Online Appendix for Corporate Influence in World Bank Lending

The first section of this Appendix contains a more detailed description of the 'Implementation Completion and Results' (ICR) reports and how we have used them to code data for this project. The next section presents complete results for the paper, including full versions of the tables summarized in the paper. Next, the third section contains all additional results that are mentioned but not shown in the paper.

1 Further discussion of ICR reports

This section discusses the Implementation Completion and Results (ICR) reports in more detail, since the format of these reports has changed substantially over the past few decades, which affects some of the project-level variables that we are interested in measuring. Once a project closes, the World Bank and project-recipient government both document the results achieved, lessons learned, problems faced in implementation of the project, and the knowledge gained from carrying it out. A World Bank operations team then compiles this information in the form of an ICR report that describes and evaluates final project outcomes by comparing them with the original project goals.

Some of these projects cannot be used in our empirical analysis because their recipients are entire regions, e.g., West Africa or Latin America, for which the country-level control variables we use cannot be available. Similarly, the Bank also invests in many development projects in territories for which data are not available in standard datasets, such as West Bank and Gaza or Kosovo. Hence, the number of observations in most results presented here is lower than the number of reports coded.

All the project-level variables coded for this study were taken directly from the reports, including, among others, the year of approval for the project, project commitment and disbursement amounts, sectors to which some portion of the project was given, the World Bank's evaluation of its own performance on the project and the borrowing gov-

ernment's performance, whether the International Bank of Reconstruction and Development (IBRD) and/or International Development Association (IDA) provided funds for the project, and whether the project closed as scheduled, earlier, or later.

The three primary dependent variables used in the various analyses in this project are based on some of these project-level variables. First, *Disbursement Proportion* is simply the amount of project money that was disbursed divided by the amount that was initially committed. Both are taken directly from each ICR report. Similarly, *Evaluation* measures the Bank's overall evaluation of the project outcome, which takes on one of six values such that we turned the ordinal categories in to an ordinal variable, as follows: Highly Satisfactory (6), Satisfactory (5), Moderately Satisfactory (4), Moderately Unsatisfactory (3), Unsatisfactory (2), Highly Unsatisfactory (1).

The third important variable that is based directly on the ICR reports measures average *Performance* for each project. This variable was constructed by first coding performance for each individual objective on a World Bank project, and then taking the average across the objectives. As mentioned both in the paper and here, the level of detail and specificity regarding project objectives has evolved in World Bank reports over time, such that we can categorize our ICR reports in to four types of report, which allows us to control for 'report type' fixed effects as well to ensure that our results are not driven by minor coding differences that arise due to such differences.

1. **Report Type 1:**

   The earliest ICR reports that are available through the World Bank provide a performance summary by ranking each project across a standard set of 12 factors. Examples of these factors include "financial objectives," "macro policies" and "private sector development." For each of these factors, where relevant, the project is marked on a four-point scale. This scale was used to code performance for each objective as follows: High (4), Substantial (3), Moderate/Partial (2), Negligible (1).

Therefore, although this format makes coding the performance of each indicator straightforward and involves absolutely no subjectivity on the part of the coder, the number of categories is not indicative of how many goals each project actually had, and there is not much information that is specific to the project because the same factors are recorded for each project. There are a total of 1378 (out of 4206) such reports in our dataset, most of which appear between 1994 and 1999.

2. **Report Type 2:** Starting in 1998, most ICR reports include a section on the various 'components' of the project, such that the number of components usually ranges from 1 to 5, and very rarely are there more than 10 components discussed for a single project. These components are included in paragraph form and, although they are still somewhat general (e.g., "Public Expenditure Management and Public Administration," "Public Enterprise Reform" and "Public Finance" are the three components from one project), these project components provide more detail that is specific to the project being considered than is available in a Type 1 report. This second wave of reports is coded as Report Type 2 (387 such reports) and, in most cases, the paragraphs discussing each component end with a one-sentence or one-phrase rating, indicating whether the component's performance was fully/highly satisfactory (4), satisfactory (3), moderately/partially satisfactory (2), unsatisfactory (1), highly unsatisfactory/no impact (0). Thus, even though the description of objectives is presented in a somewhat different way in this type of reports compared to Type 1, the way we code objective-level performance is very similar for both in terms of the categories and how they map on to numeric scores.

3. **Report Type 3:** Not long after World Bank reports started listing individual components, a more project-specific summary of objectives was introduced, starting roughly in 1999. In this case, coded as 'Report Type 3' in our data, the report lists objectives, projections and outcomes in bullet-point form in a table titled Key

Performance Indicators. Thus, compared to the preceding report types, objectives are stated more specifically. For instance, a project from Ghana that related to the management of coastal wetlands has 6 such indicators listed, one of which is that "Wildlife club activities are carried out and reach communities in rural areas ...." The projection for this indicator mentions that membership was expected to reach 600 across targeted areas, and the outcome column states that wildlife club memberships reached 700 members, indicating that the objective was fully achieved. In some cases, determining how fully an objective was met is less straightforward because goals and outcomes were not quantified, so close reading and judgment was required. A more specific description of how such judgments were made is discussed below, in Type 4 reports, since there is significant overlap in the two formats. There are almost 850 such reports in our dataset, with the number of objectives usually ranging from 1 to 10, as was the case in Report Type 2. The level of detailed information contained in these reports is substantially greater than in the previous type.

4. **Report Type 4:** Finally, beginning in 2007, ICR reports consistently state project objectives and outcomes in a much clearer format than before. These are still provided in table form, and are called "Primary Development Objective (PDO) Indicators." Each indicator is stated in sentence form, followed by columns providing the "baseline value," "original target" (followed by any official revisions to the target), and "actual value achieved." Although quite similar to its predecessor format (Type 3), these reports are more complete, providing clear evaluation data for each objective. There are 1603 reports of this form in our dataset, and the number of objectives usually ranges between 1 and 10 here as well, with the maximum number being 54.

   Many of the indicators here provide this information in numeric form, making it

straightforward to calculate how well each indicator performed. Examples include indicators in terms of money, percentages, number of buildings constructed, kilometers of roads built or fixed, number of children enrolled in school, number of workers hired, et cetera. In these cases, performance for each objective was coded as explained in the paper: 'Negative progress,' and no progress were coded as 0, a 1 indicates that up to a third of the objective was achieved, a 2 was coded when the objective achieved between a third and two-thirds of the goal, more than two-thirds achievement that was lower than the target was coded as 3, and a 4 indicates that the objective met, or surpassed, the goal.

In cases where the indicators were less quantitative in nature — for instance, aiming to "create and implement X" — the associated comments were read carefully to approximate how much progress was made. Similar to Type 2 and 3 reports, phrases used to describe the progress that was made were used as guidelines in such cases. For instance, "No progress made" or "No improvement" was assigned a 0, "very little achieved" or "negligible improvement" got a 1, "target partially achieved" and "some improvement, but not substantial" were given 2, "substantial improvement" and "target almost achieved" were coded as 3, while "target fully achieved" and "all goals met" would be given a 4. Therefore, this type of report contains the most detailed information about the goals of each project and provides clear ways of evaluating the performance along each objective.

Thus, the pattern over time is that the ICR reports have evolved to provide more specific information about each project's goals and have made evaluation of these goals increasingly unambiguous. It should be noted, however, that despite this general trend in report format over time, there is considerable overlap of report formats in our dataset, particularly between Types 1, 2 and 3. The reason for this is that, in some cases, no information is given under the "Key Indicators Matrix," for instance, or the "Compo-

nents" cannot be evaluated from the information that is provided. The approach taken in all such cases is that more recent report types take precedence over older formats, such that, for each ICR, the coders would start by looking for information that was found in Report Type 4. If that was not provided, they would move on to Type 3, and so on. This approach was taken in order to ensure that the data contained the best possible summary of objectives for each project, based on availability. Although the information gathered is comparable, there are mean shifts associated with the changes in report formats, so fixed effects for the report types are used in all the regressions presented in the paper to account for variation arising from the different reporting procedures. In addition, we use the average level of performance across objectives in our analysis, which reduces dependence on report formats.

2 Figures and Tables from Paper

This section presents complete versions of all figures and tables from the main paper. Therefore, some of the tables are exactly as presented in the main text, while others are 'expanded' versions of the summarized results shown in the main paper. Results are presented in the same order as the main text, and hence the numbering is the same as the paper as well.

Table 1: Theoretical Expectations

	Lending	Evaluation/ Implementation
IMF	Geopolitics	Geopolitics
World Bank	Geopolitics	Corporate Influence

Table A2 presents summary statistics for the variables used in the main analyses, with more variables than those presented in the main paper's descriptive statistics table. Note that, due to data availability — and, in some cases, ICR report clarify — the number of observations is different for many variables. That column indicates the maximum number of observations, for each variable, that we have data on, even though not all

those observations end up being included in every regression model presented, since that depends on the completeness of the other variables used in the specification as well.

