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How do people evaluate foreign aid to “nasty” regimes?

Tobias Heinrich†  Yoshiharu Kobayashi‡

Abstract

Recent theories of foreign aid assume that moral motives drive voters’ preferences over foreign aid. However, there is little knowledge how moral concerns interact with the widely accepted instrumental goals that aid serves. Moreover, what effects does such interplay have on preferences over policy actions? In this article, we assess these questions using a novel survey experiment in which respondents evaluate foreign aid policies toward nasty recipient regimes (e.g. those that torture or rig elections). The results indicate that the public does have a strong aversion for providing aid to nasty recipient regimes, but they are also appreciative of the instrumental benefits that aid acquires. Interestingly, contrary to a mainstay assertion in the literature, we find that moral aversion can be reversed to a great extent when the donor government engages more with the nasty country. These findings not only bring into question the micro-foundations of recent theories of foreign aid, but also produce a slew of implications for the aid literature.

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†Department of Political Science, University of South Carolina, heinrict@mailbox.sc.edu.

‡Department of Political Science and International Relations, Nazarbayev University, yoshiharu.kobayashi@nu.edu.kz.
1 Introduction

More and more research on foreign aid stresses the role of public opinion in donor countries as a key to explain complex decision-making regarding foreign aid (e.g. Van Belle, Rioux & Potter 2004, Milner 2006, Eisensee & Strömberg 2007, Hyde & Boulding 2008, Nielsen 2013, Heinrich 2013, Milner & Tingley 2015). In particular, recent theories see citizens in donor countries as driven by some moral impetus and explicitly assume that care and concerns for others push people to support aid to poor countries and disapprove of giving aid to unsavory\(^1\) regimes.\(^2\) Other work is less direct about these assumptions. When scholars assume that the donor government wants aid to be effective for development and welfare purposes, the implicit assumption seems to be that a non-trivial subset of people embraces this moral dimension of aid.\(^3\)

Theories’ predominant focus on the moral dimension of people’s preferences, however, runs counter to our existing knowledge on public opinion in foreign policy generally: people do not single-mindedly evaluate foreign policy via some moral yardstick. Recent experimental findings demonstrate that voters also care about material benefits and consequences of foreign policies, ranging from immigration and trade policy to economic sanctions and the use of military force.\(^4,5\) The possibility that material concerns coexist with

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\(^1\) To improve legibility, we use “unsavory,” “unpalatable,” and “morally offensive” interchangeably when they describe policies that the recipient pursues and of which citizens in the donor country might disapprove. These are the nasty regimes from the paper’s title.

\(^2\) Our conception of morality here is in the tradition of liberal political philosophy and is about caring and protecting others from harm. While recent studies have usefully expanded the scope of morality to include other principles (Haidt, Graham & Joseph 2009, Kertzer, Powers, Rathbun & Iyer 2014), we use the care/harm dimension as it comes closest to how foreign aid scholars are using the notion of morality.

\(^3\) Among many, see Dietrich (2013), Bush (2015), Reinsberg (2015), and Winters & Martinez (2015).

\(^4\) See examples concerning immigration policy (Scheve & Slaughter 2001a, Facchini & Mayda 2009), trade policy (Scheve & Slaughter 2001b, Hays, Ehrlich & Peinhardt 2005), monetary policy (Bearch & Tuxhorn 2017), economic sanctions (Heinrich, Kobayashi & Peterson 2016), diplomacy (Tanaka 2015), counterterrorism (Garcia & Geva 2016), and the use of the military (Tomz & Weeks 2013, Johns & Davies 2014).

\(^5\) In the aid literature, we also find suggestions for further non-moral dimensions of preferences. For example, Heinrich, Kobayashi & Bryant (2016) report retrospective pocketbook effects in support for aid, and Paxton & Knack (2012), Chong & Gradstein (2008), and Bayram (2017) relate aid support to trust.
moral ones further complicates the task of theoretically identifying citizens’ preferences over policy choices. Multidimensionality allows for trade-offs after all. If public opinion truly holds the key to explaining donors’ policy choices, it is important to understand citizens’ trade-offs involved in pursuing of these goals.

Drawing on these insights, we develop and study more complex micro-foundations behind public opinion over aid policy. As a first step in this bigger enterprise, we focus on how citizens see foreign aid policy toward nasty regimes, such as those that abuse human rights, foster corruption, and rig elections. Aid policy toward such regimes presents an excellent case for evaluating trade-offs. On one hand, public discussions demonstrate that people perceive aiding such regimes to be morally unacceptable as it signifies complicity in promoting harmful policies (Barratt 2007).\textsuperscript{6} On the other hand, substantial aid flows to precisely such unsavory countries exist, presumably because they generate policy concessions from the recipient in return for aid (Alesina & Weder 2002, Carey 2007, Nielsen 2013, Esarey & DeMeritt 2016, AUTHOR 2016). By studying how citizens evaluate aid to these nasty regimes, we seek to not only assess the depth and limits of people’s moral sentiments, but also how they interact with the pursuit of instrumental benefits and determine the policy that people prefer their government to take.

We theorize about trade-offs between moral and material considerations and design and implement a survey experiment to evaluate them empirically. We use side-by-side comparisons of aid allocation scenarios in which we randomly vary multiple attributes, including the obtained policy concessions from the recipient, potentially morally offensive policies pursued by the recipient government, and how the donor government can deal with these. The unsavory policies in our study include torture, theft of aid, crackdowns on media outlets, and electoral fraud by the recipient country. These complex scenarios allow

\textsuperscript{6} Not surprisingly, such unsavory policies are also seen as common scourges for a variety of development and welfare outcomes (e.g. Easterly & Williamson 2011).
us to study the various trade-offs between instrumental and moral dimensions of foreign aid policies that citizens may consider. Our survey was taken by 2,217 U.S.-based subjects in the summer of 2014. Using this novel survey experiment, we show that people value the morally guided as well as the political use of aid. Importantly, the moral concerns carry far more weight, supporting one aspect of the conventional view.

We go a step further and study what these tradeoffs imply about the public’s preferences on policy toward nasty regimes. Donor governments can and do design different features of aid policy in a way that may offset the (expected) negative reaction from their citizens when a scandal or news coverage highlights the unpalatable policies. We introduce three such remedial policies and study whether and how these policy strategies by the donor government change citizens’ evaluation of aid. First, we examine the strategy commonly assumed by prior research on human rights and foreign aid (see summarily Nielsen 2013): by simply giving less aid, the donor can distance and disassociate itself from the nasty policies of the recipient. However, our experiment shows no evidence that this works. Second, the donor government can pair information about the specific policy concessions from aid to lessen the concerns about aid going to an unpalatable regime; the government would effectively divert attention from the unsavory polices. Our results show that this works in some situations but is fairly ineffective overall.

Third and last, citizens may find giving aid to nasty recipients more acceptable when their own government engages more with the recipients and specifically addresses the unpalatable issue. For example, when a recipient rigs elections, then citizens might have fewer quarrels with the whole aid package when additional funds go toward election monitoring. We find our strongest and most consistent results supportive of the predictions with this last strategy. Across unsavory issues, donors fare better addressing the issue than ignoring it. The results are most pronounced when the recipient government is engaged in torture. Support drops by 3.8 points [3.3, 4.3] on a 9-point scale when the donor
government stands idly by; however the drop is only 2.4 [1.7, 3.0] points when optimally addressed by giving more aid.

