AID-FOR-POLICY DEALS: The Logic of U.S. Military Aid to Colombia

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I. Introduction

Until the wars in Iraq and Afghanistan, only Israel and Egypt received more U.S. aid than Colombia. Under Plan Colombia, the United States has contributed more than \$5 billion since 2000 (Dube and Naidu 2010, 6). The United States ostensibly sends aid to Colombia to fight the War on Drugs, and since September 11, Colombia has become a front for the War on Terror. Despite the failure to eradicate the international drug trade or global terrorism, the United States continues to contribute huge sums to Colombia in the form of military aid. Using selectorate theory and the political economy of foreign aid model, this paper explores the

To ensure the political survival of U.S. leaders, this aid provides a public good for U.S. citizens by demonstrating that actions are being taken to address the drug flow from Colombia to the United States and the terrorist activity associated with the armed conflict in Colombia. In turn, the foreign aid is diverted to the leader's supporters—namely the military and paramilitaries, which benefit from military spending—to ensure their loyalty. While leaders and their supporters in both the United States and Colombia stand to gain from these transactions, the common citizen in Colombia fails to share in the benefits of aid-for-policy deals.

II. Literature Review

rationality behind U.S. aid to Colombia.

Some studies contend that foreign aid cannot only fail to achieve development goals, but potentially can have harmful effects such as aid dependency and economic distortions.

Researchers have shown that aid can lead to perverse incentives for those receiving it and

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exacerbate the very problems it tries to solve (Easterly 2001, 137), as well as create dependency in developing countries (Jackson 1990, 115). Using a rational choice model, Herschel Grossman theorizes that foreign aid increases the incentives for insurrection due to the struggle over resource allocation between non-state actors and the state itself (1992, 287). Scholarship has also shown that military aid has negative effects. Military aid has been found to be "at best ineffective in reducing the risk of international conflict" and may raise the incidence of civil war resulting from regional arms races (Collier and Hoeffler 2007, 2). Both development and military aid have been found to have unintended effects on the receiving countries.

Building on these general theories, scholars have studied the consequences of military aid in Colombia. By comparing Colombian municipalities with army bases to those without, Dube and Naidu use micro-level data to demonstrate that U.S. military aid leads to a rise in violence by non-state actors, or paramilitaries, in municipalities that receive military assistance. The authors claim that military aid can translate into increased violence through "diversion," where a lack of state capacity can "enable capture and diversion of given resources" (2010, 2) and that by diverting aid to non-state actors, "donor countries may find themselves fueling the very groups that military aid is designed to suppress" (ibid., 3). Military aid is given to those countries that lack state capacity; a state would not need military aid if it had a sufficiently powerful military. This state weakness increases the chances that military aid finds its way into non-state hands, because a weak state lacks sufficient mechanisms to ensure the effective distribution of resources. Therefore, military aid can exacerbate conflict through the diversion of resources to non-state actors. Dube and Naidu also demonstrate that increased military aid

leads to diminished political participation in municipalities with bases compared to those without.

With so much evidence showing the negative effects of foreign aid, why would the United States continue pouring money into the coffers of another country? The rationality behind foreign aid can be explained using Bueno de Mesquita and Smith's model of the political economy of aid, which utilizes selectorate theory to explore the incentives that leaders have to both give and receive foreign aid.

## III. Selectorate Theory and the Political Economy of Foreign Aid

Selectorate theory assumes that "political leaders seek to maximize their tenure in office," by drawing on support from the selectorate, or the individuals who can potentially choose the leader (Bueno de Mesquita et al. 2003, 38). The leader's political survival is contingent on the loyalty of their winning coalition—a group drawn from the selectorate (Bueno de Mesquita and Smith 2009, 314). Leaders are endowed with the power to "raise money and allocate resources," (Bueno de Mesquita et al. 2003, 38) and they can ensure their political survival by apportioning resources as a combination of both public and private goods. "Leader" is used as shorthand for leadership, since very often the power of the purse lies in the hands of more than one individual (ibid., 39). Leaders can choose whether to allocate resources in the form of public goods that benefit everyone, or as private goods that only benefit their core supporters. The composition of expenditures depends on the size of the winning coalition. Leaders who depend on few supporters for their political survival buy loyalty primarily through the distribution of private goods. However, providing private goods to a great number of

individuals becomes untenable as the size of the winning coalition increases, and therefore the leader chooses to distribute resources as public goods in a large coalition system (ibid., 51).

