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When and why is civil society support "made-in-America"? Delegation to non-state actors in American democracy promotion

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Abstract One of the United States' main strategies of democracy promotion involves supporting civil society abroad. According to original data, most of the money spent by the United States on that task supports American NGOs working abroad rather than local NGOs in transitioning and non-democratic countries. Yet there are also significant variations across countries in donor officials' reliance on American NGOs. Why do American donor officials fund American NGOs as a strategy of aiding democracy abroad more in some cases than in others? This paper argues that donor officials find it easier to observe American NGOs than other NGOs and that American NGOs are more likely to share donor officials' preferences. Donor officials are therefore more likely to pursue a strategy of "made-in-America" democracy support in countries that are salient for U.S. foreign policy. Evidence from a new data set of democracy assistance programs supports the argument. The findings have implications for the study of American foreign policy, foreign aid effectiveness, and NGOs in world politics.

Keywords Non-governmental organizations · Democracy promotion · Civil society · Delegation · American foreign policy

A growing body of research explores the rise of non-state actors as global governors. Non-state actors regulate the economy and environment (Büthe and Mattli 2011; Green 2013), monitor democracy (Kelley 2009; Hyde 2011), and deliver foreign aid (Cooley and Ron 2002). Despite this increased interest in non-state actors, important questions about them remain unanswered, such as why states delegate to certain non-state actors

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instead of others. Yet these questions are significant because non-state actors develop and diffuse international norms (Keck and Sikkink 1998), and their cultures, practices, and nationalities all vary in ways that likely affect their actions.

This paper explores those questions via an examination of delegation from states to non-governmental organizations (NGOs) in the field of U.S. support for civil society overseas.[1] Civil society support is a subset of democracy aid that is delivered entirely via NGOs and has been the subject of heavy criticism in recent years. One concern is that although "equating NGOs with civil society" is a mistake, doing so is a "central assumption of civil society aid" (Ottaway and Carothers 2000, 295). Another is that civil society organizations in the countries that are the targets of aid often become dependent on foreign NGOs and donor governments (Simbi and Thom 2000; Howell and Pearce 2002). The concerns about the efficacy of civil society assistance suggest that it is important to understand the factors that shape how civil society support is funded. Typically, donor officials in the United States have the option to choose between American NGOs and NGOs local to the target country. Why do donor officials fund American NGOs instead of local NGOs more in some cases than in others?

In answering that question, I examine the case of aid from the National Endowment for Democracy (NED). The NED is a quasi-governmental organization that distributes about a third of the U.S. government's support for overseas NGOs.[2] According to the data described below, most of the NED's aid for civil society development supports American NGOs working overseas—a strategy I refer to as "made-in-America" democracy assistance—rather than NGOs local to transitioning and non-democratic countries. That phenomenon is striking because, as I explain below, funding American NGOs is costly. Moreover, it is intriguing because the NED's support for American NGOs varies greatly; sometimes, almost all of its grants in a country will go to American NGOs, and other times, hardly any will.

I argue that "made-in-America" democracy promotion performs useful functions for donor officials. Civil society aid entails principal–agent problems because it involves NGO agents that have their own agendas and are difficult to observe and control. Donor officials therefore want to reduce agents' autonomy, which they can accomplish by funding American NGOs to work overseas. First, American NGOs are more likely than other NGOs to share donor officials' policy preferences. Second, they are more likely than other NGOs to speak donor officials' language, both literally and figuratively, making them easier to observe and control. Thus, in the countries where donor officials worry most about ensuring that democracy aid supports other U.S. policy objectives—namely, countries that are important for U.S. foreign policy—they will fund American NGOs relatively more. A statistical analysis of new and original data on NED projects supports the observable implications of this argument.

[1] NGOs are one of many forms of non-state actors in global governance. I follow Murdie (2014, 20–23) in defining NGOs as organizations that "are not states or controlled by states," hold a "stated not-for-profit status," and "are not formed for the expressed purpose of aiding one political candidate or cohesive set of political candidates." Although some scholars prefer the term "private voluntary organization" (e.g., McClery 2001), I use the term "NGO" to be consistent with the literature on civil society support (e.g., Carothers and Ottaway 2000) and as well as the donor organization I study.

[2] According to the Foreign Assistance Dashboard, the U.S. Agency for International Development, which is the largest donor in American democracy assistance, obligated $261 million to aid civil society in 2011. The NED obligated $135 million to NGOs that year.

The analysis has implications for ongoing debates about democracy aid effectiveness. Channels in foreign aid shape its effectiveness (Dietrich 2013), and a similar dynamic likely occurs with civil society support. Yet scholars have generally neglected channeling decisions when studying democracy aid. Supporting foreign civil society by funding American NGOs is an indirect form of support and faces numerous challenges, including American NGOs’ poor information about local politics, difficulties communicating and establishing trust with locals, and power asymmetries with local partners (Wedel 2001; Henderson 2002; Mendelson and Glenn 2002; Sundstrom 2005). But if American NGOs are being selected more often in countries that are less likely to democratize, then scholars may be drawing the wrong conclusions about their failures.

The value of my argument and analysis also goes beyond the specific case of U.S.-funded civil society aid. Various types of aid have become decoupled from donor governments’ intentions, including development aid (Jablonski 2014), environmental aid (Weinthal and Luong 2002), and humanitarian aid (Bob 2005). As such, donor officials may seek to minimize agency slack in salient countries across a number of aid types. Channeling aid via donor-country NGOs is just one control mechanism that might be invoked; others include choosing projects with outputs and outcomes that are easier to measure (Buch et al. 2015) and creating institutions such as aid ombudsmen offices and complaint panels (Buntaine 2015). I expect donor officials to use control mechanisms more in salient countries, though the details of the control mechanisms employed will necessarily vary contextually. This paper thus develops a framework for understanding delegation dynamics that should apply to aid more generally.

1 Explaining how the United States aids civil society

Civil society assistance is a type of democracy assistance. It refers to foreign aid that donors give explicitly with the goal of supporting the development of non-governmental associations abroad. Civil society aid pursues goals such as supporting women’s groups, improving election quality via training local observer groups, and enhancing the capacity of indigenous, labor, or business organizations. The U.S. government funds programs through several vehicles, including the National Endowment for Democracy, State Department, and the U.S. Agency for International Development (USAID).

In this paper, I focus on the NED, which exclusively funds NGOs to promote democracy abroad. Later, I discuss whether my theory and evidence are likely to generalize to other donors. Regardless of its generalizability, however, a theory for understanding the NED’s activities is valuable because the NED is an important policy tool for the U.S. government (Robinson 1996; Carothers 1999; Guilhot 2005; Scott and Steele 2005). Thomas Melia (2005, 2), a recent Deputy Assistant Secretary of State for Democracy, Human Rights and Labor, called the NED “the most important and visible facet of the American commitment to promote democracy worldwide over the past quarter century.”[3] Moreover, it sets the agenda for the broader field of democracy assistance, including via spawning numerous imitators such as the Westminster and European Foundations for Democracy (Bush 2015, 137–138). Thus, it is important to understand the factors that influence the NED’s grants in and of themselves.

