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How Much is a Seat on the Security Council Worth? Foreign Aid and Bribery at the United Nations

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ABSTRACT

Ten of the fifteen seats on the U.N. Security Council are held by rotating members serving two-year terms. We find that a country's U.S. aid increases by 59 percent and its U.N. aid by 8 percent when it rotates onto the council. This effect increases during years in which key diplomatic events take place (when members' votes should be especially valuable) and the timing of the effect closely tracks a country's election to, and exit from, the council. Finally, the U.N. results appear to be driven by UNICEF, an organization over which the United States has historically exerted great control.

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I. Introduction

Since its inception in 1945, the United Nations has entrusted questions of global peacemaking to the Security Council. Given the council's power to authorize multilateral sanctions and military action, its members have played a role in some of the most significant world events of the past sixty years, from the Korean War to the recent Gulf Wars. Though critics often argue that the Security Council lacks relevance or resolve, membership on the council remains a coveted prize among U.N. member states. While five of the council's 15 seats are held by permanent members, the remaining ten are reserved for countries serving two-year terms, and the competition for these rotating seats can be intense (Malone 2000).

The desire to participate more meaningfully in world affairs might motivate countries to fight for a spot on the Security Council. It is also possible, however, that rotating members are able to extract rents during their time on the council. Thus, rotating members could trade their votes for political or financial favors during the two years in which they enjoy a boost to their diplomatic importance. Indeed, the U.S. reportedly issued "promises of rich rewards" to rotating members in exchange for their support during the run-up to the 2003 invasion of Iraq (Renfrew 2003). While the Security Council would seem to present a natural setting to study issues of bribery and deal-making, economists have largely ignored the question of whether council membership is related to foreign aid payments. This omission is especially surprising given the advantages of the discontinuous nature of rotating membership for empirical identification.

That there might exist a link between membership on the Security Council and foreign aid is a serious charge. As Article 24 of the U.N. Charter states, member nations "confer on the Security Council primary responsibility for the maintenance of international peace and security, and agree that in carrying out its duties under this responsibility the Security Council acts on their behalf." Since the Security Council is entrusted to act on behalf of all members of the United Nations, council members are expected to advocate for the global good—not to extract rents in order to line their own coffers.

In this paper, we investigate whether the pattern of aid payments to rotating members of the council is consistent with vote buying. There are at least three reasons why we might observe a connection between foreign aid and council membership. First, as the discussion above suggests, council members may be trading their votes for cash. Second, and less

nefarious, is the possibility that membership on the Security Council simply enables a country to bring its needs to the attention of the world community. If the economic needs of developing nations gain salience when they serve as rotating members, then aid and Security Council tenure could be positively correlated even in the absence of vote trading. Third, a correlation between Security Council membership and aid might be driven by an omitted variable: a country's becoming more integrated in the world community might increase both its probability of serving on the Security Council and its annual aid receipts. Testing for a correlation between council membership and foreign aid, and differentiating among these three hypotheses, will be the focus of the empirical work in this paper.

Using country-level panel data, we find a large positive effect of Security Council membership on foreign aid receipts. On average, a non-permanent member of the council enjoys a 59 percent increase in total aid from the United States and an 8 percent increase in total development aid from the United Nations. Further results lend strong support to the bribery hypothesis over the two alternative hypotheses mentioned above. First, we find that aid to Security Council members is significantly larger during key diplomatic years—that is, years in which the United Nations receives an especially large amount of media coverage, or in which a major international event occurs. The variation used to identify this effect is plausibly exogenous; it is driven by the fact that some countries serve on the Security Council during relatively calm years while others, by chance, are fortunate enough to serve during a year in which a key resolution is debated and their vote becomes more valuable.

Second, aid payments sharply increase in the year that a country is elected to the Security Council, remain high throughout the two-year term, and return to their earlier level almost immediately upon completion of the term. The sharp increase challenges the notion that the correlation is being driven by an unobserved, secular change in a country's international influence or diplomatic *savoir-faire*. Similarly, the rapid return to baseline aid levels after a country has completed its tenure suggests that the aid is not due to a newfound awareness of the country's needs. Instead, the discontinuous pattern of aid suggests that Security Council countries experience a windfall of aid only during the period when they enjoy increased influence in the United Nations.

We also examine the politics of aid decisions within the U.N. bureaucracy. While Security Council members have increased access to politically salient information, they have no

greater access to the U.N. agencies that disburse development aid. Thus, the connection we find between council membership and aid receipts might imply that council members are willing to trade their vote for favors: they promote another country's interests in the Security Council in exchange for development aid from a U.N. agency over which the other country has influence. By decomposing U.N. development aid into its agency-level components, we find that UNICEF—an agency long controlled by the United States—seems to drive the Security Council effect. Accordingly, our results suggest that the U.S. attempts to influence rotating members both with direct foreign aid payments as well as with funds channeled through a U.N. agency it influences.

The results of this paper are consistent with previous empirical studies that demonstrate a political component to the allocation of foreign aid. Alesina and Dollar (2000) find that political and strategic variables explain a large share of the direction of foreign aid flows. Meernik, Krueger, and Poe (1998) contend that security issues were more important for U.S. aid allocation during the Cold War than following it, and that democracy promotion has since risen in prominence as a determinant of aid. Previous studies on foreign aid and voting in the U.N. General Assembly find mixed results and do little to identify the direction of causality (Wittkopf 1973; Rai 1980; Kegley and Hook 1991; Wang 1999).

Our results are also pertinent to two contentious debates currently taking place amongst a wider audience. The first is the long-standing debate about the effectiveness of foreign aid (see for example Easterly 2001), a debate reignited by the recent push for the G-8 nations to increase foreign aid by $50 billion (BBC 2005). As our results indicate that strategic interests have a causal impact on foreign aid decisions, they suggest a possible explanation for the disappointing track record of aid: as donor countries use aid strategically, they do not prioritize humanitarian concerns when crafting aid packages. Therefore, the weak historical relationships between aid and poverty alleviation may not suggest that more targeted, development-oriented aid will similarly fail in the future.

Second, our paper contributes to the debate over U.N. reform. The oil-for-food scandal (Hsieh and Moretti 2006; Heaton 2006) and the refusal of the Security Council to authorize the 2003 invasion of Iraq have been used by critics to demonstrate the organization's corruptibility, on the one hand, or irrelevance, on the other. Additionally, calls have been made to drastically change the structure of the Security Council. Our results suggest the potential need for an

additional set of reforms—namely, measures that would help insulate the rotating members from the financial influence of the greater powers.