All leaders provide a mix of public and private goods. By their very nature, most goods have both a private and public component. Nonetheless, small coalition systems (e.g. autocracies, unconsolidated democracies) tend to skew toward the distribution of private goods, while large coalition systems (e.g. consolidated democracies) allocate benefits primarily in the form of public goods (Bueno de Mesquita et al. 2003, 37; Bueno de Mesquita and Smith 2009, 315-16). Leaders strategically distribute resources in the manner best suited to ensure their political survival.

Bueno de Mesquita and Smith extend selectorate theory to model the political economy of foreign aid. The authors' conception of foreign aid assumes that leaders, not nations, make aid decisions, and that aid is fungible, thereby giving leaders discretion on how to distribute the resources. In this formulation, foreign aid is distributed in the form of an aid-for-policy transaction, in which the donor state receives policy concessions for giving resources to the recipient state. The policy concessions translate to a public good in the donor country, garnering support from the donor leader's winning coalition, and amounting to a public bad in the recipient country. The larger the policy salience for the public in the donor country, the more likely that aid will be given. The recipient country's leader, on the other hand, can dole out the resources received to ensure loyalty from the relatively smaller coalition (Bueno de Mesquita and Smith 2009, 316). Foreign aid is most likely to be given to small coalition countries, because leaders in these systems are more susceptible to the corruption that makes

policy concessions possible. This is because leaders in small coalition countries do not rely on broad support, but instead cater to the needs of a smaller group of supporters (ibid., 336).

Donor countries give aid in order to extract a policy concession from the recipient country. Bueno de Mesquita and Smith claim that the group with the most suboptimal outcome is the average resident in the recipient state who sacrifices the policy concession but who is unlikely to enjoy the private benefits diverted to the winning coalition. One could imagine an aid-for-policy deal in which a donor country gives aid in order to increase the likelihood the recipient country grants access to fishing in their waters. This would adversely affect neither the leader in the recipient country nor the winning coalition in the recipient country, but it would in fact impact the broader public that conceivably relies on fishing for food or their livelihoods.

The political economy of foreign aid model states that the alleged beneficiaries of aid are most often people in need of humanitarian assistance, but shows that they do not actually receive assistance. Because aid is distributed to the population already receiving benefits (the winning coalition), the intended recipient fails to share in the benefits of the deal (ibid.).

Moreover, the authors show that although states claim to give foreign aid for humanitarian reasons such as alleviating poverty, the motivating factor is to extract policy concessions. They predict that donor states should choose to give foreign aid based on the policies they seek, as opposed to the actual humanitarian needs in the states receiving aid. Indeed, their findings reflect that the "neediest do not receive the most" (ibid.). Aid-for-policy deals often fail to achieve their declared goals but do increase both leaders' chances of political

survival. This prediction is consistent with the motivations behind aid-for-policy deals between the United States and Colombia.

#### IV. Case Selection

Colombia represents a typical case for the aid-for-policy model (Seawright and Gerring 2008, 299) because it is representative of leaders' incentives in giving and receiving aid predicted by selectorate theory. Bueno de Mesquita and Smith discuss the failure of foreign aid to address poverty alleviation goals, but their measurements of foreign aid do not differentiate between development aid and military aid. Their inclusion of Israel in some models demonstrates that their conception of aid-for-policy deals applies to countries that receive resources overwhelmingly in the form of military aid. Examining Colombia extends their conclusions by focusing primarily on the motivations in aid-for-policy deals that provide military assistance.

First, I examine the winning coalition size of the United States and the public goods leaders provide by addressing the public's concerns over illegal drugs. Next, I explore the key players in Colombia's relatively smaller coalition—the military and the paramilitaries—and the private goods they receive. The case of Colombia reveals that the rationality behind military aid conforms to the predictions of selectorate theory.