[3] See also McFaul (2010, 198).

1.1 Agency problems in aiding civil society

To understand why donor officials fund American NGOs instead of local NGOs, I draw on delegation theory as applied to international relations (Pollack 1997; Nielson and Tierney 2003; Hawkins et al. 2006). I do so because NGO agents are difficult for donor officials to observe and control. In addition—and similar to NGOs in foreign aid, humanitarian relief, and security (Cooley and Ron 2002; Keck 2014)—NGOs engaged in democracy assistance have preferences that diverge from donors' preferences. I consider each dynamic in turn below. In developing my argument, I focus on delegation relationships between NED staff (i.e., donor officials) and the NGOs they directly fund. It is important to note, however, that the donor official–NGO relationship is in fact part of a longer delegation chain. Donor officials are themselves the agents of Congress, which funds the NED and is in turn the agent of voters. I treat donor officials, not policy makers, as the main principals because they decide which NGOs to fund. Yet as I explain below, the longer delegation chain plays an important background role in my theory.

I draw on the literature on delegation because problems of observation and control pervade civil society support. First, projects are funded via lengthy delegation chains (Bush 2015). As the literature shows, longer chains exacerbate principal–agent problems by making it more difficult for principals to observe agents (Nielson and Tierney 2003). Second, projects seek to benefit foreigners, who cannot easily communicate their information and opinions back to donor officials. As Martens et al. (2002, 14) noted in a study of development aid, the "geographic and political separation between beneficiaries and taxpayers blocks the normal performance feedback process." Third, multiple donors often attempt to fund the same projects (Cooley and Ron 2002, 16–17). Delegation theory establishes that when agents have multiple principals, they have weaker incentives to follow the demands of any one principal (Lyne et al. 2006). Finally, evaluating projects' impacts is challenging owing to difficulties ranging from disagreements over the proper outcome measures to inadequate data and problems of causal identification (National Research Council 2008, 58–66). Being able to reward successful agents and punish unsuccessful agents is an important strategy of control that principals thus have a difficult time using.

Moreover, I draw on delegation theory because NGOs' and donor officials' preferences often diverge. A conflict in preferences can arise when NGOs promote democracy less effectively—or, ironically, more effectively—than donor officials desire. On the one hand, donor officials may support civil society because they want to promote democracy in target countries. Although American donor officials' conceptions of democracy vary, they typically seek to advance liberal democracy, whether via transition or consolidation (Hobson and Kurki 2012). The NGOs that implement democracy assistance typically want to advance liberal democracy, as well (Bunce and Wolchik 2012). But NGOs also want to survive and thrive as organizations. Pursuing survival can lead NGOs to engage in activities that do not democratize countries. Researchers attribute a number of negative traits of democracy aid—including its tendency to overemphasize quantitative outputs, focus on quick fixes, and choose timid activities—to NGOs' responses to survival pressures (Carothers 1999, 287–296; Henderson 2002; Haring 2013). In other words, NGOs can pursue their survival at the expense of donor officials' desires for effective democracy promotion.

On the other hand, donor officials may fund democracy assistance because they want to improve a country's governance without promoting democratization. To accomplish this, donor officials engaged in civil society assistance sometimes try to fund "apolitical" NGOs that shy away from advocacy and politics (Ottaway and Carothers 2000, 295–296). Yet as noted above, NGOs that receive democracy assistance generally want to advance liberal democracy. Thus, and despite their concerns about survival, NGOs may sometimes promote democracy more actively than donor officials desire.

Democracy assistance in Georgia illustrates that dynamic. By 2003, the United States was disillusioned with the corruption of President Eduard Shevardnadze. Nevertheless, the American government supported his rule, viewing him as a friend in the "Global War on Terror." According to Lincoln Mitchell, who directed the Georgia office of the National Democratic Institute (NDI), the message from Washington was that "there were no immediate strategic reasons why the U.S. might have initiated, or even supported, regime change in Georgia" (Mitchell 2012, 80). Despite that, Georgian NGOs that the United States funded, such as the International Society for Fair Elections and Democracy, mobilized the protesters that overthrew Shevardnadze and called for new elections (Bunce and Wolchik 2011, 162). Thus, democracy assistance, which supported revolutionary dissidents, was decoupled from other elements of U.S. policy, which supported the status quo.

One might wonder why donors would fund civil society organizations at all when they want to improve a country's governance without promoting democratization. In a nutshell, donor officials (and the governments that fund them) often want to accomplish more than just promoting democracy. Democracy aid has goals beyond advancing democracy, ranging from supporting peace processes (Savun and Tirone 2011; Matanock 2015) to enhancing accountability and state capacity (Carothers 2009). Donor officials may be willing to take the risks associated with funding NGOs even when they prefer to maintain the status quo in a country because they want to advance other goals—especially since they have mechanisms for minimizing agency slack, as I discuss below.

1.2 American NGOs and agency slack

The above discussion suggests that NGO agents in democracy assistance can design and implement aid programs that conflict with donor officials' preferences. When that occurs, donor officials' reactions vary. Briefly put, the more salient the country is in terms of U.S. foreign policy, the more donor officials will want to ensure that aid does not undermine other foreign policy goals. In developing my argument, I define *salient countries* as countries that are important in terms of U.S. foreign policy. Countries may be important for American foreign policy for a number of reasons. They may be officially or unofficially allied countries that matter to the United States for cultural, economic, geographic, or military reasons. They may also be non-allied countries that matter for similar reasons (e.g., China or Russia). In either case, I expect donor officials to worry more about the compatibility of democracy assistance with American foreign policy objectives in salient countries than in other countries.

It is important to note that donor officials do not necessarily share the U.S. government's preferences over democracy promotion in a country such as Georgia,

although they might. Yet donor officials have incentives to ensure that they fund programs that do not conflict with U.S. government preferences. After all, donor officials are themselves the agents of principals, including Congress, and must worry about their organizational survival. The American public is skeptical of costly democracy promotion actions (Brancati 2014). Indeed, the 2003 invasion of Iraq weakened political and financial support for democracy promotion (McFaul 2010, Ch. 1), with critics asserting that democracy promotion endangers more important foreign policy objectives (Haass 2005). In light of these critiques, donor officials have strong incentives to observe and control civil society programs more in important countries. In such cases, the President, the Congress, and even the public may punish donor officials should aid efforts endanger other foreign policy objectives. This argument recognizes that although donor officials always desire the projects they fund to match their preferences, the intensity of that desire—and donor officials' willingness to make sure it gets realized—varies. Because principal–agent problems in democracy aid are severe, it is costly for donor officials to observe and control the NGO agents they fund. Thus, the principal–agent logic suggests that they will want to observe and control NGOs more when democracy assistance takes place in salient countries. One strategy for reducing agents' autonomy—also known as *agency slack*—involves funding American NGOs.

I argue that donor officials are better able to observe and control American NGOs, which makes agency slack less likely. I define *American NGOs* as NGOs that originate from the United States. American NGOs often have offices in target countries to help them implement projects. They can, and do, have local staff; non-American NGOs also can, and do, have American staff. Nevertheless, country of origin is a key variable that affects non-state actors' practices (Sell and Prakash 2004; Stroup 2012). Donor officials can infer something about both NGOs' preferences and the efficacy of mechanisms of observation and control by virtue of NGOs' national origins.