The remainder of the paper is organized as follows. In Section II we relate this paper to the literature on U.S. congressional committees, noting that because of the highly discontinuous nature of Security Council membership, the U.N. setting provides econometrically cleaner tests of the hypothesis that committee membership confers tangible benefits. In Section III we describe the data and our empirical strategy. In Section IV we report the results of the impact of Security Council membership on foreign aid receipts, specifically U.S. and U.N. aid. Section V offers concluding remarks.

II. The Political Economy of the U.N. Security Council

Structure of the Security Council

The U.N. Security Council is the primary organ of the United Nations responsible for the maintenance of peace and security. Among all U.N. organs, the Security Council is the only one with the authority to make decisions that bind all member states of the United Nations and, to some extent, non-members as well (Bailey and Daws 1998, 4). Among the powers of the Security Council are the abilities to invoke sanctions, apply military action, and recommend the appointment of the U.N. Secretary-General.

The council is made up of five permanent members, or the P5—China, France, Russia, the United Kingdom, and the United States—as well as ten non-permanent members. Nine votes cast in favor of a resolution are required for a resolution to pass (including the concurring votes of the P5 in substantive matters), and each of the P5 has the power to veto a resolution (Article 27 of the U.N. Charter).

Service on the council is by no means random. A Security Council member must first be nominated by its regional caucus and then approved by a two-thirds vote of the General Assembly (G.A.). Each year, five non-permanent members join the Security Council and five members leave; retiring members are not eligible for immediate re-election (Article 23(2)). The elections occur approximately three months before the term starts on January 1, though countries may make their candidacy known well beforehand. Five of the ten non-permanent members are

typically from Africa and Asia, one is from Eastern Europe, two are from Latin America and the Caribbean, and two are from Western Europe, Canada, Australia, and New Zealand (Malone 2000). According to the U.N. Charter, the G.A. is instructed to pay "due regard… to the contribution of Members of the United Nations to the maintenance of international peace and security and to the other purposes of the Organization" (Article 23(1)). In practice, this has meant that regional powers like Japan and Brazil tend to serve more frequently than less influential states such as Laos or Paraguay. Each regional caucus can devise its own procedure for deciding which nation(s) to nominate, but is still constrained to choose nations that will ultimately gain the two-thirds approval required in the General Assembly. Appendix I lists the number of years that countries in our dataset have served on the Security Council.

There is extensive competition and jostling for the non-permanent seats, with some countries mounting expensive campaigns to get elected to the council (Malone, 2000). The observed campaigning suggests that these countries might expect a net reward during their tenure.

However, there are several reasons to doubt that countries systematically get more aid while on the council. First, countries that campaign for election to the council may seek the non-financial benefits of council membership, such as access to information or sway over international affairs. Moreover, the President of the council—a title that rotates among the members—has some control over the agenda and the order of voting over amendments on the table (Bailey and Daws 1998, 130-131). Second, if sticks instead of carrots were used to influence non-member votes, then countries serving on the council might worry that their foreign aid will fall if they do not vote as they are told. Indeed, Yemen saw its U.S. aid cut when it refused to vote in favor of the council's authorization of the use of force against Iraq in 1991. Third,, it has been suggested that because non-permanent members of the council do not have veto power, they may not be worth bribing at all. O'Neill (1996) applies the Shapley-Shubik index—which measures the percentage of total power attributed to a member based on voting rules—to the Security Council. He finds that each of the five permanent members has 19.6 percent of the power, while each of the ten non-permanent members has less than 0.2 percent. Finally, O'Neill's critique notwithstanding, a strict realist interpretation of international organizations would argue that the Security Council merely reflects the balance of power in the international system and does not have any independent impact on world affairs.

Committee Membership and Political Spoils

The potential connection between Security Council membership and foreign aid parallels existing work on congressional committee membership and geographically-targeted federal spending. A large literature in political science investigates whether representatives who sit on powerful committees or subcommittees are able to "bring home the bacon," which appears to improve the incumbent's chance of reelection (Levitt and Snyder 1997). In perhaps the classic work in this field, Ferejohn (1974) finds that members of public works committees get more new projects for their constituencies than do nonmembers, and that this effect is even stronger for appropriations subcommittee members and committee chairs. This committee-member effect has also been found for military spending in states and districts that are represented on defense committees (Ray 1981; Rundquist, Lee, and Rhee 1996; Carsey and Rundquist 1999; Rundquist and Carsey 2002). Given that legislators can extract constituency benefits from committee service, it follows that there should be competition for service on the most lucrative committees. Indeed, this appears to be the case. Groseclose and Stewart (1998) and Stewart and Groseclose (1999) provide estimates of the most valuable committees, and find that positions on the House Ways and Means and Appropriations committees and the Senate Finance and Appropriations committees were the most coveted.

Surprisingly, there have been no studies posing similar questions in the international arena. The U.N. Security Council is arguably the world's most prominent international committee. Unlike Appropriations committees, the Security Council does not distribute funds per se. Thus, if countries were to receive extra funds from the United Nations, it could be through logrolling. If donor countries were to disburse extra bilateral aid, it could be with the intention to buy support to form winning or blocking coalitions. Both of these practices have also been modeled by congressional scholars, and appear to be important parts of legislative activity (Riker 1962; Shepsle 1974; Stratmann 1992; Groseclose and Snyder 1996). Nonetheless, it should be more difficult to find evidence of committee influence through an indirect channel (logrolling and vote-buying) than through a direct channel (appropriations).

Perhaps the largest challenge in the empirical literature on congressional committee influence is determining the direction of causality (Ray 1981). After all, it may not be the membership on the defense committee that generates the allocation of district-level military

spending, but rather the fact that congressmen who represent districts with defense spending are more likely to seek assignment to defense committees (Rundquist, Rhee, Fox, and Lee 1997).

Several features of the Security Council offer advantages in estimating the relationship between membership and financial gain. Unlike members of Congress, members of the Security Council cannot serve successive terms. Thus, even if admission to the council is not exogenous, exit from the council is. Moreover, given that serving on the council is a relatively rare event, we can track the changes in aid as they correspond to election to, and service on, the Security Council, to determine the direction of causality. Certainly, it is possible for governments to adjust their aid on short notice in order to influence other countries. The U.S. government has funds that can be allocated at the discretion of the administration (even if many of them are earmarked for a specific developmental purpose, such as child health).[1] Moreover, Congress can stipulate in its annual recommendation that certain countries receive a minimum amount of aid, and that such amounts be distributed within 30 days of the act's passage.

