

# **Aiding Freedom or Fear? Bilateral Foreign Aid and State Coercion**

Jessica N. Trisko

Visiting Fellow, Program on Order, Conflict and Violence, Yale University

Ph.D. Candidate, Political Science, McGill University

Centre for International Peace and Security Studies

jessica.trisko@yale.edu

**Yale University IR Workshop, 9 November 2011**

**Abstract.** This paper examines the effect of US foreign policy on the internal security dynamics of aid recipient states by analyzing how US foreign assistance affects the ability of recipient states to employ violence against their citizens. I argue that as a consequence of fungibility—the diversion of aid for use as a general government resource—foreign aid may increase the likelihood of state coercion. I further hypothesize that the coercive effects of foreign aid are conditioned by the political institutions of the recipient state and its past history of conflict. I test this argument through a time-series cross-sectional analysis of annual US bilateral foreign aid for 132 developing countries during the period of 1976 to 2008. The statistical results demonstrate a positive association between foreign aid and various forms of coercion. This effect is driven primarily by economic aid, but holds across forms of government repression including torture. The implication of this study is that weak and failing states persist, despite the high levels of international assistance they receive, because foreign aid undermines development by creating conditions propitious to increased political violence.

Please do not circulate without author's permission.

## **Introduction**

Foreign aid has traditionally been justified by a principle of ‘do no harm’ (Hafner-Burton and Ron 2009; Anderson 1999). International aid donors typically seek to promote change in recipient countries in terms of economic development and democratization through the provision of foreign aid as a policy support. It has long been thought possible for the international community, or even individual donor nations, to raise the costs of perceived state misbehavior through aid policy (Mitchell and McCormick 1988). Yet despite these lofty goals, a growing body of research suggests that foreign aid facilitates the deterioration of political institutions and foments political violence (e.g., Bhagwati 2010; Djankov et al. 2008; Easterly 2006; Lischer 2003; Collier and Hoeffler 2002; Knack 2001). If foreign aid causes political or social harm in recipient countries, this calls into question whether the costs of providing foreign aid outweigh the benefits both to aid donor and recipient.

In seeking to understand how such considerations factor into US foreign policy, the substantial literature on the allocation of US foreign aid has provided important insights into the significance of human rights in US foreign policy over time (for example, Neumayer 2003; Apodaca and Stohl 1999; Meernik et al. 1998; Regan 1995; Cingranelli and Pasquarello 1985). However, this body of work has rarely engaged relevant studies of state coercion, which seek to explain changes in the patterns of human rights violations and political violence (For example, (Davenport 2007; Easterly et al. 2006; Harff 2003; Poe et al. 2002; Ron 1997; Davenport 1996). In fact, the international relations literature has been largely silent on the question of how international actors contribute to the occurrence of political violence, focusing instead on international responses to human rights abuses (e.g., Peksen and Drury 2009; Franklin 2008;

Lebovic and Voeten 2006) as well as the human rights impact of internationally-promoted economic policies (Abouharb and Cingranelli 2006; Hafner-Burton 2005a and 2005b).

To date, studies of international influences on state coercion have focused primarily on how international actors can exert pressure on states through formal or informal mechanisms. International actors are seen as responsive to coercion in other states and act in a punitive manner to pressure or socialize states into engaging in less coercive behavior (e.g., Hafner-Burton 2008; Thomas 2001; Risse, Ropp and Sikkink 1999; Moravcsik 1995). This may occur through direct pressure or be mediated by international institutions such as the United Nations (e.g. Hufbauer, Schott and Elliott 2009; Drezner 1999). Underlying these studies of the international responses to state coercion is the assumption that a shared understanding exists of the line between legitimate and illegitimate state behavior and that international pressure can and should be brought to bear when this line is crossed. Yet in practice, coordination within the international community is often lacking and much unilateral action is taken in response to human rights abuses.

A similar deficit exists in the state coercion literature where many have focused exclusively on the role of dissent in motivating political violence. The dominant theoretical position is that state coercion is the result of strategic interaction between the government and opposition groups (e.g., Sambanis and Zinn 2005; Anderson, Regan and Ostergard 2002; Rich and Stubbs 1997; Gartner and Regan 1996; Davenport 1995; Mason and Krane 1989; Gurr 1970). Political violence is commonly seen as the outcome of situations in which the government responds to protest with repression, which then provokes an escalation of dissent in a continuing cycle of action and response (Tilly 1978). It is widely held that coercive behavior may persist long after an initial threat to the state has passed, yet studies of state coercion have struggled to

explain changes in state behavior in the absence of major changes in dissent.<sup>1</sup> When the role of international actors has been addressed, it is characteristically with reference to efforts to stop ongoing killings through the use of peacekeepers and other forms of direct intervention (for example, Binder 2009; Gilligan and Stedman 2003).<sup>2</sup>

In both approaches, the international community is seen as a force for good and international influences are therefore seen almost exclusively as a way to *reduce* state violence against civilians. This paper seeks to fill this gap by asking how international actors, such as the United States, can directly affect the level of state coercion in other countries through the type and amount of foreign aid they provide. Employing the insights of studies on the fungibility of foreign aid, I present a theory of the domestic political effects of foreign aid which posits that the potentially coercive effects of foreign aid on state-society relations are conditioned by the structural characteristics of the recipient country and its past history of conflict. Moreover, I examine the possible conditioning roles that the recipient country's political institutions, state strength and past history of conflict may play in determining the occurrence and level of political violence in a country. By focusing on the international determinants of state coercion, I contribute a new perspective to the literature by providing a theoretical account of one of the mechanisms linking international influences with state coercion.

The remainder of this paper is set out as follows: first, I provide an overview of the theory of the coercive effects of foreign aid and derive several hypotheses. I then test the hypotheses using time-series cross-sectional methods and discuss the results with respect to

---

<sup>1</sup> Studies of authoritarianism suggest that governments may resort to violence as a means of policy implementation (Linz 2000). Arendt's (1968) work, in particular, challenges the cyclical view of opposition-government interaction and instead contends that the use of terror and coercion by authoritarian regimes increases with regime consolidation and the corresponding weakness of opponents. As the challenges the government faces decline in their threat to the regime's survival, the government is more able to employ repression in order to consolidate its control over society.

<sup>2</sup> Indeed, as Davenport noted in 2007, "some important aspects are largely peripheral to the core research program and tend to be ignored, such as international influences that are consistently discussed by policy makers, activists, and ordinary citizens as a way to end or significantly reduce state repression" (Davenport 2007: 2).

different forms of foreign aid and potential post-Cold War changes. Finally, I conclude with the implications of the theory for donor accountability. Overall, the theory I develop provides a way to understand the wide variation in outcomes amongst aid recipients and contributes to a better understanding of the role of international actors in shaping state-society relations.

### **The Coercive Effect of Foreign Aid**

To assess whether the foreign policy of individual states supports the use of state coercion abroad, I focus on the role of foreign aid in enhancing the coercive capacity of the recipient state. Specifically, I argue that bilateral, government-to-government, foreign aid is used by the recipient as generalized budgetary support or government revenue which enables the recipient government to spend the funds as they see fit. States which may have been too weak to respond to dissent with coercion may, through foreign aid, come to possess the resources necessary to employ violence. States that had a preexisting coercive capacity may see this capacity strengthened through the receipt of foreign aid with significant consequences for the forms and extent of coercion that the state is able to employ.

The mechanism that enables foreign aid to be used as government revenue and subsequently translated into increased coercive capacity is known as fungibility. A substantial economic literature on the fungibility of aid suggests that whether provided as project-based “tied” aid or as humanitarian assistance in the form of food aid, foreign aid as an external resource is easily diverted from its designated purposes (e.g., Feyzioglu et al. 1998; Pack and Pack 1993; Travis and Zaharandis 1992). Fungibility is, by definition, “the ability of an aid recipient to circumvent donor imposed restrictions and spend some amount of categorical or targeted aid on non-targeted programs” (Khilji and Zampelli 1994, 349). If aid provided by

donors to finance a specific activity can be spent as freely by the recipient as aid provided for general budgetary support, then aid is considered to be fully fungible (McGillivray and Morrissey 2000; World Bank 1998). Often linked to corruption and the diversion of funds for personal purposes (e.g., Le Billon 2003), aid fungibility operates above the level of individual actors and occurs even in contexts where corruption is minimal.

The political effects of aid fungibility are profound. As Bueno de Mesquita and Smith (2007, 254) contend, “aid giving and getting is a strategic process in which donors purchase policy support from recipients who use at least some of the assistance to ensure that they are securely ensconced in power.” Acknowledgement by donors of the diversion of aid to support the incumbent government may be tacit or explicit. The issue of donor intentions is particularly important when considering aid fungibility into military expenditure (Murshed and Sen 1995). As Khilji and Zampelli (1991: 1096) note, “if a donor country refuses to provide military aid while continuing to give economic assistance, it does not ensure that the recipient country is effectively constrained from spending on armaments.” Indeed, when the provision of military aid to a particular recipient becomes unacceptable to the donor state’s public, the donor may increase the amount of economic aid given with the understanding that this aid will be employed for military purposes (Zahariadis, Travis and Diehl 1990). The overarching policy implication of fungibility is that donors will not be able to convince aid recipients to implement policies that the recipients are not willing or able to implement, often due to political or institutional weakness and the inherent difficulty of monitoring by donors (McGillivray and Morrissey 2000; Feyzioglu, Swaroop and Zhu 1998).

Given the fungibility of aid, aid recipient governments will use their increased budgetary resources to remain ensconced in power through two mechanisms: cooption and coercion. Figure

1 illustrates the proposed relationship between foreign aid and recipient state behavior. The model begins with the provision of foreign aid by a donor state, in this case the United States, to an aid recipient. The donor state chooses whether to provide military and/or economic aid, the amount of aid to provide, as well as any conditionality or other restrictions that may be imposed. The aid recipient then decides how to distribute the aid resources it receives within the context of its government budget.

Once foreign aid is received by a country, how it is channeled into government spending is to a large degree dependent on the nature of the government receiving aid (Azam 1995), or its political regime type, and its perceived current and future levels of threat (Zou 1995), or past history of conflict. Both military aid and economic aid provide external resources that a government may use to support its hold on power through military expenditure or consumption, respectively. Military expenditure builds the coercive capacity of the state while consumption, or government spending, builds service capacity which is used to provide public services and potentially increase popular support for the regime.

[Figure 1]

In the above model, I assume that military aid is always used to support the coercive capacity of the state through military expenditure (Deger and Sen 1992). Enhanced coercive capacity, combined with sufficient motivation, increases the likelihood that the state will employ coercion against its citizens, thereby creating what I term the ‘coercive effect’ of foreign aid.<sup>3</sup> While, theoretically, military aid is fungible into consumption and could be used to support service provision, it is unlikely to be used for this purpose due to the relatively higher defense

---

<sup>3</sup> Although the political and military influences on budgetary policy play a role in shaping the amount of resources devoted to military expenditure, the most crucial determinant seems to be financial and economic constraints (Deger and Sen 1995, 298). For example, Collier and Hoeffler (2007) suggest that around 40 percent of African military spending is inadvertently financed by foreign aid due to the scarcity of government resources. If governments can afford to increase military spending, more often than not they will do so.

burdens of developing countries as well as the tying of US military aid to training, arms sales and other equipment (Hess 1989).<sup>4</sup>

I hypothesize that military aid directly supports the state's coercive capacity, particularly in conditions of severe resource constraints where military aid may serve as a substitute for a country's own military spending (Travis and Zahariadis 1992). With the receipt of military aid, a greater amount of funding is available for security purposes and is often directed towards internal security (Collier and Hoeffler 2002 and 2007). However, there may be important limits to the degree to which military aid translates into state coercion. Assistance for military professionalization can increase the coercive capacity of the state by making the military more effective and efficient, but it may also help restrain the use of repression by establishing civil-military relations norms.

The second way that foreign aid may affect state coercion is through augmenting the state's capacity for service provision. Economic aid, provided in the form of cash transfers, food aid or infrastructural projects, frees up resources that the government would have otherwise devoted to providing these goods and these excess resources are assumed to be reallocated according to government preferences. Economic aid may therefore be used to increase the state's capacity for service provision or it may be redirected to fund the state's coercive capacity.<sup>5</sup>

---

<sup>4</sup> Azam (1995) has additionally modeled the use of foreign aid by recipient governments as a "positive-gift" in terms of a Stackelberg equilibrium whereby the government plays a strategy where it can maintain power by trading off increased defense expenditures for more "gift" to buy off the opponent. This strategy is necessary, though not sufficient, for foreign aid to be directed away from military expenditure.

<sup>5</sup> This follows from Zou's (1995) and van der Ploeg and Zeeuw's (1990) assumption that the utility from consumption does not depend on current weapons stocks. This means that the benefit a government derives from providing increased services is not dependant on its existing level of coercive capacity (i.e., there is no minimum level of coercive capacity a government needs to attain before it can begin to benefit from increased service provision). However, as a strategy, governments may still choose to redirect economic aid toward military expenditure because they derive greater utility from increasing the state's coercive capacity.

If the state chooses to spend foreign aid resources on increased public goods provision, it can utilize these services to buy off opposition through a ‘cooption effect.’<sup>6</sup> Seen differently, foreign aid provides the resources necessary to expand the government’s winning coalition and stave off opposition (Bueno de Mesquita and Smith 2007). However, economic aid may also contribute to the ‘coercive effect’ of aid. Zahariadis et al. (1990) find that US economic aid, which is an aggregation of several programs, is subject to different potentials for fungibility. Although they conclude that food aid has no systematic impact on military spending, there is substantial case study evidence which suggests that even food aid is fungible for military purposes. During the 1985 famine in Ethiopia, Western grain deliveries permitted Mengistu’s dictatorship to divert almost all of the government’s resources from feeding the starving to resettling men from the troublesome north-central highlands to other areas where rebels could not actively recruit them (Palda 1993).