#### V. U.S. Winning Coalition

Selectorate theory measures winning coalition size using polity data for regime type, selectivity of executive recruitment, and political participation (Bueno de Mesquita et al. 2003, 135). The United States is coded as a 1, the largest possible winning coalition size, on a scale from 0 to 1 (Marshall, Jaggers, and Gurr 2006). Similarly, Freedom House describes the United

States as being "free," scoring a 1, the most free, on a scale from 1 to 7 (Freedom House 2012). It is sensible for a leader in a large coalition system to provide non-excludable benefits in the form of public goods because providing private goods to tens of millions of constituents is too costly. Because the United States is a large coalition country (Bueno de Mesquita et al. 2003, 473), leaders strategically seek out policy concessions that translate to a public good in order to increase their chance of political survival.

# VI. Policy Salience

In aid-for-policy deals, the salience of the policy in question for the donor country is an important consideration (Bueno de Mesquita and Smith 2009, 322). The United States receives a policy concession from Colombia because Columbia in the form of the latter's allowance to wage the War on Drugs (and subsequently the War on Terror) on its territory. This translates to a public good for the United States because, as Russell Crandall writes in his analysis of U.S. drug policy, "the American public was paranoid about illicit drugs such as cocaine, [and] national politicians faced tremendous pressure to 'do something' about the drug trade" (2008, 87). Addressing salient political concerns increases a leader's chance of maintaining political survival in a large winning coalition system. The salience of the drug issue was such that the U.S. government was willing to invest a large number of resources to procure this policy concession from the Colombian government.

News coverage at the dawn of the War on Drugs reflects the American public's preoccupation with illegal narcotics, particularly crack cocaine. Headlines in the 1980s warned of "An Epidemic: Kids and Coke" (Newsweek 1986), and "New Drug Sends Youth From Heaven to Hell" (Cotter 1986). Crack was being blamed for traffic fatalities, a rise in heroin use, murder,

arson (Gaines-Carter 1989), the spread of AIDS and syphilis, prostitution, budget deficits (Kerr 1989), sick babies, burglary, vigilantism, the decline in business and property value, dishonest employees' performance (Morgenthau et al. 1986) and increased spending on social services, police, and home security systems. Newspapers described in great detail how crack led to overcrowding in prisons, orphanages, and rehab facilities, and proclaimed that it "has even begun to destroy whatever civility was left to daily hospital life" (New York Times 1989). The spread of crack was likened to genocide, the Vietnam and World Wars, the Great Depression, and most commonly—an epidemic (Kerr 1986).

Reporting on the crack problem in New York, an article in the London-based *Advertiser* warned:

Users call it God at first, then curse it as Satan. A doctor's wife has sold her baby to feed her craving. A young laborer has sworn he was ready to kill an 80-year-old man to buy it. Crack, a powerful form of cocaine, is spawning tales of ravage and raising fears among authorities that it may propel America into a new and possibly unstoppable drug crisis (Cotter 1986)

The article goes on to warn that the epidemic plaguing urban centers will eventually "sweep small town America" (Cotter 1986). While perhaps the *Advertiser* could be forgiven for exaggerating a problem across the pond, even the newspaper of record in the United States warned that crack "is reaching out to destroy the quality of life, and life itself, at all levels of American society" (New York Times 1989). Thus, drug policy was a salient issue in the United States during the 1980s and 1990s.

On a state and local level, policymakers made attempts to address the problem. New York Governor Mario Cuomo advocated life sentences for selling as little as fifty dollars' worth of crack cocaine (Schmaltz 1986). As U.S. Attorney, the future Mayor Rudolph Giuliani disguised

himself in order to make a public display of buying crack on the streets of New York. The publicity stunt resulted in calls for the federal government to address the drug problem. One *New York Times* editorial insisted: "Easing cold war tensions makes clearer than ever the threat to national security from the crack invasion. It requires a national mobilization as if for war [...] how much more must the crack disaster destroy before the United States Government grasps its dimension?" (New York Times 1989).

# VII. The Public Good: The United States Does Something

The War on Drugs soon eclipsed the Central American civil wars and communism as the primary hemispheric concern of the United States. In response, leaders attempted to assuage public demands to reduce the flow of drugs into the country (Crandall 2008, 87). By utilizing Colombian territory through the funding army bases and the spending money to fight the War on Drugs, U.S. leaders provided a tangible public good by demonstrating to the winning coalition in the United States that leaders were "doing something" to address the apprehensions of U.S. citizens.

