

# Supporting Information

## Threats to Inference

As we have discussed, the presidency of the Council rotates alphabetically, ensuring that whichever country holds the presidency is systematically unrelated to the characteristics of recipient countries. However, several potential threats to inference remain, which we discuss below. While we present evidence that these threats do not confound our research design, we also describe the implications for our findings if these threats were indeed operative.

## Anticipation

While the alphabetical rotation of the EU presidency represents an “as-if” random process, the rotation principle is not entirely equivalent to a randomized experiment since the order is known in advance. In a randomized experiment, the treatment is administered randomly, whereas in this case countries are treated in a predetermined order. Thus, while in a randomized experiment a subject’s treatment status is unpredictable, it is possible that aid recipients anticipate their former colonizer’s ascension to the presidency. In response, one concern is that they might improve human rights and democracy *before* the aid is committed, perhaps to try to elicit more aid from their former colonizers. Alternatively, former colonies could anticipate their former colonizers holding the presidency, and thus temporarily regress in their human rights practices, so that they could more easily demonstrate improvements to the Commission once they became eligible for greater amounts of aid. If either of these possibilities were true, the effects we uncover would still be attributable to the increased aid budgeted by recipients’ former colonizers. However, the scaling of our effects and interpretation therein would be inaccurate since the results would be due to recipients’ anticipation of the aid, rather than the conditionality employed by the Commission. We view this possibility as highly unlikely, for both theoretical and empirical reasons. We begin by discussing qualitative evidence that such behavior is not operative, and then discuss how our quantitative findings – particularly with respect to the timing of events – help to obviate these

concerns.

Former colonies have little ability or incentive to exhibit anticipatory behavior, for several reasons. First, while we purposefully emphasize the presidency's role in the budget process, the Commission is formally tasked with the budget's preparation. The Council's role, while real, is rendered somewhat obscure by the bureaucratic back-and-forth of policy-making in Brussels. Indeed, the budget-making process is highly opaque and bureaucratic, and includes many channels through which to provide aid (Iozzo, Micoosi and Salvemini 2008). The presidency's influence is thus difficult to observe.

Indeed, this favoritism is purposefully kept obscure because presidencies have incentives to keep it hidden. Presidencies are instructed by the EU's "Presidency Handbook" to remain "neutral and impartial" (Council of the European Union 2001). Indeed, presidencies "which appear to engage in the 'aberrant' behaviour of nakedly pursuing national foreign policy objectives ahead of those of the EU face heavy criticism and a difficult Presidency" (Whitman 1998, 15). Tallberg (2003, 24) reports an interview with a top-level Commission official who stated, "what you want is a Presidency that is skillfully violating [neutral behavior] so that it is not publicly visible." While some debate exists over whether the presidency is completely impartial, even scholars who argue that the presidency pursues national interests acknowledge that it avoids doing so in an overt manner (Tallberg 2003). Indeed, our interviews of EU aid officials revealed that they were unaware that former colonizers budget more aid to their former colonies, increasing the likelihood that the recipient governments themselves do not know about this systematic favoritism.<sup>1</sup>

Furthermore, the budget itself is also variable; while we have shown that when former colonizers preside over the Council, they secure more aid for their former colonies than had they not held the presidency, this does not necessarily translate into absolute increases in aid over the previous year since the total amount of funds available could have been reduced. In other words, in some years former colonies can receive a larger share of a smaller pie. This combination of budgetary obscurity and variability may render former colonies ignorant of the dynamics we uncover.

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<sup>1</sup>Interviews by authors. Officials requested anonymity. January 17 and January 23, 2013. See also Portela (2012).

Even if recipient governments were aware that former colonizers budget more aid for their former colonies (which they likely are not), former colonies would not be apt to change their behavior in advance. First, as discussed previously, former colonizers do not condition aid on their former colonies' actions; rather, they budget more aid for them unconditionally due to economic, political, and cultural ties (Alesina and Dollar 2000; Holland 2002). Thus, former colonies need not reform to try to obtain more aid from their former colonizer when the former colonizer holds the presidency—it is the Commission that they must impress. There is thus little incentive to reform before the aid has been committed. Once the presidency has budgeted the aid, a larger pot of money is then available as a reward and only then do former colonies adopt reforms in order to obtain it.

It is also unlikely that former colonies regress beforehand to more easily demonstrate reforms to the Commission; rather than reward *improvements* in rights, the Commission tends to provide aid based on a recipient's *level* of respect for rights. In part, this is due to its belief that aid is more efficacious in freer societies (Council of the European Union 2000). Indeed, the EU “define[s] a number of values it considers indispensable in order to sustainably develop a country, the most important being the consolidation of human rights, democratic principles, good governance, and rule of law” (Ayed 2009, 8). The Commission also prioritizes a country's level of respect for rights in its quest to adapt its EU enlargement policies to its policies toward aid recipients more broadly (Kelley 2006). Since its enlargement policies reward the fulfillment of common policy goals, rather than demonstrations of progress, so too do its aid policies. A country therefore receives aid if it meets the Commission's political conditions, rather than if it improves its performance but still exhibits a low level of respect for rights (Smith 1998). If anything, then, regressing beforehand could backfire by leading the Commission to believe that a particular recipient shows poor respect for rights. Thus, such regression would likely either have no effect or result in an aid cut rather than a larger aid disbursement, leading recipients to shy away from this strategy.

