Buying Votes and International Organizations: The Dirty-Work Hypothesis

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US foreign policy towards Russia in the 1990s

“The US defense budget will be $100b greater next year if the Soviet Union still exists as military threat.”

(US-Senator Leahy in 1993)
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1994: US aid to Russia comes under pressure:
- No apparent success
- Unpromising results of Russian Dec 1993 elections
- US budget deficit
  (Congressional Research Service 2002)

1995-1998: Large IMF loans for Russia

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1992-1994:
Large US aid packages for Russia

1995-1998:
Large IMF loans for Russia

“In essence, the Clinton administration transferred the responsibility for assisting Russia’s economic transformation from the United States to the IMF” (Goldgeier and McFaul 2005: 100).
Major shareholders of multilateral organizations can influence loan allocation

- Esp. US with substantial influence on IMF and World Bank

(Kuziemko and Werker 2006, Kilby 2013, Vreeland and Dreher 2014)
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Politics at multilateral level difficult to observe for public

- Non-transparent decision-making, voters “rationally ignorant”
- Multilateral organizations often considered politically neutral
  (Grigorescu 2013, Milner and Tingley 2013, Vaubel 2006)
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• “[V]oters abhor giving aid to [nasty] regimes”
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Governments can use multilateral organizations for hiding their “dirty work”
• Use multilateral channels to avoid electoral costs for unpopular foreign policy
  (goes back to Vaubel 1986, Abbott and Snidal 1998)
Testing the Argument

- **Testing this argument requires new empirical setting**
  - Focus on *vote buying* in the United Nations Security Council (UNSC)  
    (Kuziemko and Werker 2006)
  - Examine links between *UNSC voting* and bilateral and multilateral aid allocation
  - Aid-giving governments (we focus on US) can use aid policy as *reward/punishment* for voting behavior of aid-receiving UNSC members
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Expectations:

- US uses *bilateral* aid to buy votes from *befriended* governments, where domestic audiences can easily agree to provide aid to.
- US uses *multilateral* aid to buy votes from *hostile* governments, where domestic audiences are likely hostile towards giving aid to the recipient country.
Data

► New data on the universe of United Nations Security Council votes
  • 70 years (1946-2015)
  • 2,514 decisions
  • 36,430 individual votes
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- For each proposed resolution:
  - **Outcome**: resolution, veto, failed majority (no P5 veto but less than 9/15 votes)
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  - Vote of each member: used to code vote alignment
  - Resolution title: used to code issue area

### Appendix 2: Frequency of Words in Resolution Titles (100 most frequent)

<table>
<thead>
<tr>
<th>Word</th>
<th>Count</th>
<th>Percentage</th>
<th>Result</th>
<th>Vote of each member</th>
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<td>1%</td>
<td>interim</td>
<td>44 (0%): criminal</td>
</tr>
<tr>
<td>mandate</td>
<td>651</td>
<td>6%</td>
<td>western</td>
<td>43 (0%): sierra</td>
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<tr>
<td>extension</td>
<td>475</td>
<td>4%</td>
<td>somalia</td>
<td>42 (0%): afghanistan</td>
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<tr>
<td>mission</td>
<td>415</td>
<td>4%</td>
<td>measures</td>
<td>42 (0%): settlement</td>
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<tr>
<td>situation</td>
<td>342</td>
<td>3%</td>
<td>disengagement</td>
<td>41 (0%): court</td>
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<tr>
<td>force</td>
<td>342</td>
<td>3%</td>
<td>liberia</td>
<td>41 (0%): fire</td>
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<tr>
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<td>150</td>
<td>2%</td>
<td>application</td>
<td>41 (0%): observers</td>
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<tr>
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<td>187</td>
<td>2%</td>
<td>sudan</td>
<td>41 (0%): stations</td>
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<tr>
<td>against</td>
<td>177</td>
<td>2%</td>
<td>sahara</td>
<td>41 (0%): deployment</td>
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<tr>
<td>observer</td>
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<td>2%</td>
<td>assistance</td>
<td>40 (0%): complaint</td>
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<td>2%</td>
<td>middle</td>
<td>40 (0%): all</td>
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<td>2%</td>
<td>rwanda</td>
<td>40 (0%): armed</td>
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<td>security</td>
<td>137</td>
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<td>bosnia</td>
<td>39 (0%): commission</td>
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<td>2%</td>
<td>africa</td>
<td>39 (0%): concerning</td>
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<td>38 (0%): calling</td>
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<tr>
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<td>former</td>
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<td>south</td>
<td>111</td>
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<td>secretary</td>
<td>37 (0%): states</td>
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<td>between</td>
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<td>humanitarian</td>
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<tr>
<td>general</td>
<td>95</td>
<td>1%</td>
<td>arms</td>
<td>36 (0%): israeli</td>
</tr>
</tbody>
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Data

