taiwan	w/o 2017	w/o COVID-19	w/o Taiwan
	(1)	(2)	(3)	(4)	(5)	(6)
Need						
GDP per capita (log)	-1.009** (0.318)	-0.879* (0.370)	-0.847* (0.346)	-0.589** (0.198)	-0.706** (0.217)	-0.563** (0.179)
Population (log)	-0.323 (0.234)	-0.270 (0.247)	-0.298 (0.291)	0.096 (0.172)	0.160 (0.163)	0.152 (0.156)
Disasters (log)	0.089 (0.044)	0.071 (0.059)	0.058 (0.042)	-0.070 (0.035)	-0.075 (0.042)	-0.067 (0.031)
DALYs per capita (log)	-0.844 (0.776)	-0.556 (0.891)	0.343 (0.907)	-1.034 (0.537)	-1.557** (0.574)	-1.120* (0.501)
Accountability						
Polity	-0.040 (0.038)	-0.029 (0.038)	-0.035 (0.041)	-0.007 (0.025)	-0.030 (0.027)	-0.011 (0.023)
Control of corruption	0.274 (0.339)	-0.110 (0.363)	0.694 (0.378)	-0.013 (0.275)	0.066 (0.236)	-0.083 (0.251)
External Debt/GDP	0.947 (0.547)	1.408* (0.693)	0.594 (0.784)	0.188 (0.239)	0.428 (0.333)	0.337 (0.224)
Proximity						
French colony	-0.138 (0.459)	-0.245 (0.534)	-0.418 (0.472)	0.436 (0.377)	0.896* (0.349)	0.655 (0.340)
British colony	0.513 (0.394)	0.580 (0.469)	0.353 (0.423)	0.565 (0.304)	0.774* (0.339)	0.655* (0.294)
Arabic language	-0.652 (0.508)	-0.528 (0.515)	0.178 (0.527)	-0.848* (0.376)	-1.054** (0.372)	-0.890* (0.348)
Distance from donor (log)	0.780* (0.314)	0.689 (0.392)	0.138 (0.358)	0.079 (0.250)	0.504 (0.329)	0.146 (0.238)
Self-interest						
UNSC member	0.706 (0.572)	0.781 (0.618)	1.051 (0.570)	-0.355 (0.399)	-0.849 (0.452)	-0.295 (0.363)
Trade with donor (log)	0.106 (0.162)	-0.077 (0.175)	0.189 (0.193)	0.055 (0.127)	0.036 (0.107)	0.029 (0.105)
Oil dummy	0.229 (0.391)	0.335 (0.434)	0.575 (0.395)	0.274 (0.321)	0.051 (0.307)	0.222 (0.302)
Natural resources	-0.015 (0.012)	-0.016 (0.014)	-0.004 (0.015)	-0.014 (0.011)	-0.018 (0.011)	-0.018 (0.010)
Taiwan	-4.172*** (0.440)	-4.895*** (0.623)		0.842 -1.060	0.678 -1.561	
UNGA	1.600 -1.495	2.681 -1.701	1.207 -1.454	3.531*** -1.072	4.265*** -1.245	3.458*** -1.047
BRI	0.594 (0.344)	0.168 (0.345)	0.763** (0.289)	0.460 (0.311)	0.616 (0.318)	0.372 (0.275)
Observations	793	600	893	649	477	733
Pseudo- R^2	0.244	0.292	0.119			
R^2				0.160	0.148	0.171

Notes: The dependent variable is Chinese ODA (log). Standard errors in parenthesis are clustered at the country-level. *** p<0.01, **p<0.05, * p<0.1. All specifications include year fixed effects.

