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Strategic Interests or Moral Commitments?

A Heterogeneity Analysis of Foreign Aid in Response to Human Rights Violations

by

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Abstract

This study examines how donors balance strategic interests and human rights concerns in allocating foreign aid, with a focus on donor and sector heterogeneity. Analyzing bilateral aid commitments from 41 donors to 148 developing recipient countries between 2000 and 2022 with a panel Tobit model, the results reveal that on average, donors reduce aid in relation to human rights violations, but only when geopolitical and competitive interests are low. Contrary to common assumptions, Nordic, “like-minded” donors are not more sensitive to human rights violations, nor consistently less strategically oriented than other donor groups. Sectoral analysis reveals that while for the average recipient country, economic aid is decreased in relation to human rights violations, social aid often increases, although both are influenced by strategic considerations. The results indicate that the relationship between foreign aid, human rights and strategic interest is more nuanced than previously thought.

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Table of Contents

1	Introduction.....	1
2	Literature Review	4
2.1	Motivations for Giving Aid.....	4
2.1.1	Recipient Need	4
2.1.2	Recipient Merit.....	4
2.1.3	Donor Interest	5
2.2	Donor Competition.....	7
2.3	Human Rights, Aid and Strategic Interests	7
3	Data & Methods	10
3.1	Dependent Variable.....	10
3.2	Key Independent Variables.....	11
3.2.1	Human Rights Variable.....	11
3.2.2	Competition and Strategic Interest	11
3.3	Control Variables.....	12
3.4	Research Design	14
3.4.1	Baseline Regression	14
3.4.2	Donor-Specific Effects	16
3.4.3	Sector-Specific Effects.....	17
4	Descriptive Statistics	19
5	Results and Discussion	24
5.1	Baseline Results.....	24
5.1.1	Robustness Baseline Regression	29
5.2	Donor-Specific Effects.....	30
5.2.1	Robustness Donor-Specific Effects	35
5.3	Sector-Specific Effects.....	36
5.3.1	Robustness Sector-Specific Effects	40
6	Conclusion	42
	References	44
	Declaration of use of AI	49
	Appendix.....	50

List of Figures

Figure 1 Map of Total Aid Committed 2021	19
Figure 2 Aid shares by Donor.....	22
Figure 3 Total Aid by Sector 2000-2022	23
Figure 4 Marginal Effect of Physical Integrity Index by Trade Share.....	27
Figure 5 Marginal Effects of Physical Integrity Index by No. of Competitors.....	27
Figure 6 Marginal effect of Physical Integrity Index by UN agreement	28
Figure 7 Marginal Effects of Physical Integrity by Trade Share by Donor	32
Figure 8 Marginal Effect of Physical Integrity Index by No. of Competitors by Donor.....	33
Figure 9 Marginal Effects of Physical Integrity by UN agreement by Donor	33
Figure 10 Marginal Effect of Physical Integrity by Tradeshare, by Sector	38
Figure 11 Marginal Effect of Physical Integrity by No. of Competitors, by Sector	39
Figure 12 Marginal Effect of Physical Integrity by UN agreement, by Sector	39

List of Tables

Table 1 Overview included variables and expected effect	14
Table 2 Matrix of Correlations	19
Table 3 Descriptive Statistics	20
Table 4 Baseline Regression Results.....	25
Table 5 Marginal Effects Table Donor heterogeneity	31
Table 6 Sector-specific regressions	37

1 Introduction

Foreign aid, which may be broadly defined as “the transfer of state resources through loans, grants, or provision of goods, from more to less developed countries” (Scott & Marshall, 2015) has expanded significantly in the past decades, almost tripling between 2000 and 2022 and recently surpassing more than 100 billion USD annually.² Foreign aid can be seen as both an instrument of economic policy, supporting developing countries in their economic development or as an essentially political concept, aiming to give political and strategical advantages to the donor (Abbott, 1973; United Nations, 2024).

Both of these factors matter in the allocation, with a large body of literature finding that both recipient need, such as poverty, and strategical considerations such as economic, historical and geopolitical ties as well as security concerns are important determinants of foreign aid (Alesina & Dollar, 2000; De Mesquita & Smith, 2009; Hoeffler & Outram, 2011; Kim & Menninga, 2020; Kuziemko & Werker, 2006; Nielsen, 2013; Younas, 2008). Yet, the question of whether and how donor countries reward or penalize recipient governments based on their governance performance or respect for civil, political and human rights remains contested. While some studies find that recipient merit positively influences aid flows (Alesina & Dollar, 2000; Cingranelli & Pasquarello, 1985; Claessens et al., 2009), others are more sceptical of these findings: Neumayer (2003b) suggests that donors do not pay much attention to civil- and political, but especially human rights, which may include factors such as the protection from torture, political imprisonment and extrajudicial killings, all of which are considered “non-derogable” rights with no legal justifications (Mark et al., 2023, p.4).

More recently, researchers have started to integrate these two perspectives, demonstrating that donors particularly disregard human rights concerns when strategic interests are at stake. On average, donors are, for instance, less likely to sanction governments for civilian violence when competitive pressures are high (Kim & Menninga, 2020) or when the donor and recipient are military allies (Nielsen, 2013; Sandlin, 2016). Conversely, the likelihood of aid sanctions increases when human rights violations attract significant media attention (Nielsen, 2013) or are publicly condemned by the United Nations (Esarey & DeMeritt, 2017).

This thesis seeks to further understand the nuances of this relationship between foreign aid, strategic interest and human rights violations, with particular attention to variations across sectors and donor groups. It explores the following research questions: Do donors commit less aid in response to human rights violations? How does this response shift when strategic interests are involved? How do these dynamics vary by donor group and aid sector?

In addressing these questions, this thesis builds on and contributes to the literature on aid and human rights in particular (Cingranelli & Pasquarello, 1985; Esarey & DeMeritt, 2017; Fariss, 2010; Kim & Menninga, 2020; Neumayer, 2003a, 2003b; Nielsen, 2013; Poe et al., 1994; Sandlin, 2016) as well as the determinants of (bilateral) aid more generally (for example Alesina & Dollar, 2000; Berthélemy, 2006; Berthélemy & Tichit, 2004; Canavire et al., 2006; Dollar & Levin, 2006; Dreher et al., 2015; Hoeffler & Outram, 2011; Hoekman & Shingal, 2024). By

² In constant 2022 \$, based on the data available in my dataset (Asmus-Bluhm et al., 2025; Dreher et al., 2022; OECD, 2025).

considering different donor groups, it also engages with the growing debate on donor heterogeneity (Dreher et al., 2011; Dreher & Fuchs, 2011; Furuoka, 2017; Hernandez, 2017; Hoeffler & Sterck, 2022; Naim, 2009).

This thesis contributes to the literature in three ways: First, it extends the scope of prior studies by Nielsen (2013) and Kim & Menninga (2020) by analyzing a more recent and long timeframe of 2000-2022 and incorporating a broader set of donor countries, particularly more non-DAC donors. Non-DAC donors are the mostly non-Western aid donors outside of the Development Assistance Committee (DAC) by the OECD. Considering that both patterns and determinants of aid are evolving over time (Bermeo, 2017) and that non-traditional, non-DAC donors are often criticized (although not always rightfully so) for being more self-oriented and less sensitive to human rights violations in their aid allocation (Dreher et al., 2011; Dreher & Fuchs, 2011; Naim, 2009), this is a relevant update to this literature and sets the baseline.

Second, this thesis aims to uncover potential donor- and sector-specific heterogeneities. Different donor groups, such as the mentioned non-DAC donors and large DAC may react less strongly to human rights in general and are particularly likely to disregard them in the face of strategic interests. On the other hand, the so-called like-minded donors, a group of small to medium sized, internationalized Nordic countries, are often regarded to be more altruistic and more concerned about human rights in their aid allocation (Barthel et al., 2014; Dreher et al., 2011; Neumayer, 2003b). Failure to account for these differences risks masking important patterns (Berthélemy, 2006). Similarly, while Nielsen (2013) finds that aid sanctions tend to target economic aid more than social aid, he does not actively explore whether economic aid is simultaneously more susceptible to strategic considerations than social aid, as indicated by Barthel et al. (2014). This thesis tries to test their insight with respect to disregarding human rights. Lastly, the analysis integrates multiple dimensions of strategic interest, such as geopolitical (Nielsen, 2013), competitive and economic interests (Kim & Menninga, 2020), into a unified empirical framework, potentially allowing for an assessment of their relative importance.

As an illustrative example, Myanmar presents a striking case of how international responses to human rights violations are often filtered through the lens of strategic interests. Once ruled by a repressive military regime, the country began a series of political reforms in 2011, culminating in a widely recognized as free and fair election in 2015. These developments briefly improved Myanmar's human rights record, however, this progress proved fragile. In 2017, mass violence against the Rohingya minority drew widespread condemnation, and the situation deteriorated further with its military coup in February 2021, which led to thousands of civilian deaths and reports of arbitrary detention, torture, and indiscriminate military action (Amnesty International, 2024).

The international community's reactions to these developments have varied significantly. The European Union and countries such as Germany and Australia responded with sanctions and reductions in foreign aid (Australian Government, n.d.; European Council, 2024; Federal Foreign Office, 2025). In contrast, China has maintained its (foreign aid) engagement with its neighbor Myanmar, driven by strong geopolitical interests and economic ties, that have recently been further deepened by the establishment of the China-Myanmar Economic Corridor, part of

China's Belt and Road Initiative (Abuza & Thant Aung, 2025). Similarly, Japan, providing about 45% of Myanmar's total aid commitments between 2000 and 2022 (OECD, 2025) has refrained from imposing aid sanctions. Long standing historical ties and concerns about regional influence and competition with China have likely made Japan hesitant to react (Human Rights Foundation, 2024). Even among states that did respond with aid restrictions, a nuanced picture emerges. Countries like Germany limited economic cooperation but maintained humanitarian support, balancing condemnation of the regime with concern for the civilian population's worsening conditions (Federal Foreign Office, 2025).

Myanmar's trajectory illustrates how foreign aid decisions are often shaped not only by principled commitments to human rights, but also by broader strategic calculations and shows that aid decisions are not uniform across aid sectors. To empirically test this exemplified relationship in more general terms, I consider a large dyadic (donor-recipient) panel dataset of 41 donors committing aid to 148 recipients in the timeframe 2000-2022. Methodologically, I employ Tobit random effects models to account for the censored nature of aid data and the selection process governing aid allocation.

The results of this quantitative analysis indicate that on average, there is a negative relationship between human rights records and aid, but this relationship disappears or even becomes positive when competitive and geopolitical interests are high, i.e. donors do consider human rights violations, but only when strategic interests are low. Considering different donor groups, I do not find compelling evidence that like-minded donors are more sensitive to human rights violations. I find that both like-minded and non-DAC donors give *more* aid to recipients with worse human rights, all else equal, which seems to be largely driven by aid to the social sector. While non-DAC and Large DAC are seemingly more driven by trade considerations than like-minded donors, the results do not indicate that they are disregarding human rights more to achieve their strategic goals than like-minded donors in any consistent way. Overall, the results also point to within-donor group differences. Regarding sector heterogeneity, I find that for the average recipient country, higher human rights violations are associated with less aid in the economic sector, but more aid in the social sector. Nevertheless, aid to the social sector is not free from strategic considerations.

The remainder of this thesis is structured as follows: Section 2 reviews the relevant literature on foreign aid, human rights, and strategic interests, and presents the hypotheses. Section 3 describes the data and methods used to test these hypotheses, followed by descriptive statistics in Section 4. Section 5 presents and discusses the empirical findings, and Section 6 concludes.

2 Literature Review

In this section, I will discuss the previous literature. The literature on aid is largely empirical, which is why I will mostly focus on previous findings as well as their (theoretical) underlying mechanisms. I begin by outlining different motivations for giving aid. Then, section 2.2. discusses the role of donor competition. Finally, section 2.3 examines the relationship between aid, human rights and strategic interests, which, throughout this thesis will refer to both geopolitical, economic and competitive motivations, and end with the hypotheses I aim to test.

2.1 Motivations for Giving Aid

Donor motives for giving foreign aid can be broadly categorized into recipient need, recipient merit and donor interests (Dreher et al., 2024; Hoeffler & Outram, 2011), each of which will be discussed in this section.

2.1.1 Recipient Need

Recipient needs, such as poverty, low education or poor health, are often considered an important determinant of aid. Poorer countries typically receive more aid, particularly from multilateral donors (Alesina & Dollar, 2000; Dollar & Levin, 2006). For instance, Younas (2008) finds that 10% lower GDP per capita and 10% higher infant mortality are associated with 1.9% and 3.5% more aid, respectively. Donors may feel morally obligated to help and/or see more need for their money in less developed countries. However, in a less benevolent view, it may be easier for donors to exert influence over poorer countries rather than richer countries, given the same amount of aid per capita (Boone, 1996; Dreher et al., 2024). Finally, donors may want to mitigate adverse spillovers caused by economic hardship, such as migration flows (Dreher et al., 2019b).

2.1.2 Recipient Merit

As a second factor, recipient merit concerns the institutional quality of aid recipients. Donor countries may want to reward good institutions, but it was also influentially argued that aid is more effective in good policy environments (Burnside & Dollar, 2000; Dollar & Levin, 2006). Yet, according to Boone (1996), there is no difference in how different types of regimes use aid and Hermes & Lensink (2006) criticize the findings of Burnside & Dollar by showing that the results of aid being more growth-promoting in “good” policy environments is not confirmed in most studies.

Nevertheless, on average, donors tend to give more money to recipients with a more positive institutional record, including low levels of corruption, “good” policies, democratization and openness (Alesina & Dollar, 2000; Cingranelli & Pasquarello, 1985; Claessens et al., 2009; Neumayer, 2003b). Neumayer (2003b) additionally distinguishes between civil and political rights and fundamental human rights. While civil and political rights are undoubtedly important, they may be considered as “second-generation rights”, which are often slower to achieve in developing countries. In contrast, human rights are “first-generation rights”, breaching of which

has no justification (Neumayer, 2003b, p. 652), which is also why I mainly focus on human rights violations in my analysis. While Kim & Menninga (2020) find that, when strategic interests are low, donors do react to human rights violations, Neumayer (2003a, 2003b) finds that the majority of donors pay some attention to political/civil rights but do not consistently react to human rights violations. One issue to consider in this discussion is that on average, countries with larger recipient need often also have lower recipient merit: Low-income countries are in higher economic need for aid, but also less likely to meet a high standard of economic and social rights (Neumayer, 2003b). Because of that, donors have to balance their priorities (Dollar & Levin, 2006; Neumayer, 2003b). Nevertheless, this does not have to be a “one or the other” choice, both factors usually play a role and should be included in an analysis simultaneously (Clist, 2011).

Finally, however, not all donors put the same weight on recipient need and merit. The so-called “like-minded donors” (usually Canada, Denmark, Netherlands, Norway, Sweden) are generally seen to be more altruistic and human rights-focused (Alesina & Dollar, 2000; Barthel et al., 2014), although Neumayer (2003b) finds no significant difference in their sensitivity to human rights relative to other DAC donors.³ They are called like-minded as they share the characteristics of being small-medium sized industrial and strongly internationalized countries aiming their aid policies at international peace and economic stability. Moreover, they have been considered “front-runners” and give a relatively large amount of ODA aid relative to their size (Stokke et al., 1989, pp.9-10). At the same time, the “new” non-DAC donors are often considered to care less about democratic values and conditionality (Dreher et al., 2011; Hernandez, 2017). Although often labeled “new” donors, some non-DAC donors have been active for decades (Dreher et al., 2011; Kragelund, 2008). For example, China has engaged in Africa since the 1950s (Morgan & Zheng, 2019). However, compared to the “traditional” donors operating within the OECD’s Development Assistance Committee (DAC), they have received less attention until recently, largely due to a lack of consistent reporting on their aid activities.

2.1.3 Donor Interest

While recipient need and merit plays a role, research also suggests that strategic self-interest often overrides or at least accompanies humanitarian motives (Alesina & Dollar, 2000; Hoeffler & Outram, 2011; Kim & Menninga, 2020; Kuziemko & Werker, 2006; Nielsen, 2013; Younas, 2008). De Mesquita & Smith (2009) argue that aid functions as a tool for donor governments to secure geopolitical and economic advantages rather than merely alleviate poverty. Therefore, in this section, I will discuss the role of (geo)political and economic interests in aid allocation.

Geopolitical Interest

(Geo)political considerations are important determinants of aid, as aid is often used to boost the donor’s international influence. Aid can promote the donor’s image among recipient governments and publics, undermine rival donors, increase international cooperation or instill the donor’s values abroad (Blair et al., 2022; Dietrich et al., 2018). A notable example is China’s

³ Alesina & Dollar (2000) and Alesina & Weder (2002) primarily consider Scandinavia, while Barthel et al. (2014), Dreher et al. (2011) and Neumayer (2003b) use the term “like-minded donors” to describe the group I refer to.

“One-China policy,” whereby it provides little or no aid to countries that recognize Taiwan (Hoeffler & Sterck, 2022). China also tends to allocate more aid to the birthplaces of recipient leaders, suggesting political capture (Dreher et al., 2019a). Western DAC donors are also politically influenced, albeit less openly: Bomprezzi et al. (2024) find that DAC aid is disproportionately allocated to the birthplaces of leaders’ spouses.

UN voting patterns are similarly relevant. Donors often use aid to buy or reward political support (Dreher et al., 2024), with countries voting closely to donors in the UN General Assembly receiving more aid (Alesina & Dollar, 2000), though findings are mixed (Dreher et al., 2008). Temporary UN Security Council membership may also lead to a temporary but significant aid increase: Kuziemko & Werker (2006) found that temporary members received 59% more US aid during their term. While alternative explanations exist, empirical evidence largely supports the hypothesis that aid is used to bribe the recipient (Dreher et al., 2008; Kuziemko & Werker, 2006). Such practices not only violate the UN Charter but also reduce the effectiveness of aid in promoting short-term growth (Dreher et al., 2018).

Lastly, historical and political ties also influence aid allocation. Donors give significantly more to former colonies—for instance, the UK directed 78% of its bilateral aid, and Portugal nearly all its aid, to former colonies between 1970 and 1994 (Alesina & Dollar, 2000). Ethnic ties may reinforce this trend if diaspora groups lobby for aid (Berthélemy, 2006; Lahiri & Raimondos-Møller, 2000). This may also help explain why like-minded donors, many of whom (except the Netherlands) lack colonial histories, focus arguably more on recipient need and merit (Alesina & Weder, 2002).

Economic Self-Interest

Additional to the factors discussed so far, economic self-interest is also an important driver of aid. Donors tend to give more aid to countries open to trade and those with which they share stronger trade ties (Alesina & Dollar, 2000; Hoeffler & Outram, 2011; Neumayer, 2003b). These relationships may however be endogenous: aid can both reward existing trade ties and promote future exports by enabling recipients to purchase donor goods (Barthel et al., 2014; Dreher et al., 2024; Osei et al., 2004). Aid thus serves both as a reward for openness and a tool to foster goodwill and trade (Younas, 2008). Some aid is directly tied to trade, with trade benefits often exceeding the initial aid value. For instance, Wagner (2003) finds a 133% increase in trade relative to aid amounts. Here again, some donors seem to be more selfish than others; the aforementioned like-minded donors generally respond less to competitive pressures with regards to trade (Barthel et al., 2014). Additionally, Berthélemy (2006), while having similar conclusions, additionally finds Switzerland, Austria, Ireland and New Zealand to follow more altruistic motives, as measured by a lower-than-average elasticity to trade intensity.

Sectoral differences also matter: Younas (2008) shows that aid favors recipients importing capital goods, in which OECD countries often hold a comparative advantage. Moreover, as noted by Barthel et al. (2014), economic aid is more relevant for donors’ selfish motives, as it is often closer related to trade. However, economic aid also tends to be more important for the recipient government in terms of power and influence since it is often more fungible and with

that, can be more easily reverted for political use, which makes it a better tool for donors to punish recipient countries, relative to social and humanitarian aid (Nielsen, 2013).

The benefit of an aid-trade relationship for donors may also be driven by the ability to import crucial strategic goods and natural resources, such as energy sources, minerals and rare earths from the recipient countries (Dreher et al., 2011). Especially China has been criticized for providing “rogue aid”, caring mainly about access to raw material and strategic interests, but similar criticisms have been made towards aid by Arab donors (Naim, 2009). However, Dreher & Fuchs (2011) find this criticism to be unwarranted since Chinese aid is not more correlated with recipient’s natural resources than western aid.

2.2 Donor Competition

So far, only donor-specific interests have been discussed, but research also highlights the role of donor interactions and *relative* influence. Despite efforts like the 2005 Paris Declaration to coordinate aid (Claessens et al., 2009; OECD, 2005), donors generally fail to cooperate effectively and treat aid as competitive. Nunnenkamp et al. (2013) even find that coordination has weakened since the Paris Declaration.

From a donor’s perspective, aid has both private and public goods characteristics. Donors gain private benefits, such as political or economic advantages, by giving aid directly, discouraging cooperation. By contrast, public benefits like poverty reduction or infrastructure improvements are non-exclusive and could encourage collaboration Steinwand (2015). However, the author finds that, while both motives matter, aid often behaves more like a private good, with donors competing for resources and influence. The rise of new donors like China may further reduce coordination and heighten competition, as the international environment of aid giving becomes increasingly competitive (Schraeder et al., 1998).

Trade competition also fuels aid competition. Since trade ties tend to be “sticky,” an increase in one donor's trade may reduce trade opportunities for others. Thus, donors may compete not only for influence but also for exports, adjusting their aid in response to others' actions (Barthel et al., 2014). However, there is also a potentially curvilinear effect of trade when it comes to competition: When donors have almost no trade relationship with the recipient, their competitive interest is low and it is also relatively low when the donor captures essentially all of the recipient’s trade as there is no other serious competition (Kim & Menninga, 2020).

2.3 Human Rights, Aid and Strategic Interests

Until now, I have discussed the different motivations underlying donors’ foreign aid allocation decisions. As mentioned, at least in theory, and arguably in practice, donors care about recipient merit and human rights compliance when deciding on aid allocation decision (Kim & Menninga, 2020; Neumayer, 2003a, 2003b). This responsiveness is particularly pronounced when human rights violations are publicized and salient in the media or publicly condemned by international organizations, thereby increasing pressure on donor governments to act (Esarey & DeMeritt, 2017; Nielsen, 2013).

In practice, however, donors' reactions to human rights violations are often shaped by strategic considerations. Violations tend to be overlooked when the recipient has close political ties to the donor or when sanctioning the violations would come at a strategic cost (Nielsen, 2013). For instance, Nielsen (2013) finds that recipients voting against donors in the UN General Assembly all the time may face a 22% decrease in economic aid, while those voting mostly in favor may see aid increases despite worsening human rights records. One challenge in this context is that cutting aid can, at least in the short term, exacerbate repression and violence, potentially making donors more cautious about withdrawing aid (ibid). Similarly, Kim & Menninga (2020), focusing on competition as measured by number of donors in the country, export shares and aid of political rivals, find that while donors punish recipients for government violence against civilians, this effect disappears when competitive pressures rise. As a final mechanism, public opinion may also influence donor's decision making: When the public is informed about another donor competing and potentially substituting one's aid, the public is less likely to support aid sanctions, especially due to security concerns, but also a loss of economic welfare and influence (Kohn et al., 2021).

These considerations lead me to the first hypotheses, analyzing the aggregate relationships, similar to Kim & Menninga (2020):

Hypothesis 1: When strategic interests are low, human rights violations are associated with less aid.

Hypothesis 2: When a donor country faces greater strategic pressures in a recipient country, the donor becomes less responsive to human rights violations.

While Nielsen (2013) only looks at DAC donors and Kim & Menninga (2020) includes some non-DAC donors within their analysis, I have discussed throughout the literature review that donors differ with respect to their aid allocation criteria (Barthel et al., 2014; Dreher & Fuchs, 2011; Neumayer, 2003a). If donors behave differently in their aid allocation decision, which seems to be the case, including different donors in the same estimation may lead to confounding conclusions (Berthélemy, 2006). Therefore, this thesis aims to provide a more differentiated picture of the interactive relationship of aid, human rights and strategic interest and will test the following hypothesis:

Hypothesis 3a: Non-DAC donors and large DAC donors are less responsive to human rights violations than like-minded donors, ceteris paribus.

Hypothesis 3b: Non-DAC donors and large DAC donors react (even) less to human rights violations when faced with larger strategic pressure.

