Buying Votes and International Organizations:

The Dirty-Work Hypothesis

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Abstract: We show that governments exploit their power over international organizations to hide foreign-policy interventions from domestic audiences. When domestic audiences view interventions favorably, major powers openly exert influence. However, when domestic audiences are skeptical of a target country, governments grant favors via international organizations to hide their "dirty work." We test this theory empirically by examining how the United States uses bilateral aid and multilateral loans to buy other countries' votes in the United Nations Security Council (UNSC). Introducing a new dataset on voting behavior in the UNSC over the 1946-2015 period, our results show that states allied with the United States receive more bilateral aid when voting in line with the United States in the UNSC, while concurring votes of states less allied with the United States are rewarded with loans from the IMF and the World Bank. UNSC members that vote against the United States do not receive either perk.

Keywords: United Nations Security Council, Voting, Aid, IMF, World Bank

JEL-Codes: O11, O19, F35

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1 Introduction

After the collapse of the Soviet Union, the United States sought to manage the threat that an emergent Russia posed by funneling finance to the new government. US disbursements of bilateral aid to Russia amounted to one billion US dollars (USD) in 1993 and 2.5 billion USD in 1994. Then these aid packages came under pressure at home. According to a Congressional Research Service report, worries about the "outcome of the December 1993 Russian parliamentary elections," among other concerns, led to substantial reductions in US aid. Between 1996 and 1998 annual disbursements dropped to about half a billion USD.

Around the same time, the International Monetary Fund (IMF) became heavily involved in Russia. In 1995, it approved a 6 billion USD loan program, increased it to more than 10 billion the next year and to an extraordinarily large 18 billion USD loan in 1998. The United States used its political influence over the international organization to support these loans (Congressional Research Service 2002; Fratianni and Pattison 2005; Goldgeier and McFaul 2005; Stone 2002). As Goldgeier and McFaul (2005, 100) put it: "[i]n essence, the Clinton administration transferred the responsibility for assisting Russia's economic transformation from the United States to the IMF."

This episode suggests that the United States initially used bilateral finance to pursue a key geopolitical goal. When direct aid became difficult to justify domestically, it switched to the IMF and used multilateral finance to support Russia.[1]

[1] We use "aid" for all forms of official support channeled to recipient countries, including Official Development Assistance (ODA), Other Official Flows (OOF), as well as multilateral loans and credits.

Current scholarly literature does not explain the selective use of bilateral versus multilateral channels of political influence. To the contrary, several recent studies – which compare bilateral and multilateral agencies – argue that while political interests drive bilateral initiatives, these motives are less pervasive in international institutions because of the collective decision-making they require (Rodrik 1996; Derek 2008; Dietrich 2013; Milner and Tingley 2013). Much of the recent literature concludes that donors use bilateral channels to pursue political goals, while they use multilateral agencies to provide international public goods (Schneider and Tobin 2016). As Rodrik (1996, 176) puts it, "multilateral flows are less governed by political considerations than bilateral ones."

Yet, qualitative evidence that the United States influences major decisions at the IMF and the World Bank abounds (McKeown 2009). Quantitative evidence supports the view that multilateral lending reflects the interests of international organizations' major shareholders (Dreher, Sturm, and Vreeland 2009a; 2009b; Kilby 2013a; 2013b; Kuziemko and Werker 2006; Vreeland and Dreher 2014; Dreher and Lang 2019, Dreher, Lang, and Richert 2019).

Little empirical work attempts to reconcile these strands of the literature. Taken at face value, these two literatures suggest that donor countries use multilateral agencies for pursuing their own political agendas while, at the same time, bilateral channels seem more politicized than multilateral channels. How, then, do states decide between bilateral and multilateral channels for exerting political influence? And why do people perceive multilateral channels as less political?

We suggest that the answer lies in domestic politics. We argue that a government uses bilateral channels to influence countries that its domestic audience – including voters, elites, and

legislators – views favorably, and it uses multilateral channels to exert political influence when its audience opposes support for the recipient. What we have in mind here is a situation where the government's preferred policy deviates from that of its domestic audience. This might be for ideological reasons, or because politicians trade away some audience support for some other gain — like financial contributions from special interest groups, or an expected long-run benefit like improved national security — that follows from cooperation with the target state. Electoral and reputational costs for pursuing such policies will be smaller if domestic audiences are uncertain or unaware of assistance provided through a multilateral agency.

Our argument is based on the idea that multilateral organizations can do their most powerful members' "dirty work" (Vaubel 1986, 48).[2] Some governments have substantial influence over multilateral organizations, which they can exploit to pursue policies vis-à-vis other states without drawing on bilateral channels. As international financial institutions usually follow their mandates, they have a reputation as a representative of the global community (Abbott and Snidal 1998, 24). Multilateral organizations can thus help to "launder" actions that are unpopular with domestic audiences (Abbott and Snidal 1998, 18). Because decision-making inside multilateral organizations is difficult to observe for domestic audiences, governments can implement their preferred policies with lower risk of detection.

In addition to building on the dirty-work hypothesis by identifying when governments rely on a multilateral channel to deliberately obfuscate their actions, we offer a new empirical setting to test this theory. We look for evidence of vote buying in the United Nations' most powerful

[2] The "dirty-work" hypothesis goes back to Vaubel (1986) but has, to our knowledge, never been tested in a large-n setting. Vaubel (1986, 45) uses "the methodology of example giving."

organ, the United Nations Security Council (UNSC). Specifically, we examine how voting behavior in the UNSC is linked to the allocation of bilateral aid flows and loans from multilateral financial institutions.

We expect that when developing countries vote against powerful donor governments, they receive less bilateral and multilateral support compared to developing countries that vote with the powerful donor governments. However, patterns of bilateral aid are more easily observable by domestic audiences; the decision-making behind the allocation of multilateral aid is less so. We thus expect donors to use bilateral channels to buy votes from friendly governments and to use multilateral channels to buy votes from countries viewed less favorably.

To test our theory, we offer a new dataset that covers the universe of UNSC votes that were cast by all member states in the seven decades over the 1946-2015 period. We record a total of 36,550 individual votes on 2,530 proposed resolutions. We consider all available UNSC proposals – those that have passed (resolutions) and those that have failed (vetoed resolutions and failed majorities). To our knowledge, this is the first such dataset, which we collected from different sources, including the UN Library in Geneva, UN webpages, and UNSC meeting minutes. Along with each member state's decision, we code resolution-specific information, such as the policy area concerned and the amount of media attention the resolution generated.

Armed with the new data on voting in the Security Council we test our theoretical argument and find support for it. First, the evidence is consistent with the view that votes in the world's most important international institution are for sale. We find that temporary members of the UNSC that vote in line with the United States receive both more bilateral aid from the United States and larger loans from the IMF and the World Bank than other countries. Countries that

vote against the United States in the UNSC do not receive such perks during their time as temporary members.

When turning to testing our argument on the choice of bilateral versus multilateral channels, we find that the United States uses bilateral aid to buy the votes of UNSC members it is politically close to, and multilateral loans to buy the votes of members to which it is politically more distant. While we expect our theory to hold for a broad range of bilateral versus multilateral channels – in the areas of trade, investment, development and security cooperation, among others – we choose to focus on IMF loans and, less prominently, the World Bank as our multilateral channels of choice. The United States has substantial power in these organizations, so they represent ideal cases to test our theory.

In addition to introducing novel theory and evidence, as well as an original dataset to understand how governments choose between bilateral and multilateral channels of influence, our paper makes several further contributions to the literature. First, our paper links to the literature on vote-buying at the United Nations, which has focused on the General Assembly (UNGA) (Carter and Stone 2015; Kersting and Kilby 2018; Kilby 2013b; Stone 2008; Thacker 1999). Our results suggest that vote-buying extends beyond the UNGA and also relates to the UN's most powerful organ, the UNSC.

Second, we qualify the "UNSC effect." Multiple recent studies have shown a relationship between temporary UNSC membership and favorable treatment from aid donors and multilateral organizations (Kuziemko and Werker 2006; Dreher, Sturm, and Vreeland 2009a; 2009b; Bueno de Mesquita and Smith 2010; Nooruddin and Vreeland 2010; Kilby 2013b; Lim and Vreeland 2014; Vreeland and Dreher 2014; Reynolds and Winters 2016; Mikulaschek 2017b;

Dreher, Lang, and Richert 2019). In contrast to this previous literature, our study uses data on UNSC voting to differentiate between the influences of individual donor countries. We show that aid from the United States, the United Kingdom, and France goes to those temporary members of the UNSC that vote in line with the respective country. Membership alone does not suffice – it is voting that matters. For the case of IMF loans, we find no evidence that the United Kingdom, France, China or Russia influence IMF loan allocation to buy UNSC votes. The association between UNSC voting and IMF loans emerges only when considering voting relative to the United States and thus suggests that US influence on the IMF is considerably stronger than the influence of the other "permanent five."

The remainder of this paper proceeds as follows. We develop our theory in section 2. Section 3 provides relevant background on the IMF and the UNSC. In section 4, we present the new dataset on UNSC voting behavior and our empirical strategy. The results are presented in section 5. Section 6 concludes with a discussion of the implications of our work.

2 The Argument

2.1 Bilateral and Multilateral Aid

Recent scholarship has investigated the conditions under which donors prefer bilateral over multilateral aid. According to a standard view, multilateral agencies allow donors to share the burden of aid-giving, at the cost of losing some control over how exactly the aid is spent (Milner

and Tingley 2013; Reinsberg, Michaelowa, and Knack 2017).[3] Governments benefit from multilateral organizations because they are more cost efficient compared to fragmented unilateral approaches (Carcelli 2018; Milner and Tingley 2013). Bilateral aid gives donors direct control so they can use it as a tool to achieve strategic foreign policy goals. Evidence on the political motivations behind bilateral aid abounds (for a literature review see, e.g., Hoeffler and Outram 2011).

Yet, there is also an abundance of evidence that the United States uses its influence over multilateral organizations like the IMF and the World Bank to favor countries it considers strategically important (e.g., Andersen, Harr, and Tarp 2006). The first scholar to provide systematic quantitative evidence is Thacker (1999), who shows that IMF programs are more likely to go to governments that move towards the United States in terms of their voting at the United Nations General Assembly (see Vreeland's (2019) review). Stone (2002; 2004) shows that governments favored by the United States receive lighter punishments for noncompliance with IMF conditionality. This conclusion fits with Stone's (2008; 2011) "informal governance" model, where powerful shareholders use informal power to influence IMF decision-making only in cases of strategic interest and otherwise leave the organization to be governed by its formal rules (see also Lang and Presbitero 2018). Scholarship has similarly shown US political influence over World Bank lending decisions (Fleck and Kilby 2006; Kersting and Kilby 2018; Kilby 2009, 2013b, 2013a).

[3] Governments can minimize delegation costs by choosing an international organization with preferences that closely match their own (Schneider and Tobin 2016). Delegation costs also depend decision rules and on whether the donor can decide on how the international organization allocates the aid (Eichenauer and Reinsberg 2017).

The two strands of literature combine to suggest an interesting puzzle. The literature on donors' choice of multilateral versus bilateral support presents multilateral agencies as an apolitical way for governments to share burdens and realize efficiency gains, while the literature on the IMF and the World Bank characterizes these organizations as political tools of their major shareholders, particularly the United States. How can multilateral organizations be perceived as non-political and highly-politicized at the same time? If both bilateral and multilateral channels are used to shape political developments in other countries, how do governments decide between them?

2.2 The Dirty-Work Hypothesis

We expect governments to prefer multilateral over bilateral channels when the political benefits from obfuscation exceed the costs of delegation. Politicians are interested in winning elections, staying in power, and gaining popularity, and multilateral organizations can obscure support for an unpopular recipient (Vaubel 1986). We thus expect payoffs to be channeled via international organizations when the recipient is unpopular with the donor-government's domestic audience. The main costs of channeling favors through multilateral organizations this way is the damage it imposes on the organization's reputation as a politically-independent and neutral actor. Only when bilateral action is sufficiently costly do the benefits of using the organization exceed the costs. Otherwise, the government can rely on bilateral approaches.

Our argument rests on two main pillars, which we briefly discuss in turn. First, we expect governments to be sensitive to the foreign policy preferences of their domestic audience (Moravcsik 1997). Recent evidence suggests that the public has an aversion to providing

bilateral aid to hostile countries. As Heinrich and Kobayashi (2018, 3) contend, "voters abhor giving aid to such regimes." To the extent that the public does support bilateral aid, this support is based on the view that aid is used for humanitarian – not political – purposes (McDonnell, Solignac-Lecomte, and Wegimont 2003; Milner and Tingley 2015). Hence, giving aid to hostile countries for geo-strategic reasons runs the risk of becoming politically costly.