Table 10.3: Two-part model: leave-one-out analysis with Africa, America, Europe

	Logit			OLS		
	w/o Europe	w/o Africa	w/o America	w/o Europe	w/o Africa	w/o America
	(1)	(2)	(3)	(4)	(5)	(6)
Need						
GDP per capita (log)	-0.904 (0.362)	-1.243 (0.429)	-1.090 (0.341)	-0.535 (0.180)	-0.767 (0.340)	-0.588 (0.192)
Population (log)	-0.279 (0.239)	-0.658 (0.284)	-0.275 (0.258)	0.173 (0.151)	-0.066 (0.300)	0.113 (0.167)
Disasters (log)	0.074 (0.053)	0.210 (0.052)	0.070 (0.048)	-0.067 (0.031)	-0.043 (0.047)	-0.060 (0.032)
DALYs per capita (log)	-1.172 (0.903)	0.042 (-1.130)	-0.945 (0.931)	-1.284 (0.539)	-0.402 (-1.048)	-1.086 (0.532)
Accountability						
Polity	-0.027 (0.043)	-0.085 (0.040)	-0.026 (0.040)	-0.003 (0.025)	0.020 (0.038)	-0.011 (0.023)
Control of corruption	0.154 (0.370)	0.182 (0.466)	0.321 (0.372)	-0.121 (0.260)	-0.548 (0.508)	-0.082 (0.280)
External Debt/GDP	1.054 (0.602)	1.294 (0.751)	1.132 (0.588)	0.324 (0.236)	0.093 (0.671)	0.478 (0.194)
Proximity						
French colony	-0.096 (0.473)	-1.297 (0.650)	-0.229 (0.514)	0.671 (0.350)	-0.760 (-1.116)	0.810 (0.343)
British colony	0.530 (0.428)	0.128 (0.392)	0.391 (0.433)	0.663 (0.311)	0.553 (0.425)	0.933 (0.277)
Arabic language	-0.720 (0.501)	-0.279 (0.805)	-0.642 (0.485)	-0.883 (0.353)	-1.273 (0.491)	-0.876 (0.392)
Distance from donor (log)	0.705 (0.352)	0.676 (0.445)	0.872 (0.402)	0.097 (0.232)	0.194 (0.419)	0.078 (0.271)
Self-interest						
UNSC member	0.689 (0.600)	0.812 (0.594)	1.173 (0.791)	-0.330 (0.374)	0.203 (0.426)	-0.392 (0.436)
Trade with donor (log)	-0.001 (0.182)	0.285 (0.233)	0.132 (0.163)	-0.009 (0.105)	0.179 (0.205)	0.026 (0.105)
Oil dummy	0.172 (0.422)	-0.433 (0.731)	0.248 (0.383)	0.224 (0.309)	-0.856 (0.486)	0.353 (0.319)
Natural res. rents	-0.016 (0.013)	-0.024 (0.012)	-0.014 (0.013)	-0.018 (0.011)	-0.026 (0.015)	-0.017 (0.011)
Taiwan	-4.606 (0.455)	-4.814 (0.700)	-4.578 (0.459)	0.671 (1.066)	0.398 (1.272)	1.653 (0.478)
UNGA	-1.491 (2.725)	1.802 (2.278)	2.267 (1.521)	2.076 (1.311)	4.934 (1.649)	3.370 (1.108)
BRI	0.867 (0.348)	-0.006 (0.372)	0.511 (0.361)	0.410 (0.296)	0.758 (0.378)	0.267 (0.306)
Observations	822	488	752	684	369	642
pseudo- R^2	0.288	0.326	0.171			
R^2				0.147	0.208	0.185

Notes: The dependent variable is Chinese ODA (log). Standard errors in parenthesis are clustered at the country-level. *** p<0.01, **p<0.05, * p<0.1. All specifications include year fixed effects.

Table 10.4: Two-part model: leave-one-out analysis with Oceania, Middle East, Asia