At a more fundamental level, our findings provide a public opinion-based answer to why and how democratic donors continue to provide a large sum of foreign aid to nasty regimes. The conventional explanations to this puzzle rely on two stylized types of donors, the samaritan and the bribe-payer. The former is altruistic and focuses its aid on unsavory regimes to help those in dire situations. The latter type gives aid to nasty recipients because they tend to be the optimal target to bribe for concessions (Bueno de Mesquita & Smith 2009). One problem with either type of donors is that their voters abhor giving aid to such regimes as we will show. Our results suggest that, regardless of whether one conceives of donor governments as selfless, selfish, or some mixture thereof (Heinrich 2013), donor governments use these remedial policies routinely.

In the next sections, we develop our ideas about the interplay of public preferences over aid, governments’ incentives, and potential policies in greater detail. Then, we introduce the conceptual ideas in the survey design, and subsequently give the operationalizations and the analysis. We conclude by discussing a slew of implications for wider issues in the aid literature. These include the fragmentation of aid, the channel of delivery, and the effectiveness of specialized aid, and we suggest that future work should explore donor governments’ public relations efforts.

2 Moral public preferences over foreign aid

There is a long tradition in the aid literature to understand donors’ motives and preferences. Since early on, scholars have interpreted correlations between aid and covariates to understand whether donor interests or the “needs” of recipients drive actual aid allo-

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7 Throughout, we provide 95% confidence intervals in hard brackets.

8 Bueno de Mesquita & Smith (2009) argue and show a purely selfish donor prefers buying policy concessions from autocratic countries because they are cheaper than the democratic counterparts.
tions (e.g. McKinlay & Little 1977, Schraeder, Hook & Taylor 1998, Alesina & Dollar 2000, Neumayer 2005). However, evidence that either motive is clearly more applicable has long been elusive (Heinrich 2013). Recently, scholars have shifted their attention toward the development of theoretical models that encompass multiple actors and motives, and in particular engage the domestic political dynamics in the donor country. Two assumptions are widespread in the literature. First, donor governments prefer using foreign aid to obtain any kind of policy concessions from recipients. Second, donor citizens view foreign aid as a tool to help those under duress in poor countries. Scholars assume that such moral motivations push voters to favor more aid to poor countries and prefer to eschew corrupt, repressive regimes.

These conflicting preferences over the purposes of aid play a central role in recent theorizing. In democracies, the government minimizes its parochial policy preferences by and large and represents the preferences of its constituents if the anticipated electoral consequences of ignoring the constituents are serious. One implication is that when citizens are informed about foreign policy, policy becomes more congruent with the moral public preferences. In this vein, scholars show why donors respond haphazardly when natural disasters (Eisensee & Strömberg 2007) and human rights violations harm people (Nielsen 2013). They theorize that if either becomes prominent in the news, donors demand to give more aid in the case of natural disasters and to withdraw it when human rights violations are perpetrated. When voters are not informed, donors do not respond. Another example of such citizen-government tension is Milner’s (2006) study of multilateral aid allocations. She theorizes that donor governments delegate aid to international organizations (IOs) as a means to deflect skepticism among their development-minded voters over potential instrumental use of aid.

However, these new theories may stand on shaky ground. In particular, the prevalent assumption that people are only morally-orientated is restrictive and actually at odds with the recent literature on foreign policy preferences. For example, people also care about
outcomes, effectiveness, and their personal benefits from policies. More broadly, Jentleson (1992) suggests that people are “pretty prudent” and not as single minded as assumed in the aid literature reviewed above. More importantly, if we adopt a richer set of preferences (e.g. material and moral concerns), it is no longer clear what policy options citizens favor. For example, less aid to nasty regimes may soothe people’s moral concerns but is bound to negatively affect the pursuit of instrumental goals. Similarly, while channeling more aid through multilateral institutions may reassure citizens that aid is used for developmental goals, this shift would also lead to less control over aid and thus fewer tangible benefits from aid. In the next section, we will develop more policy options, some of which have been prominently studied in the context of other foreign policies. We propose to take a step back and develop from scratch the assumptions about individual preferences in the context of foreign aid first. Then, we can examine the broader consideration of how donors can manage the morality–benefits trade-offs.

3 People’s preferences and foreign aid

To examine complex preferences on foreign aid, we focus on how citizens evaluate aid policy towards “nasty” regimes. In particular, we examine several policies pursued by recipient governments, such as torture, theft of aid, crackdowns on media outlets, and electoral fraud. We focus on nasty regimes and these policies because aiding such regimes should have clear moral implications for donor citizens, as described below in more detail.

We begin by assuming that people’s attitudes toward a policy is a function of beliefs about the attributes of the policy. Furthermore, we assume that people anticipate and evaluate consequences on multiple dimensions and attach different saliency to each of them. In particular, we assume two such dimensions: morality and tangible returns from foreign aid to the recipient (i.e. policy concessions).

9 See the examples from Footnote 4.
First, we expect moral considerations to be important for citizens to form policy preferences. By morality, we mean caring for others and protecting them from harm. Aiding nasty regimes that pursue policies like torture, theft of aid, and electoral fraud are likely to have moral implications as these policies have clear, direct, and negative impacts on the welfare of citizens within nasty regimes. In addition, donor citizens may consider financial support to unsavory regimes as rendering them complicit in the wrongdoing (Barratt 2007). These moral implications of aiding unpalatable regimes lead us to expect that the donor public disapproves of aid to these countries. This has been central to existing work on foreign aid allocation.

Second, we also contend that citizens’ support for aid policy depends on evaluations of the material consequences. While foreign aid is often viewed as a form of charity, it is well known that donor governments often use aid to obtain economic and security benefits for their citizens (e.g. Alesina & Dollar 2000, Bueno de Mesquita & Smith 2009). In many ways, foreign aid is just like any other foreign policy in that it should bring (some) benefits to at least a non-trivial number of citizens. Thus, we also assume citizens to prefer to give aid to a regime that provides tangible benefits in return.

If our assumptions about how people view the moral and material dimensions are correct (which our survey experiments will confirm), then the best aid practice from the voters’ perspective would be to give aid to countries with democratic regimes (which tend to be less nasty) which in turn provide lavish policy concessions. However, this is bound to be wishful thinking as democratic recipient governments cannot provide policy concessions cheaply (Bueno de Mesquita & Smith 2009). Thus, if policy concessions are of interest, donors will turn to autocrats which are the countries foremost engaged in nasty policies (Hafner-Burton, Hyde & Jablonski 2014, Poe, Tate & Keith 1999, Treisman 2007). As people’s desiderata cannot be catered to simultaneously, a donor government has to design a policy that remedies aspects of this dilemma. We develop and consider three such

10 Of course, this is more applicable in a democracy, which donors tend to be (by volume of aid).
possible options: distancing, diverting, and addressing.

3.1 Distancing

The first strategy we consider is the one commonly assumed by previous work (e.g. Nielsen 2013, Hyde & Boulding 2008), which we call distancing. When voters disapprove of aid to a particular regime, the donor government is assumed to satisfy voters by withdrawing aid to the recipient regime. As aid often signifies support and a stamp of approval for the recipient (Barratt 2007), one simple tactic is to weaken ties with the nasty regime. Despite its intuitive appeal, this strategy may not be optimal from the citizens’ perspective for the following reasons. On one hand, distancing address moral concerns as aid cuts lead to less engagement and support to the nasty regime. On the other hand, the same action would also bring material benefits to a halt. Aid giving serves political purposes and withdrawal of aid would result in lost opportunities to maintain a mutually beneficial relationship with an important state (Bueno de Mesquita & Smith 2009). Thus, we expect that distancing should have an ambiguous effect on citizens’ overall support for aid policy.

