Spotlight for Bypassing: The Effect of Human Right Shaming on Aid Allocation Decisions

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Abstract

Does the "shaming" of human rights violations influence foreign aid policy across OECD donor countries? We examine the effect of shaming, defined as targeted negative attention by human rights international nongovernmental organizations (INGOs), on bilateral donor governments' aid allocation patterns. We argue that shaming of recipient countries can influence the decision of donor governments to "bypass" the recipient government in favor of alternative aid channels, such as private contractors and international organizations. We further explore this hypothesis by analyzing both the types of states (major versus minor powers) that are likely to be responsive to shaming and the particular aid delivery channels influenced by shaming. We use new data on human rights shaming events and bilateral aid delivery channels to investigate our thesis for the years 2005 to 2010. We find support for our hypothesis: on average, OECD donor governments condition their aid delivery tactics on human rights shaming and increase the proportion of bypassed aid when INGOs shame human rights abuses by governments. Shaming is most effective at changing the aid allocation behavior of minor powers. Further, although shaming increases bypassing across multiple channels, it is especially effective at increasing bypassing to NGOs. These results add to both our understanding of the influences of aid allocation decision-making and our understanding of the role of INGOs on foreign-policy.

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Introduction

Does the "shaming" of human rights violations influence foreign policy decision-making? A burgeoning literature exists that investigates the extent to which negative statements about human rights conditions influence government behavior and a country's foreign policies (Risse, Ropp and Sikkink, 1999; Lebovic and Voeten, 2009; Murdie and Davis, 2012*b*). Shaming, typically an activity of international non-governmental organizations (INGOs), has recently been linked to even the imposition of economic sanctions and the deployment of humanitarian military operations (Murdie and Peksen, 2013, 2014).

This paper investigates the influence of shaming by human rights INGOs on foreign aid policy. Foreign aid represents a particularly useful testing ground for assessing the influence of INGOs on foreign policy decision-making. Across OECD donor countries, there is evidence that INGOs are important players in the formulation of aid policy. While the degree to which INGOs help set the direction of policy varies, evidence from systematic author interviews with over 70 senior donor officials from France, U.S, Japan, UK, Germany, Sweden, and the Netherlands reveal that, on average, officials rate the influence of donor-based and international NGOs on aid policy as "very important,"[1] with slightly higher importance ratings from officials from Sweden, the Netherlands, and Germany. NGO influence, according to the majority of interviewed officials, is especially pronounced in shaping aid policy when there are mounting targeted shaming campaigns concerning a recipient country. As one Swedish aid official suggested:

> "When news about human rights violations make headlines in our national paper we certainly discuss how we should change our interactions with the partner country. When NGOs take additional steps to go after dictators in our national newspaper we feel direct pressure to act. At this point we consult with them directly on how to best move forward given conditions in the country." [2]

The relationship between human rights violations and aid policy has been long investigated in the literature (Cingranelli and Pasquarello, 1985; Rioux and Belle, 2005; Alesina and Dollar, 2000; Neumayer, 2003*a*,*b*; Lebovic and Voeten, 2009); yet there is no systematic evidence that human

[1] The response scale options include "not important", "somewhat important", "very important", and "extremely important."

[2] Author Interview with Senior Governmental Official, Ministry of Foreign Affairs, Stockholm, June 18, 2013.

rights violations actually reduce levels of bilateral aid. While some scholars have interpreted this finding to imply a lack of political will by donor governments to respond to human rights violations in light of existing geostrategic calculations (Rioux and Belle, 2005; Alesina and Dollar, 2000; Neumayer, 2003*a*,*b*), we suggest that there may be other avenues by which donor countries can respond to human rights concerns. One tactical response is to alter the composition of bilateral aid flows in ways that reduce the amount of aid allocated to the recipient government, while increasing the aid directed to non-state actors. This tactic is often termed "bypassing" (Dietrich, 2013). The donor state is bypassing the recipient government in its aid flow. Indeed, the decision of governmental donors to channel or bypass bilateral aid through non-state actors is significant and has been growing over time.

This paper builds a theoretical argument that explains variation in the proportion of bypassed aid across recipient countries by accounting for human rights INGO shaming of recipient countries. When a potential recipient country has been shamed for their human rights abuses by INGOs, it is likely that donors will direct more aid to non-state channels in the future. Human rights INGO shaming provides information to donor states about the abysmal human rights conditions within a state, making many donors want to avoid putting funds directly in the hands of repressive regimes. Donors, perhaps still wanting to direct aid to a repressive state for geostrategic reasons, will channel aid to non-state actors after shaming has occurred. We contend that donor states that are minor powers, as opposed to major powers, will be most responsive to human rights INGO shaming: these states have historically been first-movers when it comes to human rights promotion and are often thought to be less weighed down by geostrategic concerns that could mitigate their responsiveness to human rights information (Buergenthal, 1997; Forsythe, 1988; Hey and Lasbrey, 1998; Moravcsik, 2000; Baehr, Castermans-Holleman and Grünfeld, 2002). Additionally, we contend that human rights INGO shaming may be most effective at getting aid bypassed to the NGO and intergovernmental organization sectors. By bypassing aid directly to NGOs, for example, governments may be wanting to take advantage of the sector's notoriety for low overhead and innovation (Edwards and Hulme, 1996).