	Logit			OLS		
	w/o Oceania	w/o Middle East	w/o Asia	w/o Oceania	w/o Middle East	w/o Asia
	(1)	(2)	(3)	(4)	(5)	(6)
Need						
GDP per capita (log)	-1.028*** (0.298)	-1.119*** (0.315)	-0.997** (0.327)	-0.531** (0.178)	-0.600** (0.187)	-0.449* (0.192)
Population (log)	-0.317 (0.253)	-0.374 (0.240)	-0.084 (0.202)	0.195 (0.153)	0.148 (0.159)	0.172 (0.141)
Disasters (log)	0.078 (0.048)	0.087 (0.053)	0.053 (0.040)	-0.076* (0.032)	-0.081* (0.033)	-0.062 (0.035)
DALYs per capita (log)	-0.862 (0.754)	-0.922 (0.770)	-1.336 (0.794)	-1.010* (0.514)	-1.207* (0.532)	-0.833 (0.505)
Accountability						
Polity	-0.028 (0.039)	-0.031 (0.040)	-0.008 (0.054)	-0.010 (0.023)	-0.017 (0.024)	-0.038 (0.023)
Control of corruption	0.230 (0.319)	0.265 (0.352)	0.271 (0.412)	-0.100 (0.253)	-0.010 (0.262)	0.091 (0.245)
External Debt/GDP	0.944 (0.581)	0.706 (0.530)	1.049 (0.584)	0.394 (0.212)	0.353 (0.246)	0.165 (0.262)
Proximity						
French colony	-0.144 (0.489)	-0.100 (0.526)	0.403 (0.390)	0.659 (0.342)	0.620 (0.357)	0.686** (0.259)
British colony	0.439 (0.421)	0.703 (0.446)	1.060* (0.480)	0.588 (0.318)	0.701* (0.311)	0.396 (0.283)
Arabic language	-0.586 (0.468)	-0.762 (0.488)	-0.272 (0.627)	-0.853* (0.354)	-0.626 (0.368)	-0.989* (0.406)
Distance from donor (log)	0.729* (0.304)	0.818* (0.323)	1.689** (0.612)	0.141 (0.235)	0.109 (0.241)	-0.036 (0.537)
Self-interest						
UNSC member	0.799 (0.565)	0.761 (0.591)	0.639 (0.689)	-0.313 (0.369)	-0.316 (0.387)	-0.424 (0.431)
Trade with donor (log)	0.099 (0.169)	0.161 (0.164)	-0.070 (0.170)	0.008 (0.105)	0.035 (0.106)	0.076 (0.118)
Oil dummy	0.227 (0.379)	0.281 (0.371)	0.236 (0.457)	0.287 (0.313)	0.284 (0.331)	0.417 (0.266)
Natural res. rents	-0.015 (0.013)	-0.005 (0.018)	0.005 (0.022)	-0.020 (0.010)	-0.018 (0.012)	-0.013 (0.015)
Taiwan	-4.440*** (0.524)	-4.334*** (0.430)	-4.625*** (0.448)	0.577 (1.263)	0.785 (1.066)	0.770 (1.045)
UNGA	2.084 (1.461)	1.045 (1.452)	-0.201 (1.821)	3.902*** (1.070)	3.430** (1.059)	3.731** (1.209)
BRI	0.506 (0.316)	0.721* (0.336)	0.494 (0.390)	0.396 (0.276)	0.250 (0.283)	0.239 (0.300)
Observations	866	848	689	712	695	563
pseudo- R^2	0.242	0.272	0.299			
R^2			0.175	0.177	0.214	

Notes: The dependent variable is Chinese ODA (log). Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

Table 10.5: Two-part model: loans and grants

	Logit		OLS	
	Loans	Grants	Loans	Grants
	(1)	(2)	(3)	(4)
Need				
GDP per capita (log)	-0.098 (0.191)	-1.271*** (0.297)	0.383* (0.184)	-0.666*** (0.188)
Population (log)	0.430** (0.146)	-0.343 (0.209)	0.514*** (0.139)	-0.134 (0.139)
Disasters (log)	-0.004 (0.035)	0.065 (0.046)	-0.007 (0.027)	-0.035 (0.030)
DALYs per capita (log)	-1.213* (0.514)	-1.235 (0.756)	0.212 (0.523)	-1.021* (0.470)
Accountability				
Polity	-0.001 (0.022)	-0.027 (0.037)	0.012 (0.024)	-0.021 (0.025)
Control of corruption	-0.174 (0.250)	0.334 (0.317)	0.071 (0.291)	-0.036 (0.227)
External Debt/GDP	0.444 (0.269)	1.118* (0.541)	0.355 (0.271)	0.169 (0.198)
Proximity				
French colony	1.118*** (0.301)	-0.222 (0.448)	0.733* (0.299)	0.079 (0.320)
British colony	0.961*** (0.275)	0.672 (0.378)	0.410 (0.273)	0.304 (0.263)
Arabic language	-1.324** (0.436)	-0.373 (0.442)	-0.654 (0.382)	-0.262 (0.321)
Distance from donor (log)	0.395 (0.224)	0.801** (0.293)	0.045 (0.291)	-0.210 (0.225)
Self-interest				
UNSC member	-0.641 (0.385)	1.115 (0.570)	0.386 (0.317)	0.171 (0.375)
Trade with donor (log)	-0.278* (0.119)	0.151 (0.147)	0.030 (0.116)	0.060 (0.104)
Oil dummy	0.465 (0.312)	0.136 (0.361)	-0.536 (0.341)	0.202 (0.255)
Natural res. rents	0.004 (0.017)	-0.008 (0.013)	0.027 (0.015)	-0.024** (0.009)
Taiwan	-1.825* (0.779)	-4.506*** (0.501)	0.861 (0.760)	0.392 (1.231)
UNGA	2.261* (1.002)	0.969 (1.384)	0.368 (1.201)	2.587* (1.075)
BRI	0.188 (0.256)	0.825** (0.307)	0.494 (0.261)	0.047 (0.288)
Observations	672	884	226	708
pseudo- R^2	0.111	0.249		
R^2			0.235	0.167