Table 2: Full Descriptive Statistics

Statistic	N	Mean	Median	St. Dev.	Min	Max
Disbursement Proportion	3,773	0.895	0.993	0.188	0.000	1.000
Evaluation	4,191	4.436	5	1.141	1	6
Performance	4,071	3.019	3.000	0.806	0.000	4.000
Any MNC Contractor	1,790	0.277	0	0.448	0	1
US MNC	1,790	0.106	0	0.308	0	1
France MNC	1,790	0.109	0	0.312	0	1
Germany MNC	1,790	0.027	0	0.162	0	1
Japan MNC	1,790	0.093	0	0.290	0	1
UK MNC	1,790	0.008	0	0.091	0	1
MNC Management Contractor	1,790	0.021	0	0.142	0	1
US Management Contractor	1,790	0.008	0	0.090	0	1
France Manag. Contractor	1,790	0.007	0	0.084	0	1
Germany Manag. Contractor	1,790	0.004	0	0.062	0	1
Japan Management Contractor	1,790	0.002	0	0.047	0	1
UK Management Contractor	1,790	0.001	0	0.033	0	1
US Fortune 500	2,434	0.444	0.047	0.860	0.000	4.261
France Fortune 500	2,434	0.456	0.083	0.754	0.000	3.111
Germany Fortune 500	2,434	0.357	0.040	0.711	0.000	4.081
Japan Fortune 500	2,434	0.345	0.000	0.744	0.000	3.583
UK Fortune 500	2,434	0.424	0.077	0.775	0.000	4.258
Polity_{t-1}	3,573	3.167	6	5.875	-10	10
log (Population_{t-1})	4,008	17.040	16.884	1.968	10.701	21.024
log ($\text{GDP per capita}_{t-1}$)	3,964	7.950	7.965	0.958	5.276	10.273
Corruption Control	3,325	2.414	2.333	0.810	0.000	5.000
Report Type 4	4,191	0.381	0	0.486	0	1
Report Type 3	4,191	0.199	0	0.399	0	1
Report Type 2	4,191	0.092	0	0.289	0	1
Report Type 1	4,191	0.328	0	0.469	0	1
IBRD	4,188	0.326	0	0.469	0	1
IDA	4,190	0.528	1	0.500	0	2
Approval Year	4,191	1997	1998	6.143	1981	2012
Report Year	4,142	2003	2004	5.433	1990	2013
Project Size per capita	4,048	5.407	1.987	11.692	0.004	193.688

Table A3, which summarizes some basic information about disbursement rates among

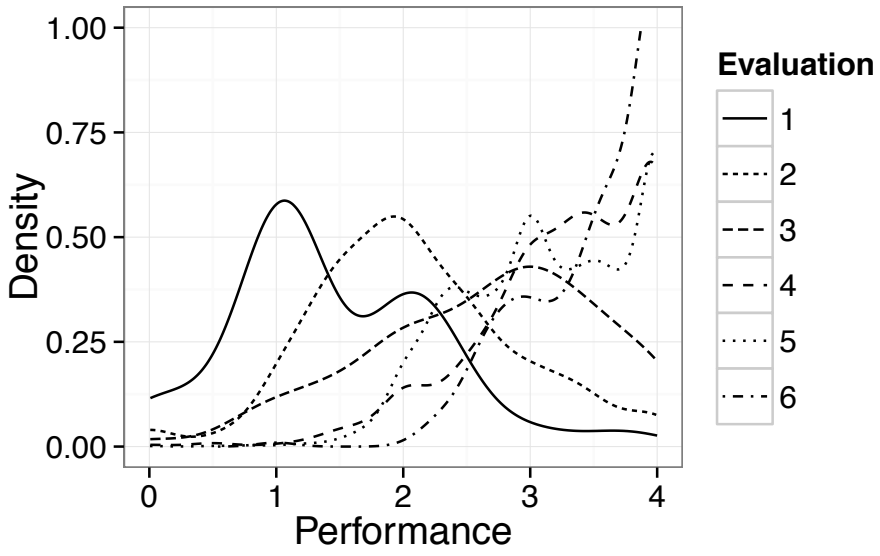

Figure 1: Performance and Evaluation

different 'groups' of projects that we are interested in, divides projects in to 'high' versus 'low' performance such that 'high' is associated with a *Performance* score greater than 3 (out of a maximum of 4). This was chosen based on the variable's distribution, such that the median is slightly over 3. Next, the columns split the two levels of performance in to those with an MNC involved versus those with no MNC involvement. The four panels provide the same breakdown for all MNC contractors, US MNC contractors, all MNC management contractors, and US MNC management contractors, respectively. Finally, each number corresponds to the average disbursement rate within each category. For instance, high performing projects that have an MNC contractor involved, on average, have 95% disbursement while those with no MNC have 92%; as the final column indicates, this difference is significantly different.

Two interesting patterns emerge from this preliminary breakdown. First, high performing projects, on average, are associated with higher disbursement than low performing ones; this pattern is reassuring. Second — and more closely relevant to this paper —

projects with an MNC involved as a contractor have uniformly higher disbursement rates, with almost all of these differences being statistically significant. Though we certainly cannot read too far in to these average differences without a more systematic statistical analysis, this pattern is nonetheless telling and warrants further inquiry, particularly in the case of low performing projects, most of which have significantly higher disbursements when there is a Fortune 500 MNC in the picture. This difference is substantively the most stark in the case of U.S. management MNCs being contractors where even low performing projects have an average disbursement of 98%, compared to 87% for similarly performing projects without an MNC involvement, and even compared to well-performing projects that do not have large MNCs involved in the project.

Table 3: MNC Involvement, Performance, and Average Disbursement

Performance	MNC	No MNC	P-Value of Diff.
	Any MNC	**No MNC**	
High	0.95	0.92	**0.020**
Low	0.89	0.86	**0.026**
	US MNC	**No US MNC**	
High	0.94	0.93	0.424
Low	0.90	0.86	**0.049**
	Any Manag.	**No Manag. MNC**	
High	0.99	0.93	**0.000**
Low	0.89	0.87	0.615
	US Manag.	**No US Manag.**	
High	0.99	0.93	**0.000**
Low	0.98	0.87	**0.005**

Table 4: Project Disbursement and MNC Contractors

	Disbursement proportion					
	Any MNC	**USA**	**France**	**Germany**	**Japan**	**UK**
Performance	0.012	0.011	0.011	0.011	0.011	0.011
	(0.008)	(0.008)	(0.008)	(0.008)	(0.008)	(0.008)
Evaluation	0.047***	0.047***	0.047***	0.047***	0.047***	0.047***
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
Any MNC	0.027**					
	(0.011)					
US MNC		0.026*				
		(0.015)				
France MNC			0.007			
			(0.017)			
Germany MNC				−0.023		
				(0.029)		
Japan MNC					0.033*	
					(0.017)	
UK MNC						−0.015
						(0.052)
Proj. Size pc	−0.0001	−0.00002	0.00001	0.0001	0.0001	0.0001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Polity_{t-1}	0.004	0.004	0.004	0.004	0.004	0.004
	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
Corruption Control	0.013	0.014	0.014	0.015	0.013	0.014
	(0.012)	(0.012)	(0.012)	(0.012)	(0.012)	(0.012)
Log(GDP pc)_{t-1}	−0.015	−0.015	−0.016	−0.018	−0.021	−0.016
	(0.062)	(0.062)	(0.062)	(0.062)	(0.062)	(0.062)
$\text{Log(Population)}_{t-1}$	−0.081	−0.063	−0.063	−0.062	−0.084	−0.059
	(0.180)	(0.180)	(0.181)	(0.180)	(0.181)	(0.181)
IBRD	−0.008	−0.007	−0.006	−0.005	−0.006	−0.006
	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)
Report FE	✓	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
N	1167	1167	1167	1167	1167	1167
Adj. R-squared	0.970	0.970	0.970	0.970	0.970	0.970

***p < .01; **p < .05; *p < .1

Table 5: Project Disbursement and MNC Management Contractors

	Disbursement proportion					
	Any MNC	**USA**	**France**	**Germany**	**Japan**	**UK**
Performance	0.010	0.009	0.009	0.009	0.009	0.009
	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)
Evaluation	0.047***	0.047***	0.047***	0.048***	0.047***	0.048***
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
Any Management	0.072**					
	(0.030)					
US MNC		0.101**				
		(0.045)				
France MNC			0.048			
			(0.052)			
Germany MNC				0.026		
				(0.075)		
Japan MNC					0.076	
					(0.085)	
UK MNC						0.090
						(0.122)
Proj. Size pc	0.004	0.004	0.004	0.004	0.004	0.005
	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
Polity_{t-1}	0.0001	0.0001	0.0002	0.0001	0.0001	0.0001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Corruption Control	0.014	0.015	0.015	0.016	0.016	0.016
	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)
Log(GDP pc)_{t-1}	−0.005	−0.001	−0.005	−0.005	−0.006	−0.006
	(0.060)	(0.060)	(0.060)	(0.060)	(0.060)	(0.061)
$\text{Log(Population)}_{t-1}$	−0.046	−0.033	−0.048	−0.042	−0.043	−0.044
	(0.174)	(0.174)	(0.174)	(0.174)	(0.174)	(0.174)
IBRD	−0.007	−0.007	−0.008	−0.008	−0.008	−0.008
	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)
Report Year	0.001	0.001	0.001	0.001	0.001	0.001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Report FE	✓	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
N	1204	1204	1204	1204	1204	1204
Adj. R-squared	0.971	0.971	0.971	0.971	0.971	0.971

