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Public support for the international economic organizations: Evidence from
developing countries
Edwards

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Public support for the international economic organizations: Evidence from developing countries

Martin S. Edwards

Abstract Public opinions regarding the international economic organizations (the IMF, World Bank, and WTO) are understudied. I contrast five lines of argument using a multi-country survey of developing countries, focusing on evaluations of the economy, skills, gender, and ideology and measures of involvement with the organizations themselves. At the individual level, respondents have negative views if they have negative views of the state of the economy. More educated respondents are more likely to have negative views of the IEOs. Women are more likely to have positive views of the IEOs than men. National levels of engagement with the IEOs also affect public evaluations of them. Evaluations of the state of the economy are more influential determinants of IEO evaluations in states that receive IMF and World Bank loans, as well as in states that are active in WTO dispute resolution.

Keywords International economic organizations · Developing countries · Public opinion

JEL codes F530 · F500

1 Introduction

The international economic organizations—the World Bank, the International Monetary Fund, and the World Trade Organization (hereafter IEOs)—have been at the center of a controversy over whether and to what extent economic internationalization limits the autonomy of policymakers and affects public welfare. In the policy realm, the distributional effects of these organizations’ activities have
come under significant scrutiny (Pastor 1987; Danaher 1994; Garuda 2000; Vreeland 2002). For academics, understanding how publics evaluate these organizations helps us to better understand their influence. Not only does an appraisal of public opinion regarding these organizations contribute to a larger body of scholarship, it also addresses a sizeable lacuna in the literature. To date, there has been only one published study that examines the determinants of public opinion regarding the IEOs, and this reported the results of a Korean survey (Hayo and Shin 2002). By way of contrast, the sources of public opinion regarding European integration have been addressed by a number of scholars (Eichenberg and Dalton 1993; Gabel and Whitten 1997; Gabel 1998). Thus, this paper analyzes the results of a survey of developing countries taken in 2002 (between 14 and 34 countries) evaluating public opinion regarding the IEOs.

I approach this research question through analyses of both the individual level and national level of analysis. Building on published research, I derive four individual-level explanations: evaluations of the economy (personal, national, and prospective), education, gender, and ideology. These explanations operate through different logics, and testing them head-to-head allows us to tease out whether opposition to the IEOs is shaped predominantly by perceptions of the state of the economy, by demographic characteristics, or by intrinsic opposition to institutions that are both international and capitalist. I find that evaluations of the state of the economy have the most explanatory power. While respondents do distinguish between the state of the economy and the state of their household incomes, they do not exonerate the IEOs, as respondents with negative views of the present and future states of economy view the IEOs negatively. This suggests that the IEOs have the highest level of support precisely when they are not needed.

I also find an inverse relationship between levels of education and support for the IEOs. More educated respondents are much less likely to have favorable opinions of them. While on its face this is counterintuitive, this finding is entirely consistent with the factor endowment model of trade preferences. It also suggests that more “dialogue” by the IEOs will be unlikely to be effective with these groups, because IEO policies affect their livelihood directly.

Contrary to expectations, I find that women are more likely to support the IEOs than men. While IEO policies may harm women disproportionately, and women may be forced by austerity to enter the workforce at higher rates, they do not hold the IEOs accountable for their economic plight.

I also find that partisanship affects support for the IEOs, as more left-wing respondents are more likely to have critical views of the IEOs. Distinct from partisanship, respondents that are critical of free markets and those that regard consumerism as a threat are also more likely to be critical of the IEOs. Thus, while some opposition to the IEOs is ideologically driven (and thus intrinsic to them), the fact that variables separate from ideology also shape opinions suggests that more attention by the IEOs to when and how their programs are used can reduce opposition to them, though not eliminate it.

National-level factors also systematically shape opinions regarding the IEOs. I explore the effects of varying country levels of engagement with the IEOs on opinions through the use of a two part model. This allows one to assess exactly how national level factors matter by intensifying or attenuating the individual level
coefficients. I find that IEO engagement alters opinions. In countries that receive
loans from the IMF and World Bank, the state of the economy has a stronger impact
on evaluations. As states move from borrowing from the IMF and World Bank to
repaying them, evaluations of the economy become less important in explaining
views of the IEOs. Thus, the IEOs shape opinions by making respondents more
sensitive to the state of the economy. IMF and World Bank loans as well as
involvement in WTO dispute settlement similarly intensify the gap between men and
women in IEO evaluations, while they also attenuate the effects of education. They
exhibit differential effects on partisanship: the effect of partisanship on evaluations
increases when states borrow from the IMF and World Bank. At the same time, the
effect of partisanship on evaluations is more attenuated in countries that are active in
WTO sponsored dispute settlement.