Notes: The dependent variable is Chinese ODA (log). Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

B Robustness Checks for the Regression Model Comparing Donors

Table 10.6: Robustness check with life expectancy : China, France, Germany

	Dependent variable: ODA (log)								
	China			France			Germany		
	(1) β_i	(2) b_i^{*2}	(3) E_i	(4) β_i	(5) b_i^{*2}	(6) E_i	(7) β_i	(8) b_i^{*2}	(9) E_i
Need									
GDP per capita (log)	-1.697*** (0.006)	5.465	4.450	-0.106 (0.652)	0.157	-0.199	-0.855*** (0.000)	10.180	2.343
Population (log)	-0.746 (0.121)	2.784	-0.196	0.477*** (0.005)	9.782	17.810	0.960*** (0.000)	39.300	44.580
Disasters (log)	0.107 (0.372)	0.256	0.327	0.002 (0.926)	0.001	0.039	-0.020 (0.289)	0.071	-0.331
Life expectancy	-0.045 (0.639)	0.203	0.804	-0.004 (0.884)	0.009	-0.062	0.057** (0.029)	2.195	1.795
Accountability									
Polity	-0.047 (0.543)	0.137	0.384	0.044* (0.052)	0.985	-0.102	0.018 (0.464)	0.165	-0.161
Control of corruption	0.485 (0.458)	0.147	-0.058	0.213 (0.407)	0.240	-0.518	0.425** (0.033)	0.942	-1.491
External Debt/GDP	0.981 (0.176)	0.325	0.229	0.122 (0.630)	0.039	-0.242	0.537 (0.187)	0.734	-0.428
Proximity									
English colony	0.867 (0.347)	0.348	0.749	-0.542 (0.114)	1.070	1.939	0.014 (0.965)	0.001	0.001
French colony	-0.291 (0.769)	0.031	-0.026	1.609*** (0.000)	7.166	49.000	-0.459 (0.191)	0.573	0.594
Arabic language	-0.989 (0.374)	0.237	-0.007	1.048*** (0.001)	1.994	3.129	0.227 (0.771)	0.092	0.185
Distance from donor (log)	0.609 (0.415)	0.282	-0.452	-0.208 (0.417)	0.211	0.967	-0.894*** (0.008)	4.369	4.977
Self-interest									
UNSC member	1.254 (0.156)	0.163	0.194	0.231 (0.292)	0.050	0.397	-0.033 (0.871)	0.001	-0.049
Trade with donor (log)	0.271 (0.367)	0.577	-0.364	0.492*** (0.003)	17.150	29.570	0.273*** (0.005)	4.762	59.000
Oil dummy	1.201 (0.148)	0.632	0.164	0.017 (0.958)	0.001	0.081	0.195 (0.475)	0.125	1.140
Natural res. rents	-0.066** (0.020)	0.845	0.009	-0.017 (0.232)	0.399	0.960	0.009 (0.657)	0.107	-0.431
UNGA	6.868** (0.029)	1.086	0.732	-0.239 (0.820)	0.011	-0.016	0.099 (0.906)	0.003	0.057
BRI	0.965 (0.147)	0.492	0.860	-0.121 (0.547)	0.060	-0.183	-0.210 (0.531)	0.178	-0.400
Taiwan	-11.720*** (0.000)	15.720	16.310	-0.535 (0.137)	0.371	1.203	0.415 (0.215)	0.219	-0.716
Predicted ODA	0.310** (0.021)	0.765	0.886	0.441*** (0.000)	2.654	2.062	0.609*** (0.000)	4.725	3.496
Observations	893			934			936		
R^2	0.265			0.681			0.686		