3.2 Diverting

Second, we posit that donor governments could attempt to divert the public’s attention from the recipients’ nasty policies and thus not have to give up the policy concessions.11 Voters’ concerns about the recipients’ unpalatable policies can be diverted by emphasizing the policy concessions from the recipient. The logic behind this strategy is related to that of framing. Numerous experiments by behavioral scientists demonstrate that subjects’ policy preferences are strongly affected by how particular aspects of policy are presented and emphasized (e.g. Tversky & Kahneman 1981, Chong & Druckman 2007a). Such framing effects are particularly pronounced when the issue is complex and people have little expertise, a situation that cogently describes foreign aid policies from a citizen’s perspective.

11 This is inspired by diversionary war research (e.g. Levy 1988, Smith 1996).
Indeed, governments engage in deliberate framing of foreign aid, talking up its benefits for the economy, security, or as a national duty on websites and across social media (Van der Veen 2011). We argue that diverting can be an effective measure to manage the public’s moral concerns while not jeopardizing the receipt of material benefits. More concretely, diverting would affect citizens’ attitudes by increasing the saliency of material benefits while reducing the saliency of moral concerns. Thus, we expect that greater policy concessions would mitigate voters’ moral concerns.

3.3 Addressing

Third, we introduce another remedial strategy that directly tackles the moral valuation. We take inspiration from the observation that foreign aid often comes as discrete projects that are ostensibly designed to address specific issues in the recipient country, ranging from improving the handling of judicial matters to demographic forecasting, from Tuberculosis control to reforming human rights practices and the administrative quality of elections (Tierney, Nielson, Hawkins, Roberts, Findley, Powers, Parks, Wilson & Hicks 2011). Given that some of these purposes are closely related to the discussed nasty issues, we argue that citizens see funding for such specialized projects favorably as an attempt to address, perhaps solve, the underlying offensive issue in the recipient country. For example, if a recipient is rigging its elections, then the donor government may provide funds to notable international and non-governmental organizations (IOs/ NGOs) that have a reputation for monitoring electoral fraud. That is, aid is given in addition to the money that pays for the policy concession. While this strategy costs more for the donor (which ought to be disliked), citizens may view it more favorably. The addressing strategy not only mitigates people’s moral concerns by funding to solve (eventually) the offensive issue, but also allows people to continue obtaining material benefits from recipient countries. Thus, we expect that addressing would lessen the public’s discontent from learning that aid goes to a

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12 Recent research confirms that the selection of the executing agents is a deliberate step in aid (Milner 2006, Dietrich 2013, Bush 2015).
country that pursues nasty policies.

Our elaboration of preferences leads us to the following expectations. As a first step, we investigate to which extent people’s support for foreign aid depends on concerns over instrumental goals and moral concerns for the recipient. Second, we test whether the three remedial strategies—distancing, diverting, addressing—can moderate the citizens’ moral concerns.

4 Experimental design

In this section, we introduce a survey experiment designed to test our arguments about moral and instrumental goals as well as donor government policy. We make use of a side-by-side comparison of two hypothetical aid packages which Hainmueller, Hangartner & Yamamoto (2015) suggest to fare well in capturing the real world phenomenon of interest. Each aid package contains and randomizes information about costs and benefits as well as other background information, including the pursuit of nasty policies and remedial funds (for the addressing policy). Below each pair, we ask the respondent to “express [his/her] support for each aid package by checking the buttons.” The rating options range from “Oppose” to “Support” along nine possible levels. Each respondent is shown four such screens in succession to evaluate. Figure 1 shows a representative screen.

4.1 Survey instrument

Each foreign aid package contains four manipulations reflecting the four variables required to test our expectations: some baseline cost of the aid package, benefits that foreign aid helps attain (i.e. the policy concessions), information about potentially unpalatable policies pursued by the recipient regime, and possible actions that the government can take to

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address these recipient’s policies. We explain each of these in turn.

Under “Benefits to United States,” we vary how much policy benefit foreign aid brings about for the donor country. This manipulation helps us show how much voters like or dislike the political use of foreign aid and lets us study whether such benefits can help divert respondents’ ire when the recipient pursues unsavory policies. All cases have a baseline benefit specified as “various trade benefits and access to raw materials.” Randomly, a specific policy concession is added, either “minor” or “extensive” cooperation from the recipient on “counter-terrorism” (CT) or “anti money laundering” (AML). While this is not an exhaustive list of benefits that foreign aid can buy, we chose these for two reasons. First, cooperation on counter-terrorism and anti-money laundering are not related to develop-
ment objectives, nicely capturing the idea of policy concessions in the form of public goods to the donor populace. Second, cooperation on counter-terrorism ought to be particularly salient to our respondents, which perhaps gives us a sense of how large the appreciation of benefits can be. This results in five possible instrumental benefits.

Next, we randomize under “Costs for United States” the costs of the hypothetical aid packages: 25, 50, and 75 million U.S. dollars. These costs are intended to capture the base amount of foreign aid going to the recipient country, allowing us to investigate whether distancing by the government mitigates the public’s moral concerns. As we argue above, less extensive ties (i.e. less aid) with a regime that pursues unsavory policies should vex respondents less.

To examine the extent to which public support for aid depends on moral concerns, we consider four unpalatable policies by the recipient. First, corruption in general and the theft of aid flows are a recurring issue in development debates. Theft of aid implies that aid does not reach its ostensible targets, namely the impoverished, but instead goes to politicians. The cases of politicians such as Indonesia’s Suharto, the Philippines’ Ferdinand Marcos, and Zaire’s Mobutu Sese Seko who enriched themselves while most of their countries lived in poverty are centerpieces of aid critiques. Second, good governance and political accountability have become important in discussions of development (Winters 2010, Easterly 2010, Carothers & De Gramont 2013). Elections that are rigged or undermined by the incumbent’s forces fail to square with the crux of elections. Citizens in the donor country should see them as important norms to uphold (Brancati 2014). Third and similarly, availability of news sources to learn about politics and to coordinate around elections is crucial to functioning democracy processes. Therefore, interference with media services by the recipient government should also be viewed as unpalatable. Last, human

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14 These (roughly) correspond to 2014 U.S. net Official Development Assistance (ODA) disbursements to Macedonia ($23m), Nicaragua ($26m), Dominican Republic ($27m), Marshall Islands ($47m), Kyrgyzstan ($49m), Chad ($50m), Turkey ($74m), Nepal ($75m), and India ($78m) in current U.S. dollars.

rights abuses such as torture or political imprisonment on the basis of religion and ethnicity are arguably the most obviously and overtly nasty policies that a recipient can pursue. Ample literature, as discussed above, makes the link between aid and human rights. These four potentially objectionable policies by recipients are common concerns in the study of development, and we expect citizens in the donor country to disapprove of providing aid to regimes pursuing such policies.

We translate these concepts about unpalatable policies into the survey experiment as follows. Under “Potential issue(s) in recipient,” we randomly insert one of the following six into the vignette. The first leaves blank the space in which an issue might be listed, indicating no unpalatable policy is pursued. The second captures a placebo treatment and states the athletes from the recipient scored an unexpected victory against U.S. athletes in the last Olympic Games.\textsuperscript{16} The next four exhibit the potential recipient’s unsavory policies: “Recipient politicians frequently steal money from development aid,” “Recipient government systematically manipulates elections in its favor,” “Recipient government widely imprisons and tortures members of an ethnic minority,” and “Recipient government suppresses peaceful protests, independent newspapers, and access to social media.”

