Donor Competition and Public Support for Foreign Aid Sanctions

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Masaru Kohno
Professor, Faculty of Political Science and Economics, Waseda University, 1-6-1 Nishi-Waseda, Shinjuku-ku Tokyo 169-0051, Japan; (phone) +81(3)3203-7365; E-mail: kohno@waseda.jp

Gabriella R. Montinola
Associate Professor, Department of Political Science, University of California, Davis; 1 Shields Ave, Davis, CA 95616; 530-752-0966 (pone); 530-752-8666 (fax); grmontinola@ucdavis.edu

Matthew S. Winters
Associate Professor and Associate Head for Graduate Programs, Department of Political Science, University of Illinois, Urbana-Champaign; 1407 W. Gregory, MC-713 Urbana, IL 61801; 217-333-3881 (phone); 217-244-5712 (fax); mwinters@illinois.edu

Gento Kato
Ph.D. candidate, Department of Political Science, University of California, Davis, 1 Shields Avenue, Davis, CA 95616; 530-752-0966 (phone); 530-752-3156 (fax); gkato@ucdavis.edu; and Doctoral Student, Graduate School of Political Science, Waseda University, 1-6-1 Nishi-Waseda, Shinjuku-ku Tokyo 169-8050, Japan; +81(3)3208-8534; gento-k@fuji.waseda.jp

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Abstract

Previous research suggests that ideology, material interests, and moral values drive citizens’ preferences over foreign aid policy. Little attention has been paid to how perceptions of the international environment affects these preferences. We examine the extent to which citizens in a traditional donor country consider donor competition when deciding whether to impose aid sanctions on governments engaged in human rights violations. Employing an information experiment conducted among Japanese adults, we find that the prospect of another donor ready to act as a substitute aid-provider reduces support for the use of aid sanctions. This effect runs most strongly through a pathway privileging security concerns, and the effect is larger among respondents who have pre-existing concerns about the other donor. These results highlight the way in which public desires for foreign aid to bring about material returns can hinder a government’s ability to use aid to promote good governance ends.
I. Introduction

Foreign aid is used to pursue a broad array of foreign policy goals. On the one hand, donors seek to use foreign aid in an altruistic fashion, promoting economic development and poverty alleviation (Heinrich 2013; Lumsdaine 1993). On the other hand, foreign aid is an essential tool for promoting security and economic interests and for exporting ideology (Bermeo 2017; Bueno de Mesquita and Smith 2007; Meernik, Krueger, and Poe 1998; Schraeder, Hook, and Taylor 1998). In the past 20 years, OECD donors have also begun to use the promise of aid or, perhaps more commonly, the threat of its withdrawal, to promote political ends such as improved democracy, more respect for human rights, and better governance (Claessens, Cassimon, and Van Campenhout 2009; Crawford 2001; Molenaers et al. 2015; Swedlund 2017; Winters and Martinez 2015). Using a single tool to pursue multiple foreign policy goals, however, can generate challenging tensions when making decisions regarding its use (Morgenthau 1962).

The tensions inherent in the use of foreign aid as a policy tool have waxed and waned with changes in the international environment. These tensions have been heightened recently by the rise of so-called non-traditional donors, such as China, Russia,¹ India and Brazil (whereas traditional donors are here defined as the high-income, OECD countries). Foreign aid from these newcomers, it is argued, may be undermining traditional donors’ attempts to promote democracy, human rights and good governance in less developed countries (Naim 2007, Woods 2008).² Implicit in this argument is the notion of “donor competition”—the understanding that these newcomers have different motives for providing development assistance from traditional donors and are thereby challenging the latter’s ability to use foreign aid to influence policy within aid recipients.
In this paper, we examine the extent to which citizens in traditional aid-giving countries take into account the international environment when assessing foreign aid policy. Previous work shows that public opinion is an important source of decisions surrounding aid policy, as it is for policies in other international arenas including trade, immigration, conflict, and cooperation. There is thus a growing body of empirical research that sheds light on public attitudes toward aid policy in donor countries. This literature suggests that a combination of ideology, personal and sociotropic material interests, and moral values drives citizens’ baseline preferences regarding overall levels of foreign aid (Heinrich, Kobayashi, and Bryant 2016; Henson and Lindstrom 2013; Milner and Tingley 2013; Paxton and Knack 2012; Scotto et al. 2017). Little attention has been paid, however, to how perceptions of the international environment, particularly the possibility of donor competition, affect citizens’ preferences regarding aid policy and the weight citizens place on moral, material, and other considerations when assessing foreign aid policy.

We examine the growing significance of donor competition in the context of citizens’ preferences for or against sanctioning a government engaged in internationally recognized human rights violations. We argue that citizens’ support for using aid sanctions as a foreign policy tool will fall when they are made explicitly aware of the possibility that another donor is ready to act as a substitute aid-provider. Even if the public might otherwise place great value in exercising aid policy to pursue moral ends such as the improvement of human rights conditions in a recipient country, awareness that a rival donor is waiting in the wings and willing to take over as aid-provider is likely to affect the public’s final assessment of whether or not to execute sanctions against the repressive government.

We evaluate this argument with an information experiment conducted among adult respondents in Japan. Specifically, we examine whether drawing attention to the possibility of
donor competition with China influences support for or against canceling aid programs in Myanmar and the Philippines—two states whose recent human rights abuses have been widely publicized. Conducting our experiment in Japan, an indisputably important donor country, and designing the experiment around information on possible competition with its main rival donor (China) in the context of real-world Japanese aid recipients engaged in prominent human rights violations (Myanmar and the Philippines) generates a strong dose of naturalism, which increases the ecological validity of our findings (Mutz 2011; Findley et al. 2017).

