Political Conditions for Effective Democracy Assistance

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August 23, 2016

Abstract: Under what conditions is democracy aid effective? Prior large-N studies suggest that - on average - democracy aid contributes to democratization, but comparative studies on contextual conditions for successful democracy aid or the effects of specific aid sub-types are lacking. This paper provides a comprehensive theory of aid effectiveness by disaggregating democracy aid into four different types and explaining how each interacts with particular regime characteristics. We argue that democracy aid is effective when recipient governments comply and when democratic deficits exist in the particular domain that aid targets. We test this argument using two-stage regression models to correct for selection bias in aid allocation. We employ democracy aid data from the Organization of Economic Co-operation and Development (OECD). To examine change in democracy, we use Varieties of Democracy data (V-Dem), which allows us to measure the effect of specific types of aid on particular institutions and practices. The findings provide support for our argument.

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1. Introduction

Studies have demonstrated that the overall effect of democracy aid on democratization has been positive (Finkel, et al. 2007 ; Kalyvitis and Vlachaki 2010 ; Scott and Steele 2011). Yet, within this overall positive assessment lies a range of outcomes from great success to utter failure. In seeking to understand why democracy aid, or more generally foreign aid, democratizes some countries more than others, scholars have turned to investigating how aid effectiveness might depend on the regime type of the recipient country (Cornell 2013; Wright 2009).

While these works have advanced the study of effectiveness, they have been limited by their use of highly aggregated measures for aid. Democracy aid is composed of different types of aid—election, media, human rights and civil society. To understand how regime types influence the effectiveness of democracy aid, we need to explain how particular regime characteristics interact with specific types of aid. For example, the role played by elections in a particular regime helps us predict how effective electoral assistance could be. Consequently, we disaggregate democracy aid into specific types and examine change in the institution or practice that the specific type of aid targets.

This paper offers a more complete theory of democracy aid effectiveness by taking this approach. We propose that the effectiveness of specific types of aid depends on regime characteristics in two dimensions—the compliance of the recipient government and the extent of democratic deficiencies in an institution or practice. We argue that democracy aid is effective when the recipient government expects benefits from it and when democratic qualities are lacking in the particular domain that democracy aid targets. Regimes that do not expect benefits from democracy aid can easily prevent it from taking place and countries with few democratic deficits are not likely to receive democracy aid. Hence, we expect regimes that receive democracy aid to at least somewhat comply and to have democratic deficiencies, which aid can address. Therefore, on average, we expect democracy aid to be effective in the sense of contributing to incremental improvements democracy levels.

To test our argument we examine the overall effectiveness democracy aid as well as of four specific types of aid in five different regime types and in countries in transition between regimes. To measure specific types of democracy aid, we use disaggregated data on the Organization of Economic Co-operation and Development (OECD) donor spending on democracy aid from 2002 to 2012. Information about regime types and countries in transition are coded based on Schedler (2002, 2013) and Lührmann (2015). Other coding schemes will be used for robustness checks. To measure change in specific institutions and practices—the outcomes of interest—we use Varieties of Democracy (V-Dem) data. Two-stage regression models are employed to account for selection effects.

The findings provide support for our argument. Overall, we find positive effects of democracy aid on the level of democracy in hegemonic and competitive autocracies, electoral democracy and countries in transition. Our analysis also shows a positive association between aid for civil society and the V-Dem Core Civil Society Index in most regime types but liberal democracies and closed autocracies. Furthermore, positive effects of electoral assistance could be found mainly in countries in transition between regimes. The same applies for media aid. For human rights aid we found a positive association with the V-Dem Civil Liberties Index in hegemonic autocracies.

The paper proceeds by first documenting that countries with different regimes types and those in transition receive democracy aid in a variety of categories. We then present our argument about regime compliance and democratic deficiencies varying across different regime and aid types and thus accounting for the degree of aid

effectiveness. Following a description of the data, we test our argument. The conclusion discusses next steps and considers the implications of our findings.

2. Democracy Aid Patterns

Democracy aid is official development assistance directly targeted at enhancing democratization in the recipient country. Leading scholars have included aid for governance and rule of law in their measures of democracy aid. For example, in their widely cited study on U.S. democracy aid, Steven E. Finkel, Aníbal Pérez-Liñán and Mitchell A. Seligson (2007, 434) have counted aid directed at rule of law, governance, civil society, human rights, media and elections as democracy aid. Sarah Bush (2015, 57), Simone Dietrich and Joseph Wright (2015, 222) proceed similarly, but with global scope.
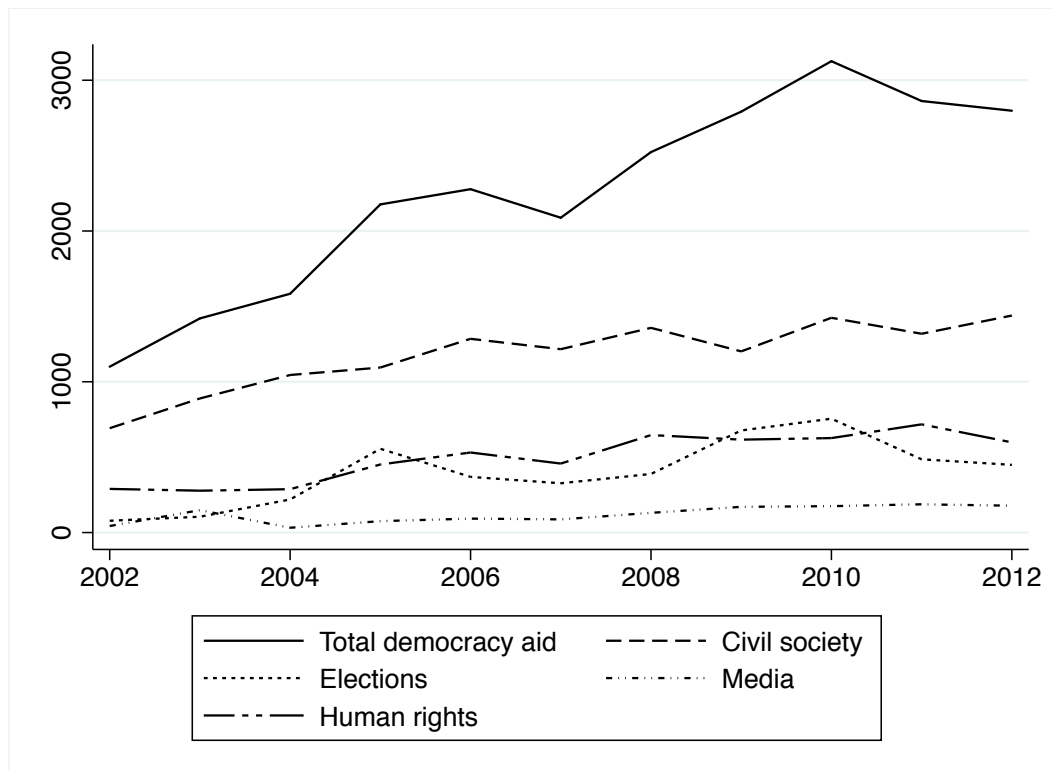
Donors themselves tend to use narrower definitions of democracy aid. For example, USAID does not subsume all governance or rule of law- related activities under the label of democracy aid, but explicitly refers to the whole sector as "democracy, rule of law and governance." This makes sense. It is debatable if and to what extent aid for governance and rule of law contributes to democratization particularly in authoritarian contexts. Effective state administrations and the rule of law might be key or even a prerequisite for democratization. However, we also have evidence that strengthening the public administration does not directly contribute to democratization – if at all (van Ham, Zimmermann 2015). Dictators also use their state apparatus for repression and cooptation. Hence, even if international support to these sectors might have some long-term benefits for democratization, such benefits might be out-weighted by counter-intended paybacks for the ruling elites. Furthermore, donors reported activities as aid for governance and rule of law, which clearly serve other primary purposes than enhancing democratization, but rather security and state-building. For example, the United States included large-scale counter-narcotics and law enforcement programs in countries such as Mexico, Afghanistan or Colombia as aid in the sector of "legal and judicial development" (OECD 2016).

For conceptual and analytical clarity, we will therefore follow the USAID approach and disentangle democracy aid from aid for governance and rule of law. In our study, democracy aid is limited to activities directly targeting key institutions and processes of democratic governance such as elections, democratic participation and civil society, human rights, media, legislatures and political parties.

Earlier studies have often focused on US democracy aid. While the United States is the largest single donor of democracy aid, other donors account for more than two thirds of all aid for democracy, rule of law and governance from 2002 to 2012 (OECD 2016). Hence, in order to gain a comprehensive picture of the effects of such aid, we need to move beyond analyzing the US engagement only. We therefore use data from OECD, which records assistance provided by its 29 member states and other important entities. Details about this data source are discussed in the Data section below. Furthermore, most studies on democracy aid rely on data about commitments and not the actual disbursements of democracy aid in a budget year. Only projects that actually have been implemented can be expected to have an effect. Therefore, we focus here on data about disbursements of democracy aid, which is unfortunately only available in the required detail from 2002 onwards.

From 2002 to 2012—the period we examine—a total of 24.1 billion USD in democracy aid has been distributed, and for the first eight years there was a steady increase (Figure 1).

Figure 1. Total and specific democracy aid per year (2002-2012, in million USD)

Source: OECD 2016.

