

The Far Right and International Organizations

How the Far Right Affects Foreign Aid Funding

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“More bark, than bite”?

The rise of the far right poses a challenge to International Organizations. Yet much of the literature suggests that the far right, even when in government, has strong discursive effects on IOs, but little impact on their operation and policies.

→ The far right is “more bark, than bite” (Moravcsik 2023)

But,

1. Far-right parties need also to deliver and generate benefits for their constituents. Moreover, there are several routes to unilaterally affect IOs: such as funding of IO activities through voluntary contributions.
2. We contrast donors’ voluntary earmarked contributions to IOs with donors’ bilateral aid to examine whether and how far-right parties in donor governments influence IOs.

Argument

We argue that the far right in government undermines IOs by systematically reducing their earmarked funding commitments. They do so because they cannot unilaterally control the liberal purposes and mandates of most IOs and fully align them with their anti-migration policies.

1. For the far right, foreign aid can be a tool to fight migration
2. In government, they decide about earmarking and direct bilateral aid
3. Earmarking offers much control, flexibility, and implementation efficiency
4. However, as long as far-right governments are a minority, they will have difficulty in quickly aligning the liberal policy mandate of most IOs with their anti-migration agenda
5. Far right in government will therefore reduce earmarked funding, while trying to pursue its anti-migration goals with bilateral foreign aid

Testable hypotheses

Hypothesis 1. *If far-right parties participate in donor governments, earmarked funding is likely to decline compared to donor governments without far-right parties*

Hypothesis 2. *Donor governments with far-right parties do not differ in terms of bilateral aid from governments without far-right parties*

Data

Far-right parties in OECD governments

- 37 democratic OECD member states, 1990-2020
- PopuList, Manifesto Project, PartyFacts
- Refines and expands coding of far-right parties beyond Western Europe
- Strong temporal variation → time-varying “treatment”