***p < .01; **p < .05; *p < .1

Table 6: Project Evaluation and Management MNC Contractors

	Evaluation					
	Any MNC	**USA**	**France**	**Germany**	**Japan**	**UK**
Performance	0.687***	0.683***	0.685***	0.683***	0.688***	0.677***
	(0.032)	(0.032)	(0.032)	(0.032)	(0.032)	(0.032)
Any MNC	0.358**					
	(0.156)					
US MNC		0.448*				
		(0.237)				
France MNC			0.325			
			(0.282)			
Germany MNC				0.296		
				(0.342)		
Japan MNC					0.907**	
					(0.459)	
UK MNC						−1.716***
						(0.662)
Proj Size pc	0.021	0.022	0.022	0.022	0.022	0.019
	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)
Polity_{t-1}	0.005	0.010	0.010	0.012	0.011	0.011
	(0.059)	(0.059)	(0.059)	(0.059)	(0.059)	(0.059)
Corr.Control	0.731**	0.743**	0.730**	0.732**	0.721**	0.750**
	(0.306)	(0.307)	(0.307)	(0.307)	(0.307)	(0.306)
Log(GDP pc)_{t-1}	1.600*	1.604*	1.534*	1.607*	1.554*	1.591*
	(0.859)	(0.860)	(0.861)	(0.862)	(0.859)	(0.858)
Log(Pop)_{t-1}	0.020***	0.020***	0.020***	0.020***	0.019***	0.019***
	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)
IBRD	−0.011	−0.011	−0.018	−0.017	−0.008	−0.020
	(0.071)	(0.071)	(0.071)	(0.071)	(0.071)	(0.071)
Report Year	0.019	0.011	0.014	0.019	0.015	0.016
	(0.520)	(0.520)	(0.521)	(0.521)	(0.520)	(0.519)
Report FE	✓	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
N	1321	1321	1321	1321	1321	1321
Adj. R-squared	0.965	0.965	0.965	0.965	0.965	0.965

***p < .01; **p < .05; *p < .1

Table 7: Project Performance and Management MNC Contractors

	Performance					
	Any MNC	**USA**	**France**	**Germany**	**Japan**	**UK**
Any MNC	−0.272*					
	(0.139)					
US MNC		−0.011				
		(0.212)				
France MNC			−0.344			
			(0.252)			
Germany MNC				0.027		
				(0.305)		
Japan MNC					−1.103***	
					(0.408)	
UK MNC						−1.552***
						(0.590)
Proj. Size pc	0.044**	0.044**	0.044**	0.044**	0.044**	0.040**
	(0.017)	(0.017)	(0.017)	(0.017)	(0.017)	(0.017)
Polity_{t-1}	−0.052	−0.058	−0.054	−0.059	−0.055	−0.060
	(0.053)	(0.053)	(0.053)	(0.053)	(0.052)	(0.052)
Corr. Control	0.290	0.291	0.292	0.291	0.302	0.308
	(0.274)	(0.274)	(0.274)	(0.274)	(0.273)	(0.273)
Log(GDP pc)_{t-1}	0.561	0.586	0.623	0.590	0.601	0.603
	(0.768)	(0.769)	(0.769)	(0.770)	(0.767)	(0.767)
Log(Pop)_{t-1}	0.002	0.003	0.002	0.003	0.003	0.002
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
IBRD	−0.117*	−0.113*	−0.112*	−0.113*	−0.122*	−0.115*
	(0.064)	(0.064)	(0.064)	(0.064)	(0.064)	(0.064)
Report Year	0.083	0.087	0.087	0.088	0.086	0.089
	(0.465)	(0.465)	(0.465)	(0.465)	(0.464)	(0.464)
Report FE	✓	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
N	1321	1321	1321	1321	1321	1321
Adj. R-squared	0.943	0.943	0.943	0.943	0.944	0.944

***p < .01; **p < .05; *p < .1

Table 8: Disbursement and Fortune 500 Investment

	Disbursement Proportion				
	USA	**France**	**Germany**	**Japan**	**UK**
Performance	0.016**	0.016**	0.016**	0.016**	0.016**
	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)
Evaluation	0.060***	0.060***	0.059***	0.059***	0.059***
	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)
US F500	0.026				
	(0.016)				
US F500 × ProjSize	0.005*				
	(0.002)				
France F500		0.028**			
		(0.013)			
France F500 × ProjSize		0.002			
		(0.001)			
Germany F500			0.015		
			(0.016)		
Germany F500 × ProjSize			−0.003		
			(0.002)		
Japan F500				−0.034*	
				(0.020)	
Japan F500 × ProjSize				0.009**	
				(0.004)	
UK F500					−0.002
					(0.014)
UK F500 × ProjSize					0.004
					(0.003)
Proj Size pc	−0.001	−0.0004	0.001	−0.0003	−0.001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Polity_{t-1}	0.003	0.003	0.003	0.002	0.003
	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
Corr. Control	0.005	0.003	0.005	0.006	0.005
	(0.009)	(0.009)	(0.009)	(0.009)	(0.009)
Log(GDP pc)_{t-1}	−0.019	−0.021	0.011	0.029	0.021
	(0.059)	(0.057)	(0.057)	(0.054)	(0.055)
Log(Pop.)_{t-1}	0.144	0.161	0.181	0.152	0.171
	(0.132)	(0.131)	(0.131)	(0.131)	(0.132)
Num. active projects	0.001**	0.001*	0.001*	0.001*	0.001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
IBRD	−0.001	0.0001	0.0004	0.001	−0.001
	(0.012)	(0.012)	(0.012)	(0.012)	(0.012)
Report Year	0.021*	0.021*	0.022*	0.021*	0.021*
	(0.012)	(0.012)	(0.013)	(0.012)	(0.013)
Report FE	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓
N	1775	1775	1775	1775	1775
Adj. R-squared	0.960	0.960	0.959	0.960	0.959

***p < .01; **p < .05; *p < .1

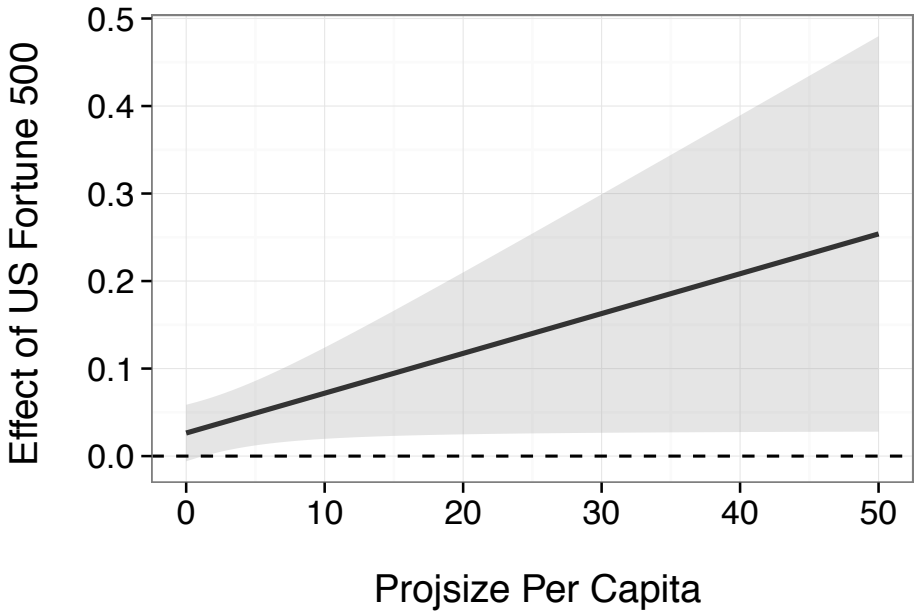

Figure 2: Marginal Effect of US Fortune 500 Investment on Disbursement

Table 9: MWH Contracts

Country	Title	Start	End	Comm.	Disb.%	Eval.	MWH
Cambodia	Road Rehabilitation	1999	2006	32.3	107%	4	1.3
Vietnam	Mekong Trans. & Flood Prot.	2000	2011	87.9	100%	4	0.3
China	Sichuan Urban Environment	1999	2007	102.0	44%	4	4.1
China	Liao River Basin	2001	2008	100.0	92%	5	2.3
China	Tongbai Pumped Storage	1999	2007	197.5	100%	5	0.2
Yemen	Urban Water Supply & San.	2002	2010	84.7	104%	4	8.9
China	Tai Basin Urban Environment	2004	2010	57.5	100%	3	0.9
Brazil	Fortaleza Metropolitan Transport	2001	2010	22.4	155%	4	2.0
Laos	Agricultural Development	2001	2008	13.1	123%	4	3.5
China	Zhejiang Urban Environment	2004	2011	133.0	100%	5	3.8
Bulgaria	Wetlands Restoration	2002	2008	7.5	100%	5	0.8
Lebanon	Ba'albeck Water and Wastewater	2002	2012	43.5	101%	0	0.6
China	Hunan Urban Development	2004	2012	172.0	100%	4	2.5

Note: *Comm.* is the original Commitment amount in million USD. MWH is the million USD amount of the MWH Contract.

Table 10: Disbursement and Geopolitical Interests - I (No Fixed Effects)

	Disbursement Proportion				
Performance	0.017***	0.024***	0.024***	0.023***	0.032***
	(0.006)	(0.006)	(0.006)	(0.006)	(0.008)
Evaluation	0.057***	0.057***	0.057***	0.057***	0.053***
	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
US Aid$_{t-1}$ (in billion USD)	−0.024				
	(0.083)				
All UN Votes$_{t-1}$		0.023			
		(0.024)			
Imp. UN Votes$_{t-1}$			0.006		
			(0.014)		
UNSC Membership				0.014	
				(0.012)	
Executive Director					0.013
					(0.015)
Proj Size pc	0.0003	0.001	0.0005	0.001	0.0004
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Polity$_{t-1}$	0.0001	−0.0001	−0.00004	0.0001	0.001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Corruption Control	0.005	0.003	0.002	0.004	0.001
	(0.006)	(0.005)	(0.005)	(0.005)	(0.006)
Log(GDP pc)$_{t-1}$	−0.021***	−0.026***	−0.024***	−0.024***	−0.026***
	(0.005)	(0.005)	(0.005)	(0.005)	(0.006)
Log(Pop.)$_{t-1}$	−0.026***	−0.027***	−0.027***	−0.028***	−0.036***
	(0.004)	(0.004)	(0.004)	(0.004)	(0.005)
Num. active projects	0.001***	0.002***	0.002***	0.002***	0.002***
	(0.0003)	(0.0003)	(0.0003)	(0.0003)	(0.0003)
IBRD	−0.017*	−0.015	−0.016*	−0.016*	−0.009
	(0.010)	(0.009)	(0.009)	(0.009)	(0.011)
Report Year	0.003*	0.003	0.002	0.002	0.001
	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
Report FE	✓	✓	✓	✓	✓
Country FE					
Year FE					
N	2082	2395	2325	2403	1858
Adj. R-squared	0.179	0.192	0.189	0.192	0.176