There are also other potential ways in which one could distinguish the different donors, such as "old" (DAC) vs. "new" (non-DAC) donors (Dreher et al., 2011) and large vs small donors (Neumayer, 2003b). I am focusing on the distinction of non-DAC and large DAC donors vs like-minded donors, which may also be considered "selfish" vs. "altruistic" donors (Barthel et al., 2014) since for the purpose of looking at human rights and donor motives, these groups seem to show the largest differences from each other. However, in the analysis, I will separate

the large DAC and non-DAC donors from each other and specifically test for their (non-) difference.

As another variation, Nielsen (2013) highlights sectoral differences. Specifically, the reduction in aid following human rights violations is primarily observed for economic aid, not for social or humanitarian sectors. Economic aid captures sectors such as industry and infrastructure, but also general programme assistance and debt relief while social aid may support projects in i.e. education and health. This differential behaviour could be due to two reasons. First, social aid typically targets the most vulnerable populations, whom donors may want to protect even more in response to government repression. Second, economic aid is often more fungible and thus more valuable to governments for consolidating power. Cutting economic aid, therefore, may represent a more effective sanction than cutting social aid. Nevertheless, Nielsen (2013) does not explicitly consider the strategic differences across sectors in his analysis. As noted above, economic aid is arguably more relevant for donors' selfish motives (Barthel et al., 2014), which implies a potential dilemma for the donor countries: Economic aid is a more effective response to human rights violations, but also more important for a donor when faced with strategic and competitive pressures. A potential drawback, as noted by Barthel et al. (2014), could be that if donors expect high overall aid fungibility, sectoral differences may be less pronounced. However, given the broad sector definitions used, concerns about donors fully anticipating inter-sectoral aid diversion are limited (ibid).

Because of this, I will be testing the following hypotheses:

Hypothesis 4a: In response to human rights violations, donors reduce aid to economic sectors but maintain aid to social sectors.

Hypothesis 4b: The reduction in aid to economic sectors is less pronounced when the donor faces strategic and competitive pressures, while aid to social sectors remains unaffected.

There are also other, potentially relevant ways to differentiate between sectors, such as budget support vs. project aid, tied vs. untied aid or grants vs. loans (Dreher et al., 2008). However, in this thesis I will focus on the differentiation between social and economic aid. This is done because it is an available distinction in the different aid datasets I would like to include to capture a broad range of donors and because it seems like the most relevant distinction given the previous literature (i.e. Nielsen, 2013) and my focus on the relationship between donor interests and human rights violations.⁴

⁴ In future studies, it may be interesting to also consider the other modalities of aid in this relationship. For example, when it comes to fungibility, general budget support may be more fungible than i.e. project-related aid. Given the above discussed role of fungibility for the recipient government, this may matter in the aid-human rights-donor interest discussion.

3 Data & Methods

The previous section reviewed the relevant literature and introduced several hypotheses. This section outlines the variables used and methods employed in the analysis to test these hypotheses.

3.1 Dependent Variable

The dependent variable of interest is $\ln(\text{Aid per 1000 capita} + 1)$. It measures the natural logarithm of bilateral Official Development Aid (ODA) commitments. Following Nielsen (2013), aid is expressed in per 1000 capita terms to control for large recipient countries receiving more total aid than smaller countries. The dataset is structured as a dyadic panel, with one observation per donor-recipient-year triplet.⁵

ODA aid is defined as “government aid that promotes and specifically targets the economic development and welfare of developing countries” (OECD, n.d.), and includes only public aid with a grant element of at least 25%.⁶ The analysis excludes other official flows (OOF), export credits, and private flows for two reasons: their sparse existing in OECD data compared to Chinese and Indian aid data may skew results⁷, and their differing motives from ODA aid, which may warrant separate study (Asmus-Bluhm et al., 2025).⁸ I also focus on bilateral rather than multilateral aid, as the former better reflects donors’ strategic considerations. Multilateral aid, though not entirely free from donor influence (Kilby, 2006), tends to be more recipient-focused and less driven by donor self-interest (Alesina & Dollar, 2000; Canavire et al., 2006).

Following common practice, I use aid commitments rather than disbursements for three reasons: (1) disbursement data is unreliable in early years and unavailable before 2002 in the OECD dataset (Nielsen, 2013; OECD, 2025), (2) commitments are temporally more distant from development outcomes and hence less susceptible to an endogeneity bias (Berthélemy & Tichit, 2004) and (3) commitments are more under donor control, as disbursements often depend on the recipient’s administrative capacity, making them more suitable for analyzing donor decisions (Berthélemy, 2006). For a more intuitive language, I will nevertheless mostly speak of *giving* and *receiving* aid throughout the analysis.

The dataset covers aid from 41 donors, 31 OECD DAC and 10 non-DAC donors, to 148 recipient countries (Asmus-Bluhm et al., 2025; Dreher et al., 2022; OECD, 2025). The timeframe spans 2000–2022, although data for many non-DAC and some DAC donors (notably

⁵ Aid is originally expressed in million 2022 \$ in the OECD dataset. In their original datasets, Chinese aid is given in 2021\$ and Indian aid in 2014\$. To make the data comparable, they have been transformed into 2022\$ using US CPI data (World Bank, n.d.a)

⁶ For China and India, the data has been coded as “ODA-like” and “OOF-like”. They use the same/similar methodologies as the OECD to determine ODA aid (see Custer et al. (2021) and Asmus-Bluhm et al. (2025) for more detailed information).

⁷ Note that it is indeed the case that China gives much more official financing that does not qualify as ODA (62-77% between 2000 and 2014) while for the US, 93% of the aid in this timeframe was ODA aid (Dreher et al., 2021).

⁸ For example, Asmus-Bluhm et al. (2025) argue that aid given by India’s Exim Bank (i.e. OOF-type financing) is more responsive to commercial interests, while India’s Ministry of External Affairs (i.e. mostly ODA-type financing) is more responsive to geopolitical interests.

from Eastern Europe) begin later.⁹ This introduces some bias towards the more established OECD DAC donors. Nevertheless, given that, as discussed above, “new” donors may differ in their aid patterns and motivations, their inclusion may provide some additional insights into how different donors react to human rights violations (while facing strategic interests) relative to existing studies by i.e. Kim & Menninga (2020) and Nielsen (2013). For an overview of all donor countries and their included timeframes and all recipients included by region see Appendix Table A1 and A2.

3.2 Key Independent Variables

3.2.1 Human Rights Variable

This study aims to examine how donor countries adjust aid commitments in response to human rights violations in recipient countries. The key independent variable used is the physical integrity index from the CIRI Human Rights Data Project (Mark et al., 2023), an additive index (0–8) measuring “Political and other extrajudicial killings,” “Disappearances,” “Torture,” and “Political Imprisonment.” Following Nielsen (2013), I invert the original scale so that higher values indicate more severe violations, ensuring comparability with Nielsen (2013) and related studies measuring civilian deaths (Kim & Menninga, 2020). I prefer this index over other measures due to its broad country-year coverage, applicability beyond conflict zones, and multidimensional capture of rights violations, but alternative measures are included in robustness checks (see Section 5.1.1).

3.2.2 Competition and Strategic Interest

This analysis considers both donor competition (Kim & Menninga, 2020) and strategic interests (Nielsen, 2013), interacting these factors with the human rights variable to assess how strategic motives shape donors’ responses to rights violations. To do so, I will introduce 3 variables measuring different aspects of strategic interest and competition: (1) Number of competitors giving aid to each recipient, (2) Total trade as a share of donor GDP as a measure of economic interest and (3) the ideal point distance in UN voting behavior as a measure of geopolitical interest.

First, following Kim & Menninga (2020), *Competitors* is the logged number of donors providing positive aid to a recipient in year t . This variable reflects general donor competition, with logging used to account for diminishing marginal effects of additional donors.¹⁰

Second, *trade share* measures total trade (imports + exports) between donor and recipient, expressed as a share of donor GDP (as in Hoeffler & Outram (2011) and Berthélemy & Tichit (2004)).¹¹ Most studies on aid measure trade, for example donor’s exports to recipients as a share of total recipient imports (Kim & Menninga, 2020), log of total trade between each donor-recipient dyad (Hoeffler & Sterck, 2022; Nielsen, 2013) or the share of the recipient country in

⁹ I chose to only include donors that had at least 5 years of observations.

¹⁰ I follow Kim & Menninga (2020) by estimating $\ln(\text{Competitors} + 1)$

¹¹ The trade data used comes from the UN Comtrade database (UN, n.d.) and the donor GDP is measured as total GDP (current USD) of the donor countries (World Bank, n.d.-b). The data is measured as reported by the donor countries for both imports and exports.

percent of a donor's overall exports (Dreher et al., 2011). I prefer the first measure as it captures both the idea of promoting donor exports in the recipient country (Barthel et al., 2014; Younas, 2008) but also a way to receive key imports from the recipient country (Dreher et al., 2011). Trade is measured as a share of donor GDP to control for the fact that large donors generally trade more in total value. This variable is also logged to make it more normally distributed.

As noted in the literature review, the aid–trade relationship may suffer from reverse causality if aid both results from and aims to enhance trade ties (Barthel et al., 2014). Following prior studies, I use lagged values and aid commitments rather than disbursements to reduce simultaneity bias (Berthélemy, 2006; Hoeffler & Outram, 2011). Yet, Barthel et al. (2014) caution that these measures may still be insufficient if aid effectively boosts exports. Given the study's focus on trade as a strategic motive rather than on aid-trade causality, I follow established practice but acknowledge the need for cautious interpretation.

Third, geopolitical interest is measured by UN General Assembly (UNGA) voting behavior, a standard source for state preferences (for example Dreher et al., 2008; Hoeffler & Outram, 2011; Kim & Menninga, 2020; Nielsen, 2013). I use Bailey et al. (2017)'s ideal point estimates, which aim to improve traditional vote similarity scores by accounting for changes in the voting agenda. To enhance interpretability and comparability, in my dataset, the variable reflects the normalized and reversed ideal point distance between donor and recipient (0 = no agreement; 1 = perfect agreement). Similar to trade, UN voting behavior may also be endogenous to aid (Alesina & Dollar, 2000), as donors might give aid to “buy” votes (Dreher et al., 2008, 2024). Again, consistent with the literature, I use lagged UN data and aid commitments to somewhat mitigate these concerns.

3.3 Control Variables

Following the literature, I include several control variables that may influence aid allocation decisions. These variables capture recipient needs, recipient merit, historical ties, strategic interests shared across donors, and other commonly cited determinants of aid. With the exception of *UN Security Council seat* and *Civil war*, all independent variables (including those introduced earlier) are lagged by one year.¹² This approach reduces endogeneity concerns and better reflects the information available to donors at the time of their decision-making (Nielsen, 2013). A full overview of variables and sources is provided in Table A4.

Recipient Need: Firstly, to measure recipient need, I include GDP per capita of the recipient country (in constant 2015\$) and its infant mortality rate (per 1000 live births) (World Bank, n.d.-b).

Recipient Merit: Following Berthélemy (2006), I use a dichotomous measure based on Freedom House's Political Rights and Civil Liberties indices (Freedom House, 2025). The

¹² For the UN security council, the immediate effect is important and the risks for reverse causality are arguably low (Dreher et al., 2015; Kuziemko & Werker, 2006). For civil war, I also argue that the immediate effect is relevant, but lagging the variable by one year does not change the results.

average of these two scores is used to classify countries as *democracies* (score ≤ 4) or *non-democracies* (score > 4).¹³

Historical Ties: Thirdly, to capture historical ties and since donors often favor former colonies in aid distribution (Alesina & Dollar, 2000), I include a dummy which is equal to 1 if the recipient is a former colony of the donor (Hensel, 2018).

Strategic Interest of all donors: To capture strategic interest shared among donors, I include:

- A dummy for whether the recipient holds a temporary seat on the UN Security Council, as countries in this position tend to receive disproportionately more aid (Kuziemko & Werker, 2006).
- A measure of natural resource endowments (resource rents as % of GDP) to account for donors' interest in resource-rich countries (Dreher et al., 2011; Kim & Menninga, 2020; World Bank, n.d.-b).

Finally, some other factors are considered important control variables in the literature:

1) The natural log of total population of the recipient: Generally smaller countries tend to receive disproportionately more aid per capita (Alesina & Dollar, 2000).¹⁴

2) Civil war: A dummy whether the recipient country is actively fighting a civil war in the year of observation as indicated by the UCDP Dyadic Dataset version 24.1 (Davies et al., 2024; Harbom et al., 2008). An active civil war may affect perceptions of recipient need and stability (Kim & Menninga, 2020).

3) Lagged aid: Due to bureaucratic inertia and since prior aid is closely correlated with current aid, I follow Kim & Menninga (2020) and Nielsen (2013) by including a lagged dependent variable.

4) Aid budget: Similar to Nielsen (2013), I include the total value of total aid flows each year.¹⁵ This value controls for the fact that aid may also be driven by the economic climate and budget each country has allocated for aid. This variable is also logged but not lagged.

5) R2P: Dummy that equals 1 for the period after the 2005 UN World Summit, where the Responsibility to Protect (R2P) principle was adopted (United Nations, n.d.d). This captures potentially increased normative pressure on donors to respond to human rights violations. To assess its moderating role, this variable is interacted with the physical integrity index (Kim & Menninga, 2020).

Table 1 provides an overview of all variables included in the main analysis and their expected (positive/negative) coefficient on aid per capita.

¹³ Political rights measure for example the existence and fairness of elections and the existence of party competition, while civil liberties include aspects such as independence of media, secure property rights and the freedom to assembly (Neumayer, 2003b).

¹⁴ This may be because smaller countries tend to be more vulnerable to external shocks, since they are often more open and, in comparison to large but poor economies, less able to borrow in private capital markets since they are not as able to create economies of scale. Additionally, it may be easier to influence them politically for a given amount of aid (Claessens et al., 2009)

¹⁵ i.e. aid by all donors to all recipients, in million 2022\$. For the sector analysis, aid by sector will be included.

Table 1 Overview included variables and expected effect

Variable	Expected effect on Aid per capita
Physical Integrity Index (higher values = worse human rights respect)	-
Competitors	+
Trade share	+
UN	+
Interactions Trade, UN, Competitors with PhysInt	+
GDP pc	-
Infant Mortality Rate	+
Democracy	+
Former Colony	+
UN Security Council	+
Resource Rents	+
Population	-
Civil War	+/-
Lagged Aid	+
Global Aid Flows	+
R2P	+
Interaction R2P Physical Integrity	-

3.4 Research Design

This subsection outlines the methods used to test the hypotheses, starting with a baseline regression for hypotheses 1 and 2, followed by models addressing donor- (hypotheses 3a and 3b) and sector heterogeneity (hypotheses 4a and 4b).

3.4.1 Baseline Regression

Hypotheses 1 and 2 examine the overall relationship between foreign aid, human rights conditions, and strategic interests. Hypothesis 1 states that, all else equal, donor countries reduce aid to recipients related to a decline in human rights respect (i.e. a higher physical integrity index). Hypothesis 2 argues that this effect is diminishing when donors face strategic pressures.

In order to measure this, the following model is employed:

$$\ln(aidpc)_{drt} = \alpha + \beta_1 Rights_{rt-1} + \beta_2 Strategic_{drt-1} + \beta_3 Rights_{rt-1} \times Strategic_{drt-1} + \beta_4 colony_{dr} + \beta_5 W_{rt-} + \beta_6 \ln(aidpc)_{drt-1} + \beta_7 \ln(aidbudget)_t + \epsilon_{drt} \quad (1)$$

Where, as introduced above, $\ln(aidpc)_{drt}$ is the natural logarithm of aid per capita commitments from donor d to recipient r in year t , $Rights_{rt-1}$ is the physical integrity index of the recipient country in year $t - 1$ and $Strategic_{drt-1}$ is a vector of the different strategic interest variables. The control variables vary by donor-recipient (colony), donor-recipient-year (aid in $t-1$), by year (aid budget) and by recipient-year (GDP per capita, infant mortality, population, civil war, resource rents, UN security seat). ε is the error term.

The coefficients of key interest are β_1 and β_3 . A negative β_1 would support Hypothesis 1, indicating a negative relationship between aid and human rights violations when strategic interests are low. A positive β_3 would support Hypothesis 2, suggesting that strategic interests attenuate the negative effect of poor human rights on aid, i.e., aid reductions are less pronounced when strategic stakes are high.

Since aid commitments are censored at zero (i.e. cannot be negative) and the aid allocation process involves an underlying selection mechanism on who receives any aid, several estimation methods are possible. One approach is a two-stage model: a probit regression predicts the likelihood of receiving any aid, followed by an OLS regression estimating the amount given to recipients with nonzero aid. However, this assumes the two decisions are independent, meaning uncorrelated errors across stages, which is an unrealistic assumption (Neumayer, 2003b). Alternatively, the Heckman two-step estimator allows for correlated errors but requires an exclusion restriction, i.e. a variable influencing selection but not allocation, which is difficult to identify (Neumayer, 2003b). A third option is to restrict the sample to recipients receiving a non-negative amount of aid and run a simple OLS model, but this risks selection bias and is not very appropriate from neither a theoretical nor empirical standpoint (Dreher et al., 2011). The bias is likely small when there are few zero observations (Dreher et al., 2015), but this is not the case in the given dataset, especially since some of the newer and smaller donors only focus on a smaller set of recipients (see also Dreher et al. (2011)). The preferred method employed here, as used in similar studies (Dreher et al., 2015; Esarey & DeMeritt, 2017; Kim & Menninga, 2020; Nielsen, 2013) are **Tobit models**, which account for left-censoring at zero and jointly model both the selection and allocation stages (Nielsen, 2013).

In the original dataset, the OECD data includes few zero-aid observations, while data on China, and to a lesser extent India, includes many. To address this and align my data with previous studies that typically include substantial zeroes (for example Bermeo, 2017; Nielsen, 2013), I follow Bermeo's (2017) coding approach. All low- and middle-income countries, generally eligible for ODA, are paired annually with each donor until they are classified as high-income for two consecutive years, after which they are excluded.¹⁶ For all donor-recipient pairs without any reported aid, aid is then coded as zero. This results in a dyad-year panel dataset with approximately 97,000 observations, 35% of which report zero aid.¹⁷

¹⁶ The information on the income groups comes from the following document of the World Bank: https://databankfiles.worldbank.org/public/ddpext_download/site-content/OGHIST.xls. Note that I nevertheless do not include donor countries before I have aid data on them as in Table A2. While it may be reasonable to assume that these countries gave little or no aid before entering the dataset, this would add a lot of additional and potentially confounding zeroes to the data.

¹⁷ Note that in later stages, for sector-specific aid, this amount adjusts accordingly – separating by three broad sectors leads to approximately 291,000 observations with ca. 40% zero observations.

Another important consideration is the inclusion of fixed (FE) or random (RE) effects. Claessens et al. (2009) recommend including donor, recipient, year, and dyad fixed effects in an OLS model to control for factors such as geography, historical ties, and geopolitical connections. However, aside from potential OLS-related selection bias, this approach is unsuitable here, as I aim to examine how strategic interests explicitly influence aid, many of which would be absorbed by this array of fixed effects. In (panel) Tobit models, fixed effects are considered to be biased (Berthélemy & Tichit, 2004), although the bias is likely moderate when t is large (Greene, 2004). Additionally, from a computational standpoint, panel Tobit models cannot include dyad fixed effects, “as there does not exist a sufficient statistic allowing the fixed effects to be conditioned out of likelihood” (Stata Corps, 2025).¹⁸ Therefore, to nevertheless deal with the heterogeneity in the model, following Nielsen (2013), I adopt a random effects Tobit model with region fixed effects as the main specification.¹⁹ While random effects assume no correlation between unobserved effects and explanatory variables across time (Wooldridge, 2020, p.470), which is an arguably unrealistic assumption given likely correlations between for example income and unobserved factors like geography, it is the most feasible available approach and offers comparability with previous studies. To test the robustness of this choice, I additionally estimate pooled Tobit models with recipient and donor fixed effects, as well as RE and FE OLS models using only non-zero aid observations (see Section 5.1.1 and Tables A6 & A7).

3.4.2 Donor-Specific Effects

So far, I have discussed aggregate donor behavior. However, much of the literature highlights variation among donors, particularly in their responses to human rights and strategic interests. Hypothesis 3a proposes that Non-DAC and large DAC donors reduce aid less in response to human rights violations than like-minded donors, who are often seen as more altruistic and rights-focused (Alesina & Weder, 2002; Neumayer, 2003b). Hypothesis 3b further suggests that Non-DAC and large DAC donors, often viewed as more self-interested, are even less responsive when facing strategic pressures.

Following definitions from Alesina & Weder (2002), Barthel et al. (2014), Neumayer (2003b), I classify like-minded donors as Scandinavia (Denmark, Norway, Sweden), Canada, and the Netherlands. Large DAC donors include France, Germany, Italy, Japan, the UK, and the US (Neumayer, 2003b). Non-DAC donors are defined as currently listed in the OECD aid database (OECD, 2025, see Table A1). I have no strong a priori expectations for the remaining small DAC donors, though Neumayer (2003b) finds they behave between large DAC and like-minded donors. They are nevertheless included in the main analysis for comparison.

To test these hypotheses, I use the model from equation (1) but introduce interactions with donor group dummies for each independent variable. Additionally, for a simpler model, I also run separate regressions by donor group. Although more complex, the interactive model is

¹⁸ It is theoretically possible to use a pooled Tobit model and manually introduce a dummy for each donor-recipient dyad, as a panel FE regression is equivalent to a dummy variable regression. However, given that I have 6038 dyads, this would be computationally unfeasible (Wooldridge, 2020, p. 466).

¹⁹ The preference over a pooled Tobit model has also been confirmed with a log-likelihood test.

preferred as it allows for direct statistical comparison between the groups.²⁰ For Hypothesis 3a, I expect that the human rights coefficient, β_1 , is more negative for the like-minded donors than the large DAC and non-DAC donors. For Hypothesis 3B, I expect the interaction of strategic pressures and human rights to be positive for large DAC and Non-DAC donors but insignificant for like-minded donors.

Admittedly, the used donor classifications are at times somewhat arbitrary. For example, Lithuania became a DAC member in November 2022 (OECD, 2022) and Estonia in July 2023 (Ministry of Foreign Affairs Estonia, 2023). Instead, Latvia joined in 2025 (Ministry of Foreign Affairs Latvia, 2025) and is still classified as Non-DAC according to the OECD. Nevertheless, there are no obvious reasons why the Baltics should behave significantly different from each other, as they share similar aid profiles, though Latvia lags slightly in aid volume and emphasizes its own promotion abroad (Andrespok & Kasekamp, 2012). An alternative approach would be donor-specific dummies (Dreher et al., 2011) but given the large number of donors and variables in this model, this would create an unoverseeable number of coefficients. I will instead test alternative groupings in robustness checks, focusing mainly on the distinction between Non-DAC and small DAC donors, while maintaining the core like-minded vs. large DAC donor split (see Section 5.2.1 and Table A11).

3.4.3 Sector-Specific Effects

Hypotheses 4a and 4b examine whether the relationship between aid, human rights violations and strategic interests vary by aid sector. Hypothesis 4a, similar to Nielsen's (2013) Hypothesis 6, posits that donors reduce economic aid but maintain social aid, which includes humanitarian aid. Hypothesis 4b argues that economic aid reductions in response to human rights violations diminish when donors face strategic pressures, whereas social aid cuts remain unaffected.

To test these hypotheses, I use the model from equation (1), disaggregated by sector. An alternative method would be to introduce a panel interaction method similar to the approach to donor specific effects. Separating by sector adds a 4th dimension to the panel dataset (donor-recipient-sector-year), which would give approximately 17.000 3-dimensional dyad observations over time. The problem is that panel data usually assumes cross-sectional independence (Sarafidis & Wansbeek, 2012). This is already a somewhat unrealistic, but also difficult-to-avoid assumption for donor-recipient pairs²¹, but even less likely to hold for sector aid within the same donor-recipient pair, as the decision is likely driven by other unobserved shocks in the countries' relationships. Cross-dependence would affect the validity of the estimated standard errors and hence inference. The model fit, as measured by log-likelihood is also much weaker than in the baseline or donor-specific model. Therefore, while presenting the interactive model results nevertheless in Appendix, I follow Nielsen (2013) in analyzing sectors

²⁰ A similar approach is followed by Dreher et al. (2011) to compare old and new donors. Moreover, I have tested with a likelihood-ratio test that the model with interactions is a better fit ($P > \chi^2 = 0.0000$).

²¹ It is possible to estimate spatial lag models to account for the interdependence of donor decisions across donors as in (Barthel et al., 2014). However, given the complexity of the interactions I would like to test in my model and wanting to make them comparable to previous research, I decided against it.

separately. While this limits direct statistical comparison between models, it still allows for meaningful interpretation and comparison.