Finally, although we believe that the grounds for this concern are limited, we also empirically examine whether colonies implement reforms before the aid is given to them. As expected, Tables

A6 and A7 verify that anticipatory effects do not obtain, as aid disbursements fail to predict prior behavior.

### **Other Foreign Policy Tools**

An alternative explanation for our finding that the Council presidency improves human rights and democracy among its former colonies through its influence over the aid budget is that the presidency does so using policy tools other than aid. Previously, we explained why this is not likely to be the case. In this section, we elaborate on this discussion and investigate this possibility empirically. However, we also note that even if aid were to impact other policy tools, our estimates would still show that the attention and influence of an important international institution—the EU—improves human rights and democracy, though the effects of the rotating presidency on rights would not be solely attributable to the presidency’s influence over the foreign aid budget.

In addition to the presidency’s influence over the budget as described above, the extant literature highlights two primary areas in which the presidency may interact with non-European states: trade and security policies (Bengtsson 2003). We consider each in turn. First, the presidency has little influence over EU trade policy in practice, as the Commission negotiates trade agreements (which are authorized by the Council) and represents the EU in other international trade institutions (Fabbrini 2007). Further, EU trade preferences given to former colonies typically exclude the former colonies’ major exports (Holland 2002). Indeed, after granting trade preferences under the Yaoundé and Lomé Conventions, trade between these countries and the EU actually declined (Holland 2002). Moreover, trade preferences are limited by the WTO’s rules, so that the presidency has little discretion in this area. In addition, around 70% of EU trade preferences are duplicated by the granting of the Generalized System of Preferences (GSP), over which the Council presidency does not have authority. Finally, trade policies between the EU and the members’ former colonies are not altered frequently, whereas aid allocations are altered for each country, each year, in the budget. Thus, it is reasonable to say that the presidency has little control over trade preferences, and to the extent that it does impact them, these preferences typically have negligible effects on

overall trade.

Second, while the presidency serves as the EU representative in the area of security policy, it is heavily constrained in its ability to push its own priorities for several reasons. First, the presidency must react in large part to events as they unfold, and thus primarily deals with the issue of the day rather than its own agenda (Bengtsson 2003). Second, the presidency is tasked with representing the outcome of internal negotiations between the member states and the Commission, leaving it little room for discretion. For this reason, external actors typically “side-step” the presidency in this area (Bengtsson 2003). Indeed, while the presidency may exert influence over EU accession negotiations, its powers in interactions with non-European states are especially circumscribed. As Henderson (1998, 569-70) states, “External affairs is the area least under the control of an individual Presidency. On many dossiers the Presidency inherits well-established negotiating positions.” Further, “the combination of structural factors such as institutional and operational weakness, with more actor-oriented factors such as lack of political will and commitment, ensures that EU Presidencies have great difficulty in representing the Union in times of crisis” (Manners 2003, 97), particularly because “Europe is too big and the powers of the Presidency too small for six months’ possession of them to mean very much” (Economist 1998, 41). Hence, while the presidency may impact security policy at the margins, its ability to have a meaningful impact is low.<sup>2</sup>

Empirically, we investigate whether the presidency impacts several prominent policies: trade openness, aid in other years, and closer association through trade agreements, other agreements, and community programs. We find no evidence that this is the case, as shown in Table A18.<sup>3</sup>

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<sup>2</sup>Outside of these areas, the presidency also has little control. Many other issue domains, such as debt reduction, have emerged relatively recently, and the presidency is severely constrained by global initiatives (Holland 2002).

<sup>3</sup>We would not expect the presidency to influence its former colonies through closer association during the period under study. In addition to the presidency’s limited influence over trade policy as explained previously, community programs only entered into force in 2005 for five countries that were not former European colonies and countries have only been granted advanced status after 2007, the last year of our dataset.

## Disaggregated Aid Flows

To further investigate the mechanism driving our results, we disaggregate aid commitments into three types: aid for development, aid for emergency relief, and aid for rights and democracy.<sup>4</sup> Because we find that aid positively affects liberalization in the short-term, we expect that aid for development positively impacts human rights and democracy, as recipients would make adjustments in order to receive the aid and other benefits. Because recipient leaders most desire aid that is given directly to them, rather than channeled through NGOs or other non-state actors, leaders may abide by the donors' demands for reform in order to receive the aid. Such a finding would be consistent with a good deal of anecdotal evidence of countries improving rights and democracy after receiving additional development aid (Dobbins 2008). Further, additional government-level foreign aid projects often come with increased foreign aid workers and monitors. The presence of additional workers can increase transparency, which has been shown to positively impact governments' responsiveness to their citizens (Humphreys and Weinstein 2007). Further, interviews with several EU aid officials indicate that heightened surveillance may lead recipients to implement reforms in order to maintain reputations for high levels of respect for rights and democracy, which is often linked to other trade and investment benefits.<sup>5</sup>

