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Between Economic Necessity and Ideology: IMF Programs Before and During the Global Financial Crisis

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Abstract

This paper analyzes the role of government ideology in IMF program initiation in Latin America and Eastern Europe during the 1981-2012 period. Particularly in Eastern Europe, the statistical tests reveal a significant increase in the magnitude and resilience of partisan differences in the recent round of IMF programs compared to the pre-crisis years. Based on comparisons to earlier crises, this recent revival of ideology seems to be primarily due to the external roots and the large magnitude of the current crisis, which mirrors the dynamics of the Latin American debt crisis of the 1980s. By comparison, regional partisan trends, such as the rise of the Latin American Left in the last decade, played a secondary role.

Contrary to the popular picture of the International Monetary Fund(IMF) as the ideological steamroller of neoliberal globalization, the partisanship of domestic politics in developing countries' relations with the Fund has proven to be a resilient force. This critical institution of global economic governance has a great deal of coercive and socialization power, but ultimately its ability to shape economic policy in member countries is mediated by domestic politics. But given the variety of domestic political institutions and processes, one wonders how the partisan orientation of governments in developing countries affects their interactions with the IMF? Why are these partisan political dynamics much more contentious in some regional and temporal contexts than in others? And how does partisanship matter in the context of the current global financial crisis (GFC)? To answer these questions this paper focuses on how the interaction between economic crises and government ideological orientation affects the decision of developing country governments to initiate IMF-supported programs. In order to put the recent round of IMF programs in perspective I will compare them to the historical patterns that emerge from the last three decades of interactions between the IMF and the governments of Eastern Europe and Latin America.

Despite the Fund's technocratic discourse and its stated goal of political neutrality (Guitian 1981, Polak 1991), IMF policy prescriptions are deeply rooted in neo-classical economics and have therefore elicited repeated criticisms of imposing Western neoliberalism throughout world and of favoring creditors while imposing excessive costs on debtors (Payer 1974, Pastor 1987, Stiglitz 2002). Since IMF programs also have important domestic distributive implications (Pastor 1987,Vreeland 2002), it is not surprising that the negotiations surrounding the initiation of these programs is inextricably linked to partisan competition in developing countries (Caraway et al 2012, Pop-Eleches 2009, Stone 2002)

Since many aspects of IMF policy prescriptions have stayed remarkably constant (Edwards 1989, Stiglitz 2000), it is not surprising that the current debates about the IMF's role in the current global financial crisis echo earlier ideological disagreements about the proper role of IMF policy advice in the economic adjustment of developing countries. Beneath this basic continuity, however, there have been noticeable changes in the Fund's conditionality both historically (James 1998) and in recent years (Ban 2013b, Gallagher 2013, Grabel 2011), as well as in the economic and ideological context in which IMF programs occur. These changes include the move from the ideological bipolarity of the Cold War to the liberal hegemony of the 1990s and to growing ideological contestation in the past decade, the important fluctuations in the nature of the economic crises that the IMF was trying to address, the varying scope of IMF policy prescriptions, and the changing relationship between developing countries and international financial markets.

This paper develops a framework for understanding how changes in the global economic and political context shape the partisan politics of IMF programs and then tests it using statistical evidence from Latin America (1982-2012) and Eastern Europe (1990-2012). The analysis reveals that the relative salience and resilience of ideology depends on the particular nature of the economic crisis in a given region and period as well as (and to a somewhat lesser extent) on the scope of IMF conditionality and the broader regional and global ideological context in which IMF programs occur. More concretely, this paper demonstrates that government orientation had a greater and more resilient impact on IMF program initiation in periods, such as the debt crisis in Latin America in the 1980s and the post-Lehman global financial crisis in Eastern Europe. What these crises had in common was the fact that they were triggered by exogenous factors and ended up affecting most countries in a given region. The paper also reveals a surprisingly strong government orientation effect in both regions during the "Washington Consensus" period of the 1990s, which can be best explained by the more expansive nature of IMF conditionality during this period.

This paper proceeds as follows: the first section clarifies some key concepts. The second section presents four alternative explanations for variations in the nature and resilience of partisan effects in IMF program initiation and develops a set of observable implications of these theories in Latin American and East European IMF programs in the last three decades. The third section tests these predictions using separate time-series cross-sectional regressions for the two regions. The final section concludes.

Some conceptual issues

While it is of course difficult to establish – and virtually impossible to code in a cross-national context – to what extent politicians espousing various policy platforms do so because of ideological convictions or because of pressures coming from different electoral constituencies, this paper follows much of the existing literature (Frye 2002, 2010, Murillo and Schrank 2005) in using both the terms *ideological* and *partisan* to refer to the left-right orientation of different parties and governments.[1] When referring to economic *crises* I mean situations in which a country performs badly along a critical economic dimension, such as reserve positions or debt service burdens.[2] Since crises are at least in part political constructs (Blyth 2002,2010 Pop-Eleches 2008, Widmaier et al 2007), poor economic performance will not necessarily be recognized as a crisis by either the government or the IMF. However, a more subjective crisis definition would be problematic for the present analysis because it would already incorporate important ideological elements.

Perhaps most importantly for the present discussion, we need to clarify a few concepts related to the interaction between partisanship and economic crisis. As illustrated in Table 1, there are four ideal-type scenarios about the relationship between partisanship and economic policy-making: (1) *partisan irrelevance*, which occurs if parties of different stripes enact similar policies across all types of economic conditions; (2) *crisis-driven partisan divergence*, which occurs if partisan differences only surface during crisis situations; (3) *crisis-driven partisan convergence*, which occurs if partisan differences occur during "good times" but disappear during crises; and (4) *constant partisan salience*, where policies differ across different partisan affiliations during both good times and economic crises.

Table 1: Four scenarios of partisan policy impact

		Does partisanship matter during "good times"?	
		No	Yes
Does partisanship matter during crises?	No	***Partisan irrelevance***	***Crisis-driven partisan divergence***
	Yes	***Crisis-driven partisan convergence***	***Constant partisan salience***

[1] This was also partly done for stylistic reasons to avoid excessive repetition of the term partisan.
[2] In the statistical tests I use continuous versions of the economic indicators, since I have found no evidence that dichotomous indicators perform better and since the imposition of thresholds is inevitably somewhat arbitrary.

In the absence of interaction terms between partisanship and crisis indicators,[3] statistical tests of partisan policy differences are essentially limited to adjudicating between *partisan irrelevance* and *constant partisan salience,* while the other two scenarios are erroneously forced into one of these two options.

However, there is no reason to assume that partisan differences are uniform across different economic conditions. In ideological terms *crisis-driven partisan divergence* can be interpreted as the result of powerful ideological convictions that trigger different interpretations of a given economic crisis, which in turn exacerbate otherwise minor policy differences between parties of different ideological stripes. Alternatively, it is conceivable that political parties abandon their ideological convictions in the face of severe economic crisis (either because the crisis undermines their ideology, or because political exigencies reduce the salience of ideology), in which case we would observe *crisis-driven partisan convergence.* Thus, even though these two scenarios could yield similar average partisan effects, these averages would obscure important differences in the *resilience* of partisan differences, which is much higher in the divergence than in the convergence scenario.

Alternative explanations of partisan dynamics in IMF programs

This section presents four potential explanations for why the partisan dynamics of IMF program initiation could vary across different temporal and regional contexts. Because a number of studies have shown that partisan politics have affected the trajectories of both IMF programs (Stone 2002; Pop-Eleches 2008, 2009) and neoliberal reforms more broadly in the two regions (Appel 2004; Doyle 2012; Epstein 2008; Frye 2002; Murillo 2002; Murillo and Schrank 2005; Remmer 1998), an obvious starting point are the changes in the ideological debates and the electoral politics in a given region and time period. Thus, one would expect a stronger and more resilient role of ideological differences when there is greater global and/or regional ideological contestation about the proper mix of economic policies.

From this perspective, we should expect the role of partisan differences to decline from the bipolar ideological context of the Cold War[4] to the period of neoliberal hegemony in the 1990s (Kwon and Pontusson 2010), which John Williamson (1990) famously called the "Washington Consensus". By the same token, the gradual dissolution of this consensus following the string of financial crises of the late 1990s, culminating with the spectacular fall from grace of Argentina in 2001, and reinforced by the spectacular success of China's heterodox economic model, signaled a rebirth of ideological challenges to neoliberal economics in the last decade. As illustrated by the vigorous presence the Occupy movement in many advanced industrial democracies, and the wide-spread anti-austerity protests in Greece, Spain and several East European members, these challenges have gained significant momentum since the outbreak of the GFC and thus would lead us to predict a renewed uptick in the relevance of partisan differences in IMF program politics. Given the much discussed left-turn of Latin American politics in the last decade (Castaneda 2006, Cleary 2006, Remmer 2012), we would expect this "return to ideology" to be particularly strong in Latin America, though more recent analyses (Kingstone and Young 2009, Stallings and Peres 2011; Ban 2013a) have cast some doubt on the

[3] Most statistical analyses of economic policy drivers do not include interaction terms between partisanship and crisis indicators, and thereby implicitly assume that the two factors matter independently of each other.