Aid for democratic participation and civil society (beyond elections) was greatest for the whole decade (Figure 1). This category includes aid for civil society organizations, referenda as well as civic education.[1] Spending on human rights aid has been the next highest for most of the time period, which includes aid for official human rights bodies and mechanisms, human rights advocacy and education as well as human rights related aid for specific groups such as indigenous groups, children and other minorities. Election aid – assistance to election management bodies, election observation and voter education - ranges slightly lower. Aid to media and the free flow of information is the lowest among these categories, which includes activities aimed at improving the technical and editorial skills and quality of media outlets and other projects aimed at broadening the scope of publically available information, but not financial or other material assistance to media.[2]

Democracy aid is not limited to specific regime types. This is evident from both the statistics for overall aid and specific types, as presented in Table 1. All the regime types listed in the table are described in detail in the Data section.

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[1] The information about the content of the specific aid categories comes from the official OECD list of CRS purpose codes (downloaded from
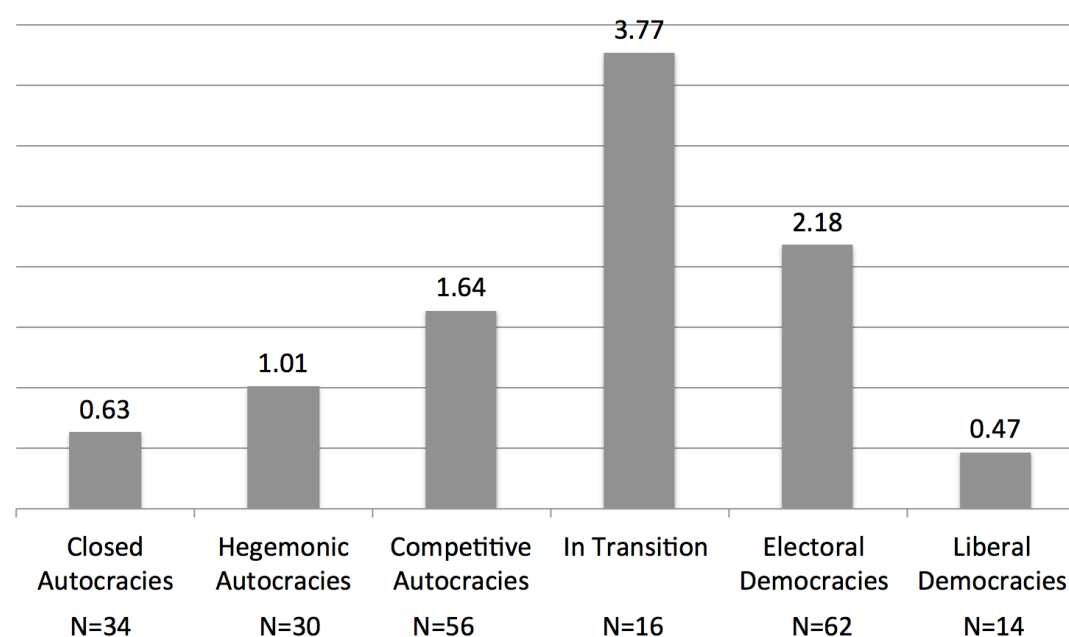http://www.oecd.org/dac/stats/documentupload/2012%20CRS%20purpose%20codes%20EN.pdf, access 15. June 2016)
[2] Note that the OECD data include information on specific aid spent on women empowerment as well as aid spent on legislatures and political parties. Since aid for women empowerment includes many projects that target generic development rather than democracy, we leave this category out of our analysis. Data for legislature and political parties are only available from 2009 onwards. Therefore, we refrain from analyzing this category individually, but include it in our calculation of the total amount of democracy aid.

Table 1. Levels of aid allocated to different regime types

Aid type	Aid overall			Elections			Media			Human Rights			Civil Society		
Regime type	T	M	N	T	M	N	T	M	N	T	M	N	T	M	N
Closed autocracy	2281	0.63	34	273	0.07	27	205	0.05	31	599	0.14	34	1151	0.35	33
Hegemonic autocracy	3085	1.01	30	519	0.13	27	185	0.06	27	724	0.24	30	1566	0.55	30
Competitive autocracy	5924	1.64	56	1379	0.36	53	236	0.06	51	1128	0.31	56	3032	0.87	56
In Transition	3895	3.77	16	1423	0.90	15	261	0.26	15	540	0.72	16	1567	1.81	16
Electoral democracy	8478	2.18	62	747	0.26	59	384	0.13	58	2151	0.42	62	5050	1.31	62
Liberal democracy	385	0.47	14	34	0.04	12	14	0.02	11	107	0.08	13	226	0.33	13
Total	**24049**	**1.56**	**129**	**4375**	**0.24**	**122**	**1287**	**0.09**	**127**	**5249**	**0.31**	**129**	**12592**	**0.88**	**129**

Source: OECD 2016. Note: T = Total levels of aid is the sum of aid received between 2002 and 2012 (in millions of USD). M = Mean levels of aid is average aid per capita received between 2002 and 2012 (in USD). N is the number of countries that received aid in this period.

Electoral democracies and competitive autocracies receive the most aid, when it is measured as total aid received between 2002 and 2012. Transitional regimes receive the most aid (followed by electoral democracies and competitive autocracies), when it is measured by aid per capita (Figure 2). Hegemonic autocracies, closed autocracies, and liberal democracies receive considerably less aid.[3]

Figure 2. Democracy aid per capita by different regime types (in USD)
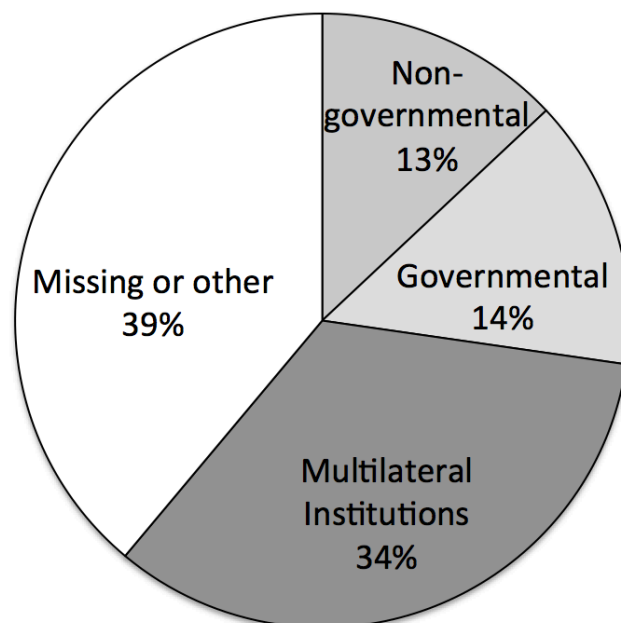

Source: OECD 2016.

Each regime type has received aid in each specific category (Table 1). In fact, most countries in the OECD database have received each type of aid. The amount of aid per capita, however, varies with regime type. The highest amounts of election, human rights, civil society, and media aid per capita go to transitional regimes. When measured in total

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[3] Examples of liberal democracies that received democracy aid between 2002 and 2012 are: Cape Verde, Costa Rice, Uruguay.

amounts of aid, the highest amount of election aid goes to transitional regimes, but the highest amount of media, human rights and civil society aid goes to electoral democracies.

In addition to the type of aid, the OECD aid database contains information about the channel of aid delivery (Figure 3). Multilateral institutions have implemented one third of all democracy aid between 2002 and 2012. As official entities, multilateral institutions typically work closely with the recipient government. With recipient government approval, they also support civil society activities. About the same level of aid (13-14%) was directly delivered to non-governmental entities (such as national, regional or international NGOs) and to governments (recipient, donor or other). Unfortunately, the channel of delivery for a lot of democracy aid projects is indicated as "missing" or "other." Hence, this data has to be interpreted with caution and will not be included in our regression analysis. However, we did not find non-random patterns in the distribution of the missing data. Therefore, we believe it is safe to say that governmental entities and multilateral organizations received large shares of democracy aid, which opens the door for the recipient government's political influence on implementation and focus of democracy aid.

Figure 3. Channel of democracy aid delivery (2002-2012): Who implemented democracy aid?

Source: OECD 2016.

Specific types of democracy aid are clearly not limited to particular regime types. Yet, are certain types of democracy aid more effective in particular regime types, and more broadly how do domestic political conditions shape the effectiveness of different types of aid?

3. Argument

Democracy aid is effective when it makes political regimes more democratic. In our view, incremental improvements of political regimes or institutions are possible even without fully transitioning to democracy. International actors are rarely responsible for full democratic transitions but can speed up a "moving train" as Thomas Carothers (1999, 304) rightly points out. We argue that democracy aid is likely to be effective if (1) recipient governments comply and (2) when democratic capacities are lacking in the particular domain that democracy aid targets.

(1) Recipient government compliance

Donors tend to operate within the laws and norms of a country. Hence, before democracy aid has the chance of being effective, it needs to be allowed into the country. National laws typically require nongovernmental organizations and entities to at least register with the state, and they require government approval for aid to government institutions. Donors rarely take a confrontational approach by channeling aid without government approval directly to civic organizations or media outlets (Bush 2015). As a result, most recipient governments have a decisive say in the basic question whether or not democracy aid takes place, and which aid takes place. They are likely to approve democracy aid if they think it might serve their interests. For regimes fearful of potential negative effects of democracy aid the easiest options is not to allow democracy aid to take place. Current examples of such behavior are the Russian and Egyptian attempts to prohibit CSOs from receiving foreign funding. Hence, countries that permit democracy aid to take place should be more likely to allow it to be effective than those countries that do not allow democracy aid in in the first place.