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  - Vote of each member: used to code vote alignment
  - Resolution title: used to code issue area
  - **Number of Google hits of resolution**: used to code importance
Results I:
The Role of UNSC Voting
# Results I: UNSC Voting

| UNSC member | (1) 0.169* [0.097] | (2) | (3) | (4) 0.607*** [0.131] | (5) 0.403** | (6) 0.382** | (7) 0.099 | (8) 
|-------------|---------------------|-----|-----|----------------------|------------|------------|---------|-------
| UNSC, voted all w/ US | 0.350*** [0.115] | (3) 0.324*** [0.113] | (4) 0.607*** [0.190] | (5) 0.403** [0.169] | (6) 0.382** [0.171] | (7) 0.099 [0.178] |
| UNSC, voted not all w/ US | 0.009 [0.137] | 0.030 [0.135] | 0.008 [0.131] | -0.229 [0.171] | -0.214 [0.169] | -0.168 [0.228] |

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<tbody>
<tr>
<td>UNSC Votes</td>
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<td>Google</td>
<td>Israel</td>
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<td>Google</td>
<td>Israel</td>
<td></td>
</tr>
</tbody>
</table>

| p-value (all with vs. not all with) | 0.036 | 0.059 | 0.008 | 0.008 | 0.012 | 0.331 |
| R-squared | 0.136 | 0.137 | 0.137 | 0.124 | 0.124 | 0.125 |
| Observations | 6142 | 6142 | 4222 | 5826 | 5826 | 5826 | 4051 |

Notes: Dependent variables: logged US aid disbursements (col. 1-4) and logged IMF loan size (5-8). OLS regressions with country- and year fixed effects. Standard errors clustered at the country-level in brackets. Significance levels * p < 0.1; ** p < 0.05; *** p < 0.01
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Results II:

Buying Votes from Allies and Adversaries
Results II: Aid buys votes of allies

Marginal effect of serving on the UNSC and casting all votes with the US for varying political proximity to US
Results II: IMF loans buy votes of adversaries

Marginal effect of serving on the UNSC and casting all votes with the US for varying political proximity to US
Evidence on who controls the IMF
  • UNSC voting effect on IMF loan allocation only for voting with US
  • No such effects for UK, France, Russia, China

Alternative definitions of UNSC voting alignment
  • Robust for UNSC importance proxied by # New York Times articles
  • Robust for continuous voting variables

Alternative definitions of multilateral aid
  • Robust for presence of an IMF program
  • Robust for World Bank aid
  • No effect for multilateral organizations in which US influence is weaker (EBRD, IsDB)

Alternative definitions of bilateral aid
  • Driven by disbursements
  • No effect for aid commitments

Alternative definition of political proximity
  • Distance of “idealpoints” of foreign policy preferences
Contributions and Conclusions

► New dataset on all Security Council decisions
  • 36,430 individual UNSC votes and resolution-specific information

► Qualification of existing research results on the perks of UNSC membership
  • Driven by countries that vote with the US
  • More direct evidence of vote buying
    (see Kuziemko and Werker 2006, Dreher et al. 2009)

► Evidence on choice between bilateral/multilateral channels for exerting political influence
  • Bilateral channels for allies, multilateral channels for adversaries
  • Multilateral organizations used to hide governments’ “dirty work”
    (see Vaubel 1986, Abbott and Snidal 1998)
Thank you.

valentin.lang@uzh.ch

@valentin_lang
Results: Who controls the IMF?

<table>
<thead>
<tr>
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<tr>
<td></td>
<td>( j = \text{US} )</td>
<td>( j = \text{UK} )</td>
<td>( j = \text{France} )</td>
<td>( j = \text{China} )</td>
<td>( j = \text{Russia} )</td>
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<td>UNSC, voted all with ( j )</td>
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Notes: Dependent variable: IMF loan size (ln). OLS regressions. Controls include GDP per capita, Population, War and Past IMF program. Standard errors clustered at the country-level in brackets. Significance levels: * \( p < 0.1 \); ** \( p < 0.05 \); *** \( p < 0.01 \)
“All of these nations that take our money and then they vote against us at the Security Council [...]. We’re watching those votes. Let them vote against us, we’ll save a lot.”