[4] While in the West challenges to neoliberal economics had been declining since the mid-1970s (Ban 2012), in Latin America heterodox crisis management persisted well into the late 1980s.

magnitude of the policy changes triggered by this left-turn.

Given that the relationship between the Fund and program countries depends on the nature of the particular crisis the IMF is trying to address (Pop-Eleches 2008) we would expect the salience of ideology also to be affected by key crisis characteristics. This paper focuses on two factors: (1) whether the crisis had primarily external or domestic roots and triggers and (2) whether most countries in the region were affected and had to resort to IMF programs or whether the problems were limited to a restricted number of "problem cases." The ideological dynamics of the 1980s debt crisis in Latin America illustrate why these crisis characteristics matter. The crisis started with Mexico's unexpected default in August 1982 and since for most countries both the trigger of the crisis and several aggravating circumstances were of an external nature,[5] many analysts initially interpreted the debt crisis as a temporary external payments crisis rather than as a fundamental challenge to the region's developmental strategy (Jorge 1985:11). The resulting ambiguity about the nature and the roots of the region's economic crisis created the potential for divergent interpretations of the crisis by governments of different orientations: thus, the high debt service burden and inflation could be interpreted either as the result of past fiscal profligacy by Latin American governments, or as a side effect of Western attempts (via IMF conditionality) to place the adjustment burden on the shoulders of impoverished debtors. Similarly, the region's poor growth record could be blamed on inefficient state sectors or on the recessionary impact of IMF-style adjustment (Vreeland2003). Moreover, given that many Latin American countries with very different political and economic profiles fell prey to similar problems at the same time, it was easier to blame the crisis on international markets than if problems were restricted to a handful of countries (as in the late 1990s).

From this perspective of the nature of the crisis, we should see strong and resilient partisan effects during the post-2008 global financial crisis, which was clearly triggered by the housing market collapse in the United States and financial sector difficulties in both the US and Western Europe, and then magnified (particularly in Eastern Europe) by Western banks pulling funds from foreign operations and by a sharp decline in FDI in late 2008 (Gabor 2010). By contrast, the lack of a prominent external trigger and the more dispersed nature of economic crises in Latin America from 1990-2008 would lead us to predict weaker partisan effects during this time period. Finally, the first decade of the post-communist transition presents us with an ambiguous case: on the one hand the primary economic challenge – the wholesale structural economic transformation of the former command economies – could not be easily blamed on the West or the IMF. On the other hand, the unprecedented extent of IMF involvement in the region (see below) meant that it was more tempting (and more credible) to blame the unexpectedly high economic costs of the transition on IMF programs, which may contribute to higher partisan salience.

The third factor is the scope of IMF conditionality, which has changed considerably during the three decades analyzed in this paper. Thus, in an effort to complement its narrow traditional balance-of-payments focus, the IMF drastically increased the number and variety of structural conditions in its programs in the early and mid-1990s (James 1997). But following subsequent criticisms of this approach (Stiglitz 2000, IMF 2001), this policy was reversed in the last decade (Broome 2013). Given that the broader scope of IMF policy conditions should increase the

[5] Factors included the global recession after 1979, the rise of interest rates, the lower lending willingness of commercial banks, and deteriorating terms of trade. (Eichengreen & Fishlow 1996:22)

intrusiveness of IMF interventions and therefore heighten the likelihood of ideological conflicts, this perspective would predict stronger partisan effects during the 1990s than during the other periods covered by this study.

Finally, the resilience of partisan differences is likely to be shaped by developing countries' access to funding sources besides the IMF. If such access is fairly easy (i.e. in periods of international lending booms and in regions with reasonably good credit ratings) governments should have greater leeway in avoiding the IMF's orthodox policy prescriptions even when confronting economic difficulties. Conversely, in countries with limited or no access to alternative private or official lending the powers inherent the Fund's position as an international lender of last resort are more likely to overcome ideologically-based resistance during serious crises. From this perspective, we would expect the weakest partisan effects during the Latin American debt crisis, when voluntary private lending had practically ceased, and the strongest partisan resilience in the boom of the pre-2008 period.

Statistical tests

This section tests the theoretical predictions about the interaction between economic crises and partisan politics by analyzing the drivers of IMF program initiation in two regions that experienced large-scale episodes of economic reforms under IMF auspices: Latin America since the debut of the debt crisis in 1982 and Eastern Europe in the post-Cold War period (1990-2012).[6] By focusing on regional and temporal differences for two geographically bounded country clusters, this approach departs from most statistical analyses of IMF programs (Edwards 1989, Conway 1994, Barro and Lee 2002, Vreeland 2003), which test average effects in samples spanning a broad range of countries. Thus, the analysis can capture cross-regional and cross-temporal differences in the crisis-reform link in addition to the cross-country differences analyzed by most statistical analyses of IMF-style reforms.

The choice of Latin America and the former Soviet Bloc was based on several considerations. First, the two regions have accounted for the most extensive episodes of IMF interventions in recent history (especially during the Latin American debt crisis and during the first decade of the post-communist transition) and both regions experienced a renewed spike of IMF programs during the GFC (see Figure A). However, both regions also experienced periods of much lower IMF involvement (especially from 2003-2008) and exhibited wide cross-national variation in the timing and intensity of IMF program participation. These intra-regional comparisons represent an important element in the research design, since they allow for cross-regional comparisons within a given international environment (to test the role of domestic legacies), while at the same time allowing for cross-temporal comparisons within the same region (thereby highlighting the impact of the changing international environment).

Second, the two regions displayed similar socio-economic development levels, which made them more comparable to each other than each of them would have been to other regions (e.g. Africa). At the same time, the two regions differed significantly in terms of their domestic

[6] East European countries cannot be included in the current analysis because there is very limited reliable economic data from this period and fairly limited variation in government ideology.

and international political context (Bunce 1998, Greskovits 1998), and thus provide an ideal empirical setting for illustrating the context-specific nature of partisan politics.

The outcome: IMF program initiation

The dependent variable in this analysis is the initiation of an IMF agreement between a given country and the IMF.[7] As illustrated in Figure A, the debt crisis triggered a massive increase in IMF programs among Latin American countries in 1982-3 and after a temporary decline in the mid-1980s program initiation spiked again in the late 1980s and early 1990s. As expected the more recent episodes of large-scale IMF interventions came in the aftermath of the Argentine default in late 2001 and (to a lesser extent) during the current global financial crisis. Meanwhile, Figure A shows that even by the high Latin American standards, the Fund's role in the post-communist transition was remarkable in its ubiquity, with only two countries – Slovenia and Turkmenistan – managing to avoid IMF programs in the first transition decade. The pace of new IMF programs slowed down considerably after 2002, but then spiked again starting in late 2008, as the global financial crisis brought back into the fold even many of the advanced ex-communist reformers, such as Hungary, who had "graduated" from the IMF in the mid-1990s.

Figure A here

Government orientation

Government orientation indicators are a significant challenge for cross-regional and cross-temporal studies due to the scarcity of comparable data and the differences in party systems. Since the only source of cross-regional party orientation coding - the Database of Political Institutions (Beck et al. 2010) has significant amounts of missing data, I had to rely on different mixes of sources for the two regions. For Latin America, I use a five-point left-right measure building on Coppedge's (2001) expert survey.[8] Since Coppedge's measure primarily captures the economic dimension of the left-right distinction,[9] the most comparable measure for Eastern Europe, was the economic left-right position of political parties from the Chapel Hill Expert Surveys of 2002-2010,[10] and supplemented the missing countries and years with the three-point ideology measure from Beck et al (2010) and with data on party family membership for post-communist countries from Armingeon et al (2008). The average ideological profile of governments in the two regions in Figure B reflects the rightward shift of Eastern Europe in the early 1990s and the leftist turn of Latin America after 2002.

Figure B here

[7] The main statistical results presented here include both high conditionality (SBA, EFF) and lower-conditionality (SAF/PRGF) programs but the main results do not change if the latter program type is dropped.

[8] I coded the parties in countries missing from Coppedge (2001) using secondary sources, and extended the temporal coverage from 1996-2012 based on the coding in Lodola&Queirolo (2006) and my own coding as well as Beck et al. (2010). I calculated the ideological position of multiparty coalitions as the average orientation scores of the individual parties weighted by their relative seat share.

[9] Coppedge also includes a second dimension, which identifies Christian parties, and should therefore capture the social liberalism/conservatism scale.

[10] To reduce the danger of reverse causation contamination inherent in expert surveys, I only used lagged CHES scores in my analysis.