I begin by briefly discussing the IEOs and locating this research in the context of
prior studies. Next, I discuss the research design and findings, and close with a
discussion of further implications of the work.

2 Background

The IEOs were created in the postwar period to aid the recovery from the chaos of
World War Two, and provide breathing space for the welfare state (Ruggie 1982).
The World Bank was created to assist in the economic reconstruction of Europe, the IMF
was originally created to exercise surveillance over country exchange rates and allow for
orderly exchange rate devaluations, and the GATT (General Agreement on Tariffs and
Trade) was intended to provide a multilateral forum for reducing trade barriers.

Since the 1940s, the responsibilities of the IEOs have shifted dramatically. The
IMF and World Bank increasingly became involved in developing countries, with
the IMF making loans to aid countries in balance of payments crises and the World
Bank creating programs to aid economic development. In 1995, the GATT became
the WTO, which had both stronger surveillance procedures as well as a stronger set
of procedures for resolving trade disputes between member states.

These three institutions have become a lightning rod for concerns about
globalization. Concerns about the distributional effects of their activities or concerns
about their encroachment on national sovereignty appear frequently. Understanding
the basis of opinions regarding the IEOs tells us a great deal about their potential
influence in developing countries. Is it merely the case that opposition to the IEOs
has its roots in the fact that they are international institutions, or is it because these
organizations promote capitalist norms? Are there national level attributes that shape
opinions distinct from individual level ones? Do bad economic conditions lead to
negative opinions of the IEOs, or do publics exonerate them for the state of the
economy? Are there other individual-level factors that produce opinion cleavages
regarding the IEOs, and if so, what are they?

The answers to these questions are informative on several levels. First, understanding
the bases of support or opposition to the IEOs tells us about the politics of economic
reform. Traditional models of reform (Haggard and Kaufman 1992, 1995) suggest that
the political problem of reform is one of time inconsistency: reforms are supposed to
make things worse before they get better. However, it is not the case that IEO
mandated reforms necessarily automatically engender disapproval. Economic adjustment might lead publics to rally in support of a government that will produce better times ahead—what Przeworski (1991) termed intertemporal dynamics. Similarly, Weyland (1996) argues that publics might support risky measures like austerity rather than an untenable status quo. Both these lines of argument imply that IEO-backed austerity, while domestically costly, need not prove politically volatile. Understanding the determinants of attitudes toward the IEOs can help us to better identify who the potential winners and losers from their programs are, as well as help devise appropriate strategies of compensation.

Second, this research can help us to better understand how and why states use international institutions. International institutions are thought to be “domestic level problem solvers” (Goldstein 1996; Oatley and Nabors 1998) that provide resources to politicians or to their constituents. In the case of the IEOs, the benefit comes in the form of serving as a scapegoat. Policy choices that might provoke domestic opposition (such as cutting government expenditures or increasing trade openness) can be framed as a necessary sacrifice at the negotiating table (Vaubel 1991). In this manner, then, politicians blame the IEOs for forcing their hand and making them adopt policies that constituents detest, in the hopes that these same constituents blame the IEO and not the government for their plight. However, when and how scapegoating actually works in practice remains an open question. Vreeland (2003) argues that governments that face domestic opposition to implementing reforms might value IMF conditions as a means to build support. Insisting that certain reforms (such as expenditure cuts or tax hikes) must be implemented in order to receive additional installments of a loan can help to mollify domestic discontent. It can be argued, however, that this strategy is not likely to be successful. Since governments that already have a weak commitment for reform have a higher “demand” for conditionality, then scapegoating may reflect a lack of credibility rather than a conscious strategy to strengthen reform. Considering the role of public opinion, for scapegoating to work requires that the public essentially exonerate the government for an economic crisis and blame the IMF for it. If publics hold governments accountable for an economic crisis, then a government’s attempt to blame the IMF for conditionality is not likely to be viewed as credible. Thus, understanding how publics evaluate the IEOs tells us about the necessity for scapegoating in the first place as well as the conditions under which it may prove successful.