Another feature of the Security Council that benefits this inquiry is that the value of serving on the council fluctuates from year to year. The Security Council has been relatively more prominent in years of importance to the international community, such as the period leading up to the U.S. invasion of Iraq, than in years when the order of business does not go beyond posturing about Western Sahara or Myanmar. The value of a vote on the council should fluctuate with the importance of the Security Council in world affairs. Thus, though a country's propensity to serve on the council is by no means random, world events during its tenure are largely a product of chance.

It is these discontinuities—in the duration of service and the importance of the council in world affairs—that we will exploit in order to measure the value of serving as a non-permanent member of the U.N. Security Council.

III. Data and Specifications

Data

We construct two panel datasets to test our hypotheses. In both cases, we limit our

[1] See, for instance, United States Congress (2001).

analysis to developing countries (those not classified as high-income countries by the World Bank in 2003) who were members of the United Nations but not part of the P5 (that is, we exclude China). The first dataset contains U.S. foreign aid data from 1946 to 2001, from the "Greenbook," the U.S. Overseas Loans & Grants database compiled by USAID. From the Greenbook, we sum two variables, "Total Economic Assistance Loans and Grants" and "Total Military Assistance Loans and Grants," and convert the flows to constant dollars using the urban CPI to reflect the price to the United States of administering the aid. Only positive values of aid are reported; we assign a value of zero to non-reported flows.[2] Of the country-years in our sample, over three-fourths received economic aid, and nearly one half received military aid.

In this dataset, we use two primary political controls. The first, representing "outlier" political activity, captures whether a war with at least 1000 battle deaths was occurring in the recipient country; these data come from the Department of Peace and Conflict Research at Uppsala University and the International Peace Research Institute, Oslo (PRIO) (Gleditsch et al 2002). Less than one tenth of the country-years in our sample were characterized by such conflict. The second control, which captures ideological swings in a country, is the Polity2 dictatorship/democracy score from the Polity IV dataset (Marshall and Jaggers 2002). A score of 10 reflects a perfect democracy and a score of -10 reflects a perfect autocracy. The average score in our dataset is -1.93, indicating a country that is more autocratic than democratic. Both of these controls extend back to 1946, although they are not available for all countries. Unfortunately, few other useful control variables go back to 1946. The economic control, the log of real GDP per capita using the Laspeyres weighting, is from the Penn World Tables and begins in 1950 for a subset of the countries.

The second dataset contains flows of Official Development Assistance (ODA) from the United Nations, compiled by the OECD beginning in 1960. To generate our variable of interest, we sum ODA over all U.N. agencies and convert this figure to constant dollars using the ratio of the recipient country's real GDP to nominal GDP. Over 96 percent of the country-years in our sample received U.N. aid. Fortunately, better economic control variables are available from 1960 onward. We include the same political controls as above and add the log of real per capita GDP from the World Development Indicators.

[2] We set zero and negative aid flows to $1 for the log specification. Appendix II, discussed later, shows that the results are robust to several different treatments of the zero-aid-flow observations.

Importantly, U.S. aid data represent authorizations and obligations while U.N. data captures actual aid disbursed. Thus our measure of U.S. aid should more closely track contemporaneous intent, while measured U.N. aid may lag intent by a period.

Empirical Strategy

A positive association between foreign aid and council memberships would hardly be conclusive evidence of the vote-for-aid deals that we have hypothesized. Any omitted variable at the country level associated with both a country's propensity to serve on the council and its ability to extract aid from donor nations would lead to biased coefficients, almost certainly in the positive direction. Thus, our basic empirical strategy is to look within countries across time and measure how their aid receipts changed as a function of their Security Council status. This estimation can be captured by the following equation, using a logarithmic specification following Alesina and Dollar (2000):

$$(1)\quad \ln(Aid_{irt}) = \alpha + \beta * SCMember_{it} + \gamma * \boldsymbol{X}_{it} + \boldsymbol{W}_{rt} + \boldsymbol{\eta}_{t} + \boldsymbol{\mu}_{i} + \varepsilon_{it},$$

where *i* indexes countries, *r* indexes regions, *t* indexes years, *SCMember* is a dummy variable coded as one if country *i* is serving on the Security Council in year *t*, $\boldsymbol{X}$ is a vector of time-varying political and economic controls for each country, $\boldsymbol{W}$ is a regional quartic time trend,[3] $\boldsymbol{\eta}$ is a vector of year fixed effects, and $\boldsymbol{\mu}$ is a vector of country fixed effects. In the results that follow, we set *Aid* to equal either U.S. foreign aid or U.N. development aid.

Changes in the average level of foreign aid across time will be absorbed by the year fixed effects. Moreover, any omitted variable that affects a country's average aid level will be absorbed by the country fixed effects. However, if a country's propensity to serve on the Security Council changed during the time covered in our data and this change was correlated in some way with its pattern of aid receipts, then an OLS estimate of β would be biased. We address this concern in two ways. First, we interact the *SCMember* variables with a measure of

[3] The regions are Europe and Central Asia, East Asia and the Pacific, Sub-Saharan Africa, Latin America and the Caribbean, and Other. We include a linear time trend for Egypt, recognizing the dramatic increases in aid to Egypt following the Camp David Accord; Israel is not part of the dataset as it was a high-income country in 2003. Recognizing that Egypt should be treated as a special case in foreign aid estimations is consistent with major recent papers (Alesina and Dollar 2000; Burnside and Dollar 2000). In Appendix II we will test our main results using region-year dummies.

how important that year happened to be in the Security Council. As discussed in Section 2, assignment to the Security Council is not strictly random, but world events during a country's tenure are essentially exogenous. As countries typically begin their campaigns for Security Council membership years before they actually serve, it would be nearly impossible for countries to "time" their campaigns to correspond with world events that might make their tenure especially lucrative. (For example, Cameroon and Angola surely had no way of knowing that they would serve during the Bush Administration's push for Gulf War II.) This estimation is specified by the following equation:

$$(2)\quad \ln(Aid_{irt}) = \alpha + \beta_1 * SCMember_{it} + \beta_2 * SCMEMBER_{it} * ImportantYear_t + \gamma * \boldsymbol{X}_{it} + \boldsymbol{W}_{rt} + \boldsymbol{\eta}_t + \boldsymbol{\mu}_i + \varepsilon_{it}.$$

$ImportantYear_t$ is proxied by the total number of *New York Times* articles in year t with the words "United Nations" and "Security Council" in the article, searched through the ProQuest® historical database. A graph of the *NYT* variable since 1946 is provided in Figure 1. For our main specification, we rank the years according to their citation frequency and then separate them into three categories: high, medium and low importance years. We also experiment with other definitions of a year's importance as robustness checks.