Social aid includes aid to sectors such as education, health and government (OECD sector codes 100s) and Humanitarian aid (sector codes 700s). Economic aid follows the broad definition by Nielsen (2013) and includes economic sectors such as transport, business and energy (200s), aid to production sectors such as industry and agriculture (300s), Multi-sector aid (400s), general programme assistance (500s), and debt-related aid (600s). For an overview of all sectors included, see Table A3.

Given the hypotheses, for hypothesis 4a to be observed, I expect β_1 , the human rights coefficient, to be negative when looking at economic aid, but insignificant (or positive) when looking at social aid. Hypothesis 4b is more concerned with the interaction term and is supported when β_3 is positive for economic aid, but insignificant for social aid.

4 Descriptive Statistics

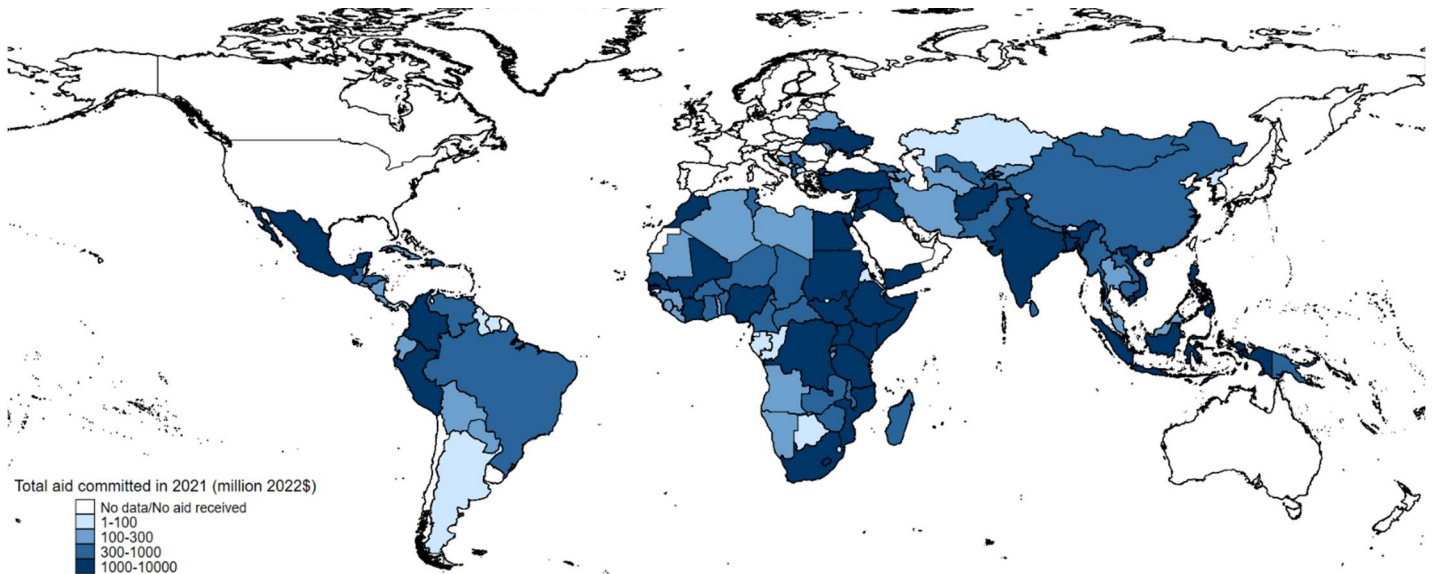
Before diving into the regression results with the methods discussed in the previous section, it is useful to look at some descriptive trends and statistics about how aid is distributed across recipients, donors and sectors. Table 2 shows the correlations, while Table 3 shows the descriptive statistics for the main variables included in the analysis and/or later robustness tests.

Table 2 Matrix of Correlations

Matrix of correlations																		
Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
(1) Aid (Mln USD)	1.000																	
(2) Aid per 1000	0.106	1.000																
(3) Physical Integrity	0.105	-0.061	1.000															
(4) Human rights	0.098	-0.058	0.824	1.000														
(5) Total Trade	0.085	-0.003	0.104	0.083	1.000													
(6) Trade share (%)	0.029	-0.010	0.192	0.165	0.450	1.000												
(7) UN	-0.120	0.007	-0.228	-0.254	-0.043	0.030	1.000											
(8) Agree	-0.136	-0.014	-0.132	-0.151	-0.078	0.007	0.827	1.000										
(9) Competition	0.097	-0.076	0.531	0.532	0.073	0.147	-0.063	0.003	1.000									
(10) GDP per capita	-0.058	0.031	-0.294	-0.401	0.077	0.126	0.087	0.055	-0.296	1.000								
(11) Infant Mortality	0.036	-0.015	0.195	0.264	-0.069	-0.123	-0.093	-0.112	-0.005	-0.581	1.000							
(12) Democratic	-0.035	0.027	-0.463	-0.628	-0.033	-0.082	0.243	0.164	-0.193	0.186	-0.185	1.000						
(13) Resource Rents	0.027	-0.021	0.192	0.255	-0.019	-0.033	-0.155	-0.087	-0.063	-0.065	0.274	-0.357	1.000					
(14) UN Security	0.013	-0.010	0.059	0.008	0.021	0.027	-0.000	0.005	0.071	0.066	-0.023	0.051	0.014	1.000				
(15) Population	0.078	-0.016	0.342	0.260	0.315	0.607	-0.029	-0.073	0.226	0.007	-0.036	-0.044	-0.069	0.059	1.000			
(16) Civil War	0.106	-0.001	0.299	0.296	-0.010	-0.009	-0.092	-0.046	0.229	-0.128	0.132	-0.143	0.047	-0.003	0.035	1.000		
(17) R2P	-0.017	0.005	-0.014	0.002	0.006	0.013	0.030	-0.026	0.140	0.027	-0.094	-0.001	-0.058	-0.003	0.004	-0.003	1.000	
(18) Global Aid	-0.003	0.003	-0.050	0.033	-0.001	0.011	0.022	-0.047	0.195	0.005	-0.109	-0.031	-0.123	-0.021	0.013	-0.004	-0.039	1.000

Notes: Table shows simple correlations between the main variables included in the analysis.

Figure 1 Map of Total Aid Committed 2021



Notes: Figure shows total aid committed in 2021 in million 2022\$. Own calculations based on data by Asmus-Bluhm et al. (2025); Dreher et al. (2022); OECD (2025). The map shapefile used is by IPUMS International (n.d.).

Table 3 Descriptive Statistics

VARIABLES	(1) N	(2) Mean	(3) SD	(4) Min	(5) Max
Year	97,473	2012	6.532	2000	2022
Aid (Million 2022 USD)	97,473	20.72	146.9	0	14,122
Aid per 1000 capita (USD)	97,473	4,297	58,755	0	4,942,000
Ln (Aid per 1000 capita +1)	97,473	3.267	3.319	0	15.41
Physical Integrity	95,024	3.530	2.279	0	8
Human Rights Index	71,897	44.06	18.50	0	92.67
Trade share (% donor GDP)	93,695	0.000901	0.00491	0	0.185
UN	92,778	0.698	0.152	0.000	1
Agree	92,778	0.711	0.137	0	1
Competition	97,473	20.21	7.502	0	38
GDP per capita	94,700	4,049	3,764	233.0	25,408
Infant Mortality Rate	97,473	33.87	23.95	1.900	138.3
Democratic	96,038	0.630	0.483	0	1
Former Colony	97,473	0.0259	0.159	0	1
Resource Rents	88,838	7.962	10.93	0	88.59
UN Security Council	97,473	0.0480	0.214	0	1
Population	97,473	42,050,000	158,500,000	9,544	1,425,000,000
Civil War	97,473	0.0436	0.204	0	1
R2P	97,473	0.800	0.400	0	1
Global Aid Flows	97,473	90,658	17,351	47,487	116,477
L1 Ln (Comp)	91,583	2.953	0.507	0	3.664
L1 Ln (GDP pc)	88,973	7.848	0.998	5.451	10.14
L1 Ln (Mortality)	91,583	3.277	0.758	0.693	4.929
L1 Ln (Resources)	84,009	1.029	1.964	-6.842	4.484
L1 Ln (Pop)	91,583	15.64	2.181	9.164	21.07
L1 Ln (Trade Share)	88,011	-10.25	3.014	-25.94	-1.737
Total Trade (Mln)	93,695	1,332	13,329	0.0000	783,556

Notes: An overview of all sources presented in this table is found in Table A4.

Figure 1 shows how aid was distributed geographically in 2021.²² Generally, aid is given across essentially all low- and middle-income countries. Each year between 2000 and 2022, Sub-Saharan Africa (SSA) received the most aid as a region²³, followed by the Middle East and Asia, then Latin America and Europe.²⁴ In 2021, the countries receiving the most total aid were Syria (9,390 million USD), Egypt (6,373 million) and Afghanistan (4,913 million). For geopolitical reasons, Egypt has also historically been one of the largest aid receivers, with about one third of US aid going to Egypt and Israel between 1970 and 1994 (Alesina & Dollar, 2000). In the current dataset, Israel is not a receiver of ODA aid anymore, as it is considered high-income country throughout the whole sample. In SSA, the most ODA aid was committed to Ethiopia in

²² The majority of white countries did not receive any aid, with the exception of Western Sahara and the Kashmir region which are disputed territories in the map, but do not have information on aid available.

²³ The countries are divided into the regions “Europe & Central Asia”, “South Asia”, “East Asia and Pacific”, “Latin America & the Caribbean”, “Middle East & North Africa” and “Sub-Saharan Africa”, based on the classifications by the World Bank. See Table A2 to see the recipient included, sorted by region.

²⁴ In 2022, the US committed a large amount of aid of approx. 10 billion USD to Ukraine, which caused a spike in aid to Europe and Central Asia.

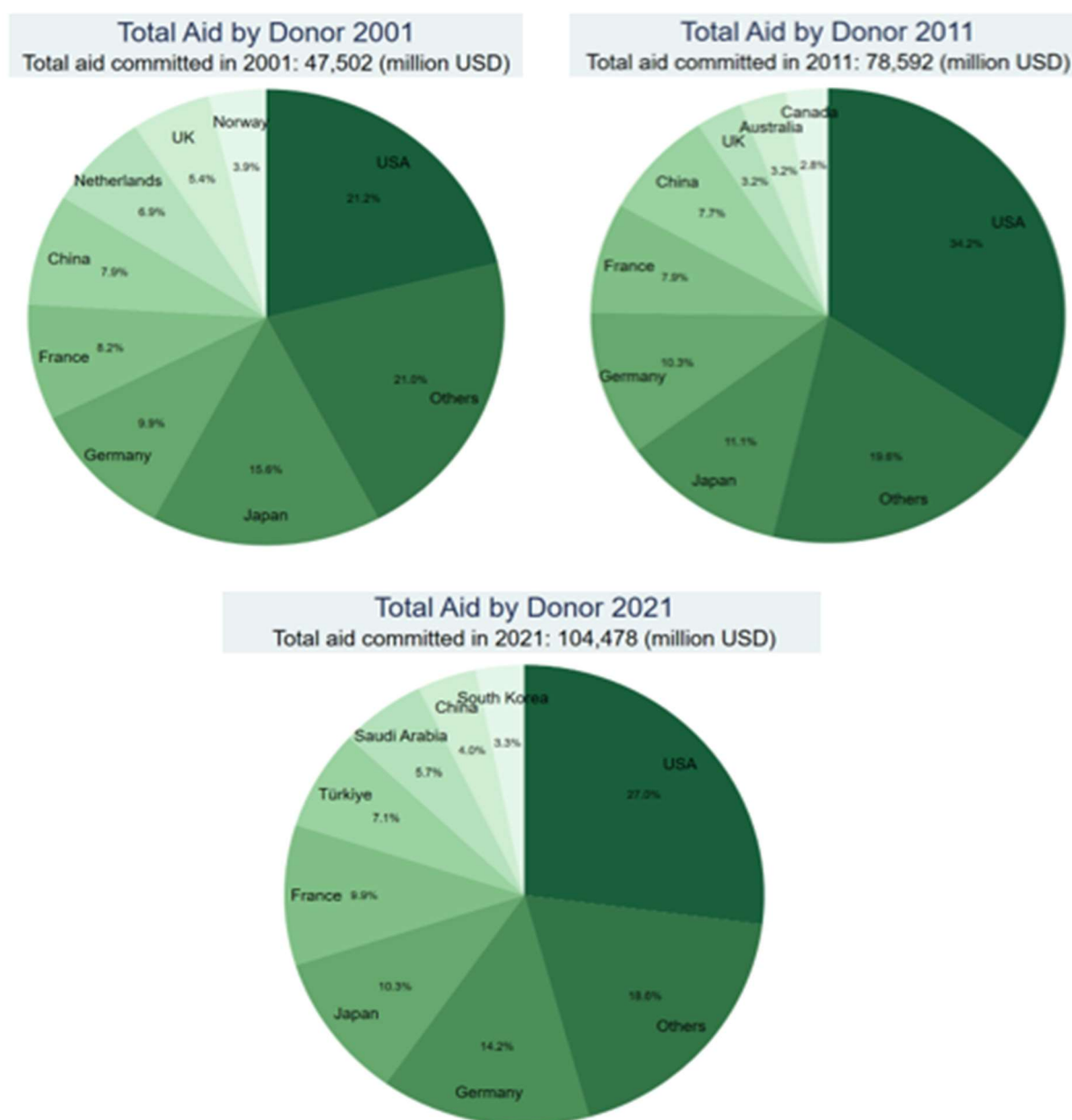
2021, which is also one of the countries with the lowest GDP per capita in the sample (822USD). Nevertheless, on the aggregate, as seen in Table 2, across the dataset, the correlation between aid and GDP per capita is quite weak (-0.06 for total aid) and even positive for aid per capita (0.032).

In Figure 2, relative aid by donor is shown for the years 2001, 2011 and 2021, presenting the 8 largest donors (and the remaining “Other”) by total aid. While these years are not necessarily meant to be representative of their respective decades, they are useful baseline years to see the development of the donor distribution over time. Throughout the given period, the United States are the largest donor of ODA aid. Other traditional, large donors are represented by Germany, Japan and France, which are consistently the three largest donors of ODA aid after the US. In the later years, some non-DAC donors, such as China, Saudi Arabia and Türkiye also provide a significant amount of total aid, showing their increasing role in the global aid distribution.

Finally, total aid can be divided into different sectors as seen in Figure 3. The figure also shows that total ODA aid has been rising over time, reaching 100 billion USD by 2018. Social sectors, such as aid to health, education, water supply and civil society work have received the largest amount of ODA aid over time, followed by aid to the economic sectors, which includes sectors such as transport, communications and energy. In the main analysis, following Nielsen (2013), the sectors will be broadly divided into Social aid (Social + Humanitarian aid) and broad Economic aid (economic, production, multi-sector, general programme assistance and debt-related aid). The remaining sector is “Others”, which includes the small aid categories “administrative costs of donors”, “refugees in donor countries” and “unallocated/unspecified”. In recent years, particularly Humanitarian aid has spiked: While it was one of the smallest sectors in the early 2000s, it has evolved to be one of the biggest. However, Humanitarian aid is largely driven by specific recipients, with Syria receiving between 8-10 billion USD yearly between 2018 and 2021 alone.

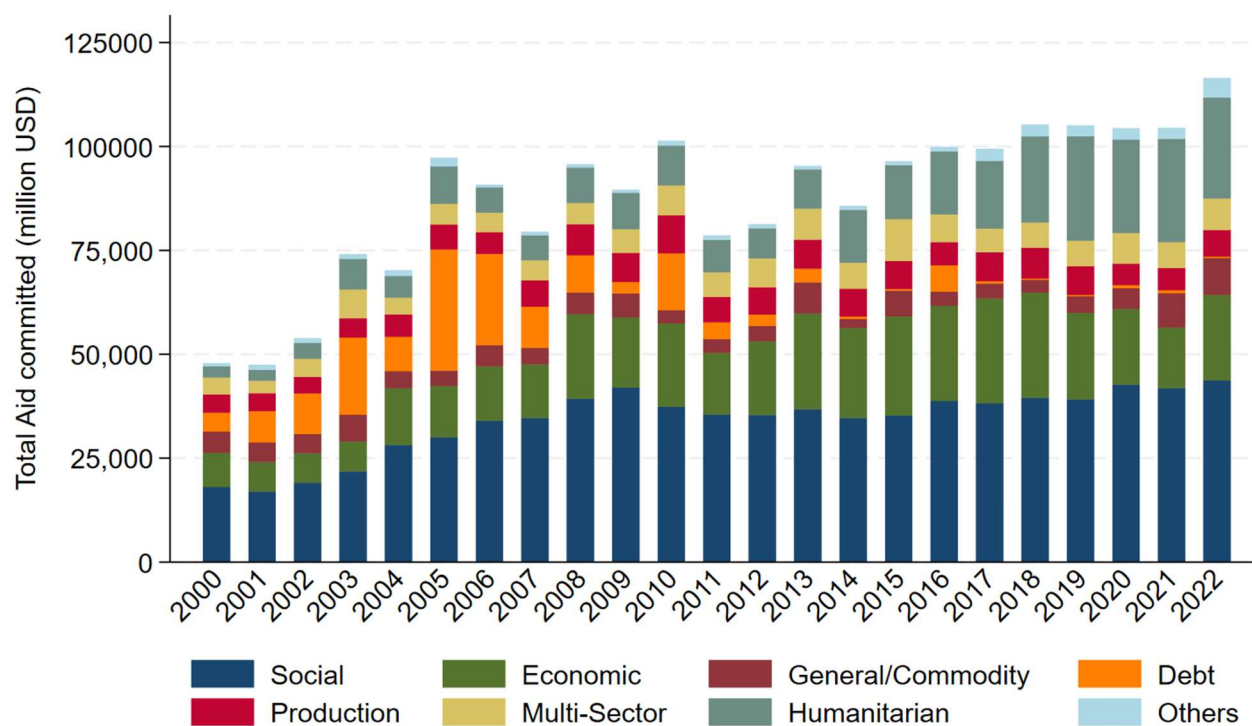
As noted by Dreher et al. (2011), it may be that different donors focus on different types of aid, as especially the smaller donors may want to focus their limited aid budget on for example disaster help. To check this in my dataset, Table A5 shows aid by donor and sector. Indeed, it seems that small donors, such as most donors in Eastern Europe, mainly focus their aid in Social and Humanitarian sectors. Türkiye’s aid goes almost exclusively to humanitarian purposes. Given that many of these are not present in the earlier years of the dataset, this may also explain some of the spike in Humanitarian aid as well. China, India and Japan stand out by giving a large proportion (40-47%) of their aid to economic sectors (and about 80% to broadly defined Economic sectors). The other large donors (US, UK, Germany, France, Italy) give aid in a more dispersed way, which is to be expected given their larger total aid budget, although all of them still focus a substantial share of around 40% to Social aid.

Figure 2 Aid shares by Donor



Notes: Sources of the aid data: Asmus-Bluhm et al. (2025); Dreher et al. (2022), OECD (2025). Figure shows the share of total ODA aid committed in 2001, 2011 and 2021 for the 8 biggest donors as well as the remaining donors in the respective year, summarized as “Others”.

Figure 3 Total Aid by Sector 2000-2022



Notes: Sources of the aid data: Asmus-Bluhm et al. (2025); Dreher et al. (2022), OECD (2025). Aid is separated into sectors based on the OECD sector codes (see Table A3). The sectors are sorted from largest to smallest in 2000.

5 Results and Discussion

In this section, I present and interpret my main findings in three parts. First, Section 5.1 reports the baseline regressions testing hypothesis 1 and 2. Section 5.2 explores heterogeneous donor effects (hypothesis 3a and 3b), while Section 5.3 will discuss sector-specific effects, considering hypothesis 4a and 4b.

5.1 Baseline Results

The regression results in this subsection are based on a random-effects Tobit model (Eq. (1)) and aim to estimate, on the aggregate, how aid varies with the recipient's physical integrity index (PI) and how that relationship changes given different levels of strategic interests. Column (1) of Table 4 presents a basic model without region fixed effects, while column (2) and (3) additionally include region fixed effects, to control for heterogeneity across regions, following Nielsen (2013). Column (3) is the preferred estimation and adds a dummy for post-signing the Responsibility to Protect (R2P) treaty, which is interacted with the PI as in Kim & Menninga (2020).²⁵

To consider hypothesis 1, whether donors react to human rights violations (when strategic interests are low), the coefficient of PI is relevant to look at. The coefficient of PI across all three model specifications is large, negative, and statistically significant. This supports Hypothesis 1, indicating that, on aggregate, donors reduce aid to countries with lower respect for physical integrity rights when strategic interests are low. However, since interaction effects in Tobit models are difficult to interpret based on the tabulated regression output (Ai & Norton, 2003; Greene, 2010), I also calculated the marginal effects of PI at low levels of strategic interest—specifically at the 1st and 5th percentiles—while holding all control variables constant at their means.²⁶ The results further support Hypothesis 1: a one-unit increase in PI is associated with an estimated significant reduction in aid of 16.2% and 5.6%, respectively.²⁷ These findings are consistent with Kim and Menninga (2020) and Nielsen (2013). At the mean level of strategic interest, however, the marginal effect of PI is positive but statistically insignificant (0.012), suggesting that donors, on average, do not systematically consider human rights violations in their aid decisions unless strategic interests are particularly low. This finding also offers preliminary support for Hypothesis 2.

To further explore the hypotheses, Figures 4-6 visualize the main results by plotting the marginal effect of PI across varying levels of trade share, number of competitors and UN voting alignment respectively, using results from column (3). For competitors and trade share, the

²⁵ This has also been confirmed by a likelihood-ratio test for testing whether the full model fits better than the “nested” model – adding regional effects (column 2) is a better fit than not (1) ($p > \chi^2 = 0.000$) and adding the R2P interaction is significantly better at the 10% level ($p > \chi^2 = 0.10$).

²⁶ Keeping the control variables constant at their means will be consistent throughout all discussion of marginal effects.

²⁷ These results are found by estimating the marginal effect of PI at the 1st percentile ($L1 \text{ Ln (tradeshare)} = -18.602$, $L1 \text{ UN} = 0.293$, $L1 \text{ Ln (comp)} = 0.693$) and 5th percentile ($L_{\text{Intradeshare}} = -15.510$, $L_{\text{UN}} = 0.436$, $L_{\text{Incomp}} = 2.0794$) of strategic variables, keeping all control variables constant at their means. Both marginal effects are significant with a p-value < 0.05 .

results are based on logged values, although the axes display raw numbers for a more intuitive interpretation.

Table 4 Baseline Regression Results

VARIABLES	(1)	(2)	(3)
L1 Physical Integrity	-0.276*** (0.067)	-0.331*** (0.067)	-0.370*** (0.071)
L1 Ln (Trade Share)	0.130*** (0.012)	0.119*** (0.013)	0.120*** (0.013)
L1 Physint×L1 Ln (Trade Share)	-0.008*** (0.002)	-0.007*** (0.002)	-0.007*** (0.002)
L1 UN	-0.714*** (0.214)	-0.946*** (0.215)	-0.986*** (0.216)
L1 Physint × L1 UN	0.096** (0.041)	0.116*** (0.041)	0.124*** (0.041)
L1 Ln(comp)	0.683*** (0.073)	0.672*** (0.073)	0.604*** (0.081)
L1 Physint × L1 Ln (Comp)	0.050*** (0.016)	0.065*** (0.016)	0.079*** (0.019)
R2P			0.117** (0.055)
R2P × L1 Physint			-0.019 (0.012)
L1 Ln (GDP pc)	-0.389*** (0.040)	-0.414*** (0.043)	-0.421*** (0.043)
L1 Ln (Mortality)	0.274*** (0.047)	0.444*** (0.050)	0.453*** (0.050)
L1 Democracy	0.119*** (0.034)	0.143*** (0.035)	0.141*** (0.035)
Former Colony	2.738*** (0.221)	2.827*** (0.220)	2.826*** (0.220)
L1 Ln (Resources)	-0.018 (0.012)	-0.017 (0.013)	-0.022* (0.013)
UN Security Council	-0.041 (0.036)	-0.037 (0.036)	-0.038 (0.036)
L1 Ln (Pop)	-0.105*** (0.022)	-0.109*** (0.022)	-0.105*** (0.022)
Civil War	0.324*** (0.049)	0.301*** (0.049)	0.293*** (0.049)
L1 Ln (Aid pc +1)	0.494*** (0.005)	0.492*** (0.005)	0.492*** (0.005)
Ln (Global Aid Flows)	-0.224*** (0.055)	-0.094* (0.056)	-0.135** (0.062)
Region fixed effects	No	Yes	Yes
Log-likelihood	-132,477	-132,304	-132,402
Observations	78,127	78,127	78,127
Number of Dyads	5,206	5,206	5,206

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Notes: Regression is based on equation (1) using a panel-Tobit model with left-censoring at 0. Region fixed effects are included in column (2) and (3) but not shown.

