



# **Linking US Foreign Aid to UN Votes: What are the Implications?**

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## Summary:

- The Trump administration has pledged to tie foreign aid more directly to countries' United Nations (UN) votes, threatening to punish countries who vote against the US position by cutting their foreign assistance.
- While the administration's harsh rhetoric marks a shift from the recent past, the United States has been using aid to influence UN votes for decades.
- There are multiple ways to capture UN voting alignment and the picture that emerges depends on how different kinds of votes are counted. In other words, methodology matters.
- It is unclear how the Trump administration will act on its promise, but implementing such a policy in an exacting manner would pose risks, including (1) compromising US interests in areas not covered by UN votes; (2) disproportionately disadvantaging democracies and poorer countries when it comes to the allocation of US assistance; (3) increasing waste in foreign aid by compromising the effectiveness of both past and future investments; and (4) underestimating how other global powers might respond as part of a competition for influence.

## Introduction

The Trump administration is seeking to forge a closer link between aid and how countries vote at the United Nations (UN). US Ambassador to the UN Nikki Haley has reportedly drafted an "America First Foreign Assistance Policy" that would seek to ensure that US aid dollars better advance US interests, including at the UN.<sup>1</sup> This (unreleased) memo would seem to be part of the administration's broader push to incentivize compliance with US foreign policy preferences—or to punish opposition. While the method for operationalizing this approach remains uncertain, it hasn't forestalled the use of forceful rhetoric.

*"All of these nations that take our money and then they vote against us at the Security Council or they vote against us...at the Assembly.... Well, we're watching those votes. Let them vote against us; we'll save a lot."* – President Donald Trump, December 20, 2017.<sup>2</sup>

*"President Trump and I are pushing to draw a closer connection between US foreign aid and how countries vote at the UN."* – US Ambassador to the UN Nikki Haley, March 5, 2018.<sup>3</sup>

John Bolton, President Trump's new national security advisor, has also espoused similar views in the past, saying, "I've been of the view that votes in the United Nations should cost people, cost countries that vote against us."<sup>4</sup>

Aid has always been a tool of foreign policy. Indeed, the United States has been using aid to influence votes for decades. There's no reason to expect it wouldn't continue to do so. The

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<sup>1</sup> Lynch, Colum. "Haley: Vote With U.S. at U.N. or We'll Cut Your Aid." Foreign Policy. March 15, 2018. <http://foreignpolicy.com/2018/03/15/haley-vote-with-u-s-at-u-n-or-well-cut-your-aid/>

<sup>2</sup> Landler, Mark. "Trump Threatens to End American Aid: 'We're Watching Those Votes' at the U.N." The New York Times. December 20, 2017.

<https://www.nytimes.com/2017/12/20/world/middleeast/trump-threatens-to-end-american-aid-were-watching-those-votes-at-the-un.html>

<sup>3</sup> "Haley: 'Jerusalem Was, Is, and Will Always Be the Capital of Israel'." Speech, AIPAC Annual Conference, Washington, District of Columbia. March 5, 2018.

[https://www.washingtonpost.com/video/world/haley-jerusalem-was-is-and-will-always-be-the-capital-of-israel/2018/03/05/45d5037a-20cb-11e8-946c-9420060cb7bd\\_video.html?utm\\_term=.d83e85c6edc9](https://www.washingtonpost.com/video/world/haley-jerusalem-was-is-and-will-always-be-the-capital-of-israel/2018/03/05/45d5037a-20cb-11e8-946c-9420060cb7bd_video.html?utm_term=.d83e85c6edc9)

<sup>4</sup> "John Bolton: 'Votes in the United Nations Should Cost Countries That Vote Against Us'." Grabien - The Multimedia Marketplace. December 21, 2017. <https://grabien.com/story.php?id=145631>

questions that emerge are around the degree to which this becomes a dominant approach and what the implications might be, both for developing countries and the United States.

In this note, I unpack the extent to which aid recipients vote with the United States, explore how the current rhetoric fits into historical practice, and describe how tying aid to UN votes could—if implemented in an exacting manner—compromise US interests, disproportionately disadvantage democracies and poorer countries, increase waste in foreign aid by compromising the effectiveness of both past and future investments, and provide an opening for other donors to strengthen their influence.

## To what extent do aid recipients vote with the United States?

There are a number of ways to look at voting coincidence, and no single portrayal tells a complete story.<sup>5</sup> The following represent various permutations of vote categorization, and, as shown below, outcomes look different depending on the angle taken.