Our theory does not imply that voters are well informed about which countries receive aid in general. While aid policy is rarely salient to typical voters, political elites who oppose giving aid to hostile countries can make such aid politically costly. In the United States, Congress has served as a key actor constraining foreign policy actions of the executive branch, as in the 1990s-Russia example, and, more recently, the blocking of arms sales to Saudi Arabia (Edmondson 2019). Legislators may genuinely oppose such policies or fear media scrutiny brought on by non-governmental organizations and other political elites.

Second, we argue that voters know little about the decision-making processes of multilateral organizations. Partly because of nontransparent governance and partly due to their own rational ignorance, they perceive these organizations as largely independent and discount their own government's role in favoring specific countries. As one example, consider IMF Managing Director Christine Lagarde's threat to pull out of Greece ahead of a 2016 meeting of Eurozone finance ministers. Her threat was taken at face value in newspapers discussing the bail-out.[4] The fact that Lagarde could hardly take such decision against the will of the major IMF shareholders has largely gone unnoticed. According to Vaubel (1986) governments can use international

[4] For an example, see *The Guardian*, https://www.theguardian.com/world/2016/may/06/imf-threatens-greece-eurozone-christine-lagarde (accessed May 10, 2018).

organizations to increase voters' information costs. Grigorescu (2013) finds a certain "culture of secrecy" in many international organizations. Gerster (1993, 107) concludes that "there is an institutionalized bias against public accountability of executive directors" of international financial institutions. Stasavage (2004) suggests that such secrecy allows member-states to blame the international organization for unpopular decisions.

3 The IMF and the UNSC

In order to test our theory, we examine patterns of US bilateral aid and patterns of IMF lending with a focus on amounts received by developing countries serving on the UNSC as compared to other developing countries. We focus on the United States and the IMF because of the country's substantial influence over the institution. Lipscy and Lee (2018) explain that the United States has, on the margins, less influence over World Bank lending decisions compared to the IMF, where the United States remains the most powerful member by far. That said, we expect our theory to hold more broadly, for a wide range of security-, trade-, and development policies. We test robustness turning to the World Bank (where the United States is also the most powerful member), with detailed results presented in the appendix, and leave other policy areas for future research to explore.

The United States enjoys a privileged position at the IMF because power on the Executive Board is explicitly linked to financial contributions, which, in turn are related to a country's economic importance. With nearly 17 percent of the total votes, the United States has veto power over certain decisions that require an 85 percent majority. Beyond this formal power, the

United States also has a degree of informal influence over the institution (Stone 2008; 2011; Lang and Presbitero 2018). The IMF Executive Board typically operates according to a consensus rule, which gives the management agenda-setting power. The management, in turn, is subject to pressure from the United States, both because proposals are shaped to avoid US opposition and because – as the IMF headquarters are located in Washington – representatives of the US Federal Government are actively involved in important IMF meetings. A further channel of US influence is through US Congress, which must periodically approve increases in US contributions to the IMF (Broz and Hawes 2006). As the United States is the largest contributor, IMF management and staff pay due attention to the preferences of US policy-makers.

To study vote-buying, we focus on the UNSC, one of the world's most powerful international institutions, with responsibility for the maintenance of international peace and security. This institution is the only UN body with the power to make binding resolutions to investigate international disputes, impose economic sanctions and arms embargoes, and make use of armed force.

Historically, when the United States acts in concert with the UNSC, it bears a smaller share of the burden of international campaigns (Hartley and Sandler 1999). So it stands to reason that the United States should care about UNSC resolutions. Veto power on the Security Council belongs to each of the five permanent members (China, France, Russia, the United Kingdom, and the United States). The ten elected members, which represent various regions of the world, are rarely pivotal (O'Neill 1996). Still, nine total votes are required for a resolution to pass, and since permanent members sometimes abstain, upwards of four out of the ten elected members must vote in favor.

Beyond their formal voting power, UNSC members matter for legitimacy (Hurd 2007; Voeten 2005; Vreeland and Dreher 2014). As Hurd (2007) explains, the elected members serve the purpose of giving voice to the "rest of the world" on the Security Council. And the legitimizing effect of the Security Council extends beyond the international level and into domestic politics: Chapman and Reiter (2004) find that US Presidents enjoy more public support for actions endorsed by the UNSC. In the absence of UNSC legitimacy, domestic public support is more difficult to achieve and US Congress is more recalcitrant (Hurd 2007; Voeten 2001). Voeten (2001) provides examples. He cites the memoirs of James Baker (1995, 278), emphasizing domestic support to be the main reason for the US government to seek a multilateral solution to the Gulf War. Mikulaschek (2017b) shows that the signal incorporated in UNSC resolutions is most valuable in terms of popular support when it is unanimous, as it signals consensus among foreign elites. There is thus a premium for getting unanimous votes, and every vote matters (see also Matsumura and Tago 2019).

Although no one has systematically studied UNSC *voting behavior* to see if it is related to aid, Kuziemko and Werker (2006) show that membership matters. As their argument goes, the United States desires influence on the UNSC. The governments of some developing countries may care more about the aid than they care about the global security issues considered important by the US government. If major donors like the United States value the voting behavior of developing countries more than their aid, votes-for-aid trades are possible.

For example, the United States promised to support a World Bank loan for China in return for support on the Security Council for the first Gulf War in 1991 and helped China obtain World Bank loans (and provided security guarantees regarding Taiwan) in return for allowing a

UNSC resolution to restore democracy in Haiti in 1994 (Eldar 2008). As another example, the United States cut all foreign aid to Yemen when it failed to support the UNSC resolution that authorized the use of force in Iraq in 1990 (Baker 1995, 278). Secretary of State James Baker declared, "this will be the most expensive no vote they have ever cast" (Baker 1995, 325).

The most recent "smoking gun" is from late 2017. On December 18, the United States vetoed a Security Council resolution that called for the withdrawal of US President Donald Trump's recognition of Jerusalem as the capital of Israel. The resolution was supported by all remaining 14 UNSC members. Two days later, Donald Trump threatened to cut foreign aid to countries that vote against the United States at the United Nations. He stated: "these nations that take our money and then they vote against us at the Security Council […]. We're watching those votes. Let them vote against us, we'll save a lot."

4 Data and Method

4.1 A New Dataset on UNSC Voting Behavior

The previous literature on vote buying in the UNSC primarily built on a binary variable indicating UNSC membership for a given country *i* in a year *t* (e.g., Kuziemko and Werker 2006). Testing our theory, however, requires data on how countries voted during their time as temporary members.

We collected data on voting behavior in the Security Council from multiple sources. Voting behavior on successful resolutions is available from the United Nations Bibliographic Information System. We coded these and added information on vetoed resolutions from the

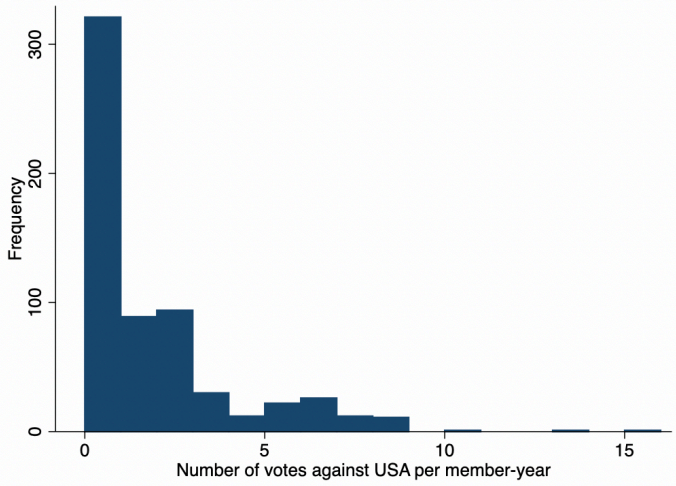
official United Nations veto list (UN document A/58/47, Annex III, for the 1946-2004 period), from archival research in the UN Library in Geneva, and from the online archive of the Dag Hammarskjöld Library. Most difficult to obtain are data on (the rarely occurring) failed majorities. We include voting behavior on these failed majorities obtained from our archival research in the UN Library and from searching for keywords in web-scraped UNSC meeting minutes. We describe this data collection in more detail in Appendix A.

In summary, we obtained data on the votes of all UNSC members on 2,530 decisions (2,259 resolutions, 230 vetoes, and 41 failed majorities) over the seven decades of the 1946-2015 period. This translates into 36,550 individual votes.[5] We also record the title of the proposed resolution, its number (if it passed), and the date of the decision. In addition, we collected and coded resolution-specific information to categorize the proposed resolution's policy area and to proxy its political importance. We describe these data in more detail in Appendix B.

Initially, we use these data to calculate a dyad-year specific count of how often member countries voted against other members in the UNSC in a given year. Figure 1 shows a histogram of the distribution of this count variable for dyads involving the United States, the main focus of our analysis. (In the robustness section we show results for the other permanent UNSC members.) As is visible, at the UNSC – in contrast to the UNGA – many resolutions are unanimously adopted, so this variable is positively skewed and often equals zero.

[5] The UNSC had six temporary members between 1946 and 1965 and has ten since 1966.

Figure 1 – Voting against the United States in the UNSC



Notes: The figure shows the histogram of the number of votes per temporary-UNSC-member-year where a country's votes differ from those of the United States.

In light of this distribution, we also code two binary variables $UNSCall_{it}$ and $UNSCnotall_{it}$ that indicate whether a temporary UNSC member has voted in line with the United States on all votes in a year.[6] Given the large number of unanimous decisions, one disagreement per year indicates a notable deviation in articulated preferences over foreign policy. Furthermore, Mikulaschek (2017a) shows that domestic audiences value unanimity in the UNSC,[7] so that the United States is likely to have an interest in temporary members *always* agreeing (see also Matsumura and Tago 2019). Thus, we expect this indicator of voting alignment to capture much of the variation in voting behavior that we are interested in.

[6] For temporary members, the $UNSCall_{it}$ mean is 1.42 (standard deviation, 2.19). Of 620 member-year observations this variable equals one in 321 cases.

[7] Mikulaschek (2017b, 25) finds that "the unanimous endorsement of a U.S. military intervention by the UN Security Council increases popular support for the use of force by six to ten percentage points, in comparison to the Council's approval of the same action despite dissent." See also Voeten (2005).

In alternative regressions we use continuous measures of UNSC voting alignment variables, following the literature on voting behavior in the UNGA. We calculate the number of votes in which a member disagrees with the United States relative to the total number of votes that were cast in a given year ($ShareAgainst_{it}$). In the construction of this variable we follow the approach proposed by Kegley and Hook (1991) for measuring voting alignment in the UN General Assembly and discard abstentions or absences.[8] When coding this variable we exclude unanimous votes to ensure that we exclude decisions on relatively uncontroversial matters, which reduces the noise in this measure of voting alignment. When using this variable, we also include a binary variable indicating UNSC membership ($UNSC_{it}$) and its interaction with the share of votes against the United States ($UNSC_{it} * ShareAgainst_{it}$).

4.2 Empirical Model and Additional Data

We analyze our data at the recipient-year level. Our initial regressions take this form:

$$y_{it} = \beta_1 UNSC_{it} + \beta_2 UNSC_{it} * ShareAgainst_{it} + \beta_3 GDPpc_{it-1} + \beta_4 Population_{it} + \beta_5 War_{it} \ (+\beta_6 pastIMF_{it}) + \gamma_i + \tau_t + \varepsilon_{it}, \quad (1)$$

$$y_{it} = \beta_1 UNSCall_{it} + \beta_2 UNSCnotall_{it} + \beta_3 GDPpc_{it-1} + \beta_4 Population_{it} + \beta_5 War_{it} \ (+\beta_6 pastIMF_{it}) + \gamma_i + \tau_t + \varepsilon_{it}. \quad (2)$$

[8] Our results are robust to including abstentions and absences and coding agreements for both countries abstaining and both being absent.

In these regressions, we consider two different outcome variables, y_{it}: (1) US bilateral aid, and (2) multilateral IMF loans.[9] In the robustness section, we consider bilateral aid of the other four permanent UNSC members and multilateral loans from other international organizations.

We build our regressions on those in Vreeland and Dreher (2014). IMF loans are logged commitments in millions of current SDR (Special Drawing Rights, the IMF's unit of account).[10] IMF loan commitments are better suited to test the influence of major donors on IMF loans compared to disbursements, as disbursements are typically made in equal tranches and depend on borrowers' compliance with IMF conditions. While political influence could also be important for receiving loans in spite of non-compliance, compliance is likely endogenous and can depend on the borrowers' standing with major powers, their economic development, as well as on their political willingness to implement IMF-mandated policy reforms. The size of the IMF loan commitment is determined before the program starts, when we expect the strongest political influence.[11] In our largest sample, data cover the years 1960 to 2015. During

[9] To make the sample of the two sets of regressions with the two different outcome variables comparable we restrict the sample to countries that, according to the OECD, are eligible to receive ODA in year *t*. As the OECD does not provide the list of ODA-eligible countries for the early years of our sample, we code it by applying the OECD definition and denoting a country *i* in year *t* as ODA-eligible if it has not "exceeded the high-income threshold for three consecutive years" following the World Bank's definition and is neither a member of the European Union nor the G8 (OECD 2018a).