First, American NGOs' policy preferences are closer to donor officials' on average with regards to democracy promotion, which makes them less likely to engage in agency slack. Of course, non-American NGOs may also sympathize with U.S. foreign policy or imitate American NGOs out of a desire to win grants. Still, American NGOs are unique in their embrace of the goals and ideological underpinnings of U.S. democracy promotion (Rieff 2002, 113). There are at least three reasons. One reason is that NGOs often rely on their state governments for funding (Stroup 2012, Ch. 1). Thus, American NGOs active in promoting civil society abroad rely more on U.S. government funding than other NGOs. A large-scale survey of democracy assistance practitioners confirms that 60 % of American NGOs engaged in democracy assistance receive funding from the NED and USAID, in contrast to 41 % of other NGOs ($p<0.03$ in a chi-squared test).[4] That pattern is significant because depending on government funding encourages NGOs to adopt donor preferences (Barnett and Weiss 2008, 18–19). Another reason is that American NGOs have more professional and social connections to government and donor officials than other NGOs (Giannone 2010; Stroup 2012, 70), in part because their staff often work for several different American

[4] In addition, 66 % of the respondents indicated that the majority of their organizations' annual budget came from these donors. The author acknowledges Joel Barkan's assistance with accessing data from the surveys he conducted for the World Movement for Democracy in 2009 and 2010. See Barkan (2012).

NGOs and donors during their careers (Coles 2007). Bush (2011, 2015) has called the various organizations that comprise this field the "democracy establishment." Professional connections in the democracy establishment ought to encourage donor officials and staff at American NGOs to hold similar beliefs about democracy promotion. After all, professionals have typically been socialized to a common set of ideas (Haas 1989; Finnemore and Sikkink 1998, 905; Barnett and Finnemore 1999, 722–723). A final reason is that American NGOs are more likely than other NGOs to have American staff members. Such individuals may want to work someday for donor agencies or the U.S. government, which should encourage them to embrace donor officials' ideas.

Second, donor officials find it easier to observe and control American NGOs if agency slack occurs. A number of control mechanisms exist, including rules, monitoring and reporting requirements, screening and selection procedures, institutional checks and balances, and sanctions (Hawkins et al. 2006, 26–31). Improving information flows between principals and agents makes it easier for principals to invoke all of these options. After all, as Cooley and Ron (2002, 15) explain, when a foreign aid program is "not going according to the donor's plan, contractors or recipients—or possibly both—may conceal, withhold, or distort information harmful to their interests." Although principals can acquire better information and therefore reduce agency slack through various mechanisms, one relevant strategy relates to NGO nationality. As noted above, staff members at American NGOs share linguistic, cultural, and social ties with donor officials. Speaking the same language, both literally and figuratively, helps transmit information between principals and agents, making it more likely that American NGOs will implement the projects donor officials want—or else, for example, suffer punishments in terms of future funding. It is also important to note that national environments—including legal rules, social networks, and political opportunity structures—influence NGOs' structures, strategies, and goals (Stroup 2012). As a consequence, the average American NGO should be more familiar to donor officials and thus, again, easier to observe and control.

To summarize the argument: First, American NGOs' preferences are closer to donor officials' preferences. Second, when their preferences diverge, donor officials can better observe and control American NGOs. Finally, donor officials seek to observe and control democracy aid more when projects take place in salient countries because aid is riskiest for other foreign policy goals there. Combining those expectations results in a testable hypothesis:

> Hypothesis 1 *Donor officials are more likely to fund American NGOs to implement democracy assistance in salient countries than in other countries.*

But if American NGOs are less likely to engage in agency slack, why don't donor officials always fund them? The answer is that funding American NGOs is costly. Three types of costs are relevant. First, American NGOs are more expensive. Although there are multiple reasons, a key one is that expatriate workers' salaries are considerably higher than local workers' (Carr et al. 2010; McWha 2011). Consistent with this logic, according to the data analyzed below, American NGOs receive more than four times more money than other NGOs for projects on average as well as for comparable projects. Figure 1 in the supplementary file shows this discrepancy.

Second, because American NGOs are foreign to the countries where they work, they face unique challenges when attempting to support indigenous civil society

organizations. One is that they often lack quality information about the local political and social context. Even though American NGOs usually work with a network of local partners to compensate for that poor information, their partners sometimes deliberately mislead them to gain access to better resources (Wedel 2001; Cloward 2014). Another challenge is that American NGOs may engender a backlash against the imposition of Western values, which has been a common worry about civil society programs targeting women (Sundstrom 2005; Bush and Jamal 2015). Even if that does not occur, and local organizations end up accepting foreign values, they may lose legitimacy in the eyes of their fellow citizens (Henderson 2002; Schmitz 2004). Finally, American NGOs may have different ideas than local NGOs about what democracy and civil society mean (Bunce and Wolchik 2012), which can cause friction and communication breakdowns.

Third, American NGOs' boards and even staffs often comprise political elites. For example, Sam LaHood, the son of the U.S. Transportation Secretary, directed the International Republican Institute (IRI), an American NGO assailed by Egypt in 2011. When such people are arrested, it is a diplomatic event. In fact, the crackdown on American NGOs in Egypt caused a major rift in the typically close American–Egyptian relations (McInerney 2012).

To sum up, I expect donor officials to be more willing to pay the costs associated with funding American NGOs in salient countries. The three costs of "made-in-America" democracy promotion discussed above—money, American NGOs' foreignness, and diplomatic risks—are ones that donor officials should normally want to avoid. In salient countries, however, the advantages of gaining some additional control via the funding of American NGOs should make the costs more worth paying. In other words, in countries that are important for American foreign policy, the benefits of greater control are more likely to outweigh the costs.

1.3 Variations in agency problems among American NGOs

Although the preceding discussion treats American NGOs as uniform in terms of the likelihood of agency slack, important differences among American NGOs also exist. Comparative studies of NGOs benefit from looking not only at variations across NGOs from different countries but also at variations within NGOs of a given nationality. Because my argument applies principal–agent theory to understand variations in civil society support, I focus on variations in donor officials' abilities to observe and control American NGOs.

Theory suggests that competition among agents for contracts helps principals exert control. The logic is that competition can "reveal more and better information to the principals" (Hawkins et al. 2006, 30).[5] Although high levels of funding competition characterize the field of democracy assistance, certain tranches of U.S. democracy assistance involve less competition than others. Only select American NGOs, which I term *privileged NGOs*, can access the less competitive tranches. When American NGOs are not privileged in their access to funding, I expect donor officials to find it easier to

[5] It is important to note that other research takes more a dismal view of the effects of NGO competition. Cooley and Ron (2002, 16) argue, for example, that competition for aid contracts can cause NGOs to focus more on securing funding than on "ethics, program efficacy, and self-criticism." In other words, although competitive bidding may result in more information about program activities, it does not necessarily lead to more effective programs.

observe and control them. As a consequence, donor officials are more likely to fund non-privileged NGOs in salient countries as a strategy of minimizing agency slack.