If the effect on aid of being on the Security Council is purely driven by countries exerting their influence in ways that are correlated with both gaining a seat on the council and procuring more aid, rather than a true treatment effect captured by the interaction term, then we should see estimates of β_2 statistically indistinguishable from zero. If, instead, the effect on aid is being driven by the interaction term, then we can conclude that the Security Council effect on aid is likely causal and not driven by omitted variables.

One final check we perform is to examine the pattern of aid receipts not only during a country's membership on the Security Council, but also during the years immediately before and after its tenure. We refer to this estimation as the "event-time specification" and it is described by the following equation:

$$(3)\quad \ln(Aid_{irt}) = \alpha + \beta_{-1} * T{-}1_{it} + \beta_0 * T0_{it} + \beta_1 * T1_{it} + \beta_2 * T2_{it} + \beta_3 * T3_{it} + \beta_4 * T4_{it} + \gamma * \boldsymbol{X}_{it} + \boldsymbol{W}_{rt} + \boldsymbol{\eta}_t + \boldsymbol{\mu}_i + e_{it},$$

where *T-1* is a dummy variable indicating the year before a country is elected to the Security Council (and two years before its term actually starts), *T0* corresponds to the year of election, *T1* and *T2* correspond to the two years of service on the council, and *T3* and *T4* correspond to the two years immediately following the two-year term.

This specification allows us to address the concern that unobserved country-specific trends in both a country's ability to extract aid and its probability of serving on the council are driving the positive association between council membership and aid. In the year before a country's election, any significant increase in aid would undermine the hypothesis that council membership itself is driving the results. Similarly, aid levels remaining high in the years following council service might suggest that rotating countries had permanently raised awareness of their needs, and not that they had used their temporary power to extract bribes. If β_0, β_1, and β_2 were much larger than the other coefficients (or β_1, β_2, and β_3 for U.N. aid due to its measuring disbursement rather than authorization), however, the striking correlation between aid levels and the exact years during which rotating members had elevated influence would render this alternative story less credible.

IV. Estimating the Value of a Seat

U.S. Foreign Aid

Table 2 shows the estimation results for variations on equations (1), (2), and (3), using U.S. foreign aid as the dependent variable. In the specification in column 1, aid is regressed only on the SC Member dummy; as expected, the coefficient is implausibly high, as it captures not only vote-buying aid but also the non-random selection of U.S. aid recipients to the council. Column 2 adds country and year fixed effects as well as regional trends; the results indicate that council membership is associated with a 47 log-point, or 59 percent, increase in U.S. aid. Columns 3 and 4 make use of variation in the importance of council decisions from year to year. As mentioned above, we divide the years in the sample into three roughly equal groups based on the number of New York Times articles containing the terms "United Nations" and "Security

Council."[4] Column 3 suggests that during those years in which the Security Council was least in the news, council members received essentially no additional U.S. aid relative to their baseline. During years in which the council received moderate press coverage, the reward to being on the council was positive, but not significant. However, during the years in which the council's proceedings were most newsworthy, the increase in aid receipts to council members was positive and highly significant. The point estimate suggests that counties lucky enough to serve during these years enjoyed a nearly 170% increase in U.S. aid. Column 4 shows that the addition of political controls does not change the results. In column 5 we add the log of GDP per capita which reduces the sample by over one quarter. Although this reduces the size of the coefficient on the most newsworthy years, it remains statistically significant.

We also experiment with a different approach to identifying the effect of council membership: examining the variation in aid during as well as immediately before and after a country's two-year term. The point estimates, reported in column 6, suggest that in the year before a country is elected, aid is not any higher than the baseline level. The year of election and the two years of actual service exhibit the largest increases in aid, with the election year and second year highly statistically significant. Aid levels essentially return to pre-election levels in the two years following council service. Furthermore, the difference in aid payments during the "treatment period" (the year of election and the two years of service on the Council) and aid payments during the "control period" (the three years before and after the treatment period) is positive and statistically significant (details of this estimation and hypothesis test can be found in the notes to Table2). Thus, the pattern of aid over time suggests that aid increases are intimately tied to council election and membership.

We next investigate whether the results in column 4 are robust to using alternative measures of a year's diplomatic importance. The results and significance hold if we redefine an important year as one that corresponds to key events in the Security Council and international diplomacy more generally; these years are 1946 (first year of the United Nations), 1950 (Korean War), 1956 (Suez crisis), 1960 (U2 spy plane; Congo) 1962 (Cuban Missile crisis), 1967 and 1973 (Israeli-Arab wars), 1982 (Falklands, Lebanon), 1991 (Gulf War I), and 1999 (Kosovo). The signs, if not the significance levels, hold if we define an important year as a year in which an

[4] Somewhat important years include 1953, 1957, 1962, 1963, 1966, 1967, 1969, 1971, 1973, 1975-76, 1979, 1980, 1985, 1988, 1995-96, and 1999. Important years include 1946-52, 1954-56, 1958, 1960-61, 1964-65, 1968, 1982,

interstate military conflict involving more than three states and more than 1,000 deaths began.

The results are also robust to a number of additional manipulations, as reported in Appendix II, columns 1-4; these include: (1) limiting the regression to positive aid values, (2) resetting the log of non-positive aid from zero to ten,[5] (3) including dummy variables for country-years with zero aid, and (4) substituting region-year dummies for the regional quartics. In other words, the log specification's inherent sensitivity to small changes in absolute magnitude that are close to zero does not appear to be driving the results. The results are also robust to alternative sample selection rules. In Appendix III, columns 1-4, we find that the main results are robust to: (1) dropping countries that never served on the Security Council between 1946 and 2004, (2) including high-income countries, (3) excluding country-years with real GDP per capita greater than $10,000 in the particular year of the observation rather than in 2003, and (4) dropping the year of the Iraqi invasion of Kuwait and the year of the resulting Gulf War (1990 and 1991, respectively).[6]

U.N. Results

Table 3 shows results parallel to those in Tables 2, but with total U.N. development aid as the dependent variable. The coefficients of interest in Table 3 follow a similar pattern to those in Table 2, but are universally smaller in magnitude. For U.N. aid, the main effect of serving on the council is weakly positive, but serving on the council during an important year predicts a sizeable and statistically significant increase in aid of 42 log points, or 53 percent.