Last, we study the idea that the donor government can \textit{address} the offending issue in the recipient country. We focus on two salient features of this policy. First, we examine how the amount of funding for such projects affects the public’s attitudes. Directing too little aid to addressing problems may appear not effective from the eyes of the public, but providing too much may appear wasteful as we also argued that costlier aid is less appreciated. Thus, we examine how citizens’ attitudes respond to changes in the amount of this remedial measure. Second, we also vary the channel of delivery of this extra aid. Drawing on the recent literature that focuses on the variation in the aid delivery channels (e.g. Milner 2006, Dietrich 2013), we study the possibility that voters’ attitudes may change depending

\begin{footnotesize}\textsuperscript{16} Presumably, upsets in sporting competitions ought to not matter for the evaluation of an aid project. However, as we will see shortly, the placebo exerts a negative effect on respondents evaluation. This suggests that merely invoking any “negative” issue in the recipient country makes people react.\end{footnotesize}
on which actor directly addresses the underlying issue. We focus on the governmental aid agency, NGOs, and IOs, covering the major channels used by actual donors.

If one of the unpalatable policies is drawn (aside from the placebo) for a vignette, we randomly assign how the U.S. government addresses the issue. Either it ignores it, in which case the bullet point for a remedy remains blank, or it proposes additional aid aimed at addressing the issue. The language for the latter is: “U.S. government gives additional Amount million U.S. dollars to Agency to Goal in the recipient country,” where the variables Amount ∈ {1, 5, 10, 15, 20, 25}, Agency ∈ {U.S. agency, respected non-governmental organization, respected international organization}, and Goal ∈ {help solve corruption issues, ensure free and fair elections, fight human rights abuses, help ensure freedom of speech}. Goal is automatically matched to the randomly drawn issue.

These packages capture many of the essentials of governments’ foreign aid policy choices: costs, benefits, aspects about the target, and governments’ attempts to deal with potentially unpalatable issues. All these fully randomized aspects are evaluated jointly, and we will disentangle the causal interactive effects within the evaluations.17

4.2 Administration of survey

We recruited subjects via Amazon’s MechanicalTurk (MTurk) between August 5–19, 2014. After accepting the task, participants were directed to a page on one of the authors’ website. 2,217 subjects participated in our survey experiment.18 As each subject sees four

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17 Implicitly, our ensuing results are not only averaged across all attributes the aid package that one evaluates, but also over the distribution of realizations of the other aid package on the other side of the screen. Some investigation shows that a left/right aid package entanglement exists and that it works consistent with our theory: the more expensive, the nastier the policy, and the worse the policy benefits are in the right-hand side package, the better the left-hand package gets rated. We see this as inherent in the side-by-side conjoint design. As Hainmueller, Hangartner & Yamamoto (2015) point out that side-by-side comparison fare better in capturing real world phenomena, we do not see this left/right entanglement as a problem. Future work could more explicitly study the implications and dynamics of competing policy and framing proposals (e.g. Chong & Druckman 2007b). We thank a referee for making us think about this issue.

18 It is well known that samples recruited via MTurk have demographics different from the target U.S. population (Berinsky, Huber & Lenz 2012, Huff & Tingley 2015, Lewis, Djupe, Mockabee & Su-Ya Wu 2015). However, extensive validation exercises show that benchmark experimental results can be replicated
side-by-side comparisons, we have $2,217 \times 4 \times 2 = 17,736$ evaluations.\textsuperscript{19}

### 4.3 Statistical analysis

In order to evaluate our various expectations, we rely on four linear regression models. We define our outcome variable $Y$ as a measure of support for foreign aid (a nine-point scale in which higher values indicate greater support levels). We include in our first specification a series of indicator variables representing each level of the recipients’ potential issues, benefits from aid giving, and baseline costs, which we denote by $P$, $B$, and $C$, respectively.\textsuperscript{20}

Specifically, Equation 1 represents our first model (suppressing subscripts):

$$Y = \alpha_0 + \sum_{2 \leq j \leq 3} \alpha_{1j} I(C = c_j) + \sum_{2 \leq k \leq 5} \alpha_{2k} I(B = b_k) + \sum_{2 \leq l \leq 6} \alpha_{3l} I(P = p_l).$$

(1)

where $I(\cdot)$ is the indicator function which takes the value 1 if the condition in the parenthesis is true and 0 otherwise.

To examine whether the distancing strategy moderates the voters’ moral concerns, we extend the first model by adding interactions between the cost dummies and the potential

\textsuperscript{19}Following suggestions by Berinsky, Margolis & Sances (2014), we included a screener as well as a warning that participants had to demonstrate that they were paying attention to the instructions. (The screener was administered before treatments were assigned.) We dropped a small number of observations because either participants failed our screener excessively often (> 4) or barely spent any or several minutes on each evaluation screen (less than ten or more than 200 seconds per screen). 124 respondents’ evaluations were omitted from the study, leading to a loss of $124 \times 4 \times 2 = 992$ observations.

\textsuperscript{20}More precisely, we define $P$, $B$, and $C$ and their respective possible values as follows:

$$P = \{p_1, \ldots, p_6\} = \{\text{No Issue, Placebo, Aid Theft, Rigged Election, Torture, Media Crackdown}\}$$

$$B = \{b_1, \ldots, b_5\} = \{\text{Baseline Benefits, Small AML, Large AML, Small CT, Large CT}\}$$

$$C = \{c_1, c_2, c_3\} = \{\$50m, \$25m, \$75m\}.$$

In all models, we exclude the first levels of the variables as reference categories (ie. No Issue, Baseline Benefits, and $\$50m$).
issues. This leads us to our second model:

\[ Y = \beta_0 + \sum_{2 \leq j \leq 3} \beta_{1j} I(C = c_j) + \sum_{2 \leq k \leq 5} \beta_{2k} I(B = b_k) + \sum_{2 \leq l \leq 6} \beta_{3l} I(P = p_l) 
+ \sum_{2 \leq j \leq 3} \sum_{3 \leq l \leq 6} \beta_{4jl} I(C = c_j \land P = p_l). \] (2)

If *distancing* is effective, we should find that the effects of the unpalatable issues to be smaller when the baseline cost is small than high. That is, in Equation 2, we expect that the effect of unsavory policy \( l \) when the cost is $75m (\( \beta_{3l} + \beta_{43l} \)) is smaller than when it is $50m or $25m (\( \beta_{3l} \) and \( \beta_{3l} + \beta_{42l} \), respectively).

The third model is used to examine the effects of *diverting*. We modify the first model by interacting all benefits with all issues but the placebo:

\[ Y = \delta_0 + \sum_{2 \leq j \leq 3} \delta_{1j} I(C = c_j) + \sum_{2 \leq k \leq 5} \delta_{2k} I(B = b_k) + \sum_{2 \leq l \leq 6} \delta_{3l} I(P = p_l) 
+ \sum_{2 \leq k \leq 5} \sum_{3 \leq l \leq 6} \delta_{4kl} I(B = b_k \land P = p_l). \] (3)

If the *diverting* strategy mitigates the moral concerns, we expect that the effects of nasty issues decrease with higher values of benefits. In Equation 3, we are specifically interested in \( \delta_{3l} + \delta_{4kl} \) for issue \( l \) where \( 3 \leq l \leq 6 \).