*Including consensus votes:* While some have argued that consensus votes should be discounted since they rarely address substantive or divisive issues,<sup>6</sup> for many years the State Department took the opposite view. In its 2016 annual report on UN voting practices—from which all data portrayed are taken—it says that “[m]ost [UN General Assembly (UNGA)] resolutions are approved by consensus and indicate agreement with US positions, so adding these to the vote totals more accurately reflects the extent of cooperation and agreement with the United States in the General Assembly.”<sup>7</sup> This assertion, however, was absent from the recently released 2017 report.<sup>8</sup>

*Focusing on important votes:* The United States doesn’t have high stakes in many of the issues put to a vote in UNGA, and pressuring countries is costly, in terms of both resources and political capital. The United States is far more likely to invest in securing alignment—as well as care about nonalignment—for votes that are important to US interests.<sup>9</sup> This is typically a small subset of total votes. The 2016 State Department report flags just 14 of 99 UNGA votes as important.

*Discounting abstentions and absences:* Through 2016, the State Department’s report calculates voting coincidence by looking only at whether both the United States and a country voted “yes” or “no.” It excludes abstentions and absences from the percentage calculation.

*Including abstentions and absences:* As the State Department acknowledges, abstentions (and absences) can be difficult to interpret, but they can make a meaningful difference in gauging alignment.<sup>10</sup> The trick is how to assign meaning. One interpretation is that absence or abstention is an oppositional move. If a vote will be close or if the United States’ goal is to avoid isolation on a particular issue,

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<sup>5</sup> As a case in point, the State Department’s latest report on UN voting changed the methodology for how it calculates voting alignment. US Department of State. Voting Practices in the United Nations 2017. 2018. <https://www.state.gov/documents/organization/281458.pdf>

<sup>6</sup> Kim, Anthony and Brett Schaefer. "The U.S. Should Link Foreign Aid and U.N. General Assembly Voting." The Heritage Foundation. August 8, 2011. <https://www.heritage.org/report/the-us-should-link-foreign-aid-and-un-general-assembly-voting>

<sup>7</sup> US Department of State. Voting Practices in the United Nations 2016. 2017. <https://www.state.gov/documents/organization/273686.pdf>.

<sup>8</sup> US Department of State, 2018.

<sup>9</sup> Wang, T. Y. "U.S. Foreign Aid and UN Voting: An Analysis of Important Issues." *International Studies Quarterly* 43, no. 1 (1999): 199-210; Carter, David B., and Randall W. Stone. "Democracy and Multilateralism: The Case of Vote Buying in the UN General Assembly." *International Organization* 69, no. 1 (2015): 1-33.

<sup>10</sup> [US Department of State, 2017.](https://www.state.gov/documents/organization/281458.pdf)

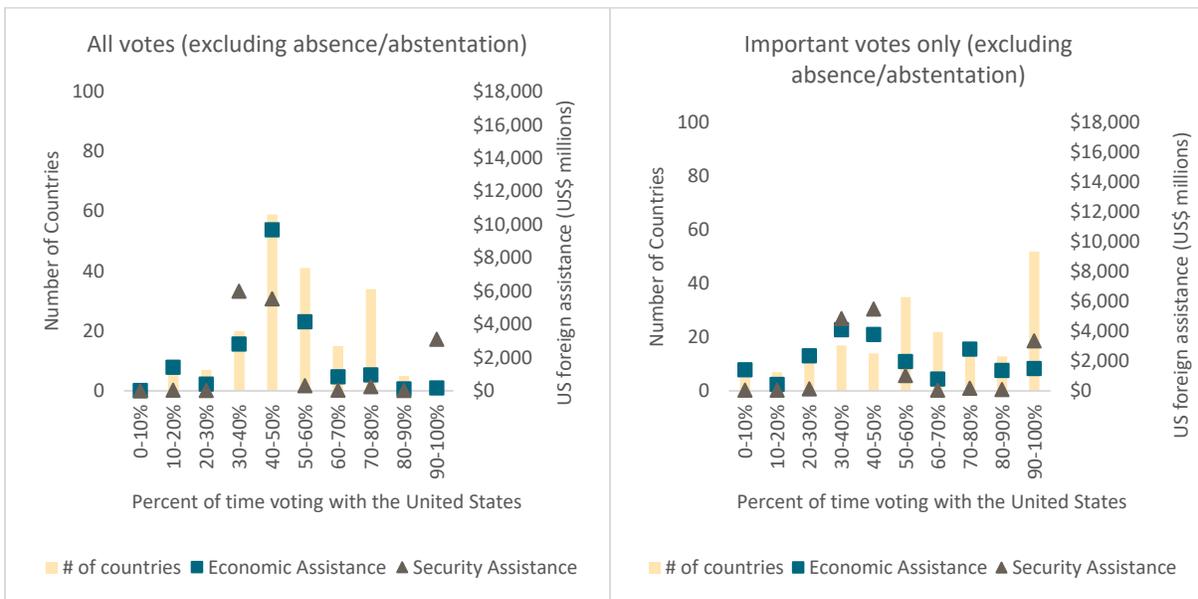
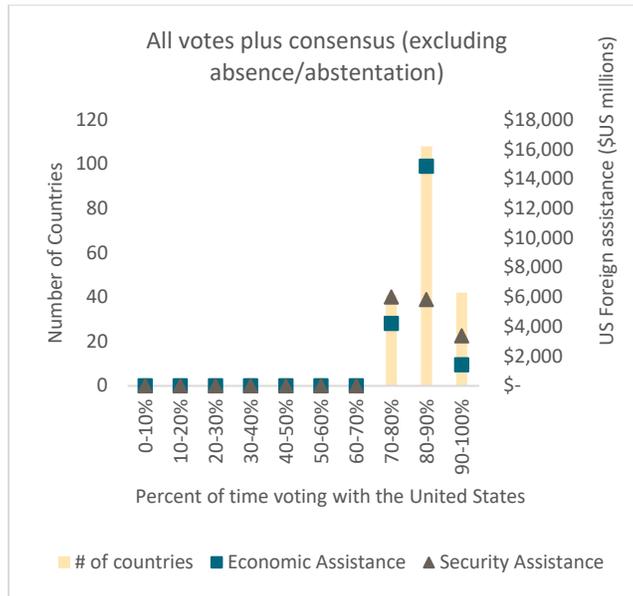
abstentions don't help.<sup>11</sup> Another interpretation of absence or abstention is that it is non-oppositional. Abstaining or declining to vote may be a politically palatable way for countries to assuage citizen demands at home while also not actively opposing the United States. The United States may welcome abstention or absence from a country that would otherwise actively oppose its position. It is incredibly unlikely, however, that either interpretation explains all or even most abstentions or absences on any given vote, making it tricky to analyze them reliably.