Notes: Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

Table 10.7: Robustness check with life expectancy: Japan, USA, United Kingdom

	Dependent variable: ODA (log)								
	Japan			United States of America			United Kingdom		
	(1) β_i	(2) b_i^{*2}	(3) E_i	(4) β_i	(5) b_i^{*2}	(6) E_i	(7) β_i	(8) b_i^{*2}	(9) E_i
Need									
GDP per capita (log)	-0.995*** (0.000)	24.480	8.593	-0.912*** (0.001)	13.390	11.700	-1.499*** (0.000)	12.940	2.296
Population (log)	0.366*** (0.001)	10.150	18.700	0.827*** (0.000)	33.770	32.820	0.973*** (0.000)	16.730	20.330
Disasters (log)	0.000 (0.993)	0.000	0.009	-0.044* (0.055)	0.390	-0.906	-0.079** (0.032)	0.449	-0.640
Life expectancy	0.052** (0.037)	3.278	0.675	-0.052 (0.104)	2.154	3.315	0.117*** (0.005)	3.897	1.665
Accountability									
Polity	0.031 (0.198)	0.853	-0.384	0.029 (0.337)	0.477	-0.011	0.020 (0.554)	0.083	-0.047
Control of corruption	0.550*** (0.003)	2.809	-1.382	0.323 (0.239)	0.632	-1.974	0.077 (0.811)	0.013	-0.094
External Debt/GDP	-0.037 (0.873)	0.006	0.109	0.286 (0.288)	0.242	-0.736	0.786** (0.020)	0.653	-0.199
Proximity									
English colony	0.418* (0.063)	1.116	1.763	0.178 (0.612)	0.131	0.588	1.919*** (0.000)	5.474	9.069
French colony	0.212 (0.407)	0.218	0.065	-0.713** (0.032)	1.600	0.308	-3.352*** (0.000)	12.570	13.870
Arabic language	0.732** (0.045)	1.699	1.021	1.300*** (0.006)	3.491	1.556	1.037** (0.038)	0.795	0.701
Distance from donor (log)	-1.259*** (0.000)	8.603	12.270	-0.262 (0.486)	0.248	-0.333	-0.098 (0.803)	0.013	-0.017
Self-interest									
UNSC member	-0.686 (0.174)	0.780	-0.323	-0.457 (0.126)	0.226	-0.265	-1.154* (0.093)	0.515	-0.208
Trade with donor (log)	0.265*** (0.000)	74.000	16.300	0.086 (0.460)	0.700	1.932	0.369* (0.075)	3.724	6.946
Oil dummy	0.158 (0.400)	0.146	0.745	0.228 (0.532)	0.198	0.702	-0.538 (0.355)	0.392	-0.752
Natural res. rents	0.006 (0.642)	0.079	-0.181	-0.007 (0.612)	0.090	0.250	-0.025 (0.166)	0.364	1.039
UNGA	0.135 (0.858)	0.010	0.110	3.267 (0.100)	1.246	-0.188	-0.880 (0.632)	0.054	-0.038
BRI	-0.136 (0.440)	0.132	-0.109	0.341 (0.202)	0.543	0.159	0.259 (0.285)	0.112	0.400
Taiwan	0.555** (0.047)	0.697	-0.699	1.077** (0.047)	1.715	0.285	-0.057 (0.924)	0.002	0.058
Predicted ODA	0.368*** (0.000)	3.269	2.278	0.526*** (0.000)	4.047	4.628	0.484** (0.013)	1.178	0.665
Observations	936			935			934		
R^2	0.597			0.540			0.564		

Notes: Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

Table 10.8: Robustness check with life expectancy: United Arab Emirates and South Korea