The first Bush administration launched the Andean Initiative, which allocated more than \$2 billion to fight the War on Drugs. Subsequent U.S. administrations have bolstered this program. Between 2000 and 2005, Colombia received over \$4 billion from the United States under Plan Colombia, over three quarters of which went toward military operations (Youngers 2006, 77) and also included the U.S. transfer of military hardware, including Blackhawk helicopters (Crandall 2008, 91).

After September 11, the second Bush administration shifted national security rhetoric to include the War on Terror. The focus of foreign aid to Colombia was not just drug eradication

but also to counter insurgency (ibid., 94) and terrorism (Avilés 2006, 405). With banners splashed across national network news announcing the daily Terror Threat Level, this new focus translated to a public good that addressed U.S. citizens' concerns about terrorist threats. Colombia has now become "the primary country in which U.S. counter-drug counterinsurgency and counterterrorism agendas converge" (Youngers 2006, 77). Just as waging the War on Drugs was a public good in the United States, fighting the War on Terror gives the perception that leaders are allocating resources to make citizens safer—translating to a benefit for the winning coalition in the United States.

## VIII. Aid Fungibility

Under Bueno de Mesquita and Smith's model, foreign aid is assumed to be fungible. Aid is funneled from the United States to Colombia through a myriad of channels. Aside from the basic military aid earmarked as Foreign Military Financing (FMF) and International Military and Education & Training (IMET), funding also comes from Foreign Assistance emergency authorization, Excess Defense Articles, the State Department, loan guarantees, the Drug Enforcement Agency (DEA), as well as the Central Intelligence Agency (CIA) (Arnson and Kirk 1993, 130). This patchwork system limits accountability and transparency-tracking regarding where the aid is spent: "there are not effective mechanisms to ensure that the weapons transferred for anti-narcotics operations are not diverted for other purposes" (ibid.).

The aid-for-policy deal model is evidenced by the disconnect between the War on Drugs rhetoric and the actual use of military aid in Colombia. With full knowledge of officials in the United States, the majority of military aid has not been channeled towards anti-narcotics efforts, but instead has explicitly been used by Colombia for the guerrilla war that Colombia has

been fighting for the last fifty years (ibid., 132). As the continuance of military aid would suggest, leaders in the United States are largely unconcerned with the fate of foreign aid after it satisfies the interests of their winning coalition.

### IX. Colombia's Winning Coalition

Colombia can be described as democratic, "but different forms of democracy may produce substantially different coalition sizes" (Bueno de Mesquita et al. 2003, 73). In aid-for-policy deals under selectorate theory, leaders of recipient states divert foreign aid to secure loyalty from their winning coalition. Because most recipient countries do not have large winning coalitions, these benefits are distributed in the form of private goods in the exchange for support. This is most likely to occur in unconsolidated democracies with weak institutions.

According to the Polity Project, Colombia's coalition size has been coded as a 0.75 for the past several decades (Marshall, Jaggers, and Gurr 2006). This score marks the threshold between what are considered large coalitions and small coalitions, which, according to selectorate theory, explains the large amount of aid the United States gives Colombia. Aid for policy deals occur most often between large coalition countries (as the donors) and small coalition countries (as the receivers). However, of the countries that receive aid, the ones with the largest coalition sizes receive the most because those leaders must supply more private goods to ensure the loyalty of their winning coalition. Conversely, leaders of smaller coalition countries with a relatively smaller number of supporters are able to remain in power by allocating relatively fewer resources. The larger the receiving country's winning coalition, the larger the amount of aid must be.

While Colombia straddles the border between large and small coalition systems, limits on political participation explain the tendencies of Columbian leaders to provide private, as opposed to public, goods. Historically, Colombia has restricted political eligibility to either the Conservative or Liberal parties. De facto exclusion is also prominent due to widespread illiteracy, social divisions, and poverty (Dix 1980, 304). The last decades of the twentieth century were marked by administrations that "worked to co-opt and repress political opposition" (Avilés 2006, 384). Voter abstention and elitist party structures have resulted in narrow political participation (ibid., 385) and a weak civil society (Watson 2000, 545). Despite the independent position of the judicial system, two important features of democracy—public contestation and political competition—have been undermined, especially during the Uribe presidency (Soares 2009, 36).