By contrast, if we found that aid for human rights and democracy projects drives our results, previous scholarly literature would suggest that aid works "through the local action of individuals, political organizations, and social movements" (Finkel et al. 2006). This makes sense in light of aid workers' emphasis on the lack of enthusiasm recipient governments express toward this type of aid. An official of the United States Agency for International Development (USAID) stated, "They don't care about the foreign assistance for democracy, that's for sure. Many [countries] would be happy to see it go."<sup>6</sup>

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<sup>4</sup>Disaggregated disbursement data is not available. Aid for development includes aid for resource development, health, education, population services, trade and business development and infrastructure. Aid for emergency relief includes aid for disaster prevention and preparedness, emergencies, and reconstruction. Aid for human rights and democracy includes aid for government and civil society, women, and institutions.

<sup>5</sup>Interviews by authors. Officials requested anonymity. January 17 and January 23, 2013. See also (Portela 2012).

<sup>6</sup>Interview by authors. Official requested anonymity. February 10, 2012.

Table A5 shows that aid for development is indeed driving our results, bolstering our view that positive conditionality accounts for our results. Indeed, interviews with foreign officials suggest that conditionality may indeed be operative, as officials explained that foreign aid for development, along with the increased monitoring that comes with it, often drives governments to implement the requested reforms. An official of USAID cited Ukraine and Belarus as examples of states that cooperate with donor requests due to their desires to obtain aid, along with positive international reputations, by implementing reforms while being monitored. He explained, “They care a lot about their image... in general they don’t want to be seen as a pariah and want to be invited to the international fora and be seen as an international member... For them it is a matter of wanting to be seen as a normal, Western, democratic, European country, which is good for foreign investment and prestige.”<sup>7</sup> Similarly, an EEAS official said, “Kosovo hasn’t been recognized by many countries, has no seat in the United Nations, and is not a member of the EU, so it needs to improve human rights. If donors bring money, they will agree to reforms.”<sup>8</sup> Colombia was also cited as an example of a state that often acquiesces to pressure for reform from EU aid workers because “[n]o one wants to be the bad guy....A human rights violator is not accepted in the international agenda. So if you support someone with foreign aid, they approve [reforms].”<sup>9</sup>

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<sup>7</sup>Interview by authors. Official requested anonymity. February 10, 2012.

<sup>8</sup>Interview by authors. Official requested anonymity. January 23, 2013.

<sup>9</sup>Interview by authors. Official requested anonymity. January 23, 2013.

## Robustness Checks

In this section we describe and present the a variety of robustness checks on our main results. First, we examine whether the rotating presidency impacts non-EU aid. In our sample, the average amount of EU aid per recipient country-year was 26 million U.S. dollars (in 1995 constant dollars). In contrast, the average amount of total aid from all DAC donors per recipient country-year was 157 million U.S. dollars. One concern is whether DAC donors respond to the increased EU aid by altering the amount of aid intended for the recipient country (thus complicating interpretation of the causal effects of aid). However, we find no evidence that non-EU aid (from all DAC donors) is affected by the rotating presidency. Using the same estimation strategy as that of Table A16, we find a point estimate of -0.269 (SE = 0.223,  $p = 0.227$ ) of the effect of colonial status in year  $t - 2$  on logged non-EU aid in year  $t - 1$ , shown in Table A19.

We then consider the sequence of events associated with foreign aid allocation, to ensure it comports with the logic of our story. In Table A4, we show that colonial status in year  $t - 2$  has a statistically significant effect on aid disbursements (logged net ODA) only in time  $t - 1$ , but not in time  $t - 2$  or in later periods. We also show that colonial status in year  $t - 2$  has a statistically significant effect on logged aid commitments in year  $t - 2$ , but not in later periods.<sup>10</sup> Commitments are only significantly increased while a former colonizer holds the presidency, after which disbursements are affected for one year.

We also demonstrate that our results do not depend on the selection of a particular time period. Our main results follow the literature by focusing on the effects of aid in the post Cold War period. We now consider the effects of aid in the full sample, which begins with aid allocated in 1980 (due to the fact that the CIRC dependent variable begins in 1981). The results presented in Table A8 show that the estimated effects are largely unchanged.