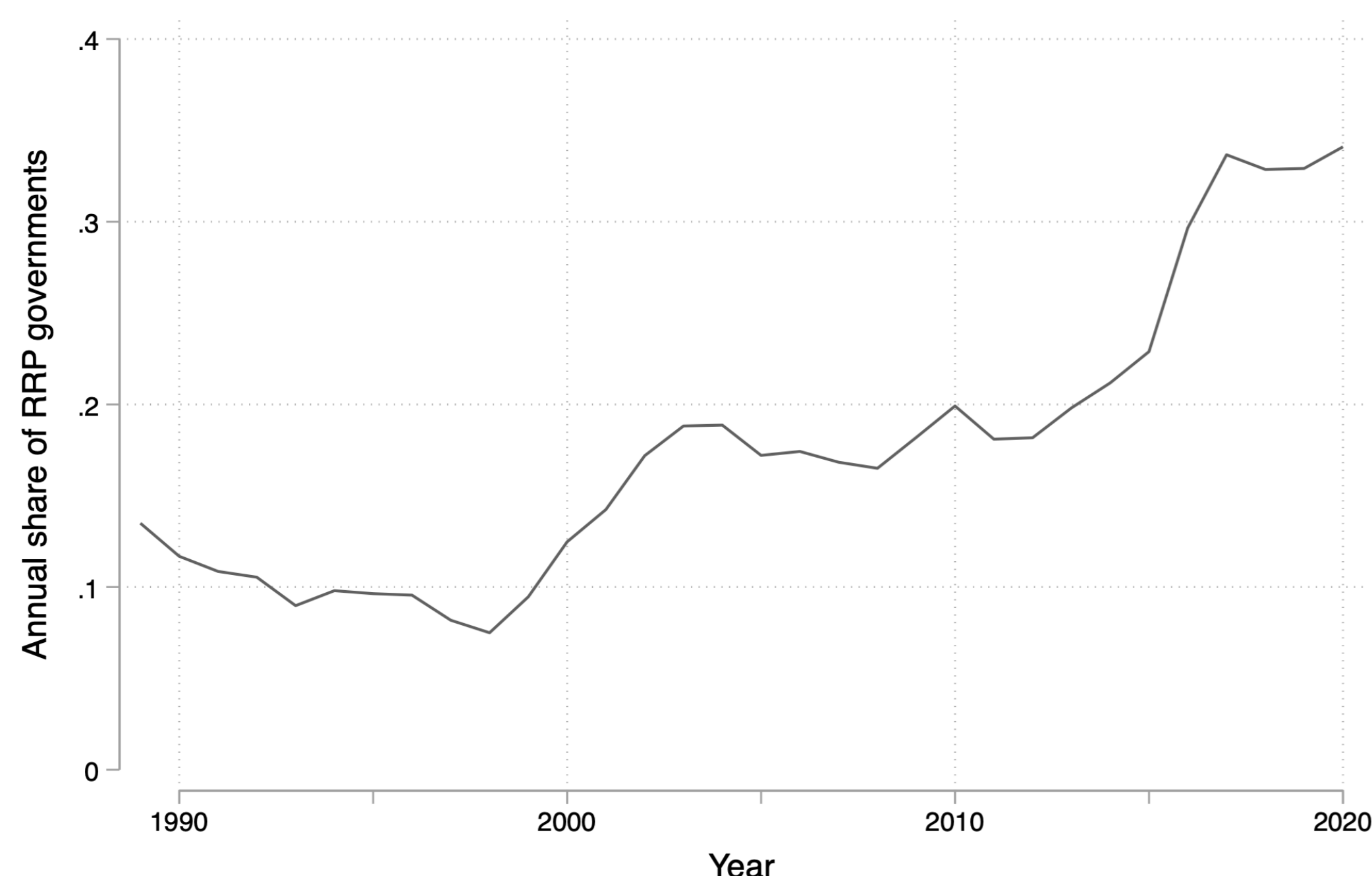


Figure 1: Share of governments with far-right parties, 1990-2020

Foreign aid funding

- Earmarked annual commitments: RRP governments spend on average 40 million USD less (46%)
- Bilateral annual commitments: RRP governments spend on average 270 million USD less (44%)
- *But:* strong variation across aid sectors and years

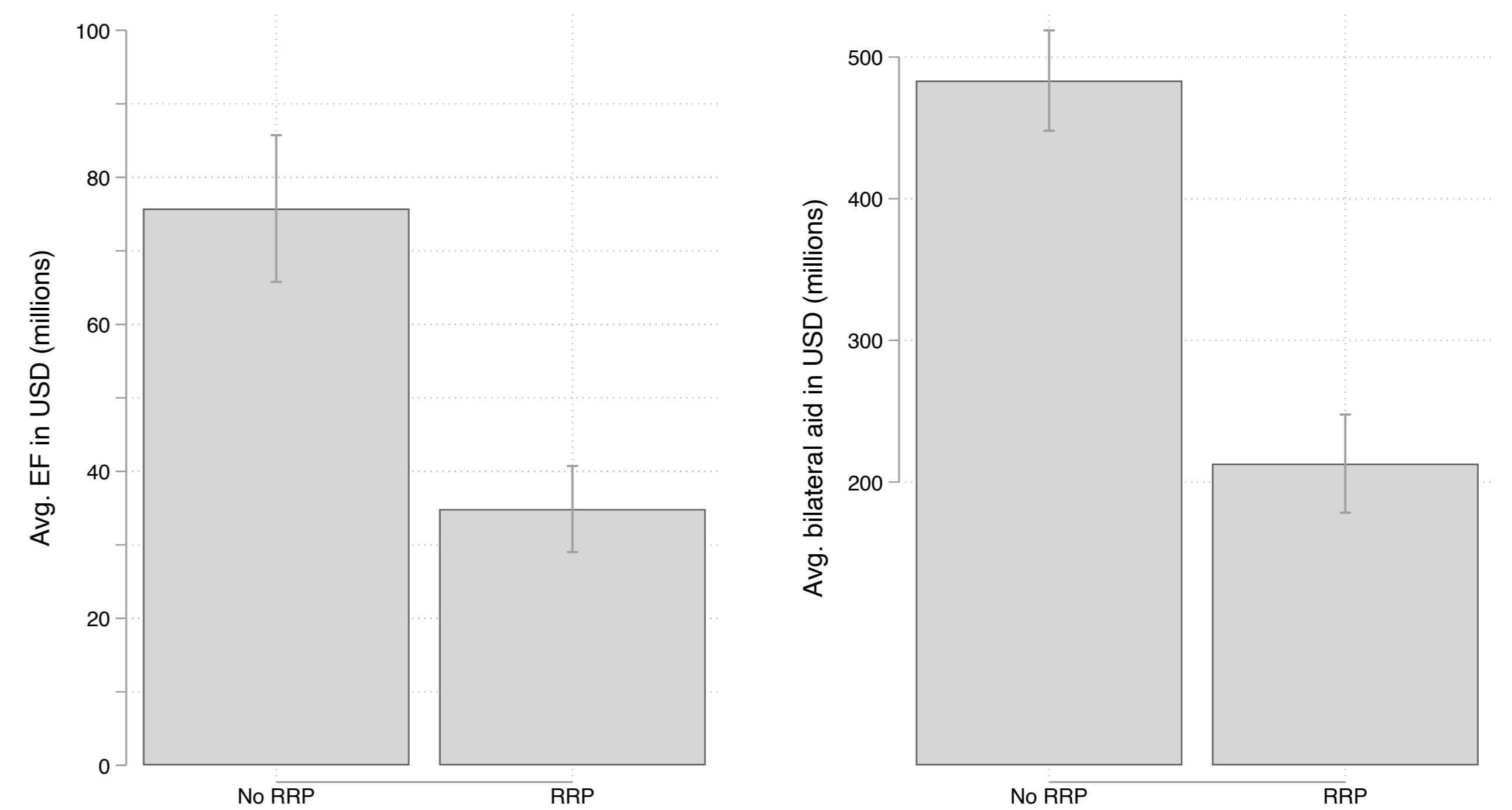


Figure 2: Left plot: Earmarked commitments. Right plot: bilateral commitments

Analysis

- Static confounding: year, country, aid sector
Fixed effects for each level
- Dynamic confounding: time-varying “treatment” and confounders
Balance sample at each point in time with dynamic inverse probability of treatment weights
- Linear marginal structural models