We test our arguments using a global statistical model of all aid recipients and OECD donor governments from 2005 to 2010. Our results provide support for our argument and add to our

understanding of both the process by which decisions to bypass are made (Dietrich, 2013) and to the ways in which government behaviors are influenced by human rights INGO shaming (Risse, Ropp and Sikkink, 1999; Murdie and Davis, 2012*b*; Murdie and Peksen, 2013, 2014).

Our project proceeds as follows. First, we outline the existing literature on foreign aid, human rights, and the more recent literature on bypassing. Then, we incorporate the extant literature on shaming into this framework. After presenting our theoretical argument and empirical expectations, we lay out our research design and present our statistical results. Our paper ends by addressing how this project informs our larger theoretical understanding of the role of non-state actors in aid allocation.

Previous Literature on Human Rights, Aid Allocation, and NGOs

Existing literature on human rights and aid policy provides a mixed picture. Some studies find evidence for donor responsiveness to a recipient government's human rights record, while others do not. For instance, Cingranelli and Pasquarello (1985) and Alesina and Dollar (1992) find that the U.S. and OECD donor governments, respectively, condition their aid policy on human rights violations in recipient countries. In contrast, Rioux and Belle (2005), Alesina and Dollar (2000) and Neumayer (2003*a*,*b*) find that donors' geostrategic goals generally trump human rights considerations in aid policy decisions, yet variation exists across donors. While Rioux and Belle (2005) focus on France, Neumayer (2003*a*) offers evidence that Western donors do not sanction donor countries for violating human rights in aid policy. Neither of these findings, however, is robust to method, period, and donor sample. Alesina and Dollar (2000) find that some donors but not others reward countries that score higher on the civil liberties and political rights scale with more foreign aid.

Some studies note differences across periods. Dunning (2004) shows that aid to Africa is effective in improving human rights performance, but only in the post Cold War period. Apodaca and Stohl (1999) suggest longitudinal inconsistencies in donor behavior that are unrelated to the Cold War, concluding that human rights mattered for U.S. aid allocation under some administrations but not others.

Recently, Lebovic and Voeten (2009) argue that the tenuous link between human rights and

bilateral aid may be a function of the difficulty associated with enforcing human rights standards when aid is simultaneously given to reward countries for economic, historical, political, and military relevance. They suggest, instead, that donor governments pursue their human rights goals by pressuring international organizations to allocate multilateral aid selectively. They show evidence for decreases in multilateral aid in countries where UNHCR publicly shamed human rights violations.

What the aforementioned studies share is a focus on aggregate bilateral aid, assuming homogeneity in aid flows and one common government-to-government delivery tactic. We posit, however, that analyzing the aggregate effects of aid masks important heterogeneity in foreign aid sectors and aid delivery tactics. Nielsen (2013) makes an important contribution by exploring variation in how donors deliver their bilateral aid across sectors. He shows that aid decision-makers in OECD donors do not respond to observable human rights violations but that they do change aid policy once violations in aid-receiving countries are widely publicized in news reports. The response in aid allocation pertains to differences in aid sector allocation, rather than mere increases or decreases in overall aid. Unarguably, this study makes a compelling argument for the need to disaggregate aid to understand different elite goals and preferences associated with different sectors of foreign aid. Further, both Lebovic and Voeten (2009) and Nielsen (2013) point to an important caveat in the relationship between human rights and aid allocation: for human rights violations to factor into the decision-calculus of policy-makers, information about abuses is necessary for human rights concerns to matter in allocation patterns. We return to this logic in our discussion of the role of INGO shaming below.

We contribute to the debate concerning human rights and aid allocations by presenting an argument that focuses on variation in *how* bilateral aid is delivered. Empirical evidence shows that OECD donors channel significant amounts of bilateral assistance around recipient governments and through non-state development actors: in 2007, OECD donors committed a total of US$ 112 billion and delegated over 30 percent of the aid, approximately US$ 41 billion, for implementation through non-state development actors, which include NGOs, multilaterals, public-private partnerships, and private contractors, only to name the more prominent bypass channels (Organisation for Economic Cooperation and Development (OECD), 2013). By accounting for variation in aid delivery tactics, we add an important analytical piece to the puzzle about human rights and foreign aid: since not

all bilateral aid goes through the government-to-government channel, we would expect aggregate aid analyses to mask important differences in donor delivery tactics as they respond to information about a country's human rights record. Specifically, we focus on the link between human rights INGO shaming and bilateral aid flows channeled through non-state recipients.

The Influence of Human Rights INGO Shaming on Aid Delivery Tactics

What determines the extent to which donors delegate bilateral aid delivery to non-state actors? Where do human rights concerns factor in? Consistent with canonical ideals about NGOs and other non-state aid delivery channels, we begin our theoretical argument with the underlying assumption that bypassing is a specific tactic to try to ensure that aid is used in ways (a) consistent with the promotion of norms desired by the donor (human rights, good governance, community development, etc) and (b) not as prone to issues of agency-loss as aid directed at corrupt governments.[3] In short, donors bypass governments in a conscious effort to ensure that aid is used for the purposes they desire.

