Multilateralism and the Market:
Commercial Interests and American Support for Multilateral Development Bank Projects

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Abstract: This paper examines whether the U.S. considers the business climate in a recipient country when it casts votes for projects in multilateral development banks (MDBs). This project is the second phase of previous research that examined determinants of U.S. support for MDB projects at the country-level with a voting ratio measure. Relying the same dataset for whether or not a particular MDB project was supported by the U.S., we use a voting ratio measure of U.S. support for MDB projects at the country-level to test this new set of hypotheses regarding how the U.S. takes a position on loan decisions. Using a variety of measures of recipient country business conditions and other economic factors, we analyze U.S. positions on individual project decisions from 2004-2011 in the World Bank Group (IBRD, IDA, IFC), ADB, AFDB, EBRD, and IDB. Expanding on previous research identifying recipient need, trade relations, and human rights considerations as significant predictors of U.S. support for a country's development project, we find that as a country's business climate declines, the U.S. is more likely to support its projects.

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What influences U.S. support for projects in multilateral development banks (MDBs)? Bilateral aid relationships (Kilby, 2006; Kilby, 2011; Kilby & Fleck, 2006; Morrison, 2013; Strand & Zappile, 2015), and trade (Fuchs & Klann, 2013; Strand & Zappile, 2015) and investment relationships (Perry, 2011; Selaya & Sunesen, 2012; Strand & Zappile, 2015); political determinants such as military alliances, alignment of political interests expressed through other IOs such as the UN General Assembly (Dreher, Sturm, & Vreeland, 2009; Kilby, 2011), and domestic party politics (Milner & Tingley, 2012); and country-specific characteristics of human rights records and levels of democracy (Braaten, 2014; Strand & Zappile, 2015) have been identified as influential factors in decision-making and organizational outcomes in international financial institutions (IFIs) including MDBs. Other studies linking states' interests to decision-making and organizational outcomes have examined the behavior of Japan in the International Whaling Commission (Strand & Tuman, 2012) and the U.S. towards non-permanent U.N. Security Council members (Kuziemko & Werner, 2006).

Building on the argument that commercial interests (Kilby & Fleck, 2006) drive U.S. support and relying on a dataset of formal U.S. positions on MDB items that reach the final voting stage (Strand & Zappile, 2015), we disaggregate commercial interests to delineate specific economic factors that influence formal American support. U.S. Our conceptual definition of commercial interests includes business conditions (i.e., regulatory environments) and more specifically, business opportunities, as they may influence decisions in allocating resources to specific sectors or countries. Business opportunities can be defined by multiple factors and we focus here on the regulatory or institutional framework that facilitates foreign direct investment (FDI) and entrepreneurship. A country's regulatory framework has been found to influence levels of registered businesses (Bruhn, 2011) and the creation of new businesses (Klapper, Laeven, & Rajan, 2006). U.S. investment in particular is influenced by regulatory regimes in target countries (Corcoran & Gillanders, 2015). As a

country's investment climate and overall conditions for new business deteriorates, its need for development assistance to support private sector investments increases. Rather than rewarding countries for their good performance as we might expect in areas of governance or commitment to human rights, difficult investment climates are instead likely to be viewed as reflecting a need for increased development assistance, especially for the U.S. Foreign direct investment (FDI) and the degree of openness to American (and other) business interests and activity as measured by select World Bank Ease of Doing Business indicators are therefore two key dimensions of commercial interests. At the bilateral level, there is anecdotal evidence of Doing Business rankings at work in U.S. decisions allocating development assistance, therefore we also expect this to apply to decisions regarding multilateral assistance.[1] Included in our explanation for the selection of these two operational measures is a discussion of the legitimacy and application of ratings and ranking organizations (RRO) such as the World Bank with its Doing Business project. This and other global performance indicators (GPI) have attracted increasing interest among policymakers and researchers alike (Cooley & Snyder, 2015; Corcoran & Gillanders, 2015; Hallward-Driemeier & Pritchett, 2015; Hanusch 2012; Kelley & Simmons, 2015a; 2015b).

Another dimension of commercial interests is trade. The U.S. supports development projects for its trading partners while investments and related business conditions that facilitate investment appear to be treated as distinct commercial factors (Strand & Zappile, 2015). Business conditions captured in the Doing Business indicators may also include trade-related provisions and more importantly, non-tariff barriers such as regulatory requirements that may trigger trade disputes in the World Trade Organization (WTO) or other venue. Therefore, in addition to trade flows we consider WTO disputes (Bown & Reynolds, 2014; 2015) in evaluating U.S. support for MDB projects. While

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[1] In 2014, USAID issued a news release highlighting its support of top performers on the 2015 Doing Business Rankings with mention of projects that enhanced specific sub-ranks such as "Starting a Business" and individual indicators such as 'improved access to credit' and 'construction permitting processes' (USAID, 2014).

the U.S. is more likely to support MDB projects for its bilateral trade partners (Strand & Zappile, 2015), it may be less likely to support projects for countries that are involved in frequent and/or valuable claims against the U.S. in the WTO Dispute Settlement Mechanism (DSB).

The next section reviews the variance in U.S. formal support for MDB projects from 2004-2011 based on changes in U.S. domestic policy that led to the publication of Treasury data on U.S. votes by individual project. This is followed by an explanation for the role of commercial interests in U.S. support for MDB projects and a new set of hypotheses exploring the relationship of investment and trade interests. Doing Business regulations specific to the enforcement of contracts (i.e. procedures, time, and cost) influence American support for MDB items across multiple model specifications. There was some evidence that trade-related regulations influenced American support in earlier trials. Worth further exploration is that the negative relationship of FDI and U.S. approval for development projects is sensitive to the inclusion of Doing Business indicators and trade disputes, likely a reflection on the complex relationship between Doing Business and FDI (Corcoran & Gillanders, 2015). Overall, these results continue to support the hypothesis that while trade openness is associated with greater support, the U.S. is more likely to support projects in countries with a declining business climate. This lends support for what has been traditionally labeled the "financing-gap approach" (Easterly, 1999) but with a twist: the allocation of development funds to countries with poor or weakening investment climates may reflect priorities that align with a strategy towards private sector-led growth.

AMERICAN SUPPORT FOR DEVELOPMENT PROJECTS[2]

Our primary research question is whether commercial interests are determinants for American support of items being decided on in the MDBs. Researchers evaluating American influence in major MDBs

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[2] This section draws heavily from Strand and Zappile (2015) and is included to underscore variance in U.S. support for MDB items; unlike in the IMF, projects in MDBs do not enjoy universal support from the U.S. and the majority of those items are still approved without that support.

have begun to explore patterns and determinants of voting behavior to enhance our understanding of the degree of formal influence of the U.S. in these international financial institutions (IFIs) (Braaten, 2014; Strand & Zappile, 2015). Simultaneously, explanations for degrees of informal influence enjoyed by the U.S. in IFIs and other organizations have surged in recent years in response to a perceived gap in organizational studies that previously favored analyses of formal mechanisms of influence (Stone, 2013). However, overemphasizing the role of informal influence as an explanation of continued American dominance in IOs can perpetuate the concept of the "unipolar fallacy" (Copelovitch, Nielson, Powers, & Tierney, 2014). Until recently, data on formal U.S. positions for items that reach the final voting stage in major MDBs was unavailable. Voting is one dimension of formal influence in IFIs or other organizations that feature a variety of weighted or other voting schemes. Voting patterns can be critical in understanding the degree of overall influence of the U.S. or other powerful member states; preferences of powerful member states can be and frequently are overridden in the final voting stage. Once identified and explained, voting behavior can be used as a parameter to more narrowly specify the scope and nature of the space in which informal influence operates in a given organization.