In addition to assessing whether information regarding donor competition influences support for suspending aid to countries engaged in human rights abuses, we also consider how this information affects individuals’ aid policy preferences. Building on previous work which identifies different motives for supporting aid sanctions (Allendoerfer 2017, Heinrich, Kobayashi, and Long 2018, Heinrich, Kobayashi, and Peterson 2017), we posit four mechanisms, namely that information regarding donor competition cues security, economic, reputational, and aid efficacy concerns.6 We employ causal mediation analysis to identify which, if any, of the four mechanisms underpin changes in aid policy preferences in Japan in response to information about donor competition.

Our results show that the threat of donor competition does indeed matter in the predicted direction, as respondents informed of potential donor competition are less likely to support suspending aid to countries engaged in human rights abuses. Moreover, we find the strongest evidence for a security concerns mechanism. The centrality of security concerns in citizens’ thinking about aid sanctions is additionally supported by evidence that those respondents who feel threatened by the potential competitor in our empirical application – China – react most strongly to the information about donor competition.
The argument and findings we present in this paper speak directly to the motivations underpinning donor publics’ preferences regarding foreign aid policy. While our results rely on a public opinion survey in Japan, we submit our findings may provide lessons for a wide range of donor countries. Japan relies heavily on economic relations as a tool to influence other states, primarily because it is prohibited by its constitution from using military force to settle international disputes (Komiya, Miyagawa, and Tago 2018). In this sense, unlike the United States, Japan belongs to a family of more ordinary donor countries whose citizens may have cause to be concerned if their country’s influence is diluted by competing donors. Our work may thus provide a useful contrast to studies that center on great powers like the United States, and to some extent the United Kingdom, whose citizens may have less cause for concern when confronted with the possibility of other donors serving as substitute sources of aid.

More broadly, our work contributes to the literature on whether and under what conditions foreign aid can promote better governance in less developed countries by suggesting that aid policy makers may be constrained by public opinion in their ability to use the threat of aid withdrawal to bring about changes in target states’ behavior. Some may still question whether the public’s preferences in donor countries affect aid policy at all, but the case for suspending aid in the face of human rights violations is more likely than not to originate from civil society pressure (i.e., to be a case where mass public opinion drives government decision making); macro-level studies show, for instance, that the impact of human rights violations on aid allocation depends on media exposure and shaming by international human rights organizations (Dietrich and Murdie 2017; Murdie and Peksen 2013; Nielsen 2013; Peksen, Peterson, and Drury 2014). Understanding why the public may be more or less likely to support conditioning aid on protection of human rights in recipient countries will thus help policymakers
make better arguments regarding the desirability of political conditionality and/or design policies more in line with public preferences.

II. Donor Competition, Mixed Motives and Support for Aid Sanctions

The public in donor countries is rarely fully informed about the amount of aid their own government and other governments are providing to less developed countries (Scotto et al. 2017). Research nonetheless shows that citizens have relatively stable and structured opinions regarding aid policy (Lumsdaine 1993; Milner and Tingley 2013; Paxton and Knack 2012). In the context of aid to governments engaged in human rights violations, both moral and material considerations have been identified as sources of donor publics’ preferences.

In a study on a large sample of Americans, Allendoerfer (2017) shows, for example, that decisions regarding foreign aid are driven mainly by concern for the welfare of the people in aid-receiving countries. In this study, respondents informed that an aid-receiving country had been engaging in human rights abuses were more likely to support suspending aid than respondents who received no information on human rights conditions in the country or those informed that conditions were improving. Being informed of the country’s economic and strategic value to the United States had little effect on respondents’ opinions about suspending foreign aid.

Other recent studies, however, show that respondents care not only about the moral consequences of aid policy but also the material benefits derived from maintaining an aid relationship with a given recipient. In studies based on survey experiments, Heinrich and colleagues show that support for the provision of aid to regimes engaged in morally questionable behavior improves when the potential aid recipient is vital to either US security or economic
interests (Heinrich and Kobayashi 2018, Heinrich, Kobayashi, and Long 2018). In a related study about support for economic sanctions against a “human-rights abusing regime”, Heinrich, Kobayashi, and Peterson (2017) find that support for sanctions decreases when respondents are informed of the economic sanctions’ material costs to the United States (i.e., lost jobs), while support for the economic sanctions increases with information on their efficacy (i.e., respondents are informed that the target state will suffer costs and the sanctions are likely to produce at least some policy concessions).

Building on insights from these studies as well as the growing literature on public opinion on aid policy, we likewise assume that when deciding whether to support aid sanctions against repressive states, citizens in donor states recognize the multiple ends that governments pursue through foreign aid policy and therefore consider both moral and material concerns. Ceteris paribus, it is likely that donor-country citizens will favor suspending aid to countries engaged in human rights violations as punishment for the offensive behavior or as an inducement to change behavior. But they will be less likely to support suspending aid for human rights violations in aid-receiving states if severing the aid relationship might result in material losses for the donor country. In the contemporary world, donor competition is likely to trigger a shift in the perceived material consequences of using aid sanctions.

Competition for influence over less-developed states through foreign aid is certainly not a new phenomenon. During the Cold War, the United States and the Soviet Union used foreign aid to reward states that embraced their respective political-economic systems and supported their policy positions in the international arena (Lundborg 1998; Morgenthau 1962). In the 1990s, with the fall of the Soviet Union, international competition through aid provision became less common. Not only did the United States and other major donors have generally similar
perspectives on using aid, they were also all members of the OECD’s Development Assistance Committee (DAC), a forum for coordinating the provision of foreign aid. With the rise of non-traditional donors, such as China, Russia, India, and other emerging market economies, however, the prospect of competition through foreign aid provision has emerged once again. While some of these states have been providing aid for decades, mainly to countries close to home, the amount of aid that they are providing today has grown substantially. By one estimate, as of 2012, non-traditional donors were disbursing $10-$15 billion in aid per year (Chandy 2012).

