Conditionality and Coalition Failure:

An Evaluation of World Bank Development Projects

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Abstract

While the relationship between aid and survival rates of recipient regimes has been studied intensively, the relationship between the fungibility of aid and regime survival is less clear. Development aid fungibility can be impacted by factors like the type of disbursement—grant or loan—or the number and types of conditions placed upon the disbursement. The main data sources for this paper include project records from the World Bank and a binary variable that represents the failure of a leader’s coalition derived from the Archigos Dataset of Political Leaders. Using a censored probit model as described in Amanda Licht’s paper “Coming into Money: The Impact of Foreign Aid on Leader Survival,” this paper finds that World Bank disbursements and conditions on those disbursements have different impacts upon coalition survival depending upon the regime type of the recipient. Although most conditionality indicators had no significant effect for either democracies or autocracies, the total number of benchmarks imposed by the World Bank on projects in a year had a small, almost significant positive effect on the probability of coalition failure for democratic regimes, but no significant effect for autocratic regimes.

Introduction

The global development architecture is rapidly changing. Where the development field used to be dominated by large democracies like the U.S. and liberal Bretton Woods institutions like the World Bank, non-traditional donors are providing an increasingly larger share of global development finance. According to a recent publication from the Center for Global Development, non-Development Assistance Committee (DAC) aid now represents anywhere from 8 to 31 percent of global development finance.[[1]](#footnote--1) One of the main concerns about the shift in donors of development finance is the apparent lack of accountability and conditionality associated with aid from non-traditional donors. China, as one of the fastest growing non-traditional donors, has been criticized for giving aid without conditions to “rogue” states and propping up authoritarian regimes.[[2]](#footnote-0) Can the lack of conditionality in foreign aid be a contributing factor to the survival of autocratic regimes?

One of the mechanisms by which conditionality could affect regime survival is through the fungibility of aid. In international relations, the term fungibility is typically used to describe a country’s ability to take military power and apply it to economic sectors or vice versa. In relation to international development, however, aid fungibility is the ability for a recipient country to take an aid project earmarked for a specific purpose and use it in alternative, or even malicious ways. There are two primary ways through which aid can be considered fungible. First, earmarked aid can be illegally repurposed. This would be easiest to accomplish when a larger proportion of the project is given as a grant as opposed to an interest-bearing loan that needs to be paid back. The chance of a country repurposing an aid project might also be a function of the prior actions and benchmarks imposed upon that project. Prior actions are mandatory conditions like good governance or debt to GDP ratios that must be attained before a disbursement is made, while benchmarks are non-legally binding indicators of a recipient’s progress towards a specific governance or economic goal.[[3]](#footnote-1) With more prior actions, a dishonest recipient that is more likely to repurpose the project is less likely to ultimately receive the disbursement, while with more benchmarks, the donor is allowed to keep a closer watch on the activities of the recipient country.

Second, aid might be considered fungible if it displaces public spending. If the country was planning on building the aid project with public funds before a donor gives a loan to do it, then the loan has effectively freed up those public funds for any other purpose. Nicolas Van de Sijpe studied this effect in his working paper entitled, “Is Foreign Aid Fungible? Evidence from the Education and Health Sectors.” By examining the relationship between foreign aid in certain sectors followed by public expenditures in those sectors, Van de Sijpe found that program sector aid experienced much lower correlation with public expenditures than technical assistance.[[4]](#footnote-2) From this he concluded that aid is neither fully fungible nor non-fungible, and that the level of fungibility depends on other characteristics of the aid like the involvement of the donor country in technical assistance.[[5]](#footnote-3)

In a paper entitled “Does Foreign Aid Support Autocrats, Democrats, or Both?” Daniel Kono and Gabriella Montinola tried to find the relationship between the probability of leader failure and the total amount of aid they received relative to their regime type. They found that aid helped autocrats more than democrats since the autocrats could stockpile the aid to protect themselves in uncertain types, but that the stockpile diminished the marginal return to aid, and so current aid flows helped democrats more than autocrats.[[6]](#footnote-4) From their results they logically concluded “donors should make both the nature of aid and the use of aid conditionality contingent on the domestic regime type of aid recipients,” even though their analysis included no measures for the nature of aid or aid conditionality.[[7]](#footnote-5)

Following from the work of Kono and Montinola, Amanda Licht attempted to estimate the extent to which aid supports the survival of different types of regimes based on time horizons. Her results indicated that aid was most effective at supporting the survival of a democratic regime early in a leader’s time in office, but became a political liability after a long tenure in office.[[8]](#footnote-6) Conversely, autocratic countries become more stable as the leader’s tenure increased, but these smaller coalitions were also destabilized by foreign aid.[[9]](#footnote-7) Although Licht made no explicit mention of aid fungibility, her conclusions imply that leaders were perhaps able to use aid for purposes other than aid’s original intent.