Finally, the answers here can tell us a great deal about how well these institutions are doing in getting their message heard. All three of these institutions have increasingly placed a greater priority on creating dialogue with societal groups that may oppose reform (O’Brien et al. 2000). These efforts, however are not likely to be successful without a better understanding of which social groups require dialogue and for what ends the dialogue is pursued (Drazen and Isard 2004). Thus, understanding how individuals regard these institutions can tell us a great deal about how well their increasing attention to open public dialogue can shape the contours of support for their programs.

3 Findings from Previous Studies

Previous research has identified a number of important variables that shape public opinion regarding the IEOs. At the individual level of analysis, the literature...
suggests several possible independent variables: evaluations of the effects of reform on the state of the economy, education and skills, gender, and attitudes toward globalization and free markets. The manner in which countries engage with these organizations might also have important effects on public opinion. I now turn to discuss each of these in detail.

In many cases, the economic reform initiatives adopted by countries are supported with aid from the IMF and World Bank. This suggests that the same variables that affect attitudes toward reform should also affect attitudes toward the IEOs. Studies of the effect of public opinion on economic reform (Duch 1993; Przeworski 1996; Stokes 2001; Kaufman and Zuckermann 1998) find stronger support for “socio-tropic” explanations for support for economic reform compared to pocketbook explanations. In other words, evaluations of the overall effects of reform on the economy are more important determinants of respondent opinions than the effects of reform on personal incomes. This finding is also confirmed in studies of support for European integration (Gabel and Whitten 1997).

Separate from a respondent’s short term view of the state of the economy, prospective views on the future path of the economy are also important determinants of public opinion regarding economic reform. The austerity produced by the IMF and World Bank can lead to a painful economic contraction, as states are expected to slow the growth of inflation and cut government expenditures. Politically, this can be a dangerous mix, since reforms make things worse in the short term, pressure to roll back reforms comes from those groups that are likely to lose from it (Haggard and Kaufman 1992; Przeworski 1991; Hellman 1998). It is not surprising that compliance with IMF and World Bank programs is politically difficult, and in many cases, loan programs are suspended prior to their intended completion date. However, as Stokes (2001) points out, a deteriorating economy need not necessarily produce pressure on governments to undo reforms. In fact, publics can rally to the support of governments in the belief that an economic downturn is necessary to produce a better future. Understanding how individuals regard the state of the economy both in the present and in the future helps to ascertain whether respondents blame the IEOs or exonerate them for the state of the economy.

Studies find differing results regarding the link between education and public opinion regarding economic issues. In Mexico, more educated respondents were often more skeptical of the benefits of economic reform than less educated respondents (Kaufman and Zuckermann 1998). On the other hand, Gabel and Whitten (1997) find that education is positively related to support for European integration. Banducci et al. (2003) find that education is positively related to support

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1 These findings mirror those in the American and comparative literatures (Fiorina 1981; Kinder and Kiewet 1979, 1981; Lewis-Beck 1988).

2 Compliance with IMF and World Bank programs is an important issue. For the IMF, Mussa and Savastano (1999) note that between 1973 and 1997, more than a third of all Fund arrangements ended with disbursements of less than half of the original support. World Bank (1997) reports that less than 30% of countries in Sub-Saharan Africa have a good record of program compliance. As Nsouli et al. (2005:140) note, successfully implemented IMF programs exhibit better performance in inflation and fiscal policy. This is not to imply that noncompliance with IMF programs is costless. Recent work evaluating the catalytic effects of IMF programs (Edwards 2005) notes that program suspensions by the IMF lead to capital flight. Vreeland (2006) provides an extensive overview of the issues surrounding compliance with IMF programs.
for a single European currency. Scheve and Slaughter (2001) find that more educated respondents are more likely to support free trade.

This raises the important question of why and how education matters. This divergent pattern between levels of education and support for economic integration is readily understandable within the context of established theories of trade preferences. In the so-called factor endowments model, economic openness benefits individuals who control factors of production (labor or capital) with which the country is relatively well endowed, and it harms those individuals that control the scarce factor of production (Stolper and Samuelson 1941; Rogowski 1989). Thus, developed countries are well endowed with high-skilled labor. As a result, one would expect more educated (skilled) respondents to be more able to benefit from increases in economic openness, and thus more likely to support it. This line of argument has been used in many studies that use survey research to understand the microfoundations of trade openness (Scheve and Slaughter 2001, O’Rourke and Sinnott 2001, Mayda and Rodrik 2005). It has also been recently applied in a study of determinants of Congressional votes regarding the International Financial Institutions (Broz 2008).