The relatively non-competitive funding mechanisms that privileged NGOs enjoy exist for two reasons. One is that donor officials recognize that democracy assistance can be more effective when agents enjoy some flexibility. As former practitioner Melinda Haring puts it, relatively non-competitive funding mechanisms exist because donor officials want "to respond to changing political circumstances in a more expeditious manner" (Haring 2013). Another reason is that certain American NGOs, thanks to their political connections, have supporters in Congress who favor giving them special access to aid contracts (Conry 1993).

Thus, and as Table 1 summarizes, what distinguishes non-privileged NGOs from privileged NGOs is that they apply for funding in a more competitive process. Because screening and selection are important mechanisms through which principals minimize agency slack, non-privileged NGOs are easier to control than privileged ones according to my principal–agent logic. Thus, my argument implies that donor officials' preference for deploying control mechanisms more in salient countries will lead them to fund non-privileged American NGOs more there.

Hypothesis 2 *Donor officials are more likely to fund non-privileged NGOs to implement democracy aid in salient countries than in other countries.*

1.4 Alternative explanations

Several alternative explanations for variations in "made-in-America" aid should also be considered. First, the literature on foreign aid has recently turned towards emphasizing the role of domestic politics (Milner and Tingley 2010, 2013; Tingley 2010). One key finding is that American legislators' preferences for foreign aid derive from the economic interests of their constituents, as might happen when Caterpillar secures

Table 1 Typology of relationships between donor officials and NGO agents

		Preference similarity	
		Low	High
Level of funding Competition	High	Non-American NGOs	American NGOs, Non-Privileged
	Low		American NGOs, Privileged[a]

Both the level of funding competition and the degree of preference similarity between donor officials and NGOs are characteristics that influence the likelihood of agency slack

[a] Both types of American NGOs are characterized as having "high" preference similarity here, but it is possible that privileged NGOs' preferences are closer to donor officials' than non-privileged NGOs' preferences. That being said, the empirical evidence presented below is not consistent with that possibility: Donor officials are *less* likely to fund privileged NGOs than non-privileged NGOs in salient countries. We might draw two conclusions. On the one hand, privileged NGOs' and non-privileged NGOs' preferences may indeed be similar. On the other hand, privileged NGOs' preferences may be even closer to donor officials, but the increased likelihood of agency slack due to the decreased competition outweighs the decreased likelihood of agency slack due to the preference alignment

multi-million dollar contracts via foreign economic aid (Milner and Tingley 2010, 220). In the domain of humanitarian assistance, for example, NGOs such as CARE and Catholic Relief Services have lobbied Congress for more funding and fewer regulations (McClery 2001, 75–81). We might similarly expect that lobbying by American NGOs or informal ties between American NGOs and donor officials could promote “made-in-America” civil society aid. These types of political connections would encourage donor officials to fund American NGOs *everywhere*, however, as opposed to explaining variations in funding for American NGOs across countries, which is the goal of this study.

Fortunately, salient variations in American NGOs’ political connections exist that permit me to test an observable implication of the domestic politics perspective. As indicated above, privileged NGOs enjoy access to less competitive funding tranches precisely because they have more political connections than other American NGOs. Because of their political connections, the privileged NGOs at the NED have been criticized as vehicles for political pork (Conry 1993, 3; Corn 1993, 56). At the NED, four NGOs are privileged: IRI, NDI, the Solidarity Center, and the Center for International Private Enterprise (CIPE). These organizations are known as the NED’s core grantees. The core grantees, which are independent organizations, were created in the wake of the NED’s founding and loosely represent different elite constituencies with an interest in democracy promotion. IRI and NDI are associated with the Republican and Democratic Parties, respectively; CIPE and the Solidarity Center are associated with the Chamber of Commerce and the AFL–CIO, respectively. Because of their political relationships, privileged NGOs may be more likely to propose funding in salient countries because they know that doing so is likely to succeed since American NGOs are preferred there. This logic suggests, contra to *Hypothesis 2*, that donor officials should be more likely to fund privileged NGOs in salient countries than in other countries.

Second, the literature suggests that donors attempt to channel aid in ways that are effective at promoting development (Dietrich 2013). Similarly, donor officials’ concerns about designing effective civil society support could explain variations in “made-in-America” aid. Donor officials may perceive American NGOs to be particularly effective in certain types of countries or at certain types of programs. Such careful targeting would be at odds with how practitioners and scholars describe the state of knowledge about democracy aid (Carothers 1999, Ch. 10–11). Funding American NGOs involves both benefits (e.g., better control) and drawbacks (e.g., poorer local knowledge), and no research suggests how to manage those trade-offs. Nevertheless, if donor officials *believe* that American NGOs are more effective under certain conditions, then aid could be systematically targeted via American NGOs.

An observable implication is that donor officials’ likelihood of supporting “made-in-America” civil society programs should depend on the target country’s level of democracy. Previous research suggests the plausibility of this observable implication because target countries’ democracy levels are key to explaining variations in the overall amount of American democracy support (Scott and Steele 2011, 51–57). On the one hand, policy makers often assume that civil society flourishes as countries democratize (Carothers and Ottaway 2000, 4). If donor officials believe that civil society goes hand-in-hand with democracy, then more democratic countries will have more local NGOs that are perceived to be viable. As a consequence, as countries democratize, donor officials may be less likely to fund American NGOs. On the other hand, autocracies often restrict foreign NGOs’ activities (Christensen and Weinstein 2013, 81–83; Dupuy et al. 2015). As a consequence,

American NGOs may not be able or willing to work in non-democracies. Donor officials may therefore be more likely to fund American NGOs as countries democratize.

2 Empirical analyses

My theory generates hypotheses that I test alongside the alternative explanations in this section using original data. A series of additional tests also addresses common inferential problems related to selection bias and omitted variable bias. The data in the analyses include more than 5,000 projects funded between 2007 and 2011 and are the first to identify variations in the nationalities of the NGOs that design and implement civil society aid. Table 2 at the end of this section provides descriptive statistics for all variables mentioned below.

2.1 Identifying "made-in-America" democracy support

My analysis draws on data about projects funded by the National Endowment for Democracy. Since 1983, when Congress first authorized funding for the organization, the NED has sought to aid democracy through grants to NGOs. To achieve its mission, the NED distributes more than $100 million annually. Any non-violent NGO (American or not) may apply, and the NED's board selects winning proposals. Although policy makers sometimes earmark additional funding for work in a specific country beyond the NED's core appropriation, they do not choose programs or NGOs. Once the NED chooses its NGO grantees, the NED monitors them via visits and reports, which are identical for American and non-American NGOs. In contrast to other forms of democracy aid, civil society aid does not require the cooperation of target countries' governments. The NED funds NGOs even in countries with restrictive foreign funding laws, such as Ethiopia and Russia (Christensen and Weinstein 2013; Dupuy et al. 2015).