In this study we rely on an existing dataset of U.S. support for projects in major development banks from 2004 to 2011 (Strand & Zappile, 2015). The full dataset includes 11,576 separate decisions by the United States in eleven voting bodies from 2004 to 2011.[3] Institutions affected by changes in U.S. legislation requiring voting positions to be made publicly available included the Asian Development Bank (ADB), African Development Bank (AFDB), European Bank for Reconstruction and Development (EBRD), Global Environment Facility (GEF), the Inter-American Development Bank (IDB), the International Fund for Agricultural Development (IFAD), and the four major organs

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[3] Votes for regional projects that benefit more than one country and votes for loans to the Palestinian Authority are excluded from analysis in this paper.

of the World Bank. The World Bank organs included are the International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), Multilateral Investment Guarantee Agency (MIGA), and the International Finance Corporation (IFC). [4]

U.S. support for MDB items that reach the final voting stage is not universal and there are some countries whose projects face more scrutiny than others. The U.S. Treasury has provided a list of adverse and favorable actions codes to explain the motivation behind individual votes by the United States, including the presence of bilateral or multilateral economic sanctions on a potential loan recipient.[5] Despite this list of U.S. Congressional reason codes provided to the U.S. ED, the low rate of reason code citation (approximately 15 percent) allows us to be moderately confident that the U.S. is an acceptable proxy case for predicting other member states voting behavior. Additionally, the U.S. abstained or opposed items for 118 different countries at least once.[6] Table 1 displays a summary of loan data for international organizations included in this dataset. There were 890 items in this dataset that did not involve new monetary commitments. The value of the average item involving new

[4] As part of its oversight role, in 2003 Congress started to require that the Treasury Department report to Congress how American representatives have voted in the MDBs by amending Section 581 of Title XV of the International Financial Institutions Act (22 U.S.C. 262o-262o-2). The amendments included a provision whereby the U.S. Treasury must publicize all no-votes and abstentions by the U.S. for specific MDB projects. The Treasury is given 30 days to provide a list of such votes and the reasons for why the U.S. representative voted as recorded. In practice the Treasury also publicizes items decided at the MDBs the U.S. also supported. Prior to this, votes in MDBs have not been in the public domain and researchers instead relied on applications of measures that calculate *a priori* voting power since voting records are not in the public domain (Leech and Leech 2005; Strand 2003a; Strand 2003b; Strand 1999). The fifth organ of the World Bank not affected is the International Centre for Settlement of Investment Disputes (ICSID). The International Monetary Fund and smaller MDBs such as the Caribbean Development Bank are also not affected by Section 581. (Strand and Zappile, 2015)

[5] Some reason codes are very specific, such as one that involves U.S. laws regarding trade with Cuba, while others are more general, such as those dealing with subjects as diverse as religious persecution and environmental impact assessments.

[6] For example, the U.S. did not support any items, out of 8 opportunities, for Iran. There were some years where the U.S. failed to support any items for some countries, such as Serbia in 2007 and Guinea-Bissau in 2011. American support of items for China has been mixed. Figure 1 displays the percentage of support of items for select countries. U.S. support for China's items has varied from a low of 21 percent in 2005 to a high of 76 percent in 2009. The Bush administration supported 36.4 percent of China's items while the Obama administration supported 56.5 percent. The U.S. has had consistently strong support for India and Pakistan while support for Russia has varied more; from 91 percent in both 2004 and 2011 to a low of 70 percent in 2008. American support for Argentina's items plummeted in late 2011 after the Obama administration stated it would oppose IDB and World Bank loans to Argentina for the country's failure to satisfy its international obligations; The U.S. stated it wants Argentina to comply with an arbitration decision by the World Bank's International Center for Settlement of Investment Disputes, among other concerns. Despite U.S. opposition, IDB projects for Argentina were approved; see Reuters 2011.

disbursements was about $62 million. The U.S. position was "no" or "abstain" on 1334 items. Table 2

disaggregates data for the lending windows in the World Bank.

Table 1. Total Project Data for Major MDBs, 2004-2011

| Multilateral Development Bank	Total Value of Projects (millions)	Number of Decisions	Percent of Projects Supported by the U.S.
ADB	$100,103.78	1255	85.4
AfDB	$37,293.73	812	81.4
EBRD	$81,180.19	1551	80.1
GEF	$998.79	117	89.7
IADB	$88,925.09	2240	96.3
IFAD	$2,300.83	129	92.2
World Bank Group*	$354,692.56	5472	89.3

* Includes: IBRD, IDA, IFC, MIGA. Source: Strand and Zappile (2015).

Table 2. World Bank Group Data, 2004-2011

Window	Total Value	Decisions	Percent Supported
GEF	$554.01	84	89.3
IBRD	$161,223.68	1061	90.4
IDA	$93,411.03	1929	93.5
IFC	$75,037.60	2013	85.1
MIGA	$10,618.01	201	82.1

Note: Values in this table do not sum to values for the World Bank in Table 1 due to some loan items being financed through multiple windows. Additionally, GEF items included in this table do not appear in Table 1. Source: Strand and Zappile (2015).

Figure 1. U.S. Support for Items, Select Countries, 2004-2011
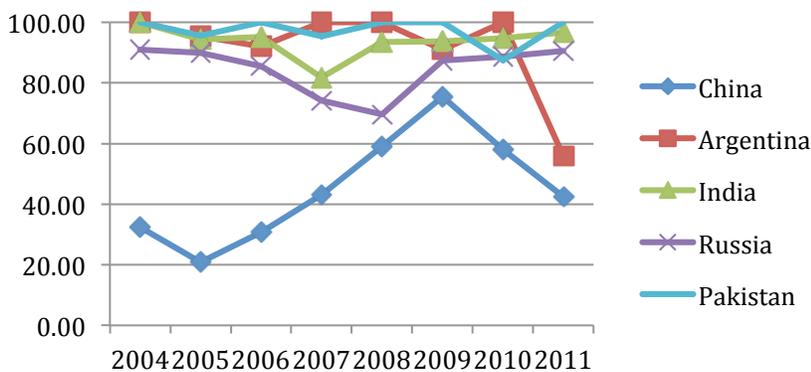
Source: Strand and Zappile (2015)

The approval rate for items not supported by the U.S. varies for individual MDBs over 2004-2011: 42 percent in the EBRD, 52 percent in the ADB, 30 percent in the AfDB, and overall 76 percent in the World Bank with the IBRD at 85 percent, IFC at 80 percent, IDA at 81 percent, and only 3 percent in MIGA.