How then would the factor endowments model help us predict survey responses in developing countries? Because these countries are more endowed with low-skill labor, here the results are opposite: more educated respondents are likely to oppose free trade, because openness harms holders of scarce factors of production. This explains the results from the Kaufman and Zuckermann survey: less educated workers benefit from free trade more readily, as the goods they produce are relatively cheaper than those of other countries. As a result, one would expect a negative relationship between education and support for the IEOs in the developing world, as highly educated workers in these countries stand to lose more from the increased economic openness that the IEOs promote.

Recent works challenge this assessment. Hainmueller and Hiscox (2006) argue that the link between education and support for free trade reflects greater economic knowledge about free trade and socialization to foreigners rather than an assessment of returns to skills. I address concerns about the logic connecting education to IEO evaluations in robustness checks below.

Along the lines of prior research, I expect to find significant differences between respondents along gender lines. Women seem to be more sensitive to the distributional consequences of economic reforms, as they are less likely to support European integration, free trade in the US, or a single European currency (Gabel and Whitten 1997; Hayo 1999; Banducci et al. 2003; Scheve and Slaughter 2001). In the developing world, a substantial literature argues that women are directly harmed by IMF and World Bank-backed austerity measures (Emeagwali 1995; Sparr 1994; Dalla Costa and Dalla Costa 1993), further implying that women might be less likely to support the IEOs compared to men.

Since the IEOs are institutions that are both transnational in focus and pro-capitalist in ideology, it is likely that orientations toward capitalism and nationalism also shape opinions about them. In the debate over globalization more broadly, much of the opposition to the IEOs has been anchored by groups that advocate policies that are more statist and less reliant on market incentives. Thus, opposition to capitalism and opposition to the IEOs may well go hand in hand. Studies of public
opinion regarding trade have already uncovered a strong link between beliefs about nationalism and opposition to free trade (Rankin 2001; O’Rourke and Sinnott 2001).

Finally, given that the focus is attitudes toward international organizations, it is important to consider how distinct national level factors might also affect attitudes. As noted above, prior research suggests that evaluations of the state of the economy shape views of the IEOs. The problem, though, is that the “state of the economy” is comprised of multiple factors, including government performance and the role of external actors like the IEOs. To ensure that the inferences here are valid, it is important to control for the relative influence of the IEOs in each of these country cases. Failing to do this raises important questions regarding the interpretation of the results. This is especially crucial given the cross-national nature of the research design. While the theoretical arguments above linked opinions about the IEOs to the presence of austerity programs, not all of the countries in this study received loans from the IMF or World Bank during this time period.

Thus, existing research suggests that five sets of factors should shape opinions regarding the IEOs: individual-level evaluations of the economy, respondents’ level of education, gender, values regarding capitalism and nationalism, and national level variables that capture IEO involvement. Including variables from different levels of analysis necessitates important choices regarding the research design, which I discuss in the section below.

4 Research Design

This paper uses data from the Pew Global Attitudes Survey, which conducted a survey of 38,000 respondents in 44 countries over the Summer and Autumn of 2002. Between 500 and 3,000 respondents were contacted (either face to face or telephone) per country. Not all questions were asked in every country, and in some cases, differences in scaling for variables across countries meant that some variables were not available in the analysis. For example, measures of income could not be coded cross-nationally. Additionally, the survey did not ask occupational information, nor did it assess the degree of background knowledge of respondents regarding international economic factors. What follows, then, is an analysis based on the available data for developing countries. These countries should not be construed as a random sample of developing nations. The appendix contains a list of countries that were used in each of the models reported below.

The use of a cross-national survey brings with it several inferential challenges. The data are respondent survey answers grouped by country. I approach these findings through estimations based on individual-level data, though to make proper inferences, I need to also control for a state’s level of engagement with the IEOs. There are several potential avenues available to analyze data with such a structure. One option would be to regress aggregate country-level and individual-level results


4 As Hayo (1999) notes, actual knowledge by Europeans about the EU is quite low.
separately. For the individual level model, then, we simply omit possible country level explanatory factors and estimated a pooled model that is not context-specific. The country level model, then, accounts for heterogeneity. The problem with this is that it requires the assumption that the individual level results are essentially constant across countries. This is a strong assumption that is unlikely to be met. After all, because these countries face different economic conditions (some are in severe economic crisis during this timeframe and some are not) the national level regressors are surely different across countries. Since an individual-level analysis would include evaluations of the economy as an independent variable, and since the state of the economy across countries is variable, assuming that the individual level results are consistent across countries is at best inaccurate. If this assumption cannot be met, a pooled individual-level model that is inattentive to country contexts produces bias (Franzese 2006: 438; Jusko and Shively 2005: 331). Because I think that this assumption of constant coefficients across countries is untenable, another modeling strategy is vital.