The timing of U.N. aid is slightly different from that of U.S. aid, consistent with its measuring actual disbursement as opposed to authorization. U.N. aid does not increase as substantially during the year of election to the council, and does not fall back to baseline levels until the second year after council service has ended. As with U.S. aid, we find that the difference between U.N. aid payments during the "treatment period" and the "control period" is positive (though less statically significant) and again consign details to the notes of Table 3.

Most important, however, is that for both U.N. and U.S. aid, there is no evidence of heightened aid in the year before election, there is a significant increase in aid during the second

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1990-94, and 1998.

[5] The smallest positive value of the log of aid is approximately 9.5, or $13,000.

[6] As a further robustness check, in an extension to an earlier version of this paper, Tamura and Kunieda (2005) reach the same conclusions using different specifications.

year of the term, and aid levels essentially return to pre-election levels within two years of a country's exit from the council. That the coefficients of interest for the U.N. regressions are smaller makes intuitive sense: the United States can distribute foreign aid in accordance with its strategic interests without garnering the formal support of other countries, whereas bureaucrats hailing from multiple nations must cooperate to dispense U.N. aid.[7]

Figure 2 provides a graphical representation of the results in the last columns of Tables 2 and 3. The y-axis has been scaled such that aid in the year before a country's election to the council is normalized to $100. The most notable increase in aid comes during the second year of tenure. Though the return to baseline is somewhat slower for U.N. aid, both types of aid trend towards pre-election levels within two years of a country's departure from the council.

Components of U.N. Aid

It is conceptually easy to imagine a causal mechanism underlying the U.S. aid results. When a matter of importance comes before the Security Council, Congress (or the president via the Congress) can authorize aid to a country in exchange for, or in encouragement of, its support for the U.S. position.

The mechanism underlying the connection between council membership and U.N. aid is not so clear. The Security Council does not directly control the purse strings of any of the committees that distribute U.N. aid. Each of these committees has its own bureaucracy and leadership, and is ostensibly independent of the council. Of course, in reality, politics may affect the aid process. For example, there is the possibility of log-rolling. A non-member could offer a rotating member the following deal: put the non-member's issue on the council agenda in exchange for an increase in aid from, say, the World Food Programme, over which the non-member happens to have influence. An alternative but not necessarily competing hypothesis is that few U.N. members have even this behind-the-scenes power, and that the U.N. budget is effectively controlled by the great powers.

In order to explore the black box of U.N. development aid distribution, we decompose the U.N. aid variable into its components. The five U.N. agencies with the highest distributions

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[7] Somewhat important years include 1962-63, 1966-67, 1969, 1972-73, 1975-76, 1979-80, 1985, 1988, 1995-96. Important years include 1960-61, 1964-65, 1968, 1971, 1982, 1990-94, 1998-99. The U.N. results are robust to

are the World Food Programme (WFP), the U.N. Development Programme (UNDP), UNICEF, the U.N. High Commissioner for Refugees (UNHCR), and the U.N. Regular Programme of Technical Assistance (UNTA). It is noteworthy that among these agencies, the United States historically has had the largest influence over UNICEF. Every executive director of UNICEF since 1947 has been American, and some of UNICEF's policy actions are taken in consultation with the U.S. State Department (U.S. Department of State 2003). The extent of U.S. favoritism for UNICEF was revealed in a memorable manner in 1995 when then-Senate Foreign Relations Committee Chairman Jesse Helms recommended "terminating or greatly reducing" funds for every U.N. organization except UNICEF (Bennis 1996, 71).

U.S. leadership has also been important, though less so, in the UNDP. An American ran the agency every year until 2000, when Mark Malloch Brown of the UK, a Washington veteran, took over. The United States has often been the largest donor to the UNDP, though in percentage terms it donates much less than it does to UNICEF.

Table 4 displays the results of regressing ODA from these five U.N. agencies on Security Council membership and controls using our preferred specification (from column 4 of Table 3). The agency displaying the strongest pattern is clearly UNICEF. Countries serving on the council during an unimportant year experience no notable increase in their UNICEF aid. During an important year, a developing country sitting on the Security Council can expect a 49 log point, or 63 percent increase, in their ODA from UNICEF. Aid from the UNDP follows a similar pattern, though the magnitudes are smaller and insignificant, while the remaining agencies display no apparent relationship between aid flows and council membership.

What do these results imply about the politics of U.N. aid disbursement? Seeing how the Security Council effect is limited to UNICEF and, to a lesser extent, the UNDP, the findings do not seem to describe a setting in which many smaller players are trading influence for aid. Of course a more detailed analysis of agency leadership and vote patterns might uncover more subtle manifestations of log-rolling. However, these results do provide positive support for the U.S. power hypothesis. As some of the funding for U.N. agencies is in the form of voluntary contributions earmarked by donors for specific projects, these findings should not be seen as evidence that the United States is abusing its leadership at U.N. agencies to spend other donors'

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defining the importance of the year with the multinational conflict construction. Appendices II and III report the robustness checks on treatment of zeroes and sample selection.

monies in the U.S. national interest. Yet the findings are suggestive that the United States is using UNICEF, and possibly the UNDP, as a vehicle in the conduct of its foreign policy.

V. Conclusion

Thus far, we have argued that non-permanent members of the U.N. Security Council receive extra foreign aid from the United States and the United Nations, especially during years when the attention focused on the council is greatest. Our results suggest that council membership itself, and not simply some omitted variable, drives the aid increases. On average, the typical developing country serving on the council can anticipate an additional $16 million from the United States and $1 million from the United Nations During important years, these numbers rise to $45 million from the United States and $8 million from the United Nations. Finally, the U.N. finding may actually be further evidence of U.S. influence: UNICEF, an organization over which the United States has historically had great control, seems to be driving the increase in U.N. aid.

Ideally, a study of vote-buying in the United Nations would test for the ability of Security Council aid to influence actual voting. Unfortunately, this is difficult for two reasons. First, we cannot observe the counter-factual: how the country would have voted in the absence of vote-buying activity. Second, votes themselves are strategic. Agenda setters typically know, before putting a resolution up for a vote, the preferences of each member. Perhaps this is why most Security Council resolutions are passed unanimously, and why failed resolutions are rare—recall that the 2003 resolution to authorize the invasion of Iraq never actually came to a vote. Due to these identification problems, we believe that actual outlays of aid are the most trustworthy way to measure the presence of vote-buying in the Security Council. By providing extra aid to non-permanent members of the council, especially during years when council votes are especially important, agenda setters have implicitly revealed their faith in the Security Council's relevance in world affairs.