U.S. Voting as a Ratio Measure

The dependent variable in this study (*U.S. loan support ratio)* is the U.S. position on items (e.g., loan proposals) in the MDBs over the 2004-11 timeframe, constructed is the ratio of loans receiving U.S. support. Our variable is similar to the measure of voting affinity used in other studies (e.g., Strand & Tuman 2012). This measure ranges from a value of 0 to 1.0 with "1" reflecting 100 percent U.S. approval for all loans that year.[7] The dataset does not include years for which a country did not have a project up for a formal vote, therefore a value of zero means there was no U.S. support for that country's projects up for a final vote in that year while for years there were no projects up for a vote, the dependent variable is treated as a missing value. This complicates model specification, as the dataset is unbalanced with multiple missing years across different countries.

MODELING COMMERCIAL INTERESTS & U.S. INFLUENCE IN MDBS

Building on prior research identifying a set of economic and political determinants identified in previous research (Strand & Zappile 2015) and the premise that trade and investment might be treated as distinct in U.S. decisions allocating multilateral development assistance in MDBs, we offer the following hypotheses delineating the role of commercial interests:

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[7] The ratio is similar to a baseball batting average with no hits as a zero and perfect records recorded as a 1.0. One advantage from using this ratio measure is it results in observations that are country-year. If we used raw data on votes our observations would be items considered in the MDBs. The disadvantage of this is for some countries there may be over 100 items per year while for others there may be only 1. By using our ratio measure we avoid the statistical pitfalls of having so much within-panel variation. Moreover, we seek to explain U.S. support for countries (overtime) not U.S. support for particular votes.

'Investment-Gap' or 'Open-the-Market' Strategy:

> H1: The lower the level of foreign direct investment (FDI) to the loan recipient, the more likely the U.S. will vote in favor of the loan

> H2: The lower quality regulatory environment in a loan recipient's economy, the more likely the U.S. will vote in favor of the loan

Trade-Related Strategy:

> H3: The greater number of trade disputes initiated with the loan recipient, the less likely the U.S. will vote in favor of the loan

> H4a: The greater economic value of U.S. trade negatively affected by violations considered in WTO disputes, the less likely the U.S. will vote in favor of the loan
> H4b: The greater economic value of U.S. trade positively affected by violations considered in WTO disputes, the more likely the U.S. will vote in favor of the loan

Commercial Interests: Business Conditions

As large consumer markets, the U.S. and other powerful MDB members are more likely to support projects for countries in which they have a high degree of commercial interests (Kilby & Fleck, 2006). Specifically, they have an interest in sustaining existing trade relationships and further expanding market access for additional business opportunities. Despite the positive relationship of trade openness and American support for MDB projects, the U.S. appears to reward more trade with multilateral development assistance however it does not appear to translate to other dimensions of commercial interests such as FDI. Building on previous results for the relationship of FDI and American support for MDB projects (Strand & Zappile, 2015), we treat total foreign direct investment (FDI) and other investment measures as unique from trade. Low or declining levels of investment may instead be interpreted by EDs in terms of the longstanding "financing gap" argument used to distribute development assistance (Easterly, 1999); EDs may compensate for low levels of investment with additional assistance through MDB projects. Another explanation takes into account that aid is known

to either crowd out or encourage private investments, depending on whether the aid is intended for capital or not (Selaya & Sunesen, 2012). If the U.S. and other powerful MDB members are major sources of FDI, as levels of FDI increase, they may not want to risk their commercial interests by crowding out those investments with aid.

Another dimension of commercial interests related to FDI is a regulatory environment that encourages investment and trade. A well-designed, transparent regulatory system can support a country's efforts to attract investment, arguably a concern for the U.S. and other major exporters in successfully expanding their global market access.[8] Furthermore, improving commercial regulations supports strategies to foster global development through the private sector, a strategy that is championed by development organizations such as the World Bank reflected in part by increased levels of IFC lending. Despite the distinction between FDI economic institutions, given previous findings for the negative relationship of FDI and American support for MDB projects we assert that economic institutions or the regulatory framework for investment and business activity are also likely to be identified as a broader set of business climate factors that may be crowded out by aid.

The World Bank Ease of Doing Business project is comprised of multiple regulatory indicators that are compiled in a ranking system that reflects a country's openness to investment or commitment to economic liberalism. The premise that Global Performance Indicators (GPIs) are used by and may influence the behavior of states, firms, and other actors has recently gained traction as scholars have focused on explaining *how* they matter (Kelley & Simmons, 2015a). The Doing Business project in particular is the highest profile indicator in terms of share of media attention from 2010-2015 compared to similar indicators such as World Economic Forum (WEF) Global Competitiveness (Kelley & Simmons, 2015b, 10).

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[8] The importance of institutions such as the rule of law and property rights for commerce and economic development has long been recognized in fields of economics (Baumol, Litan, and Schramm 2009, Beckert 2002, De Soto 2000, North 1990).

In the sphere of economics, Doing Business and similar rankings can be akin to a credit rating or other market signal (Kelley & Simmons, 2015a). This theorized market effect is evidenced by what appears to be a global competition effect of Doing Business on Foreign Direct Investment (FDI) (Corcoran & Gillanders, 2015, 125). A country's regulatory framework has been found to influence levels of registered businesses (Bruhn, 2011) and the creation of new businesses (Klapper, Laeven, & Rajan, 2006). It has also been found that U.S. investment in particular is influenced by regulatory regimes in target countries as reflected by Doing Business (Corcoran & Gillanders, 2015). Though the relationship between Doing Business indicators and its underlying regulatory framework and FDI is positive this result does not hold across all income levels (Jayasuriya, 2011), applying to middle-income countries but not to OECD or sub-Saharan African countries (Corcoran & Gillanders, 2015). So while economic institutions making investment 'easier' may be assumed to be highly associated with levels of FDI, results are mixed.[9]

Complicating this line of inquiry is that Doing Business indicators fail to account the gap between de jure regulations and actual business practices (Hallward-Driemeier & Pritchett, 2015). This is potentially a serious flaw in business applications of Doing Business rankings, particularly when those de jure regulations are weighted in decision-making models for FDI. The U.N. assistant secretary-general referenced the 2013 factory collapse in Bangladesh that resulted in 1,000+ fatalities to underscore the danger in ignoring this gap when businesses rely on Doing Business rankings or

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[9] While globally a higher DB ranking is linked on average to higher FDI, the Corcoran and Gillanders 2015 study notes many exceptions to this general observation and most notably finds that specific subsets of DB rankings and DB ranks of neighboring countries drives FDI in different ways. For example, while "every two (World Bank Doing Business) ranks is worth an additional 1% in terms of FDI… a move of 5 (trade related) rankings would result in an increase in FDI of 3.5%" (Corcoran and Gillanders, 2015, 111). And U.S. FDI in particular is more sensitive to regional rankings and regulations in trade (Corcoran and Gillanders, 2015, 125). Their global observation was also sensitive to income level and region of countries with inflows of FDI.