The figures below show various permutations of how often countries voted with (or didn't vote against) the United States in UNGA in 2016, as well as the amount of foreign aid going to countries that voted in particular ways. In each graph, the bars represent the number of countries that voted with the United States a particular percent of the time. The markers represent the total amount of economic assistance (i.e., development assistance) and security assistance (i.e., military assistance) the United States provided to that group of countries in 2016.

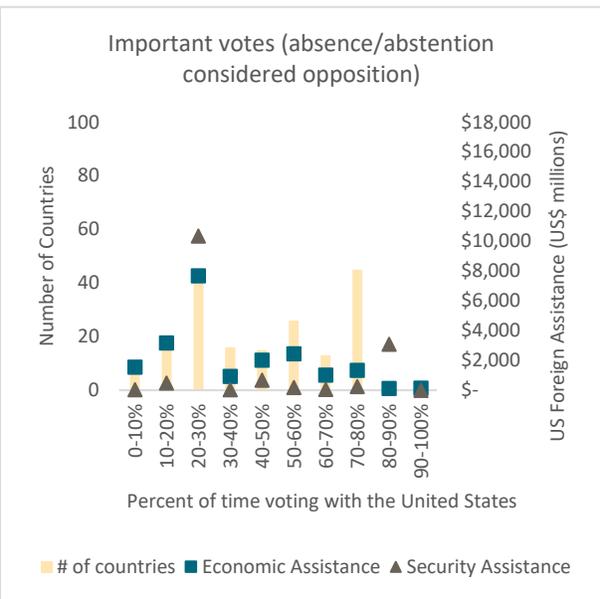
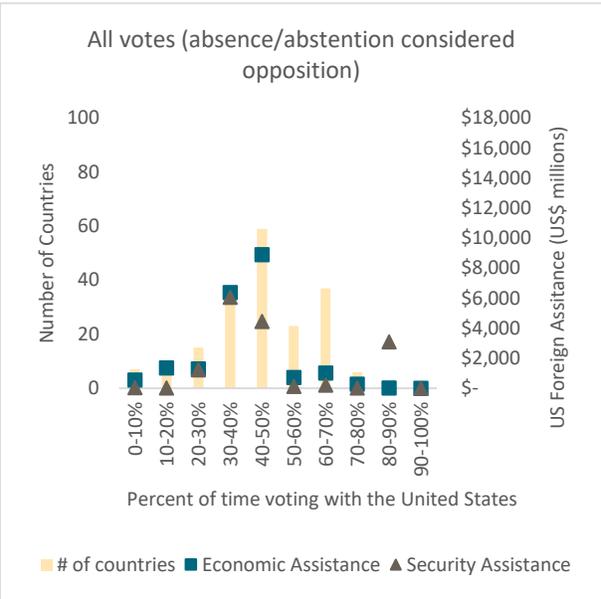
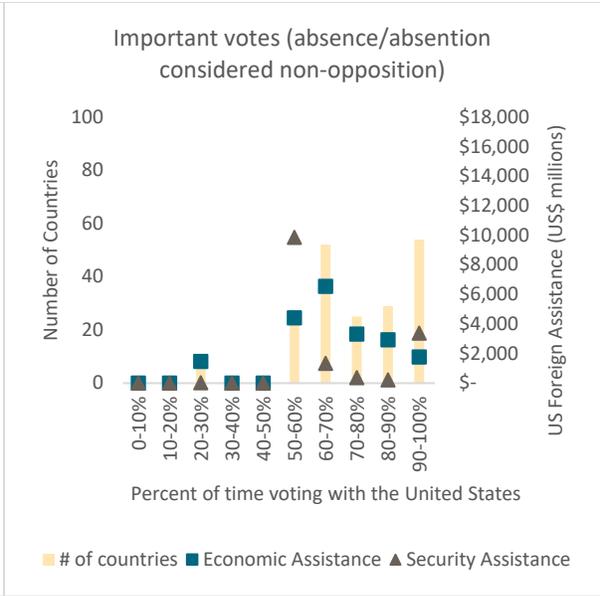
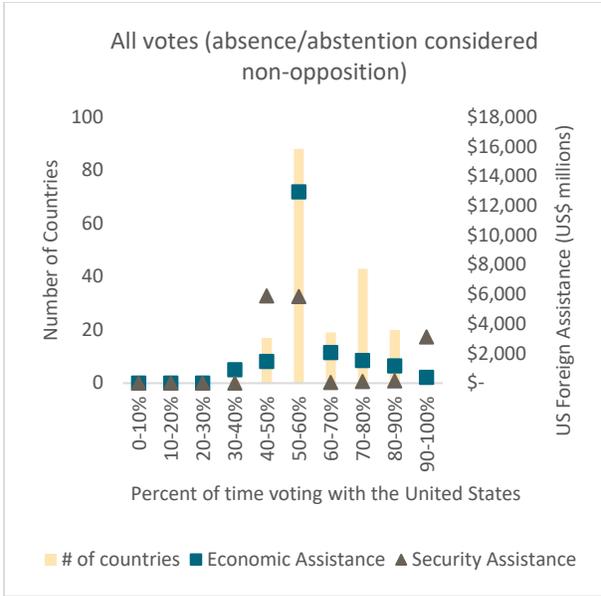
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<sup>11</sup> Dreher, Axel, Nunnenkamp, Peter, and Rainer Thiele. "Does US Aid Buy UN General Assembly Votes? A Disaggregated Analysis." *Public Choice*, Vol. 136, No. 1/2 (Jul., 2008), 139-164.

### Seven ways to portray 2016 voting alignment<sup>12</sup>



<sup>12</sup> UN voting data are from US Department of State, 2017. Foreign assistance data are from USAID's Foreign Aid Explorer and are 2016 obligations.



As the figures show, there's no single way to describe how much aid goes to countries that support US positions at the UN.

If you consider consensus actions, essentially all US aid goes to countries that align with the US position over 70 percent of the time.

Ignoring consensus actions and looking at votes, a considerable amount of aid goes to countries that vote with the United States just under half the time if you exclude absences and abstentions or treat them as oppositional. If you consider absences and abstentions as non-oppositional, aid mostly goes to countries that vote with the United States just over half the time.