In line with the multiple ends that donors pursue through foreign aid policy, there are a number of ways through which donor competition might influence citizens’ support for or against aid sanctions. Here, we consider four such pathways. First, being aware of another donor waiting in the wings might cause citizens to believe that their country’s security interests might be put at risk by putting aid sanctions in place. The alternative donor might use a deepening of its relations with the aid-receiving state to improve its security position vis-à-vis the original donor. Second, for similar reasons, citizens might be concerned that another donor replacing reduced aid flows will lead to improved economic and commercial ties with the alternative donor, thus implying economic costs from implementing aid sanctions. Third, citizens might believe, on the other hand, that implementing aid sanctions in the face of donor competition is something that will improve the reputation of their country because of its principled stance in favor of human rights, which may strengthen rather than weaken their support for sanctions. Fourth, insofar as citizens agree with using aid sanctions to try to induce behavioral changes by the target state, they might worry that the presence of an alternative donor will make such a policy ineffectual, such that they will not see a point in implementing the sanctions even absent
other consequences. Figure 1 presents a diagram of these four potential pathways running between information about donor competition and changing levels of support for aid sanctions.

[Figure 1 about here]

If information about donor competition triggers reactions along the security interests, economic interests, or efficacy pathways, we expect citizens to decrease their support for aid sanctions. If, on the other hand, the international reputation mechanism is particularly powerful, then we would expect to see information about donor competition leading to increased support for aid sanctions, since taking the principled action in the face of competition will strengthen the donor’s reputation. We hypothesize that the overall effect of donor competition runs in the direction of decreasing support, as we submit that the effects of the security, economic, and efficacy pathways are likely to outweigh any countervailing reputational effect. Our main hypothesis is thus:

- **H1**: Support for aid sanctions against states engaged in human rights violations will be lower when other states are expected to substitute resources for those withheld by the donor.

Beyond changes in reaction to our experimental stimulus, we also expect to observe direct correlations between our stipulated mediating variables and preferences regarding the implementation of aid sanctions. Terminating an aid relationship is likely to result in the loss of economic and strategic benefits that the donor country was receiving from the relationship even if there is no other donor waiting in the wings to step in. On the other hand, canceling aid programs due to human rights violations may increase the state’s international reputation for integrity even in the absence of a competing donor. Citizens who believe that aid sanctions are
likely to bring about change in the target state’s behavior will be more likely to support aid sanctions *ceteris paribus*.

- **H2a:** Individuals who view aid sanctions as damaging to their state’s security interests will be less likely to support aid sanctions.
- **H2b:** Individuals who view aid sanctions as damaging to their state’s economic interests will be less likely to support aid sanctions.
- **H2c:** Individuals who view aid sanctions as improving their state’s reputation will be more likely to support aid sanctions.
- **H2d:** Individuals who view aid sanctions as effective at reducing the target government’s human rights violations will be more likely to support aid sanctions.

Finally, as described above, we expect to find evidence of four pathways mediating the impact of donor competition on individuals’ decisions to support aid sanctions:

- **H3a:** Information about donor competition will lower support for aid sanctions by increasing the probability that respondents view aid sanctions as damaging to their state’s security interests.
- **H3b:** Information about donor competition will lower support for aid sanctions by increasing the probability that respondents view aid sanctions as damaging to their state’s economic interests.
- **H3c:** Information about donor competition will increase support for aid sanctions by increasing the probability that respondents view aid sanctions as improving their state’s reputation.
H3d: Information about donor competition will lower support for aid sanctions by increasing the probability that respondents view aid sanctions as less likely to be efficacious.

III. Research Design

We test our hypotheses with a survey experiment among Japanese residents registered in an online survey pool maintained by Nikkei Research, one of the major survey firms in Japan. Through a stratified random sampling procedure, respondents were drawn from categories defined by gender and region in proportion to demographic data reported in the most recent edition of the Jūminkihondaichō (Basic Residence Register). Due to the limited number of internet users among the elderly, the sample is restricted to individuals between 20 and 69 years of age. The median respondent in the sample is thus slightly younger than the median Japanese resident. In previous comparisons between Nikkei Research online samples and the Japanese population, the samples are also shown to skew slightly higher income and more educated.

Previous research on public opinion and aid sanctions has tended to focus on the views of citizens of the United States or the United Kingdom. Yet Japan is a particularly relevant context in which to study public opinion about foreign aid. Because of constitutional restrictions on the use of force, Japan relies heavily on economic policy tools, such as foreign aid, to influence other states. Asked about the importance of using ODA to pursue diplomatic ends and the national interest, almost 80 percent of our survey sample answered in the top-half of a six-point scale, saying it was somewhat, very, or absolutely important to do so. The Japanese public -- as compared to publics in the United States or the United Kindgom, for instance -- may thus be
more sensitive to the potential for competition from other donors, especially donors whose goals may be in conflict with the foreign policy goals of Japan. Our results, therefore, may be generally relevant to other middle-power donors who are constrained in the set of policy tools that they can consider (e.g., those who are either reluctant or unable to resort to unilateral use of military force).

Our work also differs from previous research that uses survey experiments by employing stimuli that focus on real-world examples of human rights abuse, in particular, in Myanmar and the Philippines, two countries in which Japan has substantial economic stakes. This is advantageous for two reasons. First, as mentioned earlier, using information on real Japanese aid recipients and invoking the possibility of donor competition with China, which is a salient topic in Japan (e.g., Jain 2016), should increase the ecological validity of our study (Findley et al. 2017; Mutz 2011). Second, since the human rights abuses in Myanmar and the Philippines differ substantively—our informational stimulus on Myanmar refers to the government’s treatment of the minority Rohingya and states that several hundred thousand people were estimated to be victims of rape and torture, while the stimulus on the Philippines refers to the treatment of individuals in the government’s war against drugs, with more than ten thousand estimated to have been killed—we are able to explore whether responses might differ by the type of victim and scale of human rights abuse. With only two scenarios, we are unable to test formally whether these variables affects respondents’ support for or against suspending aid. To the extent that our results do not differ substantially across scenarios, however, we are able to think about the effects of donor competition as generalizable across various situations.

