

Accountable to Whom?
Public Opinion of Aid Conditionality in Recipient
Countries

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Motivation

Aid creates overlapping **accountability relationships**

Donors attach requirements to increase accountability to goals

Recipient govts: Accountable to domestic public AND aid agency

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⇒ Government supporters dislike requirements

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RQ: How does the public in recipient countries perceive requirements attached to development finance?

⇒ Government supporters dislike requirements

⇒ Trust in donors leads to support for requirements

A typology of requirements

Development

Governance

Business

A typology of requirements

Development

- Government spending; taxation
- World Bank

Governance

Business

A typology of requirements

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- Government spending; taxation
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Governance

- Human rights; democratization
- USAID; EU

Business

A typology of requirements

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- Government spending; taxation
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Governance

- Human rights; democratization
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Business

- Exports; donor firm access
- China

Argument: Government support

Requirements aim to influence the behavior of the government

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Citizens' views of influence depend on support for government

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H1: *Individuals that express **higher** levels of government support will be **less** likely to approve of aid requirements.*

Argument: Attitudes toward donors

Requirements introduce accountability to a specific foreign actor

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H2: *Individuals that **approve** of a donor will be **more** likely to approve of aid requirements from that donor.*

Empirical approach

1. Afrobarometer

Round 8 (2019-2021): Question on conditionality

27 / 34 countries available

N = 38,175



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2. Our survey

Distinguish types of requirements

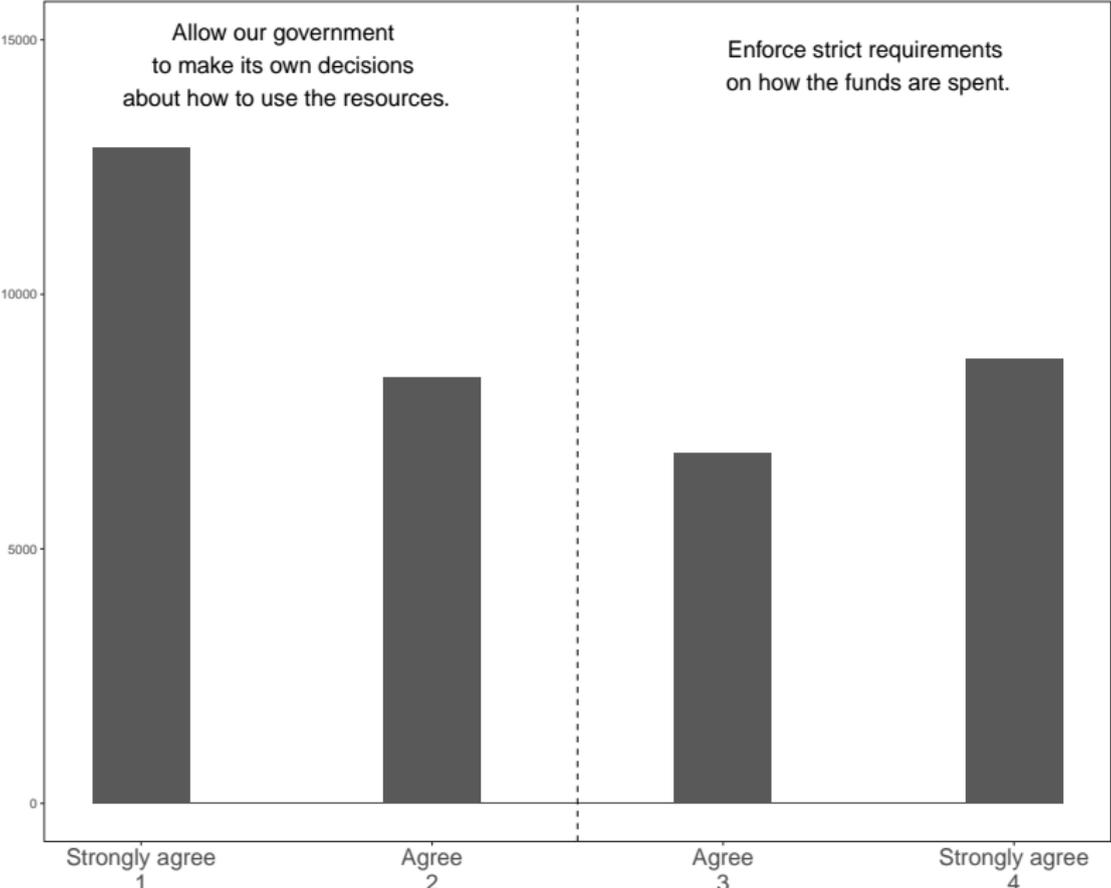
Assign requirements to donors

Country: Kenya

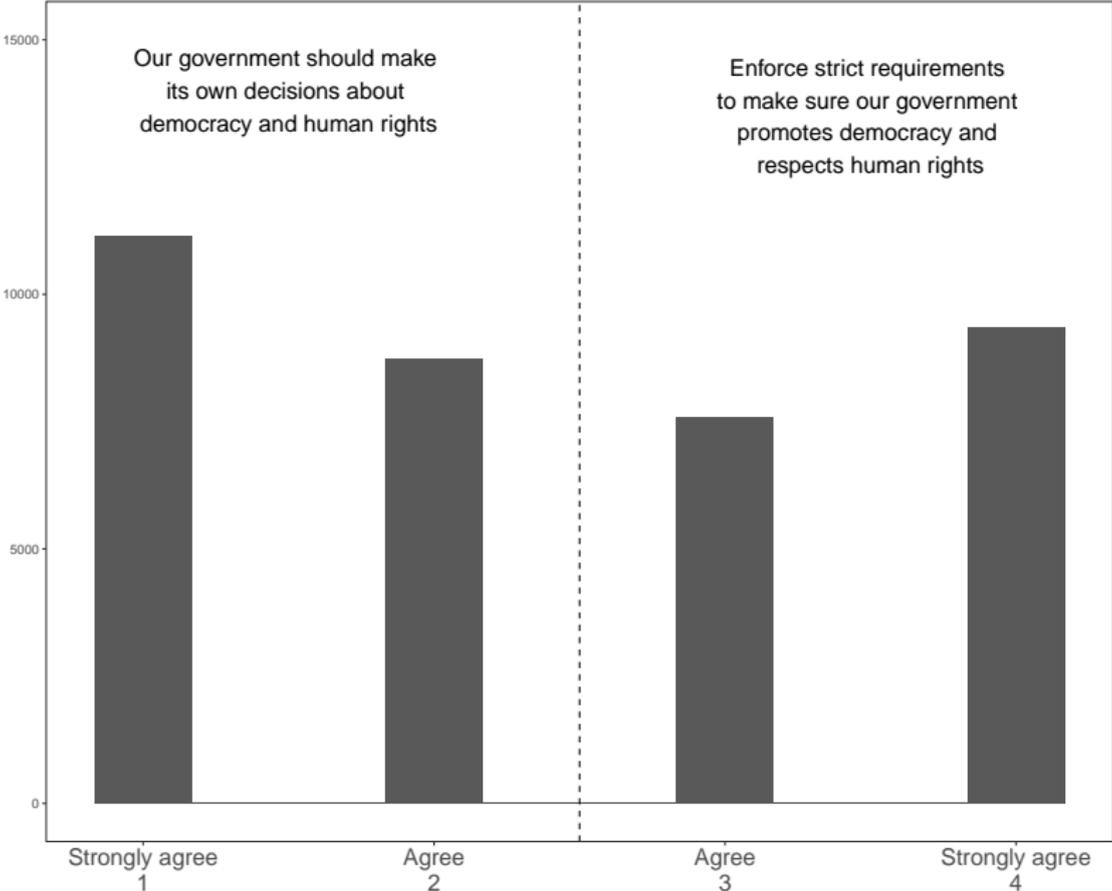
N = 1,000 (with repeated measure)



Development Requirements



Governance requirements



Support for H1 - Government support

	Supports dev reqs (0-1)			Supports gov reqs (0-1)		
Trusts president (1-4)						
Trusts ruling party (1-4)						
Trust index						
Observations	31,278	28,546	25,454	31,184	28,470	25,420

Controls include age and gender, plus rural and country fixed effects. Standard errors are clustered at region level.