***p < .01; **p < .05; *p < .1

Table 11: Disbursement and Geopolitical Interests - II (Fixed Effects)

	Disbursement Proportion				
Performance	0.020***	0.026***	0.026***	0.026***	0.035***
	(0.007)	(0.006)	(0.006)	(0.006)	(0.008)
Evaluation	0.055***	0.054***	0.054***	0.054***	0.049***
	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
US Aid$_{t-1}$ (in billion USD)	0.075				
	(0.096)				
All UN Votes$_{t-1}$		0.120**			
		(0.049)			
Imp. UN Votes$_{t-1}$			−0.001		
			(0.019)		
UNSC Membership				−0.003	
				(0.013)	
Executive Director					−0.001
					(0.017)
Proj Size pc	0.001	0.001	0.001	0.001	0.001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Polity$_{t-1}$	−0.001	−0.0002	−0.0003	−0.0003	−0.001
	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
Corruption Control	0.004	0.004	0.002	0.005	0.001
	(0.008)	(0.008)	(0.008)	(0.008)	(0.009)
Log(GDP pc)$_{t-1}$	0.095**	0.007	−0.002	0.014	0.009
	(0.048)	(0.037)	(0.038)	(0.037)	(0.053)
Log(Pop.)$_{t-1}$	0.085	0.141	0.088	0.139	0.052
	(0.113)	(0.095)	(0.101)	(0.096)	(0.150)
Num. active projects	0.001**	0.001*	0.001	0.001	0.0003
	(0.001)	(0.0005)	(0.0005)	(0.0005)	(0.001)
IBRD	−0.011	−0.011	−0.013	−0.011	−0.005
	(0.011)	(0.010)	(0.010)	(0.010)	(0.012)
Report Year	−0.002	−0.001	−0.001	−0.002	−0.002
	(0.009)	(0.008)	(0.008)	(0.008)	(0.011)
Report FE	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓
N	2082	2395	2325	2403	1858
Adj. R-squared	0.959	0.959	0.958	0.958	0.954

***p < .01; **p < .05; *p < .1

3 Additional Results

This section presents results that are mentioned and referenced in the paper as extra tests and robustness checks we conduct, but are not part of the main results presented in the paper.

We start with models of *Disbursement*. Since *Disbursement* is fairly left skewed (see Figure A3 for the distribution of the variable), we conduct two types of robustness checks to take this in to account. First, Tables A12 and A13 present models of disbursement using *MNC Management Contractor* and *US Management Contractor*, respectively, with bootstrapped standard errors. The first column in each table presents the simple bootstrapped standard errors, while the second columns cluster standard errors at the country level. In addition to the bootstrap, we also run a fractional logit model for *MNC Contractors* and *MNC Management Contractors*, focusing both on all contractors and on those associated with the United States. As Table A14 shows, the main variables of interest are still positive and significantly associated with disbursement proportion.

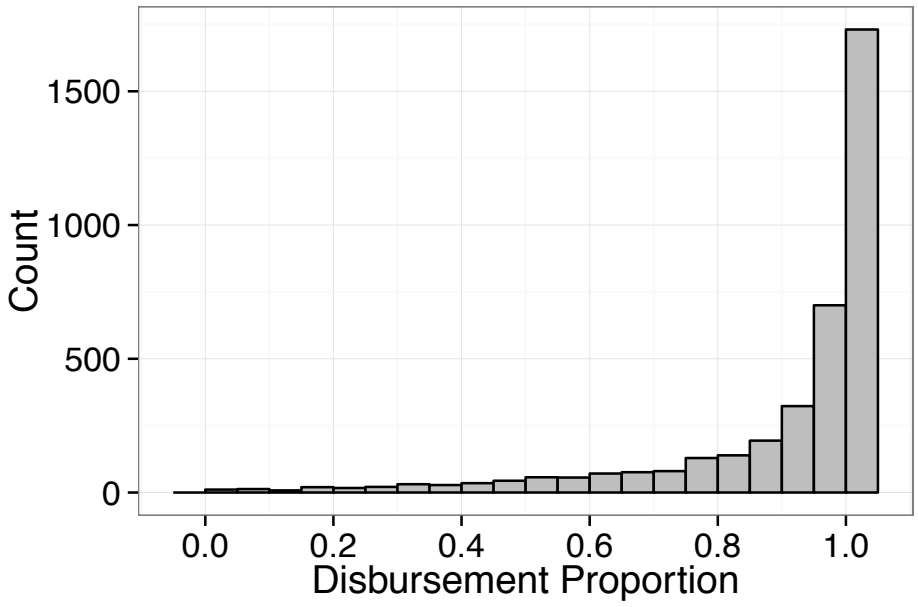

Figure 3: Distribution of *Disbursement proportion*

Table 12: Bootstrapped SEs: Disbursement and Any Management Contractor

	Disbursement proportion	
	Simple	**Country Clustered**
Performance	0.007	0.007
	(0.009)	(0.008)
Evaluation	0.051***	0.051***
	(0.007)	(0.008)
Any Management	0.044***	0.044***
	(0.016)	(0.017)
Proj. Size pc	0.001	0.001
	(0.001)	(0.001)
Polity_{t-1}	−0.0004	−0.0004
	(0.001)	(0.002)
Corruption Control	0.010	0.010
	(0.007)	(0.008)
Log(GDP pc)_{t-1}	−0.024***	−0.024***
	(0.007)	(0.008)
$\text{Log(Population)}_{t-1}$	−0.010***	−0.010
	(0.003)	(0.006)
IBRD	−0.015	−0.015
	(0.014)	(0.014)
Report Year	0.016	0.016***
	(0.003)	(0.002)
Report FE	✓	✓
Country FE		✓
Year FE		
N	1204	1204

***p < .01; **p < .05; *p < .1

Table 13: Bootstrapped SEs: Disbursement and US Management Contractor

	Disbursement proportion	
	Simple	**Country Clustered**
Performance	0.006	0.006
	(0.009)	(0.009)
Evaluation	0.052***	0.052***
	(0.007)	(0.008)
US Management	0.063***	0.063***
	(0.016)	(0.018)
Proj. Size pc	0.001	0.001
	(0.001)	(0.001)
Polity_{t-1}	−0.0004	−0.0004
	(0.001)	(0.002)
Corruption Control	0.011	0.011
	(0.007)	(0.008)
Log(GDP pc)_{t-1}	−0.024***	−0.024***
	(0.007)	(0.007)
$\text{Log(Population)}_{t-1}$	−0.010***	−0.010
	(0.003)	(0.007)
IBRD	−0.015	−0.015
	(0.014)	(0.014)
Report Year	0.016***	0.016***
	(0.014)	(0.002)
Report FE	✓	✓
Country FE		✓
Year FE		
N	1167	1167

***p < .01; **p < .05; *p < .1

Table 14: Fractional Logit: Project Disbursement and MNCs

	Disbursement proportion			
	Any MNC	**US MNC**	**Any MNC**	**US MNC**
Any MNC	0.321***			
	(0.117)			
US MNC		0.374**		
		(0.015)		
Any Management			1.021***	
			(0.364)	
US Management				2.37***
				(0.591)
Performance	0.471***	0.465***	0.454***	0.444***
	(0.069)	(0.070)	(0.069)	(0.069)
Proj. Size pc	0.030	0.030	0.034	0.033
	(0.021)	(0.021)	(0.021)	(0.021)
Polity_{t-1}	−0.006	−0.007	−0.003	−0.004
	(0.010)	(0.010)	(0.010)	(0.010)
Corruption Control	0.126	0.139*	0.138*	0.142*
	(0.081)	(0.082)	(0.082)	(0.080)
Log(GDP pc)_{t-1}	−0.258***	−0.272***	−0.270***	−0.266***
	(0.081)	(0.081)	(0.080)	(0.080)
$\text{Log(Population)}_{t-1}$	−0.071*	−0.071*	−0.059	−0.063*
	(0.038)	(0.038)	(0.038)	(0.038)
IBRD	−0.237*	−0.221	−0.259*	−0.249*
	(0.140)	(0.139)	(0.138)	(0.138)
Report Year	0.163***	0.170***	0.172***	0.173***
	(0.032)	(0.032)	(0.031)	(0.031)
Report FE	✓	✓	✓	✓
Country FE				
Year FE				
N	1168	1168	1168	1168
Adj. R-squared	0.154	0.151	0.149	0.149

***p < .01; **p < .05; *p < .1

All models include robust standard errors.

Another potential concern may be that huge MNCs tend to be contractors on the largest projects, which are perhaps also less likely to perform well. To ensure that the overall size of the project is not causing omitted variable bias in our main findings, we run models of *Disbursement* while controlling for the total project commitment amount, *Commitment*, instead of project size per capita. Table A15 presents results for both *Any MNC Contractor* and *US MNC Contractors* and, as can be seen, both coefficients are still positive and significantly associated with higher disbursements. Interestingly, the total commitment amount of the project does not seem to affect the rate of disbursement, in fact.