To test the argument, I gathered data on the 5,023 projects funded by the NED between 2007 and 2011 from the organization's annual reports. For example, in 2010, the NED funded a $300,000 IRI project in Jordan. IRI sought to "promote democratic governance through communication and cooperation between citizens and local governments; build outreach and advocacy skills of local elected officials; conduct a mayor exchange; and politically engage youth groups in community affairs" (National Endowment for Democracy 2007–2011). NED-funded projects took place in 104 countries (listed in the supplementary file), or 89 % of the countries that Freedom House considers "partly free" or "unfree." The average grant was for $84,950, with grants ranging from $2,746 to $6,237,235. The average country received $2,026,931 in NED grant-funded projects per year.

2,541 organizations received NED grants in the data set. These NGOs typically design and implement the projects described in the NED annual reports themselves.[6] Through Internet searches, I identified NGOs with headquarters in the United States.[7]

[6] NGOs funded by the NED occasionally further delegate to other NGOs. Anecdotally, privileged NGOs are more likely to re-delegate than non-privileged NGOs, which may make them even more likely to engage in agency slack. As such, testing *Hypothesis 2* explores these further delegation dynamics.

[7] Non-American, non-local NGOs implement less than 5 % of projects. A more nuanced coding scheme that accounted for staff nationality would be desirable but is impossible owing to lack of data.

Table 2 Descriptive statistics

Variable	Mean	Standard Dev.	Minimum	Maximum	N
Proportion American	0.43	0.35	0	1	424
Proportion American, non-core	0.10	0.22	0	1	424
Salience	0.24	0.43	0	1	424
Military priority	0.01	0.05	0	0.47	424
Democracy level	3.5	1.6	1	7	421
Associational freedom	5.2	3.1	0	12	335
Globalization	37.7	15.6	14.5	91.2	411
Bush administration	0.4	0.5	0	1	424
American NGOs	0.93	1.16	0	6	424

For example, I coded Search for Common Ground, an NGO headquartered in Washington, D.C., that implemented a project in Tunisia, as American. In contrast, I coded the Arab Institute for Human Rights, an NGO headquartered in Tunis that also implemented a project in Tunisia, as non-American. I then calculated the proportion of NED funding to American NGOs in each country–year (*Proportion American*), which serves as my primary dependent variable. The dependent variable captures relative amounts in actual spending.

I next identified privileged American NGOs. Recall that NGOs are privileged when they benefit from lower levels of funding competition. To code this variable, I asked: Does the donor have an explicit policy whereby certain NGOs receive priority funding?[8] As discussed above, the core grantees—IRI, NDI, the Solidarity Center, and CIPE—are privileged at the NED. The special status of the core institutes has been written in U.S. law since the NED Act (P.L. 98–164) first authorized the institution. All four organizations are privately governed and run independently of the NED. The core grantees are funded mostly by the U.S. government (including via USAID and the State Department), but they also receive funding from other bilateral, multilateral, and private donors.

The core grantees are distinct from other American NGOs because they do not apply for NED funding in a fully competitive environment. Reduced funding competition makes privileged NGOs more likely to engage in agency slack and less appealing than other American NGOs as agents in salient countries. Comments from Thomas Melia—a recent Deputy Assistant Secretary of State and a former high-level official at NDI—reinforce this point. He describes NED grants to the core grantees as “the best money available in the democracy promotion business… they [the core grantees] can move money from one project to another…as needs and opportunities present themselves” (Melia 2005, 29). To account for the core grantees’ distinctiveness, I calculated the proportion of NED funding to American NGOs that was implemented by non-core NGOs (*Proportion Non-Core*) in each country–year.

[8] This principle can be used to identify privileged NGOs for other donors and other types of foreign assistance. For example, USAID introduced an explicit policy in 1995 whereby three NGOs—IRI, NDI, and IFES—became members of the Consortium for Elections and Political Process Strengthening (CEPPS) and therefore received priority funding in a variety of countries to implement programs related to elections and political processes.

Although my theory and evidence focus on the NED, it is worth considering whether this paper's findings might generalize to other American donors. Because the NED is not a government agency, its staff and board members are not selected by the President and cannot hold executive office. Studying the NED's projects likely biases me *against* finding a positive relationship between salience and "made-in-America" aid because the NED is more insulated from countervailing government pressures than the State Department and USAID.

At the same time, delegation processes vary across American donors. According to data reported to the Organization for Economic Co-operation and Development, most (93 %) USAID civil society projects in 2010 and 2011 supported American NGOs.[9] In comparison, 60 % of the projects funded by the NED supported American NGOs. That USAID supports American NGOs more than the NED makes sense. USAID has stronger incentives to fund American NGOs; in fact, the organization long had a procurement policy of "buying American" for overseas goods and services (Provost 2012). Moreover, USAID has stronger incentives to minimize agency slack; development projects could, for example, be harmed if an NGO shirks and implements a controversial civil society project. Although USAID overwhelmingly delegates to American NGOs initially, those American NGOs very often then delegate to other NGOs to implement civil society programs, including NGOs local to target countries (Henderson 2002; Sundstrom 2005; Merritt 2006; Nuti 2006). I expect my argument about American NGOs to offer particular insight into *those* delegation decisions, especially since the NED's quasi-governmental status makes it somewhat comparable to an American NGO. Unfortunately, the absence of data on USAID's second implementing partners currently prevents me from exploring such dynamics. As noted above, however, my more general argument about how donor officials should be more likely to adopt control mechanisms in salient countries should have broader applicability and possibilities for testing, including using data from USAID.

2.2 Explanatory variables

I argue that a key factor for explaining variations in "made-in-America" NED aid is the target country's salience. Although it is costly for donor officials to aid democracy through American NGOs, they should be more willing to do so when the country is important. In such circumstances, American NGOs are appealing agents because they are more likely to share donor officials' preferences and easier to observe and control.

Recall that I define salient countries as prominent countries in terms of U.S. foreign policy. The concept of salience encompasses both allied and non-allied countries and countries that are important to the United States for a variety of reasons. Because of the breadth of this concept, it makes sense to measure salience with a broad indicator that captures a country's prominence in the eyes of U.S. policy makers.

I measure a country's salience according to the frequency with which it is mentioned during the State Department's daily press briefings in the previous year.[10] These

[9] 2010 and 2011 are the only overlapping years for which these data are available.

[10] I take the natural log of the number of briefing mentions to account for skewness. As is customary, I added one first to eliminate zeroes.

briefings, which include statements about international events as well as U.S. foreign policy, provide a glimpse into American policy makers' priorities (Nielsen and Simmons 2015). They nicely capture the diverse priorities in allied and non-allied countries that democracy aid could affect. I gathered the 1,076 briefings between 2006 and 2010 and coded the number of briefings each year that mentioned the country (*Salience*). The mean number of mentions per country–year was 24; the median was eight. To illustrate this variable, Fig. 1 provides some examples, with Iraq and Russia being very salient across all years in the sample, despite their very different relationships with the United States, and Cambodia and Togo being clearly non-salient across all years in the sample. The supplementary file lists the number of briefings associated with each country in 2011. As it shows, even countries such as Saudi Arabia and Jordan, which are important to the United States but relatively stable, are mentioned frequently.