Economic crises

Governments rarely resort to IMF programs unless driven by the pressure of economic crises. To capture the intensity of domestic economic crises, the statistical tests include three key indicators: economic growth, consumer price inflation and fiscal balance. Particularly the first two indicators capture what were arguably the most visible and politically salient domestic economic crisis aspects in the two regions and have figured prominently in earlier analyses of IMF program initiation (Bird 1995, Remmer 1998, Santaella 1996, Stone 2002).

The analysis focuses on four external crisis indicators: in line with the Fund's traditional mission as a short-term provider of balance-of-payments support, the classical crisis signal has usually been the specter of insolvency raised by low international reserves, which have among the more consistent drivers of IMF program initiation (Bird and Orme 1986, Bird 1995, Knight and Santaella 1997, Barro and Lee 2002, Vreeland 2003). In addition, the statistical models control for the change in international reserves during the year preceding the current quarter, which captures one of the key components of the Fund's mission – the balance-of-payments position – and should therefore be an important predictor of IMF program initiation.

Another important external crisis aspect that frequently affects the decision to initiate IMF programs is the pressure created by high external debt service. Particularly in periods of international financial turmoil such as the 1980s debt crisis and the recent GFC, the combination of rising borrowing costs and limited access to fresh credit should drive countries into the arms of the international lender of last resort, the IMF. This analysis uses the total foreign debt service due in a given year as a % of GDP as a proxy for a country's debt service burden.[11] Finally, given that support for adjustment to external trade shocks was one of the core missions of the IMF, I control for the change in commodity terms-of-trade for each country in the preceding year. In particular, we should expect countries experiencing worsening terms of trade (e.g much of Eastern Europe in the early 1990s) to be more likely to resort to IMF support than countries experiencing commodity trade booms (such as Latin America after 2003).

Additional factors and explanations

Ideological or crisis-driven government policy intentions are not sufficient for the initiation of IMF-style reforms. Governments also need to be able to develop coherent economic strategies and to translate these policy designs into political reality, and one of the crucial factors affecting this process is the effectiveness of bureaucratic institutions (Pop-Eleches 2009). To measure bureaucratic effectiveness I used the Government effectiveness indicator (Kaufmann et al 2012) for 1996-2012 and imputed the pre-1996 data for the transition countries with the *governance and public administration* scores from *Nations in Transit* from 1993 to 2001[12] and for Latin America with the *bureaucratic quality* scores from the *International Country Risk Guide (ICRG)*.[13]

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[11] Compared to measures of debt service due, this indicator has the advantage that it does not does not depend on the country's willingness/ability to pay therefore it does not have to be lagged (since it captures obligations).

[12] Since no scores were available for 1990 to 1992 I have coded these years by adjusting the scores for 1993 for the changes discussed in the 1995 edition of *Nations in Transit.*

[13] These measures are lagged to reduce concerns of post-hoc coding due to IMF program participation.

The analysis also accounts for some key aspects of domestic political competition, which may promote or hinder IMF program initiation: the first such factor is regime type, which has figured prominently in analyses of IMF program dynamics (Remmer 1986, Stone 2002, 2004, Pop-Eleches 2009) and economic reforms (Kaufman and Stallings 1989, Haggard and Webb 1994). In this analysis I use the 21-point *Polity regime score*, which captures the institutional dimension of political regimes. Second, to test Weyland's (1998) claim about the greater propensity of new governments to tackle crises, I coded the four quarters following an election as a post-electoral period. To test a complementary aspect of the relationship between electoral cycles and IMF programs I also included a control for the three quarters prior to an election.[14] .

Finally, the statistical models capture several important aspects of IMF involvement in developing countries. First, the regressions control for indicators of potential IMF lending bias in favor of economically and/or politically privileged countries. Following Barro and Lee (2002) and Stone (2002) I have included the log of a country's IMF quota as a measure of economic importance. [15] Moreover, in line with Thacker (1999), the regressions include two measures of a country's cooperation with US geopolitical interests: the degree of coincidence between a given country's voting record and US votes in the UN General Assembly and the relative movement vis-à-vis the US in the preceding year. Building on Dreher et al (2009), I also test whether UN Security Council members get preferential IMF program access. Second, given earlier findings about the importance of recidivism in IMF lending (Conway 1994, Bird 1995, Bird et al 2004), the regressions include an *IMF program history* indicator reflecting the frequency of a country's past IMF involvement. For a full list of variables, coding choices, and sources see Table A1 in the appendix.

Statistical approach

Given the interest in explicit cross-regional comparisons and the previously discussed measurement differences for a few key variables, the statistical tests were run separately for the two regions using quarterly data for 21 Latin American countries between 1982-2012, and 27 ex-communist countries from 1990-2012. The use of quarterly data instead of the yearly statistics employed by most large-N studies of IMF programs facilitates a more fine-tuned understanding of the short-term dynamics of IMF programs. Because most IMF programs are between 12 and 18 months long, much of the crucial short-term variation is likely to be washed out in tests employing yearly data. Similar considerations are at play when dealing with political variables, which may change dramatically over the course of a year.

Given the dichotomous nature of the dependent variable, I used random effects time-series cross-sectional logistic regression models. To deal with the temporal dependence inherent in IMF programs, all the statistical models include a non-event duration measure and cubic time splines (Beck et al 1998). The regressions include a linear time trend to control for temporal

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[14] The theoretical prediction in this respect are indeterminate, and maybe be conditional on partisan orientation: on the one hand, governments may try to avoid painful IMF-style adjustment measures in the run-up to elections. On the other hand, initiating an IMF program just prior to an election could be a mechanism for right governments to lock-in economic policy in the event of an electoral victory by the left.

[15] Alternative measures such as total imports and total debt, produced similar results.

variations in IMF conditionality. While country dummies were not included in the main specifications because we are interested in both the cross-country and the within-country variations in the factors driving IMF program initiation,[16] I do present fixed-effects results for the baseline model which confirms the robustness of the results. However, the inclusion of IMF program history in the model specification should capture unobserved long-term structural drivers of IMF programs.

Due to space constraints, the discussion of the statistical findings focuses almost exclusively on the effects of government orientation on the likelihood of IMF program initiation. In line with the earlier theoretical discussion, we are interested not only in the average effect of partisanship but in its conditional effect under different economic circumstances. Since the interaction terms required to test these hypotheses are often difficult to interpret by simply looking at regression coefficients (Brambor et al 2006), I discuss the direction and statistical significance of conditional partisanship effects under different economic conditions and also present the main results graphically using predicted probabilities based on the regression results. In this section I provide a quick overview of the main empirical findings, while leaving the discussion of their theoretical implications for the following section.

Results

Contrary to the conventional wisdom that pits Latin American anti-neoliberal left governments against East European neoliberal "Third Wayers", my findings suggest that at least when it comes to their relations with the IMF, East European leftists were on average more ideologically distinct from local right-wing parties than their Latin American peers were. Specifically, in the baseline specifications for the two regions in models 1&2 of Table 2 indicate that while leftist governments in both regions were on average significantly less likely than their rightist counterparts to initiate IMF programs, the substantive effects were almost three times larger in the ex-communist countries, than in Latin America. In Eastern Europe I found that holding all other variables at their sample mean, a shift from a center-left to a center-right government (i.e. half the distance between the two ideological extremes) resulted in an increase in the predicted initiation probability from 4.4% to 15.1% per quarter, whereas for Latin America the corresponding change was only from 5.5% to 9.2%. The relative magnitude of these patterns is very similar in the fixed-effects specifications in models 3&4, which reduces concerns that the partisanship effects simply capture unobserved cross-country differences.

This cross-regional comparison also reveals a few additional differences: even controlling for alternative explanations, the global financial crisis resulted in a substantively large and statistically significant boost in IMF program initiation in Eastern Europe, whereas in Latin America the current crisis does not stand out compared to earlier periods.[17] In terms of the relative salience of different economic crisis aspects it was recessions, higher debt service burdens, and (to a lesser extent) low reserves that were more important in IMF program initiation in Latin America, while in Eastern Europe the more salient crisis aspects were declining international reserves and worsening terms-of-trade. Furthermore, UN voting patterns played a

[16] Moreover, Beck and Katz (2001) show that fixed effects are almost never justified in BTSCS models.

[17] However, it should be noted that the large magnitude of the global financial crisis dummy is at least in part due to the significant negative time trend effect in Eastern Europe, which was then reversed by the recent crisis. If we drop the year variable the coefficient for the GFC dummy declines by 60% (though it continues to be large and statistically significant.)

greater role in Eastern Europe, while recidivism was more prevalent in Latin America. Finally, in line with earlier findings (Pop-Eleches 2009), post-communist democratic governments were somewhat more likely than their Latin American peers to enter IMF programs and significantly less likely to avoid IMF programs prior to elections.