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Table 1: Data, Means, and Variances

Dataset 1: 1946-2001

Variable	Observations	Mean	Standard Deviation
SC Member	5425	0.06	0.24
NYT articles	5425	416.50	251.76
War occurring (>1000 deaths)	5156	0.09	0.28
Polity2 Score	4902	-1.93	6.62
ln(GDP per capita, $1996)	3824	7.78	0.80
ln(Total aid and loans from US, $1996)	5425	12.35	6.33
Total aid and loans from US, $1996 million	5425	26.45	127.19

Dataset 2: 1960-2001

Variable	Observations	Mean	Standard Deviation
SC Member	4041	0.06	0.24
NYT articles	4041	374.09	179.19
War occurring (>1000 deaths)	3774	0.08	0.27
Polity2 Score	3583	-1.22	6.84
ln(GDP per capita, $1995)	3943	6.82	1.08
ln(Net ODA from UN, $1995)	4041	15.18	3.42
Net ODA from UN, $1995 million	4041	13.86	25.44
Net ODA from WFP, $1995 million	4041	3.79	11.32
Net ODA from UNDP, $1995 million	4041	3.03	4.33
Net ODA from UNICEF, $1995 million	4041	1.98	5.07
Net ODA from UNHCR, $1995 million	4041	2.01	7.70
Net ODA from UNTA, $1995 million	4041	0.86	1.07

Table 2: Economic and Military Aid from the United States, 1946-2001

	dependent variable: ln(Total aid and loans from US, $1996)					
	(1)	(2)	(3)	(4)	(5)	(6)
SC Member	1.527	0.466				
	[0.379]***	[0.239]*				
On SC, Unimportant year			-0.086	0.03	0.337	
			[0.436]	[0.407]	[0.423]	
On SC, Somewhat important year			0.432	0.474	0.478	
			[0.282]	[0.294]	[0.256]*	
On SC, Important year			0.99	0.993	0.741	
			[0.440]**	[0.455]**	[0.397]*	
War occurring (>1000 deaths)				0.007	-0.058	-0.051
				[0.535]	[0.624]	[0.624]
Polity2 Score				0.101	0.037	0.038
				[0.034]***	[0.028]	[0.028]
ln(GDP per capita, $1996)					-0.993	-1.009
					[0.887]	[0.888]
One year before election to SC						-0.045
						[0.204]
Year of election to SC						0.42
						[0.213]*
First year of serving on SC						0.44
						[0.321]
Second year of serving on SC						0.715
						[0.260]***
First year after finishing SC term						0.202
						[0.363]
Second year after finishing SC term						0.15
						[0.331]
Country and year fixed effects	No	Yes	Yes	Yes	Yes	Yes
Region Quartics	No	Yes	Yes	Yes	Yes	Yes
Observations	5425	5425	5425	4902	3616	3616
R-squared	0	0.64	0.64	0.61	0.6	0.6

Robust standard errors in brackets clustered on country. Egypt time trend included in regressions (2)-(6).
* significant at 10%; ** significant at 5%; *** significant at 1%

We also re-run the estimation in column 6, replacing the event-time variables with dummy variables corresponding to a "treatment period" (the year of election and the two years of service) and a "control period" (the three years before and after the treatment period). The coefficient on the "treatment period" dummy is 0.548 and the coefficient on the "control period" dummy is 0.048. A test of the equality of these two coefficients can be rejected at the 0.01 level.

Table 3: Aid from the United Nations, 1960-2001

	dependent variable: ln(Net ODA from UN, $1995)				
	(1)	(2)	(3)	(4)	(5)
SC Member	0.859	0.075			
	[0.277]***	[0.088]			
On SC, Unimportant year			-0.108	0.011	
			[0.088]	[0.085]	
On SC, Somewhat important year			-0.063	-0.074	
			[0.179]	[0.170]	
On SC, Important year			0.422	0.44	
			[0.164]**	[0.169]**	
War occurring (>1000 deaths)				-0.579	-0.578
				[0.222]**	[0.222]**
Polity2 Score				0.007	0.007
				[0.015]	[0.015]
ln(GDP per capita, constant 1995 US$)				-1.005	-1.011
				[0.277]***	[0.280]***
One year before election to SC					-0.003
					[0.128]
Year of election to SC					0.064
					[0.138]
First year of serving on SC					0.099
					[0.139]
Second year of serving on SC					0.17
					[0.087]*
First year after finishing SC term					0.12
					[0.076]
Second year after finishing SC term					0.043
					[0.087]
Country and year fixed effects	No	Yes	Yes	Yes	Yes
Region Quartics	No	Yes	Yes	Yes	Yes
Observations	4041	4041	4041	3490	3490
R-squared	0	0.75	0.75	0.66	0.66

Robust standard errors in brackets clustered on country. Egypt time trend included in regressions (2)-(5).

* significant at 10%; ** significant at 5%; *** significant at 1%

We also re-run the estimation in column 5, replacing the event-time variables with dummy variables corresponding to a "treatment period" (the two years of service on the council as well as the year directly following service) and a "control period" (the three years before and after the treatment period). The coefficient on the "treatment period" dummy is 0.126 and the coefficient on the "control period" dummy is 0.015. A test of the equality of these two coefficients an be rejected at the 0.11 level. Note that the treatment and control periods for the US regressions lag those of the UN by one year, reflecting the differences in the definition of US and UN aid.

Table 4: Aid from the United Nations by Agency, 1960-2001

	dependent variable: ln(Net ODA, $1995) from:				
	WFP	UNDP	UNICEF	UNHCR	UNTA
	(1)	(2)	(3)	(4)	(5)
On SC, Unimportant year	-0.525	-0.107	-0.155	0.105	0.037
	[0.454]	[0.176]	[0.434]	[0.499]	[0.080]
On SC, Somewhat important year	0.313	-0.287	0.307	0.432	-0.023
	[0.502]	[0.235]	[0.242]	[0.547]	[0.078]
On SC, Important year	-0.202	0.227	0.488	0.278	0.136
	[0.511]	[0.216]	[0.240]**	[0.418]	[0.115]
War occurring (>1000 deaths)	-0.579	-0.853	-0.488	-0.701	-0.649
	[0.605]	[0.397]**	[0.422]	[0.661]	[0.362]*
Polity2 Score	0.041	0.019	0.026	0.021	-0.003
	[0.031]	[0.018]	[0.025]	[0.041]	[0.012]
ln(GDP per capita, constant 1995 US$)	-2.025	-0.712	-1.247	-0.883	-0.527
	[0.641]***	[0.392]*	[0.456]***	[0.584]	[0.255]**
Country and year fixed effects	Yes	Yes	Yes	Yes	Yes
Region Quartics	Yes	Yes	Yes	Yes	Yes
Observations	3509	3501	3503	3515	3502
R-squared	0.73	0.87	0.86	0.69	0.94

