The Limits of Foreign Aid Diplomacy:
How Bureaucratic Design Shapes Aid Distribution

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How does the institutional design of a state's bureaucracy affect foreign policy? We argue that institutions can moderate bureaucrats' incentives to act in accordance with an Executive's diplomatic preferences. Where the Executive can influence budgets or career paths, bureaucrats face incentives to adopt her diplomatic goals as their own. Where agencies are shielded from Executive influence, bureaucrats are free to act independently in a bid to enhance their autonomy and their reputation for competence. To test these expectations, we develop a new measure of bureaucratic independence for the 15 aid-giving agencies in the US government. We analyze how independence affects foreign aid allocation patterns over the 1999–2010 period. We find that in "dependent" agencies, foreign aid flows track the diplomatic objectives of the president. In "independent" agencies, aid flows appear less responsive to presidential priorities and more responsive to indicators of need in the recipient country. Our results highlight limits on the diplomatic use of foreign aid and emphasize the importance of domestic institutional design. Our findings yield insight into a broad range of policy domains—including international finance, immigration, and the application of economic sanctions—where multiple government agencies are in charge of implementing foreign policy.

Presidents and prime ministers figure prominently in the formulation of their nation's foreign policy. Implementing an Executive's decisions, however, requires the cooperation of a much broader set of actors.[1] For instance, the military operations and subsequent reconstruction efforts that George W. Bush initiated in Iraq drew contributions from a diverse array of government agencies, including five Cabinet-level Departments and an independent agency.[2] The same pattern arises in many other issue areas, such as economic sanctions and immigration policy, where a fragmented group of bureaucrats—who may or may not share the Executive's preferences—is in charge of implementation.

In this article, we study patterns of foreign aid-giving to assess how the institutional design of bureaucratic agencies affects the realization of Executive preferences. Like

many scholars before us,[3] we focus on the use of foreign aid as a tool of diplomacy that advances a donor country's economic and security self-interest. This "diplomatic" view of aid-giving has received extensive empirical support, but we argue that it rests on an incomplete theoretical foundation.

Specifically, we take issue with the implicit—and erroneous—assumption that aid dollars are discretionary funds that the Executive can freely deploy to target recipients abroad.[4] This premise is unrealistic. The executive is not typically responsible for the implementation of aid programs. Instead, she relies on agencies—such as the United Kingdom's Department for International Development (DFID)—to disburse these funds. Furthermore, the Executive who wants to guide foreign aid, or official development assistance (ODA), allocation usually contends with more than one aid-giving agency. Sweden, for instance, used at least six different government agencies to send ODA abroad in the last ten years; Germany used no fewer than 17. In any given year, 15 different agencies within the American government may disburse foreign aid (Tierney, Nielson, Hawkins, Timmons Roberts,

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[1] We use the term "Executive" to refer to a country's primary leader. For reasons of gender parity, we use feminine pronouns to refer to the Executive throughout this paper.

[2] The five Cabinet-level agencies are the Department of Commerce, Department of Defense, Department of Energy, Department of State, and Department of Treasury. The independent agency is the US Agency for International Development.

[3] See, for example, Alesina and Dollar (2000); Berthelémy and Tichit (2004); Boone (1996); Bueno de Mesquita and Smith (2007); Bueno de Mesquita and Smith (2009); Heinrich (2013); Kuziemko and Werker (2006); Lancaster (2007); Maizels and Nissanke (1984); McKinlay and Little (1977); Meernik, Krueger, and Poe (1998); Schraeder, Hook, and Taylor (1998).

[4] Instead of developing leader-centric theories of aid allocation, much of the empirical literature on ODA blackboxes the government. From that perspective, our argument offers a richer account of the domestic processes that direct aid-giving.

Findley, Powers, Parks, Wilson, and Hicks 2011). This oversight matters, as it leads scholars to mischaracterize the Executive's ability to deploy ODA as a tool of diplomacy. It may also camouflage important patterns of aid-giving at the subnational level and obscure the crucial role of domestic institutions in foreign policy.

We examine how, in the American case, the institutional design of the aid-giving bureaucracy affects the Executive's ability to assert control over ODA allocation. We show that American agencies that distribute ODA vary broadly in their degree of independence from the Executive. Their different levels of susceptibility to institutionalized political pressure, in turn, translate into markedly different aid-giving patterns. Where bureaucrats are "dependent" on the Executive, aid flows appear tightly linked to the diplomatic objectives of the president, such as strengthening military alliances and promoting bilateral trade. Where bureaucrats enjoy an "independent" position, however, ODA flows appear more responsive to recipient need.

Our results highlight the role of domestic institutional design as a limit on the diplomatic use of foreign aid. Our findings also have implications across a broad range of foreign policy domains where multiple government agencies control implementation. In terms of transgovernmental politics, for instance, independent agencies that can resist executive pressure may take a stance on foreign policy issues that diverges from the preferences of the Executive. This may result in foreign governments receiving mixed messages when they interact with independent bureaucratic agencies. And, in some cases, it can lead to a loss of foreign policy coherence.

In the next section, we situate our work in the broader International Relations literature. We point out that most prior research on aid-giving focuses on political institutions on the *recipient side*; it ignores the problems that executives face when they try to assert control over their own bureaucracies. Our paper challenges these approaches by demonstrating how institutional characteristics on the *donor side* affect who gives foreign aid to whom and why. We then draw on work from the field of American politics to define the concept of agency independence, and introduce a novel measure of independence for US aid-giving agencies. We conclude with the results of a regression analysis that supports our claim for a moderating effect of agency independence on the relationship between, on the one hand, diplomatic and development motives and, on the other, ODA flows.

Foreign Aid as a Tool of Diplomacy

Research on the determinants of foreign aid-giving suggests that donors focus on *diplomatic* rather than *development* considerations when they choose where to disburse aid.[5] McKinlay and Little (1977) propose one of the first modern empirical tests of this proposition. They find little evidence that levels of foreign aid correlate with the social and economic needs of recipient countries. In contrast, they find strong support for the idea that the diplomatic interests—such as economic and security concerns—of donor countries influence aid disbursal decisions. This finding is robust to a number of proxy measures for

security and economic incentives, including bilateral trade (Meernik et al. 1998; Schraeder et al. 1998; Berthélemy and Tichit 2004; Bueno de Mesquita and Smith 2007, 2009), foreign direct investment (Alesina and Dollar 2000; Berthélemy and Tichit 2004), security alliances (Meernik et al. 1998; Schraeder et al. 1998; Bueno de Mesquita and Smith 2007, 2009), US troops stationed in the recipient country (Meernik et al. 1998), UN votes and Security Council seats (Alesina and Dollar 2000; Kuziemko and Werker 2006), and geographic distance (Neumayer 2005; Bueno de Mesquita and Smith 2007, 2009; Fink and Redaelli 2011; Raschky and Schwindt 2012; Dietrich 2013; Heinrich 2013). Moreover, diplomatic considerations prove influential even when we might expect development concerns to trump them. For instance, Fink and Redaelli (2011) and Raschky and Schwindt (2012) find that economic and security motives guide postdisaster relief aid distribution.