performance compared to best practices to make investment-related decisions.[10] On how this gap

between de jure and de facto regulations matters in decision-making in firms, consider the example of

corporate real estate.[11] Analysts and leaders in this field follow industry standards and best practices

when developing decision-making models to identify and evaluate foreign investment opportunities for

American multinational corporations (MNCs). These industry standards include facilitating an MNC to

seek arbitrage opportunities provided by a unique combination of skilled labor market and investment

barriers that are specific to particular industries. Initially, analysts rely on labor market data such as

wages, unemployment, and regulations, data on the education-workforce pipeline (i.e. how many

people will graduate with required skill sets), rankings from the World Economic Forum Global

Competitiveness index in comparison to the median and the U.S., World Bank Doing Business ranking

by quartile, and insurance-based political risk ratings (e.g. Aon, Mercer, or Willis) to identify suitable

locations. And American MNCs in particular are concerned with including de jure regulations in this

calculation because of an emphasis on risk aversion, including any legal risk associated with regulatory

requirements or barriers. Operating in the informal economy can be risky for foreign investors,

therefore investment decisions and business activities often reflect a concern for de jure regulations as

identified by Doing Business and similar measures. Though the space between de jure regulations and

actual business practices varies and not all investment decisions weight regulatory concerns equally, a

country's ranking can determine whether it makes an initial list of suitable investment opportunities.[12]

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[10] Chhibber, Ajay. Guest post: Bangladesh exposes flaws in World Bank's Doing Business Index. *Financial Times* May 16, 2013. Available at http://blogs.ft.com/beyond-brics/2013/05/16/guest-post-bangladesh-shows-its-time-to-revamp-world-banks-doing-business-index-hold/.

[11] By definition, any investment that involves a real estate transaction (and most do) involves a corporate real estate division, either one that exists within an MNC or serves as a contracted provider. As a result, business divisions often consult with corporate real estate analysts and consultants throughout the process of making decisions about business abroad. A headquarter move for tax or other purposes, for example, necessitates a real estate analysis to ensure the decision fits projected numbers.

[12] It is for this reason MIGA worldwide and the Export-Import Bank in the U.S. attempts to boost investments by reducing risk, thereby changing the decision-making equation.

It should also be noted that critics of the Doing Business project have focused on measurement and methodological biases; the World Bank responded with changes to methodology for select indicators and the introduction of reporting distance-to-frontier rankings that indicate the degree to which a country's regulatory framework varies from 'best practices' (i.e. highest performance).

Concurrently, political scientists have begun to consider how this and other GPIs influence state behavior (Kelley & Simmons, 2015a; 2015b; Schueth, 2015). Multiple political leaders have publicly referenced their rankings even while dismissing their legitimacy. Narendra Modi's recent visit to Silicon Valley in the U.S. included mention of India's 2014 Doing Business ranking of 142 as a reminder to Modi that American investors want to see improvement before considering India as a target for growth in tech.[13] A relevant area of inquiry is whether Doing Business or other GPIs change state behavior and if so, to what degree (e.g. will Modi adopt reform strategies to court investments from Silicon Valley?). Preliminary research on this question suggests that real policy changes were been made in the case of Georgia's response to their Doing Business performance, however it was also found that reform strategies centered around a narrow set of regulations that were explicitly included in Doing Business indicators (Schueth, 2015).

At the bilateral level there is anecdotal evidence of Doing Business rankings at work in U.S. decisions allocating development assistance.[14] Therefore, we expect that the U.S. also takes regulatory environments into account when allocating multilateral development assistance. Furthermore, while de facto regulatory environments matter for business activity both business and government leaders are more likely to use these and other formal measures in their decision-making process. If Doing Business

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[13] McCarthy, Julie. "Indian Prime Minister Takes California, Courted By Tech Industry Titans" NPR September 25, 2015. Available at http://www.npr.org/2015/09/25/443489312/indian-prime-minister-takes-california-courted-by-tech-industry-titans

[14] In 2014, USAID issued a news release highlighting its support of top performers on the 2015 Doing Business Rankings with mention of projects that enhanced specific sub-ranks such as "Starting a Business" and individual indicators such as 'improved access to credit' and 'construction permitting processes' (USAID, 2014).

is increasingly used as a tool to allocate U.S. development assistance, it is important to consider whether this is a shift in American development strategy or a reflection on the convenience of the indicators in that they replace previously scattered and difficult to ascertain information.

Investment: Variables and Data

To capture the regulatory dimension and investment patterns that are likely drive U.S. commercial interests, we use four economic institutions variables from the World Bank Ease of Doing Business (2013) dataset. All are measures supporting business activity in the formal economy and should reflect the level of attractiveness of a recipient country's economy to private sector activity, both from domestic sources and through foreign direct investment. Serving as proxies for a variety of regulatory dimensions, we include rule of law and property rights, starting a business, registering property, and enforcing contracts. *Business Procedures* includes the number of procedures in place to start a business, the *Cost of Business* is the additive cost as a percent of income per capita, and *Business Time* measures the total number of days it takes to start a business. The fourth dimension of Doing Business, *Ease of Trade,* is constructed by adding the cost of exports (in USD per container) to the time in days it takes to export. These categories were constructed from author's own calculations. Foreign direct investment (*FDI*) therefore is considered an additional proxy for U.S. commercial interests and this is measured by net inflows of FDI (deflated to constant 2005 USD) from the World Bank World Development Indicators.

Commercial Interests: Trade

Trade openness has been previously identified as a robust predictor of U.S. support (Strand and Zappile, 2015). Though, trade has also been used negatively as a political tool by China (Fuchs & Klann, 2013) and may therefore be interpreted as such by China's or other countries' EDs. Though, the use of trade for statecraft is less likely to occur for democratic states with more autonomous EDs such

as the U.S. Trade disputes are still likely to be a factor for states' decision-making in MDBs and other organizations, particularly if those states frequently file complaints or are the target of complaints in the WTO DSB or other trade dispute venues. In fact, the U.S. is the most frequent complainant and respondent in the WTO DSB followed by the European Union. As of 2015 the U.S. was the primary complaining party in 21.7 percent, respondent in 24.95 percent, and third party in 25.75 percent of all cases from 1995.[15] The U.S. has responded to complaints most frequently filed in order by the EU, Canada, South Korea, Brazil, and Mexico and China tied, and India and Japan tied; these are also top trading partners of the U.S. Factors that influence a country's decision to file a WTO complaint include the size of affected exports, legal capacity or the resources to engage in this legal venue, and an economic capacity to retaliate if it wins the case (Bown, 2005).