	Dependent variable: ODA (log)					
	United Arab Emirates			South Korea		
	(1) β_i	(2) b_i^{*2}	(3) E_i	(4) β_i	(5) b_i^{*2}	(6) E_i
Need						
GDP per capita (log)	-1.833*** (0.001)	8.537	7.117	-1.004*** (0.009)	5.791	2.666
Population (log)	0.900*** (0.001)	6.206	8.891	0.612** (0.049)	6.605	11.140
Disasters (log)	-0.165*** (0.007)	0.869	-0.503	-0.077 (0.135)	0.432	-0.790
Life expectancy	0.158** (0.026)	3.112	-1.527	0.028 (0.663)	0.226	-0.112
Accountability						
Polity	-0.005 (0.939)	0.002	0.079	0.060 (0.270)	0.745	-0.590
Control of corruption	-0.532 (0.408)	0.261	1.080	0.356 (0.468)	0.272	-0.785
External Debt/GDP	0.692 (0.270)	0.220	-0.348	-0.451 (0.429)	0.215	0.605
Proximity						
English colony	1.088 (0.114)	0.766	1.265	0.132 (0.810)	0.026	0.129
French colony	0.980 (0.201)	0.474	0.840	-0.514 (0.420)	0.296	0.245
Arabic language	5.004*** (0.000)	8.137	10.070	0.506 (0.514)	0.189	-0.057
Distance from donor (log)	-0.148 (0.820)	0.027	0.534	-1.796*** (0.003)	5.343	5.739
Self-interest						
UNSC member	0.002 (0.998)	0.000	0.000	-0.209 (0.695)	0.017	-0.096
Trade with donor (log)	0.221 (0.208)	0.951	3.690	0.235 (0.280)	2.327	5.485
Oil dummy	-0.262 (0.678)	0.040	-0.037	1.316** (0.050)	2.339	3.531
Natural res. rent	-0.077** (0.012)	1.531	1.450	0.011 (0.650)	0.068	-0.060
UNGA	-4.861 (0.217)	0.776	1.090	-4.284** (0.044)	1.961	0.698
BRI	-1.272** (0.035)	1.175	-0.703	0.630 (0.146)	0.661	1.001
Taiwan	-3.256*** (0.001)	2.482	3.885	2.946*** (0.000)	4.582	1.651
Predicted ODA	0.533** (0.040)	0.676	0.418	1.013*** (0.000)	5.326	4.273
Observations	920			933		
R^2	0.429			0.376		

Notes: Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

Table 10.9: Robustness check without polity variable: China, France, Germany

	Dependent variable: ODA (log)								
	China			France			Germany		
	(1) β_i	(2) b_i^{*2}	(3) E_i	(4) β_i	(5) b_i^{*2}	(6) E_i	(7) β_i	(8) b_i^{*2}	(9) E_i
Need									
GDP per capita (log)	-2.422*** (0.000)	9.110	7.105	-0.291 (0.232)	0.738	0.913	-0.613*** (0.009)	2.804	3.090
Population (log)	-0.619 (0.216)	2.780	-0.869	0.446** (0.013)	7.680	17.640	0.918*** (0.000)	27.940	40.250
Disasters (log)	0.067 (0.556)	0.098	0.181	0.024 (0.468)	0.063	0.490	0.019 (0.726)	0.033	0.342
DALYs per capita (log)	-1.588 (0.257)	0.686	-0.953	-0.012 (0.976)	0.000	-0.008	-0.166 (0.753)	0.029	-0.123
Accountability									
Control of corruption	0.054 (0.926)	0.002	-0.026	0.184 (0.475)	0.123	-0.962	0.209 (0.355)	0.136	-1.274
External Debt/GDP	1.283* (0.096)	0.512	0.356	0.270 (0.299)	0.106	-0.371	0.672* (0.100)	0.562	-0.464
Proximity									
English colony	1.211 (0.115)	0.699	1.165	-0.802** (0.024)	1.475	3.210	-0.043 (0.907)	0.004	0.066
French colony	0.156 (0.880)	0.008	0.025	1.402*** (0.004)	3.110	6.096	-0.606* (0.089)	0.495	0.142
Arabic language	-1.054 (0.234)	0.257	-0.122	0.747** (0.045)	0.590	1.598	0.084 (0.911)	0.006	0.089
Distance from donor (log)	0.971 (0.152)	0.669	-0.755	-0.157 (0.612)	0.073	0.786	-1.003** (0.015)	2.862	5.544
Self-interest									
UNSC member	1.496* (0.066)	0.215	0.260	0.118 (0.621)	0.007	0.139	-0.227 (0.295)	0.024	-0.218
Trade with donor (log)	0.292 (0.345)	0.815	-0.039	0.659*** (0.001)	22.010	33.900	0.418*** (0.000)	7.424	18.220
Oil dummy	1.026 (0.177)	0.489	0.328	-0.247 (0.490)	0.134	-1.240	0.152 (0.586)	0.044	0.925
Natural res. rent	-0.061** (0.040)	0.696	0.037	-0.013 (0.386)	0.154	-0.019	0.006 (0.751)	0.029	0.087
UNGA	5.267* (0.098)	0.624	0.286	0.368 (0.756)	0.015	-0.003	-0.848 (0.495)	0.096	-0.138
BRI	0.989 (0.140)	0.505	0.873	-0.299 (0.140)	0.220	-0.431	-0.151 (0.671)	0.048	-0.287
Taiwan	-12.460*** (0.000)	19.290	19.450	-0.801 (0.150)	0.602	2.012	-0.037 (0.928)	0.001	0.082
Predicted ODA	0.245* (0.061)	0.469	0.480	0.481*** (0.000)	1.924	1.772	0.571*** (0.000)	2.290	1.857
Observations	991			1050			1051		
R-squared	0.292			0.662			0.688		