Numerous works articulate the theoretical underpinnings for these findings (for example, Maizels and Nissanke 1984; Boone 1996; Schraeder et al. 1998; Alesina and Dollar 2000; Berthélemy 2006; Bueno de Mesquita and Smith 2007; Bearce and Tirone 2010; Heinrich 2013). Most directly, Bueno de Mesquita and Smith (2009) explain how government leaders' desire to stay in office leads them to offer foreign aid in exchange for policy concessions by recipients. This argument rests on the implicit assumption, shared by much of this literature, that flows of development assistance move unproblematically from the Executive in the donor country to the recipient country.

Of course, some may dismiss this assumption as an innocuous empirical convenience since, until recently, aid data remained unavailable at the subnational level. Yet, we argue that this assumption can lead to a skewed interpretation of Executive authority with respect to ODA. Indeed, scholars who study aggregated aid flows may overstate the Executive's ability to direct ODA from independent agencies, but understate the extent of her control over dependent agencies. In that sense, leader-centric theories and "black box" empirical approaches risk masking a great deal of heterogeneity in ODA flows, and may fail to capture the micro-level mechanisms that direct aid flows.

Our approach complements recent work that shows a more nuanced understanding of disaggregated foreign aid flows. For example, we now know that donors choose strategically between various forms of aid, such as grants, food, or emergency relief (Fariss 2010; Raschky and Schwindt 2012). Donors also provide aid through multiple channels, including bilateral, multilateral, or non-governmental organizations (Maizels and Nissanke 1984; Winters 2010; Dietrich 2013). Furthermore, domestic political institutions on the *recipient side* can condition how much aid is received, and what effects it has on local populations (Svensson 1999; Burnside and Dollar 2000; Bueno de Mesquita and Smith 2009; Lebovic and Voeten 2009; Dietrich 2013).

We make a novel contribution to this scholarly discussion by drawing attention to a crucial, but oft-ignored, determinant of aid allocation patterns: the structure of the aid-giving bureaucracy on the *donor country side*.[6]

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[5] We follow Lancaster (2007:ix) by referring to goals associated with "advancing the national security and economic interests of the donor country" as "diplomacy," and by referring to efforts to "help better the human condition in countries receiving the aid" as "development."

[6] It is important to note the distinction between our approach, which emphasizes the *choice of recipients*, and the important strand of literature which links domestic political institutions to *aid-giving levels*. See Noel and Therien (1995) and Therien and Noel (2000).

Specifically, we point to how the institutional design of aid-giving agencies affects who receives aid and, critically, how much say the Executive has in such decisions. In the next section, we explore a key agency design feature—whether the agency is "independent" from the Executive—in the context of American aid allocation decisions.

Agency Independence and Foreign Policy Preferences

Our core argument is that an agency's structural design can moderate bureaucrats' incentives to allocate aid dollars in accordance with Executive preferences. In the United States, some "dependent" agencies are institutionally tied to the president, and this allows her to punish or reward the decisions of bureaucrats who work within those agencies. Other agencies, in contrast, enjoy structural insulation from presidential influence; bureaucrats who work in these "independent" agencies often feel less pressure to support the president's foreign policy agenda.

In this section, we leverage the concept of agency independence to develop expectations about aid-disbursement patterns. First, we draw on the bureaucratic independence literature to identify a set of formal institutional features that can insulate agencies from influence by the Executive. Then, we argue that the Executive's preferences over foreign policy lead her to favor the allocation of ODA to countries that help advance her military and economic agenda. Finally, we point out that a different set of concerns—including public service, budget maximization, and career advancement—motivates bureaucrats and that those goals should have an *indirect* influence on the choice of aid recipients. Where the Executive can influence budgets or career paths, bureaucrats face incentives to adopt the president's diplomatic goals as their own. Where agencies are protected from Executive influence, the public service orientation of bureaucrats may lead them to direct aid where it is most needed.

Agency Independence

"Agency independence" is a core concept in the study of the American bureaucracy.[7] Scholars have proposed numerous definitions, but the unifying theme is a focus on the extent of influence that the president can wield over bureaucrats (for example, Devins and Lewis 2008). As Justice Scalia puts it, "independent agencies are sheltered not from politics but from the President" (Barkow 2010:26).[8]

In practice, the degree of independence that an agency enjoys depends on institutional factors, such as its organizational "proximity" to the president. For example, the Office of Science and Technology, which is part of the Executive Office of the President, is often considered less independent than the Department of Labor, an agency within the president's Cabinet. Both agencies, however, are closer to the presidential orbit than the US Trade and Development Agency (TDA), which is separate from the Executive branch and whose leaders do not report directly to the president. This distinction is reflected in Table 1, where we list all 15 aid-giving agencies along with a basic classification as "Executive" or "Independent."

While this simple classification scheme helps introduce the idea of independence, the concept is decidedly more nuanced. In addition to basic proximity to the president, other institutional safeguards can serve to shield an agency from the Executive. Because appointments and firings are a primary source of presidential power (Selin forthcoming), personnel protections are commonly used to mitigate the Executive's influence. An expertise requirement, for example, minimizes the risk that the president will appoint an incompetent but politically connected agency head. Likewise, fixed terms in office may reduce the likelihood of politically motivated firings. Such safeguards can take a variety of forms, but they are designed to bolster the independence of an agency so that it is free to pursue its organizational goals.

Design choices are made at the time of an agency's creation (Lewis 2003:21–38), and legislators clearly anticipate the effects of these choices on agency decision making. For example, the Millennium Challenge Corporation (MCC) was established as an independent agency in large part because of concerns that its development focus would be compromised if it were housed within an executive branch agency (Lancaster 2007:106–7). According to the Congressional Research Service, a "reason for not placing the [Millennium Challenge Account (MCA)][9] within the State Department may have been a concern that it would be located too close to the center of the US foreign policy apparatus that would limit the program's immunity from strategic and political influences" (Nowels 2003:20). Echoing this sentiment, then-Senator Joseph Biden argued against placing MCA under the control of the State Department due, in part, to his opposition to recent decisions by Republicans to move other independent agencies into State, thus "making the [S]ecretary (of State) the captain of foreign policy" (Sorrells 2003). By giving the MCA to a newly created independent agency, legislators understood that presidents would have less influence on spending decisions.

Over time, agency design choices are maintained through a variety of political oversight mechanisms, such as investigations, personnel decisions, and budget allocations.[10] While Congress and the president jointly perform

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[7] The idea of creating institutional safeguards to isolate bureaucrats from political influence is neither new nor unique to the study of American politics, however. For instance, in the field of political economy, scholars argue that delegating monetary authority to an independent central bank can reduce inflation and is associated with a variety of desirable macroeconomic outcomes. See Alesina and Summers (1993); Barro and Gordon (1983); Cukierman (1992); De Long and Summers (1992); Lohmann (1992); Rogoff (1985). In this context, "independence" is understood to mean "how far the bank could stray from the current government's desires before the latter would prefer to pay the costs of altering the bank law or of seizing the monetary reins itself" (Franzese 1999:682).