Starting with trade in Figure 4, at very low levels of trade share, there is a significantly positive relationship between human rights violations and aid per capita, which becomes statistically insignificant at a Ln (trade share) of approximately -9.9 (equivalent to a trade share of ~0.005%). Contrary to expectations from Hypothesis 2 and prior findings of Kim & Menninga (2020), I do not find evidence that on average, donors overlook human rights violations due to commercial interests, all else equal. On the other hand, donors generally allocate more aid to countries with which they have a higher trade share, with a doubling of trade share associated with a 9.4% increase in aid commitments for the average recipient country (i.e. marginal effect of trade at the mean level of all variables).²⁸ This aligns with findings by for example Berthélemy (2006), Hoeffler & Outram (2011), and Nielsen (2013), who confirm that trade is a relevant allocation criterion of foreign aid for most donors.

Considering competitors in Figure 5, donors similarly allocate more aid to recipients with higher numbers of competing donors (marginal effect: 0.894)²⁹. When the number of competitors is below the dataset's mean (~19), donors appear sensitive to human rights violations. However, as donor competition increases, this sensitivity disappears, and the relationship between aid and PI even turns positive, providing support for Hypothesis 2 regarding general donor competition, consistent with Kim & Menninga (2020).

Similarly, in Figure 6, at low levels of UN voting alignment, human rights violations are associated with less aid per capita. This relationship becomes insignificant at an agreement score of 0.5 and turns positive at approximately 0.8. Specifically, recipients aligning with donors approximately 30% of the time³⁰ receive approximately 3.3% *less* aid given a one-unit increase in their PI, while those aligning 90% of the time can expect 3.7% *more* aid, all else equal.³¹ These findings corroborate Nielsen (2013), although with a bit smaller magnitude. Overall, these findings support Hypothesis 2 in the context of geopolitical strategic interests. One potential reason why I find support for Hypothesis 2 in terms of geopolitical (and competitive), but not economic strategic interest may be attributed to the focus on ODA aid only. As noted by Asmus-Bluhm et al. (2025) in the case of India, commercial variables are positively correlated with Other Official Funds (OOF), but not ODA aid. If that is the case for the average aid donor, this may explain the weaker commercial interest effects in this analysis.

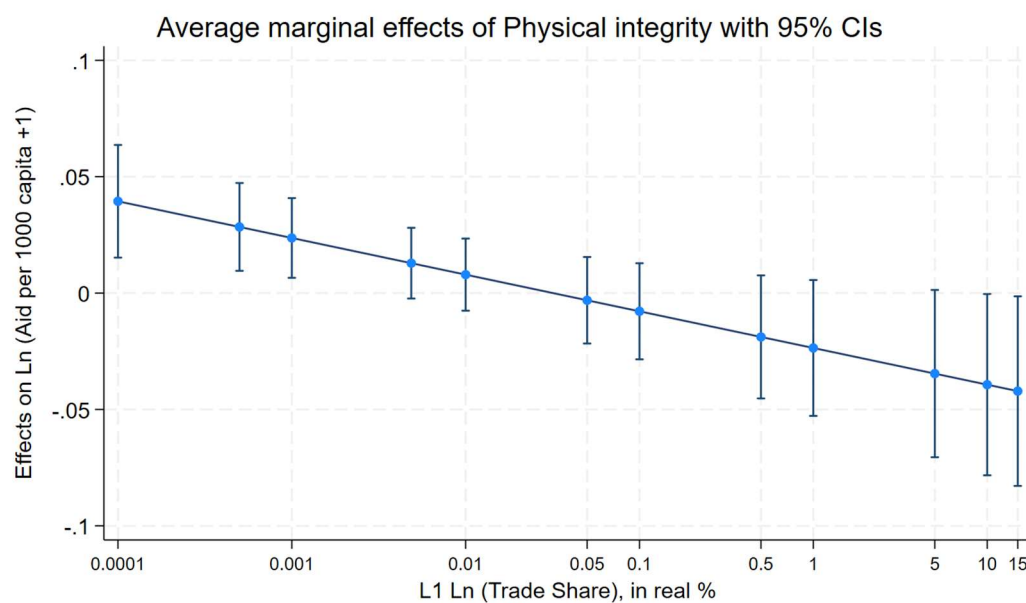
²⁸ The p-value for this marginal effect is $p < 0.000$

²⁹ With $p < 0.000$

³⁰ Since I am using the ideal point distance and not the simple agreement score, this is not exactly equivalent to the amount of similar votes, but given the large correlation and normalization, the interpretation is similar.

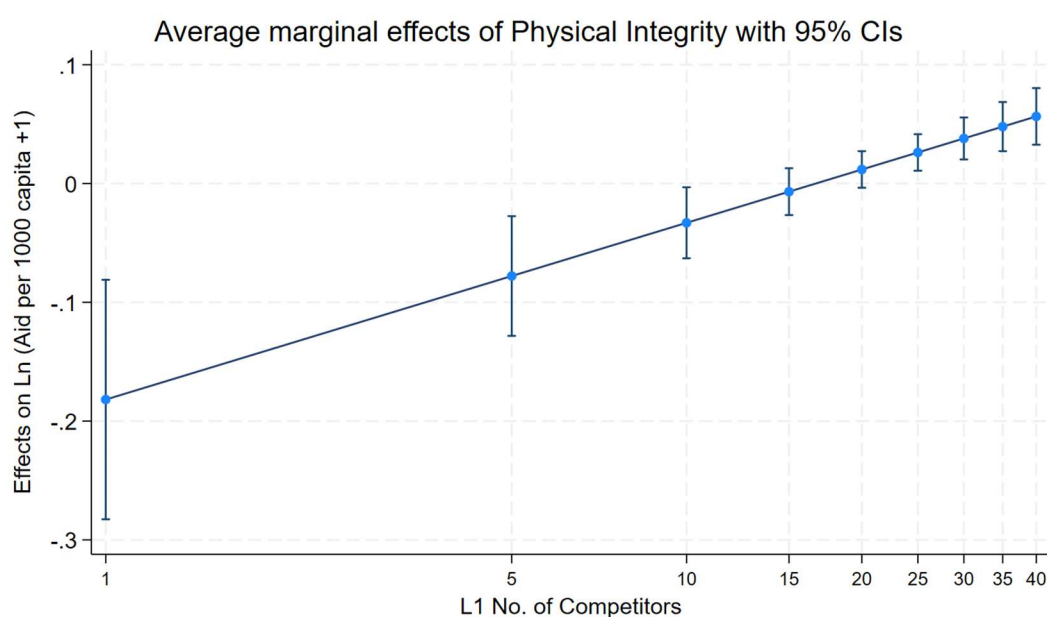
³¹ Note that the distribution of UN voting is quite skewed towards higher values, with a mean of 0.69 and the 5th percentile already at 0.43.

Figure 4 Marginal Effect of Physical Integrity Index by Trade Share



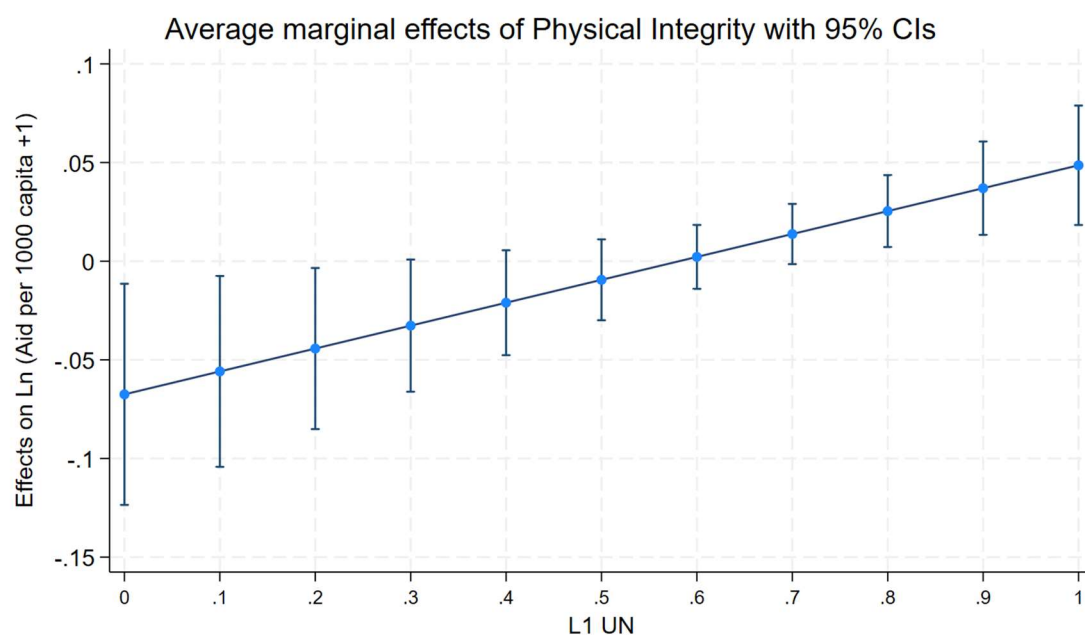
Notes: The results are based on equation (1) and show the marginal effect of physical integrity index on aid at different levels of trade share, keeping all other variables constant at their mean.

Figure 5 Marginal Effects of Physical Integrity Index by No. of Competitors



Notes: The results are based on equation (1) and show the marginal effect of physical integrity index on aid at different levels of competitors, keeping all other variables constant at their mean.

Figure 6 Marginal effect of Physical Integrity Index by UN agreement



Notes: The results are based on equation (1) and show the marginal effect of physical integrity index on aid at different levels of UN Idealpointdistance, keeping all other variables constant at their mean.

Going back to the UN voting alignment, somewhat surprisingly, there is a negative relationship between UN agreement and aid (see Table 4), contrary to the common assumption of a positive link (for example Alesina & Dollar, 2000; Dreher et al., 2015). However, Dreher et al. (2011) also find a negative relationship for traditional donors. The authors, based on Stone (2010), argue that donors may prioritize influencing other political issues outside UN voting and that countries not voting with donors might require more aid to shift their behavior. Nielsen (2013) also observes this negative relationship for overall economic aid, but not for sectors focused on social, human rights, and democracy aid, underlining the need to consider sector-specific effects, as will be explored in Section 5.3.

Regarding the control variables in Table 4, the results largely align with theoretical expectations and previous empirical findings. Aid commitments are higher for countries with higher needs, as measured by lower GDP per capita and a higher infant mortality rights, indicating that donors do consider recipient needs in their allocation decisions. Democratic countries also receive more aid and being a former colony is a strong predictor of aid. Conversely, the analysis does not find evidence that countries with higher resource rents receive more aid, nor that recipients benefit from increased aid allocations during their tenure on the UN Security Council. These findings are consistent with Kim and Menninga (2020). Countries in active civil war receive higher levels of aid per capita, which is likely attributable to increased humanitarian needs during conflict situations (also see Table A16 and later discussions for support for this). Moreover, aid allocation shows some persistence over time: Countries that received a larger amount in the previous year also receive a larger amount of aid this year, which may be explained both by country characteristics and bureaucratic inertia (Nielsen, 2013). Finally, while overall aid commitments increased over time, which may be captured in the positive

coefficient of R2P, I do not find evidence that donor's responsiveness to human rights violations increased after signing this treaty, i.e. the interaction effect of R2P and PI is insignificant.

5.1.1 Robustness Baseline Regression

To test the robustness of my baseline results, I conducted several checks reported in Tables A6 and A7.³²

First, I varied the measurements of key variables (Table A6):

- 1) Replacing Ln (Aid per 1000 capita) with Ln(Total Aid), following for example Alesina & Dollar (2000) and Berthélemy (2006).
- 2) Using a broader human rights index, which includes physical integrity rights, but also different measures of i.e. worker's rights, empowerment rights and justice rights (Mark et al., 2023). It is measured 0-100 and reversed as the physical integrity index, so that larger values mean lower respect. Note that it is only available from 2005 onwards.
- 3) Adding a squared trade term to capture potential nonlinearities.³³
- 4) Using Ln(Total Trade) instead of trade share, as in Nielsen (2013).
- 5) Using the raw number of competitors rather than its logged value.
- 6) Using the UN agreement score based on voting similarity, rather than ideal point distance (Bailey et al., 2017).

Overall, results remain robust. Since the alternative broader human rights index is measured 0-100 instead of 0-8, using it results in expected scale effects, but does not alter the direction or significance of key coefficients. Notably, the competition coefficient (excluding the interaction) becomes negative. The squared trade term weakens the significance of trade but does not indicate a curvilinear effect. Other adjustments show no substantive changes.

Second, I excluded the top 1% of the aid observations, to mitigate the influence of outliers. While logging this variable should already reduce these concerns (Neumayer, 2003b), they could still bias results due to crisis-related spikes or allocation to small island states, which often receive a small amount of total aid, but very high aid per capita. This again kept the main results intact (Table A7).

Finally, I tried alternative model specifications, clustering standard errors by donor for all of them (Table A7):

- 1) Positive aid only OLS with random effects and region fixed effects (OLS RE)
- 2) Positive aid only OLS with dyad fixed effects (OLS FE)
- 3) Pooled Tobit with recipient fixed effects

³² I have additionally tried to add distance between donor and recipient to the model. I also tried removing the lagged aid variable and, in a second regression, most control variables (keeping only the main independent variables and lagged aid per capita), following Nielsen (2013) and considering Achen (2005) note on "garbage can regressions" (p.329). The results are surprisingly robust to these changes and not reported for space reasons.

³³ In Kim & Menninga (2020), this squared term is used since they expect (and find) a curvilinear relationship – first, no relationship and when share very high, essentially only competitor; However, they use donor's exports as a share of recipient's total imports. I do not necessarily expect this same relationship with my preferred measure of trade, which is why this is only a robustness check.

4) Pooled Tobit with both recipient and donor fixed effects

Overall, these models confirm the main results found so far that there is a significantly negative and strong relationship between human rights and aid, which becomes less strong when more competitors are present and when the UN share is higher (although the latter at times insignificantly so). The results for OLS FE strategic variables are less significant, which however is not surprising as it picks up within-dyad changes, which are likely slow to change (i.e. trade relationship, UN voting behavior). The competition variable is negative at times, but the marginal effect of competition at the mean of all variables is positive for all of the models and the marginal plots of the relationship between aid, human rights violations and competition look very similar.

5.2 Donor-Specific Effects

This section explores potential heterogeneous donor effects, as proposed in Hypotheses 3a and 3b. Specifically, Hypothesis 3a posits that like-minded donors are more sensitive to human rights violations than both Large DAC and non-DAC donors, all else equal, while Hypothesis 3b suggests that Large DAC and non-DAC donors are more strongly driven by strategic interests, leading them to further disregard human rights violations when strategic interests are at play.

To test these propositions, I interacted each variable from the baseline model with dummies for each donor group—like-minded, Large DAC, non-DAC, and small DAC donors. Given the complexity introduced by these multiple interaction terms, the results are presented in two ways: As before, Figures 7–9 display the marginal effects of the Physical Integrity Index (PI) across different levels of strategic interest for each donor group. Table 5 summarizes the marginal effects of the independent variables by donor group, holding all other variables constant at their means. Additionally, the Appendix provides the original regression output (Table A8), statistical tests comparing the marginal effects between groups similar to Dreher et al. (2011)’s approach (Table A9) and baseline models run separately by donor group (Table A10). These are consistent with the here presented findings.

Turning first to the general effect of human rights violations, the results in Table 5 show that, when holding all variables at their means, most donor groups exhibit a *positive* association between aid and human rights violations, i.e. recipients with worse human rights records receive more aid. The exception is Large DAC donors, for whom the coefficient is negative, albeit statistically insignificant. The difference in marginal effects between Large DAC donors and both like-minded and non-DAC donors is statistically significant, while there is no significant difference between non-DAC and like-minded donors (Table A9). These findings in Table 5 suggest that, on average, none of the donor groups systematically punish human rights violations through aid reductions.

Table 5 Marginal Effects Table Donor heterogeneity

Sector	L1 Physint	L1 Ln (Tradeshare)	L1 Ln (Comp)	L1 UN	R2P
Large DAC	-0.025 (0.017)	0.067*** (0.025)	1.139*** (0.077)	-0.443* (0.248)	-0.036 (0.058)
Like-minded	0.039** (0.018)	0.002 (0.023)	1.308*** (0.095)	0.700** (0.305)	-0.394*** (0.067)
Non-DAC	0.063** (0.032)	0.312*** (0.020)	0.056 (0.152)	3.302*** (0.355)	1.675*** (0.132)
Small DAC	0.024** (0.011)	0.096*** (0.012)	0.557*** (0.064)	0.590*** (0.208)	0.031 (0.045)
Sector	L1 Ln (GDPpc)	L1 Ln (Mortality)	L1 Democratic Colony	Colony	L1 Ln (Resources)
Large DAC	-0.292*** (0.081)	0.324*** (0.089)	0.242*** (0.067)	0.383* (0.226)	-0.008 (0.024)
Like-minded	-0.601*** (0.089)	0.430*** (0.104)	0.211*** (0.076)	3.106** (1.236)	-0.044 (0.028)
Non-DAC	-0.926*** (0.086)	-0.069 (0.108)	-0.108 (0.094)	3.960*** (0.522)	-0.065** (0.030)
Small DAC	-0.322*** (0.052)	0.234*** (0.063)	0.064 (0.048)	2.521*** (0.322)	-0.038** (0.017)
Sector	UN Security	L1 Ln Pop	Civil War	L1 Ln (Aid pc)	Ln (Aid budget)
Large DAC	-0.029 (0.072)	-0.161*** (0.044)	0.167* (0.100)	0.452*** (0.012)	0.396*** (0.113)
Like-minded	-0.069 (0.082)	0.172*** (0.048)	0.524*** (0.111)	0.511*** (0.010)	-0.262** (0.132)
Non-DAC	-0.141 (0.110)	-0.509*** (0.046)	0.129 (0.147)	0.200*** (0.009)	-2.457*** (0.221)
Small DAC	-0.010 (0.051)	0.021 (0.027)	0.281*** (0.069)	0.685*** (0.008)	-0.132 (0.092)

Delta-method standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Notes: Regression results based on equation (1), interacting each variable with each donor group (Large DAC, Like-minded, Non-DAC and Small DAC). The table shows the marginal effects of each variable, keeping the other variables constant at their means.

Interestingly, in contrast to the baseline results, when examining the marginal effects at very low levels of strategic interest (i.e., at the 1st percentile of each strategic variable), no significant relationship is observed between aid and human rights violations for any donor group either.³⁴ While this speaks to the results of i.e. Neumayer (2003b), who generally does not find any consistent relationship between aid and human rights across different donors or donor groups, this is somewhat at odds with my baseline results. Running the results separately by donor group indicates that the baseline results are strongly driven by the group of Small DAC donors, which is also the largest group in terms of donors and hence observations (see Appendix Table A10). However, even within this group, no significant negative marginal effect of PI is found at a 1st percentile level of strategic interest.³⁵ A more plausible explanation is the presence of considerable heterogeneity within donor groups: Diverging donor approaches within groups may offset each other in disaggregated analyses, while leading to significant effects in the

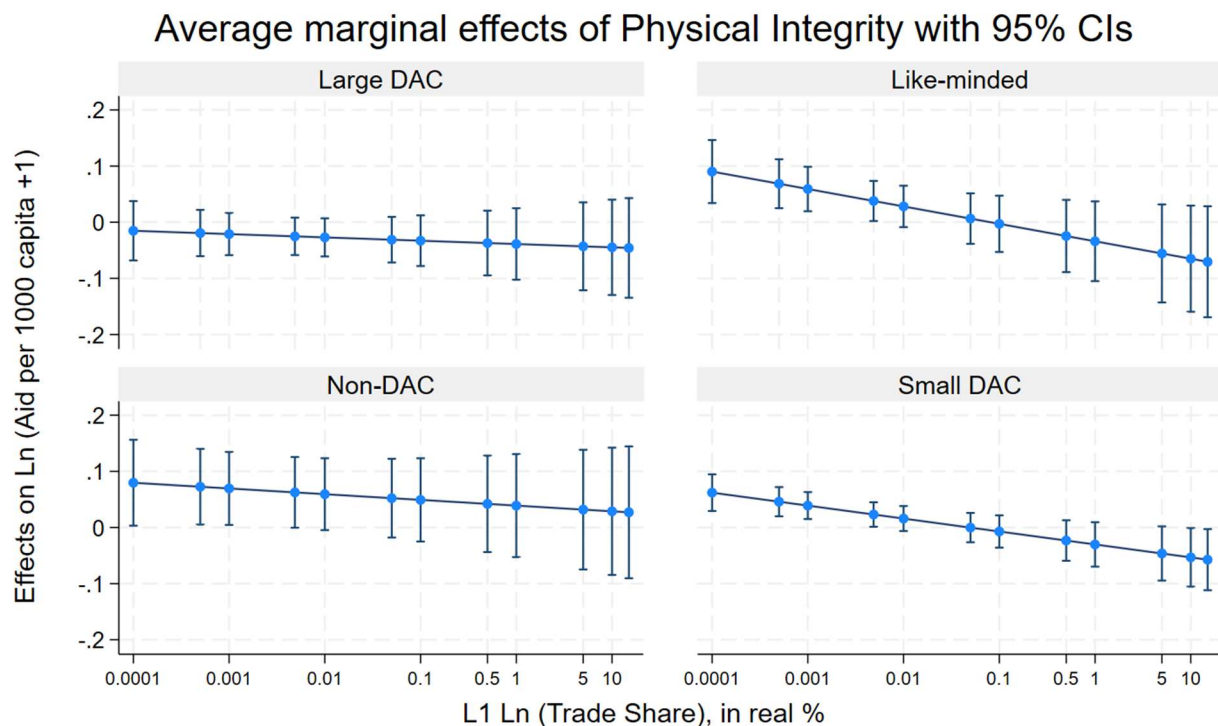
³⁴ The values and corresponding p-values are respectively: Large DAC (-0.0799; p-value 0.363), Like-minded (0.073; 0.526), Non-DAC (0.033; 0.839) and Small DAC (-0.0562; 0.443)

³⁵ Estimating the marginal effect of PI for small DAC at the 1st percentile of all three strategic variables, keeping all variables constant at their mean, the estimated marginal effect is -0.075 with a p-value = 0.228

aggregate.³⁶ These considerations reinforces the findings by Dreher et al. (2011), who, although not focusing on human rights nor its interaction with strategic interest directly, also document substantial within-group variation among non-DAC donors and regional grouping of donors. Consequently, while not fully excluding the possibility of intra-group heterogeneity, I do not find support for Hypothesis 3a, i.e. that like-minded donors react more negatively to human rights violations than Large DAC and non-DAC donors as a group.

Regarding Hypothesis 3b and the interactions between human rights and strategic interests, I find overall similar, but again less significant results as in the last section. Starting with trade in Figure 7, like-minded, non-DAC, and small DAC donors exhibit a positive relationship between human rights violations and aid at low levels of trade, which becomes insignificant as trade increases. For Large DAC donors, the relationship is insignificant across all trade levels. While these patterns are generally consistent with the aggregate results, they suggest limited support for Hypothesis 3b. There is no evidence that like-minded donors are systematically more concerned about human rights violations or less inclined to disregard them when economic interests are present than Large DAC or non-DAC donors.