Results

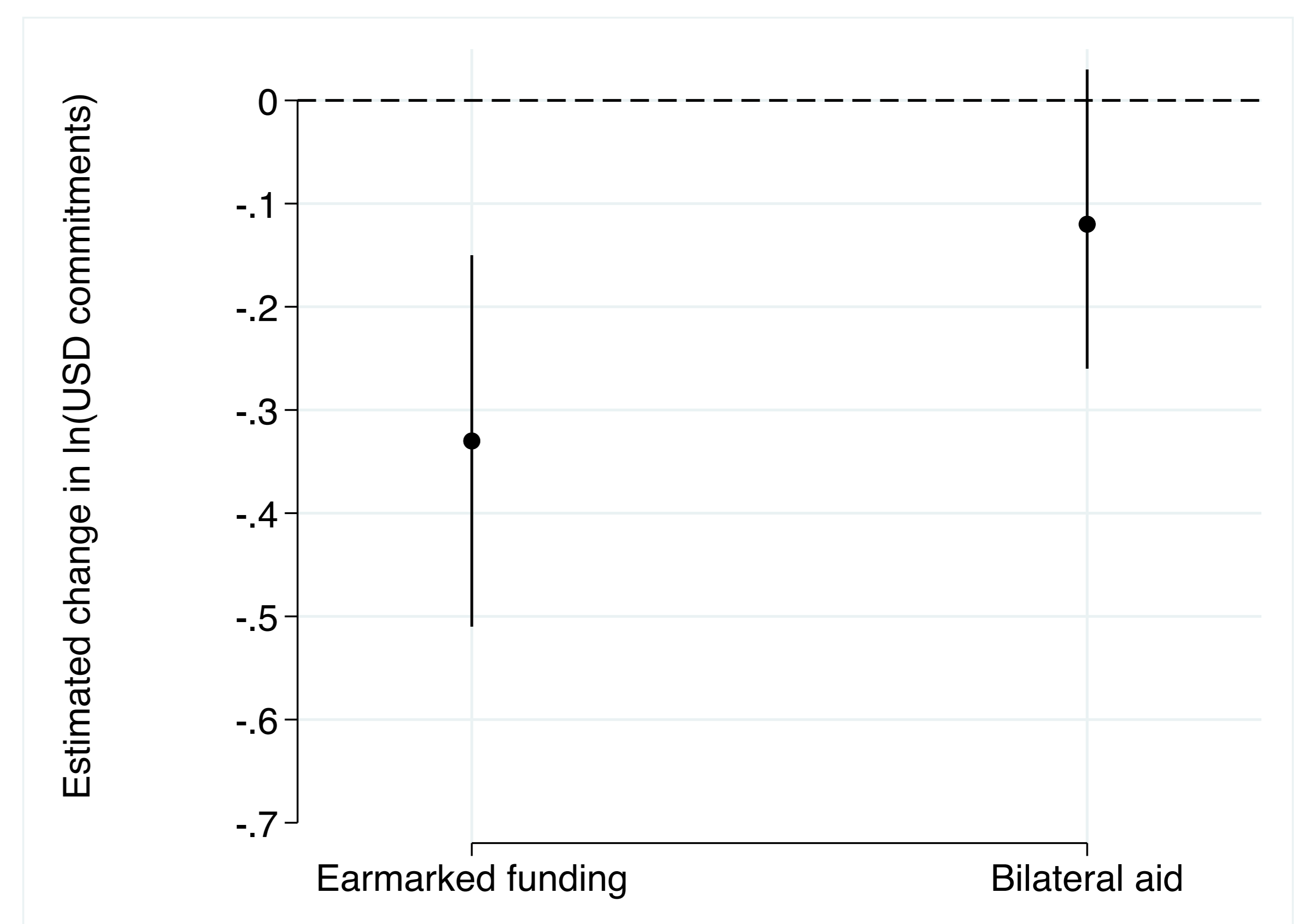


Figure 3: Estimated effect of governments with far-right parties

The far right barks, and bites!

- Consistent negative effect on earmarked funding of IOs
- Governments with far right parties reduce earmarked funding by 31% on average
- The same governments do not differ in terms of their bilateral aid from non far-right governments
- Far-right parties do not politicize earmarked funding, but take issue with the lack of control over IOs

Further information

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