Members of our sample of 4,322 respondents were randomly assigned to hear about either Myanmar or the Philippines and then to either the control or treatment condition referring
to that country. In both the control and treatment conditions, respondents were asked to consider
human rights abuses in the corresponding country and to engage with the question of whether or
not Japan should suspend its aid. In the treatment condition, we included an extra statement to
prime respondents to think about donor competition. The control condition for respondents
assigned to hear about Myanmar read as follows:

Next, we would like to ask you about Japan’s aid toward Myanmar in particular. Japan has regarded its relations with Myanmar as very important for economic interests of trade and investment and from the consideration of national security, and thus has provided aid in the amount of 50 to 250 billion yen annually. However, in recent years, the government of Myanmar has been widely criticized in the international community for oppressing the ethnic minority group called the Rohingya, with several hundred thousands estimated to be the victims of rape and torture. International organizations, such as Amnesty International and the United Nations have harshly condemned human rights violations by the Myanmar government. In light of this development, some argue that Japan should also reconsider its aid policy toward Myanmar. On the other hand, there is also an opinion that, despite the human rights violations, Japan should not cancel its aid to Myanmar.

For the Philippines, the text was similar except that the human rights violations were described as “inhumane punishments under the name of the war on drug-related crimes, with more than ten thousand estimated deaths.”

In the treatment condition, we added a concluding clause that informed respondents of the potential for donor competition: “… with the consideration that, if Japan cancels its official development assistance, China might step in and increase its aid to substitute for the deficit and thus expand its influence in the region.”

Naming China as Japan’s potential competition in the provision of foreign aid to other Asian countries should make the treatment quite relevant to Japanese citizens. China began to receive aid from Japan in 1979 and quickly became one of Japan’s largest aid recipients (Jerdén
and Hagström 2012; Katada 2001). Public criticism, which began in the late 1990s, led Japan to suspend its concessional loans to China in 2008; by then, however, China’s phenomenal growth had facilitated its rapid military build-up and enabled Beijing to extend its ambitions to influence other countries through the provision of foreign aid. While estimates are disputed due to the lack of official statistics, China’s aid to Asian countries and its influence over them, is clearly growing, creating cause for apprehension in Japan (Kim and Potter 2012).

To ensure that our analysis concentrates on valid responses from attentive survey takers, we employed two attention check questions to filter out inattentive respondents or “satisficers.” These questions were simple instructed-response items that anyone paying attention should be able to answer. Respondents were excluded from subsequent analysis if they answered either question incorrectly. We also dropped from the analysis those who responded “Don’t want to answer” to the main outcome variable and/or one or more of the mediator questions. After filtering out survey satisficers and respondents with missing responses on either the outcome or mediating variables, we retain 3,179 respondents for our analysis.

Table 1 provides a breakdown of the sample by treatment group in the analysis, with the original number of respondents assigned to each condition before the elimination of satisficers and respondents with missing responses in parentheses. We do not observe any correlation between treatment assignment and the probability of being dropped from the study: the proportion of respondents retained in each condition is similar. For those in the Myanmar conditions, 0.74 of those in control and 0.73 of those in the treatment group were retained, while the corresponding proportions for those in the Philippine conditions were 0.74 and 0.73.
After each respondent received their assigned vignette, we then asked a series of questions to measure respondents’ views of the impact of aid sanctions on Japan’s material interests and international reputation as well as their perceptions of the efficacy of aid sanctions. These questions capture attitudes that are likely to mediate the impact of the information about donor competition on support for aid sanctions and to determine baseline levels of support for aid sanctions.

Specifically, we asked respondents the following four questions in random order: “How do you think cancelation of ODA to {Myanmar, the Philippines} would influence…”

- Japan’s national interests in terms of national security, such as Japan’s defense and regional stability?
- Japan’s national interests in terms of economic benefits such as trade and investment opportunities?
- Japan’s reputation in the international community?
- Government behavior in {Myanmar, the Philippines} in terms of human rights violations?

Since we are interested in the extent to which the treatment changes these attitudes as a pathway to changing support for aid sanctions, for ease of interpretation, we recoded the responses to these questions on a five-point scale with 1 representing positive answers (i.e., cancelation of ODA will improve Japan’s security, economy, and international reputation; and reduce the target state’s human rights violations) and 5 representing negative answers (i.e.,
cancelation of ODA will harm Japan’s security, economy, and international reputation; and increase the target state’s human rights violations).

These items were followed by the outcome variable, a question measuring support for suspending aid to the countries whose governments were criticized for human rights abuses:

- Do you or do you not think Japan should cancel its ODA for {Myanmar, the Philippines}?

The answer choices for this question were “should not cancel”, “it’s difficult to say one way or the other”, and “should cancel.” This three-category response item was further disaggregated with follow-up questions. Individuals who answered that Japan should or should not cancel aid were asked how strongly they felt about their answer: very strongly, somewhat strongly, or not so strongly. Individuals who answered that it was hard to say received the following prompt: “You answered, ‘it’s difficult to answer’ but if you were forced to answer, which would you be inclined to say?”, and were given the option to express whether they would support or not support aid sanctions if forced to answer, or whether it was still too difficult to say. This procedure results a dependent variable coded on a nine-point scale with 1 indicating that the respondent did not at all support canceling aid (i.e., implementing sanctions) and 9 indicating that the respondent was most strongly in support of canceling aid (i.e., carrying out sanctions).