Our inquiry into the linkage between trade disputes and decisions regarding allocation of multilateral development assistance was inspired by the case of China (Kobayashi, 2013). Figure 2 and Figure 3 depict patterns of US-Chinese trade disputes in both number and value with U.S. support for Chinese projects up for final vote in MDBs. Both Figure 2 and Figure 3 include the total number of new U.S.-China disputes filed in a given year with the U.S. as a primary complainant against China and disputes where China is the primary or third party complainant against the U.S. Percentage of support reflects the total average for all MDB items. The correlation between the total number of new WTO disputes with the U.S. and overall U.S. support for a country's MDB projects for all countries from 2004-2011 is -0.02 whereas for China it is -0.57. Therefore, while in this paper we measure whether trade disputes are a predictor for U.S. support for multilateral development assistance, there may be some cases where this linkage is more evident as is with the case of China. Complicating this relationship is the trend of support for MDB projects and frequency of WTO disputes. In the year with the lowest U.S. support for China's MDB loans (21 percent in 2005), there was only one new WTO

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[15] These calculations are from WTO (2015) and are based on total cases of 497 as of September 29, 2015.

dispute and in the year with the highest U.S. support (76 percent in 2009), there were seven new disputes and nine the previous year.[16] Further inquiry into this relationship is therefore warranted.

Figure 2. U.S. Support for China's MDB Projects & New U.S.-China WTO Disputes, 2004-2011
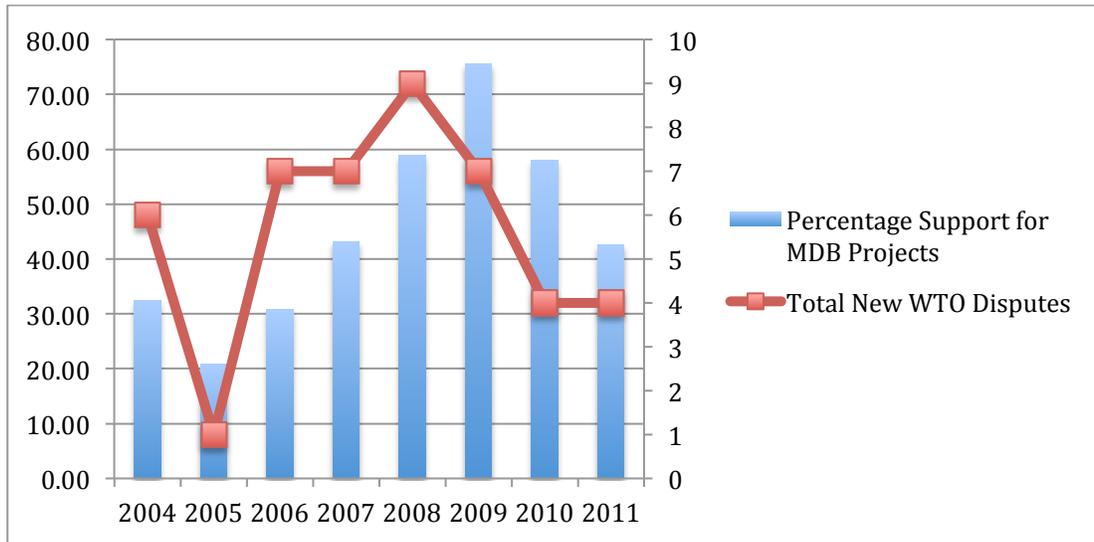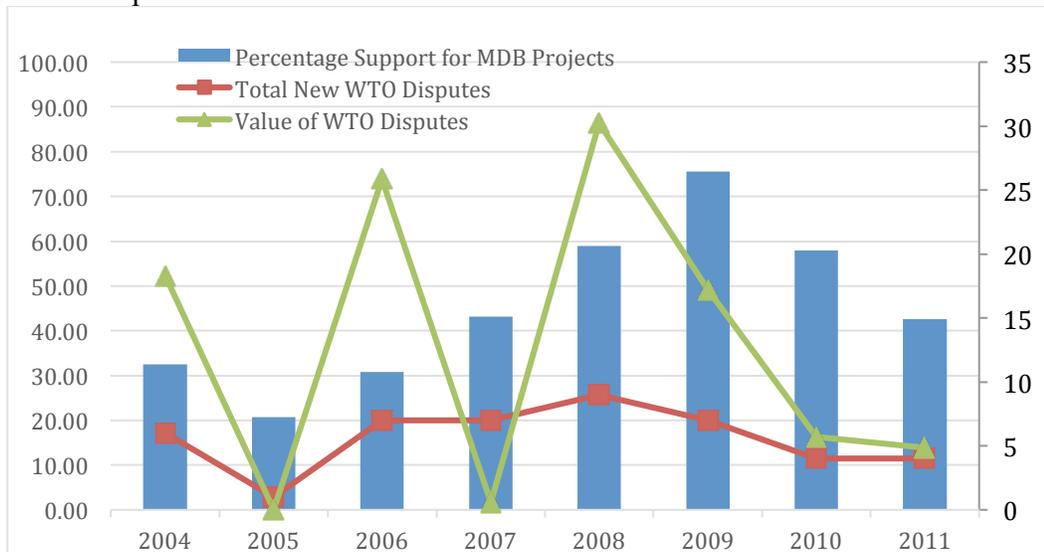

Figure 3. U.S. Support for China's MDB Projects, New U.S.-China WTO Disputes, and Value of New WTO Disputes 2004-2011

Notes: Percentage (support for MDB projects) and Total New WTO Disputes are from authors own calculations; Value of WTO Disputes is the real value in billions USD of the "CIF value of imports of respondent country from the partner country codes associated with the dispute in the year of the violation" (Bown & Reynolds, 2014, 51). There is no data for the 1 new dispute filed in 2005.

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[16] The trends depicted in both figures hold for lagged number of new disputes and lagged value of new disputes.

While trade disputes can be meaningful in terms of enforcing (and therefore advancing) norms of multilateral trade rules, institutional features of the WTO DSB limit its ability to enforce GATT/WTO provisions (Bown & Hoekman, 2007).[17] For example, the DSB itself does not "strike down or enact law in any country nor can they order a member to pay money or act in any other way" (Smith 2005, 275). Article 22 also limits the fruits of winning WTO cases for less wealthy states by limiting authorizations of compensation to cases in which a mutual agreement on a time-frame for implementing recommendations can be reached. Even if the DSB authorizes the winning party to implement sanctions, they are authorized to implement sanctions as compensation for injury from the violating trade law or practice. The scope of retaliatory sanctions and compensations is very limited: "The general principle is that the complaining party should first seek to suspend concessions… with respect to the same sector(s) as that in which… has found a violation or other nullification or impairment" (Article 22) and retaliation is limited to the same sector in which the violation was made, unless the winning party can provide reasonable argument for retaliating in another sector(s). The burden of compensations therefore lies with the losing party in this respect Additionally, the liability rule approach holds that in effect, "the system thus allows violations to persist as long as the violator is willing to pay that price, which is the essence of a liability rule approach" (Schwartz & Sykes 2005, 298). Any sanctions are really authorizations to retaliate in the form of compensation for the damaging policy; they are designed to not to punish the "guilty" party beyond just compensation for loss. The interested party rule also influences the degree to which a WTO dispute matters for each party; in order to bring a case, no legal interest is required (Pauwelyn 2005, 289).[18]

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[17] See Jo and Namgung (2012) for how the institutional design of DSBs has evolved as they've been increasingly adopted in preferential trade agreements.