Based on the state’s distribution of foreign aid resources for domestic spending, two possible outcomes exist. If service capacity and public goods provision is favored, then economic aid should facilitate the successful cooption of opposition by increasing the amount of resources with which the government can buy support. Rather than contribute to political violence, foreign aid will in this case produce a cooption effect measurable by the absence of state coercion. Such a result could obtain regardless of a state’s political institutions. Alternatively, if the state chooses to allocate military and/or economic aid resources to increasing its coercive capacity then foreign aid is likely to produce a coercive effect. In general, if foreign aid is spent in augmenting the state’s coercive capacity, the likelihood of coercion will be

---

<sup>6</sup> Although this is similar to the ‘corruption buys peace’ argument wherein corruption facilitates the creation of political resources which rulers can use to co-opt opposition groups through clientalistic ties, thereby providing a measure of political stability and avoiding conflict (Le Billon 2003), I assume here that cooption takes place through regular state channels which are supported by foreign aid, such as subsidies and public wage increases. I do not, however, exclude the possibility that cooption through corruption and clientalistic networks is facilitated by foreign aid and takes place concurrently with the coercion and cooption effects I describe.

increased but the specific behavioral outcome in terms of repression or violence will be largely determined by the characteristics of the state.

I contend that a country's political regime type and corresponding political institutions play a key role in determining whether foreign aid will be used to build the state's coercive or cooptive capacity by affecting the ruling regime's legitimacy. The relationship between the overall institutional strength and reach of the state and its ability to provide public goods, shorthanded as institutional capacity, is another intervening factor. Lastly, the conflict history of a particular country plays a significant role in affecting the likelihood that aid will be used for military purposes while also demonstrating the state's willingness to use coercive tactics.

### ***Regime Type and Political Institutions***

Structural constraints, such as political institutions, play an important role in determining both how foreign aid resources will be allocated within the state's budget and the probability of state coercion within a given recipient country. A major finding of the repression literature is that certain political characteristics of the state may impede its ability to employ violence. Known as the 'Domestic Democratic Peace,' studies have demonstrated that democracy may reduce the likelihood of repression and civil war (Davenport 2007; Davenport and Armstrong 2004; Hegre et al. 2001; Fein 1995). On the whole, democratic states are thought to be more internally peaceful in accordance with system-level findings that democratic states are unlikely to wage war against each other (e.g. Russett 1993; Layne 1994; Oneal and Russett 1999; Maoz and Russett 1993; Bueno de Mesquita et al. 1999; Dorussen and Ward 2008).<sup>7</sup>

---

<sup>7</sup> One notable contrary opinion in this regard is Alexander Downes who claims that, "liberal democracies victimize civilians in war just as often as autocracies...in fact, the statistical evidence shows that democracies are even more likely than autocracies to target noncombatants in wars of attrition. This may be because the electoral institutions of democracies give leaders greater incentives to target civilians to mitigate their costs of fighting or to win a stalemated war" (Downes 2006: 190). However, Downes research focuses on enemy noncombatants rather than the victimization of a state's own civilians.

As in the international relations literature, the pacific effect of democracy domestically has been articulated along normative and institutional lines. Democracies feature individual-centered norms regarding tolerance and deliberation which pose a high barrier to the domestic use of violence. Democratic political cycles additionally raise the costs for states to use coercion because democratically elected leaders wish to continue in office, accept the societal control mechanism offered by the democratic process, and are therefore less inclined to violate human rights (Davenport and Armstrong 2004). Countries where all members of parliament are elected through proportional representation and where voters cast a vote for individual candidates have been found to display a higher average respect for individual rights (Cingranelli and Filippov 2010). Most importantly, democracies feature institutionalized channels for grievance-airing and accommodation which reduce the likelihood of conflict and provide an alternative mechanism for social control through participation (Davenport 2007). By and large, states with responsive political institutions should be more likely to channel foreign aid into service capacity and other forms of cooption as popularly-legitimated governments do not have to have to maintain legitimacy through coercion.

Nevertheless, in focusing on democracy as a potential cure-all for state coercion, the domestic democratic peace literature has failed to account for the absence of state violence in many authoritarian regimes. Referred to by Scott (1985) as steady pressure, both violence and dissent are less likely in such countries due to the high degree of societal control exercised by the state. As formulated by Muller (1985) and Muller and Seligson (1987), the severe costs of rebellion in an extremely repressive political system may inhibit an organized opposition from forming. Seen in this light, political institutions may affect the type of dissent that arises rather than directly shaping a state's response to dissent.

Because state coercion may be limited in both democracies and authoritarian regimes, much emphasis has been placed on understanding the sources of political violence in transitional or anocratic regimes types—those which are neither consolidated democracies or autocracies. Known as the ‘more murder in the middle’ hypothesis, studies of the non-monotonic or inverted U-shaped relationship between regime type and repression contend that low levels of state violence occur at either end of the regime type spectrum with the vast majority of violent state action perpetrated by regimes with mixed political institutions (Gartner and Regan 1996; Fein 1995; Hegre et al. 2001; Regan and Henderson 2002).<sup>8</sup> Countries transitioning from one political regime type to another have been found to be highly politically unstable which likely accounts for an increased use of state coercion and a greater propensity to become engaged in civil war (e.g. Cederman, Hug and Krebs 2010; Regan and Bell 2009; Vreeland 2008; Fearon and Laitin 2003; Mansfield and Snyder 2002). In particular, the least stable political systems have been found to be dictatorships with high levels of political participation (Gates, Hegre, Jones and Strand 2006).

I contend that a country’s political regime type plays a significant role in determining the extent to which foreign aid is channeled into coercive outcomes. Democracies tend to be highly constrained and are therefore the least likely to employ state coercion. Anocratic regimes, on the other hand, are subject to limited popular accountability but are often highly unstable. I therefore hypothesize that *foreign aid contributes to a greater increase in state coercion in countries with anocratic regime types due to the limited accountability of governments and their greater exposure to dissent*. In consolidated autocratic regimes, state coercion may have such an entrenched history that fluctuations in foreign aid may have little impact. I anticipate a similar

---

<sup>8</sup> Rather than focus on the role of political regime types, an alternative offered by Bueno de Mesquita et al. (2005) is to focus on the degree to which the executive is constrained by the size of the government’s supporters and the resources necessary to ensure the continued support of a winning coalition.

positive relationship between foreign aid and state coercion in autocracies but expect the effect to be much weaker.

### *State Strength and the Capacity for Coercion*

The institutional strength of the state is another important structural factor affecting the relative distribution of foreign aid resources to coercive capacity and cooptive capacity. State strength has been conceptualized as a continuum ranging from strong states with consolidated governments to failed states which display few domestic attributes of statehood. Strong states unquestionably control their territories and deliver a full range and high quality of social goods to their citizens. Weak states include a broad continuum of states that are inherently weak, basically strong but temporarily weak and a mixture of the two (Rotberg 2003). Due to severe challenges, weak states cannot monopolize the use of force vis-à-vis non-state actors and are therefore incapable of fully projecting power within their national boundaries. The creation of stateless areas beyond the control of the central government may result in the continual threat of secession, civil war, and large-scale internal struggles for control between the government and non-state actors that may eventually lead to state failure (Piazza 2008).

At the far end of the continuum of state strength, failed states are unable to provide services or other economic incentives as a means of dealing with opposition threats. Failing states must establish authority over potential challengers largely through the use of force (Hameiri 2007; Zartman 1995). Therefore, failed states often resort to violence to deal with organized challenges to the government's hold on power and to repression as a means of suppressing discontent with the government's policies. They are characterized by enduring violence, much of which is directed towards the existing government (Rotberg 2003).

Clearly, the strength of the state interacts with its coercive capacity -- the human and technological resources available to the government in the imposition of negative sanctions (Davenport 1996). A state's coercive capacity can be operationalized as the capacity of the military and internal security apparatus (police, internal security service, militia, etc.) and the infrastructural requirements of using that capacity. Repressive behavior is easily employed by these organizations because they are prepared to use force at all times and because coercive acts are congruent with their ideology of control through the application of force (Davenport 1995a). The coercive capacity of the state can be concretely measured by military spending, the size of the armed forces and internal security services relative to the population, as well as the number and sophistication of arms.

Strong states may have a well developed coercive capacity or may invest less in favor of providing a high level of social services. Strong states, while having full control of their coercive apparatus, may chose not to engage in coercive behavior because they have the resources and institutional strength to pursue more accommodative positions and co-opt opposition. If states are rational actors, then promoting stability through coercion comes at a cost and is unlikely to be used unless the government has no other options (Palda 1993). Weak states, on the other hand, vary in their degree of coercive capacity as some governments invest in large armed forces to maintain their rule while others seek to extract as many resources from the state as possible during their tenure and instead undermine overall state capacity. Weak states may also resort to violent tactics because the weakness of the state precludes less extreme responses (Mason and Krane 1989). At the furthest extreme, failing states by definition lack a strong coercive capacity with the extent of coercion varying spatially and in intensity due to the state's inability to maintain a monopoly on coercion and project power throughout its territory.

I hypothesize that *foreign aid contributes to a greater increase in state coercion in countries with low state capacity due to the underdevelopment of the state's institutional strength and reach and the concomitant inability to distribute public goods*. Better institutions and responsible fiscal policy in recipient states have been found to be associated with lower levels of aid fungibility (Pack and Pack 1993). Aid may therefore be more fungible in weak states which typically suffer from poor institutional development yet attract a greater amount of aid than strong states.

### ***Conflict History***

In addition to these structural factors, conflict also plays an important conditioning role in the relationship between foreign aid and state coercion. Though participation in an international or intrastate conflict is largely situational, repeated participation in conflict may affect key state structures and raise the profile of the national military in politics. Assessing the role that conflict plays in mediating the relationship between foreign aid and state coercion is important because, first and foremost, engagement in a conflict directly contributes to a shift in state resources towards coercion. Nations engaged in war spend more on the military than they otherwise would (Travis and Zahariadis 1992). Other findings suggest a degree of endogeneity in military expenditure where once a country has participated in an interstate war it subsequently chooses a considerably higher level of military spending (Collier and Hoeffler 2007). Conflict can also increase the fungibility of aid into military expenditure based on the increasing demands for a military buildup. De Ree and Nillesen (2009) find that foreign aid translated into military expenditure more effectively when a country was at war, or when a country was experiencing an increased likelihood of war.

Second, conflict affects foreign aid flows. Balla and Reinhardt (2008) suggest that every bilateral donor conditions aid on conflict. They contend that despite the fact that the United States allocates large amounts of foreign aid to countries bordering a conflict, once political and economic interests are controlled for, most donors reduce aid to a recipient with an in-house or nearby intense conflict. Donors are also seemingly adverse to high levels of military expenditure in aid recipients, which suggests an alternate route through which conflict may influence foreign aid flows (Collier and Hoeffler 2007). Conflict also impairs the ability of the aid that is given to work effectively. Donor oversight is severely hampered in conflict situations and this may increase the diversion of aid away from its intended purposes. We see this frequently with humanitarian or food aid where combatants can disrupt distribution channels.

Third, foreign aid to countries engaged in war may serve to sustain the conflict.<sup>9</sup> Foreign aid may perpetuate conflict by reinforcing political, economic and social fault lines (Goodhand 2002). The provision of aid may also sustain conflict by shaping international opinion and providing legitimacy to particular actors, both state and non-state. In the context of weak or failing states, the need to distribute aid at the local level may also lead to cooperation with local strongmen or faction leaders and further subvert national government institutions. In feeding both combatants and non-combatants, foreign aid may relieve rebels of the responsibility to provide for themselves and for their supporters (Lischer 2003). Militants may also use foreign aid to directly finance the conflict. Among Rwandan refugees in Zaire, military leaders diverted aid by inflating population numbers and pocketing the excess funds. In addition, recent evidence suggests that millions of dollars of aid for Ethiopian famine victims raised through Live Aid

---

<sup>9</sup> Alternatively, Collier and Hoeffler (2002) contend that aid may reduce the risk of conflict by increasing government budgets and thereby increasing the financial viability constraint for potential rebellions. They find that economic policy improvement is effective in reducing risk via its effect on economic structure and growth. In turn, growth has both a direct effect on risk reduction and indirect effects via the level of income and the structure of the economy. However, given the ongoing debate over the relationship between aid and growth, I focus on the direct relationship between aid and conflict.

concerts and provided to organizations associated with the Tigray People's Liberation Front were diverted for military purposes (Plaut 2010).

The participation of a state in an international or intrastate conflict generates conditions propitious to the diversion of foreign aid while concurrently generating pressures for increased military spending and mobilization. Conflict may therefore reinforce the relationship between foreign aid and state violence. All else being equal, I hypothesize that *foreign aid contributes to a greater increase in state coercion in recipient countries experiencing armed conflict.*

In sum, prior explanations of political violence have neglected the importance of foreign aid as an external state resource. The fungibility of aid means that foreign aid can be employed to support a state's cooptive or coercive capacity. The ability of aid recipient governments to successfully utilize foreign aid revenues to support state coercion is contingent upon the country's political regime type, institutional capacity and the country's conflict history. The coercive effect of foreign aid is expected to be most prominent in countries with anocratic or autocratic political regimes, low institutional capacity and a history of conflict, be it inter- or intrastate. Within this subset of states, the extent of the coercion effect should be driven in part by the amount of aid that is given and the relative balance of economic and military aid. The coercive effect of aid is most likely to be constrained in democratic countries with strong state institutions and a limited history of conflict. The operationalization and empirical tests of these theoretical expectations are taken up in the subsequent sections.

## **Data and Operationalization**

I test the above hypotheses using a pooled, cross-sectional time-series dataset of 132 middle and low-income countries for the period of 1976-2008.<sup>10</sup> The analysis begins in 1976 because of important changes in the structure and policy of US foreign aid which resulted from the passage of the Foreign Assistance Act by Congress. Also, by the mid-1970s the majority of developing countries had begun or completed a process of decolonization. The greater availability of cross-national data from the 1970s onwards permits the inclusion of more domestic characteristics of aid recipient countries. The sample is restricted to those countries with a population exceeding 500,000 persons because population size affects the scale of political violence as well as the likelihood that state coercion will be observed and reported by the international media and NGOs, which form the basis of the state coercion measures I employ.