In addition, we show the robustness of our results to different measures of our dependent and key independent variables. We first rescale our foreign aid variable in different ways. Table A9

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<sup>10</sup>Aid commitment data is derived from Tierney et al. 2011. We find no evidence that effects depend on a state's initial respect for rights. See Table A20 and Figures 2 and 3.



shows the results of the analysis replacing net aid with gross aid, and using square roots instead of logarithms. Next, Table A10 shows that our results are not sensitive to our use of 4 year averages of human rights and democracy scores by presenting estimates of the model using 3 year averages and 5 year averages. We then examine the results using alternative dependent variables; we use both sources from V-dem as shown in Table A1 and an indicator for whether any positive change occurs in either human rights or democracy as shown in Table A19.<sup>11</sup>

We then show that our findings do not hinge on the particular estimator we select. Tables A14 and A15 demonstrate that our results hold when other commonly used methods, such as Generalized Method of Moments (GMM) and Limited Information Maximum Likelihood (LIML), are used. Further, Table A11 shows that the results are robust to the inclusion of panel corrected standard errors, and the results of randomization checks are presented in Table A12 to ensure balance across treatment and control conditions.

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<sup>11</sup>We include the reduced form analyses in Table A16, which carries the same substantive findings.

V-Dem Measures				
Dependent Variable (4 Year Avg)	Liberal Democracy	Freedom of Association	Freedom of Expression	Equality and Liberty
Effect of Aid (Standard Error)	0.047 (0.021)	0.085 (0.048)	0.063 (0.015)	0.035 (0.020)
Countries	96	96	96	96
Years	22	22	22	22
<i>N</i>	2058	2058	2058	2058

Table A1: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on political and civil rights averaged over years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Dependent Variable	Human Rights Components						
	Domestic Movement	Foreign Movement	Religious Freedom	Electoral Freedom	Workers' Rights	Freedom of Association	Freedom of Speech
Effect of Aid (4 Yr Avg) (Standard Error)	0.315 (0.168)	-0.008 (0.075)	0.453 (0.269)	0.209 (0.373)	0.647 (0.236)	0.143 (0.154)	0.126 (0.126)
Countries	115	115	115	115	115	115	115
Years	20	20	20	20	20	20	20
N	1792	1792	1792	1792	1792	1792	1792

Table A2: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on political and civil rights averaged over years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Including $Colony_{i(t-2)1}$ as Instrument		
Dependent Variable (4 Year Avg)	CIRI Human Empowerment Index	Polity IV Combined Score
Effect of Aid (Standard Error)	1.713 (0.894)	2.008 (0.650)
Countries	115	95
Years	20	20
$N$	1792	1818

Table A3: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses. For CIRI Human Empowerment Index regression, first stage coefficients on  $Colony_{i(t-2)1}$  and  $Colony_{i(t-2)2}$  are 0.027 (SE = 0.097,  $p = 0.781$ ) and 0.164 (SE = 0.045,  $p = 0.002$ ), respectively.

Aid in Other Years				
Dependent Variable	Logged Aid (Year $t - 2$ )	Logged Aid (Year $t - 1$ )	Logged Aid (Year $t$ )	Logged Aid (4 Year Avg)
	Commitments			
Effect of $Colony_{i(t-2)2}$ (Standard Error)	0.280 (0.136)	0.242 (0.194)	0.160 (0.162)	0.155 (0.100)
	Disbursements			
Effect of $Colony_{i(t-2)2}$ (Standard Error)	0.077 (0.083)	0.145 (0.054)	0.013 (0.037)	0.037 (0.030)
Countries	115	115	115	115
Years	22	22	22	20
$N$	2505	2505	2505	2275

Table A4: Ordinary least squares estimates of effects of having a former colonizer as EU Council presidency in year  $t - 2$  on aid in other years. 4 Year Avg refers to years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Dependent Variable	Effects on Commitment Types			
	Total	Development	Emergency Support	Governance and Democracy
Effect of $Colony_{i(t-2)2}$	0.247 (0.101)	0.167 (0.044)	0.085 (0.065)	0.032 (0.084)
Countries	115	115	115	115
Years	22	22	22	22
$N$	2505	2505	2505	2505

Table A5: Ordinary least squares estimates of effects of having a former colonizer as EU Council presidency in year  $t - 2$  on (logged) types of aid commitments in year  $t - 2$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Dependent Variable	Lagged CIRI Scores			
	CIRI Human Empowerment Index (Year $t - 1$ )	CIRI Human Empowerment Index (Year $t - 2$ )	CIRI Human Empowerment Index (Year $t - 3$ )	CIRI Human Empowerment Index (Avg. Years $t - 1, t - 2, t - 3$ )
Effect of Aid (Standard Error)	0.336 (1.189)	1.675 (2.132)	-0.246 (2.080)	0.516 (1.753)
Countries	115	115	115	115
Years	22	22	22	22
$N$	2030	1982	1935	1883

Table A6: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on lagged CIRI Human Empowerment Index. Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Dependent Variable	Lagged Polity Scores			
	Polity IV Combined Score (Year $t - 1$ )	Polity IV Combined Score (Year $t - 2$ )	Polity IV Combined Score (Year $t - 3$ )	Polity IV Combined Score (Avg. Years $t - 1, t - 2, t - 3$ )
Effect of Aid (Standard Error)	2.125 (2.663)	0.537 (3.544)	0.065 (3.061)	0.819 (2.895)
Countries	95	95	95	95
Years	22	22	22	22
$N$	1991	1966	1941	1933

Table A7: Two-stage least squares estimates of effects of different scalings of foreign aid (in year  $t - 1$ ) from the European Community on lagged Polity IV Combined Score. Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.