[8] Whether institutional safeguards translate into effective independence in practice remains an open (empirical) question. On the one hand, scholars find evidence that design can be effective at buffering the president (Hammond and Knott 1996; Lewis 2003; Wood and Bohte 2004; Devins and Lewis 2008; Selin forthcoming). On the other, Bressman and Thompson (2010:601) note that "even if an independent agency is not under the thumb of the President, it might still feel the hand of the President."

[9] The MCA is the aid program that came to be administered by the Millennium Challenge Corporation (MCC).

[10] For instance, an agency's budget can limit that agency's level of independence by including stipulations on how agency funds may or may not be spent. Conversely, the absence of such stipulations may enhance an agency's autonomy. Generally, agency budgets are the result of negotiations between the president and Congress as part of the annual appropriations process; to have an agency budget, both chambers of Congress must pass an appropriations bill, which the president must sign. For most dependent agencies, the president has first *and* last mover advantage, since she vets agency budgets at the proposal stage and signs (or vetoes) appropriations bills at the final stage.

TABLE 1. Foreign Aid Agencies in the United States

Agency name	Abbr.	Binary independence classification
Department of Agriculture	USDA	Executive
Department of Defense	DOD	Executive
Department of Energy	DOE	Executive
Department of Health and Human Services	HHS	Executive
Department of the Interior	DOI	Executive
Department of Labor	DOL	Executive
Department of State	STATE	Executive
Department of the Treasury	TREAS	Executive
Export-Import Bank of the United States	EXIM	Independent
Millennium Challenge Corporation	MCC	Independent
Office of Science and Technology	OST	Executive
US Agency for International Development*	AID	Independent
US African Development Foundation	ADF	Independent
US Institute of Peace	USIP	Independent
US Trade and Development Agency	TDA	Independent

(Note. *USAID constitutes a significant portion of US ODA (66% in 2010). However, the amounts given by the other agencies are still very large and substantively important, see Figures S1 and S2. For example, the MCC, which committed five percent of the US foreign aid budget in 2010, gave more than the ODA disbursements from each of 15 OECD countries: South Korea, Turkey, Ireland, Portugal, Greece, Luxembourg, Poland, New Zealand, Czech Republic, Israel, Hungary, Slovakia, Slovenia, Iceland, and Estonia (Provost 2011).)

oversight of agencies, in the context of our argument about ODA, we focus on the influence of the president for two reasons.

First, when it comes to questions of foreign policy, the president remains paramount. As Wildavsky (1966:7) famously asserted, "in the realm of foreign policy, there has not been a single major issue on which presidents, when they were serious and determined, have failed." Canes-Wrone, Howell, and Lewis (2008:5) build on this "two presidencies" thesis, arguing that presidents have informational and first-mover advantages over Congress, and that "distinctive electoral incentives across the two branches of government encourage greater presidential influence over foreign than domestic policy." The authors conclude that, between 1969 and 2000, the president's supremacy in foreign policy led Congress to delegate much of its decision-making power to the Executive. So when agencies seek out political leadership on foreign policy issues, it is natural that they turn to the White House rather than to Capitol Hill.

Second, congressional preferences over foreign policy and foreign aid are less predictable and coherent than those of the president. Even if an aid-giving agency wanted to be responsive to Congress, it is not clear *ex-ante* which congressional actors would matter at that time and for that issue. In the 111th Congress (2009–2010), for example, 18 committees and 44 subcommittees held hearings related to international affairs or foreign aid.[11] Furthermore, even if the set of relevant actors was clear, an agency may still not be able to anticipate the preferences of those actors, since there is no clear partisan divide with respect to ODA allocation. Rather, Milner and Tingley (2010) find that congressional support for aid varies based on the type of aid in question and on the characteristics of a legislator's district. And even

individual legislators can send mixed messages about their preferences over foreign aid allocation.[12] Thus, to the extent that agency bureaucrats attempt to match ODA flows to the preferences of political actors, we expect to see a bias toward the president, a unitary actor with a more coherent set of preferences.

Executive Preferences

Foreign policy is a central component of any president's agenda (Wildavsky 1966; Moe and Howell 1999; Canes-Wrone 2005; Canes-Wrone et al. 2008), and foreign aid presents an opportunity to further her diplomatic goals. As such, it is reasonable to expect that the president will prefer to distribute foreign aid in ways that advance traditional notions of the national interest, particularly military and economic security (Krasner 1978; Hibbs 2000; Lewis-Beck and Stegmaier 2000).

The electoral connection closely ties the president to the national interest. While perhaps not quite "single-minded" in the Mayhewian sense, reelection concerns—or party and legacy concerns for term-limited presidents—figure prominently in the literature on the American presidency (Neustadt 1962; Tulis 1987). Currying favor with voters means tending myopically to the nation's economic and military interests. While American citizens are notoriously detached from foreign policy (Delli Carpini and Keeter 1993; Holsti 2004), when they do engage, it is nearly always in matters of pressing security (Powlick and Katz 1998) or economic (Mansfield, Milner, and Rosendorff 2002) importance. As a result, questions of foreign aid—like most nuts and bolts issues of foreign policy—tend to operate well beneath the public's radar (Page

[11] Committee data from the Policy Agendas Project, http://www.policyagendas.org/. To determine the number of unique committees and subcommittees, we subsetted the data to the Congress in question and identified hearings on major topic "19" (International Affairs and Foreign Aid). While this includes some hearings that are not specifically about ODA, international affairs hearings may touch on country-specific issues that bear indirectly on ODA decisions.

[12] For instance, while arguing against cuts to the budget, Senator Patrick Leahy (D-VT) lauds both diplomatic *and* development priorities by stating that foreign aid "promotes US exports, supports democratic elections, combats poverty, and helps build alliances to counter terrorism, thwart drug trafficking, protect the environment, and stop cross-border crime" (Leahy 2011).

and Shapiro 1983; Ostrom and Simon 1985). The impli-
cation is that presidents prefer to allocate aid to those
countries that bolster military and economic interests.[13]

Bureaucrats' Incentives

Students of bureaucratic politics and public administra-
tion identify a host of motivations for bureaucrats (see
Golden 2000). We explore how three central motives
from this literature—agency reputation, budget maximi-
zation, and career advancement—indirectly translate into
preferences over foreign aid disbursement. As we explain
below, agency structure can enable the Executive to
manipulate bureaucrats' incentives in order to target aid
in ways that support the president's diplomatic agenda.