For the subset of important votes, aid predominantly goes to countries that vote with the United States well over half the time if you only care about who doesn't vote *against* the United States (i.e., you consider absence and abstention as non-oppositional). If you exclude absence and abstention from the analysis or consider them oppositional for important votes, aid is more distributed among countries with different voting alignment, but with more going to countries that vote with the United States only a minority of the time. This suggests that a number of aid recipients prefer to be absent or abstain from votes that United States deems important, perhaps as a way to defend against possible diplomatic or economic consequences, including aid cuts.

It is important to note that none of the bottom four graphs perfectly capture reality. Countries abstain or are absent from votes for a wide range of reasons and it is implausible that all countries that take these positions are consistent in their reasons for taking them. For this reason, some studies and analyses—including the 2017 State Department report on UN voting practices—assign “half-credit” for abstentions and/or absences. But this also ascribes an interpretation. The approach portrayed here instead provides boundaries around the interpretation of absence and abstention; the “true” nature of passive plus active opposition or non-opposition to the US position falls somewhere in between.

## How much of a shift in US policy does the Trump administration's proposal represent?

The rhetoric is notably harsher than the previous administration's, which is meaningful in and of itself.<sup>13</sup> However, as far as can be understood from public statements and the description of Haley's leaked memo, the spirit of the proposal doesn't represent an entirely new approach. The reality is, using aid to influence UN votes has been part of the US government's diplomatic toolkit for decades.