Human Rights and Democracy (1980+)		
Dependent Variable (4 Yr Avg)	CIRI Human Empowerment Index	Polity IV Combined Score
Effect of Aid (Standard Error)	2.425 (1.113)	3.673 (2.321)
Countries	115	95
Years	26	26
<i>N</i>	2170	2226

Table A8: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on the CIRI Empowerment Index and Polity scores averaged over years  $t$  through  $t + 3$ . Dataset begins with aid allocations starting in 1980. Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses. First stage coefficient on  $Colony_{i(t-2)2}$  is 0.162 (SE = 0.049,  $p = 0.003$ ,  $F = 11.07$ ).

Rescaling Aid		
Dependent Variable (4 Year Avg)	CIRI Human Empowerment Index	Polity IV Combined Score
Logged	1.885 (0.946)	2.031 (0.708)
Square Root	1.185 (0.600)	1.192 (0.388)
Logged (Gross)	2.380 (1.351)	2.496 (0.905)
Square Root (Gross)	1.536 (0.790)	1.483 (0.412)
Countries	115	95
Years	20	20
<i>N</i>	1792	1818

Table A9: Two-stage least squares estimates of effects of different scalings of foreign aid (in year  $t - 1$ ) from the European Community on dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Dependent Variable	Other Average Lengths			
	CIRI Human Empowerment Index (3 Yr Avg)	CIRI Human Empowerment Index (5 Yr Avg)	Polity IV Combined Score (3 Yr Avg)	Polity IV Combined Score (5 Yr Avg)
Effect of Aid (Standard Error)	1.858 (0.895)	1.774 (0.828)	1.558 (0.885)	1.724 (0.641)
Countries	115	113	95	94
Years	21	19	21	19
<i>N</i>	1916	1669	1915	1722

Table A10: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on dependent variables averaged over years  $t$  through  $t + 2$  or  $t$  through  $t + 4$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Panel-Corrected Standard Errors		
Dependent Variable (4 Yr Avg)	CIRI Human Empowerment Index	Polity IV Combined Score
Effect of Aid	1.885	2.031
Standard Error	(0.918)	(1.019)
Countries	155	95
Years	20	20
N	1792	1818

Table A11: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects for country and year not shown. Panel corrected standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Dep. Variable	Randomization Checks									
	Ave Yrs Edu	Log Exports	FDI	Log Imports	Religiosity	Oil Rev	Dens in Region	Log Pop	Log GDP per Cap	Log GDP
Effect of Aid	0.276	0.111	8.560	0.247	0.068	-4.123	-0.345	-0.025	-0.078	-0.128
Standard Error	(0.394)	(0.722)	(8.081)	(0.213)	(0.084)	(7.319)	(0.247)	(0.091)	(0.160)	(0.058)
Countries	104	110	107	110	30	111	113	113	110	110
Years	20	20	20	20	12	20	20	18	20	20
N	2055	2077	2009	2077	57	2136	2235	2000	2107	2107

Table A12: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects for country and year not shown. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Naive OLS Regressions		
Dependent Variable (4 Yr Avg)	CIRI Human Empowerment Index	Polity IV Combined Score
Effect of Aid (Standard Error)	0.216 (0.128)	-0.141 (0.160)
Countries	115	95
Years	20	20
<i>N</i>	1792	1818

Table A13: Ordinary least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

GMM Regressions		
Dependent Variable (4 Yr Avg)	CIRI Human Empowerment Index	Polity IV Combined Score
Effect of Aid (Standard Error)	1.885 ( 0.946)	2.031 (0.708)
Countries	115	95
Years	20	20
<i>N</i>	1792	1818

Table A14: GMM estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

LIML Regressions		
Dependent Variable (4 Yr Avg)	CIRI Human Empowerment Index	Polity IV Combined Score
Effect of Aid (Standard Error)	1.885 ( 0.946)	2.031 (0.708)
Countries	115	95
Years	20	20
<i>N</i>	1792	1818

Table A15: Limited-information maximum likelihood estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.



Reduced Form Analyses			
Dependent Variable	Logged Aid (Year $t - 1$ )	CIRI Human Empowerment Index (4 Year Avg)	Polity IV Combined Score (4 Year Avg)
Effect of $Colony_{i(t-2)2}$ (Standard Error)	0.145 (0.054)	0.302 (0.180)	0.346 (0.197)
Countries	115	115	95
Years	22	20	20
$N$	2505	1792	1818