Given this view of the goals of bilateral aid channeled through non-state actors, under what conditions would bypassing be most likely to be used? Consistent with Dietrich (2013), we contend that any strategy to implement aid around recipient governments is often motivated by concerns with government graft. As such, when governance concerns are more evident within a state, donors should be more likely to resort to bypass tactics. Beyond issues of governance, we expect bypassing to be influenced by donor concerns about human rights and civil society.

However, consistent with the extant research discussed above on the effect of human rights on aid policy, we do not expect the human rights performance of the aid-receiving government to have a systematic positive or negative influence on aid delivery. Other geostrategic concerns, like UN voting records and military alliances, often trump concerns over human rights conditions in recipient countries. Further, donor governments may be concerned with whether non-state actors in repressive regimes are able to conduct their operations without governance interference. Recent

[3]This is not to say, of course, that NGOs and other non-state channels are not themselves prone to issues of corruption and principal-agent dynamics with their donors (see (Petras, 1999; Cooley and Ron, 2002)). We assume that OECD donors are utilizing signals about the underlying motivations of non-state channels they are funding in ways that can overcome many of the incomplete information dynamics that exist in development situations (Murdie, 2009). In other words, OECD donors are more likely to fund transparent NGOs that have UN ECOSOC Consultative Status or have in other ways signaled that they will not take rents from donor funds.

international concerns with regard to funding NGOs in Egypt, in response to increased government repression, serves as a case in point (Hauslohner, 2012).

More importantly, human rights conditions in recipient states are not omnipotently known to donors. The entire human rights advocacy scholarship rests on the idea that it takes advocacy actors to publicize human rights violations (Keck and Sikkink, 1998; Risse, Ropp and Sikkink, 1999). Without the work of these advocacy actors, it may actually be difficult for donors to know about small observable changes in human rights conditions within a recipient country. When human rights conditions are not publicized by the advocacy network, donors are not likely to feel any public pressure about directing aid in ways that could empower domestic citizens in recipient states.

If, however, recipient states are being shamed in the popular press for their human rights abuses, then donor state decision-makers may feel increased pressure from constituents and other public officials to reduce aid directly to the repressive government but still assist the repressed population. As this negative publicity increases about a recipient country, it follows that aid may be channeled through alternative actors that could be especially effective in helping a repressed population, like aid directed at NGOs. Nielsen (2013) makes a somewhat similar argument in his study of how popular press reports concerning human rights, as proxied by *New York Times* articles, can lead donors to cut overall amounts of economic aid while increasing aid directed for human rights and democracy purposes. Like aid directed for human rights and democracy purposes, we contend that bypassed aid is relatively more likely to help repressed populations than aid channeled directly to the government.

Who are shaming states for their violations through targeted press campaigns? Keck and Sikkink (1998) see international NGOs as central to advocacy networks. Most of the subsequent academic literature has identified international human rights advocacy NGOs, like Amnesty International and Human Rights Watch, as key conduits of "shaming and blaming" in the international press (Risse, Ropp and Sikkink, 1999; Ron, Ramos and Rodgers, 2005; Franklin, 2008; Murdie and Davis, 2012*b*). They are the sets of actors that start the process through which other states and intergovernmental organizations begin to pressure a state to improve its human rights performance from abroad (Brysk, 1993; Keck and Sikkink, 1998). Further, unlike other sources of information on human rights abuses, human rights NGOs are also able to couple their shaming in the media

with calls for action among their members (Murdie and Davis, 2012*b*; Hendrix and Wong, 2013).

In general, shaming by human rights INGOs is key in bringing international pressure on a repressive regime. As these shaming reports gain traction in the international advocacy community, the pressure should lead to government responses, either in terms of donor decisions or in terms of policy concessions by repressive regimes (Risse, Ropp and Sikkink, 1999). Human rights INGOs are thus the crucial link in providing targeted information about recipient human rights abuses. Recent World Values Survey reports indicate that ordinary citizens are more confident in NGOs than in other common news sources. This is especially true in donor countries (Murdie and Peksen, 2014). In short, the causal process connecting negative human rights publicity to donor decision-making should rest on shaming by international human rights INGOs. Thus, donor states, in deciding to reallocate funds from the recipient government to NGOs, could actually become part of the transnational network advocating for improvement in a recipient state's human rights performance. This logic would imply the following empirical implication:

Hypothesis 1: Information provided by human rights INGOs in the form of "shaming and blaming" reports about the recipient country will increase the share of bilateral aid delivered through non-state channels.

Who is Influenced by Shaming?

At the most basic level, we expect all donor states to be motivated to alter their aid allocation packages as a result of human rights INGO shaming. Concerned citizens, upon reading accounts of atrocities from human rights INGOs, may pressure their government representatives to take actions to promote human rights. This pressure may trickle-down to donor policy-makers. Donor decision-makers may also read shaming reports themselves and try to craft aid packages that do not empower the repressive regime but still provide aid to the most vulnerable citizens within a state.

Although we expect this logic to apply to all donor states, we also acknowledge that foreign aid decision-making is influenced by a variety of "realpolitik" concerns, some of which easily trump human rights concerns in the eyes of the donor government. Donnelly (2003) discusses this view of the importance of non-human rights concerns as consistent with realist international relations.