Figure 2 shows the distribution of the outcome variable. For both Myanmar and the Philippines, values are approximately normally distributed with a peak at 4 (i.e., “it’s difficult to answer, but I oppose canceling aid if forced to choose”). Given that our outcome variable takes on nine values and has an approximately normal distribution, we treat it as continuous.
throughout the analysis; results are robust to models that treat the outcome variable as categorical.\textsuperscript{35}

[Figure 2 about here]

IV. Results

Does donor competition reduce public support for cancelling foreign aid? To test our central hypothesis, we apply simple ordinary least square regressions with robust standard errors. Figure 3 presents these results (see Appendix III for detailed estimates). The results for the vignettes involving each of the two recipient countries are shown separately, each with two models, one that includes only the binary treatment variable (i.e., 0 = control, 1 = treated) and the other that includes potentially relevant covariates to reduce variance in the estimation. The relevant covariates include gender, age, and ideology, which are expected to affect support for aid cancellation. Other covariates consist of attitudinal variables based on questions asked of respondents before the informational treatment. More specifically, these variables measure the respondent’s view that:

- The aid-receiving country (i.e., Myanmar or the Philippines) poses a threat to Japan;
- It is important for Japan to maintain relations with the recipient country;
- Japan might develop an important economic relationship with the recipient country in the future;
- Official Development Aid (ODA) is important for the pursuit of Japan’s national interest; and
- International political issues are of interest.
Respondents’ views on the above issues are measured on ordinal scales and collapsed into binary categories. Gender and age are based on self-reported information. Ideology was coded on an 11-point left/right scale (see Appendix IV for details).

As shown in Figure 3, for both Myanmar and the Philippines, the donor competition treatment has a negative effect on support for cancelling aid. On average, support for canceling aid (i.e., implementing aid sanctions) among those who are treated is 0.20 - 0.25 points lower than for respondents in the control conditions. The effects are statistically significant at the 95% level using a two-tailed test with robust standard errors. The estimated effects are statistically indistinguishable across the vignettes referencing Myanmar and the vignettes referencing the Philippines. In both cases, therefore, we find evidence in favor of H1: support for aid sanctions among the Japanese public is lower among those informed that another donor, in this case China, might provide aid to a government engaged in human rights abuses should Japan suspend its aid.

[Figure 3 about here]

For either the Myanmar or the Philippines vignette, the estimated treatment effect is relatively small in magnitude. On the one hand, the estimated treatment effect is only one-third the size of the descriptive difference that we observe in levels of support for aid sanctions between those respondents who think that the target country is likely to be economically important to Japan in the future (“recipient’s potential (high)”) versus those who do not. Similarly, the descriptive difference in the level of support for sanctions between individuals who view the target country as a threat versus those who do not is three times as large in the data.
based on the Myanmar vignettes as the treatment effect. The negative correlation between thinking that ODA is important for pursuing national interests and wanting to implement aid sanctions is six to eight times as large as the estimated treatment effect. On the other hand, the estimated treatment effect is similar in magnitude to, or larger than, the correlations between the outcome and political interest or ideology, two variables that have been identified in previous work to influence support for foreign aid (Milner and Tingley 2013; Paxton and Knack 2012).

*Exploring Four Possible Treatment Pathways*

What are the important pathways through which the treatment effects reported above are mediated? We consider, as potential mediators, four facets of the respondents’ beliefs regarding the impact of aid sanctions, namely that donor competition changes how the aid sanctions will affect their own country’s 1) security interests, 2) economic interests, 3) international reputation, as well as 4) the likelihood of the sanctions affecting the target government’s behavior. Figure 4 provides the distributions of these mediator variables for respondents in both conditions for Myanmar and the Philippines respectively.

[Figure 4 about here]

While our treatment was randomly assigned, the mediators were not. Thus, in order for our estimates to be valid in the following analysis, the sequential ignorability assumption must hold. This assumption consists of two statements. First, all pre-treatment confounders that cause both the mediators and the outcome must be measured and included in the model as covariates.
While we cannot definitively state that we have measured all pre-treatment confounders, we include the pre-treatment covariates included in the analysis of the treatment’s total effect on support for sanctions (see Figure 3) to help meet this condition. These are variables that can potentially affect both the mediators (i.e., beliefs regarding the influence of aid cancelation on different types of interests and concerns) and the outcome (i.e., support for canceling aid).

Second, the sequential ignorability assumption states that there should be no post-treatment confounders. In our research design, this statement implies that there should be no causal relationships among our mediators. We have no theoretical reason to expect that any one mediator precedes and causes the others. For example, there is no theory for why we would expect that perceptions of the influence of aid cancelation on national security causes—or is caused by—perceptions of aid cancelation’s influence on national economic interests. To guard against the possibility that the responses to these questions might be correlated because of consistency bias, we randomized the order in which the questions for the mediating variables were asked. Thus, assuming no unobserved/omitted pre- and post-treatment confounders, we expect to be able to estimate consistently the mediation effect of each mediator and ignore the existence of other, causally unrelated, mediators.

We use causal mediation analysis within the counterfactual framework described in Imai et al. (2011), implemented by the mediation package in the statistical software R (Tingley et al. 2014). For each mediator, this package uses Monte Carlo simulations to estimate the effect of the treatment mediated by the proposed mediators. In contrast to classical structural equation-based methods, which only allow linear models, this method allows flexible statistical modelling at each stage of estimation. As shown in Figure 4, the distribution of responses on mediators tends to be skewed to the right (very few "positive" responses), indicating it may not be
appropriate to treat mediators as continuous variables. Therefore, in subsequent analyses, we collapse each mediator into two categories (1=negative influence, 0=not) and use a generalized linear model with logistic regression to estimate the treatment effect on the mediators. We then use linear regression to model the effect on the outcome (which we continue to treat as continuous).