Attention to countries' UN voting practices surged under the Ronald Reagan administration when voting coincidence with the United States was quite low. Congress passed a bill in 1983 that directed the administration to submit an annual report on UN member countries' voting practices, a requirement that continues today.<sup>14</sup> The 1983 law also restricted aid to countries that demonstrated a consistent pattern of opposition to the US position. Though the explicit aid link was removed in 1990,<sup>15</sup> there is evidence that the

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<sup>13</sup> Huang, Cindy and Kate Gough. "Why President Trump's Blunt Threats to Cut Off US Foreign Aid Are Unique and Counterproductive." Center for Global Development. December 22, 2017. <https://www.cgdev.org/blog/why-president-trumps-blunt-threats-cut-us-foreign-aid-are-unique-and-counterproductive>

<sup>14</sup> Joint Res. PL 98-151, 98 Cong., 1-19 (1983) (enacted). <https://history.nih.gov/research/downloads/PL98-151.pdf>; PL 101-246, 101 Cong., 1-77 (1990) (enacted). <https://www.gpo.gov/fdsys/pkg/STATUTE-104/pdf/STATUTE-104-Pg15.pdf>

<sup>15</sup> PL 101-246.

United States continued to use aid to reward or punish countries' UN voting behavior even—and perhaps especially—after the Cold War.<sup>16</sup>

Studies on the link between foreign aid and UN voting have typically shown mixed results.<sup>17</sup> Not all find conclusive evidence that it effectively takes place. However, several recent papers take a more nuanced approach to the question and look at things like (1) important vs. non-important votes—assuming that the United States would only incur the costs of pressuring countries on important issues; (2) different categories of aid—assuming that partner governments value more flexible and less costly modalities (e.g., grants, budget support); and (3) Cold War vs. post-Cold War distinctions—assuming differences in United States incentivizing behavior and its effect when opposed by that of a comparably resourced superpower pursuing similar tactics.<sup>18</sup> And these do generally find compelling evidence of the United States sparingly but effectively using aid to incentivize or punish countries for voting in particular ways in the General Assembly. There is also evidence that the United States pursues similar tactics around Security Council decisions, which tend to hold more weight than most UNGA resolutions. A country's US aid increases substantially when it rotates onto the Security Council and declines when it rotates off, with larger effects in the years key diplomatic questions are in play.<sup>19</sup>

The effect isn't just limited to bilateral aid either. As the largest shareholder in the World Bank, the United States is able to exercise significant influence multilaterally, and studies have shown that countries that align with or make concessions to the United States on important UN votes are more likely to receive World Bank funding.<sup>20</sup>

The question about the Trump administration's proposal to forge a closer connection between aid flows and UN votes seems then to be one of degree. While it should be expected that the US government would use aid resources to leverage policy cooperation on important issues, the approach—if implemented in an exacting or imprudent manner—could compromise US interests, disproportionately disadvantage democracies and poorer countries, make US foreign assistance less effective, or concede influence to rival powers.

## US interests go beyond matters captured in UN votes

There is a limit to how closely any administration would want to tie assistance to UN voting records. The United States has far too many interests that go beyond matters addressed at the UN.

The table below illustrates this point well. It categorizes, for each of the last five years, all the votes classified as important in the State Department's annual report on countries' UN voting practices.

### Topics of Important Votes at the UN General Assembly, 2012-2016

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<sup>16</sup> Wang, 1999.

<sup>17</sup> Kegley Jr., Charles W., and Steven W. Hook. "U.S. Foreign Aid and U.N. Voting: Did Reagan's Linkage Strategy Buy Deference or Defiance?" *International Studies Quarterly*, Vol. 35, No. 3 (Sep., 1991), 295-312.

<sup>18</sup> Wang, 1999; Dreher, Nunnenkamp and Thiele, 2008; Woo, Byungwon and Eunbin Chung. "Aid for Vote? United Nations General Assembly Voting and American Aid Allocation." *Political Studies* (2017), 1-25.

<sup>19</sup> Kuziemko, Ilyana and Eric Werker. "How Much is a Seat on the Security Council Worth? Foreign Aid and Bribery at the United Nations." *Journal of Political Economy* (2006).

<sup>20</sup> Andersen, Thomas Barnebeck, Henrik Hansen, and Thomas Markussen. "US Politics and World Bank IDA-Lending." *Journal of Development Studies* 42 (2006), 772-94; Kilby, Christopher. "An Empirical Assessment of Informal Influence in the World Bank." *Economic Development and Cultural Change*, Vol. 61, No. 2 (Jan., 2013), 431-464.