Table A16: Ordinary least squares estimates of effects of having a former colonizer as EU Council presidency in year  $t - 2$  on logged foreign aid and dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Controlling for Other Aid				
Dependent Variable	CIRI Human Empowerment Index 4 Year Avg		Polity IV Combined Score 4 Year Avg	
Effect of EU Aid (Standard Error)	1.959 (0.977)	2.189 (0.621)	1.855 (0.912)	2.191 (0.800)
Democracy Aid (Standard Error)			-0.009 (0.022)	-0.005 (0.026)
Lag Democracy Aid (Standard Error)	-0.023 (0.026)	-0.024 (0.029)		
Multilateral Aid (Standard Error)			-0.016 (0.037)	-0.097 (0.042)
Lag Multilateral Aid (Standard Error)	-0.042 (0.042)	-0.127 (0.036)		
Countries	115	95	115	95
Years	20	20	20	20
<i>N</i>	1792	1818	1792	1818

Table A17: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects for country and year not shown. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Dependent Variable	Exclusion Restriction Tests					
	Logged Aid (Year $t - 2$ )	Logged Aid (Year $t$ )	Logged Aid (4 Year Avg)	Openness to Trade (Year $t$ )	Openness to Trade (4 Year Avg)	Closer Association (Year $t$ )
Effect of $Colony_{i(t-2)2}$ (Standard Error)	0.035 (0.059)	0.013 (0.037)	0.037 (0.030)	1.010 (0.688)	1.266 (0.950)	0.000 (0.006)
Countries	115	115	115	112	112	115
Years	22	22	20	21	18	22
$N$	2480	2505	2275	2321	1985	2505
						2458

Table A18: Ordinary least squares estimates of effects of having a former colonizer as EU Council presidency in year  $t - 2$  on various alternative mediators. 4 Year Avg refers to years  $t$  through  $t + 3$ . “Closer association” is a binary variable that takes a value of 1 when a state and the EU have signed an FTA, a DCFTA, or an Association Agreement. Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Using Binary DV	
Dependent Variable	Improvement in Human Rights or Democracy
Effect of Aid (Standard Error)	0.760 ( 0.240)
Countries	95
Years	22
<i>N</i>	1831

Table A19: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on dependent variable that measures whether any improvement occurred in either human rights or democracy. Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Interaction with Lagged Human Rights and Democracy		
Dependent Variable (4 Year Avg)	CIRI Human Empowerment Index	Polity IV Combined Score
Effect of Aid (Standard Error)	1.757 (1.030)	1.857 (1.363)
Aid X Lag Human Emp (Standard Error)	-0.121 (0.213)	
Lag Human Emp (Standard Error)	0.307 (0.149)	
Aid X Lag Polity (Standard Error)		0.088 (0.423)
Lag Polity (Standard Error)		0.398 (0.423)
Countries	115	95
Years	20	20
<i>N</i>	1733	1789

Table A20: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Interaction with FDI		
Dependent Variable (4 Year Avg)	CIRI Human Empowerment Index	Polity IV Combined Score
Effect of Aid	1.372	1.683
(Standard Error)	0.687	0.690
Aid X FDI	-0.051	-0.023
(Standard Error)	0.050	0.011
FDI	0.030	-0.010
(Standard Error)	0.034	0.015
Countries	105	89
Years	20	20
<i>N</i>	1654	1668

Table A21: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community interacted with FDI on dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Interaction with Ratio of EU Aid to Total Aid		
Dependent Variable	CIRI Human Empowerment Index (4 Year Avg)	Polity IV Combined Score (4 Year Avg)
Effect of Aid	0.472	0.049
(Standard Error)	(0.348)	(0.432)
Aid X Ratio	1.599	1.485
(Standard Error)	(0.781)	(0.515)
Log(GDP)	-1.584	-1.929
(Standard Error)	(0.985)	(1.171)
Log(Pop)	1.819	0.551
(Standard Error)	(1.744)	(3.275)
Countries	110	91
Years	18	18
<i>N</i>	1491	1536

Table A22: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community, conditional on how much aid the recipient receives from the EU relative to other countries on dependent variables. Ratio is the ratio of EU aid to other aid the country receives. Since Ratio contains the endogenous variable, we also control for Log(GDP) and Log(Pop). The results hold when these are not controlled for, as well as with alternative covariate profiles. Note that Ratio drops out due to collinearity. Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Effect of Former Colony Status on Amnesty Reports	
Effect of Aid (Standard Error)	0.176 (0.186)
Countries	112
Years	13
<i>N</i>	1510

Table A23: OLS estimates of former colony status on the number of Amnesty reports. Fixed effects held for country and year. Robust standard errors clustered by country in parentheses.



Where Improvements Occur: Human Empowerment			
Empowerment Score	Frequency (Main Effect)	Frequency (t)	Frequency (t+3)
0	2	0	2
1	5	2	5
2	10	8	10
3	11	9	12
4	14	13	14
5	8	7	9
6	13	13	13
7	17	7	17
8	10	6	12
9	5	2	6
10	8	7	8
11	8	5	8
12	11	4	11
13	13	6	13
14	5	0	5

Table A24

Where Improvements Occur: Polity			
Polity Score	Frequency (Main Effect)	Frequency (t)	Frequency (t+3)
-10	4	0	4
-9	4	0	4
-8	9	3	9
-7	21	8	22
-6	6	3	6
-5	7	2	7
-4	5	2	5
-3	4	0	4
-2	3	0	3
-1	3	0	3
0	4	3	4
1	1	0	1
2	1	1	1
3	1	1	1
4	3	1	3
5	3	0	3
6	7	1	7
7	4	0	4
8	9	1	9
9	4	0	4
10	3	0	3