[18] This translates to giving members a free pass to implement protectionist policies to compensate for "damages" they may indirectly incur due to policies of the violating state. Given that decisions ruling in favor of an interested party essentially constitute a free pass for the winner to retaliate within the established guidelines of the decision (a maximum is attached to authorizations for retaliation, as they are based on the monetary cost of the violating law or practice), the fact that the complainant does not have to be an interested party in effect negates any impact the decision may have on the losing party.

These factors constrain the WTO DSB from effectively enforce trade provisions regulated by the WTO (Bown & Hoekman, 2007) and may complicate the link between involvement in trade disputes and development loans for recipient countries. This is especially the case given the limited number of disputes and likelihood that a developing country will file a complaint in the first place.

Trade: Variables and Data

To measure *bilateral trade*, we sum bilateral exports in goods to the U.S. based on value (*country exports)* and imports in goods from the U.S. based on value (*imports from U.S.)* for a bilateral trade measure. Data for trade in goods are drawn from the IMF Direction of Trade Statistics (2013), deflated to 2005 constant USD using the U.S. Bureau of Economic Analysis (BEA 2013) chain-type price index deflator.[19] *Trade disputes* reflect the number of disputes initiated in a particular year for a dyad (Bown & Reynolds, 2015). In practice, trade disputes between the U.S. and each country receiving development loans from these MDBs in a given year include cases that are newly initiated alongside ongoing cases. However, we focus on initiated cases for that year because we expect that if WTO disputes influence U.S. decisions in MDBs, it is likely due to current cases. And despite the frequency of disputes filed by and against a small number of trading partners, there is sufficient variance in the initiation of cases across our time period of 2004-2011 to provide an initial test of our hypothesis. The value of trade affected by disputes may then better demonstrate the degree to which WTO litigation matters when the U.S. or other states consider their support for development projects. However, our analysis in this paper is limited to the initiation of WTO disputes after earlier trials that included the value of trade associated with WTO disputes limited the sample size due to issues with

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The state that loses, if they lose to a party that has little or no direct interest, may face zero monetary punishment as a result, as there can be no authorization for compensation for a complainant that is a disinterested party.

[19] The same U.S. BEA chain-type prince index deflator using 2005 as the base year is used for all variables in this study.

availability or existence of appropriate WTO dispute value data.[20] Future research plans include further examination of this linkage.

Additional Factors in U.S. Support for MDB Projects

Already established is that basic economic need of the recipient country influences U.S. support for MDB projects, as it advances the primary mandate of economic development. We include a measure of GDP/capita to capture basic need.[21] Per capita national product (*GDP/capita)* is used to assess whether U.S. votes on loans are driven by assessments of recipient need. It is expected that the U.S. is more likely to vote in favor of loans to countries that have lower per capita GDP. Gross national product (in 2005 constant USD) and population are obtained from the World Development Indicators (World Bank, 2013).

Economic aid has also been identified as a determinant of member state support for MDB projects, as it is likely to reflect donor interests in a recipient country (Kilby, 2006; Kilby & Fleck, 2006; Morrison, 2013). Bilateral economic aid in particular captures the alignment of member state aid programs with its voting behavior in the MDBs, including concerns regarding environmental impact, human rights, or other long term interests reflected in their development strategy and policies. The total level of bilateral *U.S. economic aid* is included to capture the alignment of U.S. aid programs with its voting behavior in the MDBs. Countries receiving more economic aid should also receive greater U.S. support for MDB loans, reflecting the presence of an ongoing aid relationship. The source for total U.S. economic aid (in 2005 constant USD) is the USAID (2013) U.S. Overseas Loans and Grants "Greenbook" dataset.

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[20] Our original intention was to include two measures of value: the value of the dispute in the same year and two years after. Several of key countries in our dataset were not WTO members for some or all of 2004-2011, limiting our ability to capture sufficient data for dispute values two years out. The n size of our sample was reduced too much using just the value of a dispute in the same year, given additional gaps in our dataset for other variables.
[21] Economic growth was not included as rates of growth are not considered in determining eligibility for concessional loans for the IDA and are therefore unsuitable for our models. For example, a country with a GDP per capita of $1,500 is just as likely to receive support for development assistance regardless of its recent rates of economic growth.

U.S. political interests may also influence American decision-making in MDBs; while there was no effect on loan conditions found for formal cooperation with American military endeavors (Strand & Zappile, 2015), other political alliances matter. The alignment of a member state with a recipient states voting behavior in the UN General Assembly is likely to reflect an underlying alignment of political interests, based on previous vote buying studies that find the alignment of a recipient country's votes with those of the U.S. in the UN General Assembly leads to quicker World Bank disbursements (Kilby, 2011). The alignment of loan recipient political interests with U.S. political interests is captured by the Strezhnev and Voeten (2013-02) variable for affinity of votes in the U.N., using the three-category index (where 1= yes or approval, 2 = abstain, and 3 = no or disapproval). While previous research found this to be a determinant of American support in MDBs in some analyses (Strand & Zappile, 2015), membership in the UN Security Council (Dreher, Sturm, & Vreeland, 2009) was not, likely explained by unique position of the U.S. as a permanent member, contrasted with other MDB member states.

Military aid has also been found to influence member state support for MDB projects, particularly for the U.S., given that it is likely to reflect underlying long-term strategic relationships (Kilby, 2009; Kilby, 2011; Strand & Zappile, 2015). While there are theoretical reasons to expect that domestic politics, specifically the alignment of dominant political parties in the executive or legislative with dominant actors in the recipient country, are likely to influence member state support for MDB projects, given that Republicans favor bilateral aid (over multilateral aid) due to the higher degree of control associated with bilateral assistance (Milner & Tingley, 2012), this failed to explain American support in previous studies (Strand & Zappile, 2015). *US military aid* (in constant 2005 USD), is from the USAID (2013) U.S. Overseas Loans and Grants "Greenbook" dataset. A higher ratio of yes votes is expected for countries receiving higher levels of military aid, reflecting a strategic relationship.

Given the longstanding efforts by Congress to impact American human rights policy, we expect that the U.S. will be more likely to support projects for countries with better human rights records. Evidence from the first systematic, large-N study of U.S. positions in the MDBs found mixed results for the influence of human rights considerations (Braaten, 2014). While in theory both human rights and levels of democracy should matter in assessing member state support for development projects, it is also known that MDBs have a checkered past in terms of implementing performance based standards when allocating funds (Easterly, 2007; Easterly & Williamson, 2011). Our primary measure of human rights is the political terror scale constructed from reports from Amnesty International and the U.S. State Department (Gibney, Cornett, & Wood 2013). The *political terror scale* ranges from 1-5 with 1 representing "countries under a secure rule of law, people are not imprisoned for their view, and torture is rare or exceptional" to 5 where "terror has expanded to the whole population." (ibid).