One other option would be to regress the individual level data only and include a series of country dummies to address unmodeled national level factors. This option eliminates the potential bias, but it is also limiting. Finding that opinions on the IEOs are lower in Venezuela than Brazil is valuable, but it does not tell us a single thing about why this is the case. Country level information is more than nuisance here, and should be treated as such in the analysis.

I start with an individual level analysis, which I present in Section 5. This is pooled estimation with country fixed effects. In the following section, I augment it by relying on an empirical technique referred to as two-step modeling (Jusko and Shively 2005; Lewis and Linzer 2005). In the first step, I generate individual level results by country. For each individual independent variable of interest, I then save the coefficients. This in turn becomes a dependent variable in a second estimation in which I regress national-level factors. Thus, this addresses the potential for bias, as the second step estimations tell us about the national level conditions under which the individual level independent variables have greater explanatory power.

To better explain how this approach works in practice, I refer to Goldberg and Pavcnik’s (2005) analysis of the effects of trade liberalization on wages in Colombia. In this paper, the authors began with individual level data on wages. They controlled for standard determinants (age, gender, education, geographic location) and used this equation to generate an estimate of industry-wide wage premia. The wage premium is thus the portion of wages which is explained by industry of employment (services or manufacturing, for example) rather than individual level factors such as one’s level of education. These estimates of industry wage premia are then the dependent variable in a national level regression in which tariff changes are one independent variable among others.

The value of this approach is that it takes contexts seriously. Finding that a factor like partisanship affects opinions regarding the IEOs is important, but a sensible follow-up question is whether there are national level conditions under which partisanship is a more important (or less important) determinant of opinions. In other words, I need a modeling approach that recognizes that national level factors matter and takes them seriously (which two separate individual and country level regressions would not) and also does not relegate country level variables to nuisance (which a fixed effects specification would).
The dependent variable is the response to a question asking respondents to evaluate the role that IEOs play in their country. The exact text of the question is the following: Is the influence of international organizations like the IMF, World Bank and World Trade Organization very good, somewhat good, somewhat bad or very bad in (survey country)? These responses are measured on a four point scale, and the statistical model is an ordered probit. All three IEOs are treated equally here, and while one might wish to separately evaluate public opinion on the IMF and World Bank from that of the WTO, no follow-up questions were asked that prompted respondents for their separate opinions of each institution. I address this limitation in two ways. First, I attempt to ascertain if IEO evaluations are driven purely by attitudes toward foreign trade in the individual-level analysis. Second, I develop the two-step model to look at the impact of national level factors on attitudes. Since countries might differ in terms of their engagement with each of these organizations, I can use information about each country’s level of engagement as an independent variable in the second step analysis.

One last note about this research strategy is necessary. Because I use the two-step model to aggregate country surveys that contained between 500 and 3,000 respondents, this means that the standard errors differ across countries. To address the potential heteroskedasticity in the aggregate analysis (which now has a small N because the dependent variable is estimated, I employ OLS with Efron’s (1982) standard errors, which are more forgiving in the presence of heteroskedasticity in small samples.

5 Findings (1): Individual Level Analysis

What leverage do the individual-level theories discussed above bring to this question? To answer this, I estimated the models using the explanatory factors developed above: evaluations of the economy, gender, education, and ideology. These help us understand to what extent economic perceptions and individual demographic factors shape opinions. In addition, one can also ascertain the extent to which opinions regarding the IEOs are intrinsic to them, that is, whether opposition occurs because they are supranational institutions that have a capitalist orientation. To account for cross-sectional heterogeneity, I estimated these results using a series of country dummy variables. These results are detailed in the table below.

First, individuals’ evaluations of the state of the economy affect their evaluation of the IEOs. In all three models presented in Table 1, respondents who described the economic situation in their country as bad were more likely to voice disapproval of the IEOs. In addition, respondents who felt that the economic situation in their countries was likely to worsen over the next 12 months also had negative opinions of the IEOs. Finally, increasing dissatisfaction with one’s household income also leads to low levels of support for the IEOs. These three findings are not difficult to understand, as they mirror the findings of the literature on public opinion and

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5 The appendix contains the exact text of all questions used in the data analysis.