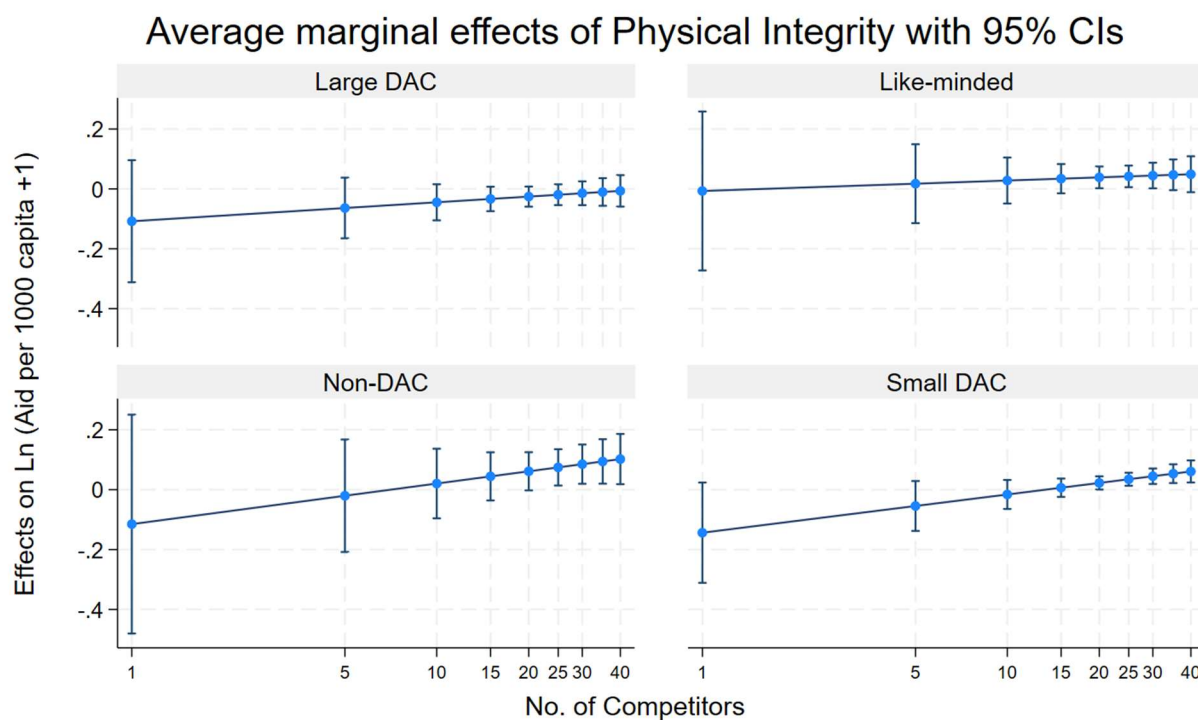
Figure 7 Marginal Effects of Physical Integrity by Trade Share by Donor



Notes: The results are based on equation (1) and show the marginal effect of physical integrity index on aid at different levels of trade share, keeping all other variables constant at their mean.

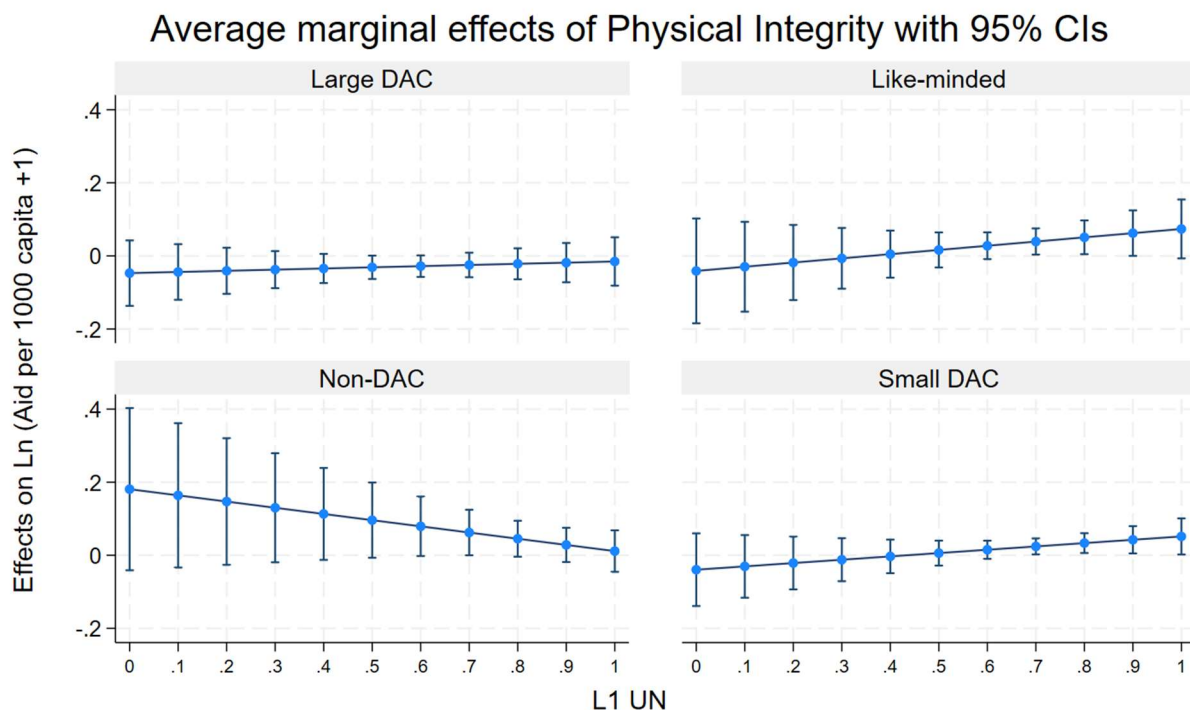
³⁶ I have tried to run the model separate for many of the donors (not reported). It is noteworthy that running them for each donor reduces the efficiency of the model and leads to imprecise results, given the relatively small sample size and, especially for small donors, the large number of zeroes. Nevertheless, doing so, finds that, while for large DAC and non-DAC donors, all marginal effects of Physical Integrity at the 1st percentile of strategic interest were insignificant, they were positive for Sweden, Netherlands and Denmark (and positive but insignificant for the remaining like-minded donors) but much more mixed for Small DAC: while New Zealand, Korea and Australia had strongly negative coefficients, Finland and Switzerland had significantly positive coefficients and most remaining ones insignificant marginal effects.

Figure 8 Marginal Effect of Physical Integrity Index by No. of Competitors by Donor



Notes: The results are based on equation (1) and show the marginal effect of physical integrity index on aid at different levels of competition, keeping all other variables constant at their means.

Figure 9 Marginal Effects of Physical Integrity by UN agreement by Donor



Notes: The results are based on equation (1) and show the marginal effect of physical integrity index on aid at different levels of UN idealpointdistance, keeping all other variables constant at their means.

Nonetheless, the results do reaffirm existing claims regarding donor trade orientation in their aid allocation decisions. Like-minded donors appear to be the least trade-oriented, while non-DAC donors, followed by Large DAC and small DAC donors, show a strong positive association between trade and aid. Specifically, as shown in Table 5, a doubling of the trade share is associated with a 6.7% increase in aid from Large DAC donors, 9.6% from small DAC donors, and a substantial 31.2% from non-DAC donors. This corroborates findings by Barthel et al. (2014) and Berthélemy (2006), suggesting that like-minded donors are less trade-oriented in their aid allocation. Additionally, all else equal, the findings suggest that claims that the “new” non-DAC donors are strongly motivated by commercial self-interest, although not specifically through disregarding human rights, are not fully exaggerated, as was previously suggested by Dreher et al. (2011) or Hoeffler & Sterck (2022).

Turning to Competition in Figure 8, neither Large DAC nor like-minded donors display significant relationships between aid and human rights violations at any level of competition. In contrast, non-DAC and small DAC donors show a positive association between PI and aid at high levels of competition, suggesting that as donor competition intensifies, these donors become even less sensitive to human rights considerations. Again, the aggregate results are somewhat weakened through these observations: Separating by donor group indicates that neither of the groups as an aggregate significantly consider human rights violations in their aid allocations, even when competition is low, but they do care even less when competition is high, significantly so for small DAC and non-DAC donors.

The results for UN voting alignment in Figure 9 mirror those for competition. I find no significant negative association between aid and human rights violations at any level of UN agreement. However, at high levels of alignment, small DAC and like-minded donors display a significant positive association, suggesting that these donors reward countries that vote similarly in the UN General Assembly, irrespective of their human rights records.

UN voting as an independent variable itself (at a mean level of PI) shows some additionally interesting patterns in Table 5: The negative marginal effect observed in the baseline model is only found for Large DAC, while the other donor groups show a positive relationship between UN voting agreement and aid. The marginal effect is particularly strongly positive for non-DAC donors, which may reflect two interconnected factors. First, many Arab non-DAC donors, such as Saudi Arabia, the United Arab Emirates, and Kuwait, channel a large proportion of their aid to the Middle East and North Africa region - 79%, 69%, and 57%, respectively - while comparable figures are significantly lower for Western donors (23% for Germany and the US, and around 10% for the UK, Sweden, and the Netherlands).³⁷ This pattern supports claims that Arab donors tend to prioritize “friendly” regimes within the Arab League (Dandashly & Kourtellis, 2023; Dreher et al., 2011; Neumayer, 2003c). Although the Arab countries in the sample are clearly not aligned in all aspects (Dandashly & Kourtellis, 2023), their UN alignment is much higher than in the dataset on average. Second, and perhaps more importantly, since some of the former considerations should be picked up by the region fixed effects included, non-Western donors tend to generally have closer voting patterns with (other) low- & middle-

³⁷ Own calculations based on the OECD (2025) aid dataset.

income patterns, independent of whether these receive aid by the donors or not, which may additionally impact the results.

Concluding the discussion of hypothesis 3b, considering all three dimensions of strategic interest – trade, competition and UN voting – I do not find convincing evidence in support of Hypothesis 3a nor 3b. Although like-minded donors are less trade-oriented than the other groups, they do not appear to be more sensitive to human rights violations or less strategic in their aid allocation decisions otherwise, through disregarding human rights, than any other donor group. If anything, Large DAC donors, despite often being portrayed as highly strategic and indifferent to human rights (Barthel et al., 2014; Neumayer, 2003b), are the group displaying (weak) punitive tendencies and the least responsiveness to strategic interests through human rights considerations.

Regarding the control variables back in Table 5, I find that all donors pay attention to GDP per capita in their aid allocation decision, with the marginal effect being particularly pronounced among non-DAC donors. However, this contrasts the pattern for infant mortality rates, where non-DAC donors appear indifferent. Additionally, I find no evidence that non-DAC donors are more resource-driven or more politically motivated in terms of UN Security Council membership, countering earlier accusations of resource-oriented aid allocation by non-DAC donors (Naim, 2009; Woods, 2008). These findings align with more recent studies (Dreher et al., 2011; Dreher & Fuchs, 2011; Hoefler & Sterck, 2022), which challenge such claims. Only Large DAC and like-minded donors systematically allocate more aid to democratic countries, all else equal, while being a former colony remains a strong predictor of aid across all donor groups. Notably, for non-DAC donors, this result is largely driven by Türkiye, which directs 96% of its aid commitments to its former Ottoman territories in the Middle East and Eastern Europe.³⁸ Finally, like-minded donors stand out in their tendency to allocate more aid to countries in active civil war. While few other papers directly measure this relationship, this is supporting Schraeder et al. (1998) who observed that Sweden as a like-minded donor allocated substantial proportions of its aid to (at the time) conflict-affected countries in Southern Africa. Since civil war is likely linked to humanitarian need and humanitarian aid, this may also indicate that the different sectoral foci of the different donors (donor groups) may play a role, which will be further discussed in regards to sector-specific effects in Section 5.3.

5.2.1 Robustness Donor-Specific Effects

Since earlier robustness checks revealed no major model issues, this section focuses on donor-specific robustness, reported in Table A11. First, I start the regression in 2011 to address data limitations, since many non-DAC and small DAC donors enter the dataset only in later years. This avoids early-period bias toward DAC donors. While the 2011 cutoff is somewhat arbitrary, it is mid-sample and includes Czechia, Iceland, Slovenia, India, and the UAE alongside established DAC donors and China. Results are also robust to using 2012 or 2013 as the starting point.

³⁸ The only other country in the non-DAC group that has a colony is China with Mongolia as a former colony. Running the regression separately for non-DAC excluding Türkiye leads to an insignificant coefficient for colony as expected.

Second, I test alternative donor classifications. In one version, I group post-socialist donors that joined the DAC in the later 2000s or 2010s (Czechia, Estonia, Hungary, Lithuania, Poland, Slovakia, Slovenia) and Korea with non-DAC donors, reflecting their potentially similarity with other non-DAC donors. Alternatively, based on shared EU membership and potentially shared values regarding human rights (Manning, 2006), I reclassify Croatia, Latvia, and Romania as small DAC donors. None of these adjustments change the main findings. One notable result is that excluding newer EU members from the Non-DAC group renders the UN variable insignificant and negative, rather than strongly positive. This is somewhat surprising given the earlier discussion on what could drive the strongly positive UN coefficient. While the previous observations are not any less correct, they do not seem to drive the result.

5.3 Sector-Specific Effects

In this section, I examine sector-specific effects as outlined in hypothesis 4a and 4b. Hypothesis 4a posits that, all else equal, donors will respond to human rights violations by reducing aid to economic sectors (particularly when strategic interests are low), but not to social sectors. Hypothesis 4b further suggests that the economic sector is more sensitive to strategic interests than the social sector, i.e. that donors will disregard the sanctions in the economic sector when strategic interests are high.³⁹

Building on the earlier discussion that an interactive model is problematic due to cross-sectional dependence concerns and has a worse model fit than the baseline and donor-specific results, Table 6 presents regression results disaggregated by sector, following Nielsen (2013). For comparison, interactive model results are included in Tables A12–A14 and Figures A1–A3, showing similar patterns. A key methodological decision here is whether to use a sector-specific or general competition variable. The literature suggests donors mainly compete within sectors. For example, China and Japan in the economic sector (Hoshiro, 2024a, 2024b), and large DAC donors in economic and trade-related sectors but less in social sectors (Barthel et al., 2014). Accordingly, the main analysis uses sector-specific competition, with alternative results using general competition reported in Table A15. This choice notably somewhat affects results for the economic sector but has little impact on the social sector, reinforcing the view that sector-specific donor competition is more pronounced in economic sectors.

³⁹ Here, following Nielsen (2013), this includes sector codes 200-600 (see Table A3), or the economic, production, multi-sector, general programme assistance and debt-related sectors. The Social sector includes social aid (sector codes 100s) and Humanitaria aid (700s). The remaining “Other” includes aid to refugees in donor countries, administrative costs and unallocated/unspecified aid, makes up only a small share of total aid (see Figure 3) and is not of particular interest, but is included for completeness in the Appendix Tables (Table A15).

Table 6 Sector-specific regressions

VARIABLES	(2) Econ specific comp	(4) Social specific comp
L1 PhysInt	-0.413*** (0.088)	-0.311*** (0.067)
L1 Ln (Trade Share)	0.184*** (0.019)	0.131*** (0.013)
L1 PhysInt × L1 Ln (Trade Share)	-0.006* (0.004)	-0.008*** (0.003)
L1 UN	-1.683*** (0.299)	-0.670*** (0.225)
L1 PhysInt × L1 UN	0.214*** (0.056)	0.044 (0.042)
L1 Ln (Comp)	0.788*** (0.103)	0.679*** (0.077)
L1 PhysInt × L1 Ln (Comp)	0.067*** (0.024)	0.082*** (0.017)
R2P	-0.005 (0.071)	0.230*** (0.060)
R2P × L1 PhysInt	0.004 (0.016)	-0.025** (0.013)
L1 Ln (GDPpc)	-0.548*** (0.063)	-0.433*** (0.045)
L1 Ln (Mortality)	0.602*** (0.067)	0.430*** (0.054)
L1 Democratic	0.213*** (0.049)	0.160*** (0.036)
Colony	3.757*** (0.310)	2.980*** (0.227)
L1 Ln (Resources)	-0.026 (0.018)	-0.034*** (0.013)
UN Security	-0.005 (0.049)	-0.056 (0.037)
L1 Ln (Pop)	-0.083** (0.033)	-0.073*** (0.024)
Civil War	-0.078 (0.068)	0.354*** (0.050)
L1 Ln (Aid pc)	0.445*** (0.006)	0.478*** (0.006)
Ln (Aidbudget) (sector-spec)	0.306*** (0.069)	-0.055 (0.057)
Region fixed effects	Yes	Yes
Log-likelihood	-107,350	-124,423
Observations	78,127	78,127
Number of Dyads	5,206	5,206

Standard errors in parentheses

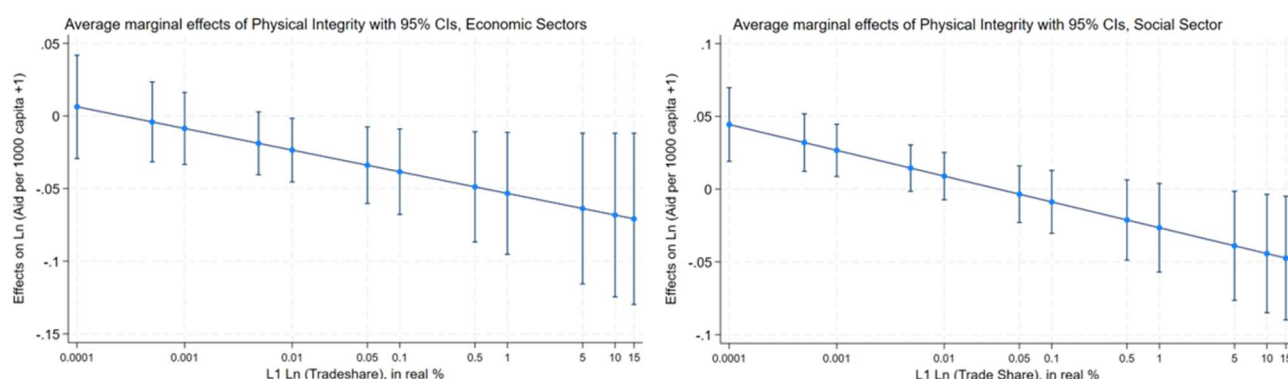
*** p<0.01, ** p<0.05, * p<0.1

Notes: Table based on Eq. (1), separated by sector. Economic sector includes sector codes 200-690 (see Table A3), while the Social Sector includes sector codes 100s and 700s (Social and Humanitarian Aid).

Considering the results, for the average recipient country (marginal effects at mean values of all variables), I find a significantly negative relationship between aid and human rights violations in the economic sector (- 1.8%), and a significantly positive relationship in the social sector (1.5%) given a one-unit increase in the PI.⁴⁰ These findings support Hypothesis 4a for the average recipient country and align with Nielsen (2013), though the magnitude of the effect for the economic sector is slightly smaller in my model. Nevertheless, at low levels of strategic interest (1st percentile), donors reduce aid related to human rights violations in both sectors, but the response is stronger in the economic sector (-22.7%) compared to the social sector (-17.5%).⁴¹ This may give a first indication that strategic interests are not fully irrelevant in the social sector, which is also represented by positive and significant coefficients for trade and competition in Table 6.

Building on that, I find limited support for Hypothesis 4b. The marginal effects plots in Figure 10-12 do support the idea that strategic interests are important for the economic sector but show only limited evidence for the idea that they do not matter for the social sector. One slight exception for the latter is the interaction with UN voting alignment: in the economic sector, the marginal effect of human rights violations on aid is strongly negative at low UN agreement levels, becoming insignificant around the mean (0.7), and significantly positive at full agreement (1). For example, at a UN agreement score of 0.5 (roughly the 10th percentile), a one-unit decrease with the physical integrity index is associated with a 6% reduction in economic aid, while aid to the social sector shows no significant change. Conversely, at perfect UN agreement (score of 1), economic aid increases by 4.6% associated with an increase in PI, compared to a 2.85% increase in the social sector. This suggests that, under conditions of strong political alignment, donors may reward countries despite human rights violations, particularly in the economic sector, although otherwise, the economic sector seems to be used as a tool to “punish” the recipient governments as discussed by Nielsen (2013).

Figure 10 Marginal Effect of Physical Integrity by Tradeshare, by Sector

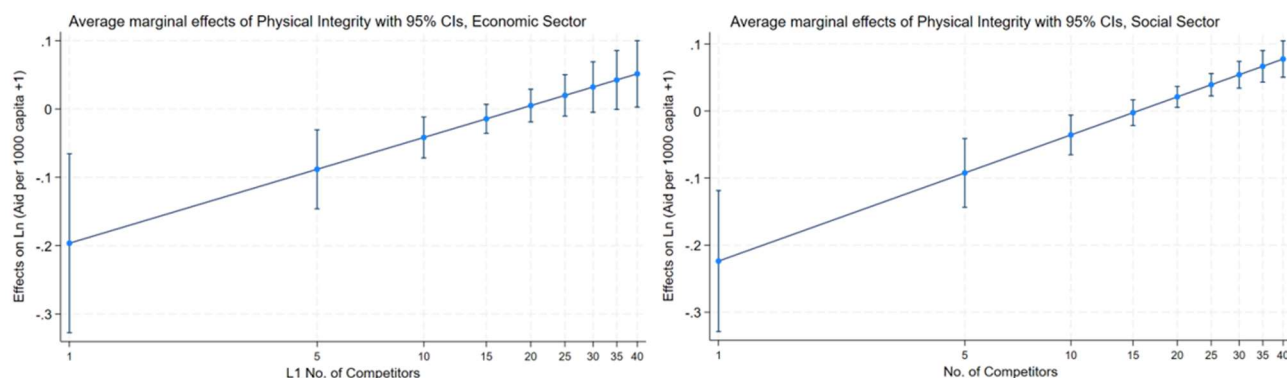


Notes: Marginal plot of Physical Integrity index at different levels of L1 Ln(Tradeshare), separated for the Economic (left) and Social (right) sector. Plots are based on the results in Table 6.

⁴⁰ Both are significant with a p-value < 0.1

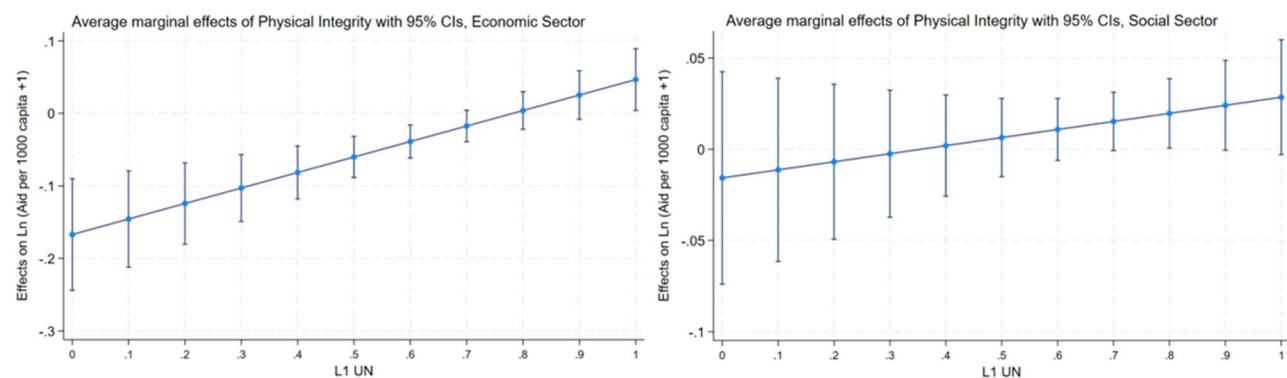
⁴¹ The 1st percentile are in this case sector specific for competition which is an L_Incomp = 0 for both. Both marginal effects are significant with a p-value < 0.01

Figure 11 Marginal Effect of Physical Integrity by No. of Competitors, by Sector



Notes: Marginal plot of Physical Integrity index at different levels of L1 Ln(Competitors), separated for the Economic (left) and Social (right) sector. Plots are based on the results in Table 6.

Figure 12 Marginal Effect of Physical Integrity by UN agreement, by Sector



Notes: Marginal plot of Physical Integrity index at different levels of L1 UN, separated for the Economic (left) and Social (right) sector. Plots are based on the results in Table 6.

Regarding the control variables in Table 6, aid to both sectors show rather similar allocation criteria in terms of recipient need, merit, historical ties and other donor interests. The main exception, as mentioned before is that only social (and mostly humanitarian, more on this in section 5.3) aid is increased when the recipient is in a civil war, while economic aid is insignificantly and negatively related to civil war.

As a final consideration in this section, and connecting back to the previous section, the here found differences between sectors could also potentially explain the somewhat surprising (non-) differences across donor groups. As shortly discussed in the descriptive statistics (referring to Table A5), many non-DAC donors prioritize economic sectors: For example, China and the UAE allocate around 75% and India around 80% of their ODA aid commitments to broad economic sectors, in the given timeframe. By contrast however, Romania, Croatia and Türkiye focus almost exclusively on social sectors. Like-minded donors, on the other hand, devote 60–80% of their aid to social sectors. This raises the possibility that like-minded donors' preference for social aid vs non-DAC donors' overall preference for economic aid could explain why like-minded donors, like non-DAC donors, show a positive association between human rights and aid for the average recipient. If we were to stick to the stereotypical assumptions, it may for

example be that like-minded donors disregard human rights to protect vulnerable citizens with social aid, while non-DAC disregard human rights in the economic sectors for their own benefit.