Although the briefing measure appropriately operationalizes salience, it is important to consider how it relates to other potential indicators. Generally, briefing mentions are correlated with indicators of countries' strategic importance. For example, salient countries are more likely than other countries to receive American military aid (U.S. Agency for International Development 2012) and to have an affinity with the United States in the United Nations General Assembly ($p<0.01$ in t-tests with unequal variances) (Gartzke 1998). The correlation between briefing mentions and U.S. military aid is 0.60. As a robustness check, I follow research on how strategic considerations influence American democracy aid (Finkel et al. 2007) and use a measure of U.S. military assistance priority (*Military Priority*), the percentage of U.S. military aid allocated to a country that year. To the extent that *Military Priority* also captures countries' foreign policy importance, we would expect donor officials to channel more aid through American NGOs in countries that receive significant amounts of U.S. military aid. These results are presented in the tables below. I also consider whether alliances

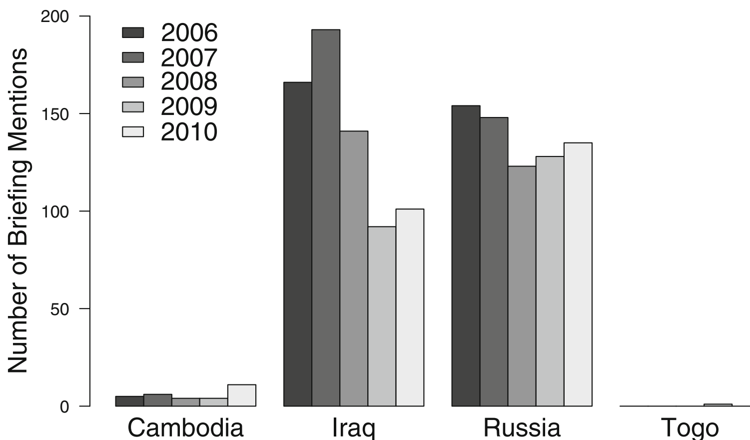

Fig. 1 Examples of mentions in the U.S. State department's daily briefings

and economic interdependence are related to my dependent variable in the supplementary file.[11]

2.3 Control variables

I also control for other factors that may affect the likelihood of "made-in-America" aid. I discuss the main control variables here and introduce further control variables in the robustness checks. First, more democratic countries may have more vibrant or capable civil societies. Donor officials may therefore have less need to support democracy via American NGOs in them. Yet more democratic countries are less likely to restrict foreign NGOs' activities, which may encourage donor officials to fund American NGOs more. My main indicator for democracy comes from Freedom House (2007–2011), which measures countries' political rights and civil liberties on seven-point scales, which I average together and transform so that one represents the least democratic countries and seven the most democratic countries (*Democracy Level*).[12] I also use Freedom House's measure of associational freedom, on which one represents the least freedom and twelve the most freedom, to measure how many rights NGOs enjoy in the target country (*Associational Freedom*). Including these variables helps me test an observable implication of an important alternative explanation, which is that donor officials tailor civil society support to countries' regime types.

Second, more salient countries may be more globalized. If that is the case, then donor officials may find more American NGOs that are willing or able to work in them. My main indicator for globalization comes from the Index of Globalization (Dreher 2006), which uses information on cross-national personal contact, information flows, and cultural proximity to calculate the extent of social globalization in the previous year (*Globalization*).

Third, George W. Bush may have encouraged "made-in-America" aid more than Barack Obama.[13] Although the president does not control the NED, he could enjoy channels of informal influence. President Bush's administration tried to better control foreign assistance through initiatives such as the "F process," which may have led to more aid being channeled through American NGOs. I therefore created a variable, *Bush Administration*, that takes the value of 1 during 2007 and 2008 and 0 otherwise. Although it could capture other temporal shifts in democracy assistance, none are commonly thought to have occurred at that time.

[11] I summarize those additional findings here. First, formal alliances in the previous year (Gibler 2009) are not related to *Proportion American*. Since few countries have formal alliances with the United States in my dataset—and important strategic partners such as Bahrain, Jordan, Kuwait, and Saudi Arabia are not formal allies—I do not find the lack of a significant relationship surprising. In other words, formal alliance does not seem to be a very good proxy for salience, as it does not count some important partners as well as important non-partners. Second, economic interdependence—measured using the natural log of the combined imports and exports from the United States (lagged) (Barbieri et al. 2009; Barbieri and Keshk 2012)—is positively and significantly related to the outcome variable. This relationship is more expected, since economically interdependent countries are likely to be relatively important in terms of U.S. foreign policy.

[12] I use these scores because donor officials use them but consider another measure of democracy (Polity) below.

[13] Note that Democrats controlled Congress throughout the study's time period.

Finally, the lagged number of American NGOs present in a given country is an important variable to include because it could be related both to how salient a country as well as how likely donor officials are to fund American NGOs. Unfortunately, no existing datasets record the presence of American NGOs in developing countries. For example, the *Yearbook of International Organizations*, which is the leading source of information about international NGOs, does not contain this type information about the American NGOs that design and implement democracy aid. I thus gathered original information about the overseas activities of American NGOs (*American NGOs*). Using a list of the leading 43 American NGOs active in democracy assistance identified by the Program on Evaluating International Influences on Democratic Development at Stanford University (2010), I searched news articles for references to each NGO in each country in the previous year. Any articles that identified that the NGO was working there were counted. The database I used for these searches was World News Connection, which compiles news articles from over 500 non-American newspapers each day. Of course, American NGOs may be present in a country but not make it into the news. An alternative coding strategy was also piloted—searching the archived versions of NGOs' websites—but it turned up fewer "hits" than the news searches.

2.4 Estimation

I estimate the effect of *Salience* on the proportion of aid to American NGOs. Ordinary least squares regressions are inappropriate for proportional dependent variables. I thus use fractional logit models with robust standard errors clustered by country, which improve upon a logs-odd transformation when observations of the dependent variable fall at zero and one (Papke and Wooldridge 1996).

2.5 Main results

I argued that American NGOs are easier to observe and control and are more likely to share donor officials' preferences. As a consequence, I predicted that American NGOs are more likely to implement democracy aid in salient countries (*Hypothesis 1*). Table 3 presents the results of several statistical models that test that argument. Table 4 presents the results of simulations, based on Model 1, which show the variables' substantive effects.