To begin, a sense of professionalism or duty to public
service often motivates bureaucrats (Derthick and Quirk
1985; Wilson 1989; Brehm and Gates 1993; Dilulio 1994;
Golden 2000). While this may initially seem altruistic, it
can also serve bureaucrats' self-interest. By enhancing
their reputation for competence and efficacy, bureaucrats
can build autonomy for their organization (Carpenter
2001:3–11). Carpenter (2010:56) explains that "pay, bud-
get maximization, and material goods will be valued less
highly than status and esteem" and that reputation serves
as a proximate goal to many different ends. In the con-
text of ODA, the surest way for bureaucrats to signal pro-
fessionalism, impartiality, and public spiritedness is to
select recipients based on "objective" need-based indica-
tors.[14] This suggests that bureaucrats' efforts to secure
autonomy should lead them to prefer giving to countries
where development needs are greatest. Where the Execu-
tive cannot frustrate these efforts (i.e., in independent
agencies), the link between recipient need and ODA
receipts should be stronger.

Niskanen (1971) points to another motive when he
argues that bureaucrats seek to maximize agency budgets.
This theory leads us to expect that dependent agencies
will exhibit a bias toward presidential priorities. To see
why, consider that most dependent agencies submit draft
budget proposals to the president's Office of Manage-
ment and Budget (OMB). OMB acts as a gatekeeper—
reviewing each agency's proposal alongside those of other
agencies, and making cuts to programs in order to
adhere to a top line figure—before submitting the entire
budget to Congress for approval. This budgetary over-
sight may enable the Executive to influence policymaking
at the agency level. Independent agencies, in contrast, do
not engage in the same negotiations with OMB. Instead,
they submit their own budget request directly to Congress
or they may have their own funding streams, which are
not subject to the annual appropriations process. For
instance, the U.S. Institute of Peace—an independent
aid-giving agency—enjoys a "budget bypass," meaning
that it is not required to have its budget approved by
OMB prior to submitting it to Congress. This suggests

that independent agencies should be less beholden to
presidential priorities, even if they are budget-focused.

Finally, some scholars argue that agency bureaucrats
seek to enhance their own career prospects (Kaufman
1960; Golden 2000:20–25; Gailmard and Patty 2007). In
dependent agencies, many of the leaders serve "at the
pleasure of the president." These political appointees
usually share the same party affiliation as the president,
and tend to be selected for their fealty to her policy
program. As a result, career-focused bureaucrats are
likely to steer policy toward presidential priorities, in
an attempt to curry favor with the Executive. Doing so
can help them secure future promotions and enhance
their standing in the party. Independent agencies, on
the other hand, have fewer presidential appointees.
They also tend to have staggered board or commission
leadership structures. This weakens the ties between the
current presidential administration and the career path
of individual bureaucrats.

Taken together, existing theories of bureaucratic moti-
vation suggest that the institutional design of an agency
may serve to temper or exacerbate incentives to succumb
to political pressure by the Executive. Efforts to gain
autonomy reinforce bureaucrats' public service orienta-
tion and encourage need-based giving. In independent
agencies, this tendency is unimpinged. In dependent
agencies, however, the personal and organizational pay-
offs for diplomacy-enhancing ODA may be higher,
because the president can bestow greater rewards and
impose dearer costs. We therefore expect dependent
agencies to disburse foreign aid in ways that are consis-
tent with the administration's broader diplomatic goals of
military and economic security. In contrast, we expect the
tendency of aid bureaucrats to allocate funds based on
development need to be strengthened in independent
agencies.

To be clear, we do not expect that dependent agen-
cies will *only* allocate funds to meet diplomatic objec-
tives, nor do we suggest that independent agencies will
only focus on recipients' development needs. Agencies
serve a variety of functions, only some of which can be
characterized as development-related, and they do so
using a portfolio of policy instruments.[15] Rather, we
propose that when it comes to selecting foreign aid
recipients, agency independence affects the relative
weight that bureaucrats place on diplomatic and devel-
opment concerns.

Measuring Agency Independence

To test these propositions, we build an index measure of
independence for 89 US government agencies, including
the 15 that disburse foreign aid. This index leverages
data from the *Sourcebook of United States Executive
Agencies* (Lewis and Selin 2012), and aggregates information on nine
institutional characteristics, which help insulate agencies
from elected political leaders' influence. For example, we

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[13] We do not argue that the Executive *only* cares about diplomatic goals. Indeed, Heinrich (2013) identifies conditions under which the Executive may prioritize development goals. Nevertheless, we expect that an electorate that primarily focuses on economic and security concerns will lead the Executive to emphasize diplomatic goals when distributing foreign aid.

[14] In recent years, several critics have decried the lack of transparent and systematic measures of aid effectiveness (Lawson 2013; International Aid Transparency Initiative 2014). In the absence of agreed-upon competence metrics, the degree to which an aid-giving agency is attuned to recipient need often serves as a proxy for bureaucrats' type for the public, the media, and other stakeholders.

[15] For example, the budget of the Department of State—an agency that is in the president's Cabinet and which we categorize as highly dependent—includes a variety of activities that are oriented toward presidential priorities like "investments in the stability, security, and development of Afghanistan and Pakistan." However, the budget also includes activities that appear more development-oriented, such as a "comprehensive and integrated global health strategy toward achieving an AIDS-free generation and ending preventable child and maternal deaths" (Department of State 2014). We acknowledge that the patterns we propose here are not absolutes and that public relations and legal requirements may cause deviations from these broader trends.

TABLE 2. Agency Independence: 1st Principal Component Loadings

Variable	Expectation	Loadings	Description
Fixed terms	+	0.467	1 if members, commissioners, or agency heads are appointed for fixed terms. 0 otherwise.
Independent	+	0.417	1 if the agency is outside the Executive Office of the President or is not an executive department. 0 otherwise.
For cause	+	0.348	1 if restrictions are in place for dismissal of the agency head. 0 otherwise.
Expertise	+	0.335	1 if expertise or experience requirement on nominations at the agency. 0 otherwise.
Commission	+	0.33	1 if agency is governed by a board or commission whose members are protected from removal. 0 otherwise.
Serve President	−	−0.072	1 if officials serve at the pleasure of the President. 0 otherwise.
PA	−	−0.074	Log number of presidential appointees.
PAS	−	−0.264	Log number of presidential appointees with Senate confirmation.
Schedule C	−	−0.431	Log number of Schedule C excepted appointments.

(Note. Variable descriptions adapted from Lewis and Selin (2012).)

consider whether or not an agency is part of the Executive branch, if the agency head can be removed without cause or between regular/fixed terms in office, and the number of positions that are subject to presidential appointment (see Table 2 for a full list).

Our objective was to produce an index that effectively summarizes those institutional features, while also reducing the dimensionality of the problem at hand. We also want to avoid procedures that assign *a priori* weights to each of the variables—such as simple averaging—because we cannot know exactly how each of them contributes to independence. Principal components analysis (PCA) is a natural way to achieve these goals.[16] This technique allows us to derive "optimal" weights from the data, and it produces scores which can be used to summarize the variance found in the institutional characteristics data set.[17] We thus normalize the nine variables to have mean zero and a standard deviation of one, and use them to estimate a PCA model. We rescale the first principal component to ensure that all aid-giving agencies score between zero (dependent) and one (independent), and use the resulting variable as our measure of agency independence in subsequent regression analyses.