To test this, I re-estimated the donor interaction models from the previous section separately for economic and social sectors.⁴² The results broadly confirm the sector-specific patterns. I find a significantly negative marginal effect of PI in the economic sector at low (1st percentile) and mean levels of strategic interest for Small DAC and Large DAC donors, respectively. In contrast, human rights violations are positively correlated with social aid for some donor groups at low and mean levels of strategic interest.

Crucially, this analysis does not support the idea that sectoral preferences are fully driving donor-specific results in the way initially hypothesized. I find no convincing evidence that neither non-DAC nor like-minded donors are neither less nor more sensitive to human rights violations when providing economic aid than the other donor groups. Instead, for the social sector, I observe a very strongly positive marginal effect of PI on aid for non-DAC donors (keeping all variables constant at their mean), associating a one-unit increase in the PI with 11% more aid per capita. For like-minded donors, a similar association is also observed, although lower in magnitude (around 3.8%)⁴³. This latter magnitude is closely in line with the results in Table 5, for total aid, which does give support to the idea that for like-minded donors, their positive (or at least not negative) reaction to human rights violations is mostly driven by its focus on social aid, which is generally considered to be less sensitive to human rights violations (Nielsen, 2013).

Although it may be more justifiable to continue giving aid to social sectors in the light of human rights violations, the results so far also clearly indicate that aid to the social sector is not given fully independently from strategic considerations, since factors such as trade, competition and historical ties still matter (see Table 6). Therefore, it may well be that, while not necessarily driven by direct commercial interest such as building infrastructure for trade, I cannot exclude the use of aid to the social sector as a way to build goodwill or influence, although, as argued by Nielsen (2013), social aid tends to be less valuable to the recipient regime.

5.3.1 Robustness Sector-Specific Effects

To test the robustness of the previous results, I conduct two sector-specific robustness checks, reported in Table A16. First, I apply a stricter definition of Economic aid. While the main analysis uses Nielsen's (2013) broad definition, including multi-sector aid, debt-related aid, and general programme assistance, I here follow Barthel et al. (2014), focusing solely on economic and production aid, covering sectors such as industry, infrastructure, energy, and agriculture (sector codes 200+300). From the recipient's perspective, the broader definition may correctly capture aid fungibility and thus greater attractiveness, as for example general budget support is often seen as a particularly generous form of aid (Dreher et al., 2008). However, from the donor's perspective, economic and production aid, which are often linked to trade, may play a

⁴² Specifically, I consider the models with sector-specific competition and sector-specific budgets as before, although the choice does not affect the conclusions. The full results are not reported for space reasons and as the marginal effects are the only relevant factors.

⁴³ Both marginal effects for like-minded and non-DAC have a p-value <0.05.

stronger strategic role (Barthel et al., 2014). Yet, if aid is largely fungible within economic sectors (but arguably not between economic and social sectors, Barthel et al., 2014), these distinctions may have limited impact. The results using the stricter definition remain similar to those for “general” Economic aid.

Second, I separated Social and Humanitarian aid. When restricting the analysis to “strict” Social aid (sector code 100), the results remain consistent with the overall Social aid allocation. Given that Humanitarian aid is typically provided in response to crises, such as natural disasters or war, one might expect it to be less influenced by human rights conditions (and strategic interests, as it should be apolitical in nature (Morgenthau, 1962)). However, the findings do not confirm this. Humanitarian aid is indeed strongly driven by the presence of civil war and is less sensitive to regime type, as expected, but the coefficients for human rights and strategic variables resemble those found in the strict economic aid sector.

Given this somewhat surprising result, I probed further and found that the outcomes for Humanitarian aid are very sensitive to the inclusion of the Small Island Developing States (SIDS). These countries tend to be highly vulnerable to natural disasters (United Nations, n.d.b) and tend to receive disproportionately high levels of Humanitarian aid per capita, while on average exhibiting relatively strong human rights records. The average PI for the SIDS is 0.94, compared to 3.5 for the full sample (as reported in Table 3). Excluding SIDS does not alter the finding that Humanitarian aid is linked to strategic interests and historical or economic ties. This matches with the findings by Drury et al. (2005), which argue that Humanitarian aid is not apolitical. However, when excluding SIDS, the role of human rights violations, at any level, becomes irrelevant and the marginal effect at the mean of all variables becomes strongly positive (0.045).⁴⁴ This change is not as pronounced for neither “strict” Social nor “strict” Economic aid.⁴⁵

⁴⁴ The corresponding p-value is 0.005. When including SIDS, this value is insignificant at 0.019

⁴⁵ At the mean of all variables, the marginal effect of social aid only stays borderline-significant positive (with SIDS 0.014, p-value 0.087, without 0.012, p-value 0.113) and for strict economic aid, it stays significantly negative.

6 Conclusion

This thesis contributes to the ongoing debate on how foreign aid is shaped by the interplay between donor interests and human rights considerations. Analyzing a large panel dataset of 41 donors and 148 recipients between 2000 and 2022, the findings show that donors, on average, reduce aid to countries with poor human rights records, but only when strategic interests are low. As, especially geopolitical and competitive, strategic stakes increase, human rights considerations are often sidelined, *ceteris paribus*.

While these average patterns align with previous studies such as Nielsen (2013) and Kim & Menninga (2020), this thesis additionally aimed to add nuances by examining donor and sectoral heterogeneity. The stereotypical assumption that the so-called like-minded donors are more reactive to human rights or more altruistic is not supported. While they place less weight on trade ties, they, like non-DAC donors, commit more aid to recipients with worse human rights records, which is mainly driven by aid to social sectors. Relatedly, sectorally, for the average recipient country, economic aid is reduced in relation to human rights abuses, while social and humanitarian aid increases. Nevertheless, neither social nor humanitarian aid is allocated independently from strategic considerations and, when strategic interests are low, may still respond negatively to human rights violations.

While making a relevant contribution to how donors balance human rights considerations and strategic interests, this study has several limitations, which may also provide input for future research. Firstly, methodologically, while lagging variables is a commonly used technique to reduce endogeneity bias (for example Berthélemy, 2006; Hoeffler & Outram, 2011; Nielsen, 2013), its effectiveness has been criticized (Bellemare et al., 2017). As noted throughout, it could be that aid also has an effect on human rights and conflict in the recipient country (both positively and negatively (Cole, 2022; Narang, 2015; Wood & Molfino, 2016), and aid may also affect variables such as trade, geopolitical alignment or GDP (Alesina & Dollar, 2000; Barthel et al., 2014).

Therefore, while the use of aid commitments rather than disbursements, and the use of lagged independent variables should reduce these concerns, this thesis does not claim to estimate a causal relationship, as much of the aid allocation literature so far (Dreher et al., 2024). This thesis hence largely aims to deepen the understanding of the correlations between foreign aid, human rights violations and strategic interest. One potentially interesting avenue for future research may be the use of subnational aid data, which, as of May 2025, is expected to become available soon for a large set of donors (Bomprezzi et al., 2024). For example, in a move to more causal inference, it may be interesting to consider specific, subnational cases of (shorter-lasting) conflicts in a diff-in-diff type of estimation. Recent advances in the general aid literature in this direction have been made for example by Blair et al. (2022), Bomprezzi et al. (2024) and Dreher et al. (2019a).

Secondly, this thesis raises further questions regarding aid bypass and the role of non-governmental organizations (NGOs). Prior work shows that donors often bypass governments when government quality is low (Dietrich, 2013) but also, that, strategic interests may reduce bypassing (Allen et al., 2024). Is this also true for non-DAC donors? Since the results here have indicated that social and humanitarian aid are also not apolitical, but known to be more often channeled through NGO's, how does this distinction impact the findings? Data on which channel aid is distributed through is slowly also available for some of the non-DAC donors and could provide an interesting avenue for future research.

Finally, this thesis does not say anything about the effectiveness of aid sanctions. While this thesis shows that human rights abuses are associated with aid reductions when strategic interests are low, it does not assess whether those reductions lead to improved right outcomes in the future. Studies like Mertens (2024) suggest that aid suspensions can be effective, but it remains unclear whether some donors are more successful than others. Moreover, even though the here presented results do not support that Non-DAC donors are necessarily more susceptible to strategic interests in their human rights considerations, they have indicated that they are relatively insensitive to human rights, all else equal. Is there a substitution effect, i.e. recipients turning to other, potentially less sensitive donors when they are faced with aid suspensions or sanctions by others? Does this render aid sanctions ineffective?

From a policy perspective, the findings that (most) donors care about competition, both with regards to human rights and *ceteris paribus*, may further underscore a need for better donor coordination. Even the smallest donors commit aid to many different donors and the largest donors give aid to virtually all eligible recipients in any given year. This competitive behavior, while readily explainable by the donors' will to foster or maintain influence in the world, especially relative to other donors undermines the efficiency from foreign aid and strongly increases bureaucratic burdens (Fuchs et al., 2015). Coordination, though seemingly difficult to achieve, could help align global aid objectives and make aid more effective.

Ultimately, the results present a rather sobering picture: Although many donors publicly announce their normative commitments to uphold human rights in their foreign aid, or more generally foreign policy objectives (for example, Kuwait (Ministry of Foreign Affairs Kuwait, n.d), Denmark (Ministry of Foreign Affairs of Denmark, n.d.) and Germany (Federal Foreign Office, 2022)), the results, especially when looking at donor group heterogeneity, indicate that many if not most of them do not consistently act on their objectives, and even less so when strategic interests are present. While this thesis does not aim to make a normative statement on whether donors should condition aid on rights performance, it does reveal a significant gap between stated values and actual behavior. Recognizing this gap may be a first step toward making aid more principled and more effective in achieving its objectives.

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Declaration of use of AI

During the preparation of this thesis, I used the AI-based tool ChatGPT (OpenAI) in order to improve the readability of the fully self-written text. I have specifically used it to correct language mistakes, as well as for suggestions to make the text more concise and structured throughout the thesis, without adding any new content or arguments not originally provided by myself. After using this tool, I have reviewed and edited the text as needed.

I have also used this tool for coding support in Stata. The tool has specifically been used to troubleshoot coding errors and suggest ideas on coding and data presentation, especially matching color codes (Figure 2 & 3) and how to correctly code the competition variable, counting only positive aid commitments. The results of this have been tested, confirmed manually and compared with other reliable sources such as Stata Manuals as needed.

I take full responsibility for the content, analysis and sources in this thesis.

Appendix

This Appendix displays all figures and tables referred to in the text, showing relevant background information as well as all discussed robustness tests and alternative specifications.

Table A 1 Donors and years included

DAC donors	Years included		Years Included	Non-DAC countries	Years included
Large DAC donors		Belgium	2000 - 2022	Azerbaijan	2017 - 2022
France	2000 - 2022	Czechia	2011 - 2022	China	2000 - 2021
Germany	2000 - 2022	Estonia	2013 - 2022	Croatia	2017 - 2022
Italy	2000 - 2022	Finland	2000 - 2022	India	2007 - 2014
Japan	2000 - 2022	Greece	2002 - 2022	Kuwait	2010-2022
United Kingdom	2000 - 2022	Iceland	2011 - 2022	Latvia	2016-2022
United States	2000 - 2022	Ireland	2000 - 2022	Romania	2014-2022
Like-minded donors		Korea	2006 - 2022	Saudi Arabia	2015 - 2022
Canada	2000 - 2022	Lithuania	2014 - 2022	Türkiye	2018-2022
Denmark	2000 - 2022	Luxembourg	2001 - 2022	United Arab Emirates	2009 - 2022
Netherlands	2000 - 2022	New Zealand	2002 - 2022		
Norway	2000 - 2022	Poland	2013 - 2022		
Sweden	2000 - 2022	Portugal	2000 - 2022		
Small DAC donors		Slovak Republic	2013 - 2022		
Australia	2000 - 2022	Slovenia	2010 - 2022		
Austria	2000 - 2022	Spain	2000 - 2022		
		Switzerland	2000 - 2022		
Total:		31		Total:	10

Notes: Table shows which donors are available in the dataset during which timeframes. Source of the data for China: (Dreher et al., 2022); Data for India: (Asmus-Bluhm et al., 2025): All other countries: (OECD, 2025). This is true for all following and all previous tables and figures as well.

Table A 2 Recipient Countries by Region

Region	Included Countries
Europe & Central Asia	Albania, Armenia, Azerbaijan, Belarus, Bosnia & Herzegovina, Croatia (2009) , Georgia, Kazakhstan, Kosovo, Kyrgyzstan, Moldova, Montenegro, North Macedonia, Serbia, Tajikistan, Türkiye, Ukraine, Uzbekistan
Latin America & Caribbean	Antigua & Barbuda (2013) , Argentina, Barbados (2007) , Belize, Bolivia, Brazil, Chile (2013) , Colombia, Costa Rica, Cuba, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Saint Kitts and Nevis (2012) , Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago (2007) , Uruguay (2013) , Venezuela
East Asia & Pacific	Cambodia, China, Democratic People's Republic of Korea, Fiji, Indonesia, Kiribati, Korea (Rep.) (2002) Laos, Malaysia, Marshall Islands, Mongolia, Myanmar, Nauru (2020), Palau, Papua New Guinea, Philippines, Samoa, Solom Islands, Thailand, Timor-Leste, Tonga, Tuvalu, Vanuatu, Vietnam
South Asia	Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka
Middle East & North Africa	Algeria, Bahrain, Egypt, Iran, Iraq, Jordan, Lebanon, Libya, Malta (2003) , Morocco, Oman (2008) , Palestine, Saudi Arabia (2005) , Syria, Tunisia, Yemen
Sub - Saharan Africa	Angola, Benin, Botswana, Burkina Faso, Burundi, Cabo Verde, Cameroon, Central African Republic, Chad, Comoros, Congo, DR Congo, Djibouti, Equatorial Guinea, Eritrea, Eswatini, Ethiopia, Gabon, The Gambia, Ghana, Guinea, Guinea-Bissau, Ivory Coast, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles (2015) , Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Tanzania, Togo, Uganda, Zambia, Zimbabwe

Notes: Recipients included in the dataset by region. Regions are based on World Bank classifications of regions. When the recipient has a year in parenthesis behind it, i.e. "Croatia (2009)", this means that this country is only included until (including) this year and drops out afterwards as it is not eligible for ODA anymore. This methodology follows Bermeo (2017).

Table A 3 Sector Purpose Codes OECD

Sector codes (OECD)	Sector name	Sector codes (OECD)	Sector Name
SOCIAL SECTORS		MULTI-SECTOR/CROSS-CUTTING	
110	Education	410	General environment protection
120	Health	430	Other multisector
130	Population policies/Programmes & reproductive health	COMMODITY AID/GENERAL PROGRAMME ASSISTANCE	
140	Water supply & sanitation	510	General Budget Support
150	Government and civil society	520	Development Food Aid/Food Security Assistance
160	Other social infrastructure and services	530	Other Commodity Assistance
ECONOMIC SECTORS		ACTION RELATING TO DEBT	
210	Transport and Storage	600	Action Relating to Debt
220	Communications	HUMANITARIAN AID	
230	Energy	720	Emergency Response
240	Banking and financial services	730	Reconstruction Relief and Rehabilitation
250	Business and other services	740	Disaster Prevention and Preparedness
PRODUCTION SECTORS		ADMINISTRATIVE COSTS OF DONORS	
310	Agriculture, forestry, fishing	910	Administrative costs of donors
320	Industry, mining, construction	REFUGEES IN DONOR COUNTRIES	
331	Trade policies and regulations	930	Refugees in donor countries
332	Tourism	UNALLOCATED/UNSPECIFIED	
		998	Unallocated/Unspecified

Notes: OECD sector codes used to separate sector. In the analysis, 910-998 are grouped into "Others".

Table A 4 Overview Variables and Sources

Variable name	Description	Source
ln_aidpc1000	Natural log of aid per 1000 capita committed to recipient r by donor d in year t, in million constant 2022\$. Focuses on Official Development Aid (ODA) from and to state bodies only; 1 observation for each donor-recipient-year pair. Chinese and Indian aid transformed to 2022 USD using the USD Consumer Price Index (2010=100) by the World Bank.	OECD (2025) Creditor Reporting System (flows) Chinese aid: AidData's Global Chinese Development Finance Dataset, Version 3.0 (Dreher et al., 2022) Indian aid: Indian Development Finance Dataset, Version 1.0 (Asmus-Bluhm et al., 2025)
GDP_pc_rec	GDP per capita of the recipient country in year t in constant 2015 USD defined as GDP divided by midyear population.	World Bank Development Indicators (World Bank, n.d.-b)
pop_rec	Population of the recipient country in year t.	World Bank Development Indicators (World Bank, n.d.-b)
infant_mort_rec	Infant mortality rate in the recipient country r, defined as the number of infants dying before reaching one year of age per 1000 live births in a given year t.	World Bank Development Indicators (World Bank, n.d.-b)
Democracy	Dichotomous variable based on the political and civil liberty data. The average of these two scores is used to classify countries as <i>democracies</i> (score ≤ 4) or <i>non-democracies</i> (score > 4).	Country and Territory Ratings and Statuses, 1973-2024 (Freedom House, 2025)
Colony	Dummy variable = 1 if the recipient country is a former colony of the donor country; counts only "primary colonial rulers", which "is defined as the colonial or imperial power that was most responsible for shaping the development of the entity (or entities) that became this modern state." (Hensel, 2018).	ICOW Colonial History Data Set Version 1.1 (Hensel, 2018)
physint	Physical Integrity Rights Index of the recipient country r in year t. Additive Index of the variables Disappearances, Extrajudicial Killings, torture and political imprisonment. The index is measured on a scale from 0-8, where higher values indicate greater levels of human rights respect. In my dataset, reversed so that higher values indicate higher human rights violations.	CIRIGHTS Data Project (Mark et al., 2023), Version v3.12.10.24
humanrights	Human Rights Score that is an additive index of 25 human rights measures 0-100; here reversed so that 0 means perfect respect for human rights and 100 no respect for human rights	CIRIGHTS Data Project (Mark et al., 2023), Version v3.12.10.24
resources_rec	Total natural resource rents as % of GDP in the recipient country r.	World Bank Development Indicators (World Bank, n.d.-b)

UN_security	Dummy variable =1 if the recipient country is serving as a non-permanent member on the UN security council in year t	United Nations Security Council (United Nations, n.d.c)
R2P	Dummy variable = 1 if year>2005. Dummy to indicate that the Responsibility to Protect (R2P) has been signed at the 2005 UN World Summit.	United Nations (n.d.c)
Civilwar	Dummy variable =1 if the recipient country is involved in an active civil war in year t. Civil war is defined as an intrastate or internationalized intrastate conflict where one actor is the recipient's government with at least 1000 battle-related deaths each year.	UCDP Dyadic Dataset version 24.1 (Davies et al., 2024; Harbom et al., 2008)
total_trade	Imports + Exports (USD) between recipient r and donor d in year t; Both import and export as reported by the donor country	Own calculations based on UN Comtrade Database (United Nations, n.d.a)
GDP_donor	GDP (Current USD) of the donor countries d at time t	World Bank Development Indicators (World Bank, n.d.-b)
trade_share	Total Trade/GDP of the donor country	Own calculations based on UN Comtrade Database and GDP by World Bank Development Indicators
idealpointdistance	Absolute difference in the ideal point estimate in voting behaviour at the UN General Assembly; in dataset normalized and reversed, so that 0 indicates “no agreement” and 1 indicates “perfect agreement”.	United Nations General Assembly Voting Data Version 34: (Bailey et al., 2017)
UN agree	Agreement scores based on how many votes each year the 2 countries have voted equally on.	United Nations General Assembly Voting Data Version 34: (Bailey et al., 2017)
Aid budget	Total aid given by all donors to all recipient, by year	Own calculations based on Aid data above

Table A 5 Aid by Donor and Sector (% Shares)

Donor	Commodity /General	Debt	Economic	Humanitarian	Multi	Others	Production	Social	Total Aid 2000-2022 (Mln USD)
Australia	2.4	2.5	8.8	9.1	15.2	0.8	6.4	54.8	49,108
Austria	0.4	38.2	3.4	5.1	2.7	3.0	4.4	42.8	12,644
Azerbaijan	0.0	0.0	0.0	42.4	0.1	0.2	0.0	57.3	53
Belgium	1.2	19.9	7.7	11.0	6.3	1.8	11.3	40.8	21,535
Canada	3.3	4.1	4.0	18.9	4.9	4.4	10.7	49.7	53,033
China	3.1	14.3	40.4	1.7	2.9	0.8	13.8	23.0	138,648
Croatia	0.0	0.0	1.1	11.4	2.1	2.3	0.8	82.2	118
Czechia	0.1	3.6	5.6	21.1	3.7	3.5	9.0	53.5	768
Denmark	4.7	2.5	15.0	11.9	7.5	3.4	11.7	43.2	23,757
Estonia	0.1	0.0	11.2	25.9	8.8	4.7	3.3	46.0	125
Finland	4.5	0.2	7.1	16.7	8.2	6.4	10.0	47.0	9,084
France	4.0	17.2	20.0	1.4	12.5	4.1	5.4	35.3	169,667
Germany	2.1	9.0	24.0	8.6	9.4	0.4	4.5	42.1	236,386
Greece	0.9	0.0	6.0	8.9	6.9	1.8	2.4	73.0	1,675
Hungary	0.1	0.0	1.8	7.2	1.4	2.2	11.2	76.1	1,087
Iceland	0.1	0.0	2.9	19.2	6.6	0.7	8.0	62.6	298
India	13.0	0.0	46.8	0.8	12.8	0.3	6.0	20.2	6,602
Ireland	6.2	0.3	1.4	19.5	4.8	4.7	8.2	55.0	8,886
Italy	3.4	33.8	7.6	9.1	5.3	3.0	8.1	29.6	25,912
Japan	5.9	8.9	46.7	3.3	5.3	0.5	8.5	20.8	266,117
Korea	0.2	0.0	37.8	3.0	5.0	0.5	8.8	44.7	34,446
Kuwait	0.0	0.0	44.5	4.4	12.1	1.4	9.6	28.0	10,348
Latvia	0.0	0.0	2.4	24.5	2.6	0.5	1.2	68.8	40
Lithuania	0.0	0.0	5.6	51.3	1.2	2.1	1.0	38.8	123
Luxembourg	1.7	0.0	3.5	14.3	8.8	9.4	8.1	54.2	5,031
Netherlands	9.8	5.4	4.4	12.2	8.3	3.9	7.3	48.7	38,802
New Zealand	4.7	0.0	10.1	9.7	6.6	3.8	12.7	52.4	4,859
Norway	5.1	0.5	8.8	17.9	16.0	2.1	6.7	43.0	45,442
Poland	1.0	0.1	3.0	20.2	1.1	1.3	10.7	62.7	2,161
Portugal	18.8	18.1	8.7	2.1	3.1	1.3	1.0	46.7	6,545
Romania	2.2	0.0	0.5	12.0	0.1	0.2	1.4	83.6	497
Saudi Arabia	52.4	0.0	10.8	8.4	2.4	0.0	4.9	21.1	20,536
Slovakia	0.2	11.6	2.0	10.3	0.8	7.9	5.0	62.3	169
Slovenia	0.0	7.4	4.4	8.0	1.5	0.0	3.3	75.5	268
Spain	3.2	19.1	12.2	7.3	6.2	4.8	7.5	39.7	32,224
Sweden	6.2	2.9	7.1	18.0	9.2	1.2	5.7	49.7	28,732
Switzerland	2.1	3.7	6.8	17.0	12.2	5.1	10.9	42.2	27,812
Türkiye	0.4	0.0	0.1	95.2	0.2	0.1	0.1	3.9	34,719
UAE	39.1	0.0	14.9	8.9	11.8	0.0	10.0	15.3	27,879
UK	8.6	11.5	7.6	15.9	6.1	2.6	4.7	43.1	96,556
US	5.4	2.8	9.1	21.9	4.6	1.8	5.8	48.6	578,369

Notes: Table shows the aid given to different sectors by Donor as a percentage of total aid given in the whole timeframe (2000-2022). Own calculations based on aid data.