Table 2 & Figures 1.1&1.2 here

The last two models in Table 2 illustrate the temporal breakdown of government orientation effects on IMF programs in the two regions. The conditional effects of government orientation, which are illustrated graphically in Figures 1.1&1.2, reveal a number of similarities between the two regions. First, the impact of ideology during the recent GFC was substantively large and of comparable magnitude and statistical significance in Eastern Europe and Latin America confirms that the ideologically charged interpretations of the current crisis are reflected in the partisan dynamics of IMF program initiation. Second, this high ideological salience stands in marked contrast to the weak ideology effects in both regions during the 2002-2008 period. Combined with the larger and statistically significant (at .05 or better) impact of ideology during the 1990-2001 period, these findings raise some interesting questions about the neoliberal consensus of the immediate post-Cold War period. Contrary to expectations, ideology mattered more in Latin America (at least as far as IMF programs were concerned) during the "Washington Consensus" period than in the years after the 2001 Argentine crisis marked the end of neoliberal hegemony in Latin America and the rise of the Left. Figure 1.2 suggests that in Eastern Europe the difference is even more pronounced, despite the fact that for a third of ex-communist countries the post-2001 period coincided with the advent of EU membership, and thus with a relaxation of the formerly very tight constraints on partisan differentiation in economic policy (Innes 2002). Finally, Figure 1.1 confirms that ideology mattered during the Latin American debt crisis, though the effect was substantively smaller than during the recent global financial crisis, thereby emphasizing the intensely ideological nature of the current crisis.

Next we turn to the country-level interactions between ideology and economic crises in the two regions. The main finding here is that in both regions ideology mattered more during the post-Lehman crisis. Given this paper's focus on the changing temporal dynamics of crisis-ideology link, the statistical models include an additional interaction with period dummies used in model 3 of Table 2. Given that the results of these triple interactions are very difficult to interpret looking simply at logistic regression coefficients Figures 2-4 illustrate these interactions graphically for three main economic crisis indicators: international reserves changes, debt service/GDP and GDP change.[18] The figures indicate the predicted probabilities of a new IMF program being initiated in a given quarter for center-right vs. center-left governments for the 10^{th}-90^{th} percentile range of the economic crisis indicators in a given region and time period, while holding all other variables (except year) at the sample mean.

Figure 2 here

The results in Figure 2 confirm that differences in government orientation mattered considerably more during the GFC than in the immediately preceding period, and, unlike in the immediate pre-GFC years, these differences actually increased in both regions as countries experienced larger relative declines in international reserves. Moreover, while partisan differences were also resilient in the face of balance-of-payments (BoP) crises during the debt crisis of the 1980s in Latin America and even during the broad neoliberal consensus of the 1990s, the magnitude of the crisis-driven policy divergence was more pronounced in the current

[18] For space reasons, the complete regression results are available in the electronic appendix.

set of IMF programs, perhaps reflecting the renewed debates about the use of capital controls to counteract rapid capital outflows. While the degree of partisan differentiation during acute BoP crises after 2008 was fairly similar in the two regions, the reason for this divergence were somewhat different: thus, in Eastern Europe both right- and left-leaning governments had significantly higher program initiation probabilities during BoP crises, but the increase was steeper for the former. Meanwhile, in Latin America, the divergence was due to the fact that leftist governments became marginally less likely to enter IMF programs as their reserve levels declined.

Figure 3 here

The partisan responses to mounting debt service burdens, which are illustrated in Figure 3, further confirm the trend of crisis-driven partisan divergence in Eastern Europe during the global financial crisis. Thus, unlike in the pre-GFC years, when government orientation only mattered (marginally) for countries with very low debt service burdens, in the new economic and political context of the post-2008 period, differences between left and right governments are actually dramatically accentuated for heavily indebted countries. This recent East European pattern also departs from the region’s response during the first transition decade, when partisan differences, even though they were large and statistically significant across the board, actually diminished slightly at higher debt service levels, thus confirming the lack of ideological alternatives to IMF policy prescriptions in the early post-Cold War period.

By contrast, in Latin America the temporal evolution is in the opposite direction. As expected, higher debt service triggered partisan divergence during the 1980s debt crisis, as right governments became more likely and leftist governments less likely to initiate IMF programs as their debt service burdens increased. During the 1990s debt service had comparable, modestly positive effects on both left and right governments, and while government orientation was statistically significant across the board, we no longer observe the partisan divergence of the previous decade. The trend continued even after the end of Latin America’s “love affair” with neoliberalism. Between 2002-2008 higher debt service triggered partisan convergence, as leftist governments were significantly more likely to initiate IMF programs when pressured by debt service obligations but the effect was smaller and statistically insignificant for their right counterparts. Unlike in Eastern Europe, this partisan convergence continued among Latin American countries even in the more divisive context of the GFC. Higher debt service had a more negative effect for right than for left governments and consequently partisan differences mattered more at low debt service levels (where they were at least marginally statistically significant at .06 one-tailed) than for countries experiencing debt servicing crises.

Figure 4 here

The final finding refers to the interaction between ideology and GDP change in the two regions. This is important because GDP drops were more visible and relevant than inflation during the ongoing GFC (Fig.4). The analysis suggests that recessions triggered partisan divergence during the Latin American debt crisis of the 1980s, as GDP declines persuaded right-leaning governments to enter IMF agreements (marginally significant at .05 one-tailed) but had an (albeit statistically insignificant) opposite effect on leftist governments. Somewhat surprisingly, this diverging patterns continued, albeit diminished, during the 1990s, while in Eastern Europe partisan differences were large and significant across the GDP change spectrum, but here too the gap was greater during recessions than during growth periods. In the years preceding the GFC, partisanship was insignificant across all types of economic performance in both Latin America and Eastern Europe, though one can still notice a weak divergence pattern in low-growth environments (particularly in Latin America). However, during the GFC, the crisis-partisanship patterns once again differed in the two regions: whereas in Eastern Europe the partisan divergence in response to recessions intensified during the current crisis, in Latin America the trend was reversed as government orientation mattered more and only achieved statistical significance in countries with solid economic growth, whereas recessions triggered ideological convergence in IMF program initiation after mid-2008.

Discussion and conclusions

This paper has placed the Latin American and East European IMF programs initiated during the ongoing global financial crisis into historical perspective by comparing them to the patterns of IMF engagements in the quarter-century preceding the current crisis. Its twofold claim is that ideology and regional context matter and that ideology has generally mattered more in the post-Lehman crisis than in previous crises. Thus, in Latin America the partisan effects were on average stronger than in any of the previous crises of the last three decades, while in Eastern Europe it matched the partisan intensity of the first post-communist transition decade. Specifically, in Eastern Europe the recent crisis triggered divergent partisan responses to both external and domestic economic challenges and resulted in partisan differences increasing in response to deteriorating economic circumstances. In Latin America the partisan responses to crises after 2008 were more mixed – we observed convergence with respect to recessions and high debt service burdens but divergence for declining international reserves – but overall the resilience of partisan differences was weaker than both the contemporaneous patterns in Eastern Europe and the Latin American historical track record from the 1980s and even the 1990s, when the norm had been crisis-driven partisan divergence.

Table 3 here

What are the implications of these cross-regional and cross-temporal comparisons for our theoretical understanding of the economic and ideological drivers of IMF program initiation? Perhaps most clearly, these results suggest that none of the explanations advanced in the first part of the paper are by themselves sufficient to explain the intensity and resilience of partisan differences in IMF program initiation. Thus, whereas the intensity of ideological challenges to the neoliberal economic ideas underlying IMF conditionality helps explain the high resilience of ideology during the 1980s debt crisis and the high overall salience of government orientation in Latin America during the current crisis, it cannot explain the weakness of ideological effects in the 2002-2008 period which marked the rise of an increasingly assertive left in Latin America. Nor is an explanation centered on regional ideological dynamics capable in explaining why Eastern European partisan differences were more resilient during the global financial crisis than in Latin America, despite the stronger anti-neoliberal challenges of the rising Latin American left in the past decade. Similarly, the surprising strength and moderate resilience of partisan differences in both regions during the 1990s is difficult to reconcile with the supposed neoliberal hegemony of the Washington Consensus.

The primarily domestic roots and the narrow geographic scope of the economic crises are useful for explaining the weakness of ideology in both regions in the pre-2008 period. But this outcome is more difficult to reconcile with the relative strength of ideology in Latin America in the 1990s. Meanwhile, the Fund's expansive conditionality agenda of the 1990s is useful in explaining the unexpected strength and resilience of ideology during the 1990s. Yet the coexistence of narrow conditionality and resilient ideological differences in the 1980s and during the GFC suggest that the scope of IMF conditionality is also insufficient as a mono-causal explanation. Finally, the extent of international financial market access had rather modest explanatory power given that ideology was more resilient during periods of global financial bust periods (such as the 1980s and the GFC) than in the boom years of 2002-08, even though the greater alternative financing options in this latter period should have allowed governments greater freedom in avoiding IMF conditionality.