Table 2 allows us to assess the validity of our measurement model; it states our expectations and reports the estimated loadings/weights for each of the variables that we include in the PCA model. A plus sign in the second column indicates that the variable should be positively related to an agency's degree of independence. For example, fixed terms in office for the agency head should increase her degree of independence,

so we expect the "Fixed terms" loading to be positive. All the PCA loadings fall in line with our theoretical expectations.

Another way to assess the plausibility of our measurement model is to see how agencies rank on the independence index itself. Table A1 in the appendix shows PCA scores for all 89 agencies, including the 15 aid-giving agencies that we consider in the regression models. We see, for example, that departments rank low on independence, whereas more technical and traditionally independent agencies such as the Federal Reserve Board and the Postal Regulatory Commission rank very highly. There is also variation in the degree of independence across aid-giving agencies, with the Department of State at the low end, USAID near the mid-point of the distribution, and the Millennium Challenge Corporation near the top. This ordering conforms to our qualitative assessment of these agencies.

Finally, we note that much of the variation we see in the index would be obscured if we used the more traditional binary measure of agency independence. To see this, consider Figure 1 where we plot our independence measure against a dummy coded as 0 if the agency is an executive department or in the Executive Office of the President and 1 otherwise (Lewis and Selin 2012).[18] Thus, we use our theoretically-motivated and more nuanced measure of agency independence in the regression analyses that follow.

Agency Independence and Foreign Aid: A Regression Analysis

The ideas introduced above lead us to expect that, if institutional design is effective, the relationship between diplomatic motives and aid allocation will be weaker where agencies are relatively independent from the Executive. In contrast, the positive association between development motives and ODA should be stronger in independent agencies.

We operationalize the concept of "diplomatic" aid-giving with two commonly used variables: alliance and trade. *Alliance* is a dummy variable that takes on a value

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[16] PCA enables us to summarize the variation in the nine institutional features, reducing it to a low-dimensional index that can effectively act as a measure of agency independence. An alternative approach is to model agency independence as a latent concept, as Selin (forthcoming) does also using the *Sourcebook of United States Executive Agencies* data. Her approach further differs from ours in that she measures agency independence on a two-dimensional space, whereas we consider a single dimension. In practice, PCA and factor analysis are often used interchangeably. In Table S11 of the appendix, we show that replacing our measure with Selin's (institutional) measure of agency independence does not substantively affect our conclusions.

[17] While we believe that the "agnostic" PCA approach is ultimately appropriate in the context of this paper, this approach forces us to ignore relevant prior information about the relative importance of individual components. In particular, the question of whether an agency is part of the Executive Office of the President should be a major consideration in our assessment (this dummy variable is often used on its own to measure agency independence in the bureaucracy literature). In Table S10 (online appendix), we replicate our analysis using this binary indicator as a measure of independence.

[18] In Table S10 of the online appendix, we replicate our primary regression results using a commonly used binary measure of independence. The results support those presented here, but readers will note that the marginal effects we estimate using the binary measure are substantially smaller than the marginal effects we estimate using our continuous index of independence. This finding is consistent with the idea that the binary variable measures independence with error, thereby introducing attenuation bias in the estimation.
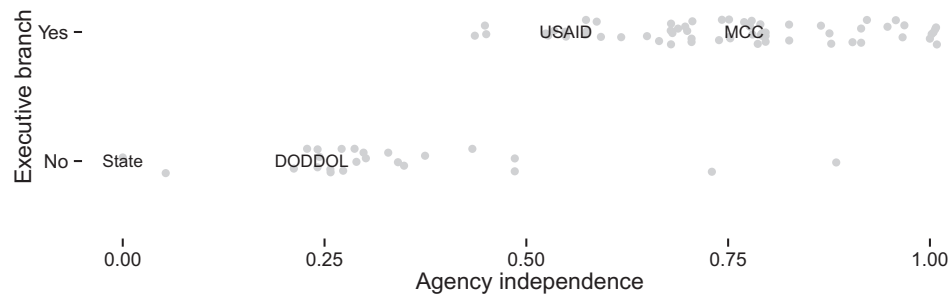
F<small>IG</small> 1. Continuous vs. Binary Measures of Agency Independence From the Executive. 89 US Government Agencies with Four Aid-Giving Agencies Identified by Name

of 1 if the US and the partner country have at least one of four types of alliances: defense, neutrality, nonaggression, or entente (Gibler 2013). Here, foreign aid could play the role of side-payment—that is, a reward for the past decision to conclude an alliance—or it could simply be construed as a "maintenance cost" that the US pays to remain influential in a theater that holds strategic importance. Our *Alliance* variable is a useful way to delineate the group of countries where the United States is likely to incur those kinds of costs.

The second measure of diplomatic motive, *Trade*, is the log of bilateral trade flows between the recipient and the United States (Barbieri and Keshk 2012). Relationships with major trade partners are particularly important to the president, since those countries can develop influential support coalitions within the American public and business community. To satisfy these domestic groups, the president has incentives to cultivate support abroad in order to ensure that the policies that led to fruitful economic cooperation are not overturned.

Because *Alliance* and *Trade* are imperfect proxies for diplomatic interest, the online appendix reports the results of regression models using four alternate measures: the logged number of US troops stationed in the recipient country (Kane 2006), the geographic distance from the United States (Mayer and Zignago 2006), the log of outward FDI flows from the United States to the recipient (OECD 2014a), and a dummy for the existence of a bilateral tax treaty between the United States and the recipient (Internal Revenue Service 2014).[19,20]

To measure "development" aid-giving, we use the log of the *Infant Mortality* rate as an indicator of need in recipient countries (World Bank 2013). Again, to demonstrate the robustness of our results to the choice of measure, we replicate the analysis using four alternate representations of need in the recipient country: the log of GDP per capita, share of the population living with

HIV/AIDS, life expectancy, and proportion of the population living on less than \$5 per day.[21]

The dependent variable in our tests is the annual ODA commitments from US government agencies, and covers the 1999–2010 period.[22] Unless otherwise noted, our unit of observation is the agency-country-year. To estimate the moderating influence of agency independence on the relationship between policy motives and aid allocation, we use an interactive linear model of this form:

$$
\begin{aligned}
\text{ODA} = {} & \beta_{\text{oda}}\text{ODA}_{t-1} + \beta_{\text{ind}}\text{Independence} \\
& + \beta_{\text{mot}}\text{Motive} + \beta_{\text{indmot}}Ind. \times \text{Motive} + \beta_{\text{gdp}}GDP \\
& + \beta_{\text{pop}}\text{Population} + \beta_{\text{dem}}\text{Democracy} + \Omega + \alpha + \epsilon,
\end{aligned}
\tag{1}
$$

where "ODA" represents the log dollar amount of ODA that a recipient country gets; "Independence" is the measure of agency independence described above; "Motive" is one of three proxy measures of foreign policy motives (military alliances, trade flows, and infant mortality); Ω is a vector of year, country, and/or agency fixed effects, or a set of agency-specific time trends; α is a constant; and ϵ is the disturbance term. For obvious reasons, we also control for log GDP per capita, log population size (World Bank 2013), and the regime type of the recipient country (Marshall, Jaggers, and Gurr 2012). Where no other indication is given, models are estimated using Ordinary Least Squares, and the reported standard errors are robust to arbitrary forms of heteroskedasticity.