› Corruption results

Support for H1 - Government support

	Supports dev reqs (0-1)			Supports gov reqs (0-1)		
Trusts president (1-4)	-0.080*** (0.010)					
Trusts ruling party (1-4)	-0.086*** (0.011)					
Trust index				-0.048*** (0.006)		
Observations	31,278	28,546	25,454	31,184	28,470	25,420

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Support for H1 - Government support

	Supports dev reqs (0-1)			Supports gov reqs (0-1)		
Trusts president (1-4)	-0.080***			-0.101***		
	(0.010)			(0.011)		
Trusts ruling party (1-4)		-0.086***			-0.095***	
		(0.011)			(0.010)	
Trust index			-0.048***			-0.055***
			(0.006)			(0.006)
Observations	31,278	28,546	25,454	31,184	28,470	25,420

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› Corruption results

Mixed for H2 - Opinions of foreign influence

	Supports dev reqs (0-1)			Supports gov reqs (0-1)		
Approves of UN (1-5)						
Approves of U.S. (1-5)						
Approves of UK (1-5)						
Observations	24,540	25,787	23,005	24,526	25,753	22,995

Controls include age and gender, plus rural and country fixed effects. Standard errors are clustered at region level.

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	Supports dev reqs (0-1)			Supports gov reqs (0-1)		
Approves of UN (1-5)	-0.005 (0.012)					
Approves of U.S. (1-5)	0.022* (0.011)					
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Approves of U.S. (1-5)	0.022* (0.011)			0.011 (0.012)		
Approves of UK (1-5)	-0.004 (0.011)			-0.009 (0.011)		
Observations	24,540	25,787	23,005	24,526	25,753	22,995

Controls include age and gender, plus rural and country fixed effects. Standard errors are clustered at region level.

Our survey - Kenya

1. Asks about all three: development, governance, **business**
2. Asks about development finance from **specific** donors
3. Asks which requirements respondents **associate** with donors

Vignette

[The United States / The World Bank / China] would like to finance a large project in Kenya's energy grid. This will help people and businesses in Kenya get access to electricity to make their lives easier and their businesses more productive. For this to happen, **[the United States / the World Bank / China]** will provide money to Kenya, and then the government of Kenya will oversee the project.

Do you agree or disagree that **[the United States / the World Bank / China]** should . . .

[List of requirements]

Granularity of requirements

Governance	
Democracy	Show that elections were fairly run and accurately counted
Human rights	Enforce protections of rights of minority ethnicities
Transparency	Be transparent about public spending