	Israel/ Palestine	Syria	Human Rights	WMD	Russia/ Ukraine	North Korea	Iran	Cuba	Other <sup>21</sup>	Total	
2012	4	1	0	0	0	0	0	1	1	1	8
2013	3	1	1	3	0	0	0	1	1	1	11
2014	3	1	1	3	0	1	1	1	1	2	13
2015	3	1	1	3	0	1	1	1	1	2	13
2016	3	3	1	5	1	0	0	1	0	0	14
<b>Total</b>	<b>16</b>	<b>7</b>	<b>4</b>	<b>14</b>	<b>1</b>	<b>2</b>	<b>5</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>59</b>

Half of these votes are about just two issues: Israel/Palestine and weapons of mass destruction. While these and the other important UNGA decisions are associated with clear US interests, they are a mere subset of what's important to the United States.

There is increasing recognition that promoting development outcomes themselves is also often in the United States self-interest. In an increasingly connected world, global ills linked to underdevelopment can cross borders and impact the United States. Aid has become an important tool to help countries address the root causes of these potential negative spillovers.<sup>22</sup>

It was not always seen this way. During the Cold War, aid was largely seen as a tool to prop up allies and keep countries out of the Soviet sphere of influence. As Steven Radelet once said, "Who believed that Zaire's dictator Mobutu Sese Seko would ever use American largesse to vaccinate children or train teachers?"<sup>23</sup> The point, rather, was to buy foreign policy compliance. Today, United States interests—and the approach to achieving them—look different. Certainly, encouraging foreign policy alignment remains a goal. But it's hard to argue that it would serve the United States interests to discontinue support for countries' efforts to detect and control pandemic threats that may reach US soil. Or walk away from efforts to promote the rule of law and contain the violence that can drive migrant and refugee flows.<sup>24</sup> Or pull back from steps to prevent the rise and escalation of violent extremism, which can include things like encouraging participatory governance, combatting illicit financial flows, and addressing certain economic conditions.<sup>25</sup>

That UN voting captures only a subset of US interests is widely recognized. The State Department itself notes that "a country's voting record in the United Nations is only one dimension of its relations with the United States. Bilateral economic, strategic, and

<sup>21</sup> "Other" votes are as follows. 2012: entrepreneurship for development; 2013: agricultural technology for development; 2014: entrepreneurship for development, toward a new international economic order; 2015: the sovereign right to impose unilateral economic measures, strengthening the Food and Agriculture Organization.

<sup>22</sup> Bermeo, Sarah Blodgett. *Targeted Development: Industrialized Country Strategy in a Globalizing World*. New York, NY, United States of America: Oxford University Press, 2018.

<sup>23</sup> Radelet, Steven. "Bush and Foreign Aid." *Foreign Affairs*. January 29, 2009. <https://www.foreignaffairs.com/articles/2003-09-01/bush-and-foreign-aid>

<sup>24</sup> Clemens, Michael, and Hannah Postel. "Foreign Policy Is Migration Policy: Lessons from the Drivers of Central American Child Migration" September 13, 2017. <https://www.cgdev.org/publication/foreign-policy-migration-policy-lessons-drivers-central-american-child-migration>

<sup>25</sup> Allan, Harriet, Andrew Glazzard, Sasha Jespersen, Sneha Reddy-Tumu, and Emily Winterbotham. "Drivers of Violent Extremism: Hypotheses and Literature Review." Royal United Services Institute, October 16, 2015. [https://assets.publishing.service.gov.uk/media/57a0899d40f0b64974000192/Drivers\\_of\\_Radicalisation\\_Literature\\_Review.pdf](https://assets.publishing.service.gov.uk/media/57a0899d40f0b64974000192/Drivers_of_Radicalisation_Literature_Review.pdf)

political issues are at times more directly important to US interests.”<sup>26</sup> And Haley takes a similar position, emphasizing that “UN votes should never be the only factor in our foreign aid decisions. We have many interests that go beyond the UN.”<sup>27</sup> On this point, there seems to be some level of agreement. Debate will remain, however, as to what interests beyond those addressed at the UN are most important.

## Tying aid to votes seems to disproportionately disadvantage democracies and poorer countries

One of the US government’s foreign policy and development goals is to promote democratic governance around the world. In their vision and/or mission statements, both the State Department and United States Agency for International Development (USAID) claim to “promote and demonstrate democratic values.” USAID further notes that its investments seek to “strengthen democratic governance.”<sup>28</sup> It would seem counterproductive, then, to engage in a foreign policy approach that disproportionately punishes democracies. Yet there is evidence that linking aid to UN voting practices does just that.