Table 15: Disbursement, MNC Contractors, and Total Project Size

	Disbursement proportion	
	Any MNC	**US MNC**
Performance	0.019**	0.018**
	(0.008)	(0.008)
Evaluation	0.051***	0.051***
	(0.006)	(0.006)
Commitment (Mill. $)	−0.0001	−0.0001
	(0.0001)	(0.0001)
Any MNC	0.032**	
	(0.013)	
US MNC		0.034*
		(0.017)
Polity_{t-1}	0.006	0.006
	(0.004)	(0.004)
Control of Corruption	0.008	0.011
	(0.013)	(0.013)
Log(GDP pc)_{t-1}	0.005	0.009
	(0.072)	(0.072)
Log(Pop.)_{t-1}	−0.012	−0.001
	(0.197)	(0.197)
IBRD	0.0003	0.0004
	(0.001)	(0.001)
Report Year	−0.005	−0.004
	(0.015)	(0.015)
Report FE	✓	✓
Country FE	✓	✓
Year FE	✓	✓
N	1054	1054
Adj. R-squared	0.967	0.967

***p < .01; **p < .05; *p < .1

Table A16 summarizes results from a specification that standardizes *Project Size per capita* in order to reduce the potential influence of outliers on the results where we interact *US Fortune500* with the per capita project size. In some sense the largest projects should be taken in to account in their 'original' form because our hypotheses speak to these projects being a proxy for MNC interest in the case of general investment by Fortune 500 firms. (See the distribution of the *project size per capita* variable in Figure AXYZ). However, the standardization nonetheless allows us to still discriminate between different project sizes while still reducing the overall dispersion in the original variable. To calculate the *Standardized Project Size* we subtract the mean project size from each observation, and divide it by the standard deviation. The result is a variable that ranges from approximately -1 to 18 instead of from nearly 0 to 148.[1] Though the interpretation of the variable is now slightly different, the interaction term is positive and significant, and the composite effect is positive and significant for the entire range of the variable.

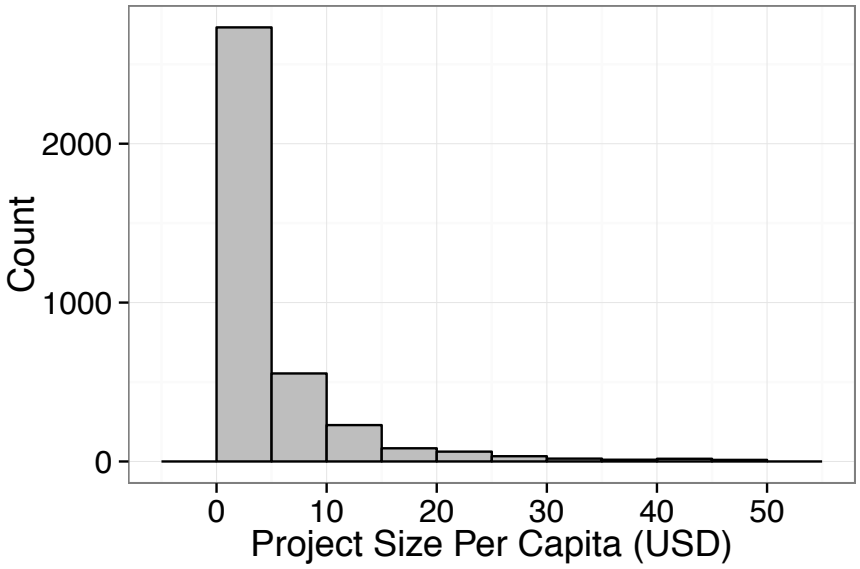

Figure 4: Distribution of *Project Size per capita*

Table 16: Disbursement, US Fortune 500, and Standardized Project Size

	Disbursement proportion
Performance	0.016**
	(0.007)
Evaluation	0.060***
	(0.005)
US F500	0.043**
	(0.017)
Standard. ProjSize	−0.004
	(0.006)
US F500 × ProjSize	0.031*
	(0.0157)
Polity_{t-1}	0.003
	(0.002)
Control of Corruption	0.005
	(0.009)
$\text{Log(GDP per capita)}_{t-1}$	−0.019
	(0.059)
$\text{Log(Population)}_{t-1}$	0.144
	(0.132)
Num. Active Proj.	0.001**
	(0.001)
IBRD	−0.001
	(0.012)
Report Year	0.021*
	(0.012)
Report FE	✓
Country FE	✓
Year FE	✓
N	1775
Adj. R-squared	0.960

***p < .01; **p < .05; *p < .1

As the paper mentions, our two ways of measuring investment are complementary since they are not closely correlated. Figure A5 presents correlations between the main variables, both dependent and independent, discussed in this paper. The correlation between *US Fortune 500 Investment* and *US MNC Contractor* is just under 0.10.

	Disb.	Eval.	Perf.	Any MNC	US MNC	France MNC	Germany MNC	Japan MNC	UK MNC	US F500	ProjSize pc
Disb.	1										
Eval.	0.332	1									
Perf.	0.274	0.468	1								
Any MNC	0.071	–0.007	–0.003	1							
US MNC	0.044	0.039	0.003	0.559	1						
France MNC	0.036	–0.023	0.007	0.568	0.08	1					
Germany MNC	–0.024	–0.015	–0.024	0.268	0.077	0.052	1				
Japan MNC	0.052	–0.002	–0.006	0.515	0.17	–0.002	–0.005	1			
UK MNC	–0.005	–0.026	–0.038	0.148	0.067	0.046	0.137	–0.008	1		
US F500	0.005	0.084	0.085	0.028	0.096	–0.007	0.007	–0.052	–0.004	1	
ProjSize pc	0.064	0.025	–0.014	–0.027	–0.015	–0.002	0.001	–0.052	0.053	–0.177	1

Figure 5: Correlations between key variables

Next, Tables A17 to A19 present models of *Evaluation*, with the independent variables of interest referring to *MNC Contractors*, both overall and associated with each of the five main countries we focus on. Table A17 uses the same specification as the main results presented in the paper that uses both country and year fixed effects. As indicated in the main text, MNC Contractors appear insignificant in this stringent specification. However, using either country or year fixed effects, as is the case in the next two tables, retains the significant relationship between *Any MNC* and *Evaluation* as well as between *US MNC* and *Evaluation*.

Table 17: Project Evaluation and MNC Contractors

	Evaluation					
	Any MNC	**USA**	**France**	**Germany**	**Japan**	**UK**
Performance	0.701***	0.701***	0.699***	0.700***	0.700***	0.701***
	(0.033)	(0.033)	(0.033)	(0.033)	(0.033)	(0.033)
Any MNC	0.077					
	(0.058)					
US MNC		0.125				
		(0.079)				
France MNC			0.018			
			(0.086)			
Germany MNC				0.071		
				(0.148)		
Japan MNC					0.028	
					(0.090)	
UK MNC						0.148
						(0.264)
Proj Size pc	0.022	0.022	0.022	0.022	0.022	0.022
	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)
Polity_{t-1}	0.007	0.011	0.012	0.010	0.010	0.011
	(0.060)	(0.060)	(0.060)	(0.060)	(0.060)	(0.060)
Corr.Control	0.766**	0.757**	0.766**	0.775**	0.761**	0.763**
	(0.310)	(0.310)	(0.311)	(0.311)	(0.311)	(0.310)
Log(GDP pc)_{t-1}	1.639*	1.688*	1.696*	1.724*	1.678*	1.682*
	(0.880)	(0.879)	(0.880)	(0.881)	(0.883)	(0.880)
Log(Pop)_{t-1}	0.017**	0.018**	0.018**	0.018**	0.018**	0.018**
	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)
IBRD	−0.007	−0.006	−0.001	−0.001	−0.0003	0.0002
	(0.073)	(0.073)	(0.073)	(0.073)	(0.073)	(0.073)
Report Year	0.071	0.073	0.050	0.051	0.047	0.047
	(0.524)	(0.523)	(0.524)	(0.524)	(0.524)	(0.524)
Report FE	✓	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
N	1281	1281	1281	1281	1281	1281
Adj. R-squared	0.965	0.965	0.965	0.965	0.965	0.965

***p < .01; **p < .05; *p < .1

Table 18: Project Evaluation and MNC Contractors (Country FE only)

	Evaluation					
Performance	0.689***	0.688***	0.686***	0.686***	0.687***	0.687***
	(0.033)	(0.033)	(0.033)	(0.033)	(0.033)	(0.033)
Any MNC	0.100*					
	(0.058)					
US MNC		0.131				
		(0.080)				
France MNC			0.038			
			(0.086)			
Germany MNC				0.096		
				(0.148)		
Japan MNC					0.065	
					(0.090)	
UK MNC						0.146
						(0.266)
Proj Size pc	0.031	0.031	0.031	0.031	0.031	0.032
	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)
Polity_{t-1}	−0.054	−0.049	−0.050	−0.052	−0.052	−0.051
	(0.058)	(0.058)	(0.058)	(0.058)	(0.058)	(0.058)
Corr.Control	0.753**	0.746**	0.752**	0.765**	0.741**	0.749**
	(0.306)	(0.306)	(0.307)	(0.308)	(0.307)	(0.307)
Log(GDP pc)_{t-1}	1.302	1.370	1.373	1.422	1.335	1.372
	(0.874)	(0.872)	(0.874)	(0.874)	(0.877)	(0.874)
Log(Pop)_{t-1}	0.016**	0.016**	0.016**	0.016**	0.016**	0.016**
	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)
IBRD	−0.013	−0.011	−0.005	−0.005	−0.004	−0.003
	(0.073)	(0.073)	(0.073)	(0.073)	(0.073)	(0.073)
Report Year	−0.093***	−0.092***	−0.092***	−0.094***	−0.092***	−0.092***
	(0.024)	(0.024)	(0.024)	(0.024)	(0.024)	(0.024)
Report FE	✓	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓	✓
Year FE						
	(0.024)	(0.024)	(0.024)	(0.024)	(0.024)	(0.024)
N	1281	1281	1281	1281	1281	1281
Adj. R-squared	0.964	0.964	0.964	0.964	0.964	0.964