Last, we use the fourth model to study the *addressing* strategy by extending the baseline in the following ways. First, we add the interactions between the issues and the linear term of the additional aid, which is denoted by \( R \), for each channel of delivery denoted as \( D \).\(^{21}\) These are in essence triple interactions, which allow for channels to have different effects depending on the issue. Second, we add another set of interactions between the

\[^{21}\] More precisely, \( R \) and \( D \) are defined as follows:

\[ R = \{0, 1, 5, 10, 15, 20, 25\} \]
\[ D = \{d_1, d_2, d_3\} = \{\text{US Agency}, \text{NGO}, \text{IO}\} \]
issues and no remedial aid \((R = 0)\). It is important to include these as well because they allow us to estimate the effect of ignoring the issues in the recipients separately.\(^{22}\) Thus, mathematically, our fourth model is specified as:

\[
Y = \gamma_0 + \sum_{2 \leq j \leq 3} \gamma_{1j} I(C = c_j) + \sum_{2 \leq k \leq 5} \gamma_{2k} I(B = b_k) + \sum_{2 \leq l \leq 6} \gamma_{3l} I(P = p_l) + \sum_{2 \leq l \leq 6} \gamma_{4l} I(P = p_l \land R = 0) + \sum_{3 \leq l \leq 6} \sum_{1 \leq m \leq 3} \gamma_{5ml} I(P = p_l \land D = d_m) \times R
\]

In Equation 4, \(\gamma_{5ml} \times R\) captures how \(R\) amount of additional aid through delivery channel \(m\) conditions the effect of issue \(l\) while \(\gamma_{4l}\) represents the effect of ignoring the issue by giving no additional aid. Thus, to study whether \textit{addressing} moderate the effects of the issues, we compare \(\gamma_{5ml} \times R\) and \(\gamma_{4l}\) for issue \(l\).

When using the first three models to study the effects of issues and benefits as well as the \textit{distancing} and \textit{diverting} strategies, we drop all observations in which some \textit{addressing} occurs (i.e. any with \(R > 0\)). We do this to keep the analysis simple so that we do not have to account for any remedial aid \((R)\); the results do not change when we include all the observations. This leaves us with 4,975 evaluations for the first three models. When we study \textit{addressing} via Equation 4, we use all the observations.

Respondents from MTurk do not represent a random sample of the U.S. population (Berinsky, Huber & Lenz 2012, Huff & Tingley 2015). While the experimental manipulation guarantees internally valid treatment effects, these estimates are only representative of the population if treatment effect homogeneity holds. We believe that it is unlikely to hold, but have no theoretical or empirical guidance for how big this heterogeneity ought to be. Thus, we reweight our sample to match several demographic characteristics of a known nationally representative survey.\(^{23}\) Our survey experiment includes numerous questions

\(^{22}\) For instance, the effect on the rating when \(R = 0\) increases to \(R = 1\) can be different from, say, when \(R = 6\) changes to \(R = 7\). We view this as substantively important.

\(^{23}\) Hainmueller, Hangartner & Yamamoto (2015) and Wang, Rothschild, Goel & Gelman (2015) show how matching demographics to the target population is important for the external validity of survey experi-
from the 2012 Cooperative Congressional Election Study (CCES) (Vavreck & Rivers 2008, Ansolabehere 2012), and we use entropy balancing and create weights for our own data so that several covariates’ moments match those of the CCES data (Hainmueller 2011). Our preferred weights come from a complex set of variables to capture a variety of sources of heterogeneous treatment effects: age, gender, whether one had four years of college and beyond, a linear version of an ideological self-assessment, whether the respondent has a full-time job, and whether life has got worse or much worse recently.\(^{24}\) Figure A.10 in the appendix shows that entropy balancing removes the large imbalances in the raw data.\(^{25}\)

Before proceeding, we want to address the generalizability of our U.S.-based results to other major donor countries. While differences in level of public support for aid across donor countries exist (see the respective Tables 1 in Noël & Thérien (2002) and Paxton & Knack (2012)), the heterogeneity of individual-level effects need not necessarily be noteworthy. In a rare effort examining this, Heinrich, Kobayashi & Bryant (2016) report that individual (parochial) pocketbook effects on the support for aid are not unusual for the United Kingdom compared to those of other European Union states. This is noteworthy as the country is often portrayed as a stalwart for effective aid. While surely there will be differences in magnitudes of effects across countries, it is not obvious why the fundamental logic behind trade-offs between moral and instrumental goals behind aid should be absent or reversed elsewhere. That said, we hope future studies will replicate (elements of our) study in other countries to gain confidence in the generalizability of results.

Last, given that each respondent rates numerous packages, intra-subject correlations are expected (Hainmueller, Hopkins & Yamamoto 2014). We account for these by esti-

\(^{24}\) These cover a set of rather standard demographic covariates as well as some that prior survey research has shown to matter for attitudes on aid. See Heinrich, Kobayashi & Bryant (2016), Paxton & Knack (2012), and Chong & Gradstein (2008).

\(^{25}\) We replicate all analyses with two sparser sets as robustness checks. In our “basic” weighting specification, we only balance of age and gender; in “basic + demographics”, we omit only the life-changes from the main specification. Barely any substantive results are altered by relying on either sparser set; where anything is different, we point this out. See the appendix for more details.
mating the variance-covariance matrix of the sampling distribution via a cluster-bootstrap (Harden 2011), which we use for the parametric bootstrap to calculate uncertainty for the estimates (King, Tomz & Wittenberg 2000).

5 Results

We first examine the unconditional results for how moral and political concerns affect public attitude for aid-giving, and how much costs matter. After showing these, we examine the three proposed policies that might mitigate the public’s moral concerns.

5.1 Political and moral concerns

Of particular initial interest to us are the treatment effects of the benefits and the unpalatable policies in the recipient country, presented in Figure 2. We use dots to represent median estimates and horizontal lines to indicate the 95% confidence intervals for the treatment effects. The effects should all be interpreted in comparison to the reference levels: the baseline benefits of “various trade benefits and access to raw materials” for the benefits and no issues for the recipient’s unpalatable policies.

The results provide considerable support for the claim that voters evaluate foreign aid on moral grounds. Consider the effects of the recipients’ issues, shown in the lower part of Figure 2. First, it is noteworthy that the placebo is negative and statistically indistinguishable from zero. Merely presenting an issue unrelated to aid and development already lowers respondents’ appreciation of the aid policy by \(-0.7 [-1.0, -0.3]\). However, the

\[\text{Our estimands correspond (relatively) closely to what Hainmueller, Hopkins & Yamamoto (2014) call average component marginal effects (ACMEs) and average component interaction effects (ACIEs). The only difference is that we assume linearity for one of the terms in Equation 4, which nixes the non-parametric interpretation. However, as we are comparing our effects against a placebo condition and because everything has a rather straightforward substantive interpretation, we will not use the ACME and ACIE terminology to explain the results.}\]

\[\text{In the appendix, we also show a regression of the ratings on respondents’ demographics and background variables.}\]
placebo effect is much smaller than the effects of aid theft (-2.3 [-2.8, -1.7]), rigged elections (-2.4 [-3.1, -1.6]), media crackdown (-2.3 [-3.0, -1.6], and torture (-3.5 [-4.0, -3.0]). Perhaps unsurprisingly, torture elicits the greatest disapproval. Each of the issues exerts a strongly negative effect on the evaluation of the foreign aid policy. It is thus the case that citizens disapprove of providing aid to regimes with unpalatable policies, replicating the basic result by Allendoerfer (2015).

The survey respondents also appreciate greater benefits that come from giving aid. Looking at the lower part of Figure 2, respondents appear to be indifferent or actually slightly negative about small benefits (ie. minor cooperation from recipients) in comparison to just obtaining the baseline benefits. Major cooperation on anti money laundering are appreciated, but not strongly so. In contrast, cooperation on counter-terrorism fares better. An extensive concession on fighting terrorism increases support by 0.5 [0.0, 1.0].