Like Donnelly (2003), we acknowledge the work of Morgenthau and other realists in stressing that states often have "other interests that may be more important than the defense of human rights in a particular circumstance" (Morgenthau, 1979, 7). Although publicized human rights concerns can influence foreign policy decision-making about aid packages, these concerns can be easily overshadowed by alternative foreign policy goals. As Donnelly (2003, 163) says, "I can think of no prominent example of a state sacrificing a major perceived national security interest for human rights."

The concerns of Donnelly (2003) and the statements of Morgenthau (1979) certainly are reflected in the overall lack of a relationship between aid amounts and human rights behavior found in many existing studies (Rioux and Belle, 2005; Alesina and Dollar, 2000; Neumayer, 2003*a*,*b*). When it comes to decisions to bypass governments through alternative channels, we acknowledge that some donor states may be unwilling to even bypass aid in response to human rights shaming. Other geostrategic goals may still trump human rights concerns. It is even plausible that some states may be especially unlikely to channel aid away from the recipient government as a result of human rights INGO shaming for geostrategic "realpolitik" reasons. Aid is often given with written or unwritten strings attached; it is the "carrot" needed to get a recipient government to behave in a certain manner. Aid packages often entice certain voting, trade, or military behavior by the recipient government that are in line with the donor's foreign policy concerns (Kuziemko and Werker, 2006; Bueno de Mesquita and Smith, 2007; Rudloff, Scott and Blew, 2013).

If these concerns are extremely important for the donor state and human rights concerns are less important, it follows the donor state may even want the "strings" associated with the aid package to be increasingly present in a repressive regime, which may have only a tenuous hold on the local population. As such, it might even be a conscious decision of some states to continue to funnel aid directly to governments in times where there have been reports of repression. Aid to government channels may be seen as a way to prop up a regime that is having to use repression in the face of increasing domestic opposition (Escribà-Folch, 2010; Licht, 2010; Ritter, 2013). If a donor state feels that its security and other non-human rights concerns are more likely to be met under the current regime than under any likely alternative leadership in the recipient state, continuing to funnel funds directly to a repressive regime, even in the face of mounting human

rights INGO shaming, may seem like a viable option. This line of reasoning was discussed by many United States congressional leaders in support of continued aid to Egypt's Hosni Mubarak (Berger, 2012).

Which states would be most likely to have interests which trump human rights concerns? Although we still see human rights INGO shaming as providing both information and pressure that can lead a donor state to bypass more aid from the recipient government and into non-state channels, not all states have the same commitment to human rights concerns or the opportunity to make human rights concerns a central part of their foreign policy agenda. Some states, for the reasons provided above, may have strategic incentives to not respond to human rights INGO shaming by bypassing aid. We contend that donors which are major powers - those countries with the concentrated power to influence international relations on a global scale - are, on average, more likely to have concerns which are deemed more important than human rights and may have increased incentives to use aid as a "carrot" with repressive regimes than their minor power counterparts. There is a large comparative literature on the differences in the importance of human rights concerns in the various foreign policies of states (Carleton and Stohl, 1985; Baehr and Castermans-Holleman, 1994; Brysk, 2009; Perkins and Neumayer, 2010). Often, it is minor power donor states, like Sweden and the Netherlands, that are cited for making human rights central to their foreign policy (Baehr, Castermans-Holleman and Grünfeld, 2002; Brysk, 2009). Although major powers may rhetorically refer to human rights concerns as key foreign policy goals, many existing studies highlight behavior that does not appear to be consistent with these goals (Carleton and Stohl, 1985; Perkins and Neumayer, 2010).

We make no normative claim here: we simply acknowledge that major powers, ceteris paribus, are probably more likely than their minor power counterparts to craft aid packages in ways that continue to channel funds directly to a recipient government, even in the wake of human rights INGO shaming. Therefore, as an extension to the general hypothesis outlined above, we also expect variation in the role human rights INGO shaming plays when focusing specifically on samples of only major power donors or minor power donors. This logic leads us to the following empirical implications:

Hypothesis 2a: Information provided by human rights INGOs in the form of "sham-

ing and blaming" reports about the recipient country will increase the share of bilateral aid delivered through non-state channels from minor power donor countries.

Hypothesis 2b: Information provided by human rights INGOs in the form of "shaming and blaming" reports about the recipient country may not increase the share of bilateral aid delivered through non-state channels from major power donor countries.

What Type of Bypassing is Influenced by Shaming?

Human rights INGO shaming can influence both the decision to bypass and the specific direction of such bypassing. In general, we contend that human rights INGO shaming is likely to have an influence in bypassed aid directed to non-state channels that INGOs themselves would prefer, namely aid directly to other NGOs and, to a lesser extent, to intergovernmental organizations. Donor policy-makers, if responding to shaming in their donor packages, are likely to realize the comparative advantage of these specific channels and craft aid packages with these channels at the forefront.