[10] We add one before taking the natural logarithm to avoid losing zero-observations. Note that our regressions include fixed effects for years, which capture changes in the overall price level (inflation). We therefore prefer to not deflate the original IMF data or convert them to USD.

[11] The IMF usually does not disburse more than what was originally agreed upon, so political pressure is likely to be exerted when loan size is decided. Additional regressions show that our results hold when we substitute the IMF loan variable with a binary variable indicating the start

this period, 143 different countries participated in IMF programs. In these countries, a total of 2,536 out of 7,352 possible country-year observations – and thus roughly a third of the years in these countries – are under an IMF program. For observations with an active loan program, the mean IMF loan size in our sample is 422 million SDR (roughly 600 million USD in 2015).

Analyzing US bilateral aid, we again follow Vreeland and Dreher (2014) and measure US aid as logged disbursements (in constant 2015 million USD) rather than commitments.[12] Unlike loans from the IMF, disbursements of US aid follow no clear pattern relative to commitments, nor do they typically depend on compliance with specific ex post policy conditions. In fact, aid disbursements often suffer delays, and we suspect that favoritism plays a role in shortening these delays. As Carter and Stone (2015) show, the US executive branch makes use of its discretion to deviate from previously committed aid levels to use aid for political purposes. Net US aid disbursement data come from the OECD and cover the 1960-2015 period. In this period, a total of 150 countries receive ODA from the United States. Of these countries, the average country receives a total of 4.6 billion USD (in constant 2015 dollars) over the entire period.[13]

We include a number of important control variables. Previous research has argued that the timing of being elected to the UNSC is "not random [but] largely unrelated to aid and political and economic development" (Bueno de Mesquita and Smith 2010, 72). In their analysis of the determinants of election to the UNSC, Dreher et al. (2014, 80) find that "turn-taking is likely an

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of an IMF program. This supports the expectation that political interests are exerted at the design stage of a program.

[12] Again, we add one before taking the natural logarithm to avoid losing zero observations.

[13] The appendix shows that our main results are robust to using various alternative measures, including a binary indicator for IMF program participation.

exogenous source of variation" while noting that for such settings their results also "suggest the importance of controlling for population and income." We follow this advice and include the natural logarithm of $Population_{it}$ and per capita GDP ($GDPpc_{it-1}$) in all regressions.[14]

Dreher et al. (2014) also find involvement in warfare to reduce the likelihood of UNSC election. We therefore also add a country-year specific War_{it} indicator.[15] Furthermore, as previous participation in IMF programs is one of the strongest predictors of receiving IMF loans (Moser and Sturm 2011; Sturm, Berger, and de Haan 2005) and increases the precision of the estimation without reducing the size of our sample, we include an indicator for previous IMF loans ($pastIMF_{it}$). We include country fixed effects γ_i and year fixed effects τ_t in all regressions to rule out that time-invariant country characteristics and global trends that affect all countries equally drive the results; ε_{it} represents the error term.[16] The reader might expect us to estimate these regressions as a system of equations. However, given that the variables we include in the two sets of equation are very similar, gains in efficiency are small. We thus estimate our baseline regressions with Ordinary Least Squares (OLS) rather than Seemingly Unrelated Regressions (SUR).[17]

[14] We lag *GDPpc* by one year in case UNSC membership introduces endogeneity bias (Bueno de Mesquita and Smith 2010).

[15] The variable is set to one for country-years with more than 1000 battle-related deaths. Removing the variable does not affect the results.

[16] Appendix C reports descriptive statistics of all variables. Appendix D contains sources and definitions.

[17] Additional SUR estimations show that the results are not affected by this decision.

Both sets of models arguably allow us to make the identifying assumption that the timing of temporary UNSC membership is conditionally exogenous. Still, as for interpreting our results as causal, there are two important caveats.

First, while membership itself can be considered exogenous, UNSC voting behavior cannot. Voting is likely to be correlated with potential determinants of receiving aid (like a country's general political orientation, its economic conditions, etc.). Therefore, our estimates do not allow us to infer whether the links between voting behavior and aid allocation are also causal. What we can test, however, is whether any causal effect of UNSC membership on aid allocation is driven by countries that exhibit a certain kind of voting behavior. Essentially, the UNSC voting variable is an interaction between membership and voting, given that UNSC voting is not observed for non-members. It thus indicates whether the causal effect of UNSC membership differs for countries with different kinds of voting behavior (and potentially unobserved variables correlated with it).

The second caveat concerns the order of events. We do not observe the exact order of votes and IMF commitments or disbursements of aid, and thus cannot test whether decisions at the level of the UNSC precede decisions at the level of the IMF and the donor government. Hence, we cannot say whether the loan is paid as a reward or rather as a bribe. Even if we find that IMF loans or aid disbursements precede a change in UNSC membership and voting behavior, they could well be paid as rewards in anticipation of a positive vote.

To test our core "dirty-work" hypothesis, we modify the above model:

$$y_{it} = \beta_1 UNSCall_{it} + \beta_2 UNSCall_{it} * Proximity_{it} + \beta_3 UNSCnotall_{it} + \beta_4 UNSCnotall_{it} * Proximity_{it} + \beta_5 Proximity_{it} + \beta_j X_{it} + \gamma_i + \tau_t + \varepsilon_{it}. \quad (3)$$

This model differs from our baseline model (1) in that we introduce a proxy for each recipient country's political $Proximity_{it}$ to the United States which we interact with our indicators $UNSCall_{it}$ and $UNSCnotall_{it}$.

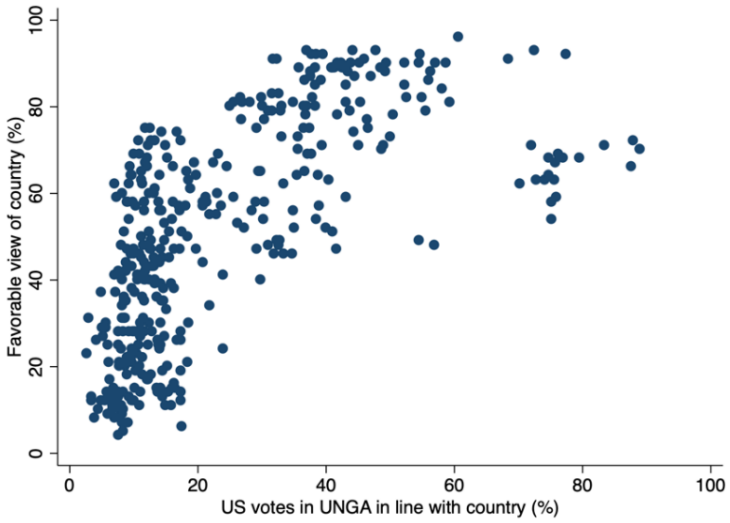
An ideal measure for $Proximity_{it}$ would be the result of a yearly survey that between 1960 and today has asked political elites and citizens in the five permanent UNSC member countries about their willingness to give aid to foreign countries. For lack of such data, we use two different measures that we consider reasonable proxies for what we seek to measure.

As our baseline measure, we code $Proximity_{it}$ as a moving average of the share of votes that the US government casted in line with the respective country in the UNGA over the period from *t-5* to *t-2*. We do not include the years of UNSC membership (*t* and, potentially, *t-1*) so that potential changes in UNGA voting behavior that may result from UNSC membership do not bias the estimates.[18] This proxy has several advantages. First, it allows us to measure a country's political proximity to the US (and to other donors) for almost all recipients and years. Second, it is highly correlated (r = 0.7) with the share of respondents of a Gallup (2018) US survey who have a "favorable" or "very favorable view" of a given country (see Figure 2). These survey

[18] We prefer voting coincidence – which measures actual voting behavior on the specific topics up for voting in each year – over ideal point distances – which takes account of differences among topics over time (Bailey, Strezhnev, and Voeten 2017). This is because we are interested in actual voting behavior – independent of year-to-year changes in topics – rather than a measure of preferences on policies more broadly. Our results are, however, robust to using either of them.

data would come closer to an ideal measure but, unfortunately, cover too few countries and years to be suitable for regressions analyses.[19]

Figure 2 – Correlation: Country Perceptions and UNGA Voting



Third, according to the US Department of State (1985, 2), examining UN votes makes it possible "to make judgments about whose values and views are harmonious with our own, whose policies are consistently opposed to ours, and whose practices fall in between." A report from the same department in 2000 states that "a country's behavior at the United Nations is always relevant to its bilateral relationship with the United States, a point the Secretary of State regularly makes in letters of instruction to new U.S. ambassadors" (US Department of State 2000). The measure is thus indicative of the views towards foreign countries among US political elites. Because voters take cues from such elites, they need not have detailed knowledge of UNGA votes. Moreover, Dreher and Yu (2016) point to plenty of evidence that UNGA voting

[19] The data cover only 188 observations of our sample. The exact question asked by Gallup is: "Next, I'd like your overall opinion of some foreign countries. What is your overall opinion of [country *i*]. Is it very favorable, mostly favorable, mostly unfavorable, or very unfavorable?"

can be indicative of bilateral relations more broadly. Using response rates to a World Value Survey question about confidence in the United Nations, they show that respondents trust the United Nations to about the same degree as they trust their own legislature or government. United Nations General Assembly meetings (where the votes are taken) do not pass unnoticed, but are accompanied by regular protests.[20]

Our second (alternative) measure of $Proximity_{it}$ is an indicator-variable measuring whether the state has received any US aid over the period from *t-5* to *t-2.* The vast majority of eligible recipient countries receive US aid each year. When a country receives none, there are typically political reasons. The use of bilateral aid to buy favors from such a country is thus likely to be politically costly, so we expect the US government to use multilateral resources to buy its votes.

In the regressions of US bilateral aid, our theory predicts a positive coefficient for the interaction of $UNSCall_{it}$ and $Proximity_{it}$ – countries that are close to the United States should be rewarded with more bilateral aid when they vote in line with the United States in the UNSC.[21] Conversely, we expect a negative coefficient for the same interaction in the regressions of IMF loans. This contrast reflects our expectation that the United States will buy or reward the Security Council votes of countries that are politically distant to the United States by means of

[20] For example, the NYCity Lens reports on October 5, 2015, "the first day of the United Nations General Assembly, hundreds of protestors came from every corner of the globe – Syria, Somalia, Ukraine, Egypt, Korea, China, Tibet, Iran – to raise their voices against oppression, injustice and brutality" (see: http://nycitylens.com/2015/10/13752/). Dreher and Yu (2016) provide more examples.

[21] Although our measures of proximity to the US are correlated with US aid and IMF loans, this correlation does not bias our coefficients of interest. We are interested in how US aid flows and IMF loan sizes *change* for a government with a given proximity to the US as soon as the government begins voting on the Security Council.

IMF loans. Finally, we do not expect temporary members that vote *against* the United States in the UNSC to receive any more US aid or IMF loans than non-members. On the contrary, our argument suggests that the US will punish such members by *reducing* financial flows to their countries.

In sum, to test the "dirty work" hypothesis, we thus measure the friendliness of recipient countries using UNGA voting coincidence, which is correlated with citizens' and elites' perceptions of aid-eligible countries. We also measure friendliness using an indicator of past receipt of bilateral aid. We expect domestic audiences – either voters or elites – to be more supportive in granting financial support towards countries they perceive as friendly. While voters are not necessarily knowledgeable about the allocation of aid more broadly, legislators and other elites are likely to be informed, which makes bilateral aid to countries perceived as hostile politically costly. In such situations, governments can obfuscate their support by using multilateral channels instead. Again, legislators and other elites likely take notice, but it is difficult for them to point to indirect payoffs to unfavorable countries due to the absence of "smoking gun" evidence. Furthermore, voters are less likely to care about their government pulling triggers within an international organization, as compared to directly using their own money.

5 Results

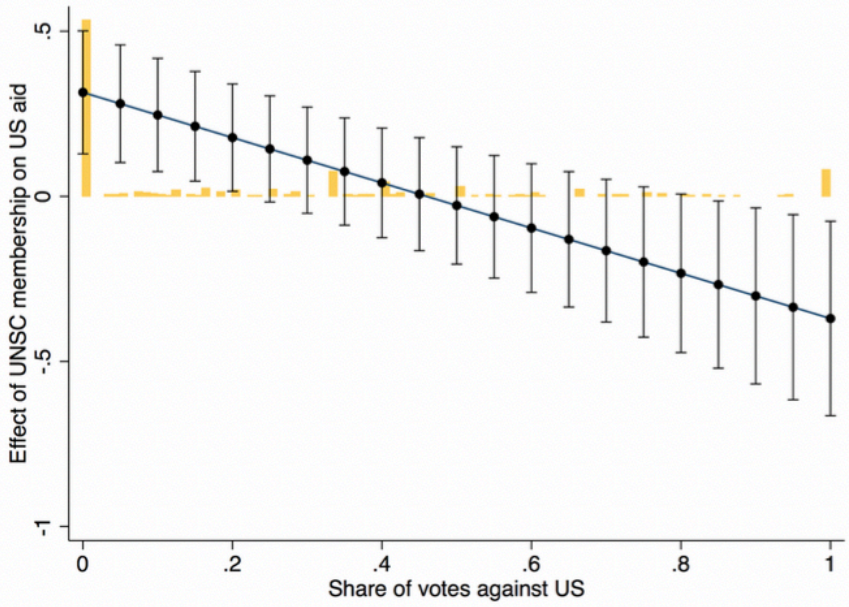
5.1 Baseline Results

Table 1 sets the stage. Before we examine the channel of support (bilateral versus multilateral), we simply show that it pays to vote with the United States on the UNSC. Columns 1 to 6 present results for US aid, columns 7 to 12 for IMF loans. Across all regressions, richer countries receive less aid and smaller loans, significant at the one percent level. At the ten percent level, larger countries receive more US aid, while population is not associated with the size of IMF loans. The coefficient of *War* is insignificant; and countries that had IMF programs in the past tend to receive significantly larger IMF loans in the present.