***p < .01; **p < .05; *p < .1

Table 19: Project Evaluation and MNC Contractors (Year FE only)

	Evaluation					
Performance	0.737***	0.736***	0.735***	0.735***	0.735***	0.736***
	(0.032)	(0.032)	(0.032)	(0.032)	(0.032)	(0.032)
Any MNC	0.081					
	(0.055)					
US MNC		0.130*				
		(0.077)				
France MNC			0.042			
			(0.079)			
Germany MNC				0.072		
				(0.143)		
Japan MNC					0.046	
					(0.083)	
UK MNC						0.088
						(0.253)
Proj Size pc	−0.002	−0.003	−0.002	−0.002	−0.002	−0.002
	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
Polity_{t-1}	0.048	0.051	0.052	0.050	0.051	0.052
	(0.039)	(0.039)	(0.039)	(0.039)	(0.039)	(0.039)
Corr.Control	0.070**	0.062*	0.067*	0.066*	0.065*	0.064*
	(0.034)	(0.034)	(0.035)	(0.034)	(0.034)	(0.034)
Log(GDP pc)_{t-1}	0.060***	0.059***	0.061***	0.061***	0.061***	0.061***
	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Log(Pop)_{t-1}	0.021***	0.022***	0.022***	0.022***	0.022***	0.022***
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
IBRD	−0.102	−0.099	−0.100	−0.099	−0.098	−0.098
	(0.064)	(0.064)	(0.064)	(0.064)	(0.064)	(0.064)
Report Year	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
	(0.0003)	(0.0003)	(0.0003)	(0.0003)	(0.0003)	(0.0003)
Report FE	✓	✓	✓	✓	✓	✓
Country FE						
Year FE	✓	✓	✓	✓	✓	✓
N	1281	1281	1281	1281	1281	1281
Adj. R-squared	0.964	0.964	0.964	0.964	0.964	0.964

***p < .01; **p < .05; *p < .1

The next two tables present results from ordered probit models of *Evaluation*, focusing on *MNC Contractors* (Table A20) and on *MNC Management Contractors* (Table A21), respectively. Since the paper's main findings are for *Any MNC* and *US MNCs*, we limit our focus to these independent variables. As mentioned in the paper, given the nature of the data, specifications with fixed effects do not converge. Thus, both tables present results without country or year fixed effects; the first columns use *Any MNC* while the second ones run the same specification with *US MNC*.

Table 20: Project Outcomes and Ordered Probit - MNC Contractors

	World Bank Outcome	
Performance	0.834***	0.864***
	(0.045)	(0.046)
Any MNC	0.129*	
	(0.074)	
US MNC		0.180*
		(0.099)
Polity_{t-1}	−0.003	−0.004
	(0.006)	(0.006)
Control of Corruption	0.030	0.056
	(0.053)	(0.052)
Log(GDP pc)_{t-1}	0.098	0.090**
	(0.061)	(0.041)
Log(Pop.)_{t-1}	0.082***	0.086***
	(0.031)	(0.026)
Project Size pc	0.026***	0.028***
	(0.010)	(0.009)
IBRD	−0.158	−0.157***
	(0.100)	(0.052)
Report Year	−0.070***	−0.150***
	(0.0004)	(0.0003)
Report FE	✓	✓
Country FE		
Year FE		
N	1282	1282

***p < .01; **p < .05; *p < .1

***p < .01; **p < .05; *p < .1

Note: The models do not converge with Year FE or Country FE, hence the presented specifications have been used.

Table 21: Project Outcomes and Ordered Probit - MNC Management Contractors

	World Bank Outcome	
Performance	0.818***	0.810***
	(0.043)	(0.043)
Any Management	0.518***	
	(0.002)	
US Management		0.720***
		(0.002)
Polity_{t-1}	0.0003	0.0001
	(0.006)	(0.006)
Control of Corruption	0.034	0.040
	(0.052)	(0.052)
$\text{Log(GDP per capita)}_{t-1}$	0.078	0.078
	(0.057)	(0.058)
$\text{Log(Population)}_{t-1}$	0.098***	0.096***
	(0.029)	(0.029)
Project Size per cap.	0.031***	0.031***
	(0.009)	(0.009)
IBRD	−0.169*	−0.166*
	(0.097)	(0.098)
Report Year	−0.067***	−0.065***
	(0.0004)	(0.0004)
Report FE	✓	✓
Country FE		
Year FE		
N	1321	1321

***p < .01; **p < .05; *p < .1
Note: The models do not converge with Year FE or Country FE, hence the presented specifications have been used.

As the results in the paper showed, *Project Performance* is not improved by having a management MNC contractor. Table A22 indicates, this is consistent for all types of *MNC Contractors* as well.

Table 22: Project Performance and MNC Contractors

	Performance					
Any MNC	−0.066					
	(0.051)					
US MNC		−0.061				
		(0.070)				
France MNC			0.004			
			(0.075)			
Germany MNC				−0.077		
				(0.130)		
Japan MNC					−0.128	
					(0.079)	
UK MNC						−0.561**
						(0.231)
Proj Size pc	0.044**	0.044**	0.044**	0.044**	0.045***	0.043**
	(0.017)	(0.017)	(0.017)	(0.017)	(0.017)	(0.017)
Polity_{t-1}	−0.049	−0.052	−0.053	−0.051	−0.047	−0.051
	(0.053)	(0.053)	(0.053)	(0.053)	(0.053)	(0.053)
Corr. Control	0.306	0.311	0.308	0.297	0.326	0.316
	(0.272)	(0.273)	(0.273)	(0.273)	(0.273)	(0.272)
Log(GDP pc)_{t-1}	0.856	0.809	0.800	0.780	0.916	0.881
	(0.772)	(0.771)	(0.772)	(0.772)	(0.774)	(0.770)
Log(Pop)_{t-1}	0.003	0.003	0.003	0.003	0.003	0.003
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
IBRD	−0.133**	−0.136**	−0.139**	−0.138**	−0.137**	−0.139**
	(0.064)	(0.064)	(0.064)	(0.064)	(0.064)	(0.064)
Report Year	0.091	0.099	0.112	0.108	0.112	0.112
	(0.460)	(0.460)	(0.460)	(0.460)	(0.460)	(0.459)
Report FE	✓	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
N	1282	1282	1282	1282	1282	1282
Adj. R-squared	0.945	0.945	0.945	0.945	0.945	0.945

***p < .01; **p < .05; *p < .1

Table A23 presents results from a model of *Disbursement*, where the independent variables of interest are US Fortune 500 investment and its interaction with project size, to show that the results are robust to including sectoral fixed effects.

Table 23: Project Disbursement, US Fortune 500 and Sectors

	Disbursement proportion
Performance	0.017**
	(0.007)
Evaluation	0.060***
	(0.005)
US Fortune 500	0.027*
	(0.016)
Fortune 500×Projsize	0.005**
	(0.002)
Project Size per capita	−0.0004
	(0.001)
Polity_{t-1}	0.003
	(0.002)
Control of Corruption	0.006
	(0.009)
$\text{Log(GDP per capita)}_{t-1}$	−0.018
	(0.058)
$\text{Log(Population)}_{t-1}$	0.140
	(0.131)
Num. active projects	0.001**
	(0.001)
IBRD	−0.001
	(0.012)
Report Year	0.017
	(0.012)
Agriculture	0.013
	(0.011)
Public Admin.	0.034***
	(0.012)
Information	−0.070***
	(0.026)
Education	0.033***
	(0.013)
Finance	−0.018
	(0.015)
Health	0.017
	(0.010)
Power	0.040**
	(0.018)
Transport	0.002
	(0.012)
Water and San.	0.028**
	(0.013)
Industry	−0.018
	(0.014)
Environment	0.316
	(0.213)
Labor	−0.058
	(0.177)
Report FE	✓
Country FE	✓
Year FE	✓
N	1775
Adj. R-squared	0.234

***p < .01; **p < .05; *p < .1

Figures A6 and A7 plot the composite effect of Fortune 500 investment from French and Japanese Global Fortune 500 firms, respectively, for the range of project sizes in our data. Thus, these figures are similar to that shown in the paper for US Fortune 500 investment.