Nevertheless, recipient governments also have the option of obstructing effective implementation for most types of democracy aid (Cornell 2013). For example, recipient governments may allow donors to install new voting technologies, but circumvent their use on Election Day. Hence, regimes are essentially gatekeepers to aid implementation (Tolstrup 2014). As a result, this interaction between regime characteristics and democracy aid are central to understanding aid effectiveness.

Even governments that are not genuinely supportive of advances in democratization can accept democracy aid in order to generate an appearance of being supportive of democracy or some component of it. As a consequence, they can expect more international aid and foreign direct investments from democratic countries and organizations (see summary in Hyde 2011, 114 f).[4] Domestically, this pro-democratic appearance can boost legitimacy and reduce pressure from opponents. In addition, government leaders can actively use aid to strengthen their own positions. Elections can be instrumental for signaling popular support (Hyde 2011) and a show of popular support can deter rivals within the national elites (Birch 2011, 52). Elections, as well as parliaments, can be used to co-opt opponents and thus further secure the incumbents' positions (Gerschewski 2013). The establishment of political parties has been shown to lower the risk of forced removal from office (Wright and Escriba-Folch 2012).

Moreover, as much of democratic aid consists of technical assistance, democratic aid may lead to strengthened capacity of governments to, for example, run elections and organize bureaucratic processes, without necessarily requiring those institutions to become more independent or provide a more level playing field. Aid directed to these institutions can benefit the regime as long as the characteristics of the regime ensure that the strengthening of these institutions do not pose a risk to its survival.

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[4] However, such incentives are mainly relevant for countries that heavily depend on aid or linkages with democratic countries Donno (2013). By now, several autocracies like Russia and China provide similar benefits without demanding democratic reform (Tolstrup 2014, 130).

In sum, we argue that many recipient governments - once they accept democracy aid - will be likely to also support its implementation as long as it does not threaten their survival, because appearing more democratic can provide international and domestic benefits.
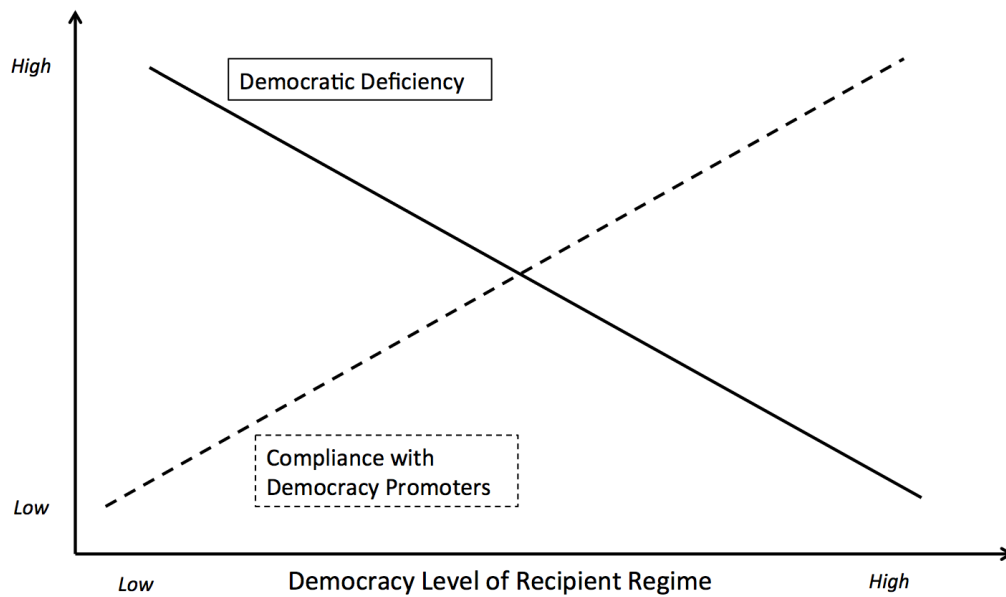
(2) Democratic deficiencies

As all types of aid, democracy aid can only have an effect, if it addresses deficiencies in the recipient country. A deficiency is a political institution or practice that is not fully democratic. The less democratic a regime is, the more room for improvement there is. Hence, we expect the effect of aid to be greater in countries with democratic deficiencies and the marginal utilities of democracy aid to decline as countries become more democratic. Typically more resources are needed to move from good to very good than from fair to good. Hence, contrary to some of the earlier literature (Cornell 2013), we also expect that also in instable, transitional contexts democracy aid can be effectively used to build capacities conducive to democratization.

Main argument

In a nutshell, we argue that democracy aid is effective if democratic deficiencies are high and the recipient government is compliant in the sense of not obstructing the activities of democracy promoters. However, in practice, political regimes are not likely to exhibit both characteristics. Regimes at the lower end of the spectrum - such as North Korea or Eritrea - have a high level of democratic deficits but are unlikely to fully comply with democracy promoters – or even invite them in (Figure 4). Conversely, established democracies would be likely to fully comply with democracy promoters, but have relatively fewer democratic deficits and hence are not likely to be the target of democracy promotion activities. The regimes in between these two extremes are most likely to receive democracy aid (Cornell, Lührmann 2016). In such contexts, regimes are likely to at least somewhat comply with democracy aid providers and democratic deficiencies – which could be targeted by democracy aid – remain. Therefore, we expect democracy aid on average to be effective in the sense of contributing to incremental improvements of political regimes. How effective democracy aid is – ceteris paribus - depends on the extent of regime compliance and democratic deficiencies, which in turn is related to on the type of democracy aid as well as regime characteristics. They will be discussed more in detail subsequently.

Figure 4. Regime Compliance and Democratic Deficit by Level of Democracy

Effectiveness of specific types of aid per regime types

The extent of expected regime compliance and democratic deficiency as related to particular aid categories and specific regime types is summarized in Table 2 and elaborated on below.

Table 2. Expected Regime Compliance and Democratic Deficiencies by Aid and Regimes Types

Regime Types	Overall Democracy Aid		Election Aid		Media		Human Rights		Civil Society	
	C	*D*	*C*	*D*	*C*	*D*	*C*	*D*	*C*	*D*
Closed autocracy	L	H	L	H	L	H	L	H	L	H
Hegemonic autocracy	L	H	L	H	L	H	M	H	M	H
Competitive autocracy	M	M	M	M	M	H	M	H	M	M
In transition	H	H	H	H	H	H	M	H	H	H
Electoral democracy	H	M	H	L	H	L	H	M	H	M
Liberal democracy	H	L	H	L	H	L	H	L	H	L

Note: C=compliance with democracy aid providers, D=deficiency, H=high, M=medium, L=low.

For autocracies the threats of aid – and hence the expected compliance with democracy aid providers- and democratic deficiencies are widespread but they vary in intensity and across specific institutions and practices depending on the specific regime type. Autocracies are characterized by government leaders who are not accountable to citizens via free and fair elections. This regime type has been divided into subtypes— closed, hegemonic, and competitive autocracies—based on degree of electoral competitiveness (Donno 2013; Schedler 2009).

Closed Autocracies hold no elections or formally restrict competitiveness of elections, such as one-party regimes without a choice on the ballot. In addition, regimes with elections only for the legislature fall into this category. "Limited elections" in such contexts are unlikely to substantially improve the overall democratic quality of the

regime, because the head of the government remains unaccountable to voters (Schedler 2009: 309). Were electoral assistance to be effective it would challenge the leadership's lack of accountability. Thus it poses a high threat to the regime and regime compliance is likely to be low. Likewise, democracy aid that effectively strengthened the media, human rights or civil society would create a push for greater accountability. All these institutions can play the role of watchdog, so democratic aid in these areas is a high threat. There are ample democratic deficiencies for aid to address but the threat is too great for the regime to allow it to be effectively implemented. Across the specific types of aid deficiencies are high, but so is the threat.

Hegemonic and competitive autocracies are considered electoral autocracies (e.g. Roessler and Howard 2009; Donno 2013). They both allow multi-party contestation *de jure*, but elections are *de facto* not free and fair. They do their best to appear democratic, while still applying authoritarian practices (Schedler 2002).

Hegemonic autocracies rely on elections serving the ends of the incumbent (Schedler 2009). The ruling party has established a relatively sustainable "equilibrium" in the political sphere that builds on cooptation and repression (Schedler 2009: 294). The playing field is so heavily tilted, for example by state media control and administrative resources, that the victory of the ruling party is certain. (Selected) opposition parties are allowed to take part in elections, but their victory is impossible (Donno 2013: 704). Because elections, and accompanying media control, are the lynchpin of regime survival, electoral and media aid pose high threats. As evidenced by the existence of opposition parties, the regime permits civic activity and some civil liberties; by manipulating elections it ensures that they do not undermine the regime. Because controlling civil society and human rights are not central to regime survival, aid to promote these poses a low threat. This aid also addresses areas in which democratic qualities are lacking so for that reason it can be effective.