### ***State Coercion***

The outcome of interest in this study is state coercion, which I define generally as the intentional use of armed force and/or forceful coercive acts against civilians by a government or government agents where civilians are directly and intentionally targeted.<sup>11</sup> The most explicit, and controversial, way to study state violence has been to focus on episodes of state or state-sponsored violence that occur on a massive scale. Whether termed genocides, politicides, democides, or mass killings, this segment of the literature has sought to explain when and why

---

<sup>10</sup> Note that the number of countries under analysis varies over time due to the entry of newly independent countries into the sample. I exclude high-income countries designated by the World Bank as having a 2009 per capita gross national income in excess of \$12,196 from the sample as they are unlikely to be recipients of US bilateral foreign aid and may themselves be aid donors.

<sup>11</sup> Intentionality is a key part of the definition of state coercion I employ. Whether violence against civilians is accepted as part of the security forces standard operating procedure or whether it occurs in exceptional circumstances, the intention to use force against civilians must be present. In the case of state violence, force must be intended to cause severe bodily harm. In the case of repression, state agents display the intention to control the civilian population through fear or other means. While deaths may occur, for example through the use of methods such as torture, the intent of repressive acts is not to cause death per se. Notably, this definition neglects indirect civilian deaths that may be caused by government policies, such as those which lead to food shortages, the inaccessibility of healthcare, etc. as well as casualties inflicted as collateral damage.

the state resorts to the murder of large numbers of individuals who are members of a politically, religiously, ethnically or racially defined group (Kiernan 2007; Easterly et al. 2006; Valentino et al. 2004; Harff 2003; Rummel 1994). I employ the most recent data from the Political Instability Task Force's GenoPoliticides dataset, which spans the entire period of interest and has been converted into annual observations (Marshall, Gurr and Harff 2010). While precise fatality estimates for individual countries are still not available, the GenoPoliticides dataset reports a 'death magnitude' scale of the annual number of deaths ranging from a lower bound of less than 300 to an upper bound of 256,000 or more. I recode the data into a binary *mass killing* indicator which combines the GenoPoliticides data with additional sources on civilian fatalities and adopt Querido's (2009) threshold of 1,000 deaths per annum.

I define state violence as the direct and intentional use of armed force against civilians by a government or formally organized and government-affiliated group that results in civilian casualties. To operationalize this definition, I draw largely on the UCDP One-Sided Violence Dataset (1989-2009) described by Eck and Hultman (2007) which captures the intentional and direct killing of civilians as a result of armed force. To create a binary *state violence* indicator, which covers all available country-years in which state-caused fatalities occurred, I use data from Marshall, Gurr and Harff (2010), Eck and Hultman (2007), and Schrodt (2009). To specifically capture higher levels of state violence, the binary *state killing* indicator is coded for all years where annual civilian fatalities exceeded 300 according to the above data sources. Together, these measures allow me to capture the nuances of state violence across countries and over time.

As a measure of repression, I employ the Political Terror Scale (PTS) which seeks to capture the scope, intensity and range of repression carried out by the state in a given year (Gibney, Cornett and Wood 2008). PTS provides a country-year rating of individual countries on

an indexed scale of 1 to 5 (recoded to 0 to 4), which accounts for the level of political violence and terror perpetrated by the state. This measure is produced through a coding of the qualitative evidence provided in the “US State Department Country Reports on Human Rights Practices” and annual reports from Amnesty International (AI). By using multiple sources of data in the index, the risk of bias and event selectivity is reduced. However, given the institutional priorities of the State Department and of AI, important biases may exist in the original data sources, particularly for the Cold War period.<sup>12</sup> I employ the AI-based PTS data and supplement it with the State Department data when no AI measure is available.

Conceptually, repression can refer to a variety of specific state behaviors. To assess whether foreign aid may affect specific repressive behaviors differently, I employ a binary *torture* variable which indicates years where the state is accused of the widespread use of torture. The temporal coverage of various quantitative torture indicators is limited, in part because these variables are hand-coded based on US State Department and Amnesty International annual reports. To deal with this issue, I draw on data provided by Hathaway (2002), the Cingranelli-Richards (CIRI) Human Rights Dataset and the Ill-Treatment and Torture Data Collection Project to obtain the greatest possible temporal coverage (Cingranelli and Richards 2011; Conrad and Moore 2011). Tables A1 and A2 provide a description and summary statistics for all of the state coercion measures.

### ***Explanatory Variables***

*Foreign Aid.* To account for variation in coercive state behavior, I turn to US bilateral foreign aid as the key explanatory variable. I first use aggregate foreign aid and then

---

<sup>12</sup> An important concern with this measure is the possibility of an underlying bias in reporting on state violence and repression. Qian and Yanagizawa (2008) demonstrate that there was a systematic downward bias in US human rights reporting during the Cold War for countries that were politically allied with the United States in the United Nations General Assembly. Further work on this issue finds similar patterns of bias in major US newspaper reports (Qian and Yanagizawa-Drott 2010).

disaggregate it into bilateral military aid and bilateral economic aid. US foreign military aid is divided into two categories: foreign military financing (FMF) and international military education and training (IMET). FMF is direct support for recipient countries' militaries by providing the financial resources necessary to support military spending and arms acquisitions. IMET, on the other hand, is seen as strengthening military-to-military ties and civil-military relations through the training of local armed forces personnel in American military institutions (US Department of State 2006).<sup>13</sup>

Economic aid, like military aid, is an aggregate measure consisting of various forms of assistance categorized according to its provider. The United States Agency for International Development (USAID) provides development assistance and funds numerous other initiatives including the politically controversial category of economic support funds (USAID 2010). State Department funding supports a variety of initiatives including: the global HIV/AIDS initiative; narcotics control; migration and refugee assistance; the national endowment for democracy and the democracy fund; and, non-proliferation and terrorism related programs. The Department of Agriculture largely funds PL-480 food aid programs in addition to other health and agricultural services. Other economic assistance programs include funding for the National Endowment for Democracy, the Millennium Challenge Corporation (beginning in 2004) and the Peace Corps, among others (USAID 2010). All aid data was obtained from the "United States Overseas Loans & Grants Greenbook" and provided in constant (2009) US dollars (USAID 2011).<sup>14</sup>

*Anocracy.* To take into account the findings of the 'domestic democratic peace' literature, I utilize the Polity IV dataset which measures the authority characteristics of a country. Rather

---

<sup>13</sup> These two categories of military aid may affect state coercion differently. In theory, FMF should be positively associated with state coercion due to its role in building the state's threat capacity and its fungibility. However, the effect of IMET could potentially go in either direction. Military professionalization may make the use of force against civilians less likely or it may make the military more efficient in its use of force.

<sup>14</sup> Aid allocations are logged in order to correct for the skewed distribution. 1 is added to the total amount of aid to avoid losing zeros as observations.

than employ the Polity2 measure which has typically been used in either a linear or quadratic form (see Gleditsch and Ruggeri 2010; Hendrix 2010; Fearon and Laitin 2003), I generate a binary variable indicating anocratic regimes types which lie between consolidated democracies and consolidated autocracies (Hegre et al. 2001; Craft and Smaldone 2002; Mansfield and Snyder 2002 and 2005; Vreeland 2008). I anticipate a positive relationship between state coercion and anocratic regimes because such regimes typically lack the appropriate institutions for dealing with dissent as an accepted part of the democratic process and at the same time do not have the highly institutionalized forms of repression associated with consolidated autocracies.

*Dictatorship.* Based on data from the Institutions and Elections Project (Regan and Clark 2010), I employ a binary variable indicating the years in which a country was governed by a dictatorship. A dictator is defined as, “someone who rules without the normal set of political constraints and whose support and continued rule is guaranteed by coercion, either the actual resort to force or the threat to do so” (Teorell et al. 2001, 124). The presence of a dictator is included in the analysis as an important factor facilitating the likelihood of coercion because of the absence of constraints on the exercise of a dictator’s control over the armed forces and the political system.

*Coup.* State coercion often takes place in the context of political instability and threats to the incumbent’s tenure; significant coup-related activities indicate discontent within the elite. As coups are often military in nature and directly challenge the government’s control over the coercive apparatus of the state, they may be positively associated with political violence. To control for the level of threat posed to the incumbent leader and the resulting influence of coups on state repression, I employ the Powell and Thyne (2011) data on coup attempts and code a binary variable indicating at least one coup attempt.

*Military Personnel.* The size of a country's armed forces, measured in terms of the number of military personnel, is employed as an indicator of the military capacity of the state (see Davenport 1996). States that possess a greater coercive capacity may have a greater likelihood of employing coercion. However, this depends to a great extent on whether state leaders are willing and able to turn their external security apparatus upon their own populace. Recent events in Turkey, Libya, Syria and Bahrain suggest that national militaries can contribute to state violence while the experience of Egypt during the 2011 Arab Spring demonstrated that the military can be a key actor preventing the direct targeting of civilians by state agents.

*Service Provision.* I contend that a country's service capacity plays an important conditioning role in the relationship between foreign aid and government repression. I employ government consumption expenditure as a percentage of GDP as a proxy for service provision. Indeed, changes in government consumption and investment are seen as an indicator of aid effectiveness (Boone 1996). However, because this is not a direct measure of service provision and may reflect a distribution of resources which may favor the state's coercive apparatus, I also employ the under-5 mortality rate (per 1,000 births) as a proxy for health service provision as a robustness check (Teorell et. al 2011).

*Rentier State.* In addition to foreign assistance and domestic tax revenue, some states accrue high rents from natural resources such as oil, natural gas and mineral wealth, including precious metals and diamonds, which can be used as government revenue.<sup>15</sup> Controlling for high rent resources is essential as the ability to access and manipulate these rents may lessen a state's dependence on foreign aid. I combine four different types of high rent resources including

---

<sup>15</sup> Less traditional definitions of high rent resources would also include commodities such as narcotics, provided that the state is able to produce or levy a tax on the production of these commodities. I thank Christopher Darnton for his suggestion regarding alternative sources of state revenue (See Querido 2009 and Darnton 2011).

natural resource rents, mineral rents, gas rents, and oil rents into a single binary indicator which is coded as 1 if natural resource rents exceed 10% of GDP (World Bank 2011).

*US Troops.* The basing of US troops overseas has a strong relationship with a country's conflict history. Basing agreements are often built upon alliance ties or the aftermath of war. At the same time, the presence of US troops is seen as a stabilizing factor preventing the outbreak of renewed hostilities in places such as South Korea or the Persian Gulf. The presence of US troops in aid recipient countries may also work against the use of state coercion through their role in military professionalization and as independent observers.<sup>16</sup> While previous specifications have utilized a binary measure identifying countries with at least 100 US troops present (see Blanton 2000; Meernik, Krueger and Poe 1998), I employ the natural logarithm of the number of US troops using data from the US Department of Defense (2010).

*Interstate War.* A country's participation in an interstate war likely conditions the effect of foreign aid on state coercion due to the increasing militarization of governance and need for social stability during periods of external conflict. Militarized interstate disputes have previously been found to be a significant cause of human rights abuses in countries at war (Poe and Tate 1994; Poe et al. 1999). I control for the potential confounding relationship between war and state coercion by employing a binary interstate war variable based on the UCDP/PRIO Armed Conflict Dataset (Gleditsch et al. 2002).

*Civil War.* When faced with internal challenges such as an insurgency or secessionist movement, a government may employ repression to suppress domestic dissent and/or support for the opposition (Blanton 1999). Internal conflict may therefore act as an independent influence on the level of repression or it may intervene in the relationship between aid and repression by

---

<sup>16</sup> One potential confounder in this relationship is when US troops are stationed in a country because they are actively engaged in combat. For the period under investigation, 1976-2008, I address this issue by excluding Afghanistan and Iraq from the analyses conducted in the next chapter as a robustness check on the obtained results.

spurring increased aid if the donor seeks to prevent the overthrow of the government in power. To test for the potential relationship between civil war and state coercion, I employ a binary variable based on the internal armed conflict and the internationalized internal armed conflict variables of the UCDP/PRIO Armed Conflict Dataset (Gleditsch et al. 2002). I use this variable both independently and as an interaction with foreign aid.

*Level of Development.* A country's level of economic development may influence both the amount of foreign aid it receives and other factors affecting the likelihood of state coercion. The most relevant measure of economic development is GDP per capita which has been identified by Fearon and others as a major influence on a country's propensity for political violence (for example, Fleck and Kilby 2010; Wood 2008; Gates, Hegre, Jones and Strand 2006). As a control variable, I employ the natural logarithm of GDP per capita in constant dollars as reported by the World Bank (2011).

*Previous State Coercion.* Many scholars have emphasized path dependence in the use of state coercion as successful uses of violence by the state to seize or maintain power often result in the establishment of agencies and practices that rely on coercion (Krain 1997). Controlling for previous levels of state coercion is essential because "elites and security forces may become habituated to mass killing [or other forms of coercion] as a strategic response to challenges to state security and, also, because targeted groups are rarely destroyed in their entirety" (Harff 2003, 62). I therefore include a lagged dependent variable indicating the level of state coercion in the previous year(s) (Beck, Katz and Tucker 1998; Plumper, Troeger and Manow 2005; but see Achen 2000). Summary statistics and a correlation matrix for all explanatory variables is provided in Table A3 in the appendix.

## *Empirical Strategy*

The structure of the available data on state coercion has dictated two main approaches to the estimation of statistical models. The first is a pooled, time-series cross-sectional ordinary least squares (OLS) model with panel corrected standard errors which assumes that the dependent variable is continuous (for example, Poe and Tate 1994; Beck and Katz 1995; Poe, Tate and Keith 1999; Davenport and Armstrong 2004).<sup>17</sup> The second method of estimation typically employed is an ordered probit model which assumes the assigned values of the dependent variable are discrete and ordered (for example Hafner-Burton 2005; Wood 2008).

I take an alternative approach by estimated an ordered logit model which allows for the calculation of odds ratios based on the coefficients. Furthermore, the structure of the repression indicator, which has multiple categories, prohibits the use of a regular logit model.<sup>18</sup>

The ordered logit model is estimated as:

$$\text{Ln}(\Theta_j) = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \dots + \beta_k x_k \quad (1)$$

The odds ratio forms the parameter of interest and is the ratio, given a one-unit increase in the covariate, of the odds of being in a higher rather than a lower category. The odds ratio is calculated as:

$$\text{Exp}(\hat{\beta}_x) = \frac{\text{Pr}(Y=1|x) / 1 - \text{Pr}(Y=1|x)}{\text{Pr}(Y=1|x') / 1 - \text{Pr}(Y=1|x')} \quad (2)$$

where  $x$  and  $x'$  are two different values of a covariate.