Figure 5 presents results of our causal mediation analysis. The left-hand-side panels present the effect of the treatment—the threat of donor competition—on each mediator for the Myanmar and the Philippines conditions. The center panels display the effects of the mediators—beliefs regarding the impact of aid on different interests—on support for aid sanctions, the outcome. Finally, the right-hand side panels show the effects of the treatment that are mediated by respondents’ beliefs about the impact of aid sanctions on specified interests.

[Figure 5 about here]

As shown in the center panels of Figure 5, the proposed mediators are all correlated in the expected direction with the outcome variable. In both cases of Myanmar and the Philippines, respondents who believe that aid cancellation will harm Japan’s security and economic interests, damage Japan’s international reputation, and be unlikely to change the target state’s behavior are less likely to support aid sanctions, although concern for the efficacy of sanctions has the smallest effect. These results support hypotheses H2a-H2d. They are consistent with studies showing that material considerations offset US citizens’ preferences regarding the provision of

It is also evident, from Figure 5, that the salience of the four mediation pathways is not uniform. As shown in the left-hand-side panels, the treatment that we administered, namely informing respondents of the possibility of donor competition, had an unambiguous impact on their security concerns, but not on economic interests, concerns for Japan’s international reputation or for the efficacy of sanctions. This pattern is consistent between those respondents who heard about Myanmar and those who heard about the Philippines. Furthermore, as indicated in the right-hand-side panels of Figure 5, of the four potential mediators, only security interests mediates the treatment effect on our outcome variable at the conventional 95% level of statistical significance. Holding all covariates constant, the treatment effect mediated through security interests reduces support for aid sanctions by 0.065 for Myanmar, and by 0.066 for the Philippines. The outcome is on a nine-point scale, so these effect sizes are limited in magnitude. When the potential mediator is economic interests, international reputation, or the efficacy of the aid sanctions, the mediated treatment effect is very small and statistically insignificant. These results provide support for H3a; they do not support H3b, H3c, or H3d.17

The mediated effects of our treatment for each mediator presented in Figure 5 were modeled separately, since as mentioned earlier we assume sequential ignorability. However, for completeness, we also estimate the joint effect of the mediators, and this analysis confirms the predominance of security concerns.18 We find that the size of this joint effect is very similar to that of the mediated effect of security interests (see Appendix VI-A and VI-B). We thus conclude that the decision to support aid sanctions is mediated by security interests but not by concerns over sanctions’ economic, reputational, or efficacy consequences.
Exploring Conditional Treatment Effects

Having found that security concerns are the most potent pathway for explaining how information about donor competition might decrease support for aid sanctions, we next consider whether respondents’ prior perceptions of the threat posed by China moderate the impact of information regarding China as a potential alternative donor on attitudes toward aid sanctions. We expect those who feel strongly about the threat China poses to Japan will be more responsive to the treatment than those who feel only weakly, or not at all, threatened.

To evaluate this argument, we employ responses from the following pre-treatment question: “How much of a threat do you feel China poses to Japan?” Responses were recorded on a five-point scale where 1 indicates the respondent does not feel threatened at all and 5 indicates the respondent feels most strongly that China poses a threat to Japan. Since the overwhelming majority chose 4 or 5, we treat those who scored 1, 2 and 3 as “not threatened/neutral,” those who score 4 as “moderately threatened” and those who score 5 as “highly threatened”. The distributions respondents across these three categories are depicted in Figure 6 for the cases of Myanmar and the Philippines separately.

Our expectation is confirmed by the results of our moderated mediation analysis. As shown in Figure 7, the treatment has the largest effect on respondents who already feel highly
threatened by China for those in both the Myanmar and the Philippines conditions (left-hand-side panels), and the negative effect of security concerns on support for aid sanctions is largest among this same set of respondents (center panels). Moreover, as shown in the right-hand-side panels, the mediated effect of our treatment is negative and significant at the 95% level for respondents who feel highly threatened by China in both the Myanmar and the Philippines conditions. In contrast, for respondents not threatened by China assigned to either the Myanmar or the Philippines conditions, the treatment does not significantly affect perceptions of security, and there is therefore no statistically significant mediation effect. For respondents who feel only moderately threatened by China, the results are mixed; for those in the Myanmar conditions, there is a marginally significant effect of the stimulus on the security mediator and therefore a negative and marginally significant mediation effect, but similar effects do not obtain in the Philippines conditions. This difference plausibly originates in the more competitive landscape in Myanmar, which only has recently opened to foreign aid, and where China and Japan are directly competing to establish themselves as important donors for the country. Overall, these results are not only consistent with the intuition about the importance of prior perceptions of the threat posed by China but they also reinforce our claim that security concerns is the important pathway linking donor competition and respondents’ support for aid sanctions.

[Figure 7 about here]

V. Conclusion

The existing literature on public opinion and foreign aid has identified a basic set of ideological and attitudinal factors that predict citizens’ baseline preferences regarding
appropriate levels of aid provision. This literature has not yet considered, however, how citizens' perceptions of the international environment influence their preferences over aid policy. Foreign aid policy is not conducted in a political vacuum but rather in a real-world context where rival donor countries use aid to compete for power and influence. In this paper, we argued that such donor competition affects public support for aid sanctions against an aid-receiving government engaged in internationally recognized human rights violations. As we have noted, this kind of donor competition for influence is likely to be increasingly consequential, given the growing global role of China and other non-traditional donors.