Turning to our variables of interest, we start with including a binary indicator for temporary membership in the UNSC ($UNSC_{it}$), along with our controls, country-, and year fixed effects. While there is statistically significant evidence at the 10 percent level that US aid (column 1) increases with UNSC membership, there is no such evidence for IMF loans (column 7).

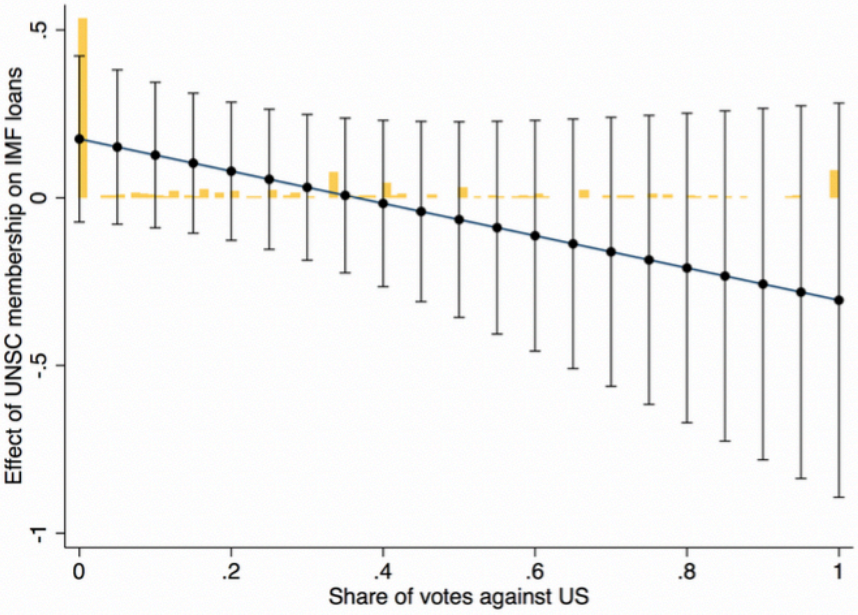
Column 2 adds information on UNSC voting behavior and shows results for equation 1 above. The regression includes both the UNSC membership indicator and our first measure of UNSC voting similarity ($ShareAgainst_{it}$). As voting behavior is only observed for members, voting similarity is implicitly an interaction with the UNSC variable. Accordingly, the two variables must be interpreted jointly: The coefficient on $UNSC_{it}$ provides the estimate for the effect of UNSC membership on aid when $ShareAgainst_{it}$ equals zero. The coefficient on $ShareAgainst_{it}$ then estimates the extent to which voting against the United States changes the size of the UNSC effect.

Figure 3 – Effect of UNSC Membership on US aid for Varying UNSC voting



Notes: The figure shows the marginal effect of UNSC membership on US aid for different levels of political proximity, based on the regression in Table 2, column 1, in concert with the 90 percent confidence interval. The histogram shows the distribution of political proximity to the United States.

Figure 4 – Effect of UNSC Membership on IMF loans for Varying UNSC voting



Notes: See Figure 3. Dependent variable: IMF loans.

The results show that both UNSC membership and its interaction with the share of votes a country casts against the United States are statistically significant at the one percent level. Figure 3 illustrates the marginal effect of UNSC membership on US aid along the range of $ShareAgainst_{it}$. As can be seen, the effect of UNSC membership on aid is positive for members that regularly vote in line with the United States and turns insignificant (at the 10 percent level) for members that vote against them in more than 20 percent of controversial UNSC decisions. The marginal effect is negative for countries that vote against the United States in at least forty percent of the votes. A significantly negative effect is visible for the small set of observations for which we record a share of voting against the United States in controversial decisions that is larger than 80 percent.

Column 8 reports the analogous regression for IMF loans. Neither the coefficient of UNSC membership nor its interaction with the vote share are statistically significant. Figure 4 shows that the marginal effect of UNSC membership on the size of IMF loans decreases with the share a country votes against the United States in the UNSC; it is however not significant at conventional levels.

Columns 3-6 and 9-12 turn to our binary measures for voting with the United States – $UNSCall_{it}$ and $UNSCnotall_{it}$ (equation 1 above). Columns 3 and 9 focus on all votes, while the remaining columns report regressions for which we differentiate between votes according to their importance. We define importance in three different ways.

First, we consider a resolution to be important if it failed or if its number of *Google hits* is above the median of all resolutions of a given year (see Appendix B for details). Our second definition of importance includes votes on topics related to Israel exclusively (see Appendix B

for details). Resolutions related to Israel stand out as the single most important topic in the UNSC: 140 out of the 2524 resolutions included in our sample refer to this key US ally.[22] Resolutions concerning Israel are debated particularly vigorously, typically with large majorities voting against the United States (Becker et al. 2014). Our third definition of importance follows Kuziemko and Werker (2006), who argue that UNSC membership is more valuable in years in which the institution is of major geopolitical importance. They proxy importance with the number of *New York Times* (NYT) articles that include the words "United Nations" and "Security Council" and separate the years into different categories of importance. We do the same for our sample period based on the NYT online archive (see Appendix A for details).

The results of Table 1 paint a clear picture. Countries voting exclusively in line with the United States in the UNSC receive more aid and larger IMF loans than non-members. Specifically, US aid increases by approximately 42 percent ($e^{0.348} - 1 \approx 0.42$) for members that voted with the United States on all votes (at the one percent level of significance), but not for members that did defect at least once (column 3). Investigating the difference between the two coefficients shows that members that always vote in line with the United States receive more aid than members that do not, at the five percent level of statistical significance ($p = 0.037$).

[22] Note that resolutions concerning Israel are not proposed in all years. This is why the number of observations is smaller in these specifications.

Table 1 – UNSC Voting, OLS, 1960-2015

	USA	USA	USA	USA	USA	USA	IMF	IMF	IMF	IMF	IMF	IMF
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
UNSC member	0.169*	0.312***					0.063	0.178				
	[0.097]	[0.113]					[0.123]	[0.151]				
UNSC member		-0.697***						-0.486				
* Share of votes against US		[0.208]						[0.418]				
UNSC, voted all with US			0.348***	0.323***	0.581***				0.403**	0.382**	0.109	
			[0.115]	[0.113]	[0.182]				[0.169]	[0.171]	[0.202]	
UNSC, voted not all with US			0.010	0.031	-0.008				-0.229	-0.215	-0.163	
			[0.137]	[0.135]	[0.132]				[0.171]	[0.169]	[0.225]	
UNSC, voted all with US,						0.478***						0.576**
important years (NYT)						[0.127]						[0.242]
UNSC, voted all with US,						0.142						0.096
unimportant years (NYT)						[0.205]						[0.317]
UNSC, voted not all with US,						0.254						-0.281
important years (NYT)						[0.206]						[0.263]
UNSC, voted not all with US,						-0.124						-0.202
unimportant years (NYT)						[0.161]						[0.201]
GDP/capita (ln, t-1)	-0.952***	-0.952***	-0.954***	-0.954***	-1.093***	-0.953***	-0.340***	-0.343***	-0.343***	-0.343***	-0.397***	-0.343***
	[0.281]	[0.280]	[0.281]	[0.281]	[0.311]	[0.280]	[0.127]	[0.128]	[0.127]	[0.127]	[0.149]	[0.127]
Population (ln, t-1)	1.243*	1.230*	1.234*	1.235*	1.279*	1.232*	-0.002	-0.010	-0.018	-0.016	0.028	-0.023
	[0.675]	[0.673]	[0.674]	[0.674]	[0.715]	[0.674]	[0.395]	[0.396]	[0.396]	[0.396]	[0.454]	[0.395]
War	0.023	0.020	0.022	0.022	-0.095	0.021	-0.311	-0.317	-0.313	-0.313	-0.416**	-0.316
	[0.250]	[0.247]	[0.249]	[0.249]	[0.262]	[0.249]	[0.206]	[0.206]	[0.206]	[0.206]	[0.192]	[0.205]
Past IMF program							1.525***	1.522***	1.516***	1.517***	1.514***	1.517***
							[0.159]	[0.159]	[0.159]	[0.159]	[0.163]	[0.159]
Observations	6141	6137	6141	6141	4457	6141	5825	5821	5825	5825	4284	5825
R-squared	0.137	0.137	0.137	0.137	0.120	0.138	0.124	0.124	0.125	0.125	0.143	0.126
p-value												
(all with vs. not all with)			0.037	0.061	0.007	0.324			0.008	0.012	0.371	0.008
Votes	-	contested	all	Google	Israel	all	-	contested	all	Google	Israel	all

Notes: OLS regressions with country- and year fixed effects. Standard errors clustered at the country-level in brackets. Significance levels * p < 0.1; ** p < 0.05; *** p < 0.01

The coefficient of voting exclusively with the United States for the definition of importance based on Google hits (column 4) is similar in magnitude, with the coefficient indicating that voting exclusively with the United States increases aid by 38 percent. As expected, the effect on US aid is starkest when it comes to votes on Israel (column 5). Voting exclusively in line with the United States increases aid by more than 79 percent, at the one percent level of significance. The NYT-based definition of importance shows that voting exclusively in line with the United States increases aid by 61 percent, while there is no significant increase in unimportant years or for countries that do not always vote in line with the United States (column 6).

Results for IMF loans are similar, both in terms of statistical significance and magnitude. Countries always voting in line with the United States on all votes receive an increase in IMF loans by 50 percent, at the five percent level of significance (column 9). The corresponding increases are 47 percent for voting on important votes according to the Google-based definition (column 10), and almost 78 percent according to the definition based on the NYT (column 12). Only the coefficient for resolutions on Israel fails to be significant at conventional levels (column 11). Overall, our results show that membership on the UNSC is associated with more aid from the United States and larger loans from the IMF – but only for countries that always vote with the United States.

5.2 Main Results

We now turn to testing our main hypotheses. Does the United States funnel favors to friends through bilateral aid and to non-friends through a multilateral channel? Table 2 presents the

results of our core regressions (equation 3 above). Columns 1-4 investigate US bilateral aid; columns 5-8 focus on IMF loans.

Before introducing the measures of UNSC voting behavior, we interact *Proximity* with the simple UNSC membership indicator. For US aid we find a positive and statistically significant coefficient on the interaction (column 1). Jointly interpreted with its constituent terms it suggests that only UNSC members that are politically close to the United States benefit from more US aid. The marginal effect of UNSC membership on US aid is positive only for developing countries that vote with the United States in the UNGA in more than 30 percent of the votes. When it comes to IMF loans (column 5), the coefficient is negative, as expected, but is not significant at the ten percent level ($p = 0.133$).

The remaining columns of Table 2 again separate UNSC members that exclusively voted with the United States in the UNSC from those that did not. Column 2 shows that countries that vote exclusively in line with the United States in the UNSC receive more US aid only when they are politically close to it. This result holds when we focus on important votes in column 3 (Google definition) and column 4 (Israel definition).[23]

The results of these regressions are best illustrated graphically. Panels A and B of Figure 5 thus visualize the result for the specification including all votes, in concert with the 90 percent confidence interval (column 2). The plots show that UNSC members that always vote in line with the United States receive more US aid when political proximity to the United States is high. Countries that are politically more distant to the United States do not receive more US aid

[23] We do not include the *New York Times*-based definition of importance which would result in a triple interaction with eight interaction coefficients to estimate and would thus be difficult to interpret.

when they serve on the UNSC and always vote in line. Panel B shows that UNSC members that do not always vote in line with the United States do not benefit from more US aid, irrespective of their political proximity to the US.

Columns 5-8 report the results for IMF loans. In line with the "dirty work" hypothesis, we find the opposite pattern as compared to bilateral aid. The effect of receiving larger IMF loans when serving on the UNSC and consistently voting with the United States *increases* with political distance to the United States. Panel A of Figure 6 visualizes these results for all votes (column 6). Only countries that are politically distant to the United States receive larger IMF loans when they serve on the UNSC and – in spite of their political distance – consistently vote with the United States. Countries that do not always vote with the United States do not receive larger IMF loans. On the contrary, for close allies of the United States that vote against them, the "UNSC effect" turns negative (Panel B of Figure 6).