International NGOs are frequently seen as harbingers of global society and the central actor in global advocacy for human rights (Keck and Sikkink, 1998; Boli and Thomas, 1999; Risse, Ropp and Sikkink, 1999). Much has been written about the potential of NGOs to work in innovative ways and without much unnecessary bureaucracy (Edwards and Hulme, 1996; Cooley and Ron, 2002). Although empirical studies of NGO-directed aid are still in their infancy, existing evidence does suggest that aid channeled through NGOs is effective at reaching donor goals. As Masud and Yontcheva (2005, 20) conclude, "NGO aid appears more effective in reaching out to the poor and vulnerable populations and therefore donors who have chosen to channel aid through NGOS have made the right choice." More recently, an experimental evaluation of the effectiveness of NGO- and government-administered public services offers evidence in support of this claim (Bold et al., 2013). The study finds positive and significant effects of a teacher program in Kenya on student test scores only in primary schools where the program was managed by an international NGO. Another evaluation by Duflo, Dupas and Kremer (2012) in Western Kenya produced similar results where publicly administered school programs were more susceptible to aid capture than programs

implemented by international NGOs.

Further, although most human rights INGOs have small budgets compared to their service-delivery counterparts, they nonetheless benefit from donor decisions to channel aid through the NGO sector. What is more, NGOs across the service-advocacy divide are often connected through shared programs, meeting spaces, and shared missions (Murdie and Davis, 2012*a*). This mutual interest in public funding from donor governments highlights how NGOs of all stripes stand to benefit from bypassing decisions.

We argue that donor governments deliver aid through NGOs to pursue social change and development (Ghosh, 2009, 229). There are many examples of donors directing aid to the NGO sector for just these purposes. During the later years of the Guatemalan civil conflict, the Dutch government delivered less of their bilateral aid in cooperation with the recipient government and more through the NGO channel as a "form of silent protest against the violations committed by the Guatemalan governments at the time" (Hey and Lasbrey, 1998, 88-89). Hey and Lasbrey (1998) contend that this bypassing strategy was consistent with overarching goals concerning human rights promotion by the Dutch government at the time. Similarly, a Norwegian policy paper from the Ministry of Foreign Affairs has recently called for an increase in bilateral aid through NGOs as a strategy of peace and state-building, saying that such aid promotes "development in the vulnerable transition stage following a peace agreement" (2008/2009, np). Even former US Ambassador to Zimbabwe Charles Ray reported to the Zimbabwe Independent that US policies to channel aid through NGOs were used in the state because it was "most effective" for the policy outcomes desired by the US (Zaba, 2010).

In line with this literature on the positive development and social outcomes of aid channeled to NGOs, we expect that shaming will be especially effective at channeling aid to NGO recipients. To a lesser extent, we expect aid to be directed to intergovernmental organizations, which often then partner with NGOs (Murdie and Davis, 2012*a*). We make no prediction with respect to other possible bypassed channels: we simply do not have concrete expectations that these channels will be as uniformly influenced by shaming. This line of reasoning suggests the following:

Hypothesis 3a: Information provided by human rights INGOs in the form of "shaming and blaming" reports about the recipient country will increase the share of bilateral

aid delivered through NGO channels.

Hypothesis 3b: Information provided by human rights INGOs in the form of "shaming and blaming" reports about the recipient country will increase the share of bilateral aid delivered through IO channels.

Research Design, Data and Measures

We explain variation in bypass tactics across 23 OECD donor countries. The universe of recipient countries includes ODA eligible countries as defined by the OECD (including low, lower middle and upper middle income countries). We test our argument at the level of the donor-recipient dyad-year. Our temporal domain ranges from 2006 to 2011.

The dependent variable: aid delivery through non-state channels The outcome of interest is donor decisions to deliver bilateral aid through non-state development actors. To construct a measure of bypass we use data drawn from the OECD CRS aid activity database.[4] Information on the channel of delivery conveys how foreign aid is delivered: it records the amount of bilateral aid flows channeled through five channel categories. These include government-to-government aid as well as aid delivered to non-governmental organizations, international organizations (IOs), and other development actors.

In our first set of empirical analyses we use a bypass measure that distinguishes between government-to-government aid and aid channeled through non-state development actors. The primary non-state delivery channels include NGOs and IOs. We define government-to-government aid as any aid activity that involves the recipient government as an implementing partner. In contrast, aid delivered through non-state development channels does not engage government authorities. We operationalize the decision to bypass with a continuous measure, capturing the proportion of aid delivered through non-state development actors.

To account for the different types of aid delivery channels, we then construct bypass measures that focus on the two primary non-state channels: the proportion of bilateral aid delivered through

[4]The OECD began collecting (donor reported) information on the "channel of delivery" in 2004.

NGOs and the proportion of bilateral aid delivered through IOs.

The explanatory variable: NGO human rights shaming To capture human rights INGO shaming activities towards countries, *HRO Shaming*, we utilize an updated version of the human rights international NGO (HRO) shaming data developed by Murdie (2009) and Murdie and Davis (2012*b*). This dataset captures the shaming events of over 1,100 human rights-specific INGOs directed at a recipient country's government in Reuters Global News Service. Due to the nature of our key dependent variable, these events are collapsed to the recipient country-year. The data are based on the framework of the Integrated Data for Event Analysis (IDEA) project and provided by Virtual Research Associates, Inc (Bond et al., 2003). For our key indicator of shaming, we use a lagged count of the total number of human rights NGO reports directed at a recipient government in a given year. This indicator varies from 0 to 3 in our sample during our time period. Countries at the top of this shaming indicator include Burma in 2008 and China in 2009. Figure 1 outlines the yearly mean of this variable for our sample. When using this indicator we include a control variable to capture any media bias in Reuter's reports, *Reuters News Coverage*; this indicator is the natural log of the total number of Reuters Global News Service events in the updated IDEA dataset. Like our shaming indicator, it is lagged one year in all models.