Building off of the foundations set by Kono, Montinola, and Licht, this paper will attempt to find the relationship between the conditionality of aid and the survival rates of different regime coalitions. First, we will establish why a linear probability model and uncensored probit are insufficient models for estimating this effect. Second, we will build a selection model for a censored probit and an instrumental variable to control for any endogeneity problems between regime survival and aid. Lastly, we will perform a censored probit model and discuss the implications of the results.

Data Sources and Statistics

With very little data coverage for non-traditional donors and theoretically little variation in the potential fungibility of their aid, the data on conditionality and aid flows for this paper is drawn from the World Bank project database and the World Bank’s Development Policy Actions Database (DPAD). The raw counts of benchmarks, and prior actions as described in DPAD were matched with project identification numbers from the World Bank project database. After that, the total loan and grant amounts from each were summed by country and by the year the project was approved. The final step involved matching these counts and sums to the countries and years in the data collected on leader failure by Licht. The resulting dataset covers 132 countries from 1960 to 1999.

Some country-years are repeated in the dataset if a leader experienced coalition failure in the middle of the year and his predecessor picked up before the next. Because of this, the most accurate way to describe each observation in this dataset is a “leader-year.” Out of 4752 leader-year observations, a coalition failure was only observed 9.1% of the time. Additionally, the dataset contained more autocratic than democratic leader years; with about 35.5% having democratic regimes. There was an amazing variation in the length of leader tenure, ranging from 1 day to over 46 years. About 50.9% of the leader-year observations received some amount of development finance from the World Bank, with the average amount received per year being 3.5% of GDP. An average of $139 million in loans was received per leader-year, while an average of $291,362.5 was received in grants, for an average grant element percent of about 0.4%. Finally, there was an average of about 3 prior actions and 1.5 benchmarks per leader-year. The maximum number of prior actions attached to projects in a country in a single year was 208, while the same for benchmarks was 144.

Table 1: Summary Statistics

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Variable** | **Obs.** | **Mean** | **Std. Dev.** | **Min.** | **Max.** |
| Coalition Size >= 0.75 | 4752 | 0.368 | 0.482 | 0 | 1 |
| Coalition size, ordinal | 4752 | 0.493 | 0.281 | 0 | 1 |
| Conflict Intensity, ordinal | 4752 | 0.237 | 0.527 | 0 | 2 |
| Former OECD colony | 4752 | 0.677 | 0.468 | 0 | 1 |
| GDP Growth, lagged | 4752 | 0.008 | 0.083 | -2.219 | 0.655 |
| Grant element percent | 4752 | 0.004 | 0.056 | 0 | 1 |
| Internationalized civil conflict | 4752 | 0.016 | 0.124 | 0 | 1 |
| Leader Coalition Failure dummy | 4752 | 0.091 | 0.288 | 0 | 1 |
| Leader Tenure (days) | 4752 | 2760 | 2925 | 1 | 16982 |
| Log(OECD Exports), lagged | 4752 | 0.704 | 0.839 | 0 | 5.196 |
| Log(Tenure) | 4752 | 7.230 | 1.420 | 0 | 9.740 |
| Log(Total Trade), lagged | 4752 | 0.391 | 1.875 | -7.435 | 6.261 |
| Polity Score | 4752 | -2.111 | 6.863 | -10 | 10 |
| Polity Score > 0 (Democracy) | 4752 | 0.355 | 0.479 | 0 | 1 |
| Population | 4752 | 34639 | 123933 | 122 | 1252766 |
| Population growth | 4752 | 2.354 | 1.689 | -44 | 18 |
| Potential for producing oil | 4752 | 0.550 | 0.498 | 0 | 1 |
| Received WB Finance dummy | 4752 | 0.509 | 0.500 | 0 | 1 |
| South America Dummy | 4752 | 0.114 | 0.318 | 0 | 1 |
| South Asia Dummy | 4752 | 0.075 | 0.263 | 0 | 1 |
| Strong OECD ally | 4752 | 0.337 | 0.473 | 0 | 1 |
| Sub-Saharan Africa Dummy | 4752 | 0.336 | 0.472 | 0 | 1 |
| Total Benchmarks | 4752 | 1.493 | 7.316 | 0 | 144 |
| Total Grants | 4752 | 291363 | 3516595 | 0 | 118000000 |
| Total Loans | 4752 | 139000000 | 404000000 | 0 | 4500000000 |
| Total Prior Actions | 4752 | 3.024 | 12.171 | 0 | 208 |
| World Bank Finance as % GDP | 4752 | 3.544 | 7.184 | 0 | 154 |
| World Bank Project Count | 4752 | 1.530 | 2.400 | 0 | 24 |
| Note: Data source is World Bank and Amanda Licht. | | | | | |