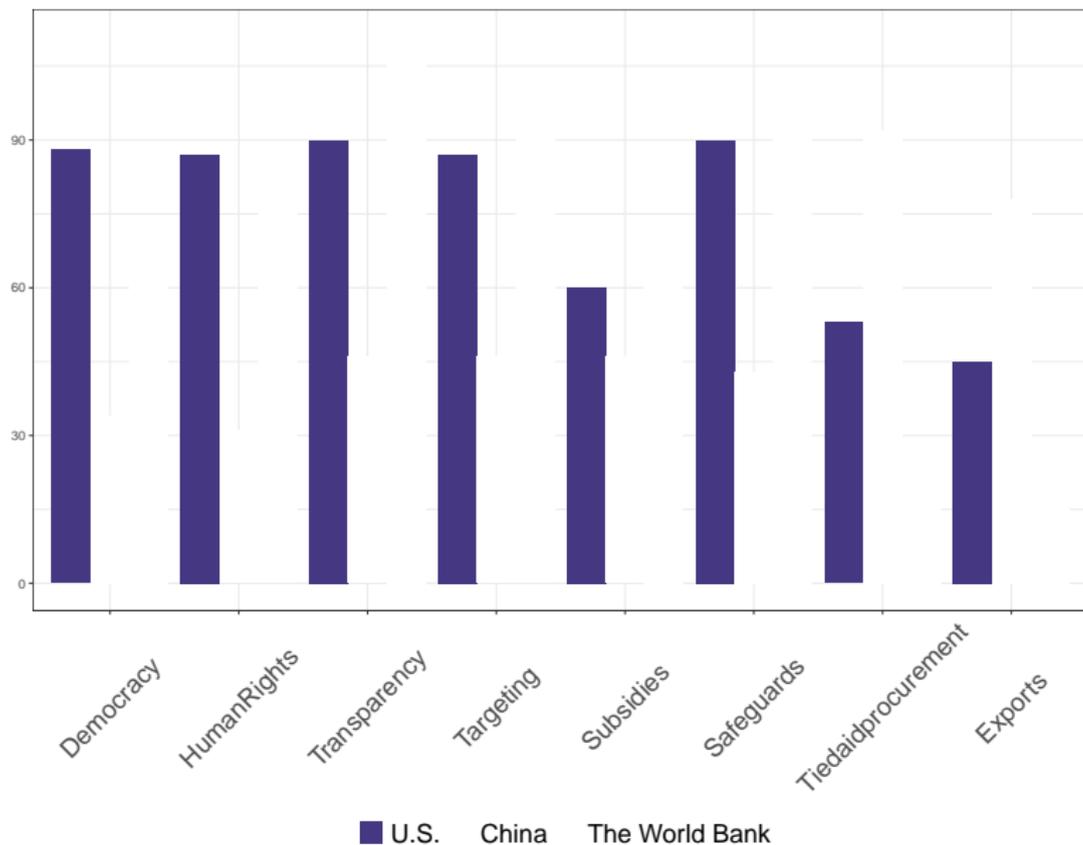
Granularity of requirements

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Development	
Targeting	Ensure the project meets those most in need
Subsidies	Cut subsidies for fuel
Safeguards	Ensure the project doesn't pollute air or water

Granularity of requirements

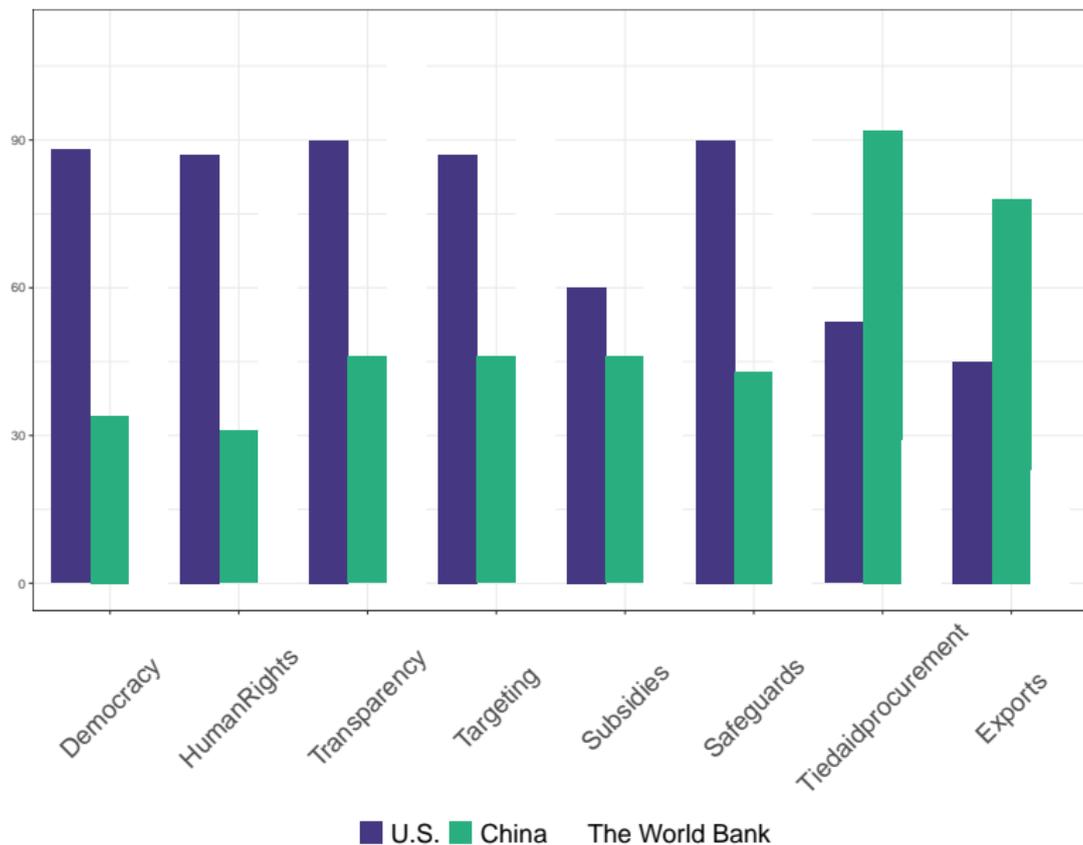
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Business	
Tied aid	Hire their companies for this project
Exports	To sell goods to them at discounted prices