Results

Table 3 presents results for the models described by equation 1. The coefficient estimates are consistent with our expectations. Military alliances are positively related to ODA flows from agencies that are *not* shielded from influence by the Executive ($\beta_{\text{all}} = 0.599$, with $p < 0.01$), but this relationship nearly disappears in highly independent agencies ($\beta_{\text{all}} + \beta_{\text{ind*all}} = 0.025$). Similar conclusions can be drawn from the *Trade* model estimates:

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[19] All diplomacy results are consistent with our expectations, except in the *distance* model, where we find a negative relationship between distance and ODA flows, but no conditioning effect by the agency independence variable. See Table S13 in the online appendix.

[20] For prior work on the relationship between aid and alliances, see Meernik et al. 1998; Bueno de Mesquita and Smith 2007, 2009; Schraeder et al. 1998. On trade flows, see Berthélémy and Tichit 2004; Meernik et al. 1998; Bueno de Mesquita and Smith 2007, 2009; Schraeder et al. 1998. On military troops, see Dietrich 2013; Fink and Redaelli 2011; Heinrich 2013; Bueno de Mesquita and Smith 2007, 2009; Neumayer 2005; Raschky and Schwindt 2012. On FDI, see Alesina and Dollar 2000; Berthélémy and Tichit 2004.

[21] See Table S12 in the online appendix. Results are consistent across all development models, except when we consider the \$5 per day variable, in which case the interaction term is of the expected sign but is not statistically significant.

[22] The original data points were recorded at the project level by AidData (Tierney et al. 2011), but we aggregate them to obtain agency-level figures.

TABLE 3. Relationship Between Foreign Policy Motives, Agency Independence, and ODA Allocation Patterns. Linear Models. Robust Standard Errors. The Models Include Agency and Year Fixed Effects, as well as Agency-Specific Time Trends (Omitted From the Table)

	Log (ODA) 1	Log (ODA) 2	Log (ODA) 3
(Intercept)	0.368 (0.360)	3.286 (0.530)	−3.669 (0.543)
Log (ODA)$_{t-1}$	0.672 (0.008)	0.676 (0.008)	0.676 (0.007)
Polity	0.019 (0.004)	0.027 (0.004)	0.035 (0.004)
Log (GDP/Cap)	−0.373 (0.021)	−0.518 (0.032)	−0.150 (0.032)
Log (Population)	0.142 (0.018)	0.000 (0.028)	0.197 (0.017)
Alliance	0.599 (0.105)		
Alliance × Independence	−0.574 (0.197)		
Log (Trade)		0.264 (0.025)	
Log (Trade) × Independence		−0.241 (0.035)	
Log (Infant Mortality)			0.230 (0.060)
Log (Infant Mortality) × Independence			0.248 (0.087)
R^2	0.671	0.665	0.667
Num. obs.	20,037	20,468	22,666

$\beta_{tra} = 0.264$ ($p < 0.01$) and $\beta_{tra} + \beta_{ind*tra} = 0.023$. All aid agencies appear to respond positively to infant mortality, our indicator of recipient need ($\beta_{inf} = 0.230$, with $p < 0.01$). This tendency appears to be reinforced where agencies are independent from influence by the Executive ($\beta_{inf} + \beta_{ind*inf} = 0.478$). All three interaction term coefficients cross usual thresholds of statistical significance.

A more accessible way to convey the same basic results is to look at a graphical representation. Figure 2 plots the marginal effects of our three policy motives from Table 3. In the *Alliance* and *Trade* cases, the marginal effects of diplomacy motives on ODA in *dependent* agencies are positive and statistically significant at the α = 0.05 level. In the *Infant Mortality* case, the marginal effect slopes up as agency independence increases (moving right along the x-axis). In concrete terms, this means that agency independence *weakens* the positive association between ODA flows and both military alliances and trade relationships. In contrast, agency independence *reinforces* the positive association between ODA flows and infant mortality.

Given the semi-log specification of the *Alliance* test, it is easy to get a sense of the substantive importance of the estimated effect sizes.[23] On average, and holding other regressors constant, US allies tend to receive nearly 60% more ODA than nonallies where the agency lacks institutional safeguards against Executive influence. This marginal effect becomes indistinguishable from zero as soon as the degree of agency independence reaches about 0.7 on the 0–1 scale. Similarly, a change of one standard deviation in the (logged) trade variable is associated with an increase of about 65% (2.47 × 0.264) in ODA from dependent agencies. Again, this positive relationship vanishes as we increase the degree of independence. Finally, moving from zero to one on the *Independence* scale is associated with an increase of about 25% in the estimated marginal effect of *Log (Infant Mortality)*.

In sum, the results described in Table 3 and Figure 2 are consistent with our theoretical expectations, and the sizes of the estimated marginal effects are large and substantively significant.

Robustness

These results are robust to a series of alternative model specifications. We consider the two most important ones here, and list additional robustness checks in Footnote 24, with full results recorded in the supplementary materials that accompany this article.[24]

The first issue we investigate relates to the panel specification of our tests, and to the fact that most of the variation in the data set is cross-sectional. Indeed, it is true that *Independence* is a constant for each agency and that the motive measures—*Alliance, Trade,* and *Infant Mortality*—tend to be slow moving. Still, given that there is variation over time in the policy motives variables, and considering that stickiness in the two sets of variables is "cross-cutting" (i.e., within agency vs. within country), it is reasonable to use all dimensions of the data to estimate the interaction terms that interest us. Nevertheless, our main findings do not hang on the panel structure of the data set. The first three models of Table 4 show linear model estimates obtained from a pure cross section, using only the mean of each variable at the agency-country level. Ignoring

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[23] But see Thornton and Innes (1989) for a discussion of potential problems related to the interpretation of semi-log coefficients as percentage change in the dependent variable.