In the standard estimation of all models, the independent variables are all lagged by one year in consideration of the time lag in budgetary creation and to avoid reverse causality. Robust

---

<sup>17</sup> This approach has been critiqued based on the structure of the PTS, CIRI and FH variables. However, the distribution of these variables approximates a normal distribution and all three variables have been estimated in this manner in respected research. I defend the linear assumption behind OLS for testing the theory developed here. Because greater amounts of foreign aid can be used to purchase more weaponry, train more security forces members and generally increase the supply side of state coercion, the assumption of a linear relationship between foreign aid and state coercion corresponds to the general theoretical framework I employ.

<sup>18</sup> Similar results are obtained using an ordered probit model (results not reported).

standard errors are clustered by country to account for potential unit heterogeneity. In addition, drawing on the work of Davenport (1996) and Auvinen and Nafziger (1999), I estimate the models with multiple lag structures in consideration of potential differing lagged effects. All operations are conducted using STATA 11.

### **Analyzing Foreign Aid and State Coercion**

I first explore the relationship between foreign aid and state coercion by examining the correlations between foreign aid and various forms of state coercion, when controlling for a country's past history of coercion.<sup>19</sup> Table 1 reports odds ratios for ordered logistic regressions weighted by population.<sup>20</sup> The null result for the mass killing indicator is not unexpected given that episodes of mass killing are quite rare historically and influenced by a unique concatenation of events.<sup>21</sup> However, other measures of state coercion do have a positive relationship with the amount of foreign aid provided to a country. Countries receiving US bilateral foreign aid have a 1.14 times as large odds of featuring state violence in a subsequent year as non-aid recipients.

[Table 1]

Similar results are obtained for repression. Countries that receive US bilateral foreign aid have a higher odds of employing repression in the subsequent year than non-aid recipients even when controlling for prior state repression. The positive results obtained for alternative repression indicators based on the CIRI data (results not reported) allows for confidence in a positive, statistically significant relationship between foreign aid and repression. I explore this relationship further by including the torture indicator in subsequent analyses.

---

<sup>19</sup> Note that the coefficient labelled state coercion corresponds to a lagged version of each dependent variable. The inclusion of this variable reflects a substantial consensus regarding the path-dependent nature of state coercion. However, debate remains regarding the proper specification of a lag.

<sup>20</sup> For the binary dependent variables, the cut point can be interpreted the same as a constant in the simple logit model.

<sup>21</sup> The dataset identifies 166 country-years where state-led mass killing occurs or 4.09 % of the sample.

Based on the results presented in Table 1, I undertake a more detailed investigation of state coercion by including additional variables relating to the domestic and international determinants of state coercion. As noted above, *anocracy* serves as a control for the degree of institutionalization of a country's political system while *dictator* refers to whether the country's head of state is non-elected. I anticipate that these political regime type variables will be positively correlated with state coercion; that is, I expect that all else being equal, state coercion will be more likely in countries with weakly institutionalized political systems or otherwise constrained political environments. The *coups* indicator reflects whether a country's leader has faced a coup or coup attempt in the previous year and is a marker of internal regime dynamics and political instability. I expect that government leaders facing a clear threat to their tenure will be more likely to resort to state coercion as a means of maintaining power.

The institutional development of the state also plays an important role in shaping state-society relations. The size of the country's armed forces, measured by the logged number of *military personnel*, is taken as an indicator of its military capacity. The percentage of the *government's share of GDP* is a measure of government spending which is employed as a proxy for the extent of government service provision. I anticipate that the former will be positively associated with state coercion while the latter will be negatively associated with the use of state coercion due to the role that public goods provision plays in co-opting opposition to the state and thereby rendering coercion unnecessary. The inclusion of the *rentier state* variable serves as an important theoretical control because natural resource rents provide a competing source of non-tax revenue to the state which may have effects similar to foreign aid.<sup>22</sup> Based on the theory

---

<sup>22</sup> This indicator plays an important role in ensuring the obtained statistical effect of foreign aid is consistent with the state's overall access to non-tax resources.

developed here, it is unclear whether the availability of external resources would enable the state to promote increased service provision or coercion.

I include a country's past history of conflict as a key determinant of coercion. I anticipate that the presence of *US troops* is a factor mitigating state coercion in a country by increasing external oversight of the state's security apparatus. I also include binary indicators for whether a country recently engaged in an *interstate war* or a *civil war* to assess the short-term impact of war on state coercion. I expect these factors to increase the likelihood of state coercion. Lastly, I control for a country's level of economic development by employing the natural logarithm of *GDP per capita* and its prior *history of state coercion* through a lagged dependent variable. Table 2 summarizes the expected direction of association for the explanatory variables.

[Table 2]

Table 3 presents the detailed analysis of the domestic and international determinants of state coercion. Specifically, I examine four different manifestations of state coercion: state killings, state violence, repression and torture. The results demonstrate that receiving bilateral US foreign aid increases the odds of subsequent state violence, repression and torture. This pernicious effect of foreign aid is robust to the inclusion of a country's past history of coercion as well as a host of other relevant factors. Overall, the results indicate that the initial positive association between foreign aid and various manifestations of state coercion demonstrated in Table 1 is substantively important even when competing explanatory variables are considered.

[Table 3]

Political regime characteristics shape the environment in which state coercion occurs. Both the anocracy and dictator indicators have the expected positive effect on subsequent state coercion. Although the anocracy indicator fails to reach statistically significant levels for state

killings, the sign is consistent across all four measures of coercion. The magnitude of the effect of dictatorships on state coercion is only slightly greater than that of anocracy and both have over a 1.5 times greater odds of state coercion in the subsequent year. The coup variable, which serves as a measure of political instability, fails to reach an appropriate level of statistical significance across all coercion measures, suggesting that the short-term political instability brought about by coup attempts does not drive the use of coercion against civilians.

Turning to the strength and reach of state institutions, we find that the size of a country's armed forces has a notable positive effect on subsequent state coercion as anticipated. However, both government spending, indicated by the government's share of GDP, and natural resource rents, indicated by the rentier state variable, have no discernable effect contrary to expectations. The exception is the positive relationship between resource rents and state killings. This could potentially be linked to competition over natural resources in the context of civil war, given the often high number of state-caused civilian fatalities that occur during intrastate conflicts. This issue is elaborated upon further below. The inclusion of these variables nevertheless serves an important purpose in controlling for differences in spending and non-tax revenues between states and are therefore retained in subsequent models.

A country's past history of conflict, as expected, plays a prominent role in determining the occurrence of state violence and repression. The US troops indicator has a significant negative association with state violence and torture, which provides some limited support for the belief that the presence of US troops in a country may play an important role by providing international oversight. In addition, the professionalization role often played by US military personnel posted overseas may contribute to this effect. However, civil war is clearly the most important component of a country's past history of conflict. Across all of the state coercion

metrics, civil war has a statistically and substantively important effect on subsequent coercion. The import of interstate war is much more limited with interstate war decreasing the odds of repression yet increasing the odds of torture.

The role of GDP per capita can also be interpreted in line with the general theory presented here. Higher levels of GDP are associated with better developed state institutions. The results suggest that higher levels of GDP are negatively correlated with state killings, state violence and repression. As expected, the lagged state coercion variables have a large, positive effect on subsequent coercion. This strongly suggests that patterns of state coercion are influenced by prior patterns of violent state-society interactions. However, even when controlling for the path dependent nature of state coercion, foreign aid continues to exert an independent effect.

### ***Discussion***

Table 4 summarizes the significant determinants of state coercion identified in Table 3, grouped by whether the variables correspond to international influences or the domestic characteristics of the country. The direction (positive or negative) of each association is listed in parentheses. Most significantly, bilateral foreign aid has a consistent positive effect across the different indicators of state coercion. This confirms the study's primary hypothesis that *foreign aid contributes to increased state coercion in recipient countries*. A country's political institutions also clearly affect state coercion. Anocratic regimes, in the grey zone between consolidated democracies and autocracies, are more likely to employ various forms of state coercion. Countries led by dictators also show a similar proclivity towards state coercion. The result found for dictatorships suggests that the independence of governments from political oversight may be a key factor facilitating state coercion.

[Table 4]

In terms of the state's institutions and reach, the size of a country's armed forces appears to be the only consistent influence on state coercion. Across all measures of coercion, larger armed forces increase the odds of coercion in the subsequent year. A simple interpretation of this result would be that the greater the number of armed forces personnel, the more likely that violent interactions with civilians will occur. However, the size of the armed forces reflects the degree of militarization of the country more broadly, suggesting higher threat perceptions and possibly a greater willingness to use force to achieve political goals. It may also be indicative of the high standing given to the armed forces within society, which may lead to an acceptance of military excesses. Overall, however, little support is found for the role of institutional strength, unless GDP per capita is treated as a proxy for institutional development.<sup>23</sup>

Clearly, civil war exerts a major independent effect on state coercion. In the results presented above, I employ a variable indicating whether a country experienced civil war in the previous year. However, subsequent robustness tests (not reported here) indicate that the positive association between civil war and state coercion extends to a five year lag for state killing and a ten year lag for repression. These findings demonstrate that the shadow of civil war is long. I also directly test for an interactive effect between foreign aid and civil war, as indicated by the hypothesis that foreign aid contributes to a greater increase in state coercion in recipient countries experiencing armed conflict. Figure 2 presents the results of this interaction on the predicted probability of state violence.<sup>24</sup> The figure shows that the interaction between foreign

---

<sup>23</sup> Because government share of GDP may be a poor proxy for state service provision, I conducted a robustness test which substituted the under-5 infant mortality rate as a measure of the extent of healthcare provision. The results for this variable were insignificant but the reported odds ratios for foreign aid remained robust to its inclusion. As an alternative specification, I employed average years of education for females, with results similar to those reported for government share of GDP.

<sup>24</sup> The interaction effect is obtained using Ai and Norton's (2004) *inteff* command and based on a logistic regression which omits the interstate war variable.

aid and civil war is positive for the majority of observations except for those at with an extremely high predicted probability of state violence.

[Figure 2]

Based on the results presented above, the effect of interstate war is substantially less consistent than that of civil war. Furthermore, the presence of US troops, as another international influence, has a negative but inconsistent relationship with state coercion. Overall, the robustness of the coercive effect of foreign aid to the inclusion of other factors which facilitate state coercion strongly suggests that foreign aid is an important, though relatively short-term, contributing factor to the dynamics of political violence within aid recipient countries.

To summarize the results thus far, foreign aid has a consistent positive effect on a variety of measures of state coercion even when key international and domestic determinants of coercion are controlled for. This positive effect persists when state coercion is disaggregated into state violence and repression and when repression is analyzed in terms of torture as a specific repressive behavior. Across all model specifications, US bilateral foreign aid and the size of a country's armed forces have significant effects on state coercion in addition to various aspects of a country's prior history of conflict. These findings provide support for the theory that bilateral foreign aid facilitates state coercion. Previous studies of foreign aid suggest that aid supports increased military spending which can be used to expand force size. To the degree that prior conflict also contributes to larger force sizes, there may be important interactive effects at play between aid flows, conflict and the expansion of security forces.

## Disaggregating Foreign Aid

The preceding discussion has shown the utility of disaggregating state coercion into specific repressive behaviors. I now disaggregate US bilateral foreign aid into its two major categories: military aid and economic aid. Figure 3 shows the relative distribution of bilateral economic and military aid over the period of analysis. Prior to its rapid escalation as a result of the wars of the 2000s, the amount of economic aid given by the United States remained fairly stable over time, with a slight downturn in the mid-1990s. The aggregate amount of military aid has varied much more significantly.

[Figure 3]

The variation in US bilateral foreign aid to individual countries overtime, depicted in Figures 4 (military aid) and 5 (economic aid), shows that the majority of countries are clustered along the lower end of the distribution, with a bilateral military aid average across the sample of approximately \$42 million per year and an economic aid average of about \$100 million. However, the standard deviation of military aid is about \$262.5 million dollars while that for economic aid is \$320 million. The amounts of aid allocated to Afghanistan, Egypt, and Iraq have seen the most dramatic fluctuations over time in response to regional and international security developments including the conclusion of the Egypt-Israel peace process and the recent US-led wars.<sup>25</sup> Figures A1 and A2, provided in the appendix, omit these countries to show the scale of

---

<sup>25</sup> Note that Israel is excluded from the analysis due to the income threshold I impose. Throughout the period of analysis, Israel was categorized as a 'high income' country by the World Bank (2011). In addition, Israel is the only country that could potentially be included in the sample which is engaged in a military occupation of a territory with a substantial population which has no direct influence on the political process within Israel proper. Both territories also receive bilateral foreign aid from the United States. These factors greatly complicate an assessment of the potential effect of foreign aid on state coercion as identifying the relevant geographic territory and subject population are difficult. Furthermore, the repression indices I employ are explicitly coded for Israeli actions in the West Bank and Gaza, which impedes the inclusion of Israel proper. The inclusion of the Palestinian Territories as a country is also problematic due to missing data and the fact that no state coercion metrics that I am aware of capture state coercion by the Palestinian Authority government and Hamas in those respective areas.

US military and economic aid when these three recipients are excluded.<sup>26</sup> Importantly, the spikes in foreign aid which are observed for many countries may create windows of opportunity in which state coercion may flourish as the state experiences an aid windfall akin to other forms of positive economic shocks.

[Figures 4 and 5]

The disaggregated foreign aid results are presented in Table 5 in the form of odds ratios.<sup>27</sup> The results suggest that military and economic aid may have different and potentially competing relationships with various forms of state coercion. Military aid is positively related to state killings but negatively correlated with torture at conventional levels of statistical significance. The results for bilateral economic aid mirror the results obtained using the aggregate aid measure, with a positive odds shown for state violence, repression and torture. By and large, this suggests that the coercive effects of bilateral foreign aid outlined in the previous analyses are attributable primarily to economic aid.