Furthermore, according to Freedom House, Colombia's democratic institutions are marred by corruption, resulting in Colombia being described as only "partly free," with a rating of 3.5—the fourth least free country in Latin America after Cuba, Venezuela, and Haiti (Freedom House 2012). The features of a robust democracy are conducive to large coalitions and states like Columbia that lack meaningful citizen participation are likely to be comprised of small winning coalitions. Although Colombia is technically a democracy, the political institutions in Colombia fail to incentivize the allocation of resources in the form of public goods.

# X. Colombia's Military

According to the political economy of foreign aid model, leaders with small winning coalitions should distribute aid as a private good for the benefit of their crucial supporters. The most obvious beneficiary of military aid is the military itself. While no aid is purely a public or a

private good, in a small coalition state resources should bias toward private allocation. While military aid does contribute to national security (a public good), it also translates to job security, salaries, and political influence (private goods) for members of the military who occupy a position in the winning coalition.

Historically, there have been close ties between the Colombian civilian leadership and the military. In the 1950s, Colombia had a formal military government followed by a military junta (Dix 1980, 305), and the military continues to wield influence over leaders in the country. The military performs the traditionally civilian tasks of border control and routine policing (Watson 2000, 542), and widespread violence and counterinsurgency have justified granting the military "significant leverage over the civilian authorities, especially in questions of national security and public order" (Richani 1997, 51). The military has remained highly influential in the political process even after 1991 reforms that ceded civilian control to the ministry of defense (ibid., 52). Further, the militarization of anti-narcotics efforts since 2001 "works against efforts across the region to professionalize and bring police forces under civilian control" (Youngers 2006, 83). Political influence over civilian authorities grants the military a place in the winning coalition.

Military aid conveys clear benefits to the armed forces. Military spending tends to produce private goods, especially in a small-coalition system where often little is done in the way of a public good for national security because resources are diverted to benefit the winning coalition—the military in this case (Bueno de Mesquita et al. 2003, 245). Three quarters of the \$5 billion of Plan Colombia aid has gone toward the military. This aid has been dedicated toward the public good of national security to some extent but more significantly has been

converted to a private good for the military brass. In the early 1990s, salaries of lower level officers increased by 200 percent, while compensation for generals increased more than twice that percentage (Richani 1997, 50). Between 2000 and 2007, the number of military personnel more than doubled from 160,000 to 380,000 (Richani 2010, 34). Thus, the military receives private benefits when aid is directed toward the military.

# XI. Colombia's Paramilitaries

While a number of non-state actors contribute to the violence in Colombia, only the right-wing paramilitaries are integrated into the winning coalition. Scholars (Avilés 2006, 396; Youngers 2006, 84; Dube and Naidu 2010, 10), human rights groups (Human Rights Watch 2010, 106), and even the U.S. State Department (U.S. Department of State 2012) have extensively documented collusion between the Colombian state and paramilitary forces. This collusion is the result of the "symbiotic relationship with specific politicians holding power: paramilitaries deliver votes to politicians with preferences relatively close to theirs, while politicians they helped elect leave them alone, and possibly, implicitly or explicitly, support laws and policies they prefer" (Acemoglu et al. 2010, 2).

In 1968, a counterinsurgency law legalized citizen militias (ibid., 16), and in the 1980s, these paramilitaries consolidated power as a response to left-wing violence and kidnapping (Watson 2000, 534). These armed non-state actors are mostly composed of landowners and agribusinessmen who represent the interests of the paramilitaries (Richani 1997, 63; Acemoglu et al. 2010, 17). Various paramilitary groups converged in 1997 to form the Autodefenses Unidas de Colombia (AUC), a right-wing group organized to fight the left-wing guerrillas and protect landholdings as well as strategically influence electoral politics (Acemoglu, et al. 2010,

18). Paramilitaries were officially outlawed in 1989 (Watson 2000, 535) but only formally demobilized between 2003 and 2006. However, even after their official demobilization, these groups have continued to operate under numerous monikers throughout the country (Human Rights Watch 2010, 3). Militarily, they support the state's fight against the left-wing groups through military confrontation against groups such as the Revolutionary Armed Forces of Columbia (FARC) and the National Liberation Army (ELN).