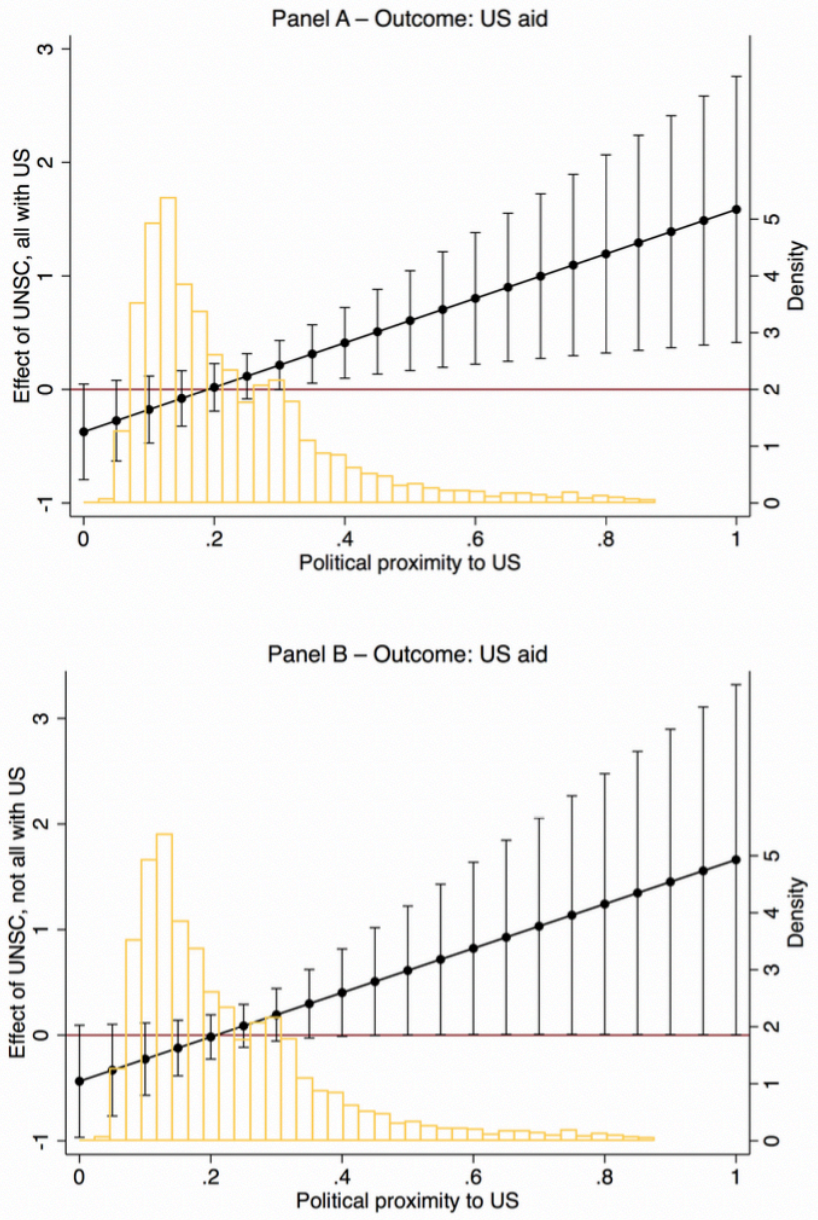
In Figure 7, we plot the analogous results using our second measure of *Proximity*, the indicator for whether the temporary UNSC member had received any US aid in the previous period. As expected, we find that congruent UNSC votes of US aid recipients are rewarded with a significant increase in US aid (Panel A). For these countries it is politically easy to increase their access to US aid. Countries that did not receive US aid in the previous period, however, see no significant increase in US aid. In line with our core hypothesis, these countries are rewarded with significantly larger loans from the IMF when they vote in line with the United States in the Security Council (Panel B). Where bilateral aid would be political difficult to give, the multilateral channel is used. For UNSC members that vote against the US, we again find no effect.

Table 2 – UNSC Voting and Aid to US Friends and Enemies, OLS, 1960-2015

	(1) USA	(2) USA	(3) USA	(4) USA	(5) IMF	(6) IMF	(7) IMF	(8) IMF
UNSC	-0.404**				0.314			
	[0.196]				[0.247]			
UNSC * Political proximity to US	2.010***				-1.107			
	[0.710]				[0.733]			
UNSC, voted all with US		-0.373	-0.398	-0.539		0.897**	0.872**	0.814*
		[0.256]	[0.258]	[0.347]		[0.364]	[0.361]	[0.444]
UNSC, voted all with US * Political proximity to US		1.959**	1.953**	2.506**		-1.541*	-1.543*	-2.077**
		[0.928]	[0.931]	[1.052]		[0.879]	[0.881]	[1.016]
UNSC, voted not all with US		-0.436	-0.441	-0.271		0.089	0.085	-0.414
		[0.323]	[0.321]	[0.329]		[0.300]	[0.299]	[0.473]
UNSC, voted not all with US * Political proximity to US		2.098	2.221*	1.875		-1.740	-1.653	1.241
		[1.300]	[1.266]	[1.327]		[1.225]	[1.220]	[1.761]
Political proximity to US	3.172***	3.172***	3.176***	2.955***	0.027	-0.017	-0.016	0.814*
	[1.024]	[1.029]	[1.029]	[1.091]	[0.526]	[0.531]	[0.531]	[0.444]
Votes	all	all	important	Israel	all	all	important	Israel
Observations	5113	5113	5113	3542	4982	4982	4982	3539
R-squared	0.176	0.176	0.176	0.157	0.113	0.116	0.116	0.132

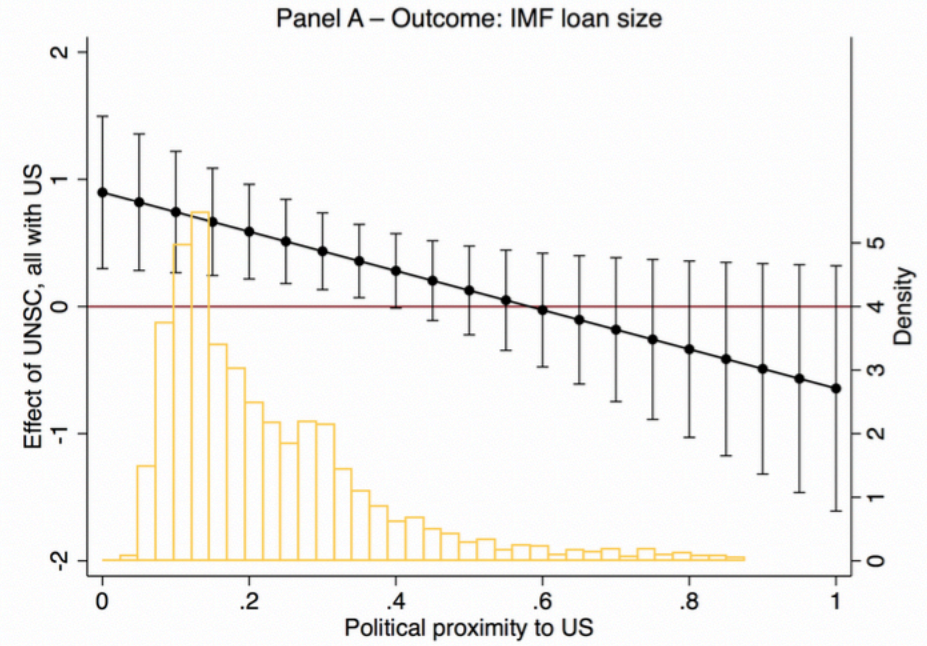
Notes: OLS regressions with country- and year fixed effects. Includes GDP per capita, Population, and War. IMF regressions also include Past IMF program. Standard errors clustered at the country-level in brackets. Significance levels * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

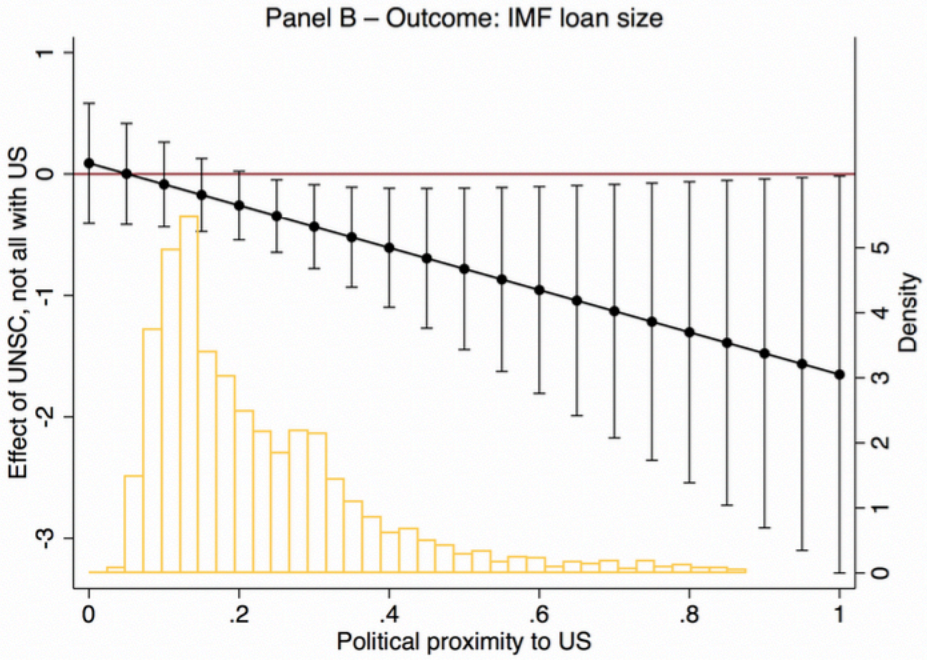
Figure 5 – Effect of UNSC Voting on US Aid for Varying Political Proximity



Notes: The figure shows the marginal effect of UNSC membership and voting on US aid for different levels of political proximity, based on the regression in Table 2, column 2, in concert with the 90 percent confidence interval. Panel A focuses on the marginal effect of UNSC membership for countries that always voted with the United States in a year; panel B shows those for countries that voted against the United States at least once. The histogram shows the distribution of political proximity to the United States.

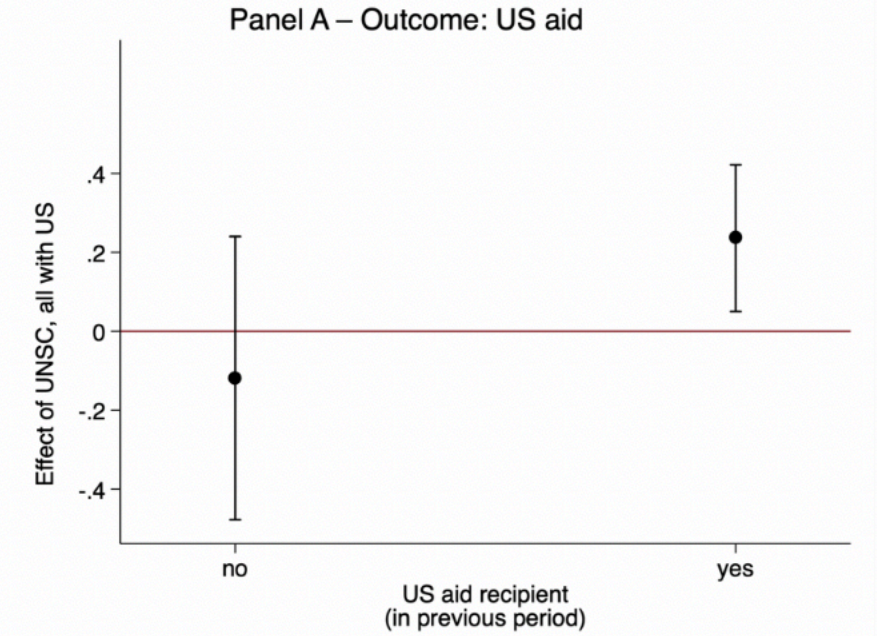
Figure 6 – Effect of UNSC Voting on IMF Loans for Varying Political Proximity

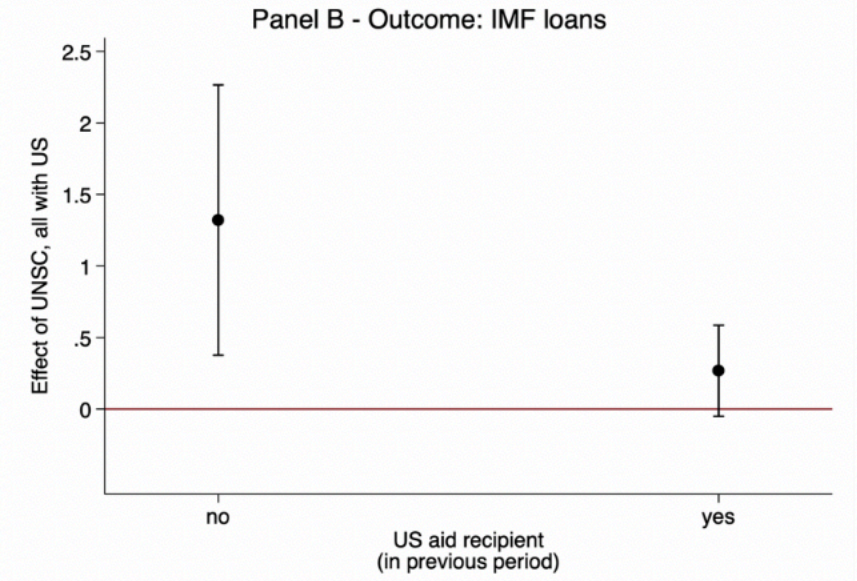




Notes: see Figure 5. Dependent variable: IMF loan size.