[insert Figure 1 here]

Controls As the previous literature on aid policy maintains, various other factors shape donor decisions about the allocation of aid resources, including other recipient characteristics and non-developmental donor goals. We include them as controls to provide a fully specified model. All time-varying right-hand side variables are lagged one year.

We begin with the confounding effects of observable human rights violations. We use an ordinal scale of physical integrity rights performance from the Cingranelli and Richards (2010) Human Rights Dataset to construct *Recipient CIRI*. This measure, which ranges from 0, indicating no respect for physical integrity rights, to 8, indicating full respect for physical integrity rights, captures governmental performance on four key physical integrity rights: freedom from torture, extrajudicial or political killings, political imprisonment, and disappearances. The measure is based on state-

level U.S. State Department and Amnesty International annual reports of governmental human rights practices towards citizens of that state. Kiribati, for example, has the index's highest value for government respect of physical integrity rights for the entire temporal range of our sample while North Korea, for example, takes the lowest value of government respect for physical integrity rights for the entire time period. We include this indicator, lagged one year, for the recipient countries in the dyad in all statistical models.

We also control for the confounding effects of governance quality in the recipient country, based on the understanding that some donors may conceive of democratic institutions as political constraints that limit the ability of recipient governments and bureaucratic officials to capture aid flows. As research by Dietrich (2013) finds, donor governments increase the proportion of aid that bypasses the recipient government to avoid aid capture by corrupt officials and weak institutions when the quality of governance is low. To capture the quality of governance we draw on data from the Governance Matters project (Kaufman, Daniel, Aart Kraay, and Massimo Mastruzzi, 2012).[5] Our governance measure, *Governance, Ec. Inst* captures a state's economic institutions by including corruption control, government effectiveness, regulatory quality, and rule of law as indicators. The values of the measure range between 0 to 5, with higher values representing a higher quality of governance.

We also include *Democracy* based on the understanding that some donors may conceive of democratic institutions as political constraints that limit the ability of recipient governments and bureaucratic officials to capture aid flows. *Democracy* is measured using the combined score of the Freedom House (2012) civil liberty and political rights indicators. To make the scale of the measure more intuitive we invert *Democracy* so that "1" represents the lowest level of democracy, while "7" stands for the highest level of democracy. We control for *Natural Disaster Deaths* based on the understanding that a greater number of natural disaster related deaths in the aid recipient, as recorded by the EM-DAT database, may prompt donors to provide a larger share of the pie to NGOs actors that are specialized in post disaster reconstruction efforts. Following a similar logic, low-scale *Civil Conflict*, as recorded by (Gleditsch and Strand, 2002) PRIO database, may create grievances that provide incentives for donors to favor more outcome-orientated aid delivery

[5]The project offers data for six governance dimensions: voice and accountability, regulatory quality, government effectiveness, rule of law, corruption control, and political stability and violence.

through NGOs to ensure that aid reaches the affected, thus increasing donor propensity to bypass through NGOs. We further include *Distance* to account for the geographical proximity between donor and the aid-receiving countries. As distance between donors and aid-receiving countries grows, government-to-government relations between donor and recipient governments are expected to weaken, thus increasing donor propensity to channel aid through non-state development actors. The distance data are drawn from (Bennett and Stam, 2000) Eugene software and are logged.

Following previous studies, we also include confounders that capture donor non-developmental objectives. *Former Colony* status, as recorded by the CIA World Factbook, allows me to account for long-lasting diplomatic ties between the donor and the aid receiving governments that may bias aid delivery in favor of government-to-government aid. *Trade Intensity*, measured as the logged sum of imports and exports between the recipient and the OECD countries by the IMF-DOT database, is a straightforward indicator of donor efforts to strengthen economic ties with the recipient government. To control for security related donor goals, we include *Security Council*, which is a binary variable indicating whether the aid recipient is a rotating member on the UN Security Council. As research by Kuziemko and Werker (2006) finds, donor governments use aid to buy votes from rotating members of the UN Security Council. Finally, we add a control for the total amount of aid delivered per capita, *Total per Capita Aid Flows*.

Analysis and Results

To analyze the extent to which human rights shaming explains variation in the proportion of bilateral aid delivered through non-state actors we use compositional data analysis; i.e. we fit a linear model with a log-transformed dependent variable to account for the proportional nature of our bypass variable. We include year dummies to control for unobserved heterogeneity caused by time effects as well as a set of region fixed effects.[6] We estimate the OLS regressions with robust standard errors clustered on the donor-recipient dyad.[7]

[insert Table 1 here]

[6]The regional categories are Sub-Saharan Africa, Latin America, Middle East, and Asia. The omitted regional category is Central and Eastern Europe.

[7]The results are robust to alternative cluster specifications.