Analyses show that democracies vote with the United States more often than autocracies,<sup>29</sup> but this doesn’t necessarily mean they are naturally more politically aligned. In fact, in many democratic countries there can be significant pressure to vote against the United States in the UN, especially where the median voter holds unfavorable opinions of the United States. A democratically elected government may stand to benefit from a symbolic show that it is not a pawn of the United States—potentially even more so when the United States makes showy, public threats about aid withdrawal for noncompliance.<sup>30</sup> Autocratic governments, on the other hand, tend to rely on a small elite coalition for support and don’t have as strong a need to accommodate public opinion.<sup>31</sup>

Instead, evidence suggests that the greater alignment of democratic countries with US policy may be a result of more targeted and/or more effective pressure.<sup>32</sup> All else equal, the United States prefers to support democracies—as outlined in its foreign policy and development missions, and as reflected in the preferences of many members of Congress. Aid to autocracies is largely given only when it serves other strategic US interests. Accordingly, threatening autocracies with aid withdrawal tends to be less credible and therefore less used.<sup>33</sup> Threats and rewards are more credible with democracies, where aid often isn’t as strategically tied and where governments may view the potential gains from aid as a way to preserve popular support.<sup>34</sup> Pakistan, for example, was more frequently

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<sup>26</sup> US Department of State, 2017. p. 3.

<sup>27</sup> "Haley: U.N. Votes 'should Be One of the Factors' of U.S. Foreign Aid." Speech, AIPAC Annual Conference, Washington, District of Columbia. March 5, 2018. [https://www.washingtonpost.com/video/politics/haley-un-votes-should-be-one-of-the-factors-of-us-foreign-aid/2018/03/05/c8e0e4d8-20cf-11e8-946c-9420060cb7bd\\_video.html?utm\\_term=.31cd7ecc6312](https://www.washingtonpost.com/video/politics/haley-un-votes-should-be-one-of-the-factors-of-us-foreign-aid/2018/03/05/c8e0e4d8-20cf-11e8-946c-9420060cb7bd_video.html?utm_term=.31cd7ecc6312)

<sup>28</sup> “About State.” US Department of State. Accessed May 01, 2018. <https://www.state.gov/aboutstate/>; “Mission, Vision and Values.” US Agency for International Development. Accessed May 01, 2018. <https://www.usaid.gov/who-we-are/mission-vision-values>

<sup>29</sup> Kim and Schaefer, 2011.

<sup>30</sup> Huang and Gough, 2017.

<sup>31</sup> Carter and Stone, 2015.

<sup>32</sup> Carter and Stone, 2015.

<sup>33</sup> Carter and Stone, 2015.

<sup>34</sup> Carter and Stone, 2015; Bueno De Mesquita, Bruce, and Alastair Smith. "A Political Economy of Aid." New York University. September, 2006. <http://www.nyu.edu/gsas/dept/politics/faculty/smith/FinalAidSelectorateSept2006.pdf>

punished with aid withdrawals during its democratic years than during its authoritarian years in the 1980s and 1990s.<sup>35</sup>

Historically, the United States also seems to influence votes in a way that disproportionately disadvantages poor countries. In general, countries with weaker economies and lower capacity are more susceptible to US influence since they are more aid dependent.<sup>36</sup> The way the United States wields its influence matters for the poor, too. The United States has two main ways of adjusting its aid in response to countries' voting—giving more aid to reward compliance or reducing aid to punish opposition. Evidence shows that while the United States tends to reward middle-income countries, poorer countries are more likely to be punished since they are weaker and less able to resist in a way that would be unfavorable to the United States.<sup>37</sup>

A disconnect is apparent here. US foreign policy and development goals include supporting democracies and working to end poverty. Yet the way the United States exercises one of its foreign policy tools—using aid to buy limited foreign policy compliance—appears to work against these broader objectives.

### When aid is given for strategic reasons, development effectiveness gets muddled

Turning the aid tap on and off for foreign policy purposes risks compromising the effectiveness of US development investments. There is internationally endorsed recognition that donors' failure to provide predictable multi-year commitments has contributed to the ineffectiveness of aid.<sup>38</sup> Indeed, to support the decades-long process of developing strong institutions, donors must commit to long-term, reasonably consistent engagement. There will, of course, be instances in which the United States will want to curtail aid to a country. But it must recognize that on-again-off-again aid flows are likely to make its investments—including money already spent—less effective at achieving its development objectives.

Furthermore, blending development objectives with non-development objectives creates ambiguity. An important factor behind aid's unsatisfying long-term track record in fostering development is the fact that for decades—and sometimes today—development has often not been its chief aim.<sup>39</sup> While non-development goals can be important and reasonable to pursue with US foreign assistance, the multiplicity of goals makes it much harder to reasonably define and seek to measure success. If success fundamentally means getting a country to vote in a particular way, attention to the secondary development side of success may become less important.

When the argument for politically linking aid to UN voting practices emerged in the 1980s, part of the justification was that aid was seen to be ineffective in improving development outcomes. Withdrawing it as punishment for noncompliance at the UN would therefore make little difference. But this presents a circular argument since emphasizing the political use of aid was precisely (part of) what made it less effective in achieving development goals to begin with.