Alvaro Uribe, president from 2002 to 2010, "appointed individuals with past links with paramilitary operations and activities to advisory positions within his presidential campaign (General Rito Alejo del Rio), to his cabinet (Fabio Echeverri Correa), and as head of the armed forces (General Carlos Ospina Ovalle)" (Avilés 2006, 406-7). Over fifty of his supporters have been accused of having ties with paramilitary groups (Carroll 2011, 20). Uribe seemed to have a cozier relationship with these non-state actors than most presidents of Columbia. He received their support before he was elected, and he garnered even more electoral support from these groups after he supported policies favorable to them (Acemoglu et al. 2010, 28). Their permeation throughout all levels of the state demonstrates the political influence paramilitaries hold over leaders.

Other influential politicians also have paramilitary links. Paramilitary groups gave crucial support to Army Colonel Blas Arvelio Ortíz Rebolledo's successful run for governor, as they "presumably helped him with resources, pressed persons to vote for him, and in some cases [...] manipulated the elections and the results" (Human Rights Watch 2010, 106). Acemoglu, Robinson, and Santos claim that paramilitaries influence around 30 percent of legislative elections in Colombia (2010, 2). Paramilitary members have used violence and fraud, stuffed

ballots, and intimidated both voters and politicians to influence elections (ibid., 21). Further, paramilitary members founded new political parties in 2002, which all but institutionalized their influence on elections (ibid., 18).

Collaboration has occurred with officials as influential as Guillermo Valencia Cossio, the chief prosecutor of Medellín and brother of the Minister of Interior (Human Rights Watch 2010, 10), who was convicted in 2011 to fifteen years in prison for his connections with paramilitaries (Caracol 2011a). That same year, the ex-senator Ciro Ramírez was sentenced to seven and half years for his involvement with the paramilitary leader Gilberto Saavedra (Caracol 2011b). Oscar de Jesús López Cadavid, the governor of Guaviare, was also accused of working with paramilitary groups (Human Rights Watch 2010, 106). As of 2009, eleven members of the Columbian Congress and Senate had been charged with having paramilitary links (Acemoglu et al. 2010, 19), as the relatively independent judiciary has managed to expose the close relationship between the state and the paramilitaries.

The fungibility of military spending is evident. Military spending results in higher salaries and job security, and the money the state does not have to spend on the military equipment they receive from the United States translates to private benefits. Paramilitaries on the other hand receive private benefits through a more circuitous route, most often through the military. Private benefits for the paramilitaries have included military resource diversion, as well as land seized they have seized from citizens accused of left-wing sympathies.

Research on violent non-state actors predicts this collusion between the Columbian military and the paramilitaries (Mulaj 2010, 9). Paramilitary operations are tolerated because they achieve the state's military objectives by extralegal means (Avilés 2006, 385). In a weak

state, the government often relies on non-state security forces to act as proxies to enforce control over territory. Paramilitaries in Colombia are granted great latitude because they achieve the security goals of the state without the national and international oversight to which state security forces must conform. State forces are often reported to vanish from an area in which paramilitaries are operating (Freedom House 2012). The violent groups are permitted to carry out attacks with the full knowledge of state military operatives.

However, collusion goes far beyond tolerance for illegal activity. Human Rights Watch has extensive documentation of the military sharing sensitive information with paramilitary forces (2010, 102). More explicit links are demonstrated through testimony describing blatant state support and collaboration with these violent non-state actors. For example, state security forces helped in population displacement in the valleys surrounding Jiguamiandó and Curvaradó in 2008 by moving left-wing sympathizers off land that was subsequently given to the paramilitaries (Avilés 2006, 385).

