Human rights conditionality and aid allocation: Case study of Japanese foreign aid policy

Abstract

This paper examines a new trend in Japan's Official Development Assistance (ODA) policy that emerged at the end of the Cold War. In 1992, the Japanese government adopted the "Official Development Assistance Charter," which obliged Japan to use its foreign aid to promote human rights, democracy, and freedom. Since the beginning of the 1990s, there have been cases when Japan imposed "human rights conditionalities" by increasing the amount of foreign aid to the recipient countries with good human rights records and reducing economic assistance to the countries with poor human rights practices. However, there remain doubts whether Japan is truly committed to use its aid power as leverage to ensure that democracy and human rights are respected by the governments of its aid recipients. This paper uses panel data analysis to examine whether the condition of human rights in aid-recipient countries has become one of the factors that influence Japan's ODA allocation. The findings reveal the lack of evidence to prove that the human rights condition in aid-recipient countries has influenced the allocation of Japanese aid.