Robust standard errors in brackets clustered on country. Egypt time trend included in all regressions.
* significant at 10%; ** significant at 5%; *** significant at 1%

Figure 1: The *New York Times* Variable

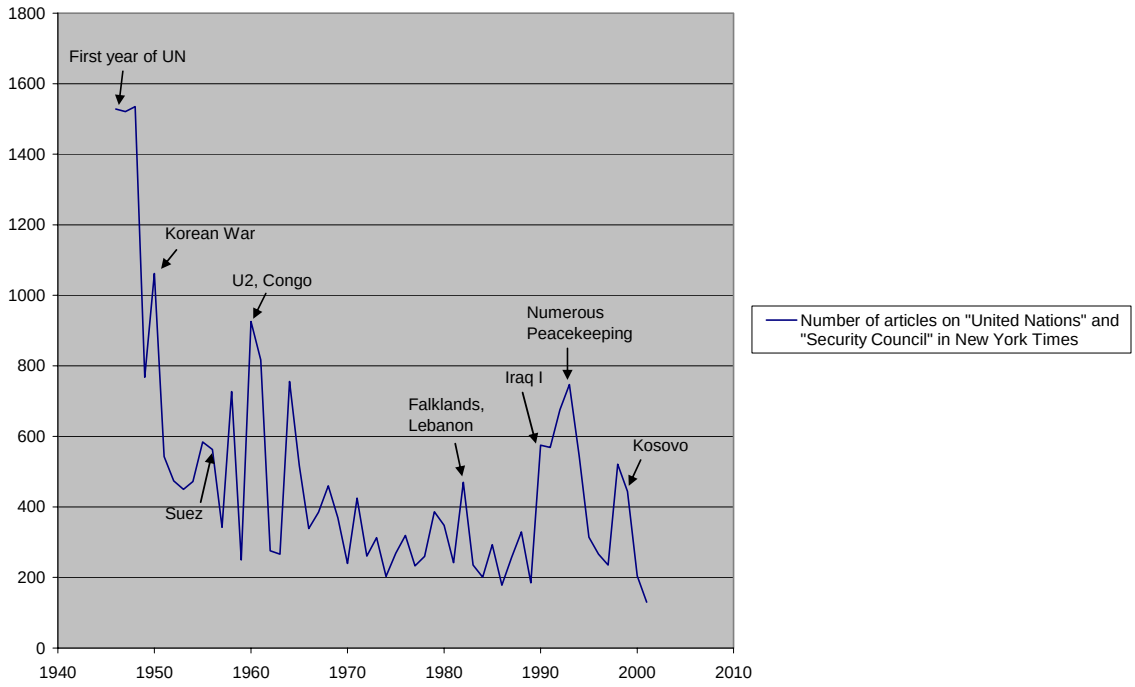
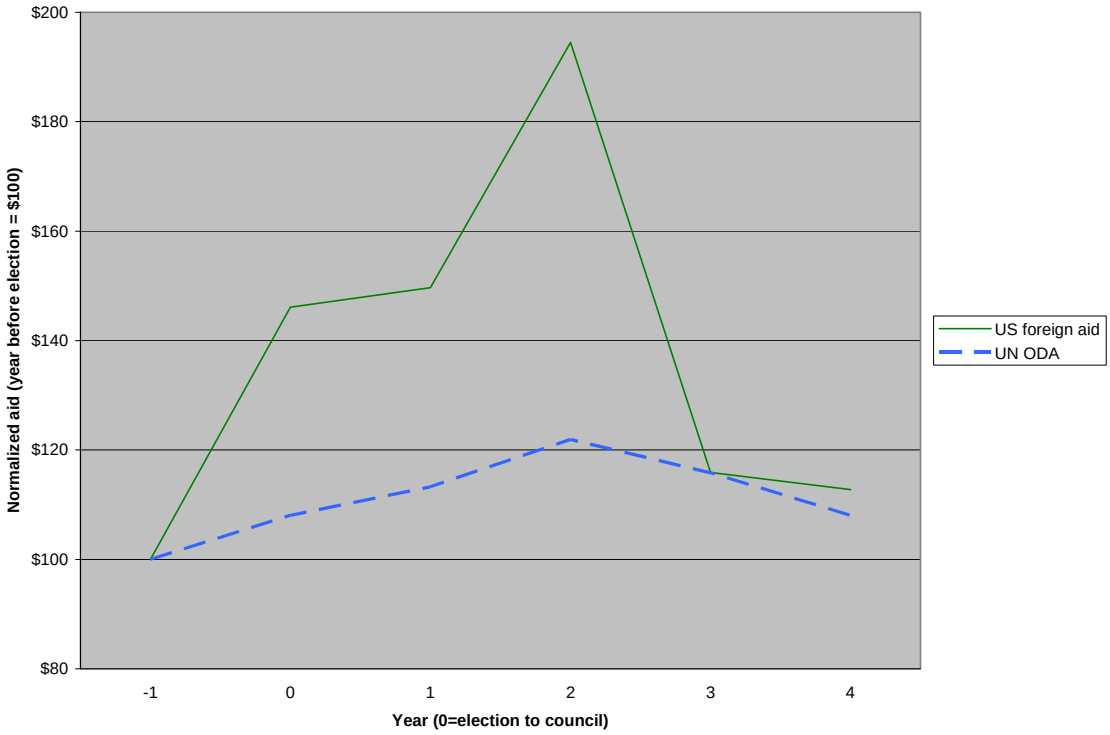


Figure 2: Aid to Non-Permanent Security Council Members in Event Time



Appendix I: Who Serves on the Security Council

Country	Years on Security Council, 1946-2001
Africa	
Egypt, Arab Rep.	9
Nigeria	6
Tunisia	6
Zambia	6
Algeria	4
Congo, Dem. Rep.	4
Cote d'Ivoire	4
Ethiopia	4
Gabon	4
Ghana	4
Kenya	4
Mali	4
Morocco	4
Senegal	4
Zimbabwe	4
Mauritius	3
Uganda	3
Benin	2
Botswana	2
Burkina Faso	2
Burundi	2
Cameroon	2
Cape Verde	2
Congo, Rep.	2
Djibouti	2
Gambia, The	2
Guinea	2
Guinea-Bissau	2
Libya	2
Madagascar	2
Mauritania	2
Namibia	2
Niger	2
Rwanda	2
Sierra Leone	2
Somalia	2
Sudan	2
Tanzania	2
Togo	2
Liberia	1
Western Europe and Other	
Canada	*12*
Italy	*10*
Netherlands	*9*
Australia	*8*
Belgium	*8*
Norway	*7*
Denmark	*6*
Germany	*6*
Spain	*6*
Sweden	*6*
New Zealand	*5*
Austria	*4*
Finland	*4*
Ireland	*4*
Portugal	*4*
Greece	*2*
Malta	2