Linear Probability Model and Uncensored Probit

Predicting the change in a limited dependent variable like an indicator with OLS is referred to as the linear probability model. For our first model (see Table 2, model 1), the coalition failure dummy is predicted using our conditionality variables, amounts of World Bank finance, interaction terms with the democracy dummy, and several other variables that would influence the probability of coalition failure (see appendix for equation 1). The linear probability model is flawed for several reasons. First, because it is attempting to predict the change from 0 to 1 using a line, the model fits the data very poorly. This is evident in the R2 of the model, which states that the linear probability model can only account for about 5 percent of the variation in our dependent variable. The fact that the model is attempting to predict a change between zero and one with a line also means that it can have predictions above one and below zero, which are meaningless for probability. Second, the linear probability model cannot account for the heteroskedasticity inherent in data with limited dependent variables. Since the dependent variable can only take on two values, the error term for the linear probability model can only be zero minus the predicted value or one minus the predicted value. This induces non-constant error variance. This heteroskedasticity can be quantified with a White test (see appendix for equation 2). The result of a White test on our linear probability model gives us a statistic of 131.6, which yields a p-value of approximately zero. Therefore, we reject the null of homoskedasticity and must develop a better model to fit the data.

The results of our second model are presented in Table 2. This model is a probit analysis of the same variables used in our linear probability model. While the results are much more promising than the linear probability model, this probit analysis also suffers from certain problems. The largest problem being that the likelihood of coalition failure in our dataset is incredibly low. Recall from the summary statistics that out of 4752 leader-years, a coalition failure was only observed 9.1 percent of the time. This leads to an inaccurate estimation of the probability of coalition failure in our model. Although it appears like it is accurate with about 91 percent of all predictions being correct—with a probability of greater than or equal to 0.5

Table 2: Linear Probability Model and Initial Probit Model

|  |  |  |  |
| --- | --- | --- | --- |
| *DV: Winning Coalition Failure* | **(1) LPM** | **(2) Probit** | |
| World Bank finance / GDP | -0.000633 | | 0.00113 |
|  | (0.00319) | | (0.00219) |
| Total Prior Actions | -0.000228 | | 0.0000431 |
|  | (0.000651) | | (0.000609) |
| Total Benchmarks | -0.000519 | | -0.00161 |
|  | (0.000900) | | (0.00128) |
| Grant element of finance | -0.0902 | | -3.903 |
|  | (0.183) | | (3.092) |
| Total Prior Actions x Democracy | -0.000267 | | -0.000238 |
|  | (0.000844) | | (0.000763) |
| Total Benchmarks x Democracy | 0.00395\*\* | | 0.00352\* |
|  | (0.00144) | | (0.00153) |
| Grant element x Democracy | 0.229 | | 3.986 |
|  | (0.200) | | (2.091) |
| Democracy dummy (d) | 0.0479\*\*\* | | 0.0501\*\*\* |
|  | (0.0104) | | (0.071) |
| Log(Tenure) x World Bank finance / GDP | 0.000125 | | -0.000144 |
|  | (0.000425) | | (0.000326) |
| Democracy x World Bank finance / GDP | -0.0298\*\*\* | | -0.0286\*\* |
|  | (0.00725) | | (0.00910) |
| Democracy x Log(Tenure) \* World Bank finance / GDP | 0.00386\*\*\* | | 0.00372\*\* |
|  | (0.000987) | | (0.00120) |
| Log(Leader Tenure) | -0.0312\*\*\* | | -0.0245\*\*\* |
|  | (0.00339) | | (0.00270) |
| GDP growth, lagged one year | -0.107\* | | -0.0928\*\* |
|  | (0.0493) | | (0.0342) |
| Log(Total Trade), lagged one year | -0.00168 | | -0.003 |
|  | (0.00251) | | (0.00227) |
| Intensity of civil conflict (d) | 0.0260\*\*\* | | 0.0222\*\* |
|  | (0.00790) | | (0.00692) |
| South America dummy (d) | 0.0408\*\* | | 0.0368\*\*\* |
|  | (0.0138) | | (0.0123) |
| Sub-Saharan Africa dummy (d) | -0.0146 | | -0.0120 |
|  | (0.0106) | | (0.00968) |
| South Asia dummy (d) | 0.0343\* | | 0.0286\* |
|  | (0.0163) | | (0.087) |
| Constant | 0.295\*\*\* | | -0.269 |
|  | (0.0267) | | (0.149) |
| R2 | 0.0511 | | — |
| White-test statistic | 131.6 | | — |
| Correctly predicted | 90.89% | | 90.95% |
| Correctly predicted (True) | 0% | | 0.69% |
| Correctly predicted (False) | 100% | | 100% |
| Note: Standard errors in parentheses. \* p<0.05 \*\* p<0.01 \*\*\* p<0.001. Data from World Bank and Licht. For probit model, figures are marginal effects at means with standard errors in parentheses. Variables marked with (d) are the marginal effect for a discrete change from 0 to 1. | | | |