Table A 6 Robustness Test Baseline Regression Part 1

VARIABLES	(1) Ln (Total Aid)	(2) Human Rights	(3) Squared trade	(4) Ln (Total Trade)	(5) Competitors	(6) UN agree
L1 Physical Integrity	-0.389** (0.166)		-0.399*** (0.089)	-0.091 (0.065)	-0.206*** (0.046)	-0.399*** (0.073)
L1 Humanrights		-0.070*** (0.012)				
L1 Ln (Tradeshare)	0.273*** (0.029)	0.217*** (0.023)	0.062 (0.053)		0.122*** (0.013)	0.122*** (0.013)
L1 Ln (Trade Share) ^2			-0.002 (0.002)			
L1 Ln (Trade)				0.314*** (0.011)		
L1 Physint×L1 Ln (Trade Share)	-0.012** (0.006)		-0.015 (0.011)		-0.007*** (0.002)	-0.008*** (0.002)
L1 Humanrights×L1 Ln (Trade Share)		-0.002*** (0.000)				
L1 Physint × L1 Ln (Tradeshare)^2			-0.000 (0.000)			
L1 Physint × L1 Ln (Trade)				-0.010*** (0.002)		
L1 UN	-2.072*** (0.505)	-1.004** (0.416)	-0.970*** (0.217)	-0.915*** (0.208)	-0.981*** (0.216)	
L1 UN Agree						-0.916*** (0.197)
L1 Physint × L1 UN	0.174* (0.097)		0.125*** (0.041)	0.065 (0.040)	0.142*** (0.041)	
L1humanrights×L1UN		0.006 (0.006)				
L1 Physint × L1 UN agree						0.144*** (0.041)
L1 Ln (Comp)	1.562*** (0.191)	-0.579*** (0.176)	0.607*** (0.081)	0.598*** (0.079)		0.590*** (0.081)
L1 Competitors					0.023*** (0.005)	
L1 Physint × L1 Ln Comp	0.074* (0.044)		0.078*** (0.019)	0.078*** (0.018)		0.080*** (0.019)
L1 Physint × L1 Competitors					0.004*** (0.001)	
L1 Humanrights × L1 Ln (Comp)		0.016*** (0.003)				
R2P	0.284** (0.132)		0.112** (0.055)	0.001 (0.055)	0.218*** (0.055)	0.092* (0.055)
1.R2P × L1physint	-0.024 (0.029)		-0.017 (0.012)	-0.013 (0.012)	-0.028** (0.012)	-0.013 (0.012)
L1 Ln (GDP pc)	-0.831*** (0.097)	-0.531*** (0.048)	-0.402*** (0.044)	-0.659*** (0.039)	-0.469*** (0.043)	-0.416*** (0.043)
L1 Ln (Mortality)	0.703*** (0.115)	0.116* (0.060)	0.453*** (0.050)	0.397*** (0.047)	0.407*** (0.052)	0.455*** (0.050)
L1 Democratic	0.232*** (0.082)	0.141*** (0.040)	0.140*** (0.035)	0.138*** (0.034)	0.153*** (0.035)	0.135*** (0.035)
Colony	4.858*** (0.471)	2.921*** (0.224)	2.843*** (0.220)	2.021*** (0.184)	2.769*** (0.218)	2.847*** (0.220)
L1 Ln (Resources)	-0.031	-0.036**	-0.022*	-0.035***	-0.017	-0.021*

	(0.030)	(0.014)	(0.013)	(0.012)	(0.013)	(0.013)
UN Security	-0.083	-0.005	-0.037	-0.046	-0.039	-0.037
	(0.085)	(0.039)	(0.036)	(0.036)	(0.036)	(0.036)
L1 Ln (Pop)	0.357***	-0.037	-0.092***	-0.293***	-0.098***	-0.103***
	(0.050)	(0.025)	(0.023)	(0.019)	(0.023)	(0.022)
Civil War	0.498***	0.408***	0.292***	0.301***	0.311***	0.292***
	(0.117)	(0.056)	(0.049)	(0.049)	(0.049)	(0.049)
L1 Ln (Aid pc)		0.471***	0.492***	0.508***	0.503***	0.492***
		(0.006)	(0.005)	(0.005)	(0.005)	(0.005)
L1 Ln (Total Aid)	0.521***					
	(0.006)					
Ln (Aidbudget)	-0.459***	-0.758***	-0.143**	-0.205***	-0.133**	-0.177***
	(0.149)	(0.098)	(0.063)	(0.062)	(0.063)	(0.064)
Region fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	78,127	60,039	78,127	78,127	78,127	78,127
Log-likelihood	-182,318	-100,749	-132,399	-131,931	-132,541	-132,402
Number of dyad_id	5,206	5,137	5,206	5,206	5,206	5,206

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Notes: Regressions based on equation 1, for the whole sample (donor-recipient year). (1) uses Ln (Total Aid) as a dependent variable. (2) uses the human rights index instead of the physical integrity index (note that it is only available from 2005 onwards). (3) includes a squared term of Ln (trade share). (4) uses Ln (Total Trade), which is Ln (Exports + Imports) instead of the trade share. (5) uses the raw number of competitors instead of Ln (Comp). (6) uses a UN agreement score based on similarity of voting behaviour, not Idealpointdistance. All sources in Table A4.

Table A 7 Robustness Tests Baseline Part 2

VARIABLES	(1) Bottom 99%	(2) OLS RE region	(3) OLS FE	(4) Rec FE	(5) Rec + Donor FE
L1 Physical Integrity	-0.344*** (0.071)	-0.384*** (0.084)	-0.439*** (0.087)	-0.580*** (0.117)	-0.696*** (0.125)
L1 Ln (Trade Share)	0.114*** (0.012)	0.064** (0.026)	0.001 (0.021)	0.194*** (0.042)	0.279*** (0.045)
L1 PhysInt $\times$ L1 Ln (Trade Share)	-0.006*** (0.002)	-0.002 (0.003)	-0.000 (0.003)	-0.015*** (0.004)	-0.022*** (0.005)
L_UN	-1.136*** (0.216)	0.134 (0.735)	0.121 (0.264)	-1.898** (0.784)	0.427 (0.545)
L1 PhysInt $\times$ L1 UN	0.141*** (0.041)	0.026 (0.025)	0.074** (0.034)	0.114 (0.092)	0.062 (0.105)
L1 Ln(comp)	0.657*** (0.082)	-0.423*** (0.126)	-0.144 (0.136)	-0.567*** (0.121)	-0.273** (0.119)
L1 PhysInt $\times$ L1 Ln (Comp)	0.068*** (0.019)	0.112*** (0.023)	0.118*** (0.022)	0.138*** (0.029)	0.164*** (0.030)
R2P	0.083 (0.055)	-0.056 (0.104)	-0.061 (0.098)	0.389*** (0.144)	0.330** (0.146)
R2P $\times$ L1 Physint	-0.013 (0.012)	0.002 (0.013)	0.010 (0.013)	-0.062*** (0.016)	-0.065*** (0.019)
L1 Ln (GDP pc)	-0.416*** (0.043)	-0.329*** (0.047)	-0.248** (0.093)	-0.362*** (0.100)	-0.363*** (0.088)
L1 Ln (Mortality)	0.454*** (0.050)	0.212*** (0.052)	0.588*** (0.103)	0.165* (0.097)	0.074 (0.095)
L1 Democracy	0.148*** (0.034)	0.098*** (0.034)	0.080** (0.035)	0.047 (0.036)	0.039 (0.035)
Former Colony	2.772*** (0.217)	1.577*** (0.349)		0.363*** (0.132)	0.683*** (0.191)
L1 Ln (Resources)	-0.022* (0.013)	-0.055*** (0.010)	-0.041*** (0.014)	-0.003 (0.026)	-0.025 (0.027)
UN Security Council	-0.040 (0.035)	-0.036* (0.021)	-0.034 (0.021)	-0.045* (0.026)	-0.052** (0.025)
L1 Ln (Pop)	-0.079*** (0.022)	-0.481*** (0.053)	-0.533** (0.213)	-1.102*** (0.284)	-1.056*** (0.243)
Civil War	0.293*** (0.049)	0.280*** (0.037)	0.283*** (0.042)	0.216*** (0.037)	0.286*** (0.040)
L1 Ln(Aid pc +1)	0.493*** (0.005)	0.348*** (0.042)	0.218*** (0.035)	0.959*** (0.031)	0.785*** (0.035)
Ln (Global Aid Flows)	-0.152** (0.062)	0.093 (0.125)	0.273** (0.126)	0.207 (0.178)	0.243 (0.164)
Region fixed effects	Yes	Yes	No	No	No
Recipient fixed effects	No	No	No	Yes	Yes
Donor fixed effects	No	No	No	No	Yes
Dyad fixed effects	No	No	Yes	No	No
Log - likelihood	-130,434	-	-	-135,846	-132,401
Observations	77,505	53,603	53,603	78,127	78,127
Number of Dyads	5,199	4,425	4,425	5,206	5,206

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Notes: Regressions based on equation 1. (1) excludes the top 1% of observations of Ln (Aid per 1000 capita +1), (2) uses a random effects (RE) OLS model, including only positive aid observations, (3) estimates a dyad fixed effects (FE) OLS model, including only positive aid observations, (4) is a pooled Tobit model with recipient fixed effects and (5) is a pooled Tobit model with donor and recipient fixed effects. Note that (3) excludes the colony variable as it is time-invariant between dyads (i.e. donor-recipient pairs).

Table A 8 Donor-specific Interaction model

Variables	Small DAC (Base)	V × Large DAC	V × Like- minded	V × Non-DAC
L1 Physical Integrity	-0.270** (0.107)	0.142 (0.167)	-0.046 (0.199)	0.337 (0.268)
L1 Ln (Trade Share)	0.133*** (0.016)	-0.056 (0.035)	-0.081** (0.034)	0.196*** (0.032)
L1 Ln(comp)	0.354*** (0.117)	0.684*** (0.186)	0.899*** (0.219)	-0.514* (0.268)
L1 UN agree	0.256 (0.363)	-0.817 (0.520)	0.023 (0.643)	3.666*** (0.723)
L1 Physint×L1 Ln (Tradeshare)	-0.010*** (0.003)	0.007 (0.006)	-0.003 (0.007)	0.006 (0.007)
L1 Physint×L1 UN	0.091 (0.072)	-0.059 (0.103)	0.024 (0.130)	-0.260* (0.147)
L1 Physint×L1 Ln (Comp)	0.055** (0.027)	-0.028 (0.043)	-0.040 (0.051)	0.003 (0.064)
R2P	0.196** (0.082)	-0.109 (0.127)	-1.002*** (0.145)	1.955*** (0.242)
R2P×L1 Physint	-0.045** (0.018)	0.012 (0.028)	0.157*** (0.032)	-0.085 (0.055)
L1 Ln (GDP pc)	-0.322*** (0.052)	0.029 (0.094)	-0.279*** (0.102)	-0.606*** (0.099)
L1 Ln (Mortality)	0.234*** (0.063)	0.090 (0.107)	0.195 (0.119)	-0.303** (0.121)
L1 Democracy	0.064 (0.048)	0.178** (0.082)	0.147 (0.090)	-0.172 (0.105)
Former Colony	2.521*** (0.322)	-2.137*** (0.393)	0.585 (1.276)	1.439** (0.613)
L1 Ln (Resources)	-0.038** (0.017)	0.030 (0.029)	-0.006 (0.032)	-0.027 (0.034)
UN Security Council	-0.010 (0.051)	-0.019 (0.088)	-0.059 (0.097)	-0.131 (0.121)
L1 Ln (Pop)	0.021 (0.027)	-0.182*** (0.051)	0.151*** (0.055)	-0.530*** (0.053)
Civil War	0.281*** (0.069)	-0.115 (0.121)	0.243* (0.130)	-0.152 (0.162)
L1 Ln (Aid pc +1)	0.685*** (0.008)	-0.233*** (0.013)	-0.174*** (0.012)	-0.485*** (0.012)
Ln (Global Aid Flows)	-0.132 (0.092)	0.528*** (0.145)	-0.130 (0.160)	-2.324*** (0.238)
Region fixed effects	Yes	Yes	Yes	Yes
Observations	78,127	78,127	78,127	78,127
Log - likelihood	-130,402	-130,402	-130,402	-130,402
Number of Dyads	5,206	5,206	5,206	5,206

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Notes: Regression based on Equation (1) where each independent variable is interacted with donor group dummies (Large DAC, Like-minded, Non-DAC and Small DAC). The first column shows the result for the base, Small DAC, while the other columns show the result for the variable interacted with the other dummies, i.e. relative to the base.

Table A 9 Marginal effect contrasts Donor specific

VARIABLES	Like- minded vs Large DAC	Non-DAC vs Large DAC	Like- minded vs Non-DAC	Small DAC vs Large DAC	Non-DAC vs Small DAC
L1 Physical Integrity	0.064** (0.025)	0.088** (0.036)	-0.024 (0.037)	0.049** (0.020)	0.039 (0.034)
L1 Ln (Trade Share)	-0.065* (0.034)	0.245*** (0.032)	-0.310*** (0.031)	0.029 (0.028)	0.216*** (0.023)
L1 UN agree	1.143*** (0.90)	3.745*** (0.434)	-2.601*** (0.469)	1.033*** (0.320)	2.711*** (0.412)
L1 Ln(comp)	0.169 (0.122)	-1.083*** (0.170)	1.252*** (0.179)	-0.582*** (0.100)	-0.502*** (0.164)
R2P	-0.359*** (0.088)	1.711*** (0.144)	-2.070*** (0.148)	0.066 (0.073)	1.644*** (0.140)
L1 Ln (GDP pc)	-0.308*** (0.119)	-0.635*** (0.116)	0.327*** (0.122)	-0.029 (0.094)	-0.606*** (0.099)
L1 Ln (Mortality)	0.105 (0.135)	-0.394*** (0.137)	0.499*** (0.147)	-0.090 (0.107)	-0.303** (0.122)
L1 Democracy	-0.031 (0.101)	-0.350*** (0.115)	0.319*** (0.120)	-0.178** (0.082)	-0.172 (0.105)
Former Colony	2.723** (1.256)	3.576*** (0.569)	-0.853** (1.341)	2.137*** (0.082)	1.439** (0.613)
L1 Ln (Resources)	-0.036 (0.036)	-0.057 (0.038)	0.021 (0.040)	-0.030 (0.029)	-0.027 (0.034)
UN Security Council	-0.040 (0.109)	-0.112 (0.131)	0.072 (0.137)	0.019 (0.088)	-0.131 (0.121)
L1 Ln (Pop)	0.333*** (0.065)	-0.348*** (0.064)	0.681*** (0.066)	0.182*** (0.051)	-0.530*** (0.053)
Civil War	0.358 (0.149)	-0.037 (0.178)	0.396** (0.184)	0.115 (0.121)	-0.152 (0.162)
L1 Ln (Aid pc +1)	0.059*** (0.014)	-0.252*** (0.014)	0.311*** (0.013)	0.233*** (0.013)	-0.485*** (0.012)
Ln (Global Aid Flows)	-0.659*** (0.173)	-2.852*** (0.247)	2.194*** (0.256)	-0.528*** (0.145)	-2.324*** (0.238)

Delta-method standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Notes: Table shows the difference between the Marginal Effects in Table 5, contrasting them between the donor groups. The stars indicate whether the test of contrast is different, given the p-value of a chi-square test.

Table A 10 Donor-specific model, separated by donor

VARIABLES	(1) Large DAC	(3) Non-DAC	(5) Like-minded	(7) Small DAC
L1 Physical Integrity	-0.123 (0.096)	0.243 (0.512)	-0.272 (0.183)	-0.290*** (0.090)
L1 Ln (Trade Share)	0.071*** (0.024)	0.484*** (0.058)	0.050 (0.033)	0.120*** (0.014)
L1 PhysInt × L1 Ln (Trade Share)	-0.002 (0.004)	-0.007 (0.013)	-0.013** (0.006)	-0.010*** (0.003)
L1 UN	-0.472 (0.291)	5.795*** (1.253)	0.067 (0.585)	0.122 (0.311)
L1 PhysInt×L1 UN	0.022 (0.056)	-0.395 (0.258)	0.133 (0.117)	0.107* (0.061)
L1 Ln (Comp)	0.935*** (0.109)	-0.167 (0.516)	1.354*** (0.202)	0.315*** (0.099)
L1 PhysInt×L1 Ln (Comp)	0.029 (0.025)	0.071 (0.122)	-0.003 (0.047)	0.058** (0.023)
R2P	0.070 (0.073)	2.516*** (0.488)	-0.825*** (0.130)	0.188*** (0.069)
R2P×L1 Physint	-0.029* (0.016)	-0.150 (0.110)	0.115*** (0.028)	-0.040*** (0.015)
L1 Ln (GDP pc)	-0.298*** (0.064)	-1.087*** (0.172)	-0.661*** (0.095)	-0.328*** (0.047)
L1 Ln (Mortality)	0.292*** (0.071)	-0.255 (0.227)	0.353*** (0.115)	0.286*** (0.057)
L1 Democracy	0.236*** (0.051)	-0.112 (0.192)	0.220*** (0.083)	0.051 (0.041)
Former Colony	0.393** (0.174)	4.433*** (0.960)	3.086*** (1.172)	2.577*** (0.288)
L1 Ln (Resources)	-0.015 (0.019)	-0.083 (0.060)	-0.047 (0.029)	-0.034** (0.014)
UN Security Council	-0.030 (0.054)	-0.169 (0.234)	-0.071 (0.090)	-0.010 (0.042)
L1 Ln (Pop)	-0.151*** (0.034)	-0.588*** (0.093)	0.181*** (0.049)	-0.008 (0.024)
Civil War	0.180** (0.076)	0.216 (0.306)	0.511*** (0.120)	0.282*** (0.058)
L1 Ln (Aid pc +1)	0.438*** (0.009)	0.319*** (0.021)	0.540*** (0.012)	0.642*** (0.008)
Ln (Global Aid Flows)	0.400*** (0.086)	-3.601*** (0.473)	-0.269* (0.145)	-0.086 (0.078)
Region fixed effects	Yes	Yes	Yes	Yes
Left - censored	1,163	5,826	3,905	13,630
Log - likelihood	-29,470	-16,200	-23,719	-56,148
Observations	16,174	10,354	13,409	38,190
Number of Dyads	810	1,239	675	2,482

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Notes: Regressions based on equation (1) and run separately for each donorgroup (Large DAC, Like-minded, non-DAC, Small DAC).

Table A 11 Robustness test Donors

VARIABLES	(1) 2011 onwards	(3) More Non-DAC	(5) Less non-DAC
L1 Physical Integrity	-0.644*** (0.163)	-0.270** (0.115)	-0.242** (0.106)
Large DAC × L1 Physint	0.238 (0.280)	0.144 (0.173)	0.117 (0.165)
Like-minded × L1 Physint	0.491 (0.328)	-0.057 (0.205)	-0.067 (0.198)
Non-DAC × L1 Physint	0.358 (0.347)	0.039 (0.224)	0.283 (0.296)
L1 Ln (Trade Share)	0.196*** (0.020)	0.108*** (0.018)	0.148*** (0.015)
Large DAC × L1 Ln (Trade Share)	-0.082* (0.046)	-0.038 (0.036)	-0.070** (0.035)
Like-minded × L1 Ln (Trade Share)	-0.186*** (0.046)	-0.059* (0.036)	-0.095*** (0.034)
Non-DAC × L1 Ln (Trade Share)	0.103*** (0.036)	0.205*** (0.030)	0.168*** (0.035)
L1 Ln(comp)	-0.292 (0.184)	0.397*** (0.127)	0.349*** (0.116)
Large DAC × L1 Ln (Comp)	0.673** (0.313)	0.646*** (0.193)	0.689*** (0.184)
Like-minded × L1 Ln (Comp)	0.856** (0.381)	0.838*** (0.225)	0.907*** (0.217)
Non-DAC × L1 Ln (Comp)	-0.154 (0.354)	-0.505** (0.239)	-0.571** (0.279)
L1 UN	0.429 (0.455)	-0.001 (0.403)	0.503 (0.355)
Large DAC × L1 UN	-1.400** (0.680)	-0.487 (0.554)	-1.046** (0.513)
Like-minded × L1 UN	-0.020 (0.852)	0.373 (0.671)	-0.197 (0.637)
Non-DAC × L1 UN	3.338*** (0.805)	2.134*** (0.608)	-0.966 (0.912)
L1 Physint × L1 Ln (Trade Share)	-0.018*** (0.004)	-0.007** (0.003)	-0.010*** (0.003)
Large DAC × L1 Physint × L1 Ln (Trade Share)	0.009 (0.008)	0.006 (0.006)	0.008 (0.006)
Like-minded × L1 Physint × L1 Ln (Trade Share)	-0.002 (0.009)	-0.005 (0.007)	-0.003 (0.007)
Non-DAC × L1 Physint × L1 Ln (Trade Share)	0.012 (0.008)	-0.006 (0.006)	0.006 (0.007)
L1 Physint × L1 UN	0.132 (0.089)	0.122 (0.080)	0.079 (0.071)
Large DAC × L1 Physint × L1 UN	-0.101 (0.133)	-0.091 (0.109)	-0.049 (0.102)
Like-minded × L1 Physint × L1 UN	-0.063 (0.168)	-0.011 (0.135)	0.033 (0.129)
Non-DAC × L1 Physint × L1 UN	-0.201 (0.161)	-0.217* (0.120)	-0.219 (0.195)
L1 Physint × L1 Ln (Comp)	0.121*** (0.040)	0.055* (0.029)	0.048* (0.027)
Large DAC × L1 Physint × L1 Ln (Comp)	-0.036 (0.070)	-0.026 (0.045)	-0.022 (0.043)
Like-minded × L1 Physint × L1 Ln (Comp)	-0.138* (0.083)	-0.033 (0.052)	-0.035 (0.051)
Non-DAC × L1 Physint × L1 Ln (Comp)	-0.028 (0.082)	0.056 (0.056)	0.011 (0.066)
R2P		0.227***	0.167**

		(0.084)	(0.082)
R2P × Large DAC		-0.140	-0.083
		(0.128)	(0.127)
R2P × Like-minded		-1.030***	-0.975***
		(0.146)	(0.144)
R2P × Non-DAC		1.430***	2.244***
		(0.235)	(0.243)
R2P × L1 Physint		-0.041**	-0.042**
		(0.019)	(0.018)
R2P × Large DAC × L1 Physint		0.008	0.009
		(0.029)	(0.028)
R2P × Like-minded × L1 Physint		0.154***	0.155***
		(0.032)	(0.032)
R2P × Non-DAC × L1 Physint		-0.123**	-0.101*
		(0.053)	(0.055)
L1 Ln(GDP pc)	-0.424***	-0.308***	-0.323***
	(0.063)	(0.060)	(0.050)
Large DAC × L1 Ln (GDP pc)	0.060	0.024	0.031
	(0.124)	(0.101)	(0.093)
Like-minded × L1 Ln (GDP pc)	-0.238*	-0.295***	-0.275***
	(0.132)	(0.109)	(0.100)
Non-DAC × L1 Ln (GDP pc)	-0.481***	-0.448***	-0.641***
	(0.112)	(0.093)	(0.107)
L1 Ln (Mortality)	-0.265***	0.413***	0.175***
	(0.082)	(0.072)	(0.061)
Large DAC × L1 Ln (Mortality)	0.216	-0.071	0.137
	(0.145)	(0.114)	(0.105)
Like-minded × L1 Ln (Mortality)	-0.039	0.059	0.237**
	(0.162)	(0.127)	(0.117)
Non-DAC × L1 Ln (Mortality)	-0.084	-0.694***	0.026
	(0.140)	(0.114)	(0.133)
L1 Democracy = 1	-0.012	0.065	0.060
	(0.060)	(0.053)	(0.047)
Democratic × Large DAC	0.142	0.178**	0.182**
	(0.110)	(0.085)	(0.081)
Democratic × Like-minded	0.093	0.144	0.150*
	(0.122)	(0.093)	(0.089)
Democratic × Non-DAC	-0.172	-0.145	-0.166
	(0.120)	(0.091)	(0.112)
Former Colony	2.582***	2.620***	2.551***
	(0.356)	(0.348)	(0.319)
Colony × Large DAC	-1.990***	-2.230***	-2.179***
	(0.435)	(0.424)	(0.389)
Colony × Like-minded	0.254	0.551	0.552
	(1.382)	(1.376)	(1.262)
Colony × Non-DAC	1.445**	0.727	1.049*
	(0.650)	(0.650)	(0.613)
L1 Ln (Resources)	-0.050**	-0.029	-0.033**
	(0.021)	(0.019)	(0.016)
Large DAC × L1 Ln (Resources)	0.012	0.023	0.025
	(0.038)	(0.031)	(0.028)
Like-minded × L1 Ln (Resources)	-0.033	-0.013	-0.011
	(0.043)	(0.034)	(0.032)
Non-DAC × L1 Ln (Resources)	-0.061	-0.034	-0.039
	(0.038)	(0.031)	(0.036)
UN Security Council	0.053	-0.014	-0.002
	(0.062)	(0.055)	(0.050)
UN Security × Large DAC	-0.002	-0.015	-0.028
	(0.114)	(0.091)	(0.087)
UN Security × Like-minded	-0.053	-0.055	-0.068