In Table 1, we present our main findings. The first column contains a fully specified model including all donors. Our theory suggests that human rights INGO shaming reports encourage donor governments to alter the composition of the aid portfolio by decreasing the share of aid delivered through the government, while increasing the share of aid through non-state channels. We find statistical support for this hypothesis. In Model 1, which contains the full sample of OECD donor countries, the coefficient of *HRO Shaming* is positive and highly significant, holding constant the effects of confounding covariates. This provides evidence that human rights INGO shaming activities directly affect aid policy: in the event of shaming, donor governments increase the share of aid delivered through NGOs.[8]

Models 2 and 3 present findings that disaggregate the full OECD donor sample by distinguishing between major and minor donors. Our argument leads us to predict that major donors -because they are more embedded in the global economy and are more likely to engage in the pursuit of geostrategic goals -are less likely to condition delivery tactics on human rights INGO shaming than minor donors. The obvious candidate donors for major power status include the United States, Japan, United Kingdom, Germany, and France. We present results for the major power donors in Model 2. We group the remaining OECD donors into a "small donors" sample and present the results in Model 3. We find statistical support for this prediction. For the five major countries we do not find statistically significant evidence that human rights shaming by INGOs explains variation in bilateral aid delivery, although the sign of the coefficient is positive. For the remaining minor donors, however, we find positive and statistically significant support of our hypothesis that INGO shaming influences bilateral aid delivery tactics.

In Model 1 we find that *CIRI Recipient* records are statistically associated with bypass at conventional significance levels. This finding contrasts earlier work suggesting that donor governments are unresponsive to observable human rights violations. However, this variable lacks significance in Models 2 and 3, which disaggregate donors by major and minor type.

Of the remaining predictors *Governance* is consistently associated with donor governments' decisions to bypass recipient governments across all three models. The coefficients of *Trade Intensity, Natural Disaster Deaths, Total Aid per capita* behave in the predicted direction and are statistically

[8]The results are robust to excluding outliers.

significant in Model 1. However, they lack significance in Model 2, which focuses on major donors only. This further lends support to our hypothesis that major donors respond to multiple, perhaps cross-cutting factors in their aid delivery decisions.

Next, we turn to assessing the substantive significance of human rights INGO shaming on the proportion of bilateral aid delivered through non-state actors. How large is the aggregate donor response to human rights INGO shamingactivities? We compute predictive margins of responses, varying the count of human rights INGO shaming activities of on the basis of Model 1. The size of the effect is considerable: the effect of a change from 0 to 3 shaming counts in any given year yields an increase of bypass share by .11 across all donors.

[insert Table 2 here]

Given the different types of bypass channels we next assess the effect of INGO shaming on individual bypass channel decisions by disaggregating bypass channels into the two major channels: NGOs and IOs. The construction of these proportional measures is related and thus introduces a correlation in error terms. To address this error correlation, we apply the Eicker-Huber-White-sandwich covariance estimator. This technique ensures that standard errors are valid in light of cross-error correlation or heteroskedasticity.[9]

We present the related regression results in Models 4 and 5 of Table 2. Our argument leads us to predict that human rights INGO shaming influences both channels of bypass. Although we are agnostic with regards to the channels' relative importance to donor governments, we suspect NGO bypass to be more responsive to INGO shaming than bypass through IOs. After all, NGOs may promote the NGO sector as implementing agents. Additionally, NGOs are more likely to champion human rights causes than IOs -which makes them preferred partners for human rights promotion abroad. The evidence supports this prediction. In both models the effect of human rights shaming is positively and significantly associated with NGO and IO bypass. We find that the effect of human rights INGO shaming on NGO bypass is more pronounced than on IO bypass.

Implications and Conclusion

[9]The results are similar when using a seemingly-unrelated estimation (SUR) technique.

These results convey that human rights INGO shaming does play an important role in foreign-policy making. The results from our empirical analysis have produced several insights into the relationship between shaming and donor decisions to bypass governments in their aid packages. In general, we find that human rights INGOs can affect bypassing decisions. This finding dovetails nicely with emerging research on the influence of INGOs on foreign policy decision-making more broadly (Murdie and Peksen, 2014, 2013). Shaming provides information about human rights abuses in a recipient country, leading donor states to take actions to avoid rewarding repressive behavior with aid directed into the government's pocket. Instead, when donor policy-makers are pressured as a result of human rights INGO shaming or have more information about human rights abuses as a result of shaming, they take actions to bypass the government and yet still provide aid to the recipient country in ways that can help a impoverished population. This finding adds to our understanding of the relationship between human rights and foreign aid by both focusing on the importance of information about human rights abuses, as captured here by human rights INGO shaming reports, and by highlighting how this information can be used to influence how bilateral aid is provided. This focus is an important caveat to other studies that have found no relationship between overall aid amounts and human rights performance (Rioux and Belle, 2005; Alesina and Dollar, 2000; Neumayer, 2003*a*,*b*) and is consistent with recent literature highlighting how information about human rights abuses is important for aid decision-making (Lebovic and Voeten, 2009; Nielsen, 2013).

Further, we add to the literature by showing that variation in the role shaming plays in bypassing, focusing both on which states are likely to be influenced by shaming and which aid channels are likely to be used. In general, we find that our overall relationship between shaming and bypassing holds only in minor powers, thus adding to our understanding of which states are likely to have human rights concerns as a central part of their foreign policy (Brysk, 2009). We also find that shaming puts money directly in the hands of NGOs and IOs, consistent with general ideas of the usefulness of NGO financing (Edwards and Hulme, 1996; Masud and Yontcheva, 2005).