Competitive autocracies, relative to their hegemonic counterparts, are less stable and more vulnerable to election-related challenges (Roessler and Howard 2009; Schedler 2009: 294f). In such contexts we typically find relatively strong oppositions and advanced political rights and civil liberties. For leaders of these regimes the risk of a challenge from a variety of institutions—civil society and media —is present. It does not come exclusively from elections. At the same time, the regime's survival strategy includes having these institutions and rights exist and being somewhat free. Bolstering them can actually play to the regime's strategy. Consequently, aid for elections, civil society, human rights and media all pose medium, not high, threats to the regime and hence recipient government can be expected to comply to a certain extent. Aid is needed in these areas. The combination of only a medium threat and high democratic deficiencies enables a variety of types of aid to be effective.

Countries in transition are neither democratic nor authoritarian. Countries with such regimes are in "the interval between one political regime and another" (O'Donnell and Schmitter 1986: 6). They do not necessarily evolve into democracies (O'Donnell and Schmitter 1986: 5; Carothers 2002). Instead, they are characterized by the instability and fluidity of the political playing field. Formerly binding rules and institutions do not count anymore and the new order has not (yet) been fully institutionalized. In practice these regimes tend to be either formerly authoritarian regimes that have liberalized or regimes that have eroded in times of upheaval, such as civil war. Elections, civil society, media and human rights pose a low threat to transitional regimes because their leaders tend to advocate for such changes. For collapsed regimes so little remains to maintain of the former regime that the risk of democracy aid is also low. At the same time democratic

deficiencies exist in all areas. Hence in transitional regimes, we expect aid to be most effective as it is low threat and there are high deficiencies.

    Liberal democracies, one of the two regime types at the democratic end of the spectrum, are characterized by the integrity of their electoral institutions and processes and democratic institutions, such as a vibrant civil society, free media, which are essential to free and fair elections. The threat of any type of democracy aid is low, and democratic deficiencies are minimal. As a result no type of democracy aid is expected to be effective.

    Electoral democracies include the major strengths of liberal democracies, but show some deficiencies in one or more sub-components of democracy. The risk of any type of democracy aid is low for leaders of electoral democracies: they have come to power and continue to govern thanks to democratic practices and institutions. Typically, democratic deficiencies are low except in the area of human rights and civil society. For that reason, only aid targeting those segments is likely to be effective.

    Following from this consideration of how types of aid and regime types interact through levels of likely regime compliance and extent of democratic deficiencies, it is possible to summarize our argument's predictions about the effectiveness of specific aid categories. When regime compliance is low and/or deficiencies are low, aid is unlikely to have an effect. Vice versa, when regimes compliance is medium/high and deficiencies exist, aid is likely to have an effect. These predictions appear in Table 3. We also expect that the effect of overall aid is driven by the effectiveness of specific types of aid. The prediction for overall aid effectiveness appears in the final column of the table.

Table 3. Hypotheses: Predictions of Effectiveness of Aid

Regime Types	Elections	Media	Human Rights	Civil Society	**Overall Aid**
Closed autocracy					
Hegemonic autocracy			+	+	+
Competitive autocracy	+	+	+	+	+
In transition	+	+	+	+	+
Electoral democracy			+	+	+
Liberal democracy					
Overall average	+	+	+	+	+

Note: + = effective, blank = not effective.

4. Data and methods

Democracy aid

    The primary source of data on development aid spending is the OECD/DAC database. All traditional donors, members of the OECD/DAC, record their Official Development Assistance (ODA) in this database.[5] In recent years, efforts have been undertaken to improve the quality and depth of the data. From 2002 onwards, not only data on donor commitments but also actual disbursements are available. Prior studies on democracy assistance have mainly relied on commitment data (e.g. Kalyvitis and

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[5] Non-traditional donors such as China and Russia do not participate in the OECD/DAC reporting scheme, but they do not engage in democracy aid anyways.

Vlachaki 2010; Birch 2011; Dietrich and Wright 2015), which are likely to differ from actual disbursements and might bias findings.[6]

Furthermore, the OECD/DAC has now made data available broken down by more detailed purpose codes. Earlier studies often relied on the broader meta-codes, which include not only democracy assistance but also aid to state-building such as support for fiscal administrations or decentralization processes (Birch 2011). Following Cornell et al (2016), we build our analysis on aid that more directly targets democracy: support to democratic participation and civil society, elections, media, and human rights. Using these purpose codes and the actual disbursements allows us to study democracy aid more accurately, but unfortunately we have to limit the time frame to 2002 to 2012 since disbursement figures are not reliable before 2002. We use aid per capita logged in all our models to correct for population size and the somewhat skewed distribution of democracy aid.

Regime types

Based on Schedler (2013: 189f), regimes with a Freedom House Political Rights-score (FH PR) of 3 or lower are classified as democracies and all others as non-democracies.[7] Likewise, we classify democracies with a FH PR-score of 1 as liberal democracies and those with a PR-score of 2 or 3 as electoral democracies (see Table A.1). Countries are categorized as closed authoritarian, if they did not hold multiparty elections for the Head of the Executive[8] as indicated with a score of 0 or 1 on the applicable V-Dem indicator for multiparty elections.[9] This applies for example to Jordan, which holds regular legislative elections, but where the monarch has prerogative in executive affairs.

Additionally, we need to distinguish regimes with multiparty elections based on the degree of their competitiveness. Here we deviate from the common practice of using supermajorities as an indicator for authoritarian hegemony for two reasons (Roessler and Howard 2009:111; Schedler 2013: 193). First, in autocracies, election results tend to be manipulated and therefore we should not trust them. Second, establishing hegemony takes time. The ruling coalition needs to capture the state, build-up an effective system of patronage, a legitimacy base and silence the most challenging opposition figures. Hence,

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[6] Naturally, democracy aid commitments and disbursements correlate highly (r= 0.8998) but nevertheless the exact amount of disbursements differs from commitments in almost all cases (1341 out of 1362 cases).
[7] The US-based think-tank Freedom House (FH) publishes the annual "Freedom in the World" reports. They assess and score civil liberties and political rights in each country on a scale of 1 to 7 (1= most free; 7=least free) (Freedom House 2013).
[8] The Head of the Executive is either the Head of State or the Head of Government, depending on who is more powerful. This is identified in the V-Dem data set with the variable hosw. For example, in contemporary Germany the Head of Government (Angela Merkel) is more powerful than the Head of State (Joachim Gauck) and hence the Head of the Executive. In Jordan, King Abdullah II is the Head of the Executive, because he is more powerful than the frequently changing Heads of Government (Fayez al-Tarawneh in 2012).
[9] Identifying whether the V-Dem indicator for legislative or for executive elections is applicable is a non-trivial task, because the Head of Executive can be elected directly in presidential systems or in several different ways of indirect elections in parliamentary systems. For example in Germany, the Head of Government is elected indirectly by the parliament whereas in other countries –such as United Kingdom – the Head of the Government is appointed by the Head of State but needs parliamentary approval. In all three cases, the Head of the Executive is elected in multiparty elections if the V-Dem indicator for legislative election indicates that they are multiparty (a score of 3 or higher on v2elmulpar_ord_leg) whereas for directly elected Heads of the Executive the indicator for executive elections is applied (a score of 2 or higher on v2elmulpar_ord_ex). The only case where we deviate from the V-Dem indicator is Niger 2002 and 2003, because according to credible reports (http://www.electionguide.org/elections/id/1797/) multiple candidates contested in the presidential election of 1999 even though the V-Dem indicator declares that these elections were not multiparty.

relying on the outcome of the election as indicator risks categorizing regimes as hegemonic that might have just had a stroke of luck during the election year. Consequently, Schedler (2013: 93) proposes an additional necessary condition, namely that in hegemonic autocracies the ruling coalition is in power for a minimum duration of 10 years. Building on this notion, we distinguish between hegemonic and competitive autocracies based on how long the head of the executive had been in power. If he or she had been in power for ten years or longer, the regime is coded as hegemonic authoritarian, if he or she had been in power shorter than that, the regime is coded as competitive authoritarian.

Based on Lührmann (2015) to the above regime classification we add one additional regime type, to identify regimes in transition. Countries in transition are defined as non-democracies, but which are not stable autocracies either. Transitional elections take place during this interval of ambiguity, under foreign occupation or in the realm of a period of severe instability. The absence of a stable regime can be measured with Polity IV's "Standardized Authority Codes" that indicates if a polity is interrupted (e.g. due to foreign occupation), in a state of "complete collapse of central political authority" or in a substantial transition process (Marshall, et al. 2013:19).[10]

Table A1 in the Appendix provides an overview of the operationalization of regime types.

Dependent variables

With regards to outcomes we are interested in the extent to which there is change in the level of democracy within a country or the corresponding institutions and practices to which specific types of aid are targeted. For these dependent variable measures, we rely on data from the Varieties of Democracy project. We use a set of indices composed of V-Dem indicators.[11] We use the V-Dem *Polyarchy Index* (v2x_polyarchy) as our overall measure of democracy. We use V-Dem mid-level indices to test the effects of specific types of aid.