	(0.126)	(0.099)	(0.096)
UN Security × Non-DAC	-0.345**	-0.060	-0.222*
	(0.136)	(0.101)	(0.131)
L1 Ln (Pop)	0.088***	0.020	-0.003
	(0.034)	(0.031)	(0.026)
Large DAC × L1 Ln (Pop)	-0.186***	-0.182***	-0.159***
	(0.068)	(0.055)	(0.051)
Like-minded × L1 Ln (Pop)	0.327***	0.153***	0.174***
	(0.072)	(0.059)	(0.054)
Non-DAC × L1 Ln (Pop)	-0.480***	-0.346***	-0.551***
	(0.062)	(0.050)	(0.058)
Civil War = 1	0.364***	0.307***	0.288***
	(0.087)	(0.075)	(0.067)
Civil War × Large DAC	-0.173	-0.143	-0.122
	(0.164)	(0.125)	(0.120)
Civil War × Like-minded	0.239	0.217	0.236*
	(0.177)	(0.134)	(0.129)
Civil War × Non-DAC	0.037	-0.128	-0.194
	(0.183)	(0.137)	(0.176)
L1 Ln(Aid pc +1)	0.640***	0.674***	0.701***
	(0.012)	(0.009)	(0.008)
Large DAC × L1 Ln (Aid pc)	-0.255***	-0.233***	-0.247***
	(0.018)	(0.013)	(0.013)
Like-minded × L1 Ln (Aid pc)	-0.185***	-0.172***	-0.188***
	(0.017)	(0.013)	(0.012)
Non-DAC × L1 Ln (Aid pc)	-0.439***	-0.414***	-0.522***
	(0.014)	(0.012)	(0.012)
Ln (Global Aid Flows)	-0.997***	-0.085	-0.175*
	(0.152)	(0.096)	(0.092)
Large DAC × Ln (Aidbudget)	1.303***	0.485***	0.566***
	(0.266)	(0.148)	(0.145)
Like-minded × Ln (Aidbudget)	0.106	-0.167	-0.094
	(0.299)	(0.163)	(0.160)
Non-DAC × Ln (Aidbudget)	-3.142***	-1.356***	-2.197***
	(0.327)	(0.207)	(0.243)
Region fixed effects	Yes	Yes	Yes
Log-likelihood	-80,284	-130,662	-130,322
Observations	49,974	78,127	78,127
Number of Dyads	5,045	5,206	5,206

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

*Notes: Table provides 3 different robustness tests for the donor-specific regressions in Section 5.2. All regressions are based on equation (1), interacting each independent variable with the 4 donor dummy groups. (1) only includes observations 2011 onwards, (2) adds all “new” DAC donors (Czechia, Estonia, Hungary, Korea, Lithuania, Poland, Slovak Republic, Slovenia) to the non-DAC donors while (3) adds all EU countries in previously non-DAC (Croatia, Latvia and Romania) to the Small DAC donors. Table shows the results of the interactive model with Small DAC as a base, so that *Group* × *Variable* shows the differential response relative to Small DAC. Note that it is the same concept as in Table A8.*

Table A 12 Sector-specific Interaction model

VARIABLES			
Ln (Aid per 1000 capita +1)	Other (Base)	V × Economic	V × Social
L1 Physical Integrity	-0.123 (0.117)	-0.147 (0.149)	-0.130 (0.144)
L1 Ln (Trade Share)	0.154*** (0.022)	0.042 (0.027)	-0.002 (0.026)
L1 Physint × L1 Ln (Trade)	-0.009** (0.004)	0.004 (0.005)	0.000 (0.005)
L1 UN	-1.240*** (0.343)	-0.511 (0.431)	0.465 (0.423)
L1 Physint × L1 UN	0.079 (0.067)	0.131 (0.084)	-0.040 (0.082)
L1 Ln(comp)	0.575*** (0.133)	0.187 (0.169)	0.245 (0.164)
L1 Physint × L1 Ln (Comp)	-0.028 (0.031)	0.039 (0.040)	0.086** (0.038)
R2P	-1.269*** (0.086)	1.349*** (0.111)	1.485*** (0.108)
R2P × L1 Physint	0.065*** (0.018)	-0.042* (0.024)	-0.085*** (0.023)
L1 Ln (GDP pc)	-0.312*** (0.059)	-0.254*** (0.076)	-0.167** (0.074)
L1 Ln (Mortality)	0.454*** (0.071)	0.072 (0.090)	-0.040 (0.088)
L1 Democracy	0.134** (0.054)	0.145** (0.069)	0.014 (0.067)
Former Colony	3.279*** (0.245)	0.025 (0.344)	-0.354 (0.343)
L1 Ln (Resources)	0.028 (0.019)	-0.051** (0.025)	-0.062*** (0.024)
UN Security Council	-0.050 (0.057)	0.043 (0.073)	0.001 (0.071)
L1 Ln (Pop)	0.146*** (0.031)	-0.231*** (0.041)	-0.192*** (0.040)
Civil War	0.136* (0.074)	-0.242** (0.097)	0.243*** (0.093)
L1 Ln (Aid pc +1)	0.901*** (0.008)	-0.430*** (0.009)	-0.385*** (0.010)
Ln (Global Aid Flows)	0.297*** (0.094)	-0.743*** (0.122)	-0.348*** (0.119)
Log - likelihood	-289,836	-289,836	-289,836
Region Fixed Effects	Yes	Yes	Yes
Observations	234,381	234,381	234,381
Number of Dyads	15,618	15,618	15,618

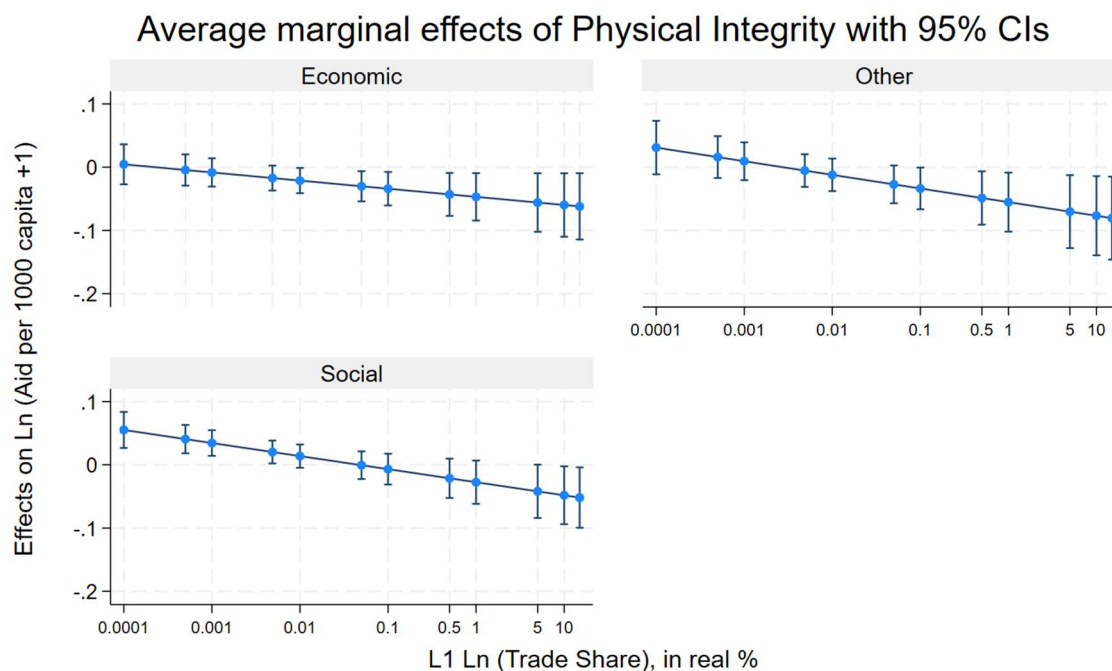
Notes: Regression based on Equation (1) but each variable is interacted with Sector dummies (Social, Economic, Other). Based on the sector codes in Table A3, “Economic” includes all sector within 200s-600s, “Social” includes 100s and humanitarian aid (700s). The 900s is “Others”. Other is the base category (column 1), the other two columns show the other dummies interacted with the independent variables, relative to “Others”.

Table A 13 Marginal Effects Sector Heterogeneity

VARIABLES	L1 PhysInt	L1 Ln (Trade Share)	L1 Ln (Comp)	L1 UN	R2P
Economic	-0.017* (0.010)	0.176*** (0.012)	0.801*** (0.058)	-0.982*** (0.165)	0.164*** (0.040)
Other	-0.005 (0.013)	0.119*** (0.016)	0.472*** (0.066)	-0.950*** (0.204)	-1.033*** (0.047)
Social	0.021** (0.009)	0.119*** (0.011)	1.031*** (0.052)	-0.633*** (0.158)	0.139*** (0.037)
	L1 Ln (GDPpc)	L1 Ln (Mortality)	L1 Democratic	Colony	L1 Ln (Resources)
Economic	-0.566*** (0.051)	0.525*** (0.059)	0.279*** (0.043)	3.305*** (0.242)	-0.024 (0.016)
Other	-0.312*** (0.049)	0.454*** (0.071)	0.134** (0.054)	3.279*** (0.245)	0.028 (0.019)
Social	-0.479*** (0.048)	0.414*** (0.056)	0.148*** (0.040)	2.926*** (0.241)	-0.034** (0.015)
	UN Security	L1 Ln (Pop)	Civil War	L1 Ln (Aidpc)	Ln (Aid budget)
Economic	-0.007 (0.045)	-0.084*** (0.027)	-0.105* (0.063)	0.471*** (0.006)	-0.446*** (0.078)
Other	-0.0501 (0.057)	0.146*** (0.031)	0.136* (0.074)	0.901*** (0.008)	0.297*** (0.094)
Social	-0.049 (0.042)	-0.046* (0.025)	0.380*** (0.057)	0.516*** (0.006)	-0.051 (0.073)

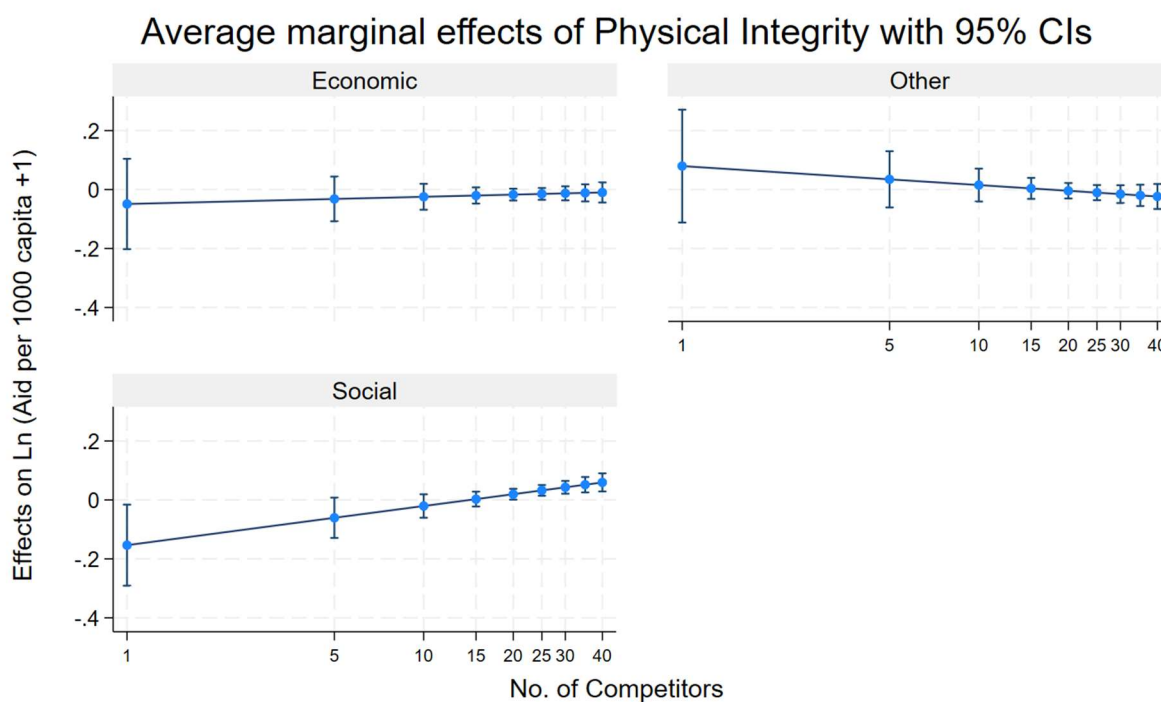
Notes: Tables based on equation (1), interacting each independent variable with each sector group (Economic, Social, Other). The table shows the marginal effect of each independent variable (interaction effects not shown here but in the figures below), keeping all other variables at their mean.

Figure A 1 Marginal Effects of Physical Integrity by Trade Share, by Sector



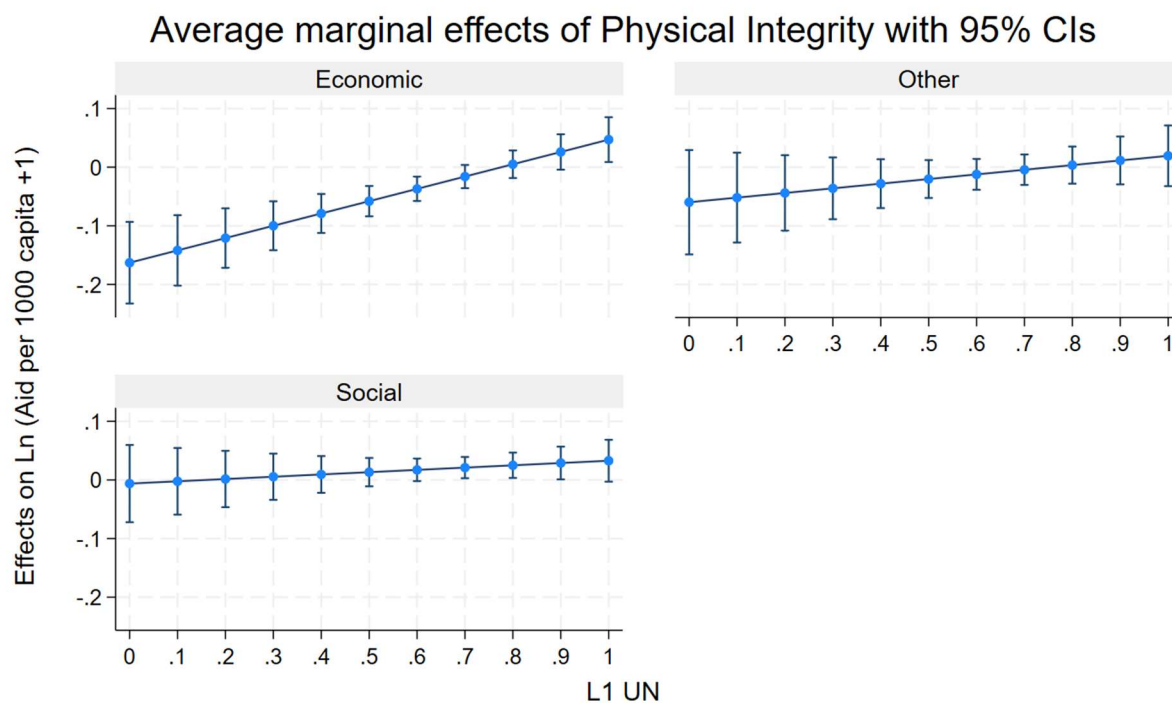
Notes: Figures show the Marginal effect of physical integrity index at different levels of L1 Ln (Trade Share), displayed in real %. All other variables are kept constant at their means.

Figure A 2 Marginal Effect of Physical Integrity by No. of Competitors, by Sector



Notes: Figures show the Marginal effect of physical integrity index at different levels of L1 Ln (Competitors), displayed in real %. All other variables are kept constant at their means.

Figure A 3 Marginal Effect of Physical Integrity by UN agreement, by Sector



Notes: Figures show the Marginal effect of physical integrity index at different levels of L1 UN, displayed in real %. All other variables are kept constant at their means.

Table A 14 Marginal Effects Differences by Sector Group

VARIABLES	Contrast Dy/Dx Social vs Economic
L1 Physical Integrity	0.038** (0.136)
L1 Ln (Trade Share)	-0.056*** (0.016)
L1 UN	0.350 (0.226)
L1 Ln(comp)	0.230*** (0.077)
R2P	-0.025 (0.054)
L1 Ln (GDP pc)	0.087 (0.068)
L1 Ln (Mortality)	-0.112 (0.079)
L1 Democracy	-0.131** (0.059)
Former Colony	-0.379 (0.341)
L1 Ln (Resources)	-0.012 (0.021)
UN Security Council	-0.042 (0.062)
L1 Ln (Pop)	0.038 (0.036)
Civil War	0.485*** (0.085)
L1 Ln (Aid pc +1)	0.045*** (0.008)
Ln (Global Aid Flows)	0.395*** (0.106)

Delta-method standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Notes: Table shows the contrast of the marginal effects as shown in Table A13, i.e. the marginal effect if Social-marginal effect if Economic for each independent variable. The stars indicate whether the test of contrast is different, given the p-value of a chi-square test.

Table A 15 Sector-specific regressions, by sector

VARIABLES	(1) Econ gen comp	(2) Econ specific comp	(3) Social gen comp	(4) Social specific comp	(5) Other gen comp	(6) Other spec comp
L1 PhysInt	-0.243** (0.104)	-0.413*** (0.088)	-0.279*** (0.074)	-0.311*** (0.067)	-0.157 (0.126)	-0.285*** (0.081)
L1 Ln (Trade Share)	0.182*** (0.019)	0.184*** (0.019)	0.127*** (0.013)	0.131*** (0.013)	0.207*** (0.021)	0.210*** (0.021)
L1 PhysInt × L1 Ln (Trade Share)	-0.004 (0.004)	-0.006* (0.004)	-0.007*** (0.003)	-0.008*** (0.003)	-0.014*** (0.004)	-0.016*** (0.004)
L1 UN	-1.749*** (0.300)	-1.683*** (0.299)	-0.615*** (0.225)	-0.670*** (0.225)	-2.042*** (0.341)	-2.174*** (0.340)
L1 PhysInt × L1 UN	0.225*** (0.057)	0.214*** (0.056)	0.044 (0.042)	0.044 (0.042)	0.046 (0.069)	0.055 (0.068)
L1 Ln (Comp)	0.810*** (0.119)	0.788*** (0.103)	0.722*** (0.086)	0.679*** (0.077)	0.753*** (0.142)	0.434*** (0.084)
L1 PhysInt × L1 Ln (Comp)	0.005 (0.028)	0.067*** (0.024)	0.070*** (0.020)	0.082*** (0.017)	-0.023 (0.034)	0.022 (0.019)
R2P	-0.041 (0.075)	-0.005 (0.071)	0.226*** (0.060)	0.230*** (0.060)	-1.405*** (0.093)	-1.162*** (0.082)
R2P × L1 PhysInt	0.027 (0.017)	0.004 (0.016)	-0.024* (0.013)	-0.025** (0.013)	0.054*** (0.021)	0.044** (0.018)
L1 Ln (GDPpc)	-0.546*** (0.063)	-0.548*** (0.063)	-0.455*** (0.045)	-0.433*** (0.045)	-0.415*** (0.053)	-0.392*** (0.053)
L1 Ln (Mortality)	0.704*** (0.070)	0.602*** (0.067)	0.454*** (0.054)	0.430*** (0.054)	0.109 (0.070)	0.050 (0.068)
L1 Democratic	0.247*** (0.049)	0.213*** (0.049)	0.164*** (0.036)	0.160*** (0.036)	0.180*** (0.056)	0.178*** (0.056)
Colony	3.714*** (0.311)	3.757*** (0.310)	2.971*** (0.226)	2.980*** (0.227)	2.710*** (0.181)	2.740*** (0.180)
L1 Ln (Resources)	-0.017 (0.018)	-0.026 (0.018)	-0.037*** (0.013)	-0.034*** (0.013)	-0.002 (0.018)	0.003 (0.018)
UN Security	-0.002 (0.049)	-0.005 (0.049)	-0.048 (0.037)	-0.056 (0.037)	-0.049 (0.065)	-0.042 (0.065)
L1 Ln (Pop)	-0.054* (0.033)	-0.083** (0.033)	-0.055** (0.023)	-0.073*** (0.024)	0.127*** (0.028)	0.109*** (0.029)
Civil War	-0.088 (0.069)	-0.078 (0.068)	0.370*** (0.050)	0.354*** (0.050)	0.144* (0.082)	0.170** (0.081)
L1 Ln (Aid pc)	0.456*** (0.006)	0.445*** (0.006)	0.483*** (0.006)	0.478*** (0.006)	1.040*** (0.010)	1.024*** (0.011)
Ln (Aidbudget) (sector-spec)	0.292*** (0.069)	0.306*** (0.069)	0.017 (0.056)	-0.055 (0.057)	-0.248*** (0.033)	-0.132*** (0.032)
Log-likelihood	-107,414	-107,350	-124,435	-124,423	-56,453	-56,436
Observations	78,127	78,127	78,127	78,127	78,127	78,127
Number of Dyads	5,206	5,206	5,206	5,206	5,206	5,206

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Notes: Column (2) and (4) are equivalent to Table 6, but this table adds the results for general competition (i.e. all donors present in the recipient country, giving aid to any sector), while column (2), (4) and (6) use specific competition, i.e. only counts donors that were giving aid to this specific sector. Regression results are based on a Tobit random effects model with region fixed effects as specified in equation (1).

Table A 16 Sector-specific Robustness test

VARIABLES	(1) Econ strict	(2) Social strict	(3) Humanit	(4) Hum w/o SIDS
L1 Physint	-0.499*** (0.090)	-0.219*** (0.069)	-0.413*** (0.083)	-0.254*** (0.084)
L1 Ln (Trade Share)	0.284*** (0.024)	0.143*** (0.014)	0.218*** (0.026)	0.192*** (0.028)
L1 Physint × L1 Ln (Trade Share)	-0.009* (0.004)	-0.008*** (0.003)	-0.009** (0.005)	-0.007 (0.005)
L1 UN	-1.077*** (0.364)	-0.418* (0.228)	-2.920*** (0.414)	-2.213*** (0.422)
L1 Physint × L1 UN	0.129* (0.069)	0.021 (0.043)	0.157** (0.079)	0.072 (0.077)
L1 Ln (Comp)	0.654*** (0.104)	0.751*** (0.080)	0.413*** (0.068)	0.696*** (0.076)
L1 Physint × L1 Ln (Comp)	0.109*** (0.023)	0.053*** (0.018)	0.133*** (0.015)	0.068*** (0.015)
R2P	-0.007 (0.093)	0.121* (0.065)	0.196* (0.114)	-0.218* (0.118)
R2P × L1 Physint	0.028 (0.019)	-0.016 (0.013)	-0.013 (0.023)	0.059** (0.023)
L1 Ln (GDPpc)	-0.815*** (0.076)	-0.432*** (0.046)	-0.873*** (0.071)	-0.728*** (0.068)
L1 Ln (Mortality)	0.422*** (0.082)	0.446*** (0.053)	0.310*** (0.091)	0.247*** (0.092)
L1 Democratic	0.241*** (0.059)	0.196*** (0.036)	0.024 (0.067)	0.039 (0.065)
Colony	4.023*** (0.347)	3.171*** (0.237)	2.472*** (0.262)	2.393*** (0.260)
L1 Ln (Resources)	-0.048** (0.022)	-0.032** (0.014)	-0.110*** (0.023)	-0.106*** (0.024)
UN Security	0.018 (0.059)	-0.045 (0.037)	-0.073 (0.078)	-0.142** (0.073)
L1 Ln (Pop)	-0.006 (0.039)	-0.072*** (0.024)	0.020 (0.036)	-0.037 (0.040)
Civil War	-0.185** (0.083)	0.045 (0.050)	0.960*** (0.088)	0.953*** (0.080)
L1 Ln (Aidpc)	0.425*** (0.008)	0.468*** (0.006)	0.670*** (0.011)	0.689*** (0.011)
Ln (Aidbudget) (sector spec)	0.097 (0.075)	0.171** (0.079)	-0.065 (0.044)	-0.075* (0.044)
Log-likelihood	-88,682	-119,974	-68,762	-61,480
Left-censored	28,646	30,700	58,559	46,370
Observations	78,127	78,127	78,127	64,619
Number of Dyads	5,206	5,206	5,206	4,263

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Notes: Table shows robustness test of sector specific regression as discussed in Section 5.3.1. (1) includes Economic & Production Aid (Sector codes 200+300), (2) includes Social Aid only (sector codes 100), (3) shows humanitarian aid only (sector codes 700), and (4) likewise, but excludes Small Developing Islands States (SIDS) as listed in (United Nations, n.d.b)