6 Not all the surveys were based on random samples. Thus, the analysis presented here relies on weighted data to ensure that urban respondents were not oversampled relative to rural ones.
economic reform. A bad (and deteriorating) situation, both for the nation as well as individuals, implies a greater sensitivity to the distributional effects of the IEOs.

I also attempted to ascertain individual reactions to the distributional effects of these programs by asking about the employment status of the respondent. Here, employment was measured on a nine point scale. From this scale, I created a dummy for whether the respondent was unemployed. In Model 1, unemployed respondents are more likely to have positive opinions of the IEOs. As the table indicates, however, this finding is not robust and does not survive richer specifications. These non-findings are not altered by respecifying the model to distinguish unemployed respondents from those not in the labor force, nor does it change when we keep the sample size constant across models.

Turning to gender, here the findings were not what one would expect. As noted above, a significant literature focuses on the cost of structural adjustment programs on women and children, and the literature on public opinion on trade shows evidence of a gender gap. Thus, our expectation is that women would be more likely to have negative opinions regarding the IEOs than men. However, our findings suggest the opposite, as men are more likely to disapprove of the IEOs compared to women. This finding holds across model specifications. As above, adding a dummy for whether or not the respondent was in the labor force did not change the coefficient for gender.

The findings on education also differed from those reported in surveys of developed countries. Increases in the respondent’s level of education lead to increasing disapproval of the IEOs. This reflects a factor endowments model since

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<td>Change in economy</td>
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Cutpoints and country dummies omitted from table. Estimations employ robust standard errors and survey weights

Model Chi-squared: 0.0000 (for all) Chi-squared for country dummies: 0.0000 (for all)
Observations: 22060 (Model 1), 7383 (Model 2), 6873 (Model 3)
McFadden Pseudo R-squared: .064 (Model 1), .107 (Model 2), .110 (Model 3)
a .10 level or better
b .05 level or better
c .001 level or better
high-skilled individuals will be scarce in developing countries. In countries with a relative scarcity of high-skilled labor and a relative abundance of low-skilled labor, increasing openness will serve to raise the income of low-skilled labor (those with lower levels of education) and lower the income of high-skilled labor (those with higher levels of education). Simply put, goods produced by low-skilled labor will be cheaper relative to the rest of the world, and goods produced by higher-skill labor will be more expensive relative to the rest of the world.

An important robustness check is essential to clarify the logic of the link between education and evaluations of the IEOs. Hainmueller and Hiscox (2006) challenge the results from published research as providing support for a factor endowments model. By reexamining survey data from developed countries, they note two key findings inconsistent with it. First, they observe that education affects attitudes toward trade regardless of whether respondents are in the labor force. If opinions are derived by the returns to factors of production, then one would expect the effects of education on opinions to matter if and only if respondents were in the labor force. Finding that education affects opinions regardless raises the broader question of exactly how it matters. Second, Hainmueller and Hiscox find that the effects of education are nonlinear. Exposure to a college level curriculum affects attitudes toward trade positively, while other levels of educational attainment have either no effects or negative effects on attitudes. Again, if education is a proxy for skills, one would expect to find consistent effects across education levels.

I reanalyzed these data in line with these findings as two additional robustness tests, and saw results consistent with the factor endowment model. In other words, the relationship between education and IEO evaluations was only significant if respondents were actually in the labor force, and I also found that respondents that completed secondary education had roughly the same ambivalence about the IEOs that university attendees had. In other words, I transformed the variable for education from a scale into a series of dummies. Dummy variables for whether the respondent had completed secondary education and had any college were both positive and significant. Thus, this contradicts the nonlinear relationship noted in Hainmueller and Hiscox’s (2006) reanalysis. Both findings here strongly suggest that the intuition linking education to IEO evaluations via the factor endowment model is valid.

Respondents were asked to classify themselves on a ten-point scale to capture their ideology. On this scale, a low score indicates extreme left views and a high score indicates extreme right views. This variable was significant in both Models Two and Three, indicating that left respondents were more likely to hold negative opinions of the IEOs. Given that IEO programs often require states to reduce government expenditure, which tends to translate into cuts to social programs, this is not surprising.