RESULTS

Statistical analyses were run for several models that build on earlier research identifying determinants of U.S. support for MDB projects. Prais Winsten results are reported in Table 3 with sensitivities to model specification for relevant variables included in the notes. Multiple specifications and fit tests were run, including mixed, random, and fixed effects with associated tests to determine the appropriate approach (in most cases, these tests favored a random or pooled specification over fixed effects).[22]

Early trials indicated the possibility of unit effects and suggested we needed to control for China, even

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[22] While a fixed effects approach is often suggested as most appropriate for this type of dataset, definitions for fixed-effects models vary and therefore should not be considered a one-size-fits-all approach (Gelman, 2005). Our selection of random effects over fixed effects is supported by significant Breusch-Pagan Lagrange multiplier (LM) tests for random effects specifications and a rejection of the F-statistic for fixed effects specifications. These factors contribute to our confidence in the tradeoff between slightly biased coefficients with the increased efficiency of a random effects specification (Clark & Linzer, 2012). Furthermore, given recent doubt surrounding the ability of the Hausman test to accurately reject the null hypothesis, we still find a random effects model most appropriate given the characteristics of our dataset and our desire to make predictions about units not included in our models (Clark & Linzer, 2012). Our preference for random effects over fixed effects is also in line with previous recommendations from econometric studies of cross-country datasets (Driscoll & Kraay, 1995; Driscoll & Kraay, 1998). (Strand & Zappile, 2015)

when including controls for WTO membership, WTO disputes, and other measures that might explain the reticence of U.S. EDs to support Chinese development loans.[23] Therefore we include a dummy variable for observations for China. Model 1 includes the core variables identified as significant in previous trials: GDP per capita, bilateral trade relations, political terror, the U.S. bilateral economic aid and military aid, and executive political party. Model 2: Commercial Interests introduces WTO disputes initiated in a given year between the U.S. and MDB recipient country and Model 3 includes the additional measures of FDI and select Doing Business indicators.

Table 3. Results for Primary Models of Determinants of U.S. Decisions in MDBs

Variables	Model 1: Original	Model 2: Commercial Interests	Model 3: Commercial Interests
China	-.384 (.124)**	-.39 (.125)**	-.409 (.114)**
GDP/ capita (ln)	-.088 (.013)***	-.090 (.013)***	-.083 (.013)***
Bilateral Trade (ln)	.023 (.006)***	.025 (.006)***	.018 (.006)***
U.S. Military Aid (ln)	.012 (.004)***	.012 (.004)***	.011 (.004)***
U.S. Economic Aid (ln)	-.008 (.003)*	-.009 (.004)*	-.009 (.004)*
UN Voting Affinity	.107 (.045)*	.113 (.045)*	.075 (.045)
Human Rights	-.043 (.013)***	-.043 (.013)***	-.038 (.012)**
WTO Disputes		-.016 (.009)ŧ	-.014 (.009)
Doing Business: Enforcement of Contracts			-3.09e-08 (1.06e-08)**
Foreign Direct Investment (ln)			.003 (.002)
Constant	1.215 (.116)***	1.208 (.117)***	1.244 (.117)***
Fit of Model	N = 835 R^2 = 0.22 $F_{(7, 827)}$ = 33.68*** Durbin Watson (transformed) = 1.48	N = 823 R^2 = 0.22 $F_{(7, 827)}$ = 29.38*** Durbin Watson (transformed) = 1.48	N = 766 R^2 = 0.19 $F_{(10, 755)}$ = 17.35*** Durbin Watson (transformed) = 1.41

Notes: Reported estimates for Model 1 are from Prais-Winsten regression with all significant variables confirmed with a mixed effects model. In Model 2 and 3, UN voting affinity and WTO Disputes are sensitive to model specification
Standard errors are reported in parentheses.
*** = $p \leq .001$; ** = $p \leq .01$, * = $p \leq .05$; ŧ = $p < .10$

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[23] Future research on considerations of the U.S. for Chinese development projects in these MDBs is likely to yield a greater understanding of how they might vary from the models presented here.

In the results for Model 1, countries with a higher (i.e. worse) political terror scale score were less likely to receiving American support. We find some evidence the U.S. rewards countries that vote with it in the UN General Assembly as well as countries with more bilateral trade. The greater the recipient need, as captured by GDP/capita, the more likely the U.S. is to support its items. U.S. bilateral economic and military aid are also predictors of support for MDB projects with the U.S. substituting multilateral aid through MDBs for declining bilateral economic aid and favoring development projects for bilateral military aid recipients. The dummy variable for China is significant with a negative sign in all trials, suggesting the U.S. looks less favorably on MDB programs involving the PRC. In Models 1-3, results for China, GDP/capita, trade, economic aid, military aid, and political terror remain consistent in reported and other model specifications, while UN voting is no longer significant. The significance of WTO disputes initiated with a given year appears to influence American decisions in MDBs to approve projects for those recipient countries, however this result is also sensitive to model specification and is weak (p = .07-.09). Interestingly, this result holds with or without the inclusion of a control variable for China suggesting that motivations for linking ongoing WTO disputes to the allocation of development assistance may apply only to specific countries under specific conditions. While China may be a special case, it is clear that disputes with other countries matter. Further research into this relationship is clearly warranted with inquiry into the value and timing of disputes, perhaps with consideration of political value as well.

Doing Business indicators in Model 3 indicate that the U.S. is for the most part more willing to support MDB items for countries with less favorable (i.e., market orientated) business environments. Out of the four dimensions of Doing Business we consider here, contract enforcement in particular remained significant across most specifications and is therefore the only subset of these indicators that are reported in Table 3. Specific Doing Business factors aggregated into the four dimensions used in

this study were found to be significant and negative in earlier trials. These include the cost to start a business, cost and procedures in contract enforcement, and the number of procedures to register property. It appears that as a country's business climate worsens, the U.S. is more likely to support a development project in their favor. Further research using other constructs/subsets of Doing Business (Corcoran & Gillanders, 2015) may provide more explanation

CONCLUSION

Adding to recent studies on determinants for American support of items being decided on in the MDBs, we considered a variety of explanatory variables in order to test several hypotheses identifying the role of commercial interests. We find that the U.S. is more likely to support items for countries with lower GDP/capita and find consistent support regarding the positive relationship between U.S. support and bilateral trade relations. As a first-cut our results point to a need for further work to more fully explain the economic determinants and role of commercial interests in U.S. support for MDB projects, including the possibility of country-specific factors not captured by determinants discussed in this paper or other reasons provided by U.S. Treasury (e.g. China). It may be that given the variation in institutional contexts there are important differences across MDBs that we are not tapping since we are pooling items. In short, cross-institutional models and additional model specifications of these and other dimensions of commercial interests need to be further explored.