Model 1 supports the argument. Relatively salient countries receive more "made-in-America" aid than other countries, holding all else equal. Whereas 40 % of NED funds go to American NGOs in a country with three briefing mentions per year on average (25th percentile; e.g., Mongolia), 49 % go to American NGOs in a country with 29 briefing mentions per year on average (75th percentile; e.g., Jordan). More democratic countries also receive more "made-in-America" aid. That finding suggests that donor officials support American NGOs more in contexts where they are better able to work freely. Relatively more programs are also channeled via American NGOs during the Bush administration. The two other variables—*Globalization* and *American NGOs*—are not related to "made-in-America" democracy aid at typical levels of significance. We might expect American NGOs to be more willing or able to work in more globalized countries. We might also expect American NGOs to be more willing or able to

Table 3 The correlates of "Made-in-America" democracy aid

Variable	Model 1	Model 2	Model 3	Model 4
Salience	0.17**		0.17**	0.20**
	(0.077)		(0.082)	(0.081)
Military priority		1.95**	0.74	
		(0.892)	(0.967)	
Democracy level	0.29***	0.26***	0.29***	
	(0.090)	(0.088)	(0.090)	
Associational freedom				0.17***
				(0.050)
Globalization	−0.01	−0.00	−0.01	−0.00
	(0.009)	(0.009)	(0.009)	(0.009)
Bush administration	0.20*	0.17	0.19*	−0.04
	(0.113)	(0.113)	(0.113)	(0.140)
American NGOs	−0.07	−0.03	−0.07	−0.08
	(0.073)	(0.079)	(0.079)	(0.071)
Constant	−1.47***	−1.15***	−1.44***	−1.43***
	(0.460)	(0.399)	(0.457)	(0.461)
N	415	413	413	329
Countries	99	98	98	98
Log-pseudolikelihood	−226.24	−226.36	−224.42	−176.21

The dependent variable is *Proportion American*. Regressions are fractional logit models. Variables except Bush Administration are lagged one year. Robust standard errors, clustered on country, are in parentheses. *** denotes $p<0.01$, ** denotes $p<0.05$, and * denotes $p<0.10$ (two-tailed)

work in countries where some American NGOs already have opened offices. The analysis does not, however, bear those expectations out.

Model 2 repeats the analysis from Model 1 but uses *Military Priority* instead of *Salience*. As expected, *Military Priority* is positively and significantly related to "made-in-America" aid. The estimated coefficients for the other variables are similar in this model. Model 3 includes both *Salience* and *Military Priority.* Although both variables

Table 4 Simulated changes in predicted values of "Made-in-America" democracy aid

Variable	Shift	Mean change in predicted value
Salience	from 25th to 75th percentile	0.08** (0.07, 0.10)
Democracy level	from 25th to 75th percentile	0.18*** (0.16, 0.19)
Globalization	from 25th to 75th percentile	−0.03 (−0.03, 0.00)
Bush administration	from 0 to 1	0.05* (0.04, 0.06)
American NGOs	from 25th to 75th percentile	−0.02 (−0.02, 0.00)

I estimated the predicted values by shifting one variable at a time from Model 1, while holding other numerical variables at their means and qualitative variables at their medians. 95 % confidence intervals for the simulations are in parentheses. *** denotes $p<0.01$, ** denotes $p<0.05$, and * denotes $p<0.10$ (two-tailed)

are positively related to the outcome variable, only *Salience* is significant. The broader conceptualization of foreign policy significance, which includes both allied and non-allied countries, thus does a better job of capturing the dynamics that influence channeling decisions.

In Model 4, I further explore how political context matters, replacing *Democracy* with *Associational Freedom*. Like democracy, associational freedom is positively and significantly associated with "made-in-America" aid. *Salient* remains positively and statistically significantly related to the dependent variable. The signs and statistical significance of the other coefficient estimates are also similar to Model 1.

In Table 5, I distinguish between different types of American NGOs. Recall that I hypothesized that donor officials are more likely to fund non-privileged NGOs in salient countries (*Hypothesis 2*). I thus repeat Models 1–4 using a new dependent variable: *Proportion Non-Core*. The results support my hypothesis. I find strong evidence that aid is channeled more via non-core American NGOs in salient countries. Because a domestic politics perspective suggests that powerful NGOs such as IRI and NDI will be more likely to capture money in salient countries via political connections, those results not only support my argument but also show no support for a plausible alternative explanation. Intriguingly, *Democracy Level* is no longer significant in all of the models in Table 5, indicating that it is not a consistently powerful predictor of the specific type of American NGO that is funded in a country. As the supplementary file shows, the results are similar if *Democracy Level* is dropped from these analyses.

2.6 Robustness checks

One limitation of the analysis is that it overlooks how countries are selected to receive aid. 89 % of the countries that Freedom House does not consider "free" receive democracy aid, meaning that few countries could receive aid and do not. Moreover, the countries that did not receive aid are mentioned in notably fewer briefings than other countries ($p<0.01$ in a t-test with unequal variance), which suggests that their exclusion should, if anything, lead me to underestimate the effect of salience. Nevertheless, to deal with the selection issue, I repeated my analyses after processing the data two ways using coarsened exact matching (Iacus et al. 2012), which allowed me to match observations using theoretically-informed groupings.[14] First, I matched observations exactly on *Republican President*, automatically on *Globalization*, and exactly using the Freedom House categories of "free," "partly free," and "unfree." The procedure reduced imbalance by 16 %, with 296 out of 320 control observations matched and 90 out of 102 treatment observations matched. Second, I instead matched observations automatically on *Democracy Level*, which reduced imbalance by 59 %, with 171 control observations and 84 treatment observations matched and standardized biases that are all under 0.25. The main results in Tables 3 and 5 are robust to matching. I report the results and relevant balance statistics in the supplementary file.

[14] Since matching requires a dichotomous treatment variable, I consider countries *Salient* if they received at least 30 briefing mentions, although the findings are robust to other cut-offs. The supplementary file shows that I obtain similar results while using the dichotomous measure of *Salient* with the unmatched sample. Another strategy would be to use a selection model. It is not possible, however, to identify factors that should affect whether the NED sends aid but not how it channels aid.

Table 5 The correlates of "Made-in-America" democracy aid, distinguishing between U.S. NGOs

Variable	Model 5	Model 6	Model 7	Model 8
Salience	0.52***		0.47***	0.58***
	(0.115)		(0.127)	(0.120)
Military Priority		5.31***	2.52**	
		(1.122)	(1.217)	
Democracy Level	−0.15	−0.27**	−0.16	
	(0.108)	(0.128)	(0.108)	
Associational Freedom				−0.01
				(0.056)
Globalization	−0.00	0.02	0.00	−0.00
	(0.010)	(0.010)	(0.010)	(0.010)
Bush Administration	0.06	−0.01	0.04	−0.20
	(0.221)	(0.223)	(0.224)	(0.274)
American NGOs	0.16*	0.23**	0.12	0.10
	(0.083)	(0.096)	(0.09)	(0.087)
Constant	−3.19***	−2.16***	−3.18***	−3.58***
	(0.607)	(0.528)	(0.603)	(0.588)
N	415	413	413	329
Countries	99	98	98	98
Log-pseudolikelihood	−107.16	−112.01	−106.48	−84.05

Regressions are fractional logit models. Variables except Bush Administration are lagged one year. Robust standard errors, clustered on country, are in parentheses. *** denotes $p<0.01$, ** denotes $p<0.05$, and * denotes $p<0.10$ (two-tailed)

Another limitation of the earlier analysis is that it overlooks variations in NGO applications. My results could be biased if American NGOs and non-core American NGOs apply for funding more in salient countries out of organizational interest. Unfortunately, application data are not available, and my Freedom of Information Act requests to obtain them were denied. I thus adopt two strategies: I draw on descriptive evidence to evaluate the plausibility of bias, and then I consider the variables that could drive NGO applications and control for them.