I included two variables attempting to tap the respondents’ baseline attitudes toward economic reform. Hayo and Shin (2002) find in their study of Korea that support for the IMF did not correlate with attitudes toward economic reform more generally. In other words, respondents that approved of IMF conditionality did not have a deep attachment to free market reforms. To ascertain if the same dynamics are at work in this survey, two questions were asked regarding respondents’ level of approval of a free market economy and whether consumerism and commercialism (defined as the ways of doing business of large companies) are a threat to the respondent’s culture. Those respondents who disapproved of free market economies...
had higher levels of disapproval for the IEOs. In addition, those respondents that find consumerism a threat are more likely to have negative opinions of the IEOs. Thus, in contrast to the Korean case, opposition to the IEOs and opposition to free markets tend to go together. Thus, not only is it the case that the public does not exonerate the IEOs for bad economic conditions, opposition to them is not distinct from concerns about the adverse effects of capitalism.

Given that prior research has found a link between nationalist attitudes and support for economic integration, I included one variable to assess these connections. This question asks the respondent to agree or disagree with the statement that the respondent’s way of life needs to be protected against foreign influence. The variable measuring foreign influence was not significant regardless of specification.

To put these findings into greater perspective, I generated a series of tables of predicted probabilities from Model 3 in Table 1. These probabilities allow us to better assess the relative importance of each of these explanations. This is detailed in the table below.

From the baseline model (with all independent variables at their mean values) nearly 70% of respondents felt that the influence of the IEOs in their country was either very or somewhat good. Only 30% of respondents had negative opinions regarding the IEOs. To ascertain how much economic assessments matter, I generated predicted probabilities by shifting both satisfaction with the economic situation and household income from their minimum values (Very Satisfied) to their maximum values (Very Dissatisfied). Holding all other variables at their means, worsening both variables reduces the proportion of positive responses to a bare majority (51.38%). Comparing the relative effects of each of the two variables individually, the first differences for Economic Situation are close to twice as large as those for Household Income Satisfaction. This confirms the results of previous studies that find that pocketbook influences on public opinion are not as significant as sociotropic influences.

Economic assessments shape opinions in a dynamic as well as a static sense. The change in predicted probabilities produced by changing respondents’ assessments of the future economic situation makes this plain. Moving this variable from its most positive value (Economy expected to improve a lot in next 12 months) to its most negative value (Economy expected to worsen substantially in next 12 months) shifts evaluations from positive to negative. The probability of answering “very good” is now halved, and the probability of answering somewhat or very bad each increase by more than six percent. Thus, whether evaluated at the present or in the future, negative views of the economy produce negative opinions of the IEOs.

I now turn from studying the effect of evaluations about the state of the economy to the effect of gender on evaluations of the IEOs. Table 2 shows that gender differences matter across categories of the dependent variable. Women are almost four percent more likely to answer “very good,” slightly more likely to answer “somewhat good” and two percent less likely to answer either “somewhat bad” or “very bad.” Each of these differences is statistically significant at a better than .001 level. It bears repeating that this result is consistent across the specifications reported in Table 1, and splitting the sample into low and middle income countries does not alter this result. Women have more positive opinions of the IEOs than men.

This result, however, does not tell us why these differences exist. The traditional argument made about gender and structural adjustment suggests that the burden of
austerity falls on women as states are forced by the IEOs to reduce their social safety nets (Emeagwali 1995; Sparr 1994; Dalla Costa and Dalla Costa 1993). In addition, this result flies in the face of the literature on trade policy which tends to find a link between gender and protectionism (Gabel and Whitten 1997; Banducci et al. 2003; Scheve and Slaughter 2001). As a result of both these factors, one would expect greater opposition to the IEOs by women. What these arguments overlook is a countervailing factor: economic reforms have opened up new opportunities for women, which translate into higher levels of support. Cerrutti (2000) and Safa (1999) make this claim for both Argentina and the Dominican Republic, respectively. Kaufman and Zuckermann (1998) find that women are more likely to support economic reforms in Mexico for precisely this reason. Structural adjustment policies have brought more women into the labor force, necessitating them to look for work as a means to reduce their households’ economic uncertainty.

In this light, what is important about this finding is not its magnitude (as the changes in predicted probabilities are small compared to other independent variables). Rather, two things are worth noting about this link between women and support for the IEOs. First, the fact that it is positive and not strongly negative suggests that the conventional wisdom is at best underspecified. Second, women in this sample tend to take an exonerating posture toward the IEOs (following Stokes 2001). While women might be pressed into the workforce at a higher level when