The concrete setting that we used for our experimental design highlights the tension that citizens in donor countries perceive between material interests on the one hand and altruistic and moral concerns on the other when assessing foreign aid policy. Donors use foreign aid to pursue a mix of foreign policy goals, ranging from altruistic goals of promoting development for its own sake to strategically altruistic goals of promoting development for the benefit of the donor country to rank strategic goals where there may be little benefit for the citizens of the aid-receiving country (Alesina and Dollar 2000; Bueno de Mesquita and Smith 2007; Meernik, Krueger, and Poe 1998; Morgenthau 1962; Schraeder, Hook, and Taylor 1998).

Based on an information experiment we conducted in Japan, we find that the prospect of donor competition with China has, on average, a negative effect on individuals’ willingness to support the Japanese government’s use of aid sanctions against foreign governments engaged in human rights violations. Assuming demands for cutting aid to regimes engaged in behavior contrary to international norms typically originate from civil society, and competition from non-traditional donors continues to increase, our results suggest that traditional donor countries may
face increasing domestic constraints with regard to employing this policy tool to influence behavior in target states.

While our results show a statistically significant, negative relationship between information about donor competition and support for aid sanctions, the estimated effect is of moderate size, comparable to some of the standard correlates of attitudes toward aid but shadowed by others. There are several reasons why this estimate may be attenuated. First, in our experiment, we invoked the risk of Chinese aid substituting for Japanese aid only at the end of a lengthy paragraph about the human rights situation in the aid-receiving country and the goals of implementing aid sanctions. The competition stimulus was not particularly prominent; we suspect a more heavy-handed stimulus—strategically timed news reports invoking the rise of China, for example—may generate a larger effect. Second, because we wanted to conduct mediation analysis, we chose to place the series of mediator questions before the ultimate outcome question. It is possible that these questions might have primed respondents in the control condition to also be skeptical of cutting off aid, thereby attenuating the effect estimate. Third, the actual effect might be small because the Japanese public already thinks about competition with other donors when thinking about aid policy, especially when considering the feasibility of aid sanctions. In future research, it would be interesting to explore these issues—possibly obtaining larger effect estimates that might more accurately reflect the way in which the Japanese public thinks about donor competition.

Through mediation analysis, we find that the negative effect of information about donor competition on support for aid sanctions runs through increasing concerns about Japan’s national security. Why might “security concerns” stand out, among the four mediation paths that we proposed, in influencing Japanese attitudes toward aid sanctions? As has been shown in public
opinion surveys, Japanese currently regard China's territorial ambition as the most serious threat to their national security (Kohno 2016). Especially since the Senkaku/Diaoyu boat collision incident in 2010, the Japanese public has been on “high alert” against infringements of territorial waters by Chinese fishing boats and coastguard vessels. The worst nightmare for Japan, therefore, would be a situation where strategically important friendly countries, such as Myanmar and the Philippines, would move closer to China than Japan. Studying the extent to which respondents’ ex ante perceptions of the threat from China moderate their reactions to the treatment (and moderate the extent to which these reactions flow through the national security concerns path), we find that respondents who feel threatened by China ex ante are particularly less likely to support aid sanctions when informed that China might increase its aid should Japan withdraw its aid. Given these results, future work seems warranted to probe more systematically the conditions under which certain potential mediators override others with regard to aid policy in general, and aid cancellation in particular.

In future work, we look forward to seeing if the effects of donor competition on support for aid sanctions that we find among the Japanese public are generalizable to other donor publics. We speculate that citizens of the United States, still the leading donor country in the world, may be less influenced by what other donors do. Compared to Japanese citizens, the public in this superpower are less likely to feel that their security interests would be put at risk by suspending aid even if a potentially competitive donor country (such as China) is waiting in the wings. Citizens of other traditional donors, on the other hand, may be influenced by what other donors do, although the mechanisms through which donor competition influences their attitudes toward aid sanctions may differ from those of the Japanese public. We hope to explore the variation in relevant mechanisms across donor countries in future work.
It would also be interesting to examine whether the effect of donor competition is limited to non-traditional donors and/or China in particular. Would competition with another traditional donor elicit similar reluctance to support aid sanctions? Would such competition activate concern over the efficacy of sanctions rather than concerns regarding material interests? Are there other pathways through which donor competition might influence support for or against aid sanctions? Even with respect to the Japanese public, we have not identified all the mechanisms mediating the links between information about donor competition and support for suspending aid to governments engaged in human rights abuse. We investigated four pathways that have been prominent in the existing literature. However, even the strongest of our mediated effects, namely that of national security concerns, constitutes only a portion of the total effect of donor competition on support for sanctions. Deductive theorizing and further empirical inquiries seem necessary to advance the research frontier on this matter.

Finally, another promising extension of our study would be to explore the ultimate boundary at which security (and other material) interests outweigh moral considerations in determining public preferences for providing or suspending aid to countries engaged in human rights violations or anti-democratic practices. Our results suggest that enthusiasm for using aid sanctions as a tool of a moral foreign policy is mixed to begin with. By developing our knowledge of the conditions under which citizens would and would not support the use of sanctions, we can provide valuable information to policymakers about where the use of aid as a tool of a moral foreign policy will be feasible versus where they might need to do more work to convince the public of the appropriateness of the policy.
1 During the Cold War period, the Soviet Union was undoubtedly a significant donor that generated competition for Western donors trying to use foreign aid as a policy tool. Russia is considered a new donor having briefly been a recipient of official development assistance itself, only returning to donor status in the last decade (Gray 2015).

2 Dreher and Fuchs (2015), however, find little empirical evidence that China’s aid flows differ substantially from those of Western donors.

3 See Milner and Tingley (2013) for a recent review of the literature; they point to the correlation between public support for aid and the size of the aid budget across donor countries and to the way in which donor agencies show their concern for public opinion.