[24] We re-estimated the base models from Table 3 using various combinations of country, agency, and year fixed effects (Tables S1–S3); excluded influential country and agency outliers (Tables S4 and S5); re-coded the dependent variable to take a value of 1 for any positive value of ODA and 0 otherwise and estimated a series of logistic regression models (Table S6); included all the policy motives in a single regression (Table S7); controlled for the occurrence of divided government (Table S8); controlled for the occurrence of inter or intrastate armed conflict (Table S9); used a more traditional dummy variable to measure independence (1 if an agency is outside the Executive Office of the President or an executive department and 0 otherwise (Lewis and Selin 2012)) (Table S10); re-estimated our core models with an alternative continuous measure of agency independence by Selin (forthcoming) (Table S11); considered alternative measures of need in recipient countries: the log of GDP per capita, percent of population living with less than $5 a day, percent of population living with AIDS, and life expectancy (Table S12); considered alternative measures of US economic and military interest: log of the number of American troops stationed in the recipient country, log of net foreign direct investment outflows from the US to the recipient, and a binary indicator for the existence of a bilateral tax treaty between the US and the recipient (Table S13); and accounted for uncertainty in the estimation of our measure of agency independence by applying a nonparametric bootstrap to the PCA model and using the method of composition (Tanner 1991) to "propagate" the estimated uncertainty into our main regression models (Table S14). We were also hoping to treat seriously the potential endogeneity between foreign aid and trade flows, but were unable to find an instrumental variable which meets the exclusion restriction requirement. For lack of better options, we lagged all the regressors by a year and re-estimated all our main models (Table S15). Again, the main results remain substantively unchanged.
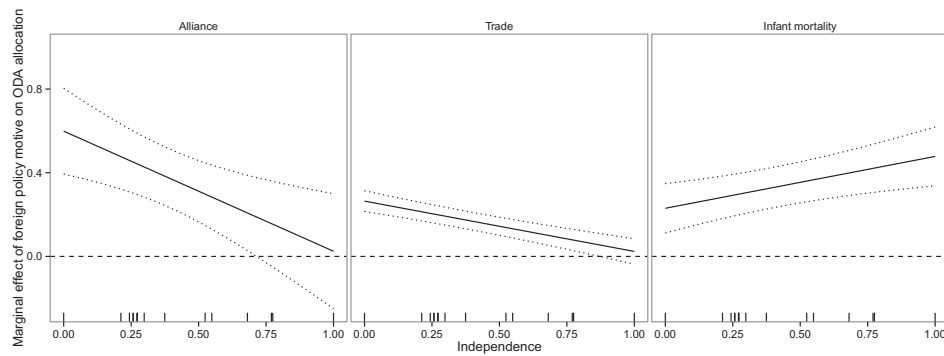
FIG 2. Marginal Effects of Policy Motives on ODA Allocation.
(*Note.* Dotted lines represent 95% confidence bands. Rug plots indicate the location of each aid-giving agency on the independence scale.)

TABLE 4. Cross-Sectional Relationship Between Foreign Policy Motives, Agency Independence, and ODA Allocation Patterns. Ordinary Least Squares and Robust M-Estimator Regressions

	OLS 1	OLS 2	OLS 3	M 1	M 2	M 3
(Intercept)	−4.257 (1.192)	−6.630 (1.223)	−6.109 (1.271)	−0.084 (0.269)	−0.553 (0.292)	−0.329 (0.303)
Polity	0.064 (0.019)	0.095 (0.017)	0.116 (0.017)	0.008 (0.004)	0.011 (0.004)	0.015 (0.004)
Log (Population)	0.470 (0.074)	0.617 (0.080)	0.425 (0.074)	0.036 (0.017)	0.045 (0.019)	0.027 (0.017)
Independence	0.206 (0.423)	3.794 (1.147)	−2.867 (1.238)	−0.381 (0.096)	0.587 (0.254)	−0.539 (0.316)
Alliance	1.081 (0.453)			0.330 (0.106)		
Alliance × Independence	−1.669 (0.970)			−0.575 (0.198)		
Log (Trade)		0.031 (0.075)			0.057 (0.019)	
Log (Trade) × Independence		−0.601 (0.162)			−0.159 (0.036)	
Log (Infant Mortality)			0.789 (0.171)			0.130 (0.046)
Log (Infant Mortality) × Independence			0.778 (0.371)			0.021 (0.092)
R^2	0.034	0.043	0.062	0.006	0.007	0.008
Num. obs.	1828	1828	1828	1828	1828	1828

the time dimension does not affect our results in a meaningful way. For example, an increase of one in *Alliance* is associated with an increase of 1.081 in *Log (ODA)* when *Independence* equals zero, but with a reduction of 0.588 when *Independence* equals one (the latter is statistically indistinguishable from zero). Likewise, the interaction term in the *Trade* OLS specification is negative, while the *Infant Mortality* interaction is positive and statistically significant.

A second potential concern is that outliers may drive our results. Certain high leverage countries, for example, Afghanistan and Egypt, receive large amounts of foreign aid and are strategically important for the US president. Similarly, a few of the aid-giving agencies may hold disproportionate weight in our analysis, either because they account for a large share of total ODA (for example, USAID), or because they combine a high degree of independence with a narrow regional focus (for example, the African Development Foundation).

A natural way to guard against this potential outlier problem is to re-estimate models while excluding problematic observations. In the online appendix (Tables S4 and S5), we show that the exclusion of extreme countries and agencies does not affect our substantive conclusions. A less *ad hoc* approach is to use a high breakdown point M-estimator. The three right-most columns of Table 4 show the results we obtained using the lmRob procedure (Wang, Zamar, Marazzi, Yohai, Salibian-Barrera, Maronna,

Zivot, Rocke, Martin, Maechler, and Konis 2013) to re-estimate our cross-sectional models. Again, the results are broadly consistent with our expectations.

Conclusion

We find that the institutional setup of the US bureaucracy matters a great deal for the distribution of foreign aid. Our argument highlights the role of domestic institutions, and thus challenges the assumption that the Executive can target aid wherever she sees fit. We point out that a host of government agencies actually disburse aid. These agencies can hamstring the Executive, making her foreign policy goals difficult to achieve. We study the success of the Executive in overcoming this managerial problem in the context of one case: American foreign aid-giving. Using a newly created continuous measure of independence for US aid agencies, we show that when agencies are dependent on the Executive, ODA flows closely connect to the diplomatic goals of the president. Where agencies enjoy independence, or insulation from Executive pressure, ODA flows better match development ends than the administration's foreign policy motives. In sum, agency independence effectively inhibits the president from directing foreign aid toward diplomatic priorities.

These results suggest that the pool of resources available for Executive diplomacy may differ in systematic

Table 5. Number of Aid-Giving Agencies and ODA Commitments in the 15 Largest Donor Nations (2012)

Donor	ODA (Billion USD)	Agency count
United States	30.69	15
United Kingdom	13.89	6
Germany	12.94	17
France	12.03	17
Japan	10.60	12
Canada	5.65	10
Netherlands	5.52	5
Australia	5.40	2
Sweden	5.24	6
Norway	4.75	7
Switzerland	3.05	9
Italy	2.74	9
Denmark	2.69	3
Belgium	2.31	10
Spain	2.04	18

(Note. Sources: OECD (2014a,b); Tierney et al. (2011).)

fashion from the aggregate ODA figures that scholars generally focus on. In particular, inferences drawn from aggregate data could both *overestimate* the responsiveness of independent agencies to diplomatic motives, and *underestimate* their responsiveness to development need. Our findings suggest a more nuanced interpretation of domestic political institutions on the donor side. They complement an emerging strand of research on the types and channels of aid-giving (Fariss 2010; Winters 2010; Raschky and Schwindt 2012; Dietrich 2013).

The lessons of our study can also inform the understanding of aid politics outside the United States. All major donor countries use multiple government agencies to distribute foreign aid (see Table 5). This suggests an immediate path forward for future research: extending our analysis cross-nationally. This would address whether the independence of government aid-giving agencies varies systematically across countries, providing new ground for empirical tests of our expectations. In addition, a cross-national study should explore how other features of the political system, such as the rule of law or the number of veto players, affect an agency's *de facto* degree of independence.