Figure 7 – Effects of UNSC Voting for US Aid Recipients and Others





Notes: The figure shows the marginal effect (and 90 percent confidence intervals) of voting in line with the United States as temporary UNSC member on US aid (Panel A) and IMF loans (Panel B) for countries that received US aid in the previous period and for those that did not.

We take these results as evidence for the hypothesis that the channel used for buying UNSC votes depends on the donor's political proximity to the recipient country. In short, the United States uses a bilateral channel to buy or reward the votes of its friends and a multilateral channel when it comes to other countries. Friends can be paid off openly, as reputational costs for giving aid to allied countries are low. For less allied countries, however, reputational costs are higher, and the IMF is used to launder the government's "dirty work."

5.3 Robustness

We test the robustness of these results along several dimensions. They are summarized below and explained in more detail in Appendices E-H.

The other "Permanent Five:" In a first set of robustness tests, we test whether our US aid results hold more generally by investigating the allocation of aid by the other four "permanent five" UNSC members (UK, France, Russia, China). These countries also may seek to exchange finance for votes. For the United Kingdom and France, we find a similar pattern as for the United States: Temporary UNSC members that vote in line with them receive more bilateral aid from them. As a placebo test, we collected data from various sources to consider aid flows from Russia and China (CIA, OECD, Dreher et al. 2017). Both countries have permanent status on the UNSC, but do not typically initiate resolutions and rather exercise their veto to stop resolutions that they oppose (Vreeland and Dreher 2014: 78, 138). In line with this, the results of our analysis show no effect for Russia and China.

We then report the analogous regressions for IMF loans. The results show that voting in line with the United Kingdom, France, China, and Russia in the UNSC is not associated with larger

IMF loans. This association only holds when voting relative to the United States is considered, underscoring that US influence over the IMF is stronger than French and British influence. US vote buying activities seem to be behind the link between temporary UNSC membership and increased access to IMF loans.

The World Bank and other Multilateral Institutions: Next, we show that our IMF results hold more generally by investigating the allocation of World Bank aid. The World Bank represents an alternative multilateral channel through which to funnel financial favors to non-friends who vote with the United States at the UNSC. While previous research suggests that US influence (both formal and informal) is strongest at the IMF (Lipscy and Lee 2018), the United States has substantial power over the World Bank as well (Kersting and Kilby 2018; Kilby 2013b), and our theory should thus hold for the Bank as well.

The dependent variables for these regressions are a) the World Bank's commitment of ODA and b) the number of new World Bank projects agreed upon for country *i* in year *t*. Appendix F (Table 9, Model 1) shows that our results for the IMF also hold for the World Bank. Countries that always vote with the United States in the UNSC receive more World Bank aid if they voted less than about a quarter of the times with the United States in the UNGA before entering the UNSC. The same pattern emerges when we consider the number of new World Bank projects (Table 9, Model 2).

As placebo tests, we then show regressions that focus on international organizations where the United States is not the dominant influence on loan allocation. We investigate the effect of voting in line with the United States on aid from the European Bank for Reconstruction and Development (EBRD), and the Islamic Development Bank (IsDB). While these organizations are

subject to political influence (Ben-Artzi 2005; Hernandez and Vadlamannati 2017), and the United States usually nominates the EBRD vice-president (Babb 2009), US influence over loan allocation is considerably weaker here compared to the IMF and World Bank. In line with our expectations, the results presented in Appendix F (Table 9 Models 3-4) show that UNSC voting behavior is not associated with loans from the EBRD and IsDB, regardless of a recipient country's proximity to the United States.

IMF Program Participation: Previous research on IMF loan allocation often focuses on a country's likelihood of receiving an IMF program rather than on IMF loan size (Dreher, Sturm, and Vreeland 2009b). To make the analysis comparable to such previous work, we focus on IMF *programs* in a robustness test. Due to the binary outcome variable, we estimate this model with a conditional logistic regression that absorbs country fixed effects. Appendix G shows that our results hold for the binary indicator of an IMF program.

Testing for Nonlinear Interactions: In a final robustness test, we examine whether the interaction effect in our main regressions is linear by employing a semi-parametric estimation strategy that allows for nonlinear interaction effects, as recently proposed by Hainmueller, Mummolo, and Xu (2018). This is relevant for our setting because political proximity might influence the association between aid flows and UNSC voting in a nonlinear way. Beyond a linear association it is, for instance, also conceivable that vote buying activities target swing voters (characterized by medium political proximity to the donor), while ignoring very "close" friends (whose votes do not have to be bought) and very "distant" foes (whose votes cannot be bought or are too expensive to buy) (see Vreeland and Dreher 2014, 48-50, 80-85, 175-81).

To challenge the linearity assumption we apply the kernel smoothing estimator of the marginal effect by Hainmueller, Mummolo, and Xu (2018), which estimates multiple local effects across the values of the moderator variable (in our case *Proximity*) based on a Gaussian kernel reweighting scheme. We plot these results in Appendix H.

We find that for US aid, the marginal effect of voting with the United States at the UNSC is approximated by an S-shape. However, as in the linear model, the association is positive and statistically significant for high values of political proximity to the United States (~0.5-0.8 on a 0-1 scale). Only at the very highest values for proximity (>0.8) do we see a drop off in precision, suggesting that perhaps some countries are so close in preference to the United States that it need not buy their votes. Our main inferences are, however, not affected by imposing linearity. While the semi-parametric model yields a more fine-grained functional form, the linear model appears to be a good approximation of the underlying relationship. In the bottom panel of the same figure in Appendix H we repeat the same analysis with IMF loans as the dependent variable (model based on Table 2, column 6). Here, we see that the semi-parametric estimation yields a linear interaction effect. The marginal effect is very similar to the effect estimated by the linear model presented above.

6 Conclusion

This study introduces novel theory and an original dataset to understand how governments choose between bilateral and multilateral support. We argue that governments can exploit the latter to do their "dirty work." The argument that international organizations can be used in

this way goes back to Vaubel (1986) but has never been confronted with data. Recognizing that donors have domestic constituents with favorable views of only certain countries, where bilateral exchanges are acceptable, we suggest that multilateral channels obfuscate the repayment of favors to foreign countries that are unpopular domestically.

Our results reconcile two strands of literature. Previous research on international organizations shows that multilateral lending follows the interests of their major shareholders (Copelovitch 2010; Kilby 2013b; Stone 2002; Thacker 1999), while the recent literature investigating the allocation of bilateral and multilateral aid comes to the conclusion that multilateral aid is less political compared to bilateral aid (Milner 2006; Schneider and Tobin 2016). The results of these literatures stand in contrast to each other and offer an interesting puzzle.

We argue that major powers use their influence over international organizations selectively, so that the typical loan is not affected by donors' political considerations in an obvious way. The previous literature indeed investigated the *overall* allocation of multilateral aid versus bilateral aid. It is thus unsurprising that politics turned out as less important in the allocation of multilateral aid.

When one focuses on a specific set of cases – politically important countries that are not favorably viewed by donor domestic elites or publics – a different picture emerges. Here, powerful countries can use international organizations to pursue their geostrategic interests. Multilateral aid is thus highly political in important cases where the preferences of politicians differ from those of their domestic audiences.

Future work may shed light on remaining puzzles in the literature. For example, Milner (2006) finds right-wing governments give more multilateral aid than do left ones. She concludes that "it is hard to understand this result" which is "robust and puzzling" (2006, 132). Following the logic presented here, if right-wing governments typically pursue more aggressive foreign aid policy than left governments (e.g., Milner and Tingley 2010), then we might expect right wing governments to have greater incentives to obscure their aid practices, and hence make use of multilaterals more frequently.

Our results may suggest an outline for the future development of the international aid architecture as they can explain why governments have an interest in founding new international organizations and make them seem legitimate (see also Rocabert et al. 2017). There are many policy areas where governments seek to use aid strategically but face domestic opposition. For example, substantial shares of the populations in major EU countries opposed a Greek bail-out (see a 2010 poll cited in Schneider and Slantchev 2018, 21), while leading academics and politicians see such support as a necessary condition to maintain the Euro and potentially the European Union.[24] We expect these differences in views between governments and their voters to make multilateral aid more attractive from a politician's perspective. Our logic can explain the insistence of German politicians to involve the IMF in the Greek bail-out.[25]

[24] See for example a 2015 YouGov survey "Greece: Germans and Finns back a hard line, but support for Grexit wanes," https://yougov.co.uk/news/2015/07/10/germans-and-finns-public-prefer-hard-line-support-/ (accessed May 23, 2018).

[25] See the May 29, 2017 article in the *Journal of International Affairs*, https://jia.sipa.columbia.edu/online-articles/germanys-domestic-politics-complicate-greek-debt-crisis (accessed July 2, 2019).

The leverage that politicians gain from international organizations also explains political support for the creation of new organizations, and their resistance towards abolishing existing ones (Gray 2018; Johnson 2014). Accordingly, we expect a "European Monetary Fund" to be called in existence in due course, and additional European organizations in charge of foreign aid and loans to follow later. The potential benefits of international organizations in pursuing policies that domestic audiences dislike seem too strong for national governments to resist.

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APPENDICES

– not for print –

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Appendix A: Data on Voting in the UNSC

We collected data on voting behavior in the Security Council from multiple sources. Voting behavior on successful resolutions is available from the United Nations Bibliographic Information System (http://unbisnet.un.org/, last accessed May 3, 2018). As resolutions are numbered, we can be sure that our data covers all decisions on proposed resolutions that were successful.

As a next step, we turned to vetoed resolutions. For the 1946-2004 period, there is an official United Nations veto list (UN document A/58/47, Annex III). For the more recent period, an official veto list is maintained online by the Dag Hammarskjöld Library (http://research.un.org/en/docs/sc/quick/, last accessed April 26, 2019). Based on these veto lists we went through the respective minutes of UNSC meetings and coded the votes of all UNSC members. Because the coding is based on these official lists, we are confident that our data covers all votes on resolutions that were vetoed.

Most difficult to obtain are data on failed majorities. First, we coded voting behavior on these failed majorities obtained from archival research in the UN Library. Second, we looked for mentions of failed majorities in UNSC meeting minutes. For this we first identified the way in which failed majorities were mentioned in the minutes of UNSC meetings that we had found in the UN Library archive. (One of two wordings were always used: "(failed to obtain the) required majority" or "(failed to obtain the) affirmative votes of nine members"). We then web-scraped all UNSC meeting minutes, searched for these keywords in these documents, and coded the voting behavior of all members.[26] For the post-1966 period we are confident that we cover voting behavior on all failed majorities. Unfortunately, the minutes prior to 1966 are not machine-readable in a reliable way, so we cannot guarantee that the data on failed majorities are complete. As failed majorities are very rare – there are 19 failed majorities in the 1966-2015 period – it is unlikely that many votes are missing in our dataset.

[26] As a double-check, we repeated the keyword search for vetoes, and found one veto that was cast in a secret vote and did not appear on the official veto lists. As voting behavior for this decision was made public later, we added it to our dataset.

Appendix B: Measures of UNSC importance

a. New York Times

As described in the main text, we initially measure the importance of a vote following Kuziemko and Werker (2006), who argue that UNSC membership is more valuable in years in which the institution is of major geopolitical importance. They proxy "importance" with the number of New York Times articles that include the words "United Nations" and "Security Council" and separate the years into different categories of importance. We code the same variable for our sample updating it until 2015 based on the New York Times online archive. Unlike Kuziemko and Werker (2006) we focus on two rather than three categories of importance, to reduce the number of categories when the voting variables are added to the regressions. The results are similar when we use three categories. Our threshold for important years is the median number of New York Times articles in a year that include the words "United Nations" and "Security Council."