The specific V-Dem indices we use are *Clean Elections Index (*v2xel_frefair), *Alternative Sources of Information Index (*v2xme_altinf), *Civil Liberties Index (*v2x_civlib), and *Core Civil Society Index (*v2xcs_ccsi) as our measures of the quality of elections, media, human rights, and civil society respectively.[12] *Polyarchy Index* includes both data from extant sources and country experts. The other indices use country expert

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[10] Regimes we code as transitional in the time-period between 2002 and 2012 are for example Afghanistan, Somalia, Bosnia and Herzegovina, Iraq from 2003-2009, etc.

[11] V-Dem includes two types of indicators—those from extant data and others from country expert coding. Extant data are factual in nature, and collected by V-Dem staff. Other indicators require expert knowledge to characterize, and for those V-Dem relies on country experts. Potential country experts are identified based on their reputations as known by members of the V-Dem team and as demonstrated by their publications and other works. More than 80 percent of all experts hold Ph.Ds. or M.A.s and work at some type of research institution. Most of the experts are nationals or permanent residents of the country they are coding. For each indicator requiring expert judgment, five country experts are enlisted, resulting in five separate codings. A coder provides ratings for only those topics in his or her areas of expertise. A measurement model aggregates the data generated by the experts so that one data point exists for each country-year. The measurement model adjusts for systematic bias in coders' answers by examining patterns in expert disagreement, for experts' own reported confidence in each response they give, and for the tendency of "domestic" coders to provide less favorable evaluations (Coppedge, et al. 2015, Pemstein, et al. 2015).

[12] I.e. we use the *Clean Elections Index (*v2xel_frefair) to test the effect of election aid, *Alternative Sources of Information Index (*v2xme_altinf) to test the effect of media aid, *Civil Liberties Index (*v2x_civlib) to test the effects of human rights aid and the *Core Civil Society Index (*v2xcs_ccsi) to test the effect of civil society aid.

data. Information about the indicators that each index comprises and the aggregation schemes can be found in the codebook (Coppedge, et al. 2016).

Since democracy aid often has an effect already in the year in which it is spent (as for example with election aid), as well as in the year after it was spent (as with other types of aid that might take longer to take effect), we measure all dependent variables as the average level of democracy (or dimensions of democracy) in the year and the year after which aid was spent (i.e. average of t & t+1). We carried out robustness checks with levels of democracy (or dimensions of democracy) in one, two or three years after aid was spent, with average levels of democracy (or dimensions of democracy) in two and three years after aid was spent, and carried out robustness checks using different indicators for democracy (or dimensions of democracy). Results are robust to these alternative specifications and are available upon request from the authors.

Control variables

Of course, the level of democracy (or specific dimensions of democracy) is shaped by many other factors apart from the amount of democracy aid spent. Hence, in models predicting either average levels of democracy or specific dimensions of democracy we include a number of control variables. First of all, we include regime type to account for potential longer-term regime dynamics that shape the level of democracy independently from aid. In addition, we include GDP per capita (logged) as levels of democracy are likely to be higher in more wealthy countries (based on data from the World Bank Development Indicators). In addition, we include state capacity (as measured by Hanson and Sigman 2013) as levels of democracy might be higher in regimes with higher state capacity (though work on authoritarian regimes suggest the effect of state capacity might be negative in these regimes). We also include whether a country experienced conflict in the 5 years before aid was spent, based on V-Dem data, as we expect this to lower levels of democracy, and a variable measuring the proportion of the countries' GDP that is based on rents from natural resources (based on data from the World Bank Development Indicators). Finally, we include a control variable measuring the amount of other aid (than democracy aid) the country received based on the OECD data, which we expect to positively affect the level of democracy, and we include a variable measuring aid dependency (measured as aid as a proportion of the countries' GDP) which we expect to have a negative effect. Finally, in the specific aid models we also include a control variable measuring the amount of other democracy-aid the country received. All models also include the residuals from the selection models, which we further discuss in the next paragraph.

Methods

Democracy aid is not allocated at random, but is the outcome of a negotiation process between donors and regime incumbents where both donor and incumbent strategic interests play a role. Therefore, in order to study aid effectiveness, selection effects need to be accounted for. Donors will seek to allocate aid based at least in part on a prior expectation about aid being successful and hence not accounting for such selection effects could lead us to find aid to have an effect whereas in fact prior causal factors explain the level of democracy in the year after aid was spent (Cornell et al. 2016).

In order to account for selection effects most studies use either treatment or Heckman models where the dependent variable in the selection model is a dichotomous variable indicating whether the country received aid or not. However, this does not apply in our case. The vast majority of countries in our sample did receive aid (in only 10% of country-years was democracy aid 0), because we exclude OECD donors from our sample

as they do not give democracy aid to themselves and because we limit our study to the period 2002-2012, which was a period in which democracy aid spending increased substantially as shown in Figure 1. Hence, the selection process that needs to be accounted for is *how much* aid countries received, not whether they received aid or not. Therefore, a selection model that uses a continuous dependent variable is needed. Baser (2006, 2015) proposes to use two-stage selection models, modeling selection using Tobit regression to account for the censored nature of the dependent variable, and subsequently including the residuals of the selection models into the main regression to control for selection bias. We use this two-stage selection model approach here.

Selection models are estimated based on the model specification for aid allocation developed in Cornell, et al. (2016), but employing Tobit regression (left-censored). Results for the selection models are reported in Table A2 in the Appendix. Naturally, the dependent variables for each selection model differ: ranging from overall democracy aid, to all the specific aid types that we test.

The regression models are time series cross sectional models with country fixed effects, that include all the controls mentioned above as well as the residuals from the selection model. If the residuals are statistically significant, this means selection bias does exist and controlling for it improves the robustness of our models. The results of the regression models are presented in Table 4, where we test the main effects of aid and specific types of aid, and in in Table 5, where we test the effects of aid in specific regime types by including an interaction between regime type and aid. The results are presented in the next section.

5. Analysis

Main effects of aid

We first test whether democracy aid has an effect on democracy and whether specific types of aid have an effect in the area they target. Finally, we explore the effectiveness of aid in specific regime types. As Table 4 shows, we find a statistically significant positive main effect for democracy aid in general (Model 1). This main average effect does not seem to be driven by a particular type of aid. All sub-types of aid have a statistically significant positive effect on the V-Dem indicator in the area they target (Model 2, 3, 4 and 5). These findings are encouraging, suggesting that democracy aid not only has an effect on the aggregate level, but we even find an association between specific democracy aid types and the democracy dimensions they target. These specific associations provide support for the notion that democracy aid might indeed have a causal effect on levels of democracy.

Note that we also control for the amount of other aid received. Hence, the estimated effect of democracy aid seems to be independent from overall aid allocation. It is also interesting to note that general aid is consistently positively correlated with democracy levels in our models, whereas aid dependency – estimated as aid to GDP ratio - is negative. Furthermore, most democracy indices tend to improve after internal conflict is over. Higher levels of state capacity seem to be negatively correlated with democracy, which is counterintuitive at first sight. However, many established democracies are not included in our sample because they are OECD/DAC donors. Hence, this negative effect could be driven by role of state capacity for sustaining authoritarian regimes (van Ham and Zimmerman 2015).

Table 4. Main Effects of democracy aid

	Model 1	Model 2	Model 3	Model 4	Model 5
	Polyarchy index (average t & t+1)	Core civil society index (average t & t+1)	Clean elections index (average t & t+1)	Alternative sources of information index (average t & t+1)	Civil liberties index (average t & t+1)
All democracy aid per capita (USD, log)	0.041*** (0.008)				
Civil society aid per capita (USD, log)		0.068*** (0.014)			
Election aid per capita (USD, log)			0.045** (0.017)		
Media aid per capita (USD, log)				0.112* (0.047)	
Human rights aid per capita (USD, log)					0.058*** (0.013)
Regime type[a]					
Hegemonic autocracies	0.122*** (0.010)	0.008 (0.012)	0.175*** (0.016)	0.018 (0.013)	0.024** (0.008)
Competitive autocracies	0.205*** (0.009)	0.079*** (0.011)	0.304*** (0.015)	0.106*** (0.012)	0.078*** (0.007)
Transitional regimes	0.143*** (0.012)	0.135*** (0.015)	0.198*** (0.020)	0.181*** (0.016)	0.096*** (0.010)
Electoral democracies	0.255*** (0.010)	0.093*** (0.013)	0.384*** (0.017)	0.136*** (0.014)	0.096*** (0.008)
Liberal democracies	0.280*** (0.015)	0.095*** (0.019)	0.411*** (0.025)	0.158*** (0.021)	0.101*** (0.012)
Total aid minus democracy aid per capita (USD, log)	137.957*** (28.219)	104.480** (36.230)	173.989*** (46.701)	85.015* (38.038)	87.129*** (22.756)
Total other democracy aid per capita (USD, log)		0.027** (0.009)	-0.016 (0.011)	0.018* (0.007)	0.012** (0.005)
Aid dependency (total aid as % of GDP)	-0.002+ (0.001)	-0.002 (0.001)	-0.004* (0.002)	-0.000 (0.001)	-0.000 (0.001)
GDP per capita Handelman and Tessler	0.008+ (0.004)	-0.007 (0.005)	0.027*** (0.007)	0.001 (0.006)	0.002 (0.003)

	Model 1	Model 2	Model 3	Model 4	Model 5
State capacity	-0.018***	-0.041***	-0.016*	-0.033***	-0.031***
	(0.004)	(0.005)	(0.007)	(0.006)	(0.003)
Internal conflict in past 5 years	0.019***	0.006	0.026**	0.004	0.005
	(0.005)	(0.007)	(0.009)	(0.007)	(0.004)
Natural resources (as % of GDP)	-0.000	-0.001*	-0.000	-0.000	-0.001**
	(0.000)	(0.000)	(0.000)	(0.000)	(0.004)
Residual selection model	-0.034***	-0.045***	-0.033+	-0.035	-0.043***
	(0.007)	(0.013)	(0.017)	(0.044)	(0.012)
Constant	0.218***	0.636***	0.008	0.532***	0.570***
	(0.030)	(0.037)	(0.053)	(0.047)	(0.024)
N (country-years)	1158	1159	1159	1159	1139
R-squared (within)	0.466	0.225	0.417	0.240	0.287

Source: V-Dem v.6.2, OECD, QoG and WDI. Time series cross sectional regression, country fixed effects.
P-values: + 0.01, * 0.05, ** 0.01, *** 0.001 (two-sided). a. Base category is closed autocracies.