Our research also contributes to our understanding of bureaucratic politics by addressing the extent to which agency independence acts as a firewall against presidential influence. While we do not provide a general answer to the question of whether *de jure* agency independence translates into *de facto* independence, our evidence shows an attenuation of executive influence in one particular domain: foreign aid.

This study highlights the importance of agency-level characteristics in influencing foreign aid distribution. Future work should consider the design of the bureaucracy and employ disaggregated data to explore how other agency features shape foreign policy outcomes. For instance, while we focus here on agency independence, bureaucratic expertise can also foster agency autonomy (Gailmard and Patty 2013) and may enable agencies to take positions that diverge from the Executive. Given the range and variety of agencies involved in implementing foreign policy, research that explores the role of bureaucratic administration constitutes an agenda in its own right.

While this paper focuses on aid-giving in the US context, our findings can also shed light on a much broader set of topics in the study of foreign policy. For example, the Federal Reserve and the Department of Treasury—two agencies characterized by very different levels of structural independence from the Executive—both hold policy levers that can have tremendous effects on the US position in the international capital markets. Immigration policy represents another complex case for the Executive, as its implementation relies on numerous agencies at the federal level—including the Department of Homeland Security, the Department of Justice, the Department of Labor, and the Department of State—as well as the federal judiciary and a dizzying assortment of state and local law enforcement agencies. Considering the bureaucratic design of the many agencies involved in these foreign policy areas may help explain why different actors perceive—and respond to—a single country's foreign policy position in different ways.

Appendix

Table A1. Agency Independence Estimates for 89 U.S. Government Agencies. Aid-giving Agencies in Bold

Agency	Independence
Appalachian Regional Commission	0.55
Barry Goldwater Scholarship and Excellence in Education Program	0.71
Board of Veterans' Appeals	0.88
Broadcasting Board of Governors	0.75
Central Intelligence Agency	0.57
Chemical Safety and Hazard Investigation Board	1.01
Commodity Futures Trading Commission	0.66
Consumer Product Safety Commission	0.92
Corporation for National and Community Service	0.78
Council of Economic Advisers	0.49
Council on Environmental Quality	0.49
Defense Nuclear Facilities Safety Board	0.79
Department of Agriculture	0.24
Department of Commerce	0.23
Department of Defense	0.21
Department of Education	0.24

Table A1. (continued)

Agency	Independence
Department of Energy	0.27
Department of Health and Human Services	0.26
Department of Homeland Security	0.24
Department of Housing and Urban Development	0.29
Department of the Interior	0.30
Department of Justice	0.05
Department of Labor	0.26
Department of State	0
Department of Transportation	0.29
Department of the Treasury	0.27
Department of Veterans Affairs	0.35
Environmental Protection Agency	0.44
Equal Employment Opportunity Commission	0.70
Export-Import Bank of the United States	0.68
Farm Credit Administration	0.74
Federal Communications Commission	0.65
Federal Deposit Insurance Corporation	0.75
Federal Election Commission	0.79
Federal Energy Regulatory Commission	0.73
Federal Housing Finance Agency	0.83

Table A1. (continued)

Agency	Independence
Federal Labor Relations Authority	0.83
Federal Maritime Commission	0.88
Federal Mediation and Conciliation Service	0.57
Federal Mine Safety and Health Review Commission	0.97
Federal Reserve Board	1
Federal Retirement Thrift Investment Board	0.79
Federal Trade Commission	0.86
General Services Administration	0.45
Harry S. Truman Scholarship Foundation	0.80
Institute for Museum and Library Services	0.78
Inter-American Foundation	0.80
James Madison Memorial Fellowship Foundation	0.80
Merit Systems Protection Board	0.97
Millennium Challenge Corporation	0.77
National Aeronautics and Space Administration	0.45
National Council on Disability	0.78
National Credit Union Administration	0.59
National Endowment for the Arts	0.68
National Endowment for the Humanities	0.62
National Labor Relations Board	0.91
National Mediation Board	0.88
National Science Foundation	0.78
National Security Education Board	0.75
National Security Staff	0.43
National Transportation Safety Board	0.95
Nuclear Regulatory Commission	0.91
Occupational Safety and Health Review Commission	0.96

Table A1. (continued)

Agency	Independence
Office of Government Ethics	0.68
Office of Management and Budget	0.34
Office of National Drug Control Policy	0.30
Office of Navajo and Hopi Indian Relocation	0.70
Office of Personnel Management	0.59
Office of Science and Technology	0.37
Office of Special Counsel	0.90
Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects	0.70
Office of the United States Trade Representative	0.33
Overseas Private Investment Corporation	0.69
Peace Corps	0.57
Postal Regulatory Commission	1.01
Railroad Retirement Board	0.79
Securities and Exchange Commission	0.70
Selective Service System	0.53
Small Business Administration	0.53
Social Security Administration	0.74
Surface Transportation Board	1.01
Tennessee Valley Authority	0.79
United States African Development Foundation	0.77
United States Agency for International Development	0.55
United States Election Assistance Commission	0.79
United States Institute of Peace	1
United States International Trade Commission	0.68
United States Postal Service	1
United States Trade and Development Agency	0.52

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Supporting Information

Additional Supporting Information may be found in the online version of this article:

Table S1. Models from Table 3 with recipient and agency fixed effects.

Table S2. Models from Table 3 with agency and year fixed effects.

Table S3. Models from Table 3 with recipient and year fixed effects.

Table S4. Models from Table 3, but excluding agency outliers.

Table S5. Models from Table 3, but excluding country outliers – Afghanistan, Colombia, Egypt, Iraq, Israel, Israel, Pakistan.

Table S6. Probability of obtaining U.S. ODA, and value of ODA receipts in the recipient subsample. Logit and ordinary least squares models. Agency-specific time trends omitted from the table.

Table S7. Models from Table 3, but controlling for all foreign policy motives in each equation.

Table S8. Models from Table 3 with additional control variable for divided government in the U.S.

Table S9. Models from Table 3 with additional control for the occurence of intersate/intrastate intermediate armed conflicts or wars (UCDP).

Table S10. Models from Table 3, but using a binary Independence measure.

Table S11. Models from Table 3, but using an alternative measure of agency Independence from Selin (Forthcoming).

Table S12. Alternative measures of development need – income per capita, % of AIDS in the Log (Population), % of Log (Population) under 5$ per day, and life expectancy.

Table S13. Models from Table 3 with alternative measures of U.S. diplomatic interest – Troops stationed in the recipient country, Distance from the U.S., net FDI outflow from the U.S. to the recipient, and bilateral tax treaty.

Table S14. Bootstrapped PCA model with method of composition.

Table S15. Models from Table 3, but with all regressors lagged by one year.

Figure S1. Distribution of ODA receipts by country and agency (1 of 2).

Figure S2. Distribution of ODA receipts by country and agency (2 of 2).