[Table 5]

To some extent, these results could also be interpreted as providing additional support to those claiming that economic aid is more fungible than military aid. In fact, much military aid is tied to the provision or purchase of arms and weapons systems developed for interstate war and largely unsuitable for state coercion.<sup>28</sup> Therefore, economic aid may provide resources that are more easily used to equip the state's security apparatus for *internal* security functions.

---

<sup>26</sup> To mitigate the effect of these large fluctuations on the overall sample, I employ the natural logarithm of the amount of foreign aid in all analyses and conducted robustness tests which excluded these outliers.

<sup>27</sup> The results of the other explanatory variables and cut points are not reported in the interests of space constraints.

<sup>28</sup> The use of heavy artillery and aerial bombardment has been relatively rare in state coercion. Often, the use of heavy weaponry marks the difference between civil war and one-sided violence. However, actions taken by the Libyan, Turkish and Yemeni governments in early 2011 have challenged this traditional distinction.

### *Temporal Dynamics*

Given the evidence thus far that the coercive effect of foreign aid is largely attributable to economic aid, I undertake further investigation of whether the positive relationship between economic aid and state coercion is consistent throughout the Cold War and post-Cold War periods. The results presented in Table 6 large replicate those presented in Table 3. I produce estimates of the determinants of state coercion during the Cold War (1976-1990) and post-Cold War (1991-2009) periods for three measures of state coercion: state killings, repression and torture. I include an additional control variable for Eastern Bloc countries as the distribution of US bilateral foreign aid was systematically directed away from these countries during the Cold War.<sup>29</sup> I omit the coups variable due to its consistent null effect. As the results for the post-Cold War period are likely to be highly influenced by the cases of Afghanistan and Iraq, I drop these cases and re-estimate the models. The reported results are robust to the exclusion of these cases (results not shown).

[Table 6]

The results confirm a negative relationship between foreign military aid and torture that is consistent across the Cold War and post-Cold War periods. The effect of military aid on the other forms of state coercion is unclear. While the receipt of economic aid increases the odds of repression in the Cold War period, the positive relationship between economic aid and state coercion found in the preceding analysis appears to be driven primarily by the post-Cold War period, which dominates the overall sample.

Turing to other variables of interest, the temporally disaggregated results largely correspond to the findings summarized in Table 4. Anocracies and dictatorships have a positive

---

<sup>29</sup> This includes Albania, Bulgaria, China, Cuba, Czechoslovakia, Poland, Romania, Yugoslavia, the Union of Soviet Socialist Republics and the respective successor states of these countries.

odds of subsequent state coercion, although anocracy is most closely related to repression in the post-Cold War era. With regard to state institutions, larger military forces are positively associated with state coercion while the government's share of GDP has a discernable negative effect only with regard to torture in the post-Cold War period. The results for the rentier state variable are potentially of great interest. Contrary to the previously obtained results, rentier states have a positive odds of all three forms of state coercion but only in the post-Cold War period.

The international conflict variables, the size of the US troop presence and the occurrence of an interstate war, are both inconsistent with the pooled results. When the sample is split, the US troops variable fails to reach statistical significance in either period. The interstate war variable emerges as having a negative relationship with state violence and repression as was anticipated, but only in the post-Cold War period. As expected, the relationship between civil war and state coercion maintains its positive direction throughout the period of analysis and across all indicators.

A further investigation of the temporal dynamics underlying the relationship between foreign aid and state coercion was conducted based on the idea that the events of September 11, 2001 were an external shock to the United States which had several important repercussions for the international system. First, as illustrated in Figure 3, 9/11 affected the amount of foreign aid the United States gave as well as the countries which were designated as recipients of that aid. Both military and economic aid skyrocketed, in part due to America's military engagements in Afghanistan and Iraq. Countries which aligned with the United States in the War on Terror received increases in foreign aid, including Pakistan and lesser known examples such as Indonesia and Uzbekistan. At the same time, the US reaction to 9/11 allowed many countries to reframe their own internal conflicts and justify increased repression as part of the global War on

Terror, which was interpreted by many states as targeting Islamist movements (Trisko 2005). Combined with changes in aid allocation patterns, these systemic changes may have had an important effect on states' ability to repress.

To examine potential changes following 9/11, I restrict the sample to the years 2002 to 2005. The results, reported in Table A5 in the appendix, affirm the positive relationship between economic aid and multiple forms of state coercion. While the odds ratio for military aid reaches an appropriate level of statistical significance only for state killing, the magnitude of the negative relationship is notable. However, the results for the post-9/11 period should be interpreted with caution. It remains uncertain whether the events of 9/11 had a systemic impact on US foreign policy in the same way that the end of the Cold War did. Nevertheless, the results provide additional evidence of a consistent relationship between state coercion and both types of foreign aid. The findings should serve as caution to those who see economic aid as a tool for mitigating or preventing political violence within recipient countries.

## **Conclusion**

This study has demonstrated a robust relationship between US bilateral foreign aid and different measures of state coercion, particularly in the post-Cold War period. Over time and across countries, foreign aid is positively associated with various forms of state coercion. The analysis has also highlighted the importance of disaggregating both foreign aid and state coercion in order to better understand the nuances of this relationship. An investigation of the former revealed that the positive association between aid and coercion is driven primarily by economic aid. By disaggregating state coercion, I demonstrate important differences in the determinants of state violence and repression. In particular, the provision of military aid appears

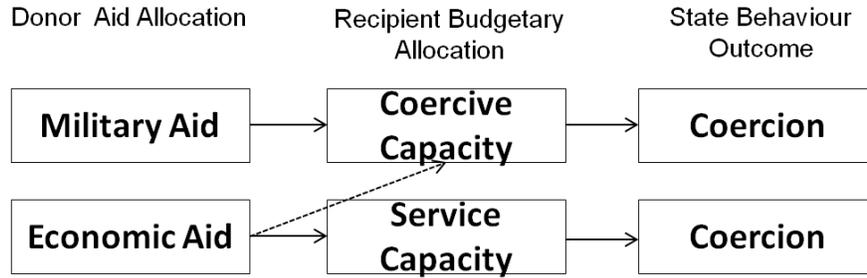
to have a consistent negative relationship with the practice of torture. Additionally, I provide evidence that the results obtained for repression are largely consistent with torture as a specific repressive behavior.

The findings raise the important question of why the relationship between foreign aid and state coercion may have differed during the Cold War. Is this attributable to the forms of aid that were given or systematically related to the types of states that received financial support from the United States? Was donor oversight more limited during this period—a sin of omission—or was the principle of ‘do no harm’ ranked second to geopolitics? While the fungibility of aid and its ability to support coercion are difficult to attribute to intentional decisions on the part of donor states, increasing evidence of this fact should make governments wary of where their aid is going because, intentional or not, donor governments are responsible for the domestic effects of their foreign aid policies. Recent events, such as the local and international media attention given to the use of US-subsidized tear gas canisters against anti-Mubarak protestors in Egypt during the 2011 Arab Spring (Wali and Sami 2011), suggest that donors may one day be held to account by aid-affected societies. The policy implications of this study may therefore be far reaching.

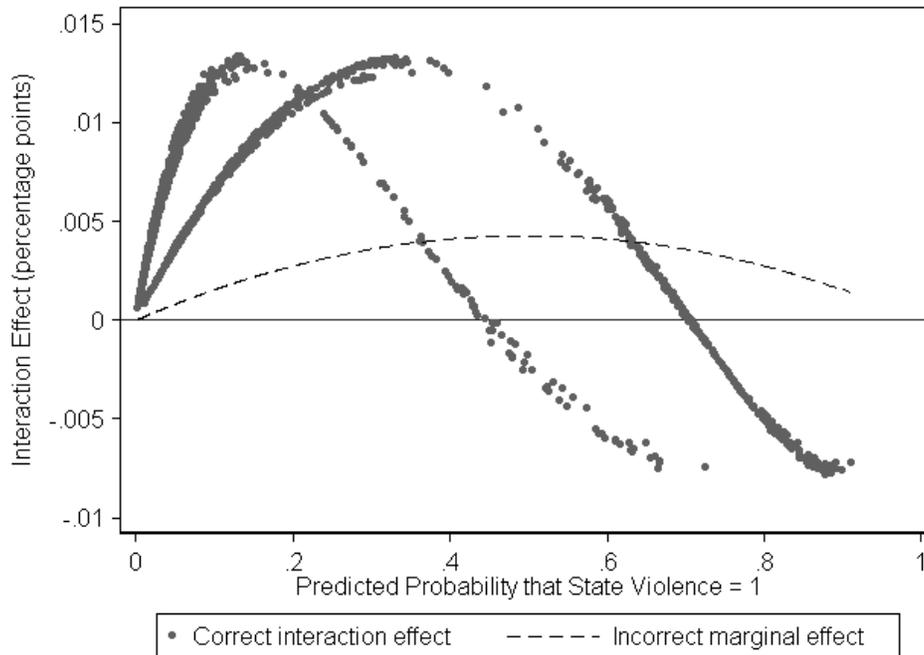
If foreign aid increases state coercion in the manner suggested, such aid may indirectly serve to radicalize the opposition in states which rely on force to maintain order. If so, foreign aid may be facilitating a downward spiral in terms of the level of security in recipient states. Thus, aid donors currently have the opportunity to change foreign aid policies to better achieve their desired foreign policy aims while minimizing the costs imposed on citizens in aid recipient countries. As the causal mechanisms linking foreign aid and state coercion become better understood, avenues will be opened for individuals, groups, and international actors to disrupt the pernicious effects of aid.

## Figures

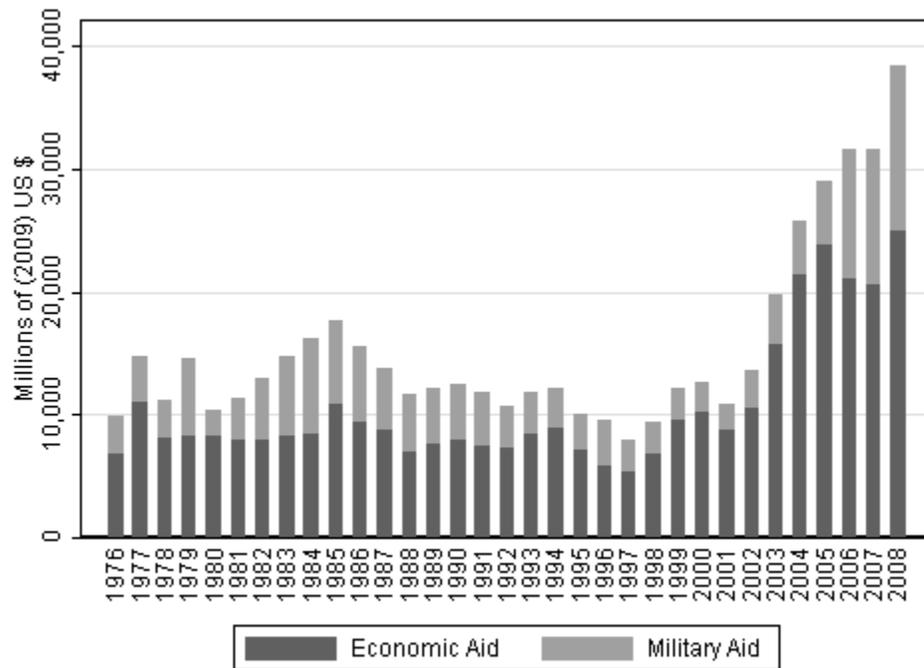
**Figure 1.** The Domestic Effects of Foreign Aid on State Coercion



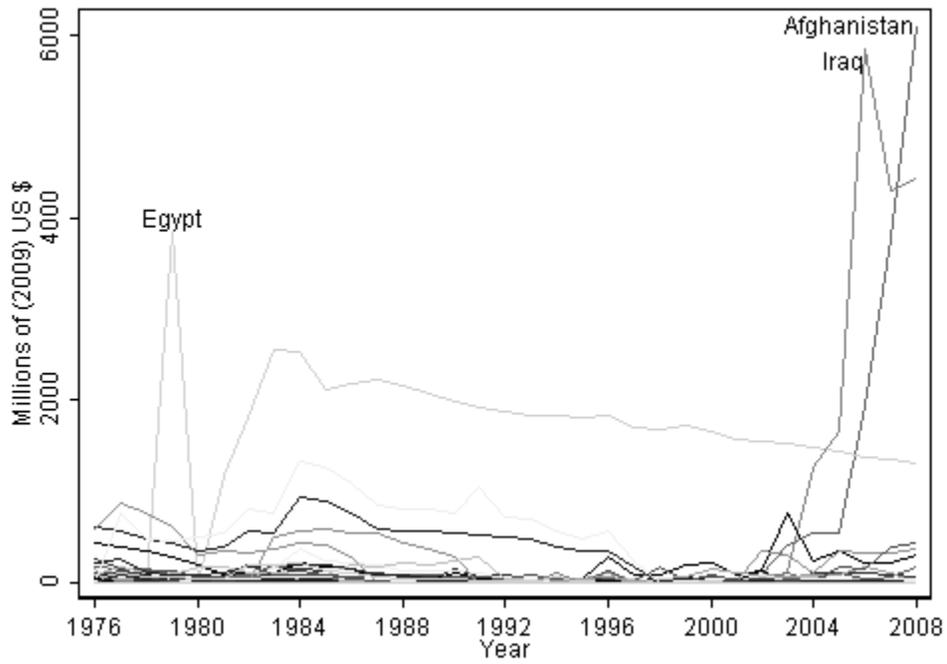
**Figure 2.** Interaction Effects of Foreign Aid (logged) and Civil War, Logit Estimation



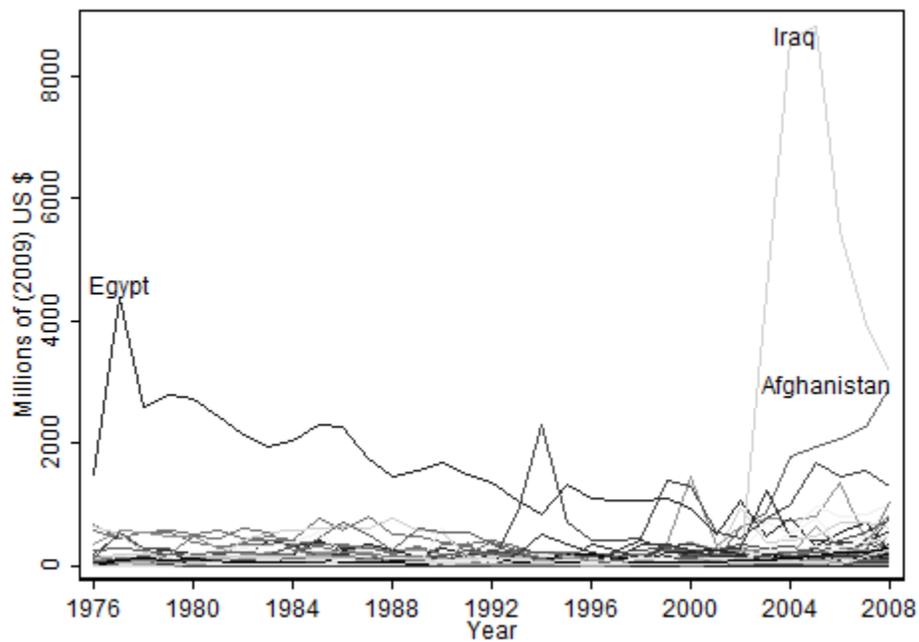
**Figure 3.** Annual Distribution of US Bilateral Foreign Aid, 1976-2008.