Further and unsurprisingly, people like aid less as it grows more expensive. Compared
to a cost $50m, aid at $75m reduces support by 0.5 [0.1, 0.9]. If costs fall to $25m, support increases by 0.4 [0.0, 0.8]. This corroborates (broadly) the pocketbook effects in aid which Heinrich, Kobayashi & Bryant (2016) report.

The first batch of results suggests dual motives in voters’ evaluation of foreign aid policy. Voters not only desire to see foreign aid used in a moral way but also appreciate (some specific) benefits obtained by aid-giving. However, Figure 2 also shows that the negative effects of the recipients’ unpalatable policies are much larger in magnitudes than those of benefits of aid-giving, substantiating the often-made claim that voters see foreign aid mainly through a moral lens.

Thus, when the donor government designs aid policy and aims to prevent alienation of the public, it needs to consider what is taking place in the recipient country. That is, the worst that can happen to the public support for a donor’s aid policy is the policy pursued by the recipient country. Since the donor government also wants policy concessions mainly from countries most likely to pursue such policies, donors should often be at an impasse.

5.2 Effectiveness of three remedial actions

Next, we test how distancing, diverting, and addressing can moderate the negative effects of recipients’ unpalatable policies on the rating. More specifically, we are interested how the costs of aid packages, the benefits of aid-giving, and the funding of specific projects change the effects of the unpalatable policies.

Figure 3 shows the effects of recipients’ morally offensive policies on subjects’ ratings conditional on the costs of aid packages and benefits from aid-giving. First, consider the top panel in Figure 3 for the results of the distancing strategy. The y-axis shows the conditional effects whereas the x-axis list all the unpalatable policies as well as the placebo. Each of the vertical lines (and their respective dots) give the effect of the issue listed on the x-axis conditional on aid costing $25m, $50, and $75m, from left to right. Contrary to what is assumed in the existing models, the results show that lower levels of aid (i.e. less
Figure 3: Effects of unpalatable policies conditional on distancing and diverting. The y-axis present the conditional effects of unpalatable policies of recipients whereas the x-axis represents all the recipient’s issues. These correspond to the estimates of $\beta_{3l} + \beta_{42l}$, $\beta_{3l}$, and $\beta_{43l}$ (from left to right) in Equation 2; those of $\delta_{3l} + \delta_{42l}$, $\delta_{3l} + \delta_{43l}$, $\delta_{3l} + \delta_{44l}$, $\delta_{3l} + \delta_{45l}$ (from left to right) in Equation 3. The vertical lines and dots indicate the 95% confidence intervals and the median estimate. Each separate vertical line shows a different remedial policy. The coefficients themselves are shown in Figures A.4 and A.5 in the appendix.

entanglement) aid does not consistently reduce public moral concerns over the unsavory policies. For example, consider torture. The effect of torture is -3.2 [-4.1, -2.4] when the cost of aid is $75m. If cutting the extent of aid was to successfully distance the donor from the recipient’s policy, then the effect should become less negative when costs are $25m or $50m. However, the disapproval actually increases in magnitude (to -3.8 [-4.6, -3.0] and -3.4 [-4.2, -2.8], respectively). Across all policies, no consistent evidence emerges.\(^{28}\)

The second strategy we examine is diverting, which is shown in the bottom panel in

\(^{28}\) Under one of the alternative sample reweighting schemes, distancing produces a single statistically significant change. Obviously, we should not dwell on this one result. See Figures A.6 and A.7.
Figure 3. We expect the effects of unpalatable policies to decrease as more benefits are attained by giving aid. The results show some, but no consistent mitigating effects from diversion. While most differences are indeed positive, some are actually making the evaluation worse, and only one policy benefit can significantly reduce citizens’ disapproval: small anti money laundering benefits can undo some of the disapproval from the recipient rigging elections. However, this is just one out of 16 cases.

Figure 4: Effects of unpalatable policies conditional when the government optimally addresses. The y-axis present the conditional effects of unpalatable policies of recipients whereas the x-axis represents all the recipient’s issues. The vertical lines and dots indicate the 95% confidence intervals and the median estimate. The coefficient estimates are shown in Figure A.2 in the appendix.

Finally, we investigate the addressing strategy. We first discuss how we show our results. Largely, channeling additional aid through one’s own agency, an NGO, or an IO and choosing how much to fund are under the donor government’s discretion (Milner 2006, McLean 2012, Dietrich 2013). That is, the donor government optimizes this and does not randomize channel like we have done in the vignette. Therefore, it is not enlightening for our purposes to consider all possible responses in great detail (ie. every level of remedial aid via all three channels for each issue). Rather, we want to focus on the optimal combination of additional aid and channel. Using our statistical model (Equation 4) discussed above, we simulate the best response by the government for each issue; i.e. the one that
minimizes the respondent’s ire from the unsavory policy. We search over the space of $0$-$25m extra aid that is given via one channel of delivery. As we do so for every draw of the parametric bootstrap, we obtain the entire distribution of best responses for each potential issue.\footnote{Formally and working with Equation 4, we calculate the following for each issue $l$: \[ \max_{\begin{array}{c} r \in \{0,1,\ldots,25\} \\ m \in \{1,2,3\} \end{array}} \gamma_3 l + \gamma_4 I(r = 0) + \gamma_5 ml I(D = d_m) \times r \]}

Figure 4 shows the effects of nasty policies on support conditional on the optimal remedial aid to address each issue. The darker lines and dots show the effects when the government stands idly by and gives aid to a regime pursuing the unsavory policy listed on the x-axis; the lighter variants show the effects when the optimal amount of aid and channel of delivery is chosen.

Unlike the distancing and diversion strategies, the results here show consistently that the effects of unpalatable policies significantly improve when the government applies the best responses. For every issue aside from stolen aid is the 95% confidence interval of the difference between the optimally tackled issue and the unremedied issue positive. The improvements are also quite strong in magnitude. Take the rigged elections, for example. When the rigged elections remain unaddressed by the donor, the support reduces by 3.7 [2.3, 6.6] times the effect-size of the placebo. When the donor optimally bundles the remedial aid, then this effect falls to only 2.0 [0.9, 3.9] times the placebo size. The effects are also pronounced for torture, which is the issue that elicits the most negative response. The reduction in support is 5.7 [3.6, 10.8] times the placebo when the government stands idly by, but shrinks to 3.5 [1.9, 6.5] times the placebo-effect if optimally addressed.

We wish to take these results a step further. So far, we have left the specific channel of delivery in the background as we have focused on the best response that the government can choose. Unlike in this survey experiment, reality should constrain donors (somewhat) in their choice of the channel of delivery; the optimal IO or NGO might be reluctant to
accept governmental funds or is unwilling to engage in the particular recipient country. Therefore, we also examine whether the donor can significantly lower the citizens’ malcontent through each of the three channels. In Figure A.9 in the appendix, we show for every issue and for every channel of delivery the difference between the effect of the issue when optimally choosing the remedial aid and the effect when the issue is left unaddressed. For the theft of aid, only the IO channel is effective at remedying the citizens’ ire. However, for the other three issues, the optimal use of each channel leads to higher support than when the donor does not address the issue at all. Except for the case of aid theft, each channel allows for the donor to design additional aid that would make people more supportive than if it remained oblivious to the issues.

6 Discussion and broader implications

Our findings lay out a more nuanced, complex understanding of voters’ preferences on foreign aid than what the recent theories assume. Consistent with these aid allocation theories, we found that voters care about moral consequences of aid policy. However and contrary to commonly invoked assumptions, the moral dimension of public opinion does not have a clear and unidirectional effect on preferences over policy. We found no evidence that aid withdrawals mitigate voters’ moral ire on aiding nasty regimes as often assumed by the recent theories. This is not surprising if we account for people’s additional concerns about material benefits. Because aid cuts would jeopardize flows of benefits from the recipients, voters do not wholeheartedly support weakening ties with the nasty recipients. It stands to reason that withdrawal of aid is likely not the optimal response for the donor.