Given the inadequacy of mono-causal explanations, the next question is whether and how the different explanations proposed in this paper can be combined into a theoretical explanation of the circumstances under which partisan differences affect the politics of IMF program initiation. Based on the patterns identified in this paper, the most promising starting point is the nature of the crisis experienced during a particular period. Where externally triggered crises allow for alternative explanations for the roots of a country's economic problems there is more space for alternative ideological accounts to the IMF diagnosis of the crisis, which tends to focus on the policy deficiencies of program countries. When these external triggers are complemented by a supra-national (regional/global) crisis, the credibility of such alternative accounts rises, while the political costs of pursuing unorthodox economic strategies decrease. Taken together, these two key crisis characteristics go a long way in explaining the puzzling similarity in the high partisan resilience during the debt crisis in Latin America and the GFC in Eastern Europe. For even though the two episodes were separated by three decades, thousands of miles and a variety of historical differences (Bunce 1998), their ideologically divergent responses to both external and domestic challenges become more understandable when we compare the similarities between the acrimonious partisan debates in Latin America about the just resolution of the debt crisis of the 1980s (Pastor 1987, Pop-Eleches 2009) with the post-2008 European debates about the merits of austerity and the appropriate balance between creditor and debtor concessions.

Meanwhile, the two episodes, where only one of the two crisis conditions applied –the regional scope in post-communist Eastern Europe and the external trigger in post-2008 Latin America, the overall salience of ideology was quite high but the resilience was only moderate. Finally of the three episodes where crises were largely country-specific in both origins and scope, two cases confirm the prediction of low partisan salience and resilience (Eastern Europe and Latin America in the 2002-08 period). The only partial exception is Latin America during the 1990s, where a crisis-based explanation would have predicted weaker ideological effects than those revealed by the findings in this paper.

Moving beyond the crisis characteristics, the three alternative explanations provide some additional but more limited explanatory power. Thus, the broader and more assertive nature of IMF conditionality in the 1990s is most useful in explaining the large and moderately resilient partisan effects in Latin America during the supposedly calm and post-ideological period of the Washington Consensus. This may also account for the fairly strong ideological effects of IMF programs during the first decade of the post-communist transition. Although it almost certainly reinforced the ideological responses to IMF programs in Latin America during both the 1980s debt crisis and the GFC, global and regional ideological phenomena which supply challengers of IMF-style policies with intellectual ammunition had a weaker-than-expected explanatory power.. However, a more definitive verdict about the analytical value added of these explanations would require out-of-sample tests involving additional regions and/or time periods, which are beyond the scope of this paper.

Overall, the findings in this paper suggest that the political reverberations of the global financial crisis may have triggered a fundamental reorientation of East European partisan politics. This shift is likely to affect not only the region's interactions with the IMF, but also the ideological dynamics of economic policymaking more broadly. Meanwhile, the surprisingly modest role of ideology in the dynamics of Latin American IMF programs of the past decade could reflect the fairly marginal role played by the IMF in the region's political economy in the context of a sustained economic boom and the resilience of the commodity "super-cycle" experienced by many countries in the region. But this outcome is also compatible with recent analyses (Stallings and Peres 2011) which question the extent to which the political rhetoric of the new Latin American left has really translated into significant shifts in economic policies beyond a relatively narrow set of countries and policy areas. However, it is too early to tell whether these changes will persist beyond the first few years of the current crisis and how they will be affected by the ongoing policy debates within the Fund about key aspects of IMF conditionality such as the relative costs and benefits of fiscal austerity and capital controls. (Ban 2013, Gallagher 2013)

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Table 2: IMF program initiation

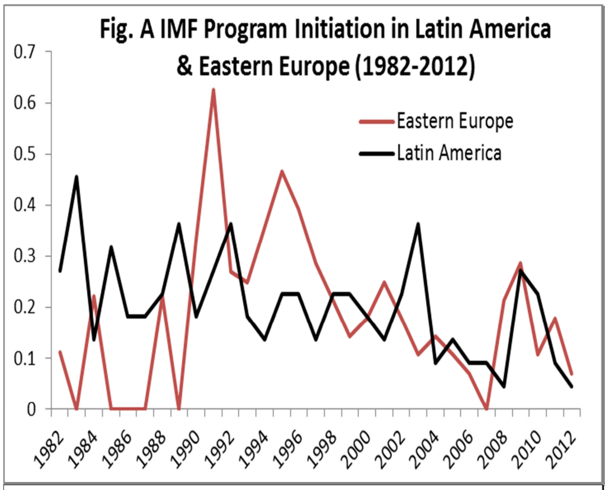
VARIABLES	(1) LatAm	(2) EE	(3) LatAm	(4) EE	(5) LatAm	(6) EE
Gov't orientation	-.291**	-.699**	-.284*	-.619**	-.191	-.172
	(.096)	(.159)	(.113)	(.210)	(.194)	(.346)
Gov't orientation* GFC					-.344	-.436
					(.353)	(.467)
GFC	.383	1.147*	.180	1.705**	1.069	1.934*
	(.483)	(.530)	(.554)	(.609)	(.828)	(.957)
Gov't orientation* Washington consensus					-.155 (.242)	-.680# (.382)
Washington consensus	-.237	-.584	-.033	-.943	-.036	.648
	(.494)	(.607)	(.519)	(.674)	(.593)	(.947)
Gov't orientation* Debt crisis 1980s					-.038 (.243)	
Debt crisis 1980s	-.238		-.315		-.254	
	(.795)		(.844)		(.871)	
Reserves	-.051	.001	-.079#	.008	-.050	-.001
	(.033)	(.050)	(.047)	(.058)	(.034)	(.049)
Reserves chg	.147	-.470*	.172	-.578*	.131	-.474*
	(.251)	(.224)	(.246)	(.246)	(.253)	(.225)
Debt service/GDP	.021#	-.028	.035*	-.036	.022#	-.027
	(.011)	(.021)	(.014)	(.027)	(.011)	(.021)
Terms of trade chg	-.022	-.092*	-.035	-.088*	-.016	-.093*
	(.043)	(.040)	(.049)	(.044)	(.044)	(.039)
GDP chg	-.061**	-.026	-.065**	-.019	-.063**	-.027
	(.023)	(.017)	(.025)	(.019)	(.023)	(.017)
Inflation	.050	.015	-.128	-.099	.047	.023
	(.107)	(.132)	(.134)	(.149)	(.107)	(.133)
Fiscal balance	-.031	.045	-.055	.084*	-.030	.037
	(.029)	(.031)	(.035)	(.033)	(.029)	(.032)
Pre-Electoral Period	-.442#	.492#	-.454#	.596*	-.435#	.477#
	(.262)	(.254)	(.272)	(.272)	(.263)	(.252)
Post-Electoral Period	-.454#	.142	-.539*	.151	-.462#	.182
	(.244)	(.250)	(.253)	(.269)	(.246)	(.250)
Regime	.047#	.077*	.053#	.125*	.047#	.066#
	(.024)	(.035)	(.032)	(.060)	(.025)	(.036)
Bureaucratic quality	-.023	-.868*	.009	-1.010	-.013	-.710#
	(.175)	(.366)	(.244)	(.665)	(.177)	(.376)
UNSC member	.213	-1.147*	.266	-.779	.209	-1.230**
	(.385)	(.471)	(.398)	(.600)	(.387)	(.460)
UN voting (y-1)	.709	.358	.202	1.047	.737	.299
	(.820)	(.645)	(.895)	(.874)	(.817)	(.636)
UN voting chg	-.097	1.325#	.160	1.606*	-.135	1.427*
	(1.044)	(.676)	(1.072)	(.792)	(1.039)	(.693)
IMF quota (log)	.203	.122	-.298	1.114*	.202	.110
	(.125)	(.115)	(1.039)	(.503)	(.126)	(.107)
IMF program history	1.181**	.011	.784	-.491	1.178**	.026
	(.440)	(.459)	(.582)	(.574)	(.442)	(.442)
Country f.e	No	No	Yes	Yes	No	No
Observations	1,842	1,381	1,842	1,381	1,842	1,381

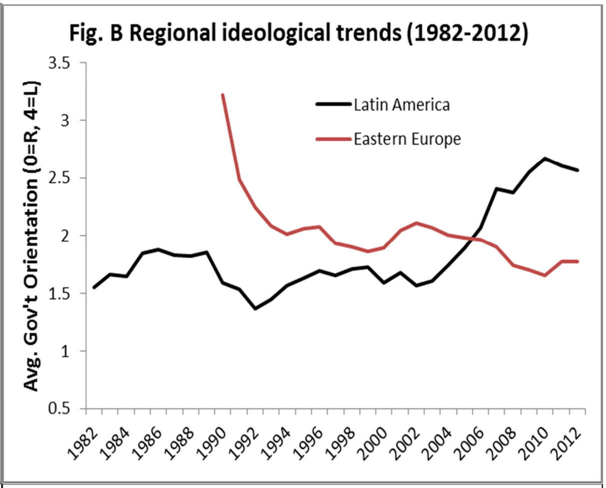
Note: Also included but not reported were a year variable, cubic splines for non-agreement duration, and dummy variables indicating missing data.