**Figure 4.** US Bilateral Military Aid to Developing Countries, 1976-2008



**Figure 5.** US Bilateral Economic Aid to Developing Countries, 1976-2008



## Tables

**Table 1:** Foreign Aid and State Coercion Indicators, Ordered Logistic Regression (1976-2008)

	Mass Killing	State Killings	State Violence	Repression
<b>Ln(US aid)<sub>t-1</sub></b>	<b>1.049</b> (0.073)	<b>1.033</b> (0.069)	<b>1.142***</b> (0.053)	<b>1.094***</b> (0.024)
State coercion <sub>t-1</sub>	264.706*** (114.357)	183.767*** (67.589)	25.865*** (5.522)	9.689*** (0.746)
<i>cut1</i>	4.726 (0.321)	4.294 (0.301)	3.172 (0.211)	0.373 (0.156)
<i>cut2</i>				3.571 (0.143)
<i>cut3</i>				6.399 (0.200)
<i>cut4</i>				9.005 (0.269)
<i>N</i>	3588	3588	3588	3494
Pseudo R <sup>2</sup>	0.5451	0.5134	0.2998	0.3204
Wald Chi <sup>2</sup>	166.78	200.98	247.17	952.15
Log pseudolikelihood	-289.086	-382.681	-1025.061	-3434.214

Note: Odds ratios are reported with robust country-clustered (131-132) standard errors in parentheses. \*\*\*p<0.01, \*\* p<0.05, \*p<0.10.

**Table 2:** Theoretical Expectations for Explanatory Variables

<i>Political Institutions</i>	<i>State Strength and Reach</i>	<i>Conflict History</i>	<i>Control Variables</i>
Anocracy (+)	Armed Forces (+)	US Troops (-)	GDP per Capita (+/-)
Dictator (+)	Government Share of GDP (-)	Interstate War (+)	Past Coercion (+)
Coup (+)	Rentier State (+/-)	Civil War (+)	

**Table 3:** Foreign Aid and State Coercion: Ordered Logistic Regression

	State Killings	State Violence	Repression	Torture
		1976-2005		1981-2005
<b>Ln(US aid)<sub>t-1</sub></b>	<b>1.053</b> (0.074)	<b>1.108**</b> (0.048)	<b>1.072***</b> (0.028)	<b>1.168***</b> (0.070)
Anocracy <sub>t-1</sub>	1.414 (0.386)	1.578*** (0.257)	1.591*** (0.170)	1.562* (0.362)
Dictator <sub>t-1</sub>	1.873** (0.504)	1.434* (0.282)	1.709*** (0.201)	1.640* (0.430)
Coup <sub>t-1</sub>	1.148 (0.585)	1.095 (0.294)	0.937 (0.209)	0.824 (0.209)
Ln(armed forces) <sub>t-1</sub>	1.263** (0.126)	1.485*** (0.104)	1.314*** (0.060)	1.684*** (0.227)
Govt Share of GDP <sub>t-1</sub>	0.986 (0.014)	0.996 (0.007)	0.993** (0.004)	1.019 (0.016)
Rentier state <sub>t-1</sub>	1.672** (0.405)	0.933 (0.190)	1.158 (0.137)	0.731 (0.245)
Ln(US troops) <sub>t-1</sub>	0.908 (0.067)	0.861*** (0.039)	1.017 (0.022)	0.846*** (0.042)
Interstate war <sub>t-1</sub>	0.929 (0.438)	0.782 (0.235)	0.678*** (0.099)	2.014** (0.555)
Civil war <sub>t-1</sub>	4.962*** (1.510)	2.924*** (0.544)	2.554*** (0.302)	1.192 (0.333)
Ln(GDP) <sub>t-1</sub>	0.586*** (0.097)	0.727*** (0.089)	0.773*** (0.050)	1.018 (0.162)
State Coercion <sub>t-1</sub>	61.423*** (26.362)	13.663*** (2.767)	6.741*** (0.596)	7.390*** (1.276)
<i>cut1</i>	1.923 (1.294)	2.396 (0.905)	-1.160 (0.531)	3.585 (1.161)
<i>cut2</i>			2.256 (0.535)	
<i>cut3</i>			5.308 (0.560)	
<i>cut4</i>			7.965 (0.591)	
<i>N</i>	3073	3073	3016	2643
Pseudo R <sup>2</sup>	0.5692	0.3837	0.3430	0.3229
Wald Chi <sup>2</sup>	291.70	440.96	1056.11	255.86
Log pseudo-likelihood	-299.060	-762.616	-2842.239	-943.047

Note: Odds ratios are reported with robust country-clustered (123) standard errors in parentheses. \*\*\*p<0.01, \*\* p<0.05, \*p<0.10.

**Table 4:** Summary of the Determinants of State Coercion

	State Killing	State Violence	Repression	Torture
<i>International Factors</i>	Foreign Aid (+)	<b>Foreign Aid (+)</b> US Troops (-)	<b>Foreign Aid (+)</b> Interstate War (-)	<b>Foreign Aid (+)</b> US Troops (-) Interstate War (+)
<i>Domestic Factors</i>	Dictator (+) Armed Forces (+) Civil War (+) Rentier State (+)	Anocracy (+) Dictator (+) Armed Forces (+) Civil War (+)	Anocracy (+) Dictator (+) Armed Forces (+) Civil War (+) Govt. Share GDP (-)	Anocracy (+) Dictator (+) Armed Forces (+) Civil War (+)

**Table 5:** Disaggregated Foreign Aid and State Coercion, Ordered Logistic Regression

	State Killing	State Violence	Repression	Torture
	1976-2005			1981-2005
<b>Ln(mil aid)<sub>t-1</sub></b>	<b>1.171*</b> (0.098)	<b>0.924</b> (0.054)	<b>0.949</b> (0.031)	<b>0.836***</b> (0.040)
<b>Ln(econ aid)<sub>t-1</sub></b>	<b>1.018</b> (0.080)	<b>1.153***</b> (0.059)	<b>1.119***</b> (0.033)	<b>1.200***</b> (0.054)
<i>N</i>	3073	3073	3016	2643
Pseudo R <sup>2</sup>	0.5714	0.3855	0.3444	0.2559
Wald Chi <sup>2</sup>	291.43	462.90	1104.16	409.49
Log pseudolikelihood	-297.517	-760.309	-2836.311	-1360.108

Note: Odds ratios are reported with robust country-clustered (123) standard errors in parentheses. Coefficients for other explanatory and control variables are not reported. \*\*\*p<0.01, \*\* p<0.05, \*p<0.10.

**Table 6: The Temporal Dynamics of Foreign Aid and State Coercion, Ordered Logistic Regression**

	<i>Cold War</i>			<i>Post-Cold War</i>		
	State Killings	Repression	Torture	State Killings	Repression	Torture
	1976-1990	1981-1990		1991-2005		
<b>Ln(Mil Aid)<sub>t-1</sub></b>	<b>1.111</b> (0.190)	<b>0.974</b> (0.047)	<b>0.851*</b> (0.078)	<b>0.956</b> (0.088)	<b>0.958</b> (0.043)	<b>0.876**</b> (0.053)
<b>Ln(Econ Aid)<sub>t-1</sub></b>	<b>0.994</b> (0.127)	<b>1.095*</b> (0.055)	<b>1.096</b> (0.081)	<b>1.197**</b> (0.110)	<b>1.157***</b> (0.050)	<b>1.224***</b> (0.069)
Anocracy <sub>t-1</sub>	2.582** (1.196)	1.572** (0.323)	1.544** (0.313)	1.498 (0.528)	1.436*** (0.197)	1.341 (0.249)
Dictator <sub>t-1</sub>	1.351 (0.543)	1.963*** (0.262)	1.737*** (0.338)	2.481** (0.997)	1.444** (0.246)	0.996 (0.242)
Ln(military per) <sub>t-1</sub>	0.919 (0.172)	1.335*** (0.091)	1.416*** (0.121)	1.705*** (0.221)	1.361*** (0.077)	1.455*** (0.109)
Gov share GDP <sub>t-1</sub>	0.977 (0.017)	0.999 (0.006)	0.987 (0.009)	0.973 (0.020)	0.993 (0.005)	0.985* (0.008)
Rentier state <sub>t-1</sub>	1.763 (0.709)	0.975 (0.145)	1.027 (0.227)	1.933* (0.662)	1.523*** (0.205)	1.495* (0.315)
Ln(US troops) <sub>t-1</sub>	0.829 (0.172)	1.029 (0.035)	1.049 (0.065)	0.883 (0.091)	1.017 (0.037)	0.954 (0.050)
Interstate war <sub>t-1</sub>	3.012 (2.040)	0.808 (0.243)	1.208 (0.528)	0.288** (0.180)	0.575*** (0.091)	1.047 (0.249)
Civil war <sub>t-1</sub>	6.350*** (3.235)	2.890*** (0.491)	2.249*** (0.524)	4.802*** (1.965)	2.502*** (0.368)	1.487** (0.242)
Eastern Bloc <sub>t</sub>	0.000*** (0.000)	0.672 (0.189)	1.140 (0.569)	1.397 (0.639)	0.527*** (0.098)	1.071 (0.272)
Ln(GDP) <sub>t-1</sub>	0.766 (0.196)	0.924 (0.103)	0.990 (0.134)	0.440*** (0.099)	0.756*** (0.075)	0.819 (0.106)
State coercion <sub>t-1</sub>	339.200*** (165.370)	7.388*** (0.954)	4.583*** (1.074)	14.218*** (6.247)	5.719*** (0.639)	6.103*** (0.967)
<i>N</i>	1251	1201	832	1822	1815	1811
Pseudo R <sup>2</sup>	0.7162	0.3504	0.2299	0.4921	0.3487	0.2663
Wald Chi <sup>2</sup>	1406.19	463.08	166.07	153.77	873.36	265.97
Log pseudo-likelihood	-101.152	-1099.636	-437.596	-167.045	-1709.702	-906.681

Note: Odds ratios with robust country-clustered standard errors reported in parentheses. Cut points are not reported. \*\*\*p<0.01, \*\* p<0.05, \*p<0.10

## References

- Abouharb, M. Rodwan and David L. Cingranelli (2006). "The Human Rights Effects of World Bank Structural Adjustment, 1981-2000." *International Studies Quarterly* 50: 233-262.
- Achen, Christopher (2000). "Why Lagged Dependent Variables Can Suppress the Explanatory Power of the Independent Variables." Presented at the Annual Meeting of the Political Methodology Section of the American Political Science Association at UCLA.
- Addison, Tony, Philippe Le Billon and S. Mansoob Murshed. (2003). "Conflict in Africa: The Cost of Peaceful Behaviour." *Journal of African Economies* 11(3): 365-386.
- Alesina, Alberto and David Dollar (2000). "Who Gives Foreign Aid to Whom and Why?" *Journal of Economic Growth* 5: 33-63.
- Anderson, Mary B. (1999) *Do No Harm: How Aid Can Support Peace--or War* (Boulder: Lynne Rienner).
- Anderson, Christopher J., Patrick M. Regan and Robert L. Ostergard (2002). "Political Repression and Public Perceptions of Human Rights." *Political Research Quarterly* 55(2): 439-456.
- Apodaca, Clair (2007). "The Whole World Could Be Watching: Human Rights and the Media." *Journal of Human Rights* 6(2): 147-164.
- Apodaca, Clair and Michael Stohl (1999). "United States Human Rights Policy and Foreign Assistance." *International Studies Quarterly* 43(1): 185-198.
- Arendt, Hannah (1968). *Totalitarianism*. New York: Harcourt, Brace & World.
- Azam, Jean-Paul (1995). "How to Pay for the Peace? A Theoretical Framework with References to African Countries." *Public Choice* 83: 173-184.
- Balla, Eliana and Gina Yannitell Reinhardt (2008). "Giving and Receiving Foreign Aid: Does Conflict Count?" *World Development* 36(12): 2566-2585.
- Basedau, Matthias and Jann Lay (2009) "Resource Curse or Rentier Peace? The Ambiguous Effects of Oil Wealth and Oil Dependence on Violent Conflict." *Journal of Peace Research* 46(6): 757-776.
- Beck, Nathaniel and Johnathan N. Katz (1995). "What to Do (and not Do) with Time-Series Cross-Section Data." *American Political Science Review*. 89(3): 634-647.
- Beck, Nathaniel and Johnathan N. Katz and Richard Tucker (1998). "Taking Time Seriously: Time-Series-Cross-Section Analysis with a Binary Dependent Variable." *American Journal of Political Science* 42(4): 1260-1288.
- Besancon, Marie L. (2005). "Relative Resources: Inequality in Ethnic Wars, Revolutions, and Genocides." *Journal of Peace Research*, 42(4): 393-415
- Blanton, Shannon Lindsey (1999). "Instruments of Security or Tools of Repression? Arms Imports and Human Rights Conditions in Developing Countries." *Journal of Peace Research* 36(2): 233-244.
- Bohara, Alok K., Neil J. Mitchell, Mani Nepal and Nejem Raheem. (2008) "Human Rights Violations, Corruption, and the Policy of Repression." *The Policy Studies Journal* 36(1): 1-18.
- Boswell, Terry and William J. Dixon (1990). "Dependency and Rebellion: A Cross-National Analysis." *American Sociological Review* 55: 540-559.
- Bueno de Mesquita, Bruce and Alastair Smith (2007). "Foreign Aid and Policy Concessions." *Journal of Conflict Resolution*. 51(2): 251-284.