Table 5. Effect of Specific Types of Democracy Aid by Regime Type

	Model 6	Model 7	Model 8	Model 9	Model 10
	Polyarchy index (average t & t+1)	Core civil society index (average t & t+1)	Clean elections index (average t & t+1)	Alternative sources of information index (average t & t+1)	Civil liberties index (average t & t+1)
Democracy aid per capita (USD, log)	0.018 (0.015)	0.067** (0.025)	0.174*** (0.039)	-0.091 (0.063)	0.048+ (0.025)
Democracy aid per capita (USD, log) * Regime type					
Dem aid * hegemonic autocracy	0.054** (0.017)	0.050 (0.030)	-0.072 (0.051)	0.259** (0.079)	0.059* (0.029)
Dem aid * competitive autocracy	0.026+ (0.014)	0.015 (0.025)	-0.118** (0.038)	0.131* (0.024)	0.004 (0.024)
Dem aid * transitional regime	0.025 (0.019)	-0.018 (0.029)	-0.105* (0.041)	0.459*** (0.065)	-0.010 (0.030)
Dem aid * electoral democracy	0.014 (0.015)	-0.009 (0.025)	-0.176*** (0.039)	0.205*** (0.056)	0.015 (0.024)
Dem aid * liberal democracy	0.012 (0.021)	-0.025 (0.032)	-0.266+ (0.142)	0.177 (0.134)	0.003 (0.046)
Regime type[a]					
Hegemonic autocracies	0.092*** (0.014)	-0.010 (0.016)	0.187*** (0.017)	0.004 (0.013)	0.015+ (0.009)
Competitive autocracies	0.189*** (0.012)	0.073*** (0.014)	0.321*** (0.016)	0.094*** (0.012)	0.079*** (0.008)
Transitional regimes	0.129*** (0.019)	0.148*** (0.020)	0.205*** (0.022)	0.145*** (0.017)	0.100*** (0.011)
Electoral democracies	0.251*** (0.013)	0.101*** (0.016)	0.413*** (0.018)	0.122*** (0.014)	0.093*** (0.011)
Liberal democracies	0.275*** (0.017)	0.103*** (0.021)	0.443*** (0.026)	0.143*** (0.021)	0.100*** (0.013)
Total aid minus democracy aid per capita	140.398*** (28.615)	114.738** (36.594)	190.969*** (46.480)	74.287* (37.546)	93.709*** (23.394)
Total other democracy aid per capita		0.025** (0.009)	-0.019+ (0.010)	0.018* (0.007)	0.011* (0.005)
Aid dependency (total aid as % of capita	-0.002*	-0.002 (0.009)	-0.004** (0.010)	-0.000 (0.007)	-0.000 (0.005)

	(1)	(2)	(3)	(4)	(5)
GDP)					
	(0.001)	(0.001)	(0.002)	(0.001)	(0.001)
GDP per capita	0.007+	-0.007	0.026***	0.001	0.001
	(0.004)	(0.005)	(0.007)	(0.006)	(0.003)
State capacity	-0.018***	-0.040***	-0.013+	-0.031***	-0.031***
	(0.004)	(0.006)	(0.007)	(0.006)	(0.003)
Internal conflict in past 5 years	0.019***	0.006	0.024**	0.005	0.006
	(0.005)	(0.007)	(0.009)	(0.007)	(0.004)
Natural resources (as % of GDP)	-0.000	-0.001*	-0.000	-0.000	-0.001**
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Residual selection model	-0.034***	-0.045***	-0.037*	-0.016	-0.045***
	(0.007)	(0.013)	(0.017)	(0.044)	(0.012)
Constant	0.230***	0.638***	0.002	0.546***	0.578***
	(0.030)	(0.038)	(0.052)	(0.047)	(0.024)
N (country-years)	1158	1159	1159	1159	1139
R-squared (within)	0.473	0.232	0.434	0.267	0.293

Note: In Model 7-10 the variable democracy aid indicates the specific type of democracy aid corresponding to the dependent variable.
Source: V-Dem v.6.2, OECD, QoG and WDI. Time series cross sectional regression, country fixed effects.
P-values: $^+$ 0.01, * 0.05, ** 0.01, *** 0.001 (two-sided). a. Base category is closed autocracies.

Turning to the effects of aid in specific regime types, Table 5 presents the results for estimating interaction terms of aid with the regime categories. Note that for models 7-10 democratic aid is the specific type of aid matching to the particular dependent variable, as in Table 4.

Model 6 calculates the overall effect of democracy aid in different regime categories. For the interpretation of interaction terms it is of key importance to ensure that the studied range of data is empirically relevant (Brambor, et al. 2005). Therefore, Table 6 indicates whether high, but empirically relevant levels of democracy aid – namely the regime-type specific 75th percentile - make a statistically significant difference in different regime types.

Overall, democracy aid is predicted to have an average positive and statistically significant effect in hegemonic and competitive autocracies as well as in countries in transition and electoral democracies. This confirms our expectations. The two regime categories that receive the least amount of overall democracy aid—liberal democracies and closed autocracies (see Table 1) are also the regime categories, where no marginal effect of overall aid could be found at conventional levels of statistical significance.

For the specific types of aid, it is notable that aid for democratic participation and civil society seems to be effective in more regime categories than any other type of aid. Here we find statistically significant effects in hegemonic autocracies, countries in transition and electoral democracy. Furthermore, effects statistically significant at the 90%-level can be found in competitive autocracies. These findings could be due to the fact that aid to democratic participation and civil society is the largest democracy aid category. For electoral assistance and media statistically significant effects can only be found in countries in transition. This could be due to the large capacity gaps that countries in transition have in such realms while – at the same time – they tend to have a strategic interest in implementing changes.

Furthermore, as expected positive association between aid for human rights and the V-Dem Civil liberties index could be found in hegemonic autocracies and – one-tailed - in electoral democracies.

Table 6. Democracy aid effectiveness (conservative estimate at regime type specific high levels of aid)

	Overall	Civil Society	Elections	Media	Human Rights
Closed autocracy					
Hegemonic autocracy	+	+			+
Competitive autocracy	+	(+)			
In transition	+	+	+	+	
Electoral democracy	+	+			(+)
Liberal democracy	(+)				

Note: + = Statistical significance of the difference of the predicted levels of democracy at regime-specific high-levels of democracy aid (p75) compared to no democracy aid at 95%-level; (+) = at the 90%-level. Calculated based on Models 6 to 10 at means of covariates. The cut-off point for high levels of aid (p75) are based on regime-specific observed empirical values.

Table 7 displays a less conservative estimate of these figures. Here, we explore the predicted values of different V-Dem indices at the regime-specific 90th percentile of the specific aid. This estimation strategy is more vulnerable to the influence of outliers because only 10% of the countries within a particularly regime category receive this much aid or more. Non-surprisingly, now more statistically significant effects can be found. At this level of democracy aid, even in closed autocracies aid for

civil society and elections has a statistically significant association with the overall state of these institutions as captured by the V-Dem indices. Furthermore, election aid becomes statistically significant in competitive autocracies and two-tailed in hegemonic autocracies. These findings suggest that in such contexts only very high levels of democracy aid might be able to make a difference.
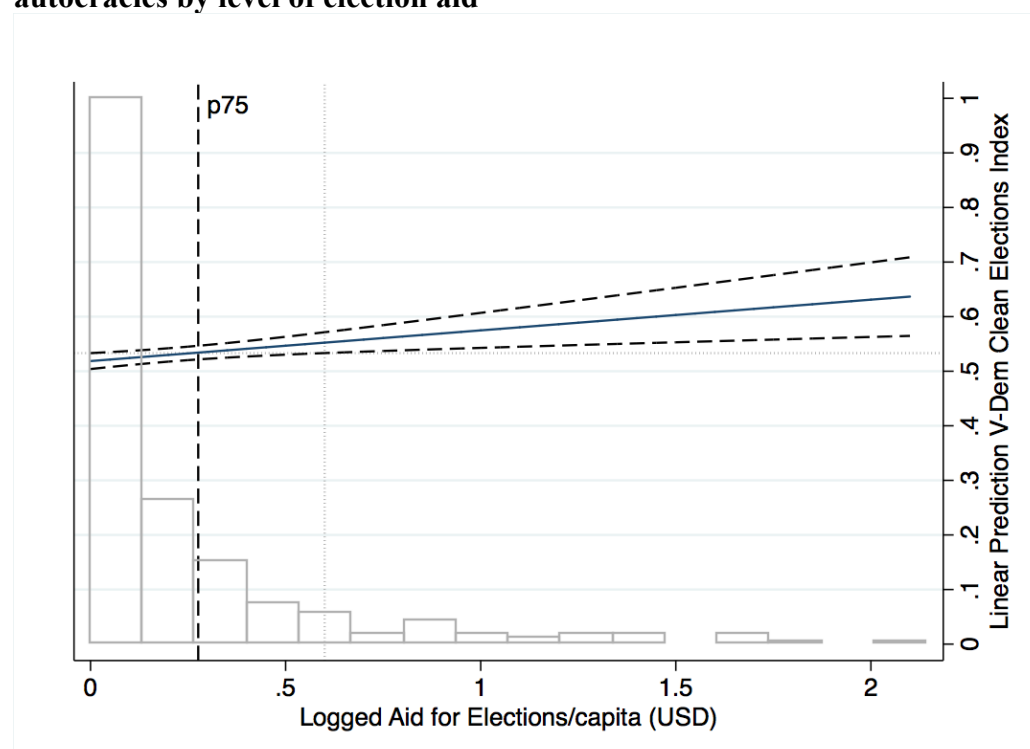
Table 7. Democracy aid effectiveness (at regime type specific maximum levels of aid)