Table A25

Effect on Other Aid				
Dependent Variable	Log Democracy Aid $t$	Log Democracy Aid $t - 1$	Log DAC Aid Aid $t - 1$	Log DAC Aid Aid $t$
Effect of $Colony_{i(t-2)2}$ (Standard Error)	-0.487 (0.501)	-0.282 (0.420)	-0.269 (0.223)	-0.248 (0.214)
Countries	115	115	115	115
Years	22	20	22	22
$N$	2505	2505	2463	2463

Table A26: Ordinary least squares estimates of effects of having a former colonizer as EU Council presidency in year  $t - 2$  on dependent variables. Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

Controlling for Other Agreements		
Dependent Variable	CIRI Human Empowerment Index (4 Year Avg)	Polity IV Combined Score (4 Year Avg)
Effect of Aid (Standard Error)	1.865 (0.914)	1.943 (0.717)
Association Agreement (Standard Error)	0.520 (0.303)	-0.864 (0.645)
Trade, Development and Co-operation Agreement (Standard Error)	-2.465 (2.233)	-5.015 (1.580)
Euro-Mediterranean Agreement Establishing an Association (Standard Error)	-1.177 (0.613)	-0.732 (0.740)
Economic Partnership, Political Coordination and Cooperation Agreement (Standard Error)	-0.552 (0.179)	2.724 (0.299)
Countries	115	95
Years	20	20
<i>N</i>	1792	1818

Table A27: Two-stage least squares estimates of effects of logged foreign aid (in year  $t - 1$ ) from the European Community on dependent variables averaged over years  $t$  through  $t + 3$ . Fixed effects held for country and year. Robust standard errors (accounting for multi-way clustering at the levels of country and year) in parentheses.

## Additional Figures

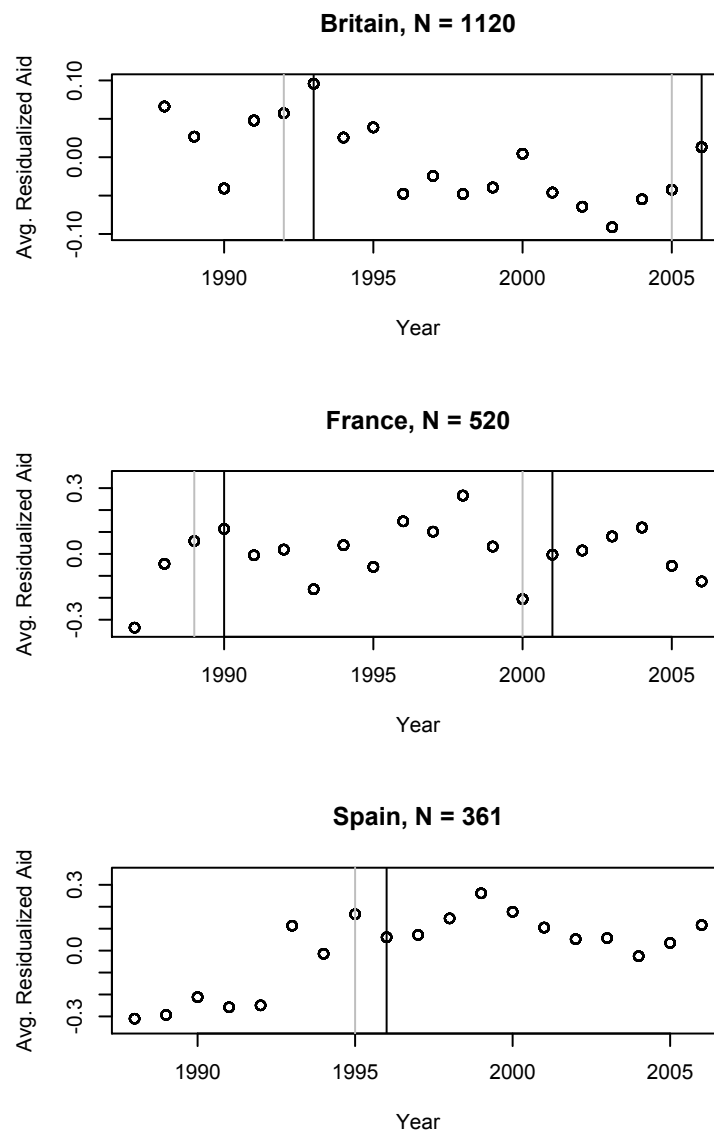


Figure A1: Descriptive picture of aid allocations as the Presidency rotates. Includes countries with more than 100 observations in the dataset.