Formally, we calculate the following for each issue $l$ and each channel $m$:

$$\max_{r \in \{0,1,\ldots,25\}} \gamma_{4l} I(r = 0) + \gamma_{5ml} I(D = d_m) \times r - \gamma_{4l}$$

where $\gamma_{3l}$ is canceled in this expression.

Out of these nine estimates, the lower bound of three of the 95% confidence intervals just touch zero. Overwhelmingly, the simulated draws are positive even for those three cases.
government and sudden drops in aid flows to these regimes seem unlikely. It follows that parts of the recent theories are unlikely to hold.

Instead of weakening ties with nasty regimes, we found that voters prefer increased engagement with them. Paradoxically, our findings suggest that voters’ morality-driven support may push the government to give more aid to nasty regimes. This provides possible reasons for why massive amounts of foreign aid continue going to countries like Egypt and Pakistan and for why scholars have been unsuccessful in finding clear evidence in favor of moral considerations in overall aid allocations (e.g. McCormick & Mitchell 1988, Neumayer 2005).

Our findings about addressing also suggest where moral concerns may materialize in the study of actual aid flows. We expect that more specialized, issue-specific aid (and not necessarily general aid) should be given to regimes with objectionable policies to maintain engagement. Some existing evidence is consistent with this expectation: Nielsen (2013, Table 1) shows that funds specifically for human rights and democracy promotion actually increase as a recipient’s respect for human rights declines. While it is not clear from his empirics how such increases in specialized aid is tied to other categories of aid, our study shows the importance of thinking through the complex mechanisms through which people’s preferences affect actual policies.

In this spirit, we engage our arguments and results further by discussing what they suggest to the broader aid literature. Below, we discuss in more detail three ideas that we see as ripe for exciting future research.

6.1 Aid heterogeneity and fragmentation

While we kept our experiment simple to have only one policy that make the recipient nasty, we know that many of these unpalatable policies occur jointly (Besley & Persson 2011). In turn, the donor government would have to address multiple issues simultaneously. This

32 We do not wish to suggest that this is always the case as in some cases donor governments may use aid cuts as punishment (Heinrich, Kobayashi & Peterson 2016), which we did not study however.
may lead to what is commonly known as “aid heterogeneity,” “project proliferation,” or “aid fragmentation” (Mavrotas 2005, Roodman 2004, Easterly 2006)—many projects with varying purposes delivered through different channels. Development scholars often complain that such heterogeneity are a drain on aid because they spawn extra administrative and reporting responsibilities for recipient governments. Development advocates have moved to rank, name, and shame donors for high levels of fragmentation (Easterly & Williamson 2011, Birdsall & Kharas 2013).

The existing literature on aid heterogeneity largely focuses on the effectiveness of different modalities and channels of aid as well as what gives rise to specific types and delivery channels (e.g. Dietrich 2011, Hamilton & Stankwitz 2012, Buntaine & Parks 2013). Quite sensibly, almost all such research focuses on one or two aspects of aid heterogeneity at a time (Milner 2006, Fariss 2010, Dietrich 2013, Milner & Tingley 2013, McLean 2015). However, a downside with such an approach is that we are left with separate bodies of knowledge that do not inform us about realizations (and lack thereof) of other dimensions. For example, McLean (2015) explains delegation to IOs in the context of environmental aid. While she provides insights into her research question, her study stays silent on why NGOs would not be a better delivery channel, or why aid is allotted to environmental issues but not toward health goals.

This exemplifies what Most & Starr (1989) call “islands of knowledge,” a fragmentation of insights. Other bodies of international relations literature take to heart this greater scope of study. For example, the study of foreign policy does so under the name “foreign policy substitutability” (Palmer & Morgan 2006), and the study of international cooperation via the “the rational design of institutions” framework (Koremenos, Lipson & Snidal 2001). We believe that the study of foreign aid could also advance further by studying aid heterogeneity more generally under a common theoretical framework. Our evidence points to donor citizens’ aid preferences and the donor government’s addressing strategies as useful starting points.
6.2 Does *addressing* aid work?

Our findings also have implications for aid effectiveness, which remains an active area of research. In particular, they speak to the puzzle of why recipient regimes would allow certain types of aid that appear to weaken the strength of the regime. Most notably, recent evidence concurs that democracy aid, which funds projects for civil society vibrancy, is effective at inducing democratization and accountability (Finkel, Pérez-Liñán & Seligson 2007, Scott & Steele 2011). Then, why would a (nasty) dictator allow such funding? Arguments by Dietrich (2011), Bush (2015), and us point toward an answer to this puzzle.

Our argument suggests that the donor government’s principal, the voters, entangles aid for the policy concession and aid to *address* deficits in democracy. If people’s moral motives were absent, recipient and donor governments would prefer to collude on pure aid-for-policy deals (Bueno de Mesquita & Smith 2009) as they would save the donor government money (i.e. specialized aid) and the recipient government would not have to deal with regime-threatening “intrusions.” This collusion would ensure that the donor gets policy spoils (at some opportunity costs) and the recipient gets funds to bolster the regime (Remmer 2004, Kono & Montinola 2009, Licht 2010).

However, the problem is that the donor public takes umbrage with a nasty recipient regime. When the public can affect its government, the donor is forced to *address* the unsavory policies to prevent the aid-for-policy deal to unravel at home. Thus, people’s moral motives force both governments into a new equilibrium and away from the pure collusion constellation. In it, the donor gives aid to pay for policy concessions as well as aid to *address* the offensive issue, which the recipient accepts. However, in the case of democracy aid, these additional funds may weaken the government’s hold on autocratic power (Finkel, Pérez-Liñán & Seligson 2007, Scott & Steele 2011)\(^{33}\)

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\(^{33}\) One exception is the work by Wright (2008) who shows that some kinds of dictators are actually induced by regular to democratize. In these cases, the remedial *addressing* should just accelerate or smoothen the process.
This logic may explain why recipient regimes are willing to accept remedial aid that threatens their survival as prior research demonstrates. That raises a subsequent question: why would such remedial, addressing aid be effective? After all, nothing in our own theoretical account requires it to actually achieve something; it might as well be kabuki theater. Effectiveness might come about through a long chain of delegation from people to NGOs and IOs who execute the projects. Bush (2015) and Dietrich (2011) argue that NGOs try to be effective because their governmental funders monitor who in turn report to their voters that their tax money (ie. aid) was not squandered abroad. NGOs’ incentives are not enough for effectiveness as the recipient government may still stonewall or sabotage the projects. However, if the recipient government were to do so, NGOs would portray the recipient as the prime detractor,34 which would ultimately fray the addressed aid-for-policy collusion between the donor and the recipient governments. Thus, both NGOs and the recipient government have incentives to make sure that addressing aid works to maintain the aid flows.