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Appendix A: Adverse and Favorable Actions Codes

Code	Reason
1	Economic and policy considerations
2	Surplus commodities (as defined under P.L. 109-102, Foreign Operations 2006, Sec. 514)
3	Communist dictatorships (P.L. 98-181, Sec. 804)
4	Surplus mineral production (P.L. 109-102, Foreign Operations 2006, Sec. 514)
5	Expropriation (P.L. 103-236, Sec. 527); The assistance does not support basic human needs.
6	Narcotics (P.L. 87-195, Sec. 490(a)(2) and 490A(a)(2), as amended by the Anti Drug Abuse Acts of 1986 and 1988, by the International Narcotics Control Act of 1992, and by P.L. 103-447, Sec. 101 and further amended in P.L. 104-66, Sec. 1112(d))
7	Human rights (P.L. 95-118, Sec. 701, and amended by P.L. 101-240 Sec. 541(c), and P.L. 102-511, Sec. 1008); The assistance supports basic human needs
8	Human rights (P.L. 95-118, Sec. 701, and amended by P.L. 101-240, Sec. 541(c), and P.L. 102-511, Sec. 1008). The assistance does not support basic human needs.
9	Environmental reporting (P.L. 101-240, Sec. 521, as amended by P.L. 105-118, Sec. 560(b)(3) and by P.L. 108-447, Foreign Operations 2005, Sec. 793)
10	International terrorism (P.L. 104-132, Sec. 327)
11	Chemical and biological weapons production (Executive Order 12735)
12	Harboring indictees for war crimes (P.L. 107-115, Sec. 581(b-d))
13	Policy towards Burma (P.L. 104-208, Sec. 570(a)(2))
14	Cambodia (P.L. 108-447, Foreign Operations 2005, Sec. 554(a)); The assistance does not support basic human needs.
15	Cambodia (P.L. 108-447, Foreign Operations 2005, Sec. 554(a)). The assistance supports basic human needs
16	Other environmental reporting (e.g., Treasury policy votes not specified in #9 above).
17	Nuclear material (P.L. 103-236, Sec. 823)
18	Palm oil, sugar, and citrus (P.L. 95-118, Sec. 901(a))
19	Serbia or Montenegro (P.L. 103-160, Defense Authorization, Sec. 1511(c) and P.L. 104-208, Sec. 540)
20	Failing to apprehend war criminal indictees (P.L. 109-102, Foreign Operations 2006, Sec. 561(a)(1))
21	Worker rights, trade distortion, surplus capacity (P.L. 100-202, Sec. 406(1))
22	Female genital mutilation (P.L. 104-208, Sec. 579)
23	Sanctions for transfer or use of nuclear explosive devices (P.L. 103-236, Sec. 826(a) as amended by Sec. 102(b)(2)(E)); The assistance supports basic human needs
24	Sanctions for transfer or use of nuclear explosive devices (P.L. 103-236, Sec. 826(a) as amended by Sec. 102(b)(2)(E)); The assistance does not support basic human needs
25	Waiver of sanctions for transfer or use of nuclear explosive devices with respect to India and Pakistan (P.L. 106-79, Department of Defense Appropriations Act, 2000, Title IX, Sec. 9001(a))
26	Expropriation (P.L. 103-236. Sec. 527); The assistance supports basic human needs
27	IMF bailouts of banks (P.L. 98-181, Sec. 807)
28	Religious persecution (P.L. 105-292, Title V, Sec. 402, 405(12) and 422); The assistance supports basic human needs
29	Religious persecution (P.L. 105-292, Title V, Sec. 402, 405(12) and 422); The assistance *does not* support basic human needs
30	Serbia-Montenegro (P.L. 105-277, Sec. 514(b))
31	Cuba (P.L. 104-114, Sec. 104)
32	Sanctions on use of chemical or biological weapons (P.L. 102-182, Sec. 307)
33	Chemical weapons sanctions on disclosure of confidential business information (P.L. 105-277,

	Division I, Sec. 103(e)(2)(A), Sec. 103(e)(2)(B)(iii) and Sec. 103(e)(3)(B)(v))
34	IMF Korea (P.L. 105-277, Sec. 602(a), (1998))
35	Transparency of budgets: audit of military expenditures (P.L. 104-208, Sec. 576 as amended by P.L. 105-118, Sec. 572); The assistance supports basic human needs
36	Transparency of budgets: audit of military expenditures (P.L. 104-208, Sec. 576 as amended by P.L. 105-118, Sec. 572); The assistance does not support basic human needs
37	Serbia (P.L. 106-113, Sec. 599(b)(1), (1999))
38	Serbia (P.L. 106-429, Sec. 594(b), (2000))
39	User fees (P.L. 109-102, Foreign Operations 2006, Sec. 562)
40	Trafficking in persons (P.L. 106-386, Sec. 110); The assistance supports one or more specified exceptions
41	Trafficking in persons (P.L. 106-386, Sec. 110); The assistance does not qualify under any specified exception
42	IMF programs and debt levels (P.L. 98-181, Sec. 806)
43	Failing to apprehend war criminal indictees (P.L. 109-102, Foreign Operations 2006, Sec. 561(a)(1)); Exceptions or waiver authority applies
44	USA PATRIOT Act on deterring international terrorism (P.L. 107-56, Sec. 360)
45	Zimbabwe Democracy and Economic Recovery Act of 2001 (P.L. 107-99)
46	Zimbabwe, as governed by P.L. 109-102 (Foreign Operations 2006, Sec. 572)
47	Serbia, as governed by P.L. 109-102, Sec. 563 (Foreign Operations 2006). If Serbia is not certified.
48	Serbia, as governed by P.L. 109-102, Sec. 563 (Foreign Operations 2006). If Serbia is certified.
49	India IBRD Water and Sewage, as governed by P.L. 107-115, Foreign Operations FY2002, Title IV.
50	Tibet, as governed by P.L. 107-228, Foreign Relations Authorization Act, FY2003, Sec 616(b).
51	East Timor, as governed by P.L. 107-228, Foreign Relations Authorization Act, FY2003, Sec. 633.
52	Sudan, as governed by P.L. 107-245, Sudan Peace Act section 6(b)(2) (2002).
53	Burma, as governed by Burmese Freedom and Democracy Act of 2003, P.L. 108-61.
54	Burma, as governed by P.L. 109-102, Foreign Operations 2006, Sec. 526(a).
55	Iraq, as governed by P.L. 108-11, Sec. 1503, as amended by P.L. 108-106, Sec. 2204.
56	Tibet, as governed by P.L. 109-102, Foreign Operations 2006, Sec. 575(a).
57	Commodities or minerals in surplus on world markets (P.L. 99-472 of the Export-Import Bank Act of 1986)
58	Copper exports, mines and mining (P.L. 99-88, Sec. 501)
59	Mining, smelting and refining (P.L. 99-88, Sec. 502, as amended by P.L. 102-285)
60	Commodities, products, or minerals for export (P.L. 100-202, Foreign Operations, FY1987, Title XIV, Sec. 1403(b) of the IFI Act, as amended by P.L. 106-36, Title I, Sec. 1002)
61	Comprehensive Peace in Sudan Act, 2004 (P.L. 108-497)
62	Project could have significant environmental impacts, but such impacts have been mitigated. Development outcomes expected to be broadly positive.