In sum, although they are not writing the checks, INGOs produce information and lobby in ways which influence donor governments' aid delivery tactics. Their actions and presence change state behavior. This is an important finding concerning an actor that has previously been discounted as

important in a state-centric world system(Waltz, 1979). Even though the system may be dominated by states, INGOs can have a powerful impact on state behavior.

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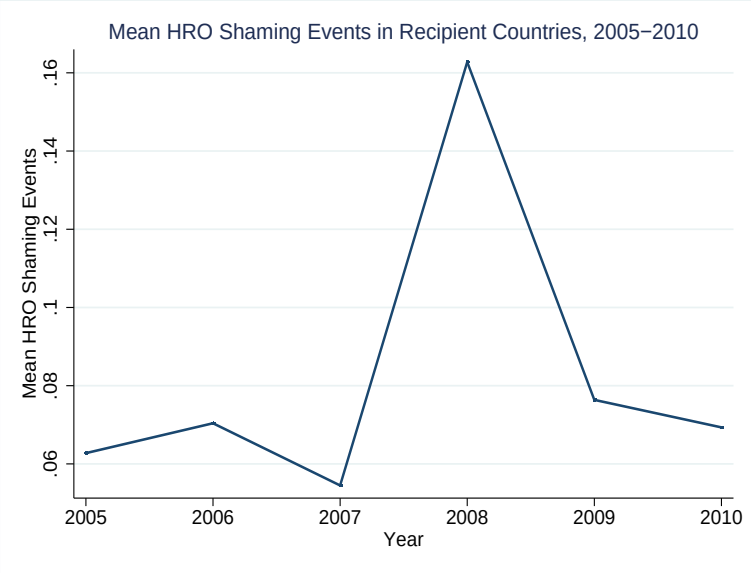

Figure 1: ***NGO Shaming of Human Rights Violations, 2005-2010***. *Count of NGO shaming activities recorded in Reuters Global News Service. Source: Murdie and Davis (2012b), updated*

	Model 1 All Donors	Model 2 Major Donors	Model 3 Minor Donors
Human Rights Shaming	0.446**	0.325	0.492*
	(0.21)	(0.27)	(0.26)
Governance	-1.204**	-1.412**	-1.062**
	(0.25)	(0.31)	(0.31)
Democracy	-0.037	-0.043	-0.042
	(0.09)	(0.11)	(0.11)
Physical Integrity	-0.130**	-0.154	-0.092
	(0.06)	(0.11)	(0.07)
Natural Disaster Deaths	0.084**	0.054	0.088**
	(0.03)	(0.05)	(0.04)
Civil Conflict	0.259	-0.123	0.378
	(0.27)	(0.36)	(0.33)
Distance	0.186	0.884**	-0.173
	(0.22)	(0.31)	(0.31)
Former Colony	0.329	0.093	0.489
	(0.25)	(0.31)	(0.31)
Trade Intensity	-0.168**	-0.022	-0.213**
	(0.05)	(0.08)	(0.05)
Security Council	-0.297	-0.152	-0.338
	(0.32)	(0.52)	(0.38)
Total Aid per capita	-0.045*	-0.014	-0.055**
	(0.02)	(0.05)	(0.03)
Social Sector Aid	-0.013	0.076**	-0.033**
	(0.01)	(0.02)	(0.01)
Democracy Aid	0.000	0.003	-0.003
	(0.01)	(0.02)	(0.01)
Constant	-2.189	-7.361**	-0.505
	(1.99)	(2.65)	(2.58)
R^2	0.367	0.215	0.331
N	7536	1914	5622

Table 1: ***Explaining share of bilateral aid delivered through non-state development actors, 2006-2011***. $+p < 0.10, *p < 0.05, **p < 0.01$. *Yearly-mean. Models include year and region fixed effects (not reported). Source: Smith and Wiest (2005), and authors' calculation.*

	Model 4 NGO Bypass	Model 5 IO Bypass
Human Rights Shaming	0.694**	0.453*
	(0.23)	(0.23)
Governance	-1.019**	-2.068**
	(0.18)	(0.18)
Democracy	-0.015	-0.015
	(0.07)	(0.07)
Physical Integrity	-0.063	0.099*
	(0.05)	(0.05)
Natural Disaster Deaths	0.079**	-0.020
	(0.03)	(0.03)
Civil Conflict	0.678**	0.633**
	(0.24)	(0.24)
Distance	0.358*	0.143
	(0.19)	(0.19)
Former Colony	0.812**	0.045
	(0.18)	(0.18)
Trade Intensity	-0.091**	-0.137**
	(0.03)	(0.03)
Security Council	-0.153	0.474
	(0.31)	(0.32)
Total Aid per capita	-0.063**	-0.023
	(0.02)	(0.02)
Social Sector Aid	-0.008	-0.037**
	(0.01)	(0.01)
Democracy Aid	0.010	-0.012*
	(0.01)	(0.01)
R^2	0.391	0.293
N	7536	7536

Table 2: ***Explaining share of bilateral aid delivered through NGOs and IOs, 2006-2011***. $+p < 0.10, *p < 0.05, **p < 0.01$. *Yearly-mean. Models include year and region fixed effects (not reported). Source: Smith and Wiest (2005), and authors' calculation.*