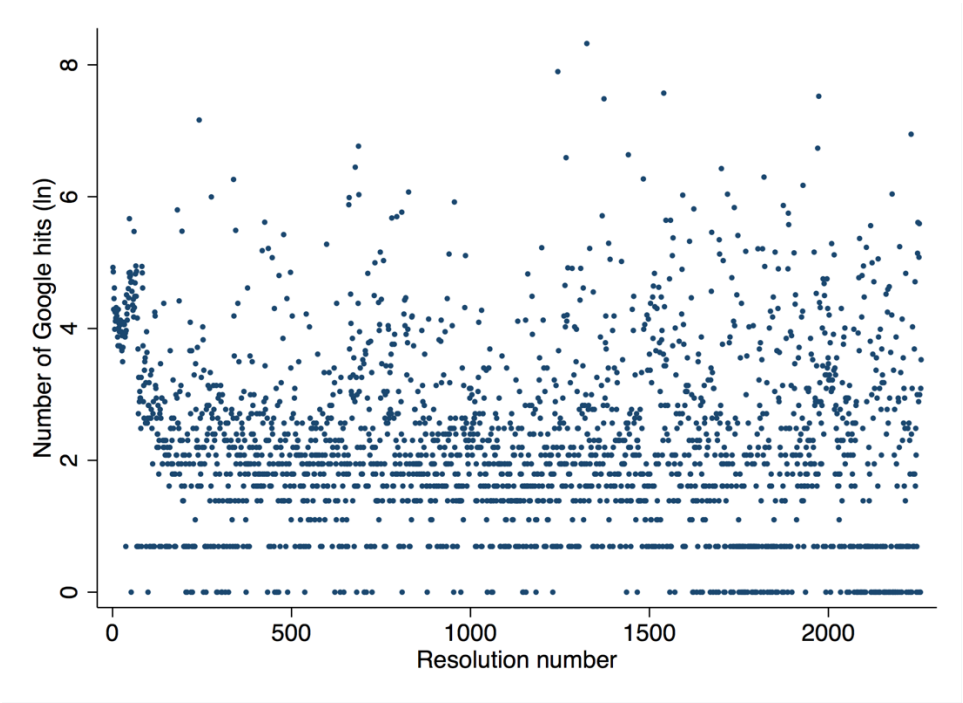
b. Google

In addition to that, we make use of the fact that we employ data on the resolution-level, which allows us to use resolution-specific information on the importance of a given vote rather than only year-specific information.

For all resolutions we code the number of *Google hits* that appear when searching for "United Nations Security Council Resolution [number]" via the *Google* search engine. We do this for all resolutions from 1 to 2259 and enter the search term in quotes, thereby ensuring that the words appear in this exact order on the webpages that *Google* lists. For this we use the *Google Custom Search Engine* and run it via a program written in *Python*. Figure 7 illustrates these data. Based on these data we consider a resolution as important if its number of *Google hits* is above the median of a given year. This removes any potential time trend in this measure. In addition, all votes that did not produce a resolution because of a veto or a failure to reach the required majority are also coded as important. When using this information for the analysis on the

country-year level we then only consider the "important" votes when aggregating to our voting alignment measure.

Figure 8 – Google Hits of UNSC Resolutions



c. Resolution Title

Finally, we exploit information contained in the resolution's title. To this end, we identified key words that frequently appear in resolution titles, using word counting software. This allows coding variables that indicate the policy area the resolutions address. Table 5 shows the 100 most frequent keywords.

For this study we use this information to restrict the sample of resolutions to those that concern Israel. A relatively large number of UNSC decisions focus on this key US ally (140 out of 2524), and our expectation is that the United States will consider these decisions as particularly important. To determine which resolutions concern Israel, we code the title of each resolution and search for the keywords "Israel," "Palestine," "Jerusalem," and "Golan."

For future research, our data also include variables indicating resolutions that concern Lebanon, Cyprus, humanitarian issues, tribunals, sanctions, the admission of new members, and those that extend an existing resolution. This set of variables could easily be expanded as we provide the full resolution title in our dataset on UNSC voting.

Table 5 – Frequency of Words in UNSC Resolution Titles (100 most frequent)

744 : un
651 : mandate
475 : extension
415 : mission
342 : situation
342 : force
190 : membership
187 : peace
177 : against
171 : observer
167 : republic
150 : Cyprus
137 : security
129 : admission
127 : establishment
125 : extends
121 : lebanon
111 : south
108 : question
105 : resolution
103 : military
95 : general
91 : east
89 : congo
88 : council
86 : keeping
86 : tribunal
84 : angola
84 : renewal
83 : democratic
83 : sanctions
81 : implementation
80 : iraq
79 : yugoslavia
79 : interim
78 : western
77 : somalia
76 : measures
75 : disengagement
75 : liberia
74 : application
74 : sudan
71 : sahara
68 : assistance
67 : middle
67 : rwanda
65 : bosnia
64 : africa
64 : operation
64 : herzegovina
63 : former
62 : secretary
61 : between
60 : referendum
59 : humanitarian
56 : arms
50 : d'ivoire
50 : côte
48 : agreement
48 : cease
48 : african
48 : monitoring
48 : haiti
46 : embargo
45 : conflict
44 : israel
44 : leone
44 : protection
44 : criminal
43 : sierra
42 : afghanistan
42 : settlement
41 : court
41 : fire
41 : observers
41 : stationing
41 : deployment
40 : complaint
40 : all
40 : armed
39 : commission
39 : concerning
39 : forces
38 : calling
38 : minurso
37 : states
37 : territories
37 : southern
36 : central
36 : israeli
36 : imposed
35 : group
35 : rhodesia
35 : authorization
34 : justice
34 : peacekeeping
33 : under
33 : palestinian
33 : process
32 : office

Appendix C: Descriptive Statistics

Table 6 – Descriptive Statistics

Variable	Obs.	Mean	S.D.	Min	Max
UNSC member	6142	0.06	0.23	0.00	1.00
Share of votes against US	6138	0.01	0.09	0.00	1.00
UNSC, voted all with US	6142	0.03	0.16	0.00	1.00
UNSC, voted not all with US	6142	0.03	0.17	0.00	1.00
UNSC, voted all with GBR	6142	0.04	0.20	0.00	1.00
UNSC, voted not all with GBR	6142	0.02	0.13	0.00	1.00
UNSC, voted all with FRA	6142	0.05	0.21	0.00	1.00
UNSC, voted not all with FRA	6142	0.01	0.10	0.00	1.00
UNSC, voted all with RUS	6142	0.03	0.18	0.00	1.00
UNSC, voted not all with RUS	6142	0.02	0.15	0.00	1.00
UNSC, voted all with CHN	5333	0.05	0.21	0.00	1.00
UNSC, voted not all with CHN	5333	0.01	0.10	0.00	1.00
UNSC, voted all with US (important Google)	6142	0.03	0.16	0.00	1.00
UNSC, voted not all with US (important Google)	6142	0.03	0.17	0.00	1.00
UNSC, voted all with US (important Israel)	4457	0.02	0.15	0.00	1.00
UNSC, voted not all with US (important Israel)	4457	0.02	0.15	0.00	1.00
UNSC, voted all with US (important year NYT)	6142	0.02	0.13	0.00	1.00
UNSC, voted not all with US (unimportant year NYT)	6142	0.01	0.10	0.00	1.00
UNSC, voted all with US (important year NYT)	6142	0.01	0.10	0.00	1.00
UNSC, voted not all with US (unimportant year NYT)	6142	0.02	0.14	0.00	1.00
Political proximity to US	5114	0.22	0.14	0.00	0.88
IMF loan size (million SDR, ln)	6142	1.09	1.95	0.00	10.36
US aid disbursement (million USD, ln)	6142	2.54	2.07	0.00	9.51
IMF program	5826	0.38	0.49	0.00	1.00
US aid recipient in previous period	5867	0.80	0.40	0.00	1.00
World Bank aid commitments (million USD, ln)	5798	1.56	2.22	0.00	8.36
New World Bank projects	4807	1.59	2.11	0.00	17.00
IsDB aid commitments (million USD, ln)	6142	0.20	0.67	0.00	6.46
EBRD aid commitments (million USD, ln)	6142	0.13	0.72	0.00	7.29
UK aid disbursement (million USD, ln)	6142	1.51	1.64	0.00	8.04
French aid disbursement (million USD, ln)	6142	1.79	1.78	0.00	8.16
Russian aid disbursement (million USD, ln)	1687	0.40	1.15	0.00	7.60
Chinese aid disbursement (million USD, ln)	3023	0.90	1.66	0.00	8.80
GDP per capita (ln)	6138	7.57	1.11	4.75	10.04
Population (ln)	6141	15.39	2.02	9.11	20.99
War	6142	0.06	0.23	0.00	1.00
Past IMF program	5826	0.72	0.45	0.00	1.00

Note: The sample used for calculating these statistics is the sample of column 1 of Table 1.

Appendix D: Data Sources and Definitions

Table 7 – Data Sources and Definitions

Variable	Source	Description
UNSC member	Dreher et al. (2009b), own update	Binary, indicating observations in which country *i* was a temporary UNSC member in year *t*.
Share of votes against US	multiple sources (own coding, see main text)	The number of UNSC votes country *i* cast in line with the United States in year *t* divided by the number of UNSC votes in year *t*. Unanimous votes are excluded.
UNSC, voted all with US	multiple sources (own coding, see main text)	Binary, indicating observations in which country *i* was a UNSC member in year *t*, and voted in line with the United States in all votes of year *t*.
UNSC, voted not all with US	multiple sources (own coding, see main text)	Binary, indicating observations in which country *i* was a UNSC member in year *t*, and voted against the United States in at least one vote of year *t*.
UNSC, voted all with US (important Google)	multiple sources (own coding, see main text)	As above, but only considering UNSC votes on resolutions whose number of hits on the Google search engine surpasses the yearly median and UNSC votes that did not produce a resolution (see Appendix A for details).
UNSC, voted not all with US (important Google)	multiple sources (own coding, see main text)	As above, but only considering UNSC votes on resolutions whose number of hits on the Google search engine surpasses the yearly median and UNSC votes that did not produce a resolution (see Appendix A for details).
UNSC, voted all with US (important Israel)	multiple sources (own coding, see main text)	As above, but only considering UNSC votes on resolutions whose title is related to Israel (see Appendix A for details).
UNSC, voted not all with US (important Israel)	multiple sources (own coding, see main text)	As above, but only considering UNSC votes on resolutions whose title is related to Israel (see Appendix A for details).
UNSC, voted all with US (important year NYT)	multiple sources (own coding, see main text)	As above, but the indicator is set to zero if the year's number of New York Times articles that include the words "United Nations" and "Security Council" is below the median of the observation period (see Appendix A for details).
UNSC, voted all with US (unimportant year NYT)	multiple sources (own coding, see main text)	As above, but the indicator is set to zero if the year's number of New York Times articles that include the words "United Nations" and "Security Council" is above the median of the observation period (see Appendix A for details).

UNSC, voted not all with US (important year NYT)	multiple sources (own coding, see main text)	As above, but the indicator is set to zero if the year's number of New York Times articles that include the words "United Nations" and "Security Council" is below the median of the observation period (see Appendix A for details).
UNSC, voted not all with US (unimportant year NYT)	multiple sources (own coding, see main text)	As above, but the indicator is set to zero if the year's number of New York Times articles that include the words "United Nations" and "Security Council" is above the median of the observation period (see Appendix A for details).
US aid disbursements (million USD, ln)	OECD (2018)	US bilateral net disbursements of Official Development Assistance.
IMF loan size (million SDR, ln)	Dreher et al. (2009a), own update with data from IMF (IMF 2018)	Total amount agreed of IMF loan. IMF (2018) provides the total amount of the agreed upon loan. We divide this number by the years of subsequent program duration, assuming equal phasing of the loan over the program period.
Political proximity to US	Bailey, Strezhnev, and Voeten (2017)	A country's share of votes in line cast with the United States in the United Nations General Assembly, moving average from *t-5* to *t-2*. Abstention coded as half-agreement with yes or no vote.
IMF program	Dreher et al. (2009a), updated with data from Kentikelenis et al. (2016)	IMF program active at any point in year *t*.
IMF purchases (million SDR, ln)	World Bank (2018)	Amount of the IMF loan "purchased" by the IMF program country.
US aid indicator	OECD (2018b)	Binary, indicating country-years with positive US aid disbursements.
US aid recipient in previous period	OECD (2018b)	Binary, indicating country-years with positive US aid disbursements in years between t-5 and t-2
US aid commitments (million USD, ln)	OECD (2018b)	US bilateral commitments of Official Development Assistance.
World Bank aid commitments (million USD, ln)	OECD (2018b)	World Bank commitments of Official Development Assistance.
World Bank projects	Dreher et al. (2009b)	Number of new World Bank projects for country *i* agreed on in year *t*.