predicting coalition failure—this is a misleading statistic. When the predictions are broken down into correctly predicting coalition failure and correctly predicting coalition survival, we can see that the model is heavily biased towards predicting coalition survival. It predicts 100 percent of the coalition survivals, but of the 433 coalition failures in the dataset, it accurately predicts three of them. This problem necessitates the development of a selection model in order to run a censored probit analysis.

Instrumental Variable, Selection Model, and Censored Probit

Before we can develop a model to predict the selection of a country for World Bank projects, we first need to consider the possible endogenous relationship between selection and coalition failure. While we are interested in the effect that selection for projects will have on the probability of coalition failure, it is quite possible that the World Bank would choose not to select a country for a project if they can tell that their coalition is on the verge of collapse. To control for this, we develop an instrumental variable from our first probit regression as described by G.S. Maddala.[[10]](#footnote-8) The instrument is calculated by predicting the probability of failure from our model 2, and then dividing by the standard error of the prediction.

Once we have an instrument for the probability of coalition failure, we can develop our selection model. The probability of selection by the World Bank is a function of the probability of coalition failure, three lagged dummy variables for receiving World Bank finance for up to three years prior, polity score, and other variables to capture strategic interest to donors (see appendix for equation 3). This model performs relatively well, correctly predicting 75 percent of all observations, 86 percent of all true observations, and 63 percent of all false observations (see appendix for the marginal effects of selection model – Table A).

The first stage of our censored probit model involves estimating the probability of a leader-year observation being selected by the World Bank. Once we have this variable, we can include it in our second stage probit analysis to control for the selection bias. The marginal effects (at the variable means) from the results of this censored probit model are presented in table 3. Compared to the original probit estimations, this model performs much better. The censored probit model accurately predicts 80.6% of all observations, 23.1% of coalition failures, and 86.34% of coalition successes.

Results

Since probit estimates relationships non-linearly, we must first find the coefficients at certain margins to interpret the results. In table 3, the marginal effects for all continuous variables are reported at their means, while the marginal effects for indicator variables represent a discrete change from zero to one. Additionally, since many of our variables are included in multiple interaction terms, we must find the linear combinations of those terms in order to perform tests of hypothesis on the partial effects. Thankfully, since most of our conditionality variables are just interacted with our democracy dummy, the interpretation for autocratic regimes is just the marginal effect of the variable by itself.

Starting with the percentage of finance given as a grant and the number of prior actions in a given year, neither variable appeared to be statistically significant for either democracies or autocracies. For autocracies, the percentage of finance given as a grant had a coefficient -4.063, which could be interpreted as a one percentage point increase in the percentage of finance given as a grant at the margin could be expected to yield about a 4 percentage point decrease in the likelihood of coalition failure. With a z-score of -1.68 and a p-value of 0.093, however, this misses the threshold for rejecting the null hypothesis that this effect is zero. The coefficient for