The fungibility of state resources is demonstrated further through the material support provided to the paramilitaries by the military. For example, there are reports of paramilitary forces utilizing army trucks during a raid on a pro-FARC rally in Policarpa (Human Rights Watch 2010, 103). Separately, over half a dozen high-ranking military officers, including Brigadier General Carlos Gil Colorado, were charged with allowing paramilitaries to use state helicopters to transport weapons, as well as helping to establish paramilitary bases (Arnson and Kirk 1993, 29). Additionally, Dube and Naidu find that with increased military aid, municipalities with army bases see a rise in paramilitary-linked violence (2010, 22), which underscores the connection between military spending and the diversion of resources to paramilitary fighters.

#### XII. Colombia's Citizens

Despite the fact that military aid to Colombia has been framed in terms of security, it has largely translated to private instead of public goods, failing to benefit the average Colombian citizen. Between 1985 and 2002, shootings accounted for 17 percent of deaths of Colombian men (Aguirre et al. 2009, 32) and human rights and labor activists face violent intimidation in the country (Youngers 2006, 84). There were over five hundred union killings during Uribe's presidency alone, with only fourteen prosecutions (Carroll 2011, 20).

Interestingly, as U.S. military aid to Colombia has diminished in the last decade, violence has also decreased. American military aid to Colombia went from \$800 million in 2000 to just over \$230 million in 2012 (WOLA 2013). Violence has similarly dropped since then, with seventy homicides per one thousand people in 2002 to thirty-four per one thousand people in 2011 (Small Arms Survey 2012). Although murder and kidnapping rates have been falling worldwide, Colombia still ranks fifteenth in the world with 33.4 murders per one hundred thousand residents (UNODC 2011).

Bueno de Mesquita and Smith argue that aid-for-policy deals can be successful, even if the stated goals of the donor country are unmet (Bueno de Mesquita and Smith 2009, 336). Despite the overwhelming failure of the ostensible aims of U.S. military aid to Colombia, leaders of both states, as well as their winning coalitions, benefit from these deals, while the common Colombian citizen loses out.

#### XIII. Conclusion

Colombia receives the highest amount of U.S. foreign aid in the western hemisphere.

This aid-for-policy deal helps assure the political survival of leaders in both countries. American

leaders gain the support of their large coalitions by addressing concerns about narcotics and terrorism, thereby distributing the public good. Colombia allows these battles to be fought on its soil as a policy concession for military aid. The diversion of these resources secures loyalty from the relatively smaller winning coalition in Colombia, comprising primarily the military and paramilitary forces. However, aid-for-policy deals between the United States and Colombia have not translated to a public good for the average person in Colombia. To the contrary, the resources diverted to the winning coalition in Columbia have been "increasing both extra-legal violence and electoral manipulation, with no apparent reduction in drug production" (Dube and Naidu 2010, 3).

Examining aid-for-policy deals through the lens of strategic decision-making can help shape foreign policy. For the United States, the publicly stated goal is to fight the War on Drugs and, more recently, the War on Terror. Colombia has averred that U.S. aid is used to fight their narco-insurgency. There is broad agreement that the U.S. goals have not been met, and Colombia remains entangled in a civil war occurring across multiple fronts. These results could lead to the conclusion that military aid to Colombia has not had its desired effect. However, viewing the relationship through the lens of the selectorate theory reveals that leaders are indeed getting their money's worth.

When forming policy decisions, consideration of selectorate theory could improve the effectiveness of military aid. The aid-for-policy model only examines bilateral aid agreements, so analysis of multi-lateral foreign aid could provide more mechanisms for transparency and compliance to reach the stated goals of aid (Bueno de Mesquita and Smith 2009, 337). For bilateral agreements, the guid-pro-quo is contingent on the salience of a specific policy

concession that the recipient state can provide to the donor country. Because there is a smaller chance that two or more donor countries will demand the same policy concession from a potential recipient country, the introduction of more players into the equation can increase the number of monitoring mechanisms that work to ensure the effectiveness of aid. These added safeguards could prevent the diversion of foreign aid into the hands of the winning coalition of the recipient country. Indeed, altering the incentives of the strategic decision-making influence change whether military aid is given at all. Further research into the incentives of multi-lateral foreign aid could provide policymakers with the knowledge to increase the chance that outcomes more closely resemble the stated goals of foreign aid.

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