Attributing requirements correctly



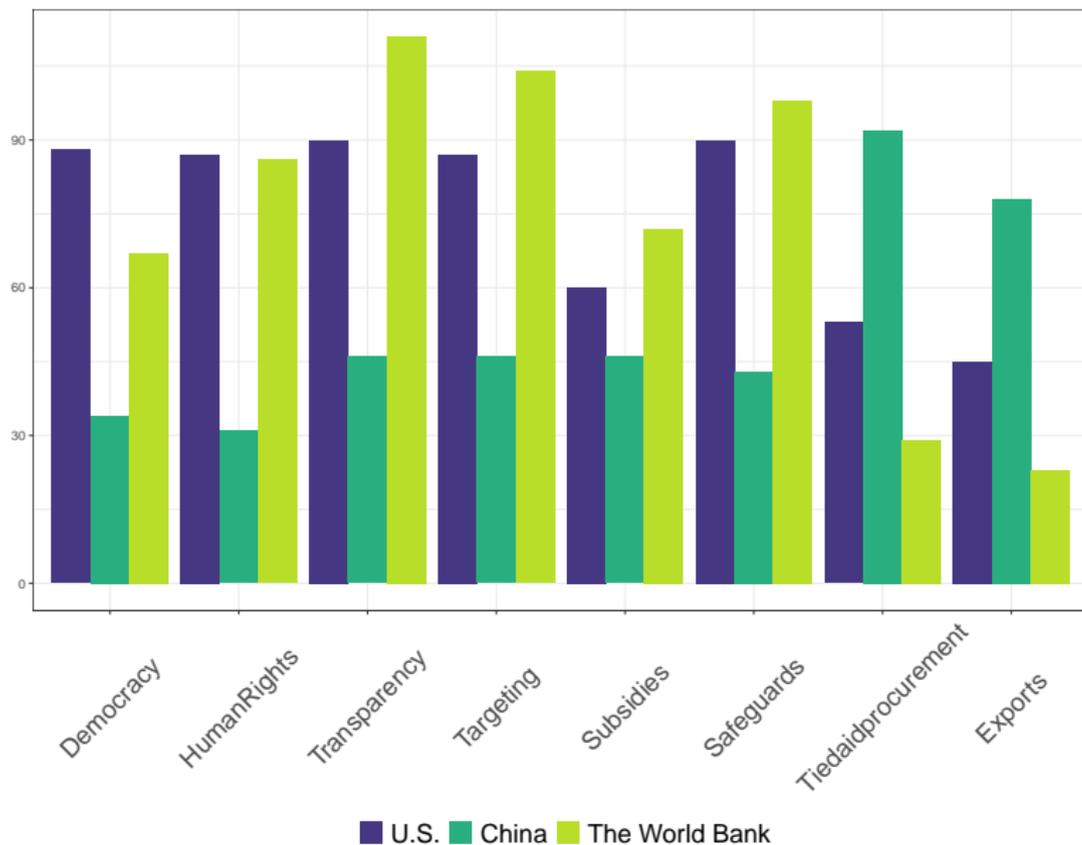
October 2022, N=143

Attributing requirements correctly



October 2022, N=143

Attributing requirements correctly



October 2022, N=143

Conclusion

- Theory of public opinion of aid requirements
- Evidence that government supporters dislike requirements
- Implications for politics and effectiveness of conditionality

Appendix

Support for H1 - Corruption

	Supports dev reqs (0-1)			Supports gov reqs (0-1)		
Corruption of president (1-4)	0.081*** (0.013)			0.094*** (0.015)		
Corruption of civil servants (1-4)	0.067*** (0.014)			0.044*** (0.015)		
Corruption index	0.043*** (0.007)			0.038*** (0.008)		
Observations	28,224	29,732	23,758	28,192	29,684	23,760

Note:

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Controls include age, gender, rural, and country fixed effects. Standard errors are clustered at the region level.

Development requirements

When other countries or international organizations give loans or development assistance to Kenya, they should enforce strict requirements on how the funds are spent.		When other countries or international organizations give loans or development assistance to Kenya, they should allow our government to make its own decisions about how to use the resources.	
Agree very strongly with Statement 1	Agree with Statement 1	Agree with Statement 2	Agree very strongly with Statement 2

Governance requirements

<p>When other countries or international organizations give loans or development assistance to Kenya, they should enforce strict requirements to make sure our government promotes democracy and respects human rights.</p>		<p>Even if other countries give Kenya loans or development assistance, our government should make its own decisions about democracy and human rights.</p>	
<p>Agree very strongly with Statement 1</p>	<p>Agree with Statement 1</p>	<p>Agree with Statement 2</p>	<p>Agree very strongly with Statement 2</p>

Business requirements

When other countries or international organizations give loans or development assistance to Kenya, they should be allowed to require our government to hire or buy from their businesses.		Even if other countries give Kenya loans or development assistance, our government should make its own decisions about which businesses to hire or buy from.	
Agree very strongly with Statement 1	Agree with Statement 1	Agree with Statement 2	Agree very strongly with Statement 2