First, I interviewed five people who worked for the NED or American NGO grantees in 2013. They indicated that American NGOs do not strategically apply for funding more often in salient countries. The funding process is competitive, with the NED funding less than 20 % of applicants and many more competent NGOs applying than can be funded in each country (Usatin 2013). In fact, 12 more NGOs get funded in *Salient* countries than in other countries on average ($p<0.001$ in a t-test with unequal variance), a relationship that holds even after controlling for the number of total NED projects in the country. Thus, if anything, it may be *more* difficult for American NGOs to get funded in salient countries.

Second, the literature suggests several factors that could encourage American NGOs to apply for grants more in salient countries, although few of these factors offer a clear

logic for why non-privileged NGOs (but not privileged NGOs) would apply disproportionately in salient countries. As discussed above, the most likely confounds relate to regime type and associational freedom because less democratic countries tend to be hostile to foreign NGOs. Those variables were already included in the analysis. As such, the positive relationship between *Salience* and *Proportion American* holds even after controlling for the possibility that salient countries do not have local NGOs that are capable of and interested in applying for NED grants. All the same, it is important to control for other potential confounds. American NGOs may prefer to work in countries that: speak English; receive more NED projects; are more developed; and/or have not experienced a recent conflict. When I control for those variables using the baseline model, the effect of *Salient* remains robust, as the results in the supplementary file demonstrate.[15] In addition, I find that the results are robust to the inclusion of a dichotomous variable that takes the value of one if a country has a law that restricts some or all NGOs from receiving foreign funding and zero otherwise (Christensen and Weinstein 2013).[16] The coefficient estimate for *Salience* again remains positive and significant, as the results in the supplementary file show.

Finally, I carried out a number of further robustness checks using the baseline model, the results of which can be found in the supplementary file. To address concerns that my results may be sensitive to my estimation techniques, I did not use robust standard errors. To address concerns that my results may be sensitive to my measurement choices, I used: the Polity2 measure of democracy (Marshall et al. 2013) instead of Freedom House; an indicator variable that equals one for the most autocratic countries (i.e., a Freedom House score of one) and zero otherwise because full autocracies may be special cases; and an overall measure of globalization rather than social globalization (Dreher 2006). To address concerns about temporal dynamics, I added year fixed effects. To address concerns that countries are being mentioned more in press briefings for reasons unrelated to their importance for U.S. foreign policy, I control for whether a civil war or natural disaster occurred in the previous year.[17] Next, I excluded projects to Afghanistan and Iraq, two potential outliers. Finally, I restricted the sample to NED grants less than $150,000 for two reasons: first, American NGOs may be better able to implement larger projects; and second, if we see more expensive projects in salient

[15] First, I added a variable that equals one if the country's official language is English and zero otherwise. Second, I included the total number of NED projects that country–year. Third, I added the natural log of the country's GDP per capita, which also measures local NGOs' capacity. Fourth, I added a variable that equals one if the country experienced civil war since 2000 and zero otherwise (Gleditsch et al. 2002; Themnér and Wallensteen 2014).

[16] This analysis is pertinent because the presence of local NGOs within countries could influence donor officials' likelihood of funding American NGOs. Unfortunately, I am aware of no dataset that records the number of domestic NGOs in countries over time. For example, the *Yearbook of International Organizations* records information about international NGOs only—not domestic NGOs. Looking at legal restrictions against foreign funding of local NGOs therefore offers some insight into the availability of local NGOs as potential funding recipients.

[17] First, I added the natural log of the total disaster-affected population in the country in the previous year, drawing on data from EM-DAT, the International Disaster Database (Guha-Sapir et al. 2015). Next, I added a dichotomous variable that equals one if the country experienced a civil war in the previous year and zero otherwise, drawing on data from the UCDP/PRIO Armed Conflict Dataset (Gleditsch et al. 2002; Themnér and Wallensteen 2014). I do not control for whether the country experienced an interstate war in the previous year because no countries in my sample experienced such a conflict according to the UCDP/PRIO Armed Conflict Dataset.

countries, then we might expect more oversight. In no cases did the relationship between *Salience* and the proportion of aid channeled to American NGOs change meaningfully.

3 Conclusions

This paper began with an observation: The United States frequently funds American NGOs as a strategy of supporting civil society abroad, even though doing so is costly. I hypothesized that donor officials are more willing to pay those costs in countries that are important for U.S. foreign policy out of concerns about agency slack. Analyses of original data supported this argument’s observable implications while addressing other explanations.

It is important to acknowledge what this study could not do. Target countries’ salience ought to affect a number of donor decisions about whether and how to aid democracy abroad: (1) selecting countries for democracy aid; (2) deciding how much aid to give; (3) deciding the agency or foundation through which to funnel aid; (4) choosing the type of aid to give (e.g., civil society, elections, etc.); (5) choosing the channel of delivery (e.g., NGO, government, etc.); and (6) choosing among various NGOs. This paper studies only how salience affects the final decision in that list using data from the NED. Though this endeavor is a meaningful one, it is the tip of the iceberg of what can and should be studied. A fruitful endeavor for future research would be to overcome this limitation of the present study by examining how salience affects other donor decisions about civil society assistance—and other types of aid. Another avenue for future research would be to expand the temporal scope of the analysis as some research indicates that democracy assistance has changed over time (Bush 2015).

Still, this paper makes several contributions. First, it enhances our understanding of the variations among NGOs in world politics. Pioneering research on NGOs demonstrated how these morally motivated actors influence state policy (Keck and Sikkink 1998). A recent turn in the literature has explored more comparative dynamics, showing how variations in NGOs’ nationalities matter (Kelley 2009; Stroup 2012). This paper adds to that literature and marries it with insights from the study of delegation. Its framework for understanding how donor officials solve trade-offs between control and cost differently in salient and non-salient countries should illuminate decision making in a number of issue areas in which states delegate to NGOs, including development assistance and humanitarian relief. Though my specific argument about why donor officials are likely to minimize agency slack in salient countries through the mechanisms of funding American NGOs and non-privileged NGOs is obviously limited to issue areas for which these mechanisms are available, my general argument about why donor officials are likely to minimize agency slack in salient countries can travel further. After all, numerous mechanisms of decreasing agency slack are available to donors, including aid ombudsmen and complaint panels (Buntaine 2015) and choosing projects with measurable outputs and outcomes (Buch et al. 2015).

Second, the paper deepens our understanding of democracy promotion. Research has examined how democracy aid affects democracy, with mixed findings. This paper suggests that we should also seek to describe and explain variations within democracy

aid. By showing variations within civil society aid, the paper challenges the common wisdom that U.S. democracy promotion involves a "one-size-fits-all" approach (Carothers 1999, 332–341).

Recognizing variations in democracy assistance is also important for estimating its effects. Future research should account for the selection processes this paper illuminates because salient countries systematically receive more aid via American NGOs. Arguably, salient countries are less likely than other countries to democratize: they may be able to resist American pressure to democratize or may not face such pressure at all (Levitsky and Way 2005; McKoy and Miller 2012). In that case, scholars should reassess their critiques of American NGOs' failures. Moreover, policy makers sincerely interested in promoting democracy should consider reforms in terms of how aid is delegated.

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