	Overall	Civil Society	Elections	Media	Human Rights
Closed autocracy		+	+		
Hegemonic autocracy	+	+	(+)	(+)	+
Competitive autocracy	+	+	+		(+)
In transition	+	+	+	+	
Electoral democracy	+	+		(+)	
Liberal democracy					

Note: + = Statistical significance of the difference of the predicted levels of democracy at regime-specific maximum levels of democracy aid compared to no democracy aid at 95%-level; (+) = at the 90%-level. Calculated based on Models 6 to 10 at means of covariates. The cut-off point for maximum levels of aid are based on regime-specific observed empirical values.

Figure 5 illustrates the difference between the two estimation strategies for the case of election aid to competitive autocracies. Election aid in such contexts is predicted to only gain relevance for the clean election index from a relatively high level (0.6), which is above the 75th percentile (0.28). Such a relatively high amount of election aid is predicted to correspond to an increase in the clean elections index from 0.519 (without aid) to 0.552. This incremental change illustrates a key dilemma of democracy aid: Even though it may facilitate gradual improvements, miracles should not be expected.
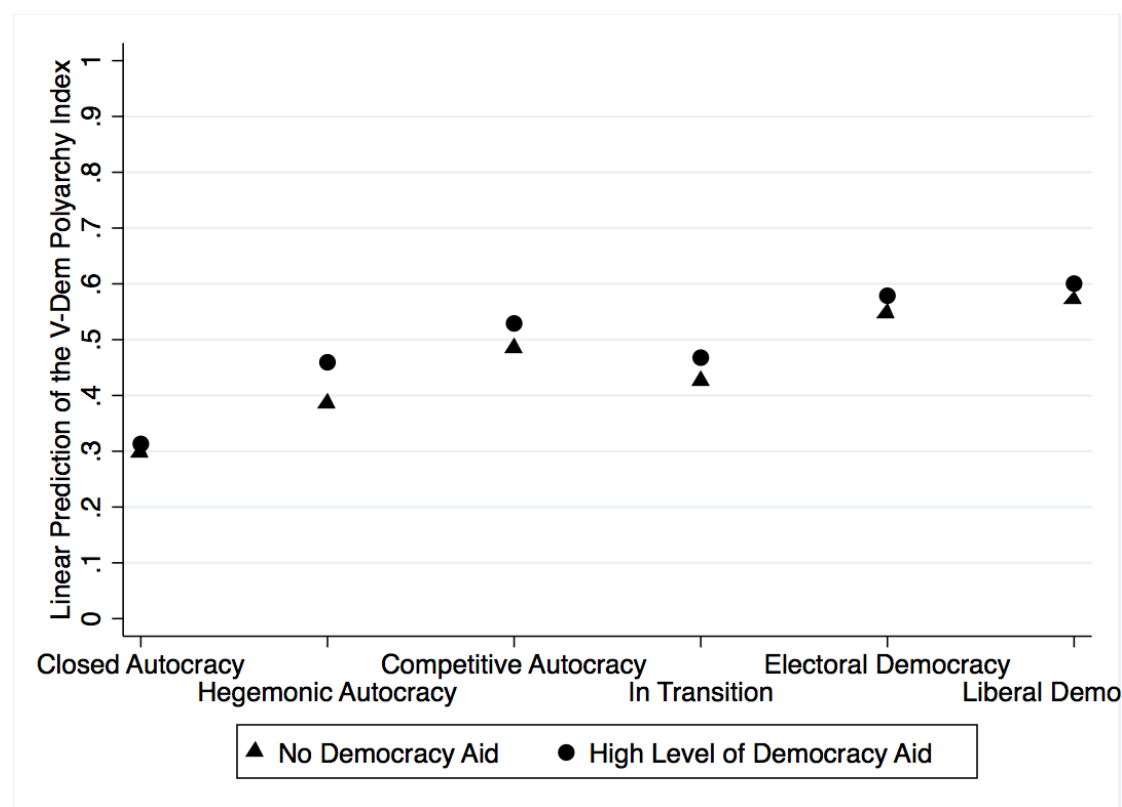
Figure 5. Predicted level of the V-Dem Clean Election Index in competitive autocracies by level of election aid

Note: Dashed horizontal lines give 95% confidence interval. Left to the dashed vertical line, 75% of the observations can be found. At and right of the dotted vertical line (.6) increases in election aid are predicted to have a statistical significant effect on election quality (two-tailed).

Figure 6 illustrates this dilemma further. It displays the predicted level of the V-Dem Polyarchy Index at high, but empirically relevant levels of democracy aid – namely the 75th percentile. The level of the V-Dem Polyarchy Index in hegemonic autocracies with high levels of aid is with 0.46 predicted to be about 10% higher than in hegemonic autocracies without democracy aid (0.39). In other regime types the average predicted substantive difference is even lower. Hence, democracy aid may have average effects in all regime types apart from closed autocracies and liberal democracies – however aid does not seem to make a huge substantive difference for the level of democracy.

Figure 6. Predicted level of the V-Dem Polyarchy- Index by democracy aid in different regime types

Note: Average margins are calculated based on Model 6 at means of covariates. The margins for high levels of democracy aid are estimated at the 75th percentile of democracy aid (1.01 democracy aid/capita logged). In all regime categories one or more observations with 1.01 USD (logged) democracy aid/capita occur empirically.

The main findings of the key Models - 1 and 6 - are robust to using different dependent variable specifications, to exclusion of outliers (i.e. Iraq, Afghanistan and Bosnia and Herzegovina) and to estimation without taking the residual from the

selection model into account.[13] Further robustness checks will be implemented in the next iteration of this paper.

6. Conclusions

While our findings show support for our argument, they are tentative. Our next steps include; 1) further empirical robustness checks; 2) validating and illustrating our theory with case material, and 3) investigating the role of opposition in democracy aid effectiveness.

Also, in terms of methods, we need to think through our use of the two-stage Tobit selection models, both in terms of whether our current selection models are correctly specified, as well as considering alternative ways to correct for selection bias (such as propensity score matching or instrumental variable analysis).

These preliminary findings suggest however that for democracy aid to be effective it is important to consider how specific types of aid might interact with characteristics of a regime. To what extent does a recipient government have a strategic interest to comply with the aims and purpose of democracy aid? To what extent does a type of aid address a democratic deficiency in an institution or practice? While donors have focused on the second question, it is also helpful to devote more attention to the first.

The results also suggest that, in some respects, we should be optimistic about democracy aid efforts. All types of democracy aid seem to be—on average—effective in gradually improving the political institutions they target. This applies in particular to countries in transition, where international support can be instrumental for new regimes to build effective and legitimate institutions. Even in hegemonic and competitive autocracies democracy aid seems to be on average effective. Such regimes aim to appear democratic—at least on the surface—and hence might welcome effective democracy aid for this reason.

What tempers this overall optimism, however, is the fact that the substantive size of the effect of democracy aid appears to be small. Many autocratic regimes allow some liberalization – for example through democracy aid - while maintaining power through unfair elections and restricting media freedom. In such contexts, the question remains to what extent democracy aid is instrumental in substantial democratization or instead helps dictators to hide their authoritarian practices behind an internationally legitimized fig leaf.

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[13] The effect of democracy aid in general in electoral democracies is not statistically significant in the robustness checks.

Appendix

Table A1. Operationalization of regime types and case examples

Closed Autocracies	Hegemonic Autocracies	Competitive Autocracies	In Transition	Electoral Democracy	Liberal Democracy
FH Political Rights >= 4			Polity interrupted, collapsed or in substantial transition	FH Political Rights = 2 or 3	FH Political Rights = 1
No multiparty elections for the Head of the Executive	Multiparty elections for the head of the executive				
	Head of executive rules for 10 years or more				
Jordan 2012	Sudan 2010	Nigeria 2011	Libya 2012	East Timor 2012	Germany 2012

Source: Adapted from Lührmann (2015: 42); based on Schedler (2013).