Table 3: Censored Probit Model

|  |  |
| --- | --- |
| *DV: Winning Coalition Failure* | **(4) Censored Probit** |
| World Bank finance / GDP | 0.000928 |
|  | (0.00234) |
| Total Prior Actions | 0.0000859 |
|  | (0.000668) |
| Total Benchmarks | -0.00157 |
|  | (0.00137) |
| Grant element of finance | -4.063 |
|  | (2.417) |
| Total Prior Actions x Democracy | -0.000411 |
|  | (0.000835) |
| Total Benchmarks x Democracy | 0.00367\* |
|  | (0.00175) |
| Grant element x Democracy | 4.126 |
|  | (2.417) |
| Democracy dummy (d) | 0.0676\*\* |
|  | (0.0215) |
| Log(Tenure) x World Bank finance / GDP | -0.000112 |
|  | (0.000358) |
| Democracy x World Bank finance / GDP | -0.0386\* |
|  | (0.0158) |
| Democracy x Log(Tenure) x World Bank finance / GDP | 0.00479\* |
|  | (0.00197) |
| Log(Leader Tenure) | -0.0251\*\*\* |
|  | (0.00507) |
| GDP growth, lagged one year | -0.124 |
|  | (0.0664) |
| Log(Total Trade), lagged one year | -0.00113 |
|  | (0.00414) |
| Intensity of civil conflict | 0.0025 |
|  | (0.0107) |
| South America dummy (d) | 0.0226 |
|  | (0.0163) |
| Sub-Saharan Africa dummy (d) | -0.0135 |
|  | (0.0156) |
| South Asia dummy (d) | 0.0475\* |
|  | (0.0206) |
| Observations | 4062 |
| Correctly predicted | 80.58% |
| Correctly predicted (True) | 23.09% |
| Correctly predicted (False) | 86.34% |
| Note: Figures are marginal effects at means with standard errors in parentheses. Variables marked with (d) are the marginal effect for a discrete change from 0 to 1. \* p<0.05 \*\* p<0.01 \*\*\* p<0.001. Data from World Bank and Licht. | |

the marginal effect of grant percentage in democracies is even smaller, at 0.063. After a linear combination of the variable and its interaction with democracy, the p-value of 0.28 falls way below rejecting the null. The story is the same with prior actions. The model estimated a positive relationship between coalition failure and prior actions for autocracies and a negative relationship between coalition failure and prior actions for democracies, but the results were not statistically significant.

Finally, the count of benchmark conditions in a year was almost significant for democracies, and not significant for autocracies. For autocracies, the coefficient on the margin for benchmarks was -0.00157, indicating that for every additional benchmark past the mean the World Bank imposes upon an autocratic recipient, the probability of coalition failure decreases by a tenth of one percentage point. The p-value for this was .25 and not significant. For the linear combination of benchmarks and the interaction with democracy, the marginal effect coefficient was a positive 0.002 and had a p-value of 0.053; In other words, for every benchmark added at the margin for democracies, we could expect the probability of coalition failure to increase by two tenths of a percentage point.

Most of the results discussed above are reflected in a Wald test for all of the variables that would affect the conditionality of a loan. Testing that that prior actions, benchmarks, grant element percents, and all of their interaction terms are equal to zero yields a Chi-squared value of 8.25, with an associated p-value of 0.2203. Because the p-value is above 0.05, we fail to reject the null hypothesis that these variables have joint significance in the model.

Conclusions

Although it is difficult to draw conclusions based upon results that are not statistically significant at the 95% confidence level, many of our estimations were significant at the 90% confidence level. Assuming that at least some of the results are non-zero, some interesting effects regarding democracy and aid conditionality begin to appear. For one, it appears that the effects of aid conditionality are opposite for autocracies and democracies. More grant money may improve coalition survival for autocracies but damage it for democracies; perhaps the lack of accountability in grants as opposed to loans damages a democratic leader’s reputation. Prior actions might have a positive effect on the survivability of democratic regimes and a negative effect on survivability for autocratic regimes for the opposite reason; submitting to prior actions that enforce good governance could make democratic constituencies happy while angering the small and privileged coalition supporting an autocracy. Finally, and most significantly, benchmarks surprisingly have a positive impact on the survivability of autocratic regimes with a negative impact on the same for democracies. How a non-binding benchmark could have more of an effect on the failure rate of coalitions is a baffling result, and certainly warrants further investigation.