- Bueno de Mesquita, Bruce, James D. Morrow, Randolph M. Siverson and Alastair Smith. 1999. "An Institutional Explanation of the Democratic Peace." *The American Political Science Review*. 93(4): 791-807.
- Buhaun, Halvard and Scott Gates. (2002). "The Geography of Civil War." *Journal of Peace Research* 39(4): 417-433.
- Camp Keith, Linda and Steven C. Poe. (2000). "The U.S., the I.M.F., and Human Rights." In *The United States and Human Rights: Looking Inward and Outward*, edited by David P. Forsythe (Lincoln: University of Nebraska Press, 2000).
- Caprioli, Mary 2005. "Primed for Violence: The Role of Gender Inequality in Predicting Internal Conflict." *International Studies Quarterly* 49(2): 161-178.
- Cardenas, Sonia (2004). "Norm Collision: Explaining the Effects of International Human Rights Pressure on State Behavior." *International Studies Review* 6: 213-231.
- Carleton, David and Michael Stohl (1987). "The Role of Human Rights in U.S. Foreign Assistance Policy: A Critique and Reappraisal." *American Journal of Political Science* 31(4): 1002-1018.
- Cingranelli, David L. and David L. Richards (2008). *The Cingranelli-Richards (CIRI) Human Rights Data Project Coding Manual Version 2008.3.13*. [http://ciri.binghamton.edu/documentation/ciri\\_coding\\_guide.pdf](http://ciri.binghamton.edu/documentation/ciri_coding_guide.pdf) (accessed 20 June 2010)
- Cingranelli, David L. and David L. Richards (2010). "The Cingranelli and Richards (CIRI) Human Rights Data Project." *Human Rights Quarterly* 32(2): 401-424.
- Cingranelli, David L. and David L. Richards (1999). "Measuring the Level, Pattern, and Sequence of Government Respect for Physical Integrity Rights." *International Studies Quarterly* 43(2): 407-18.
- Collier, Paul and Anke Hoefler (2007). "Unintended Consequences: Does Aid Promote Arms Races?" *Oxford Bulletin of Economics and Statistics* 69(1): 1-24.
- Collier, Paul and Anke Hoefler (2002). "Aid, Policy and Peace: Reducing the Risks of Civil Conflict." *Defence and Peace Economics* 13(6): 435-450.
- Conrad, Courtenay R. and Will H. Moore. (2011). *The Ill-Treatment & Torture (ITT) Data Project Country-Year Data User's Guide*. Merced and Tallahassee: Ill Treatment and Torture Data Project. Available at: [http://faculty.ucmerced.edu/cconrad2/Academic/Data\\_files/ITT\\_CY\\_UsersGuide15Feb11.pdf](http://faculty.ucmerced.edu/cconrad2/Academic/Data_files/ITT_CY_UsersGuide15Feb11.pdf)
- Cramer, Christopher. (2003). Does inequality cause conflict? *Journal of International Development* 15(4): 397-412.
- Davenport, Christian (1995a). "Assessing the Military's Influence on Political Repression." *Journal of Political and Military Sociology* 23: 119-144.
- Davenport, Christian (1995b). "Multi-Dimensional Threat Perception and State Repression: An Inquiry into Why States Apply Negative Sanctions." *American Journal of Political Science* 39(3): 683-713.
- Davenport, Christian (1996). "The Weight of the Past: Exploring Lagged Determinants of Political Repression." *Political Research Quarterly* 49(2): 377-403.
- Davenport, Christian (2007) *State Repression and the Domestic Democratic Peace*. Cambridge: Cambridge University Press.
- Davenport, Christian and David A. Armstrong (2004). "Democracy and the Violation of Human Rights: A Statistical Analysis from 1976 to 1996." *American Journal of Political Science* 48(3): 538-554.

- Deger, Saadet and Somnath Sen (1992). "Military Expenditure, Aid, and Economic Development." *Proceedings of the Annual Conference on Development Economics 1991*. 159-186. Washington, DC: World Bank.
- Deger, Saadet and Somnath Sen (1995). "Military Expenditure and Developing Countries." In Keith Hartley and Todd Sandler, eds, *Handbook of Defense Economics, Volume 1*. Amsterdam, The Netherlands: Elsevier Science B.V. 276-307.
- Drezner, Daniel W. (1999). *The Sanctions Paradox*. Oxford, UK: Cambridge University Press.
- Feng, Y. (1997). "Democracy, Political Stability and Economic Growth." *British Journal of Political Science* 27(3): 391-418.
- Feyzioglu, Tarhan, Vinaya Swaroop and Min Zhu (1998). "A Panel Data Analysis of the Fungibility of Foreign Aid." *The World Bank Economic Review* 12(1): 29-58.
- Franco-Rodriguez, Susana, Oliver Morrissey and Mark McGillivray (1998). "Aid and the Public Sector in Pakistan: Evidence with Endogenous Aid." *World Development* 26(7): 1241-1250.
- Franklin, James C. (2008) "Shame on You: The Impact of Human Rights Criticism on Political Repression in Latin America." *International Studies Quarterly* 52: 187-211.
- Gartner, Scott Sigmund and Patrick M. Regan. (1996). "Threat and Repression: The Non-Linear Relationship between Government and Opposition Violence." *Journal of Peace Research* 33(3): 273-287.
- Gates, Scott, Havard Hegre, Mark P. Jones and Havard Strand. (2006). "Institutional Inconsistency and Political Instability: Polity Duration, 1800-2000." *American Journal of Political Science* 50(4): 893-908.
- Gibler, Douglas M. (2008). "United States Economic Aid and Repression: The Opportunity Cost Argument." *The Journal of Politics* 70(2): 513-526.
- Gibney, Mark, Linda Cornett and Reed Wood (2008). *The Political Terror Scale, 1976-2008*. Online. <http://www.politicalterrorscale.org> (accessed 22 September 2009).
- Gilligan, Michael J. and Nathaniel H. Nesbitt (2009). "Do Norms Reduce Torture?" *The Journal of Legal Studies* 38(2): 445-470.
- Goodhand, Jonathan (2002). "Aiding violence or building peace? The role of international aid in Afghanistan." *Third World Quarterly* 23(5): 837-859.
- Grant, R. and J. Nijman (1997). "Historical Changes in U.S. and Japanese Foreign Aid to the Asia-Pacific Region." *Annals of the Association of American Geographers* 87(1): 32-51.
- Gurr, Ted. (1970) *Why Men Rebel*. Princeton, NJ: Princeton University Press.
- Hafner-Burton, Emilie M. (2008). "Sticks and Stones: Naming and Shaming the Human Rights Enforcement Problem." *International Organization* 62: 689-716.
- Hafner-Burton, Emilie M. (2005a). "Trading Human Rights: How Preferential Trade Agreements Influence Government Repression." *International Organization* 59: 593-629.
- Hafner-Burton, Emilie M. (2005b). "Right or Robust? The Sensitive Nature of Repression to Globalization." *Journal of Peace Research* 42(6): 679-698.
- Hafner-Burton, Emilie M. and James Ron (2009). "Seeing Double: Human Rights Impact through Qualitative and Quantitative Eyes." *World Politics* 61(2): 360-401.
- Hagan, J. D. (1989). "Domestic Political Regime Changes and Third World Voting Realignments in the United Nations, 1946-84." *International Organization* 43(3): 505-541.
- Hameiri, Shahar. (2007) "Failed States or a Failed Paradigm? State Capacity and the Limits of Institutionalism." *Journal of International Relations and Development* 10(2): 122-149.

- Hathaway, Oona A. (2007). "Why Do Countries Commit to Human Rights Treaties?" *The Journal of Conflict Resolution* 51(4): 588-621.
- Hathaway, Oona A. (2002). "Do Human Rights Treaties Make a Difference?" *The Yale Law Journal* 111(8): 1935-2042.
- Hegre, Håvard, Tanja Ellingsen, Scott Gates and Nils Petter Gleditsch. 2001. "Towards a Democratic Civil Peace." *The American Political Science Review* 95(1): 33-48.
- Hess, Peter N. (1989). "Force Ratios, Arms Imports and Foreign Aid Receipts in the Developing Nations." *Journal of Peace Research* 26(4): 399-412.
- Hook, Steven W. (2008). "Ideas and Change in U.S. Foreign Aid: Inventing the Millennium Challenge Corporation." *Foreign Policy Analysis* 4: 147-167.
- Horowitz, Donald L. (1985). *Ethnic Groups in Conflict*. Berkeley, C.A.: University of California Press.
- Johnson, Doug and Tristan Zajonc. (2006) "Can Foreign Aid Create an Incentive for Good Governance? Evidence from the Millennium Challenge Corporation." *Center for International Development at Harvard University Working Paper* 11: 1-40
- Kegley, C. W., Jr. and S. W. Hook (1991). "U.S. Foreign Aid and U.N. Voting: Did Reagan's Linkage Strategy Buy Deference or Defiance?" *International Studies Quarterly* 35(3): 295-312.
- Khilji, Nasir M. and Ernest M. Zampelli (1994). "The Fungibility of U.S. Military and Non-Military Assistance and the Impacts on Expenditures of Major Aid Recipients." *Journal of Development Economics* 43: 345-362.
- Knack, Stephen (2001). "Aid Dependence and the Quality of Governance: Cross-Country Empirical Tests." *Southern Economic Journal* 68(2): 310-329.
- Krain, Matthew (1997). "State-Sponsored Mass Murder: The Onset and Severity of Genocides and Politicides." *The Journal of Conflict Resolution* 41(3): 331-360
- Lai, Brian and Daniel S. Morley (2006). "Impact of Regime Type on the Influence of U.S. Foreign Aid." *Foreign Policy Analysis* 2: 385-404.
- Le Billon, Philippe. (2003). "Buying Peace or Fuelling War: The Role of Corruption in Armed Conflicts." *Journal of International Development* 15: 413-426.
- Lebovic, James H. and Erik Voeten. (2006) "The Politics of Shame: The Condemnation of Country Human Rights Practices in the UNCHR." *International Studies Quarterly* 50: 861-888.
- Lebovic, James H. and Erik Voeten (2009). "The Cost of Shame: International Organizations and Foreign Aid in the Punishing of Human Rights Violators." *Journal of Peace Research* 46(1): 79-97.
- Lichbach, Mark. (1987). "Deterrence or escalation? The puzzle of aggregate studies of repression and dissent." *Journal of Conflict Resolution* 31:266-97.
- Linz, Juan J. *Totalitarian and Authoritarian Regimes*. Boulder, CO: Lynne Rienner Publishers, 2000.
- Lischer, Sarah Kenyon (2003). "Collateral Damage: Humanitarian Assistance as a Cause of Conflict." *International Security* 28(1): 79-109.
- Mansfield, Edward, and Jack Snyder. (2002). "Democratic transitions, institutional strength, and war." *International Organization* 56 (2): 297-337.
- Maoz, Zeev and Bruce Russett. (1993). "Normative and Structural Causes of Democratic Peace, 1946-1986." *The American Political Science Review*. 87(3): 624-638.

- Mason, T. D., and D. Krane (1989) "The political economy of death squads: Toward a theory of the impact of state-sanctioned terror." *International Studies Quarterly* 33:175-98.
- McCormick, James M. and Neil Mitchell (1997) "Human Rights Violations, Umbrella Concepts and Empirical Analysis." *World Politics* 49: 510-525.
- McCormick, James M. and Neil Mitchell (1988). "Is U.S. Aid Really Linked to Human Rights in Latin America?" *American Journal of Political Science* 32(1): 231-239.
- McGillivray, Mark and Oliver Morrissey (2000). "Aid Fungibility in *Assessing Aid: Red Herring or True Concern?*" *Journal of International Development* 12: 413-428.
- Meernik, J., E. L. Krueger, et al. (1998). "Testing Models of U.S. Foreign Policy: Foreign Aid during and after the Cold War." *The Journal of Politics* 60(1): 63-85.
- Mitchell, Neil J. and James M. McCormick (1988). "Economic and Political Explanations of Human Rights Violations." *World Politics* 40(4): 476-498.
- Moravcsik, Andrew. (1995). "Explaining International Human Rights Regimes: Liberal Theory and Western Europe." *European Journal of International Relations* 1(2): 157-189.
- Morgenthau, Hans (1962). "A Political Theory of Foreign Aid." *The American Political Science Review* 56(2): 301-309.
- Mosley, Paul (1985). "The Political Economy of Foreign Aid: A Model of the Market for a Public Good." *Economic Development and Cultural Change* 33(2): 373-93.
- Muller, Edward N. (1985). "Dependent Economic Development, Aid Dependence on the United States and Democratic Breakdown in the Third World." *International Studies Quarterly* 29: 445-469.
- Muller, Edward N. and Mitchell A. Seligson. (1987). "Inequality and Insurgency." *The American Political Science Review* 81(2): 425-452.
- Muller, Edward N. (1985). "Income Inequality, Regime Repressiveness, and Political Violence." *American Sociological Review* 50(1): 47-61.
- Murshed, S. Mansoob and Somnath Sen (1995). "Aid Conditionality and Military Expenditure Reduction in Developing Countries: Models of Asymmetric Information." *The Economic Journal* 105: 498-509.
- Neumayer, Eric (2003). "Do Human Rights Matter in Bilateral Aid Allocation? A Quantitative Analysis of 21 Donor Countries." *Social Science Quarterly* 84(3): 650-666.
- Neumayer, Eric (2003). "Is Respect for Human Rights Rewarded? An Analysis of Total Bilateral and Multilateral Aid Flows." *Human Rights Quarterly* 25: 510-527.
- Neumayer, Eric. (2005). "Do International Human Rights Treaties Improve Respect for Human Rights?" *Journal of Conflict Resolution* 49(6): 925-953.
- Oneal, John R. and Bruce Russett (1999). "The Kantian Peace: The Pacific Benefits of Democracy, Interdependence, and International Organizations, 1885-1992." *World Politics*. 52(1): 1-37
- Pack, Howard and Janet Rothenberg Pack (1993). "Foreign Aid and the Question of Fungibility." *The Review of Economics and Statistics* 75(2): 258-265.
- Pack, Howard and Janet Rothenberg Pack (1990). "Is Foreign Aid Fungible? The Case of Indonesia." *The Economic Journal* 100(399): 188-194.
- Palda, Filip (1993). "Can Repressive Regimes be Moderated through Foreign Aid?" *Public Choice* 77: 535-550.
- Paul, T.V., ed. (2010). "State Capacity and South Asia's Perennial Insecurity Problems" in *South Asia's Weak States: Understanding the Regional Insecurity Predicament*. 2-33.