Table A2. Selection models

	Democracy aid all	Civil society aid	Elections aid	Media aid	Human rights aid
Level of polyarchy (t-1)	2.387*** (0.419)				
Level of polyarchy squared (t-1)	-2.364*** (0.396)				
Core civil society index (t-1)		0.297 (0.214)			
Core civil society index sq (t-1)		-0.075 (0.183)			
Clean elections index (t-1)			-0.054 (0.187)		
Clean elections index sq (t-1)			-0.006 (0.193)		
Alternative sources of information index (t-1)				0.102 (0.086)	
Alternative sources of information index sq (t-1)				-0.060 (0.078)	
Civil liberties index (t-1)					-0.065 (0.186)
Civil liberties index sq (t-1)					0.236 (0.165)
Regime type (t-1)[a]					
Hegemonic autocracies	-0.051 (0.062)	0.088* (0.044)	0.022 (0.044)	-0.025 (0.018)	0.041 (0.029)
Competitive autocracies	-0.061 (0.071)	0.031 (0.044)	0.187*** (0.046)	-0.060*** (0.018)	-0.020 (0.029)
Transitional regimes	0.358*** (0.088)	0.225*** (0.065)	0.362*** (0.064)	0.048+ (0.027)	0.114** (0.043)
Electoral democracies	-0.036 (0.088)	0.053 (0.049)	0.134* (0.054)	-0.049* (0.020)	-0.089** (0.033)
Liberal democracies	-0.347** (0.112)	-0.302*** (0.063)	-0.053 (0.080)	-0.159*** (0.027)	-0.333*** (0.046)
Total aid minus democracy aid per capita (USD, log)	3024.223*** (207.097)	1591.647*** (164.780)	909.082*** (172.927)	219.600** (73.353)	1098.446*** (114.253)
Total other democracy aid per capita (USD, log)	0.376***	0.106***	0.117***		0.229***

	(1)	(2)	(3)	(4)	(5)
	(0.045)		(0.029)	(0.011)	(0.023)
GDP per capita (t-1, log)	-0.125***	-0.086***	-0.066***	-0.010	-0.041***
	(0.019)	(0.014)	(0.016)	(0.006)	(0.010)
Trade openness (trade as % of GDP, t-1)	0.000	0.001+	-0.001+	-0.000*	-0.000
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Colonial past^b					
Former British Colony	0.182***	0.127***	0.083*	0.032*	0.053*
	(0.041)	(0.031)	(0.034)	(0.013)	(0.021)
Former Other Colony	0.361***	0.209***	0.111**	0.049***	0.157***
	(0.044)	(0.034)	(0.036)	(0.015)	(0.023)
Never colonized	0.329***	0.152***	0.109**	0.140***	0.133***
	(0.044)	(0.034)	(0.037)	(0.015)	(0.023)
State capacity (t-1)	-0.056*	-0.004	-0.138***	0.027**	0.082***
	(0.027)	(0.021)	(0.023)	(0.009)	(0.014)
Internal conflict in past 5 years (t-1)	-0.209***	-0.147***	-0.065*	-0.015	-0.015
	(0.033)	(0.025)	(0.027)	(0.011)	(0.018)
Election year	0.071*	-0.022	0.223***	-0.002	-0.025
	(0.030)	(0.023)	(0.024)	(0.010)	(0.016)
Year	0.036***	0.012**	0.028***	0.010***	0.009***
	(0.005)	(0.004)	(0.004)	(0.002)	(0.003)
Constant	-70.855***	-23.605**	-56.091***	-19.171***	-18.706***
	(10.331)	(8.095)	(8.880)	(3.509)	(5.574)
N (country-years)	1,185	1,186	1,186	1,186	1,166

Source: V-Dem, OECD, QoG and WDI. Left-censored tobit regression models. P-values: * 0.05, ** 0.01, *** 0.001 (two-sided).

a. Base category is closed autocracies. b. Base category is former French colonies.

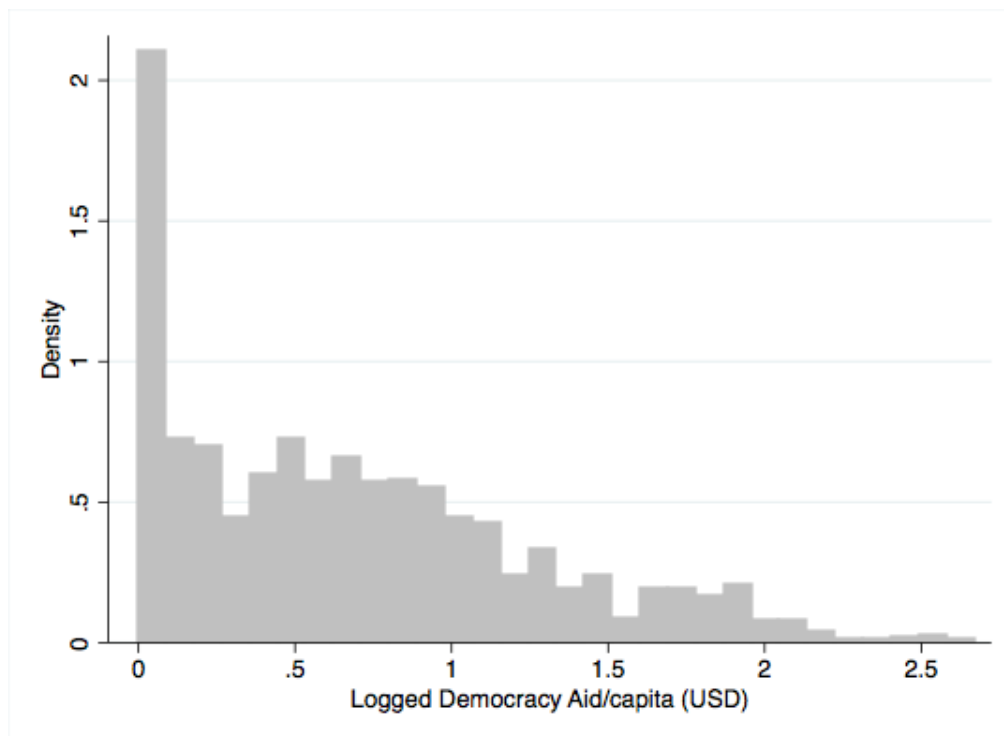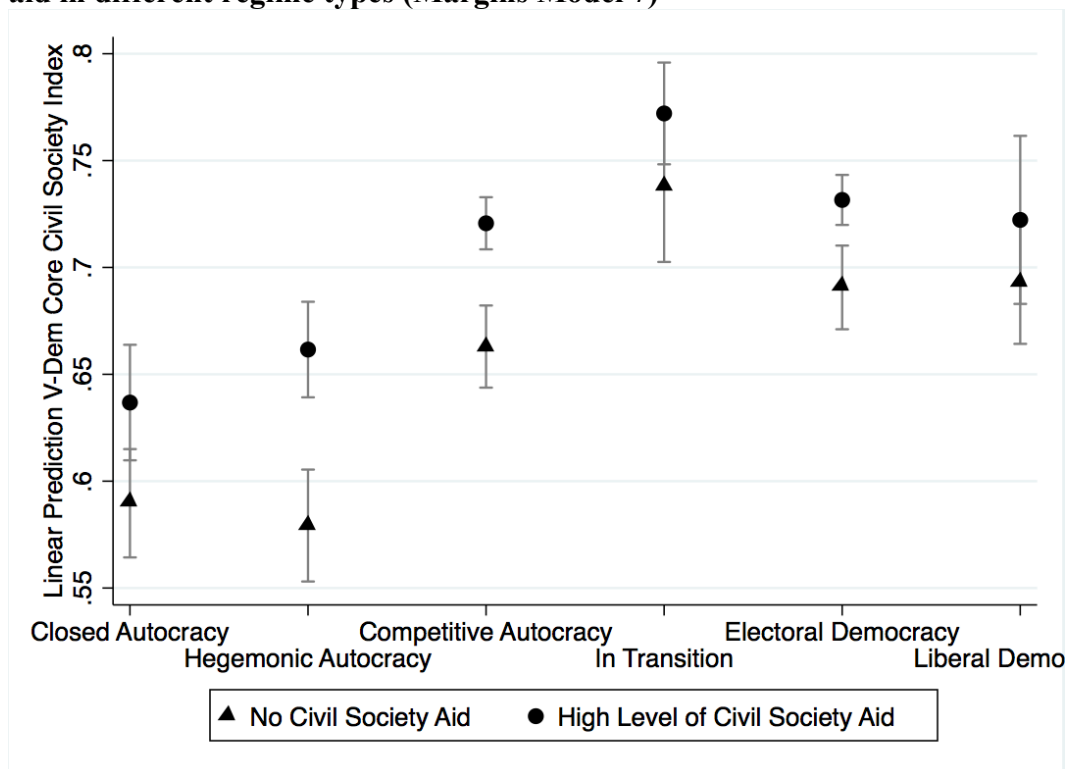**Figure A1. Histogram main independent variable**

Figure A2. Predicted level of the V-Dem Core Civil Society Index by democracy aid in different regime types (Margins Model 7)

Note: Average margins are calculated based on Model 7 at means of covariates. The margins for high levels of civil society aid are estimated at the 75th percentile of civil society aid (0.71).

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