

Contents

Abbreviations

Summary	1
1 Introduction	3
2 Analytical framework	5
2.1 The rise of budget support and its expected benefits	5
2.2 Critical perspectives on budget support and the reactions of European donors	7
2.3 Hypotheses	10
3 Empirical inquiry	13
3.1 Cross-country evidence from Europe	13
3.2 Comparing Germany and the United Kingdom	20
3.2.1 Case selection	20
3.2.2 Between-country comparison: The aid system in Germany and the United Kingdom	20
3.2.3 Within-country comparison: party politics and the economic context	23
4 Conclusions	24
Bibliography	27
Annex	31