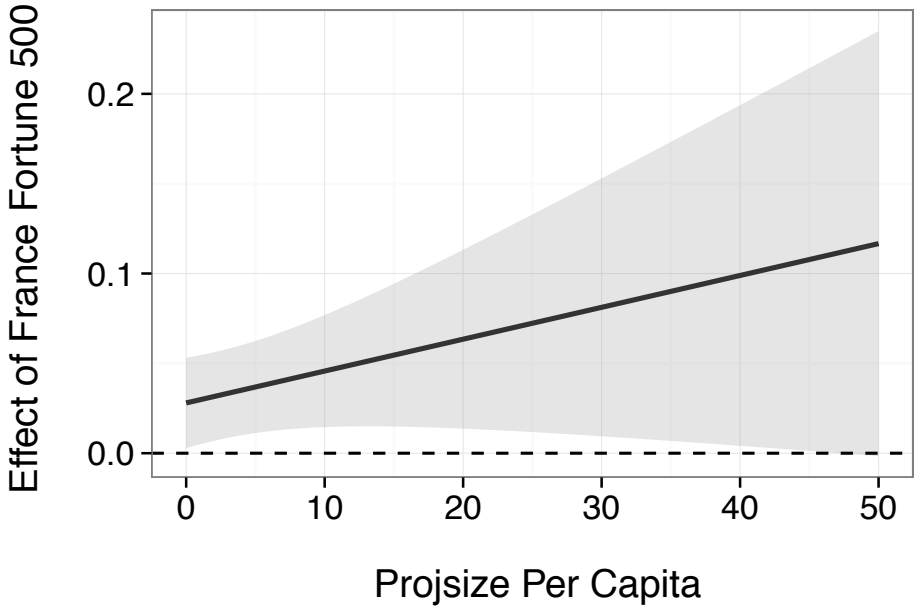

Figure 6: Marginal Effect of French Fortune 500 Investment on Disbursement

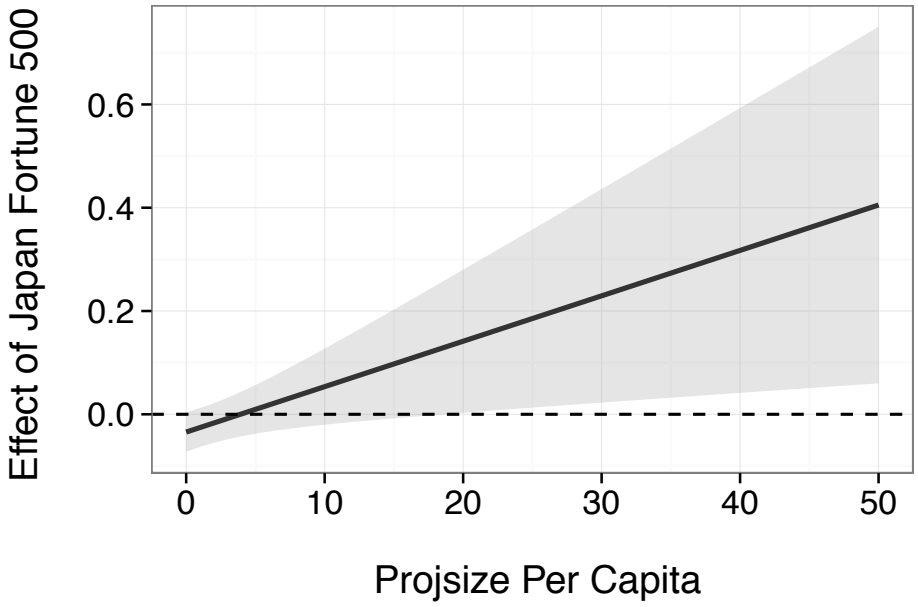

Figure 7: Marginal Effect of Japanese Fortune 500 Investment on Disbursement

Table A24 presents models of *Disbursement* that take in to account overall foreign direct investment in project-recipient countries, to discriminate between an economic explanation for our results and a political one. The results are outlined in Section 5 of the paper.

Table 24: Total FDI and Disbursement

	Disbursement proportion							
Performance	0.018***	0.010	0.008	0.013*	0.018***	0.010	0.008	0.013*
	(0.006)	(0.007)	(0.007)	(0.007)	(0.006)	(0.007)	(0.007)	(0.007)
Evaluation	0.048***	0.046***	0.046***	0.056***	0.048***	0.046***	0.046***	0.056***
	(0.004)	(0.006)	(0.006)	(0.005)	(0.004)	(0.006)	(0.006)	(0.005)
FDI flow ($ bill.)	−0.00004	0.00000	0.00000	−0.00005				
	(0.00003)	(0.00004)	(0.00004)	(0.0001)				
FDI stock ($ bill.)					−0.0002	0.00001	−0.00000	−0.0004
					(0.0002)	(0.0002)	(0.0002)	(0.0003)
Project Size pc	0.001*	0.001	0.001	−0.0001	0.001*	0.001	0.001	−0.0001
	(0.0005)	(0.001)	(0.001)	(0.001)	(0.0005)	(0.001)	(0.001)	(0.001)
MNC Management		0.074**				0.074**		
		(0.030)				(0.030)		
US Management			0.104**				0.104**	
			(0.045)				(0.045)	
US F500				0.010				0.015
				(0.015)				(0.015)
USF500×ProjSize				0.004**				0.004**
				(0.002)				(0.002)
Polity_{t-1}	−0.0002	0.003	0.003	0.002	−0.00003	0.003	0.003	0.002
	(0.001)	(0.004)	(0.004)	(0.002)	(0.001)	(0.004)	(0.004)	(0.002)
Corruption Control	0.006	0.013	0.014	0.003	0.007	0.013	0.014	0.004
	(0.007)	(0.011)	(0.011)	(0.009)	(0.007)	(0.011)	(0.011)	(0.009)
Log(GDP pc)_{t-1}	0.048	0.006	0.010	−0.012	0.051	0.007	0.012	−0.006
	(0.034)	(0.068)	(0.068)	(0.059)	(0.034)	(0.068)	(0.068)	(0.059)
$\text{Log(Population)}_{t-1}$	0.186**	−0.008	0.004	0.174	0.179**	−0.010	0.003	0.172
	(0.084)	(0.175)	(0.176)	(0.134)	(0.083)	(0.175)	(0.175)	(0.133)
IBRD	−0.044***	−0.035*	−0.036*	−0.026	−0.044***	−0.035*	−0.035*	−0.025
	(0.012)	(0.019)	(0.019)	(0.016)	(0.012)	(0.019)	(0.019)	(0.016)
Report Year	−0.013	0.111	0.106	−0.002	−0.013	0.111	0.106	−0.002
	(0.009)	(0.165)	(0.165)	(0.004)	(0.009)	(0.165)	(0.165)	(0.004)
Report FE	✓	✓	✓	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓	✓
N	2622	1145	1145	1826	2615	1145	1145	1826
Adj. R-squared	0.233	0.263	0.262	0.214	0.232	0.263	0.262	0.214

***p < .01; **p < .05; *p < .1

The results presented in Table A25 are models of *Disbursement* that take geopolitical factors in to account, but are different from the main analyses in that they add interaction terms between the geopolitical variables of interest and project size. This structure more closely mimics the results for Fortune 500 investment, the effect of which is conditioned by the size of World Bank projects. As the table indicates, only one geopolitical factor seems to be significant, *All UN Votes*, and Figure A8 plots the overall effect of UN voting on disbursement. Finally, Table 27 presents results from regressing *Evaluation* on each geopolitical variable as well.

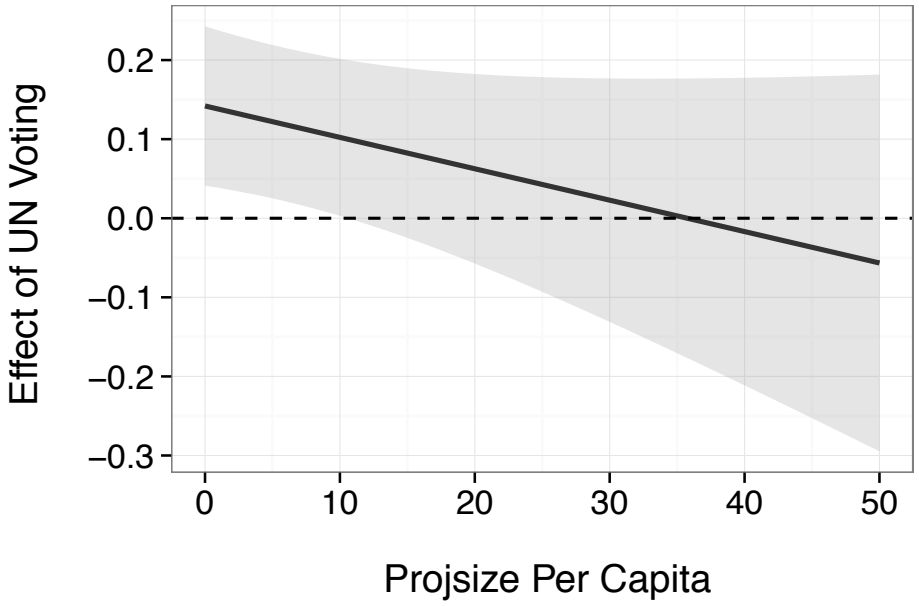

Figure 8: Marginal Effect of UNGA Voting Similarity on Disbursement

Table 25: Disbursement and Geopolitical Interests with Interactions

	Disbursement Proportion				
Performance	0.020***	0.026***	0.025***	0.026***	0.035***
	(0.007)	(0.006)	(0.006)	(0.006)	(0.008)
Evaluation	0.055***	0.055***	0.054***	0.054***	0.049***
	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
US Aid_{t-1} (in billion USD)	0.035				
	(0.102)				
US $\text{Aid}_{t-1} \times$ ProjSize	0.023				
	(0.020)				
All UN Votes_{t-1}		0.142***			
		(0.051)			
All UN $\text{Votes}_{t-1} \times$ ProjSize		−0.004			
		(0.003)			
Imp. UN Votes_{t-1}			0.006		
			(0.021)		
Imp. UN $\text{Votes}_{t-1} \times$ ProjSize			−0.002		
			(0.002)		
UNSC Membership				0.0001	
				(0.015)	
$\text{UNSC}_{t-1} \times$ ProjSize				−0.001	
				(0.002)	
Executive Director					−0.011
					(0.020)
$\text{ED}_{t-1} \times$ ProjSize					0.004
					(0.004)
Proj Size pc	0.001	−0.0001	0.001	0.001	0.001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Polity_{t-1}	−0.001	−0.0001	−0.0003	−0.0003	−0.001
	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
Corruption Control	0.004	0.004	0.001	0.005	0.001
	(0.008)	(0.008)	(0.008)	(0.008)	(0.009)
Log(GDP pc)_{t-1}	0.091*	0.008	−0.002	0.013	0.010
	(0.048)	(0.037)	(0.038)	(0.037)	(0.053)
Log(Pop.)_{t-1}	0.080	0.149	0.092	0.139	0.058
	(0.113)	(0.096)	(0.101)	(0.096)	(0.150)
Num. active projects	0.001*	0.001	0.001	0.001	0.0003
	(0.001)	(0.0005)	(0.0005)	(0.0005)	(0.001)
IBRD	−0.012	−0.012	−0.013	−0.011	−0.005
	(0.011)	(0.010)	(0.010)	(0.010)	(0.012)
Report Year	−0.001	−0.001	−0.001	−0.002	−0.002
	(0.009)	(0.008)	(0.008)	(0.008)	(0.011)
Report FE	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓
N	2082	2395	2325	2403	1858
Adj. R-squared	0.959	0.959	0.958	0.958	0.954

***p < .01; **p < .05; *p < .1

Finally, Table A26 presents results of *US Fortune 500* on *disbursement* while controlling for all five measures of geopolitical interests at the same time. Even with this restrictive specification, which also takes in to account all three types of fixed effects as the main results, the interaction coefficient of interest remains positive and significant, with similar substantive size as before. Interestingly, none of the geopolitical factors retain significance here.