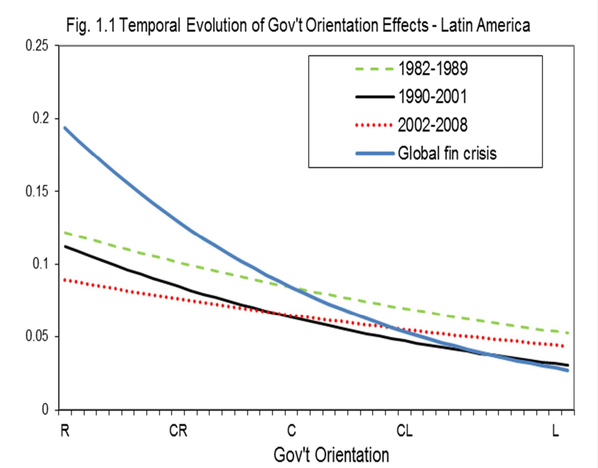
Table 3: Overview of theories and outcomes

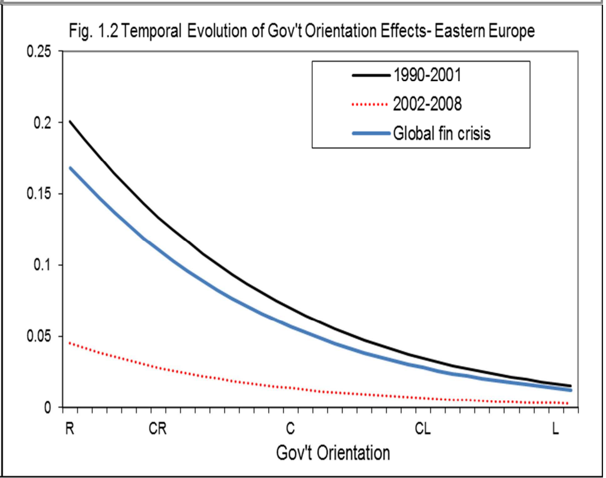
	Crisis roots	Crisis scope	Global challenges to liberalism	Regional challenges to liberalism	IMF reform agenda	Int'l fin market access	Partisan effect	Partisan resilience
LA 80s	External	Regional	High	High	Narrow	Low	Med	High
LA 90s	Domestic	Country	Low	Low	Broad	High	Med	Med
LA pre-GFC	Domestic	Country	Med	High	Narrow	High	Low	Low
LA GFC	External	Country	Med/High	High	Narrow	Med	High	Med
EE 90s	Domestic	Regional	Low	Low/Med	Broad	Med	High	Med
EE pre-GFC	Domestic	Country	Med	Low	Narrow	High	Low	Low
EE GFC	External	Regional	Med/High	Low/Med	Narrow	Med	High	High

Note: Darker shaded boxes indicate worse fit with observed outcomes.







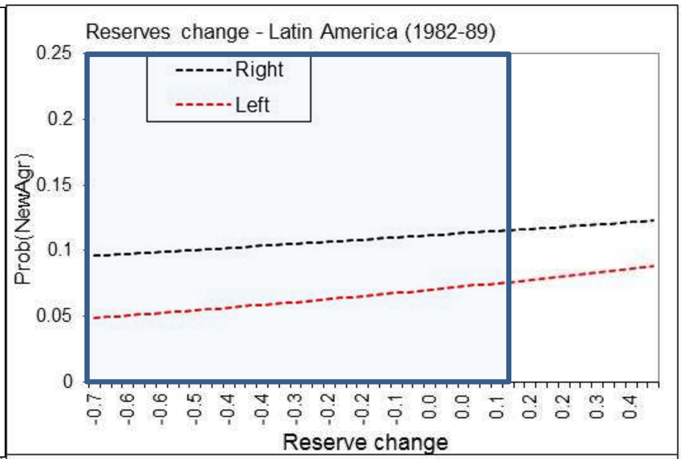


Note: Solid lines – p<.05, dashed line - .05<p<.15, dotted line – p>.15

Figure 2: Reserve change and ideology

Note: Solid lines – p<.05, dashed line - .05<p<.15, dotted line – p>.15

Dark shaded area indicates that ideology is significant at .05; light shaded area indicates that ideology is marginally significant(.05<p<.15)



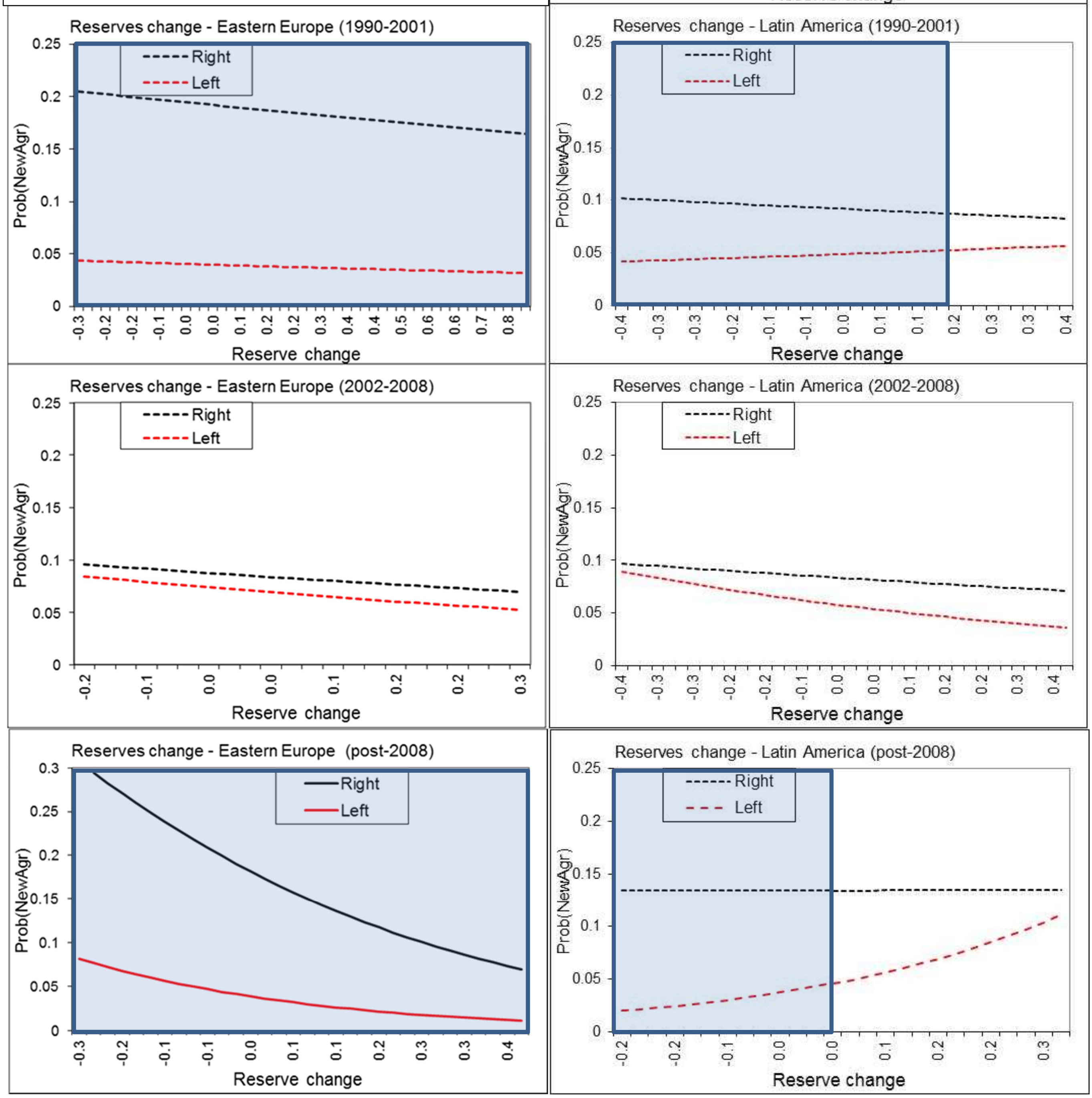
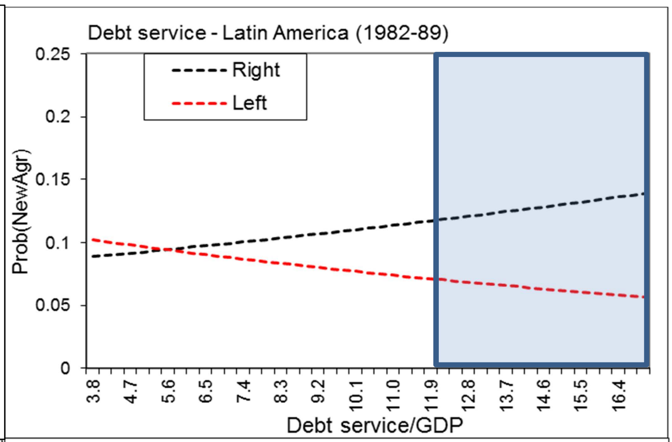