Notes: Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

Table 10.10: Robustness check without polity variable: Japan, USA, United Kingdom

	Dependent variable: ODA (log)								
	Japan			United States of America			United Kingdom		
	(1) β_i	(2) b_i^{*2}	(3) E_i	(4) β_i	(5) b_i^{*2}	(6) E_i	(7) β_i	(8) b_i^{*2}	(9) E_i
Need									
GDP per capita (log)	-0.919*** (0.000)	20.640	11.160	-1.336*** (0.000)	14.610	14.720	-1.189*** (0.004)	7.596	3.614
Population (log)	0.372*** (0.000)	15.070	23.730	0.874*** (0.000)	27.800	33.710	0.918*** (0.000)	20.190	24.380
Disasters (log)	-0.005 (0.839)	0.006	-0.206	-0.073** (0.011)	0.528	-1.068	-0.044 (0.337)	0.130	-0.514
DALYs per capita (log)	-1.189*** (0.001)	4.833	1.758	-0.107 (0.884)	0.013	-0.253	-0.575 (0.327)	0.249	-0.058
Accountability									
Polity									
Control of corruption	0.549*** (0.001)	3.081	-3.512	-0.067 (0.844)	0.015	0.498	0.304 (0.317)	0.209	-0.858
External Debt/GDP	0.066 (0.797)	0.018	-0.202	0.733* (0.053)	0.734	-0.867	0.736** (0.042)	0.485	-0.280
Proximity									
English colony	0.440** (0.031)	1.251	1.047	0.727* (0.071)	1.143	0.527	1.661*** (0.000)	3.925	5.440
French colony	0.241 (0.302)	0.258	0.238	-0.196 (0.649)	0.057	-0.117	-3.382*** (0.000)	11.100	10.730
Arabic language	0.381 (0.227)	0.430	0.699	1.079** (0.013)	1.158	1.403	1.027** (0.042)	0.688	0.971
Distance from donor (log)	-1.102*** (0.000)	6.007	10.600	-0.145 (0.765)	0.041	-0.400	-0.215 (0.536)	0.058	0.147
Self-interest									
UNSC member	-0.660 (0.185)	0.658	-0.437	-0.316 (0.393)	0.051	-0.181	-1.146* (0.098)	0.437	-0.340
Trade with donor (log)	0.242*** (0.001)	9.714	16.000	0.164 (0.283)	1.266	3.165	0.452** (0.034)	5.633	10.090
Oil dummy	-0.079 (0.660)	0.038	-0.523	0.419 (0.333)	0.362	1.942	-0.554 (0.346)	0.416	-1.486
Ressource rent	-0.002 (0.853)	0.011	-0.006	-0.003 (0.843)	0.009	-0.044	-0.033* (0.092)	0.577	0.674
UNGA	0.463 (0.459)	0.113	0.389	6.405*** (0.004)	2.259	0.347	0.263 (0.857)	0.004	0.010
BRI	-0.075 (0.622)	0.039	-0.130	0.304 (0.339)	0.213	0.408	0.333 (0.167)	0.168	0.612
Taiwan	0.389 (0.134)	0.401	-1.098	0.364 (0.640)	0.118	-0.563	0.280 (0.615)	0.046	-0.361
Predicted ODA	0.330*** (0.000)	2.736	2.077	0.538*** (0.000)	2.081	2.380	0.446** (0.012)	0.944	0.721
Observations	1053			1050			1050		
R-squared	0.617			0.559			0.552		