Country	Years on Security Council, 1946-2001
Asia	
Japan	*16*
India	12
Pakistan	10
Malaysia	5
Turkey	5
Bangladesh	4
Indonesia	4
Iraq	4
Jordan	4
Nepal	4
Philippines	4
Syrian Arab Republic	4
Bahrain	*2*
Iran, Islamic Rep.	2
Korea, Rep.	*2*
Kuwait	*2*
Lebanon	2
Oman	2
Sri Lanka	2
Thailand	2
United Arab Emirates	*2*
Yemen, Rep.	2
Singapore	*1*
Eastern Europe	
Poland	9
Yugoslavia, Fed. Rep.	*7*
Ukraine	6
Romania	5
Bulgaria	4
Hungary	4
Belarus	2
Czech Republic	*2*
Slovenia	*2*
Latin America and the Caribbean	
Brazil	16
Argentina	14
Colombia	11
Panama	8
Venezuela, RB	8
Chile	6
Cuba	6
Ecuador	6
Peru	6
Bolivia	4
Costa Rica	4
Guyana	4
Jamaica	4
Nicaragua	4
Mexico	3
Honduras	2
Paraguay	2
Trinidad and Tobago	2
Uruguay	2

Countries in italics are not included in the base sample due to their high income.

Appendix II: Robustness Checks on Treatment of Zeroes and Regional Trends

	dependent variable: ln(Total aid and loans from US, $1996)				ln(Net ODA from UN, $1995)			
	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
On SC, Unimportant year	-0.526	-0.324	-0.478	0.013	-0.06	-0.033	-0.054	0
	[0.190]***	[0.217]	[0.180]***	[0.381]	[0.060]	[0.066]	[0.061]	[0.080]
On SC, Somewhat important year	0.288	0.281	0.197	0.424	0.107	0.055	0.115	-0.06
	[0.124]**	[0.120]**	[0.128]	[0.336]	[0.053]**	[0.073]	[0.052]**	[0.177]
On SC, Important year	0.337	0.619	0.457	0.997	0.135	0.231	0.134	0.394
	[0.157]**	[0.196]***	[0.143]***	[0.467]**	[0.072]*	[0.096]**	[0.073]*	[0.170]**
War occurring (>1000 deaths)	-0.041	-0.059	-0.087	-0.065	-0.206	-0.355	-0.25	-0.594
	[0.202]	[0.274]	[0.194]	[0.559]	[0.111]*	[0.137]**	[0.113]**	[0.225]***
Polity2 Score	0.041	0.056	0.036	0.1	-0.002	0.002	0	0.005
	[0.011]***	[0.015]***	[0.011]***	[0.038]***	[0.006]	[0.008]	[0.005]	[0.015]
ln(GDP per capita, constant 1995 US$)					-0.588	-0.725	-0.594	-0.972
					[0.115]***	[0.153]***	[0.115]***	[0.279]***
Did not receive any aid			-14.339				-14.678	
			[0.225]***				[0.304]***	
Country and year fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Quartics	Yes	Yes	Yes	No	Yes	Yes	Yes	No
Region Year Interactions	No	No	No	Yes	No	No	No	Yes
Log of nonpositive aid values set to	Dropped	10	0	0	Dropped	10	0	0
Observations	4127	4902	4902	4902	3424	3490	3490	3490
R-squared	0.71	0.67	0.96	0.63	0.78	0.76	0.94	0.69

Robust standard errors in brackets clustered on country. Egypt time trend included in all regressions.

* significant at 10%; ** significant at 5%; *** significant at 1%

Appendix III: Robustness Checks on Sample Selection

	dependent variable: ln(Total aid and loans from US, $1996)				ln(Net ODA from UN, $1995)			
	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
On SC, Unimportant year	0.038	0.028	0.295	-0.005	-0.001	0.065	0.01	0.002
	[0.397]	[0.396]	[0.421]	[0.412]	[0.081]	[0.092]	[0.084]	[0.078]
On SC, Somewhat important year	0.475	0.197	0.315	0.48	-0.063	-0.07	-0.082	-0.046
	[0.308]	[0.365]	[0.238]	[0.294]	[0.172]	[0.173]	[0.170]	[0.172]
On SC, Important year	0.983	1.137	0.669	0.845	0.338	0.49	0.45	0.338
	[0.446]**	[0.441]**	[0.336]**	[0.465]*	[0.138]**	[0.160]***	[0.171]***	[0.173]*
War occurring (>1000 deaths)	-0.694	-0.197	-0.023	-0.14	-0.202	-0.468	-0.559	-0.453
	[0.620]	[0.512]	[0.618]	[0.560]	[0.080]**	[0.237]*	[0.222]**	[0.199]**
Polity2 Score	0.076	0.177	0.041	0.107	-0.014	0.014	0.008	0.014
	[0.035]**	[0.044]***	[0.028]	[0.035]***	[0.010]	[0.017]	[0.015]	[0.016]
ln(GDP per capita, constant 1995 US$)					-0.686	-1.406	-1.006	-0.683
					[0.182]***	[0.424]***	[0.276]***	[0.225]***
Country and year fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Quartics	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sample Criteria								
Method of excluding high income countries	2003 GDP	Not excl	Annual GDP	2003 GDP	2003 GDP	Not excl	Annual GDP	2003 GDP
Never served on the Security Council excluded?	Yes	No	No	No	Yes	No	No	No
Gulf War period (1990-91) excluded?	No	No	No	Yes	No	No	No	Yes
Observations	3724	5975	3869	4688	2634	3692	3542	3181
R-squared	0.6	0.61	0.63	0.61	0.6	0.61	0.66	0.67

Robust standard errors in brackets clustered on country. Egypt time trend included in all regressions.

High-income countries excluded in 2003 based on World Bank classification. Excluded with annual data if real GDP per capita greater than $10,000.

* significant at 10%; ** significant at 5%; *** significant at 1%