Figure 3: Debt service and ideology

Note: Solid lines – p<.05, dashed line - .05<p<.15, dotted line – p>.15

Dark shaded area indicates that ideology is significant at .05; light shaded area indicates that ideology is marginally significant(.05<p<.15)



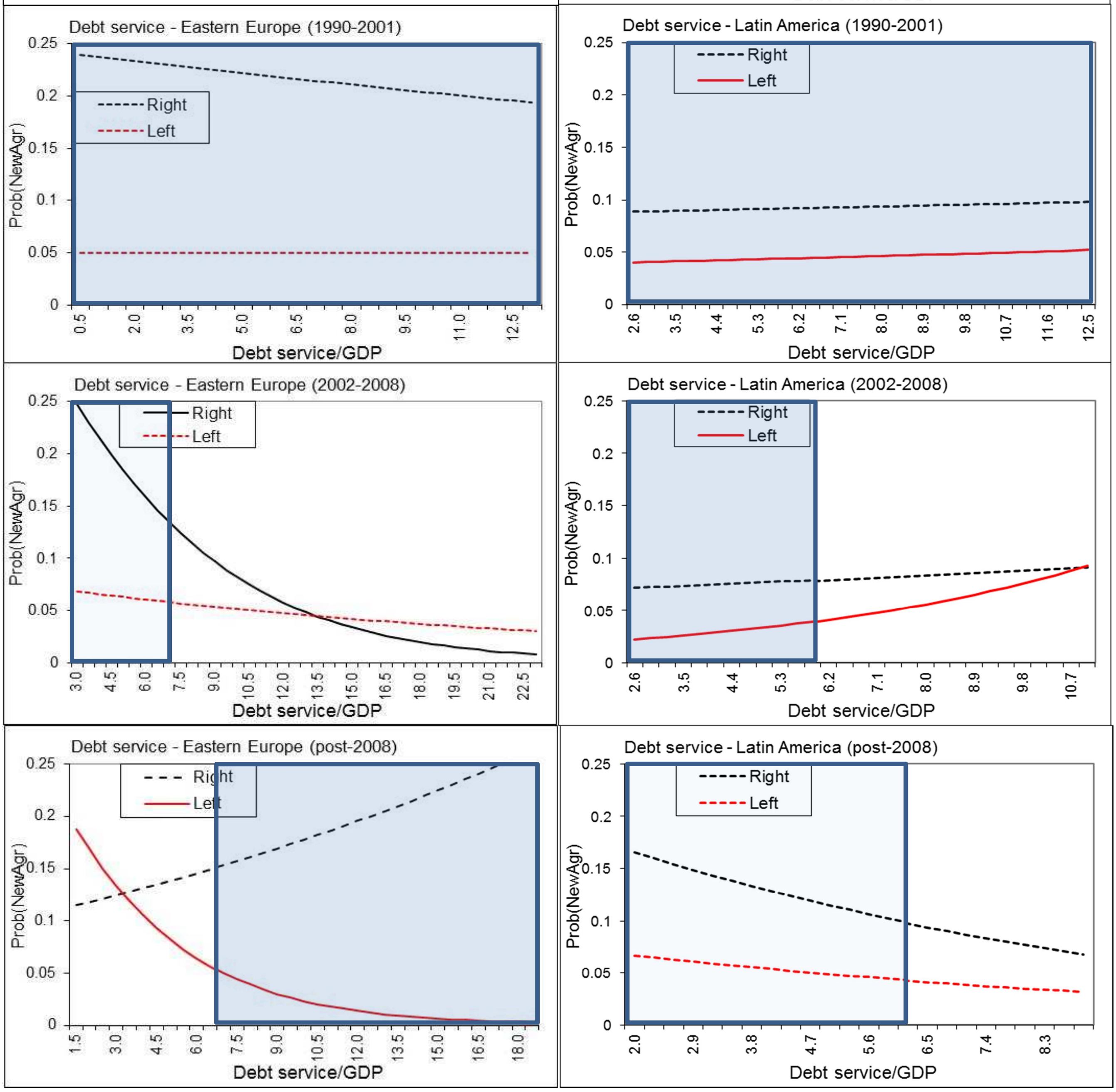
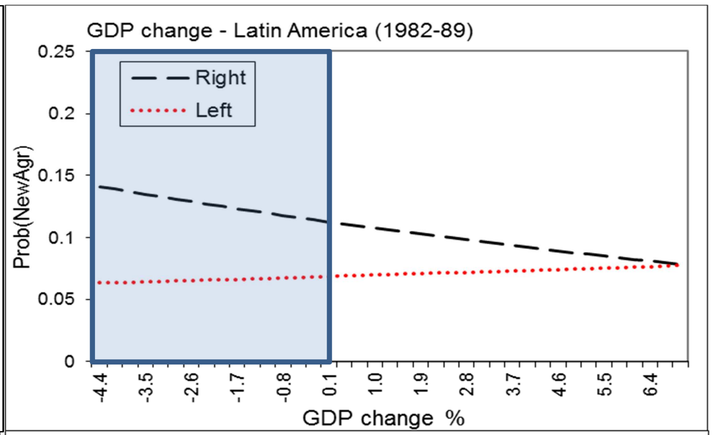
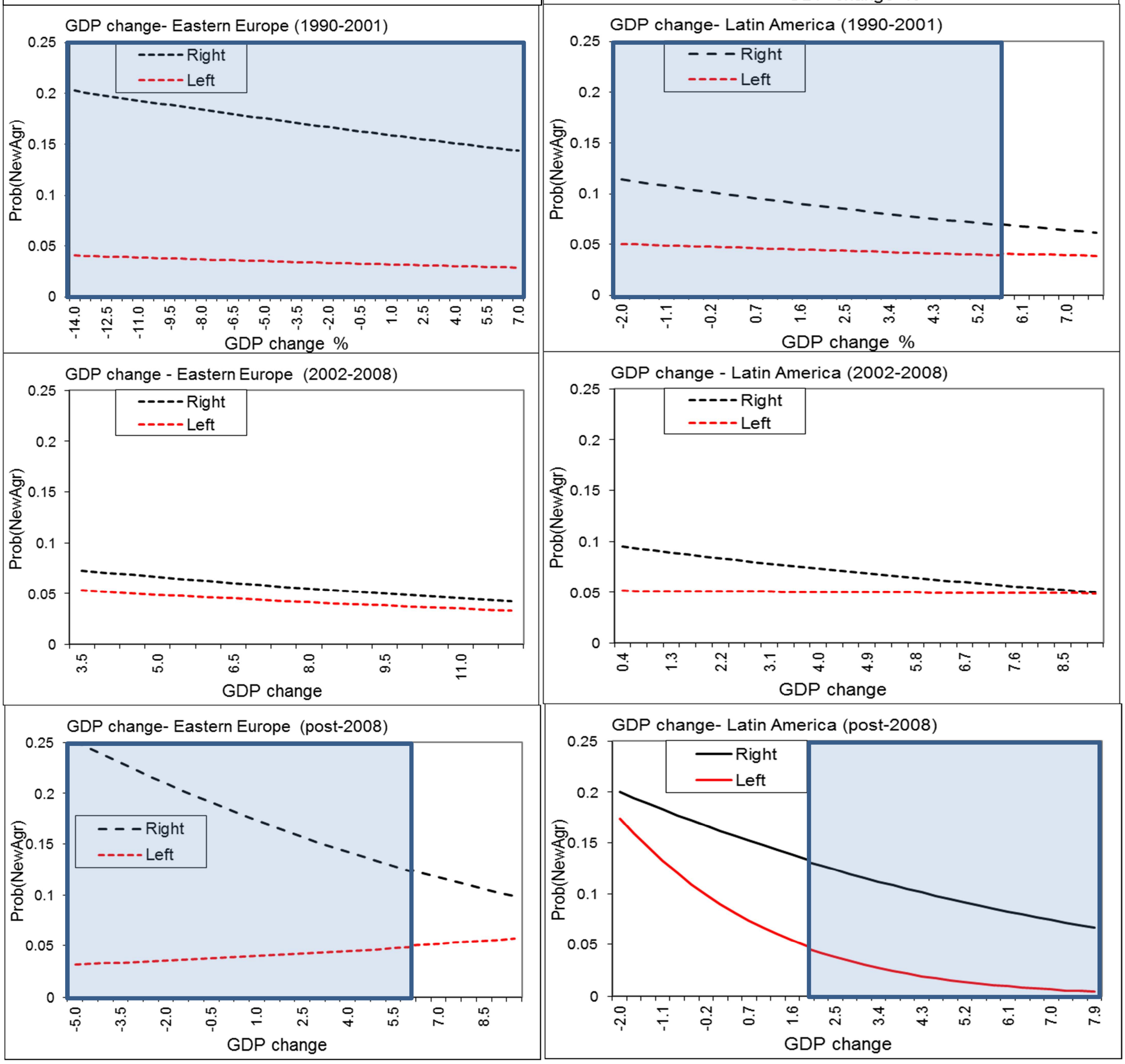