4 A recent study shows that a substantial proportion of citizens in high income European countries believe that the provision of foreign aid should be conditioned on recipients’ respect for democratic governance and human rights (Bodenstein and Faust 2017).

5 A replication dataset is available at https://github.com/gentok/donorcompetition.

6 While we believe we have included the most likely concerns, we do not claim the list is exhaustive.

7 In addition to the possibility of donor competition with China in Sub-Saharan Africa, the threat of Russia increasing its aid and expanding its influence among Central and East European states, for example, may affect European donor publics’ attitudes regarding the use of aid policy for moral ends.

8 For a review of the literature on the tools of external pressure, see Krasner and Weinstein (2014).
See Molenaers, Gagiano, and Smets (2017) for an overview of aid suspensions; Swedlund (2017) for a discussion of institutional tensions regarding the use of aid sanctions; see Heinrich (2013) for more evidence of the role of media coverage in foreign aid allocation.

While Allendoerfer (2017) references the case of human rights violations in Chad in her treatments, she creates fictional assessments of whether the level of human rights violations have been increasing, decreasing, or constant.

Theoretically, one could test systematically for the effect of donor competition on human rights abuses of different types and scale using conjoint analysis, however, this would almost certainly entail using numerous hypothetical scenarios and foregoing the ecological validity generated by using real-world scenarios.

One item states “from the five options below, select the options located at the second from the bottom and the first from the top.” The correct answers are (1) and (4). The other item instructs the respondent to “…choose ‘Supreme Court’” from a series of options that includes other political institutions.

Among 4,322 initial respondents, 613 respondents gave incorrect answers to the questions intended to detect satisficers, and 530 respondents are dropped due to missing responses.

Analysis of correlation between treatment assignment and pre-treatment covariates also indicates that the randomization procedure was successful (see Appendix I). This appendix and subsequent ones are available as supplemental materials in the electronic version of this manuscript at http://prq.sagepub.com.

We also estimated treatment effects with a multinomial logistic regression using the coarser 3-category response item to assess non-linearity in treatment effects. As expected, the treatment effects are attenuated, however, they are in the same direction as our main results in Figure 3.
Those in the “donor competition” treatment group were more likely to support continuation of aid (i.e., “should not cancel”) and less likely to support cancelation of aid than the control group (see Appendix II).

16 Even when mediators are modeled as continuous variables on five-point scales, the results hold. Compare the results reported in Figure 5 with those in Appendix V.

17 The results remain unchanged if the Myanmar and the Philippines vignettes are analyzed together. Simulation-based tests of differences in average mediation effects estimates across the vignettes fail to reject the null hypothesis of no difference. See Appendix VI for a presentation of the analysis from the combined vignettes and the simulation-based test.

18 The joint mediation effect combines treatment effects that are mediated through all possible causal pathways connected to multiple mediators (VanderWeele and Vansteelandt 2014). It partially relaxes the sequential ignorability assumption by allowing the existence of causal relationships among mediators. We use the medflex package in the statistical software R (Steen et al. 2017) to estimate the joint effect.

19 Again, we replicated this analysis with mediators modeled as continuous variables with five point scales, but found no significant changes in the results. See Appendix VII.

20 This might also explain why the overall distribution of attitudes toward the sanctions skews towards not implementing them.
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Biographical Paragraphs

Masaru Kohno is a Professor of the Faculty of Political Science and Economics at Waseda University. His research focuses on contemporary Japanese politics, foreign policy, and international relations theory.

Gabriella R. Montinola is Associate Professor of Political Science at the University of California, Davis. Her research interests include the impact of foreign aid and migrant remittances on governance in the developing world, and public opinion on foreign aid.

Matthew S. Winters is Associate Professor and Associate Head for Graduate Programs in the Department of Political Science at the University of Illinois. His research interests include the allocation and effectiveness of foreign aid, the political-economy of governance, and voter attitudes toward corruption.

Gento Kato is a Ph.D. candidate at the Department of Political Science, University of California, Davis and a doctoral student at the Graduate School of Political Science, Waseda University. His research interests include Political Behavior (American and Japanese Politics), Political Psychology, Formal Modelling, and Quantitative Methodologies, with particular emphasis in voting and political decisions under low levels of information.
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FIGURES AND TABLES
Figure 1. Donor Competition and Support for Aid Sanctions
<table>
<thead>
<tr>
<th>Recipient Country Focus</th>
<th>Myanmar</th>
<th>Philippines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control</td>
<td>N=796 (1,078)</td>
<td>N=846 (1,137)</td>
</tr>
<tr>
<td>Treatment (Donor Competition)</td>
<td>N=769 (1,059)</td>
<td>N=768 (1,048)</td>
</tr>
</tbody>
</table>
Figure 2. Distribution of the Outcome Variable
Figure 3. Effect of Donor Competition on Support for Aid Sanctions

Figure 4. Perceived Influence of Aid Cancellation on Given Interests

The Influence of Cancelling Aid on Given Interests
(1=Positive; 3=Neutral; 5=Negative)
Figure 5: Causal Media
tion Analysis

Note: Mediator models are estimated by logistic regression and outcome models are estimated by OLS regression. We calculate robust standard errors. The average mediation effect of individual mediators is estimated using a quasi-Bayesian Monte Carlo method based on a normal approximation. We use the 'mediation' package in R.
Figure 6. Distribution of Responses about the Threat that China Poses to Japan
Figure 7. Causal Mediation Analysis of Security Concerns, Conditional on Perceptions of the Threat that China Poses to Japan

Note: The mediator model is estimated by Logistic regression and the outcome model is estimated by OLS regression. The average mediation effect of individual mediators is estimated by quasi-Bayesian Monte Carlo method based on normal approximation using robust standard errors in the ‘mediation’ R package.