Notes: Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

Table 10.11: Robustness check without polity variable: United Arab Emirates and South Korea

	Dependent variable: ODA (log)					
	United Arab Emirates			South Korea		
	(1) β_i	(2) b_i^{*2}	(3) E_i	(4) β_i	(5) b_i^{*2}	(6) E_i
Need						
GDP per capita (log)	-1.247*** (0.007)	3.782	5.150	-1.306*** (0.000)	9.329	4.702
Population (log)	0.813*** (0.003)	7.062	10.450	0.618** (0.022)	9.266	14.630
Disasters (log)	-0.147*** (0.010)	0.644	-0.617	-0.091* (0.051)	0.551	-0.933
DALYs per capita (log)	-1.948* (0.092)	1.284	-0.604	-3.136*** (0.005)	7.532	2.446
Accountability						
Polity						
Control of corruption	-0.433 (0.506)	0.186	1.216	0.261 (0.548)	0.155	-0.884
External Debt/GDP	0.458 (0.488)	0.084	-0.252	-0.137 (0.826)	0.017	0.193
Proximity						
English colony	1.135* (0.052)	0.818	0.986	0.857** (0.017)	1.065	0.396
French colony	1.185 (0.115)	0.618	1.025	0.125 (0.838)	0.016	-0.024
Arabic language	4.473*** (0.000)	5.885	8.617	-0.540 (0.359)	0.194	-0.100
Distance from donor (log)	-0.649 (0.246)	0.539	2.643	-1.018** (0.032)	1.505	3.247
Self-interest						
UNSC member	0.289 (0.690)	0.013	0.065	-0.192 (0.711)	0.013	-0.100
Trade with donor (log)	0.158 (0.367)	0.631	3.307	0.237 (0.231)	2.442	6.501
Oil dummy	-0.522 (0.439)	0.164	-0.406	0.929* (0.081)	1.186	3.289
Ressource rent	-0.093*** (0.003)	2.024	0.875	0.005 (0.831)	0.012	0.037
UNGA	-4.101 (0.259)	0.505	0.795	-3.611* (0.057)	1.275	0.559
BRI	-1.301** (0.026)	1.145	-1.104	0.853** (0.046)	1.123	1.493
Taiwan	-2.654*** (0.005)	1.868	3.770	2.166*** (0.000)	2.779	-0.351
Predicted ODA	0.475** (0.046)	0.512	0.393	1.055*** (0.000)	5.771	4.380
Observations	1,034			1,047		
R-squared	0.427			0.412		

Notes: Standard errors in parenthesis are clustered at the country-level. *** p<0.01, ** p<0.05, * p<0.1. All specifications include year fixed effects.

C AI Statement

In the process of completing this master’s thesis, I made limited but purposeful use of AI-based tools to support specific technical and linguistic aspects of my work. The tools used, their purpose, and the extent of their contribution are detailed below.

Tools: The following AI-based tools were used: ChatGPT (OpenAI)

Degree of Use: The use of ChatGPT was confined to two specific areas:

- Language Improvement and Rephrasing:
 - I used ChatGPT to help rephrase and improve the clarity of selected paragraphs throughout the thesis. This included refining the wording of sentences. The aim was to improve readability and academic style without altering the substantive content or introducing new arguments not originally conceived by me.
- Coding Support (STATA):
 - I used ChatGPT to troubleshoot coding issues and receive coding suggestions for data management and analysis in STATA.