Appendix

**Equation 1**

P(*coalitionfailure*|x) = β0+ β1*WBfinance/GDP*+ β2*prioractions*+ β3*benchmarks +* β4*grantelement*+ β5*prioractiondem*+ β6*benchmarkdem*+ β7*grantelementdem*+ β8*dem*+ β9*tenureWBfinance/GDP*+ β10*demWBfinance/GDP* + β11*demtenureWBfinance/GDP*+ β12*tenure*+ β13*gdpgrowthlag1*+ β14*logtrade*+ β15*civconflict*+ β16*southamerica*+ β17*subsaharan*+ β18*southasia*

**Equation 2**

For a regression of residuals squared on yhat and yhat squared:

White = (MSS/2)/(RSS/DF)= (20.11/2)/(373.43/4733) = 131.6

**Equation 3**

P(*selection*|x)*=* β0 +β1*coalitionfailureinstrument*+β2*selectionlag1*+β3*selectionlag2* + β4*selectionlag3* +β5*populationgrowthlag1* +β6*logexportslag1*+β7*logpopulation*+β8*polity* +β9*coalitionsize*+β10*formercolony*+β11*strongally*+β12*hasoil*+β12*internationalconflict*

Appendix

**Table A: Selection Model**

|  |  |
| --- | --- |
| *DV: Selected by World Bank* | **(3) Selection Model** |
| Winning coalition failure (instrument) | 0.0131\*\*\* |
|  | (0.0017) |
| World Bank selection, lagged one year (d) | 0.391\*\*\* |
|  | (0.0215) |
| World Bank selection, lagged two years (d) | 0.275\*\*\* |
|  | (0.0235) |
| World Bank selection, lagged three years (d) | 0.207\*\*\* |
|  | (0.0216) |
| Population growth, lagged one year | -0.00407 |
|  | (0.0086) |
| Log(Exports from OECD), lagged one year | -0.0488\*\* |
|  | (0.0171) |
| Log(Population) | 0.0327\*\*\* |
|  | (0.0093) |
| Polity score | 0.00315 |
|  | (0.00271) |
| Winning coalition size | -0.0822 |
|  | (0.058) |
| Former OECD colony (d) | 0.0365 |
|  | (0.0259) |
| Strong OECD ally (d) | -0.00929 |
|  | (0.0227) |
| Potential for producing oil (d) | -0.0493 |
|  | (0.0263) |
| Internationalized Civil Conflict (d) | 0.0435 |
|  | (0.0943) |
| Observations | 4062 |
| Correctly predicted | 74.56% |
| Correctly predicted (True) | 86.00% |
| Correctly predicted (False) | 62.68% |
| Note: Figures are marginal effects with standard errors in parentheses. Variables marked with (d) are the marginal effect for a discrete change from 0 to 1. Significance is denoted by \* p<0.05 \*\* p<0.01 \*\*\* p<0.001. | |

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2. Deborah Brautigam, “The Dragon’s Gift: The Real Story of China in Africa,” (Oxford: Oxford University Press, 2009). [↑](#footnote-ref-0)
3. The World Bank, "Development Policy Actions Database (DPAD)." Last modified November 15, 2012. Accessed April 18, 2013. http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/0,,contentMDK:22209407~pagePK:41367~piPK:51533~theSitePK:40941,00.html. [↑](#footnote-ref-1)
4. Nicolas Van de Sijpe, "Is Foreign Aid Fungible? Evidence from the Education and Health Sectors," World Bank Policy Research Working Paper (2013), http://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2209634 (accessed April 18, 2013). [↑](#footnote-ref-2)
5. Van de Sijpe, “Is Foreign Aid Fungible?” [↑](#footnote-ref-3)
6. Daniel Kono and Gabriella Montinola, "Does Foreign Aid Support Autocrats, Democrats, or Both?" The Journal of Politics, 71, no. 2 (2009): 704-718, http://www.jstor.org/stable/30218980 . (accessed April 18, 2013). [↑](#footnote-ref-4)
7. Kono and Montinola, “Does Foreign Aid Support Autocrats, Democrats, or Both?” [↑](#footnote-ref-5)
8. Amanda Licht, "Coming into Money: The Impact of Foreign Aid on Leader Survival," Journal of Conflict Resolution, 54, no. 1 (2009): 58-87, http://jcr.sagepub.com/content/54/1/58 (accessed April 18, 2013). [↑](#footnote-ref-6)
9. Licht, “Coming into Money.” [↑](#footnote-ref-7)
10. G.S. Maddala, *Limited Dependent and Qualitative Variables in Econometrics*, (New York: Cambridge University Press, 1986). [↑](#footnote-ref-8)