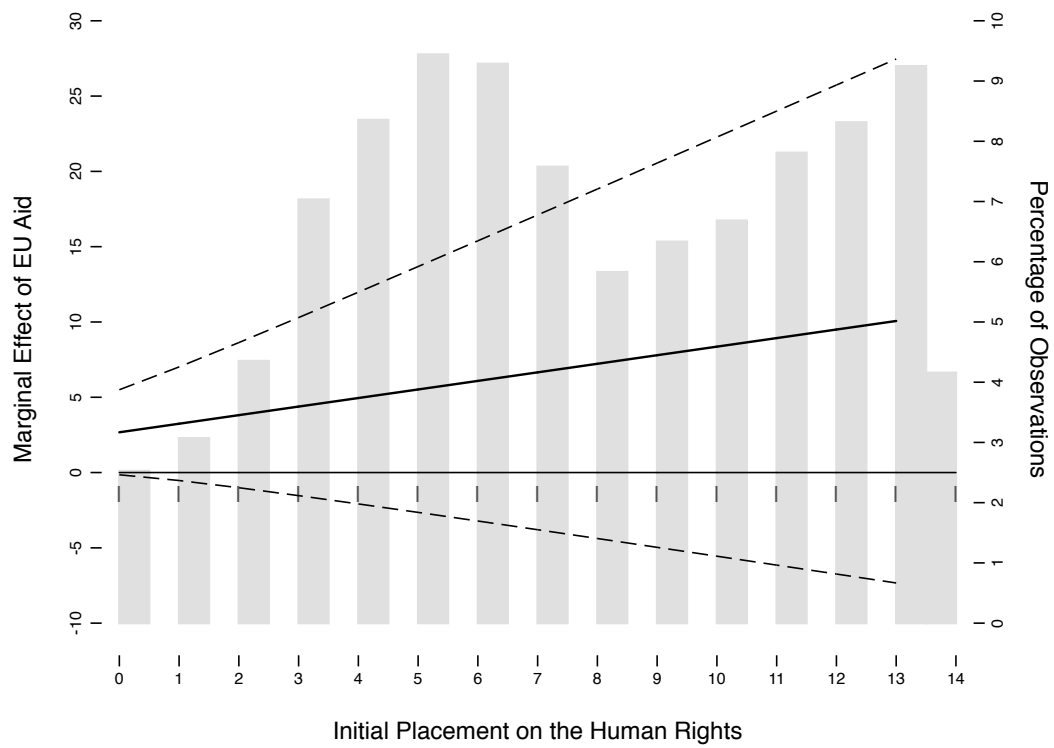


Figure A2

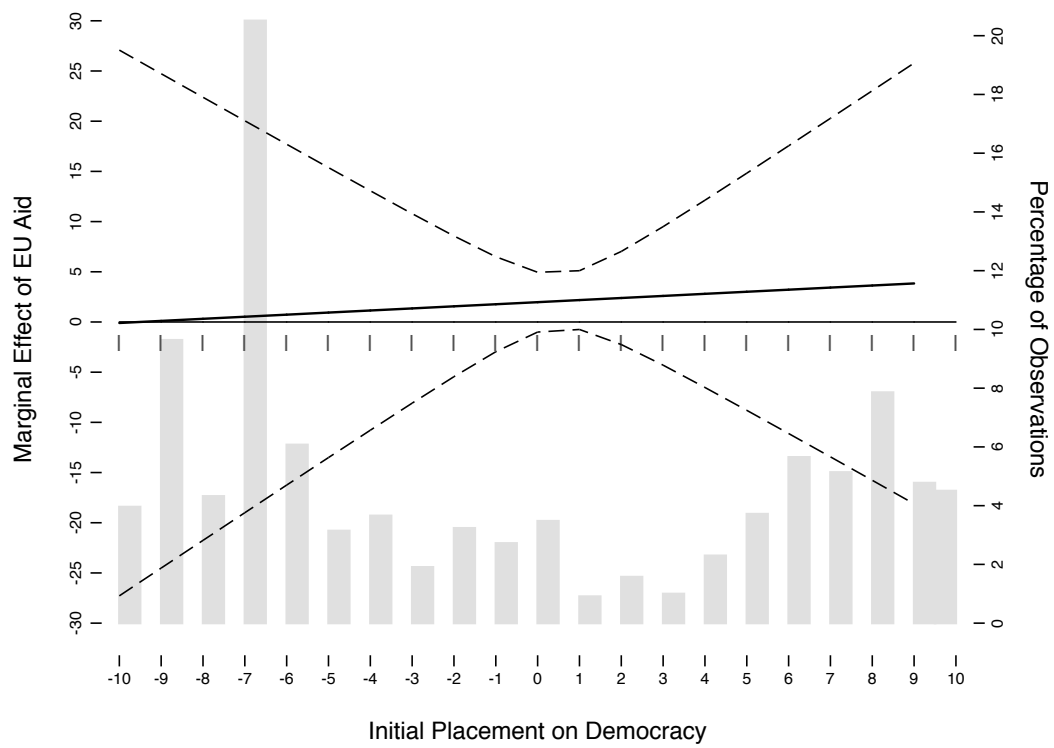


Figure A3

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