AsDB aid commitments (million USD, ln)	OECD (2018b)	Asian Development Bank commitments of Official Development Assistance.
EBRD aid commitments (million USD, ln)	OECD (2018b)	European Bank for Reconstruction and Development commitments of Official Development Assistance.
UK aid disbursements (million USD, ln)	OECD (2018)	UK bilateral net disbursements of Official Development Assistance.
FRA aid disbursements (million USD, ln)	OECD (2018)	French bilateral net disbursements of Official Development Assistance.
RUS aid disbursements (million USD, ln)	CIA (various years) OECD (2018)	Russian bilateral disbursements of foreign aid (missing for 1985-2010 period)
CHN aid disbursements (million USD, ln)	CIA (various years) Dreher et al. (2017)	Chinese bilateral disbursements of foreign aid (missing for 1990-1999 period)
GDP per capita (ln)	World Bank (2018)	Gross Domestic Product per capita, constant 2010 USD.
Population (ln)	World Bank (2018)	Population size.
War	Uppsala Conflict Data Program (2015)	Binary, indicating years with more than 1000 battle-related deaths in year *t* in country *i*.
Past IMF program	Dreher et al. (2009a), updated with data from Kentikelenis et al. (2016)	Binary, indicating countries that had an IMF program in any of the years prior to year *t*.

Appendix E: The other "Permanent Five"

In a set of robustness tests, we examine whether our US aid results hold more generally by investigating the allocation of aid by the other four permanent five (P5) UNSC members (UK, France, Russia, China). These countries also may seek to exchange finance for votes. Vreeland and Dreher (2014) did not find an effect of UNSC membership on foreign aid disbursements by the UK and France, but they did not look at voting in the UNSC and did not consider Russian and Chinese aid.

These regressions (Table 8) repeat the baseline specification of equation 1 (*voted all* vs. *voted not all*, Table 1 column 3) with bilateral aid disbursements of the respective donor country as the dependent variable. For the United Kingdom, we find the same pattern as for the United States: Temporary members that always vote in line with the United Kingdom receive more bilateral aid from the United Kingdom; those who disagree at least once do not receive more than non-members. For France, we also find that aid flows are larger for the temporary UNSC members that never vote against France, but also find a positive association for those that disagree at least once. When examining this latter result in more detail, we find that the positive coefficient on "voted not all with FRA" is driven by the members that disagreed exactly once. When we change the coding and attribute these cases to the "all with FRA" category, the coefficient on "not all with FRA" turns statistically insignificant (p=0.114) and the coefficient on "voted all with FRA" is statistically significant on the five percent level (p=0.048). This suggests that UNSC voting also matters for French aid allocation but also that France is more likely to tolerate single disagreements.

As a placebo test, we then consider aid flows from Russia and China, which both have permanent status on the UNSC, but do not typically initiate resolutions and rather exercise their veto power to stop resolutions that they oppose (Vreeland and Dreher 2014: 78, 138). The results of our analysis show no effect. As a caveat, however, note that for these analyses we had to combine different data sources because there is no official collection of data on Russia and Chinese aid allocation (as there is for OECD-DAC members). For China we combine data from the CIA (various years) and Dreher et al. (2017). For Russia we combine data from the CIA (various years) and the OECD (2018). These datasets are based on different methods and do not cover all sample years (see Appendix D).

We then turn to analogous regressions for IMF loans (Table 8, Panel B). These regressions repeat the baseline specification for equation 1 with IMF loan size as the outcome variable and substitute the variables indicating UNSC voting relative to the US with UNSC voting relative to the other permanent five. The results show that voting in line with the United Kingdom, France, China, and Russia in the UNSC is not associated with larger IMF loans. This is interesting because the UK and France are often also considered to be influential in the IMF (Copelovitch 2010). Yet, even though the UK and France very rarely vote against the US – France: 62 times, UK: 36 times – the association between UNSC voting behavior and IMF loans is only significant when considering voting behavior relative to the United States.

To examine this in more detail, we add the variables indicating voting behavior relative to the permanent five in a single regression (Table 9). This accounts for the fact that some of the permanent five often vote in line. Consistent with the previous result, the only voting variable that enters with a statistically significant, positive sign is UNSC voting relative to the United States. Overall, this suggests that the United States have more control over IMF loan allocation than any of the other permanent five. US vote buying activities are behind the link between temporary UNSC membership and larger IMF loans.

Table 8: The other Permanent Five

Panel A: Bilateral aid from donor j					
	(1)	(2)	(3)	(4)	(5)
	j = USA	*j* = UK	*j* = France	*j* = Russia	*j* = China
UNSC, voted all with *j*	0.350***	0.138**	0.121*	-0.191	-0.204
	[0.115]	[0.066]	[0.072]	[0.119]	[0.133]
UNSC, voted not all with *j*	0.009	-0.065	0.436**	-0.120	-0.466
	[0.137]	[0.094]	[0.185]	[0.157]	[0.284]
Country FE, Year FE, Controls	Yes	Yes	Yes	Yes	Yes
Observations	6141	6141	6141	1687	2752
R-squared	0.137	0.081	0.262	0.040	0.136
p-value (all with vs. not all with)	0.036	0.035	0.083	0.739	0.359

Panel B: IMF loans					
	(6)	(7)	(8)	(9)	(10)
	j = USA	*j* = UK	*j* = France	*j* = Russia	*j* = China
UNSC, voted all with *j*	0.403**	0.206	0.146	0.182	0.054
	[0.169]	[0.158]	[0.137]	[0.162]	[0.115]
UNSC, voted not all with *j*	-0.229	-0.260	-0.308	-0.134	0.112
	[0.171]	[0.179]	[0.192]	[0.193]	[0.386]
Country FE, Year FE, Controls	Yes	Yes	Yes	Yes	Yes
Observations	5825	5825	5825	5825	5825
R-squared	0.125	0.124	0.124	0.124	0.124
p-value (all with vs. not all with)	0.008	0.049	0.038	0.220	0.878

Notes: Dependent variables are bilateral aid from United States, United Kingdom, France, Russia, China (models 1-5) and IMF loan size (models 6-10). OLS-FE regressions. Controls include GDP per capita, Population, War and – in models 6-10 – past IMF program. Standard errors clustered at the country-level in brackets. Significance levels * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Table 9: Who controls the IMF?

Dependent Variable:	IMF loans
UNSC, voted all with US	0.887**
	[0.346]
UNSC, voted all with GBR	0.066
	[0.472]
UNSC, voted all with FRA	0.049
	[0.437]
UNSC, voted all with RUS	0.507
	[0.353]
UNSC, voted all with CHN	-0.117
	[0.467]
UNSC	-0.588
	[0.444]
Country FE, Year FE, Controls	Yes
Observations	5118
R-squared	0.105

Appendix F: The World Bank and other Multilateral Institutions

This Appendix shows that our results for the multilateral channel we consider – the IMF – hold more generally by investigating the allocation of World Bank aid. The World Bank represents an alternative multilateral channel through which to funnel financial favors to non-friends who vote with the United States at the UNSC. While research suggests that US influence (both formal and informal) is strongest at the IMF (Lipscy 2017), the United States has substantial power over the World Bank as well (e.g., Kilby 2013b), and our theory should hold for this institution. The dependent variables for these two regressions are a) the World Bank's commitment of ODA and b) the number of new World Bank projects agreed upon (Dreher, Sturm, and Vreeland 2009a) for country *i* in year *t*. Table 9 (Model 1) shows that our results for the IMF also hold for the World Bank. Countries that vote always with the United States in the UNSC receive more World Bank aid if they voted less than about a quarter of the times with the United States in the UNGA before entering the UNSC. The same pattern emerges if we substitute the amount of World Bank ODA by the number of new World Bank projects (Table 9, Model 2).

As placebo tests, we then show regressions that focus on international organizations where the United States cannot plausibly be expected to exert dominant influence on loan allocation. We investigate the effect of voting in line with the United States on aid from the European Bank for Reconstruction and Development, and the Islamic Development Bank. While political influences in these organizations are certainly important (Ben-Artzi 2005; Hernandez and Vadlamannati 2017), and the United States usually nominates the vice-president of the European Bank for Reconstruction and Development (Babb 2009), this influence is arguably not sufficiently large to affect the allocation of their loans in line with our theory. These regressions thus offer an important placebo test. Results presented in Table 9 (Models 3-4) show that UNSC voting behavior is not associated with loans from the EBRD and IsDB, regardless of a recipient country's proximity to the United States. Given that the United States neither has sufficient influence nor interest in these international organizations to shape their allocation of loans, this placebo result is in line with expectations.

Table 9: Other Multilateral Institutions

Dependent Variable	(1) World Bank aid	(2) New World Bank projects	(3) EBRD loans	(4) IsDB aid
UNSC, voted all with US	0.574**	0.796**	0.051	0.001
	[0.278]	[0.343]	[0.177]	[0.163]
UNSC, voted all with US * Political proximity to US	-2.225**	-1.934*	-0.092	-0.021
	[0.984]	[1.075]	[0.470]	[0.335]
UNSC, voted not all with US	-0.077	0.291	0.026	0.109
	[0.265]	[0.463]	[0.034]	[0.144]
UNSC, voted not all with US * Political proximity to US	0.768	0.886	0.145	-0.472
	[1.196]	[1.677]	[0.363]	[0.571]
Political proximity to US	2.178**	2.585**	1.185**	0.811**
	[0.839]	[1.007]	[0.560]	[0.380]
Country FE, Year FE, Controls	Yes	Yes	Yes	Yes
Observations	4926	3810	4926	5113
R-squared	0.074	0.121	0.049	0.194

Notes: OLS regressions with country- and year fixed effects. Conditional logistic regressions (conditioned on country fixed effects) if the outcome variable is binary (columns 2). Includes GDP per capita, Population, and War. Standard errors clustered at the country-level in brackets. Significance levels * p < 0.1; ** p < 0.05; *** p < 0.01

Appendix G: IMF Program Participation

Previous results have shown that temporary membership in the UNSC increases the probability of being under an IMF program, but not the size of IMF loan commitments (Dreher, Sturm, and Vreeland 2009b). Our regressions explain this puzzle. Given that some temporary members of the UNSC vote against the United States, average commitments for members do not necessarily increase. The frequently cited example of Yemen introduced above comes to mind. Yemen was a temporary member in 1990 and failed to support the UNSC resolution that authorized the use of force in Iraq in 1990 (Baker 1995). Though a member of the UNSC, Yemen received less rather than more aid from the United States and the IMF. With our new data on *voting* in the UNSC, we find results for commitments that previous work was unable to detect. Still, we think it is interesting to replicate the analysis focusing on IMF *programs* rather than IMF loan size. Due to the binary outcome variable, we estimate this model with a conditional logistic regression that absorbs country fixed effects. Table 10 shows that our results hold for the binary indicator of an IMF program.

Table 10: IMF Program Participation

Dependent Variable:	IMF program
UNSC, voted all with US	1.032***
	[0.372]
UNSC, voted all with US * Political	-2.739**
proximity to US	[1.179]
UNSC, voted not all with US	0.383
	[0.485]
UNSC, voted not all with US *	-0.143
Political proximity to US	[2.053]
Political proximity to US	1.510*
	[0.896]
Controls	Yes
Observations	4295

Notes: Conditional logistic regressions, absorbing country fixed effects. Includes GDP per capita, Population, War, and past IMF program. Standard errors clustered at the country-level in brackets. Significance levels * p < 0.1; ** p < 0.05; *** p < 0.01

Appendix H: Testing for Nonlinear Interactions

In a final robustness test, we examine whether the interaction effect in our main regressions is linear. Hainmueller, Mummolo, and Xu (2018) propose a semi-parametric estimation strategy that allows for nonlinear interaction effects. This is relevant for our setting because political proximity might influence the association between aid flows and UNSC voting in a nonlinear way. Beyond a linear association it is, for instance, also conceivable that vote buying activities target swing voters (characterized by medium political proximity to the donor), while ignoring very "close" friends (whose votes do not have to be bought) and very "distant" foes (whose votes cannot be bought or are too expensive to buy) (see Vreeland and Dreher 2014, 48-50, 80-85, 175-81).

To test the linearity assumption we apply the kernel smoothing estimator of the marginal effect by Hainmueller, Mummolo, and Xu (2018), which estimates multiple local effects across the values of the mo derator variable (in our case *Proximity*) based on a (Gaussian) kernel reweighting scheme. This allows us to flexibly estimate the functional form of the marginal effect without imposing the linearity assumption and without having to select bins of the moderator variable (the kernel estimator automatically selects bandwidths based on a 5-fold cross-validation procedure).

We plot the results in Figure 9. We find that for US aid, the marginal effect of voting with the United States at the UNSC is approximated by an S-shape. However, as in the linear model, the association is positive and statistically significant for high values of political proximity to the US (~0.5-0.8 on a 0-1 scale). Only at the very highest values for proximity (>0.8) do we see a drop off in precision, suggesting that perhaps some countries are so close in preference to the United States that it need not buy their votes. Our main inferences are, however, not affected by imposing linearity. The semi-parametric model yields a more fine-grained functional form, the linear model appears to be a good approximation of the underlying relationship.

In the bottom panel of the same figure we repeat the same analysis with IMF loans as the dependent variable (model based on Table 2, column 6). Here, we see that the semi-parametric estimation yields a linear interaction effect. The marginal effect is very similar to the effect estimated by the linear model presented above.

Figure 9 – Nonlinear Interaction Effects