- Peksen, Dursun (2009). "Better or Worse? The Effect of Economic Sanctions on Human Rights." *Journal of Peace Research* 46(1): 59-77.
- Peksen, Dursun and A. Cooper Drury (2009). "Economic Sanctions and Political Repression: Assessing the Impact of Coercive Diplomacy on Political Freedoms." *Human Rights Review* 10: 393-411.
- Pettersson, Jan (2007). "Foreign Sectoral Aid Fungibility, Growth and Poverty Reduction." *Journal of International Development* 19(8): 1074-1098.
- Piazza, James A. (2008) "Incubators of Terror: Do Failed and Failing States Promote Transnational Terrorism?" *International Studies Quarterly* 52: 469-488.
- Plaut, Martin. (March 3, 2010) "Ethiopia Aid 'Spent on Weapons'". *BBC News* Available at: <http://news.bbc.co.uk/go/pr/fr/-/2/hi/africa/8535189.stm> (Accessed March 8, 2010).
- Plumper, Thomas, Vera E. Troeger and Philip Manow (2005). "Panel data analysis in comparative politics: Linking method to theory." *European Journal of Political Research* 44: 327-354.
- Poe, Steven C., S. Pilatovsky, et al. (1994). "Human Rights and US Foreign Aid Revisited: The Latin American Region." *Human Rights Quarterly* 16(3): 539-558.
- Poe, Steven C., C. Neal Tate and Linda Camp Keith (1999). "Repression of the Human Right to Personal Integrity Revisited: A Global Cross-National Study Covering the Years 1976-1993." *International Studies Quarterly* 43: 291-313.
- Poe, Steven C. (1990). "Human Rights and US Foreign Aid: A Review of Quantitative Studies and Suggestions for Future Research." *Human Rights Quarterly* 12(4): 499-512.
- Poe, Steven C (1991). "Human Rights and the Allocation of US Military Assistance." *Journal of Peace Research* 28(2): 205-216.
- Poe, Steven C. (1992). "Human Rights and Economic Aid Allocation under Ronald Reagan and Jimmy Carter." *American Journal of Political Science* 36(1): 147-167.
- Poe, Steven C. and C. Neal Tate. (1994). "Repression of Human Rights to Personal Integrity in the 1980s: A Global Analysis." *American Political Science Review*. 88:853-900.
- Powell, Jonathan M., and Clayton L. Thyne (2011). "Global Instances of Coups from 1950 to 2010: A New Dataset." *Journal of Peace Research* 48(2):249-259.
- Qian, Nancy and David Yanagizawa (2009). "The Strategic Determinants of U.S. Human Rights Reporting: Evidence from the Cold War." *Journal of the European Economic Association, Papers & Proceedings* 8 (2-3): 446-45.
- Qian, Nancy and David Yanagizawa (2010) "Watchdog or Lapdog? The Effect of U.S. Strategic Objectives on Human Rights News Coverage during the Cold War." *NBER Working Paper No. 15738*, October 2010.
- de Ree, Joppe and Eleonora Nillesen (2009). "Aiding Violence or Peace? The Impact of Foreign Aid on the Risk of Civil Conflict in Sub-Saharan Africa." *Journal of Development Economics* 88: 301-313.
- Regan, Patrick M. (1995). "U.S. Economic Aid and Political Repression: An Empirical Evaluation of U.S. Foreign Policy." *Political Research Quarterly* 48(3): 613-628.
- Regan, Patrick M. and Sam R. Bell. (2009). "Changing Lanes or Stuck in the Middle: Why Are Anocracies More Prone to Civil Wars?" *Political Research Quarterly* Online: 1-14.
- Regan, Patrick M. and Errol A. Henderson (2002). "Democracy, Threats and Political Repression in Developing Countries: Are Democracies Internally Less Violent?" *Third World Quarterly* 23(1): 119-136.

- Rich, Paul and Richard Stubbs, eds (1997). *The Counter-Insurgent State: Guerrilla Warfare and State-Building in the Twentieth Century*. New York: St. Martin's Press.
- Richards, David L., Ronald D. Gelleny and David H. Sacko (2001). "Money with a Mean Streak? Foreign Economic Penetration and Government Respect for Human Rights in Developing Countries." *International Studies Quarterly* 45: 219-239.
- Risse, Thomas, Stephen C. Ropp and Kathryn Sikkink, eds. (1999). *The Power of Human Rights: International Norms and Domestic Change*. Cambridge, UK: Cambridge University Press.
- Rotberg, Robert I., ed. (2003). *State Failure and State Weakness in a Time of Terror*. Washington, DC: Brookings Institution Press.
- Schrodt, Philip (2009). *Political Instability Task Force Worldwide Atrocities Dataset*. Available at: <http://web.ku.edu/~keds/data.dir/atrocities.html> (Accessed 28 April 2011)
- Schrodt, Philip and Jay Ulfelder (2009). *Political Instability Task Force Worldwide Atrocities Event Data Collection Codebook Version 1.0B2*. Available at: <http://web.ku.edu/~keds/data.dir/atrocities.html> (Accessed 28 April 2011)
- Stepanova, Ekaterina (2010). "Trends in Armed Conflicts: One-Sided Violence against Civilians." *SIPRI Yearbook 2009: Armaments, Disarmament and International Security*. pp. 39-68. Oxford, UK: Oxford University Press.
- Stohl, Michael, David Carleton and Steven E. Johnson (1984). "Human Rights and U.S. Foreign Assistance from Nixon to Carter." *Journal of Peace Research* 21(3): 215-226.
- Travis, Rick and Nikolaos Zahariadis (1992). "Aid for Arms: The Impact of Superpower Economic Assistance on Military Spending in Sub-Saharan Africa." *International Interactions* 17(3): 233-243.
- Teorell, Jan, Nicholas Charron, Marcus Samanni, Sören Holmberg & Bo Rothstein (2011). *The Quality of Government Dataset, version 6Apr11*. University of Gothenburg: The Quality of Government Institute, <http://www.qog.pol.gu.se>
- Trisko, Jessica N. (2005). "Coping with the Islamist Threat: Analysing Repression in Kazakhstan, Kyrgyzstan and Uzbekistan." *Central Asian Survey* 24(4): 373-389.
- United State Department of Defense. (2010). "Active Duty Military Personnel by Service by Region/Country, 2003-2008." *Statistical Information Analysis Division*. Available at: <http://siadapp.dmdc.osd.mil/personnel/MILITARY/miltop.htm>.
- Wood, Reed M. (2008) "A Hand upon the Throat of the Nation": Economic Sanctions and State Repression, 1976-2001." *International Studies Quarterly* 52: 489-513.
- Wood, Reed M. and Mark Gibney (2010) "The Political Terror Scale (PTS): A Re-introduction and a Comparison to CIRI." *Human Rights Quarterly* 32: 367-400.
- World Bank (2010). World Development Indicators. Available at: <http://data.worldbank.org/data-catalog/world-development-indicators>
- Zahariadis, Nikolaos, Rick Travis and Paul F. Diehl (1990). "Military Substitution Effects from Foreign Economic Aid: Buying Guns with Foreign Butter?" *Social Science Quarterly* 71(4): 774-785.
- Zartman, William I., ed. (1995) *Collapsed States: The Disintegration and Restoration of Legitimate Authority* Boulder: Lynne Rienner.
- Zou, Heng-Fu. (1995). "A Dynamic Model of Capital and Arms Accumulation." *Journal of Economic Dynamics and Control* 19: 371-393.

## Appendix

**Table A1:** State Coercion Indicators

Variable	Description	Coding
Mass Killing	Binary variable indicating 1000 or more state-caused fatalities	0 – 1
State Killings	Binary variable indicating 300 or more state-caused civilian fatalities	0 – 1
State Violence	Binary variable indicating any state-caused fatalities	0 – 1
Repression	Ordinal variable indicating the extent of human rights violations	0 – 4
Torture	Binary variable indicating allegation of torture	0 – 1

**Table A2:** State Coercion Summary Statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
Mass Killing	4057	0.041	0.198	0	1
State Killings	4057	0.054	0.226	0	1
State Violence	4057	0.125	0.331	0	1
Repression	3882	1.843	1.065	0	4
Torture	3414	0.502	0.500	0	1

**Table A3:** Summary Statistics of Explanatory and Control Variables

Variable	Obs.	Mean	Std. Dev.	Min	Max
Ln(US Aid)	3830	3.138	1.908	0	9.332
Anocracy	3947	0.242	0.429	0	1
Dictator	3567	0.272	0.445	0	1
Coup	4057	0.041	0.199	0	1
Ln(milper)	3892	3.825	1.668	0	8.466
Gov Share GDP	3675	19.487	10.370	1.438	83.350
Rentier State	4057	0.301	0.459	0	1
Ln(US Troops)	3820	2.540	2.153	0	12.032
Interstate War	4057	0.174	0.379	0	1
Civil War	4057	0.367	0.482	0	1
Ln(GDP)	4016	7.786	1.044	5.044	10.381

**Table A4:** Correlation Matrix for Explanatory and Control Variables

	Ln(US aid)	Anocracy	Dictator	Coup	Ln(milper)	Gov share of GDP	Rentier state	Ln (US Troops)	Interstate War	Civil War	Ln(GDP)
Ln(us aid)	1										
Anocracy	0.048	1									
Dictator	-0.127	-0.130	1								
Coup	0.011	0.043	0.087	1							
Ln(milper)	0.150	-0.042	-0.007	-0.058	1						
Gov share of GDP	0.000	0.088	0.050	0.037	-0.040	1					
Rentier state	-0.245	-0.019	0.201	0.001	0.175	-0.079	1				
Ln(US troops)	0.315	-0.125	-0.071	-0.025	0.368	-0.147	-0.092	1			
Interstate war	0.104	0.016	-0.021	-0.037	0.107	0.009	0.053	0.013	1		
Civil War	0.170	0.133	-0.014	0.057	0.215	0.095	0.061	0.021	<b>0.527</b>	1	
Ln(GDP)	-0.189	-0.112	-0.201	-0.144	0.167	-0.163	0.068	0.293	0.145	-0.014	1

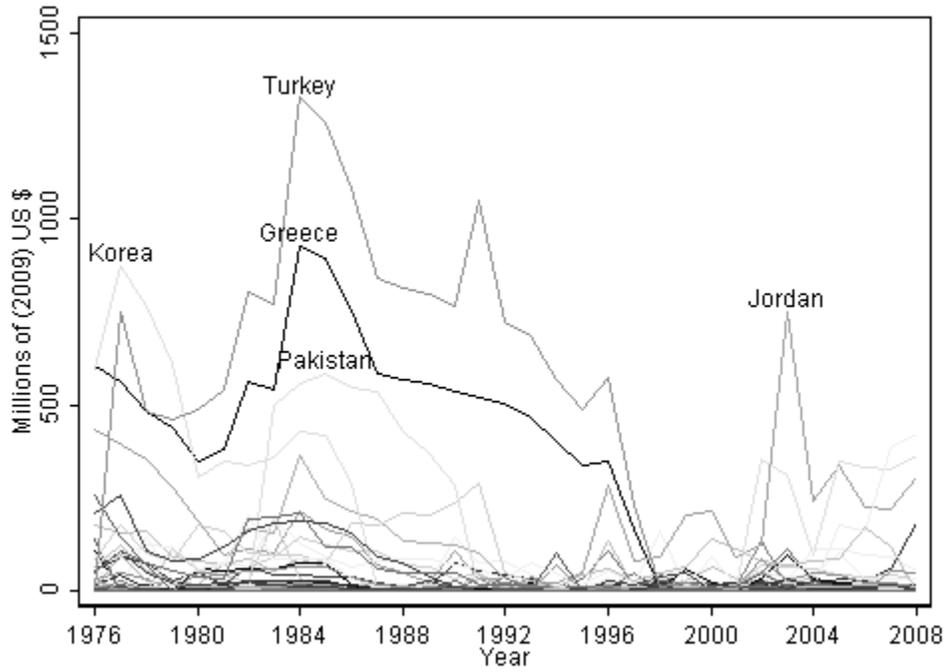
Note: **Bold** indicates pairwise correlations exceeding 0.50.

**Table A5:** Foreign Aid and State Coercion in the Post-9/11 Period (2002-2005), Ordered Logistic Regression

	State Killing	Repression	Torture
<b>Ln(mil aid)<sub>t-1</sub></b>	<b>0.618**</b> (0.135)	<b>0.955</b> (0.058)	<b>0.868</b> (0.095)
<b>Ln(econ aid)<sub>t-1</sub></b>	<b>2.325**</b> (0.801)	<b>1.244***</b> (0.081)	<b>1.283***</b> (0.116)
<i>N</i>	583	583	580
Pseudo R <sup>2</sup>	0.5573	0.3334	0.3687
Wald Chi <sup>2</sup>	762.27	269.00	150.94
Log pseudolikelihood	-31.517	-534.882	-246.056

Note: Odds ratios are reported with robust country-clustered (120) standard errors in parentheses. Coefficients for other explanatory and control variables are not reported. \*\*\*p<0.01, \*\* p<0.05, \*p<0.10.

**Figure A1.** US Bilateral Military Aid to Selected Developing Countries, 1976-2008



**Figure A2.** US Bilateral Economic Aid to Selected Developing Countries, 1976-2008