Figure 4: GDP change and ideology

Note: Solid lines – p<.05, dashed line - .05<p<.15, dotted line – p>.15

Dark shaded area indicates that ideology is significant at .05





Electronic appendix

Table A1 – Variable overview and operationalization

Variable	Operationalization	Source
New Agreement	1 if IMF agreement signed in a given quarter, 0 – otherwise	Author's coding based on IMF Survey
Gov't ideology (LA)	0 (Right) – 4 (Left) – coalitions as weighted averages based on seat share	Author coding based on Coppedge (1995) + Beck et al (2001)
Gov't ideology (EE)	0 (Right) – 4 (Left) – coalitions as weighted averages based on seat share	Author coding based on CHES (2010) + Armingeon et al (2008) + Beck et al (2001)
Reserves/imports	Int'l reserves (prev. quarter)/ Imports (prev. year) in months	Int'l Financial Statistics, Economist Intelligence Unit
Reserve change	Change in reserves/imports from to t-4 to t-1/average reserves/imports (t-1,4)	Author coding based on Int'l Financial Statistics
Debt service due/GDP	Debt service due in current year/GDP (%)	World Development Indicators
Terms of trade change	Change in commodity terms of trade	
GDP change	% change in GDP in prev. year	World Development Indicators
Inflation	Ln (15+CPI in prev. quarter)	Int'l Financial Statistics
Fiscal balance	Fiscal balance as % of GDP	Economist Intelligence Unit & Int'l Financial Statistics
Regime	DEM score – AUT score +10 → 0 (low) -20(high) scale	Polity database
IMF program history	% of time spent under IMF agreements in 10 years prior to current year	Author's coding based on IMF Survey data
Bureaucratic Quality	-1.67 (low)- 2.13(high)	Kaufmann et al (2012), Nations in Transit(2002), International Country Risk Guide (ICRG)
Pre-Electoral Period	1 – if less than 3 quarters until election, 0 – otherwise	Author
Post-Electoral Period	1 – if less than 4 quarters since election, 0 – otherwise	Author
IMF quota	Size of IMF quota in SDR (logged)	Int'l Financial Statistics
UN voting (y-1)	Vote affinity index of UN voting between country and US (y-1)	Strezhnev and Voeten (2013)
UN voting chg.	Change in UN vote affinity index (from y-2 to y-1)	Author's calculation based on Strezhnev and Voeten (2013)
UNSC member	1 – if country was a member of the UN Security Council in a given quarter, 0-otherwise	Author
Debt crisis	1- if year is from 1982 to 1989, 0-otherwise	Author
Washington Consensus	1- if year is from 1990 to 2001, 0-otherwise	Author
Global financial crisis	1- starting in Q3 2008, 0-otherwise	Author

Table A2: Crisis and gov’t orientation during IMF program initiation

	(1) LatAm	(2) EE	(3) LatAm	(4) EE	(5) LatAm	(6) EE
Gov't orientation	-.205	-.098	-.809#	-.969	-.347	-.184
	(.199)	(.341)	(.414)	(.865)	(.319)	(.929)
Gov't orientation* Debt crisis 1980s	-.043		1.049*		.072	
	(.249)		(.534)		(.354)	
Gov't orientation* Washington consensus	-.136	-.770*	.364	.064	-.047	-.682
	(.245)	(.391)	(.452)	(.900)	(.371)	(.938)
Gov't orientation* GFC	-.429	-.749	.262	1.504	.023	-.668
	(.371)	(.537)	(.656)	(1.000)	(.448)	(1.004)
Gov't orientation* Reserve chg	-.382	-.176				
	(1.017)	(1.756)				
Gov't orientation* Debt crisis* Reserve chg	.542					
	(1.075)					
Debt crisis* Reserves chg	.131	-.176				
	(2.522)	(1.756)				
Gov't orientation* Wash Cons* Reserve chg	.734	.150				
	(1.077)	(1.776)				
Wash Consensus* Reserves chg	-.608	.349				
	(2.517)	(3.808)				
Gov't orientation* GFC* Reserve chg	2.068	-.007				
	(1.522)	(1.979)				
GFC* Reserves chg	-1.644	-1.835				
	(3.494)	(4.258)				
Gov't orientation* Debt service			.074	.072		
			(.045)	(.075)		
Gov't orientation* Debt crisis* Debt svc			-.118*			
			(.054)			
Debt crisis* Debt service			.123			
			(.117)			
Gov't orientation* Wash Cons* Debt svc			-.066	-.061		
			(.047)	(.082)		
Wash Consensus* Debt service			.045	.226		
			(.104)	(.167)		
Gov't orientation* GFC* Debt svc			-.058	-.237*		
			(.107)	(.105)		
GFC* Debt service			-.118	.483**		
			(.274)	(.186)		
Gov't orientation* GDP chg					.037	.005
					(.065)	(.110)
Gov't orientation* Debt crisis* GDP chg					.001	
					(.071)	
Debt crisis* GDP chg					.021	
					(.167)	
Gov't orientation* Wash Cons* GDP chg					-.018	-.003
					(.075)	(.113)
Wash Consensus* GDP chg					.026	.050
					(.173)	(.223)
Gov't orientation* GFC* GDP chg					-.156#	.054
					(.092)	(.121)
GFC* GDP chg					.112	-.065
					(.187)	(.231)
Debt crisis 1980s	-.134		-1.444		-.225	
	(.880)		(1.298)		(.968)	
Washington consensus	-.002	.898	-.354	-1.791	-.066	.445

	(.596)	(.960)	(.903)	(1.885)	(.773)	(1.986)
GFC	1.113	2.055*	1.222	-2.417	.654	2.030
	(.828)	(1.014)	(1.448)	(1.971)	(1.023)	(1.945)
Reserves	-.050	.034	-.058#	.003	-.048	.009
	(.034)	(.050)	(.034)	(.049)	(.034)	(.049)
Reserves chg	-.035	-.566	.163	-.493*	.138	-.399#
	(2.430)	(3.763)	(.254)	(.226)	(.256)	(.221)
Debt service/GDP	.024*	-.031	-.042	-.259#	.023*	-.030
	(.012)	(.020)	(.101)	(.157)	(.011)	(.021)
Terms of trade chg	-.016	-.100*	-.018	-.115**	-.015	-.102**
	(.044)	(.040)	(.044)	(.042)	(.041)	(.040)
GDP chg	-.060*	-.032#	-.069**	-.030#	-.116	-.071
	(.024)	(.017)	(.024)	(.017)	(.159)	(.216)
Inflation	.036	.018	.103	-.000	.078	.073
	(.109)	(.130)	(.109)	(.135)	(.111)	(.130)
Fiscal balance	-.032	.026	-.033	.041	-.025	.030
	(.029)	(.027)	(.028)	(.030)	(.029)	(.029)
Pre-Electoral Period	-.446#	.488*	-.492#	.526*	-.441#	.518*
	(.264)	(.248)	(.267)	(.258)	(.264)	(.253)
Post-Electoral Period	-.506*	.184	-.483#	.198	-.482#	.197
	(.248)	(.249)	(.251)	(.255)	(.248)	(.248)
Regime	.050*	.051#	.045#	.072*	.045#	.057#
	(.025)	(.028)	(.025)	(.035)	(.025)	(.030)
Bureaucratic quality	-.042	-.521#	-.014	-.727*	-.041	-.567#
	(.179)	(.295)	(.180)	(.356)	(.181)	(.316)
UNSC member	.197	-1.297**	.232	-1.235*	.083	-1.266**
	(.389)	(.459)	(.389)	(.490)	(.396)	(.460)
UN voting (y-1)	.698	.263	.688	.387	.792	.132
	(.825)	(.604)	(.829)	(.668)	(.849)	(.626)
UN voting chg	-.167	1.793**	-.148	1.249#	-.338	1.615*
	(1.047)	(.677)	(1.067)	(.690)	(1.074)	(.684)
IMF quota (log)	.217#	.111	.185	.116	.191	.103
	(.128)	(.098)	(.129)	(.117)	(.127)	(.102)
IMF program history	1.157**	-.001	1.091*	.103	1.105*	.025
	(.445)	(.423)	(.455)	(.453)	(.456)	(.430)
Observations	1,842	1,472	1,794	1,381	1,842	1,472
Number of countries	22	27	22	27	27	22