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<sup>35</sup> Carter and Stone, 2015.

<sup>36</sup> Dreher, Nunnenkamp, and Thiele, 2008.

<sup>37</sup> Carter and Stone, 2015.

<sup>38</sup> Organisation for Economic Co-Operation and Development (2005/2008), The Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, OECD Publishing, Paris.

<http://www.oecd.org/dac/effectiveness/34428351.pdf>

<sup>39</sup> Bermeo, 2018; Radelet, 2003.

The Trump administration is keen to make aid more effective in helping countries develop to the point that they will eventually no longer rely on aid.<sup>40</sup> It will be important to recognize that political use of aid—while sometimes warranted—can compromise its effectiveness in achieving this other important objective.

## The United States is not playing this game alone

During the Cold War, the United States calculated its use of aid as a reward or punishment based on the expectation that a competitor country—the Soviet Union—was using similar tactics. In such a scenario, researchers have theorized, the United States attempted to solidify support for its position by offering aid as an inducement, both to countries it was trying to win over as well as to those that already supported its position.<sup>41</sup> Though the United States is no longer in an oppositional Cold War-type situation, China's emergence as a major power has implications for how the United States seeks to wield influence. Total Chinese official financing to other countries is now on par with that of the United States—and even exceeds it in some countries.<sup>42</sup> And analysis suggests that China also allocates its aid, in part, according to its foreign policy interests, including by giving more aid to countries that vote with it at the UN.<sup>43</sup> This is of particular interest since the United States and China take opposing positions at the UN far more often than they align.<sup>44</sup>

As the Trump administration speaks in terms of withdrawing aid as punishment for nonalignment, it will be important to recognize the implications of this approach in a climate where other donors are willing and able to fill in the gaps. Withdrawing aid, or threatening to, may not induce countries to greater compliance with the United States, but instead encourage them to seek out a closer relationship with other countries. This suggests that the Trump administration should be clear about its goals. Are they just looking for a pretext to cut aid—an objective they've made clear in the last two budget requests? Or is the goal also to increase foreign policy compliance? If the latter is an important component, they must take into account how other players may adjust their behavior accordingly.

## Conclusion

The United States has been using aid to influence votes for decades. Without more clarity on the Trump administration's proposal to link aid more closely to UN voting, it's hard to tell whether the rhetoric is more bluster than promise of sweeping change. Haley clearly recognizes that US interests go well beyond the issues raised at UNGA and understands well that UN votes cannot be the only thing that influences aid patterns. However, if the Trump administration does seek to adjust the portion of aid flows it can control (i.e., those not earmarked or otherwise directed by Congress), it should be clear about the calculation it is making. As it weighs the potential but uncertain benefits of increased foreign policy compliance at the UN, it should also consider the potential costs, in terms of

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<sup>40</sup> US Congress, Senate Foreign Relations Committee. Mark Green Nomination for USAID Administrator, 115th Cong., 1st sess., June 15, 2017.

[https://www.foreign.senate.gov/imo/media/doc/061517\\_Green\\_Testimony.pdf](https://www.foreign.senate.gov/imo/media/doc/061517_Green_Testimony.pdf)

<sup>41</sup> Woo and Chung, 2017.

<sup>42</sup> Taylor, Adam. "China Treats Its Foreign Aid like a State Secret. New Research Aims to Reveal It." The Washington Post. October 11, 2017.

[https://www.washingtonpost.com/news/worldviews/wp/2017/10/11/china-treats-its-foreign-aid-like-a-state-secret-new-research-aims-to-reveal-it/?utm\\_term=.4d2da8a8c2c5](https://www.washingtonpost.com/news/worldviews/wp/2017/10/11/china-treats-its-foreign-aid-like-a-state-secret-new-research-aims-to-reveal-it/?utm_term=.4d2da8a8c2c5); "By the Numbers: China's Global Development Footprint." AidData - A Research Lab at William & Mary. <http://aiddata.org/china>

<sup>43</sup> Dreher, Axel, Andreas Fuchs, Bradley Parks, Austin Strange, and Michael Tierney. "Apples and Dragon Fruits: The Determinants of Aid and Other Forms of State Financing from China to Africa." Working Paper 15. October 2015.

[http://docs.aiddata.org/ad4/files/wps15\\_apples\\_and\\_dragon\\_fruits.pdf](http://docs.aiddata.org/ad4/files/wps15_apples_and_dragon_fruits.pdf)

<sup>44</sup> US Department of State, 2017; US Department of State, 2018.

disproportionate harm to democracies and the poor, the diminished effectiveness of the aid dollars that are spent, and the possible implications for patterns of global influence.

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