6.3 Messages about aid

Much debate about foreign aid and development occurs in public. For example in 1947, U.S. President Truman was concerned with obtaining public support for what came to be known as the Marshall Plan. He worried that the public would object to his administration providing aid to a corrupt and non-democratic Greek government. Truman reflected in his memoirs that “there was considerable discussion on the best method to apprise the American people of the issues involved,” settling eventually on “[explaining] aid to Greece not in terms of supporting monarchy but rather as a part of a worldwide program for freedom” (cited in Ambrose & Brinkley 2011, pg. 81). Today, books on development aid are mainstream (Sachs 2006, Collier 2007, Moyo 2009), and celebrity activists such as Bob Geldof and Bono engage the public widely. Implicit in their efforts to manipulate and convince

34 Crucial is the assumption that people do want the addressing aid to be effective and not just serve a temporary anodyne for activated moral insult.
the public is the belief that public support is crucial to make progress on development and that it is possible to shape public opinion on foreign policy. Recent research agrees with the latter that public opinion on foreign policy is malleable via elite messaging (Aldrich, Gelpi, Feaver, Reifler & Sharp 2006, Baum & Potter 2008).

Our results show that some aspects of a multifaceted foreign aid policy resonate with people and that some of those are under the donor government control. However, the public is often ill-informed about foreign policy in general and foreign aid in particular. Then, even if actual aid policy reflects citizens’ concerns, they may not be aware and thus their opinion does not respond to changes in aid policies. One important step missing is that citizens learn about aid policy from the messages sent by elites and the media (Zaller 1992, Baum & Potter 2008). Thus, in addition to choosing appropriate volumes, types, targets and delivery channels of aid, we might expect the donor governments to tailor messages in ways that increase public support and avoid criticisms. In particular, our evidence leads us to expect donor governments would downplay unpalatable policies chosen by the recipient (and turn to providing more aid to address the issue).

Two observations provide preliminary support for the basics of the expectation. First, all aid agencies spend non-trivial resources on public relations (Van der Veen 2011), produce streams of press releases, and are active on social media. Second, we have some evidence that governments do care about the messages about their policies and seek to manipulate unwanted information. For instance, Dreher, Marchesi & Vreeland (2008) report that the International Monetary Funds (IMF) biases its growth and inflation forecasts favorably for states which are friendly to the United States, and Qian & Yanagizawa (2009) find that the U.S. State Department tends to downplay human rights violations for military allies. In each case, presumably indirectly for the IMF and directly so for the State Department, the U.S. government works to have issues (low growth, high inflation, bad human rights) not stir people’s ire which might jeopardize what we would call policy concessions.

35 For a similar example in the context of military crisis escalation, see Davies & Johns (2013).
With the proliferation of sources that report on domestic policies of developing countries, it seems unlikely that such unpalatable policies will remain out of citizens’ sights consistently. As the donor government has difficulty suppressing such information that could jeopardize aid-for-policy deals, sending messages about how the government addresses the issue is bound to become more important. To our knowledge, Van der Veen (2011, Ch. 4) and Heinrich, Kobayashi & Bryant (2016, Section 6) provide the only related academic treatments of donor governments’ messaging in the foreign aid realm. We view this as an area for more exciting and important research.

7 Conclusion

Recent attempts to understand foreign aid decisions have relied heavily on ideas of domestic politics, mirroring a trend in the broader foreign policy literature (Fearon 1998, Bueno de Mesquita 2002). This body of work has resulted in a richer understanding of the forces behind foreign aid, from legislators’ constituencies to news coverage (Fleck & Kilby 2001, Van Belle, Rioux & Potter 2004), and from international social network connections to attitudes toward foreign aid (Bermeo & Leblang 2016, Milner 2006). We focused on the recent work that contrasted valuation for aid to be given in a selective way, to favor well-governed and democratic countries on one side, but also the use of aid for foreign policy purposes. This work rests on a common set of assumptions about what voters’ preferences look like and how donor governments react to these preferences of voters. Unless voters evaluate foreign aid on moral grounds and governments’ response to voters’ concerns by withdrawing aid from recipients, the roots of these theories are not deep. Our evidence strongly supports the basic idea that voters see foreign aid as a policy tool that ought to be used in a moral way. (Direct) Concerns for obtaining policy concessions can play a role, but only a limited one.

We also studied how donor governments can manage voters’ moral concerns. Surpris-
ingly, our findings suggest that the public’s moral concerns can be effectively mitigated by getting more involved with recipients, which is contrary to what existing work has suspected (Nielsen 2013, Peksen, Peterson & Drury 2014). More specifically, voters are appreciative of their governments’ directly tackling the recipients’ issues that they find objectionable. Compared to other remedial actions, such as withdrawing aid or diverting attention, voters’ concerns lessen significantly more when governments promise to provide more aid to address such issues.

Taken together, by optimally administering more aid, the donor government can undo a substantial amount of harm induced by the recipient government’s choices. That is, by spending even more aid to address the underlying, offending issue, the public’s moral malcontent can be significantly mitigated. Doing something in this context is almost always better than doing nothing.
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How do people evaluate foreign aid to nasty regimes?

Web Appendix

Not for Print Publication
A Coefficients

A.1 Coefficients for models with non-experimental variables

Figure A.1: Coefficients in Models with non-experimental Variables. To keep coefficients legible, we omit the intercept. Gray dots and lines are for the model under the basic specification for survey weights, black for the more complex. Point estimates are given by the dots, 95% confidence intervals through the horizontal lines. The omitted categories for the nominal variables are including sitting exactly at zero.
A.2 Coefficients for addressing models

Figure A.2: Coefficients in Models with experimental Variables. To keep coefficients legible, we omit the intercept. The figure is constructed analogously to Figure A.1.
A.3 Coefficients for basic models

Figure A.3: Coefficients in Models with experimental Variables. To keep coefficients legible, we omit the intercept. The figure is constructed analogously to Figure A.1.
A.4 Coefficients for diverting models

![Graph showing coefficients for diverting models]

**Figure A.4: Coefficients in Models with experimental Variables.** To keep coefficients legible, we omit the intercept. The figure is constructed analogously to Figure A.1.
A.5 Coefficients for *distancing* models

**Figure A.5: Coefficients in Models with experimental Variables.** To keep coefficients legible, we omit the intercept. The figure is constructed analogously to Figure A.1.
B Conditional effects under alternative weighting schemes

B.1 Conditional effects for *distancing* and *diverting* under “basic” weighting scheme

Figure A.6: Effects of unpalatable policies conditional on *distancing* and *diverting* under “basic” weighting scheme. To keep coefficients legible, we omit the intercept. The figure is constructed analogously to Figure 3.
B.2 Conditional effects for *distancing* and *diverting* under “basic + demographics” weighting scheme

**Distancing strategy**

![Graph showing distanced effects](image)

**Diverting strategy**

![Graph showing diverted effects](image)

**Figure A.7:** Effects of unpalatable policies conditional on *distancing* and *diverting* under under “basic + demographics” weighting scheme. The figure is constructed analogously to Figure 3.
B.3 Conditional effects for addressing under alternative weighting scheme; addressing response

Figure A.8: Effects of unpalatable Policies conditional when the government optimally addresses under alternative weighting schemes. The figure is constructed analogously to Figure 4.
B.4 Difference between *addressing* and ignoring the issue for each channel

![Graph showing the difference between addressing and ignoring issues for each channel](image)

**Figure A.9**: Difference between *addressing* and ignoring the issue for each channel. The x-axis shows the difference between the effect of the issue when the optimal remedial aid amount is chosen and the effect when no additional aid is given for each channel on the y-axis and each issue. The horizontal lines and dots indicate the 95% confidence intervals and the point estimate.
C Survey balancing

![Survey balancing diagram](image)

**Figure A.10: Survey balancing.** Each panel’s abscissa shows the standardized difference in means for the variables listed on the ordinate. Triangle indicate the raw differences between our own data and the CCES target; the dots show the differences after applying the weights from entropy balancing. The left hand panel shows the balancing when using the basic specification, the right hand side when relying on the more complex covariate set.