Table 26: Disbursement, Fortune 500 and Geopolitical Interests

	Disbursement Proportion
Performance	0.028***
	(0.011)
Evaluation	0.050***
	(0.006)
US Fortune 500	0.053*
	(0.030)
US F500 × ProjSize	0.005*
	(0.003)
US Aid_{t-1} (in billion USD)	−0.001
	(0.002)
SScore_{t-1}	−0.043
	(0.206)
SScore Imp._{t-1}	0.139
	(0.106)
UNSC Membership	0.001
	(0.039)
Executive Director	−0.023
	(0.025)
Proj Size pc	0.021
	(0.024)
Polity_{t-1}	0.003
	(0.003)
Corruption Control	−0.010
	(0.014)
Log(GDP pc)_{t-1}	−0.178
	(0.134)
Log(Pop.)_{t-1}	0.066
	(0.287)
Num. active projects	0.001
	(0.001)
IBRD	0.005
	(0.016)
Report Year	−0.002
	(0.014)
Report FE	✓
Country FE	✓
Year FE	✓
N	1092
Adj. R-squared	0.952

***p < .01; **p < .05; *p < .1

Table 27: Project Evaluation and Gepolitics

	Evaluation				
Performance	0.812***	0.818***	0.813***	0.815***	0.929***
	(0.030)	(0.029)	(0.029)	(0.029)	(0.036)
US Aid$_{t-1}$ (in billion USD)	0.406				
	(0.507)				
SScore$_{t-1}$		−0.004			
		(0.264)			
SScore Imp.$_{t-1}$			−0.154		
			(0.100)		
UNSC Membership				0.116*	
				(0.069)	
Executive Director					0.060
					(0.089)
Polity$_{t-1}$	−0.014*	−0.014*	−0.013	−0.013	−0.006
	(0.008)	(0.008)	(0.008)	(0.008)	(0.010)
Corr. Control	0.093**	0.095**	0.090**	0.092**	0.168***
	(0.043)	(0.039)	(0.039)	(0.039)	(0.048)
Log(GDP pc)$_{t-1}$	0.163	0.028	0.004	−0.030	0.555**
	(0.231)	(0.184)	(0.187)	(0.186)	(0.273)
Log(Pop)$_{t-1}$	0.565	0.724	0.677	0.749	1.282
	(0.594)	(0.512)	(0.537)	(0.512)	(0.780)
Proj. size pc	0.001	0.003	0.002	0.003	−0.001
	(0.004)	(0.004)	(0.004)	(0.004)	(0.005)
IBRD	−0.073	−0.095*	−0.100*	−0.104*	−0.099
	(0.057)	(0.053)	(0.053)	(0.053)	(0.061)
Report Year	−0.004	−0.010	−0.013	−0.007	−0.011
	(0.045)	(0.041)	(0.041)	(0.041)	(0.053)
Report FE	✓	✓	✓	✓	✓
Country FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓
N	2228	2547	2471	2556	2001
Adj. R-squared	0.955	0.955	0.955	0.954	0.951

***p < .01; **p < .05; *p < .1

3.1 Comparison with Kilby (2009)

To compare our findings with Kilby (2009), we construct a 'U.S. Friend' dummy variable based on the coding of Kilby's measure. Because the involvement of MNC contractors is a project-level concept and does not intuitively fit well with country-year measurement, we code *US Friend* at the project level instead. That is, using the year in which a World Bank project ended, we code a dummy for whether the project-recipient country was a *US Friend* in that year. The results in Table A28 show that this variable

is not significantly associated with project-level disbursement (Column 1), nor does it affect our main results for the involvement of Management Contractors, both overall and associated with the U.S. This difference with Kilby's findings may, in part, be due to a differently specified dependent variable in Kilby (2009), which uses disbursement in USD, rather than disbursement proportion. Kilby's results may therefore be driven by large, policy-based loans, which are more similar to IMF programs than the typical projects in our data set.

Table 28: Project Disbursement and US Friend (Kilby comparison)

	Disbursement proportion		
Performance	0.024***	0.016*	0.016*
	(0.007)	(0.009)	(0.009)
Evaluation	0.053***	0.046***	0.047***
	(0.004)	(0.007)	(0.007)
Any Management		0.080**	
		(0.040)	
US Management			0.112*
			(0.060)
US Friend	−0.008	0.017	0.019
	(0.015)	(0.022)	(0.022)
Proj. Size pc	0.001*	0.001	0.001
	(0.001)	(0.002)	(0.002)
Polity_{t-1}	0.0002	0.006	0.006
	(0.002)	(0.005)	(0.005)
Corruption Control	−0.004	0.014	0.015
	(0.008)	(0.018)	(0.018)
Log(GDP pc)_{t-1}	0.023	−0.003	−0.005
	(0.039)	(0.099)	(0.099)
$\text{Log(Population)}_{t-1}$	0.278**	−0.077	−0.073
	(0.112)	(0.265)	(0.265)
IBRD	−0.023**	−0.021	−0.021
	(0.011)	(0.018)	(0.018)
Report Year	−0.020**	0.003	0.003
	(0.010)	(0.009)	(0.009)
Report FE	✓	✓	✓
Country FE	✓	✓	✓
Year FE	✓	✓	✓
N	2008	796	796
Adj. R-squared	0.961	0.969	0.969

***p < .01; **p < .05; *p < .1

3.2 IEG Evaluations

A last robustness check makes use of the IEG's Outcome rating for each project. The IEG audits every ICR report in order to identify and deter exaggerated performance claims. If IEG ratings more accurately reflect performance, controlling for them should improve our measurement of excess disbursements. The IEG ranks each project on the same six-point scale and using the same methodology as the ICR reports. We use the IEG ratings in our models of *Disbursement* in two ways – in place of our measure for *Performance*^{2} and, then, in place of the measure for *Evaluation*. Table A29 presents results from both, with the independent variables of interest being *Any MNC* (Columns 1 and 3) and *US MNC* (Columns 2 and 4). Though the IEG's measures are significant in all four specifications, our measures of MNC interest also remain positive and significant, with coefficients of a similar size as before. We interpret this as the IEG ratings not screening out the biases in ICR ratings. That is, since the difference between ICR and IEG ratings is not associated with MNC involvement, while the difference between ICR ratings and *Performance* is, we conclude that there is not much difference between ICR and IEG project outcome measures, at least with respect to the biases introduced by the activities of multinationals.

Incorporating the IEG's evaluations into our analyses provides additional confidence in our findings, because these results indicate that our findings are not dependent on our coding of *Performance* or on our reliance on ICR reports. Further, these additional results suggest that the IEG is not completely effective in screening out the biases that we identify that are related to lobbying by multinational firms.

Table 29: IEG Outcomes and Disbursement - MNC Contractors

			Disbursement proportion	
	Any MNC	**US MNC**	**Any MNC**	**US MNC**
Performance	0.012	0.012		
	(0.008)	(0.008)		
IEG for Evaluation	0.051***	0.051***		
	(0.006)	(0.006)		
IEG for Performance			0.037***	0.037***
			(0.009)	(0.009)
Evaluation			0.036***	0.036***
			(0.007)	(0.007)
Any MNC	0.030**		0.030***	
	(0.012)		(0.011)	
US MNC		0.027*		0.026*
		(0.016)		(0.015)
Project Size per capita	−0.0003	−0.0002	−0.0003	−0.0002
	(0.001)	(0.001)	(0.001)	(0.001)
Polity_{t-1}	0.007*	0.007*	0.006	0.006
	(0.004)	(0.004)	(0.004)	(0.004)
Control of Corruption	0.011	0.013	0.012	0.014
	(0.012)	(0.012)	(0.012)	(0.012)
$\text{Log(GDP per capita)}_{t-1}$	−0.019	−0.020	0.0001	−0.0004
	(0.066)	(0.066)	(0.065)	(0.065)
$\text{Log(Population)}_{t-1}$	−0.091	−0.073	−0.010	0.011
	(0.193)	(0.193)	(0.186)	(0.186)
IBRD	−0.013	−0.012	−0.016	−0.014
	(0.015)	(0.015)	(0.014)	(0.014)
Report Year	0.104	0.096	0.114*	0.107
	(0.069)	(0.069)	(0.068)	(0.068)
Report FE	✓	✓	✓	✓
Country FE	✓	✓	✓	✓
Year FE	✓	✓	✓	✓
N	1112	1112	1145	1145
Adj. R-squared	0.262	0.259	0.267	0.264

***p < .01; **p < .05; *p < .1