<table>
<thead>
<tr>
<th>Table 2 Individual level model: Change in predicted probabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very good</td>
</tr>
<tr>
<td>Baseline</td>
</tr>
<tr>
<td>Change in economic satisfaction</td>
</tr>
<tr>
<td>National situation</td>
</tr>
<tr>
<td>Household income</td>
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<tr>
<td>Change in future economic situation</td>
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<tr>
<td>Change in gender</td>
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<tr>
<td>Change in education</td>
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<tr>
<td>Change in ideology</td>
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<tr>
<td>Change in free market</td>
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<tr>
<td>Change in consumerism</td>
</tr>
</tbody>
</table>

Baseline probabilities calculated for mean value of all independent variables. All entries save those in italics are significant changes in probabilities at a .05 level or better.

a Change in probability caused by moving Economic Situation and Household Income from Very Satisfied to Very Dissatisfied

b Change in probability caused by moving from Improve a Lot to Worsen a Lot

c Change in probability caused by moving from Male to Female

d Change in probability caused by moving from No Formal Education to University Graduate

e Change in probability caused by moving from Extreme Left to Extreme Right

f Change in probability caused by moving from Free Market from Completely Agree to Completely Disagree

g Change in probability caused by moving Consumerism from Not a Threat to Threat
states face periods of economic adjustment, the respondents in this survey do not seem to blame the IEOs for their situations.

The findings from Table 1 suggest that education and IEO support are inversely related. To better illustrate the magnitude of these effects, I generated the predicted probabilities for the lowest education level (no formal education) and the highest education level (university graduate) against the baseline of all variables held at their means.

These distinctions are profound, and rival those of economic expectations in terms of magnitude. Compared to respondents with no formal education, college graduates are almost 11% less likely to respond with “very good” and 5–6% more likely to respond with “somewhat bad” or “very bad,” respectively. As noted above, these findings are in line with the expectations of the factor endowments model.

I also controlled for ideology, which represented an individual’s self-placement on a scale ranging from far left to far right. As Table 1 suggests, respondents that self-identified as having a right of center ideology were more likely to have positive opinions of the IEOs. As Table 2 points out, as respondents move to the right, their opinions of the IEOs improve substantially, and the magnitude of these changes is on par with changes in the future economic situation, but larger than changes in the respondent’s level of education.

Finally, I controlled for the respondents’ specific beliefs about reform, markets, and nationalism. Here the questions were the respondent’s belief about the merits of a free market economy for improving individual welfare, as well as whether the respondent viewed consumerism as a threat. In the models in Table 1, these variables were significant when both are in the same model and even after controlling for individual self-placement on a left-right scale. In the predicted probabilities reported in Table 2, it’s clear that these two measures have very strong effects, rivaling the measures for economic satisfaction. Comparing the relative effects of each of the two variables individually, the first differences for Consumerism are roughly twice as large as those for the Free Market.

Issues about nationalism were not important in this analysis. The variable measuring whether respondents felt that their way of life needed to be protected against foreign influence was not significant. Thus, while other studies have found a link between nationalist beliefs and support for protectionism, the findings here suggest that opposition to the IEOs is based on their policy preferences rather than the fact that they are international organizations.

One last robustness check is worth noting. While respondents were not asked discrete questions evaluating each of the IEOs, one possible strategy with this individual level data might be valuable. Respondents were asked to evaluate whether growing foreign trade and business ties with other countries were a very good, good, bad, or very bad thing for their respective country. In a sense, then controlling for views of foreign trade in the individual level model presented above tells us if opinions regarding the IEOs are largely colored by respondent views of foreign trade. When I reestimated the model in Table 1 including this foreign trade variable, the results remained consistent. The original coefficients for the aforementioned independent variables dealing with evaluations of the economy, education, gender, and ideology retained their signs and levels of significance. More importantly, the coefficient on foreign trade was not significant. This suggests that evaluations of the
IEOs are not merely driven by respondent views of foreign trade. They further suggest that more research is necessary to understand how national contexts might alter the results in Table 1. I now turn to discuss how I conducted this analysis.

6 Findings (2): Aggregate Level Analysis

The remaining challenge is to determine possible national-level factors that may amplify or suppress the effects of individual level factors on opinions. Since our focus lies in understanding public opinions regarding the IEOs, introducing different measures of involvement with these international organizations is important to understand how they matter. Operationalizing IEO influence is obviously an issue for which proxy measures are not perfect. In the empirical literature that evaluates the effects of these organizations, dummy variables for program involvement are often employed. Using a richer operationalization, however, can yield significant benefits. For the IMF and World Bank, I used data from the World Development Indicators to calculate net lending from the IMF and World Bank on a per capita basis. Because they are per capita measures, they provide more information than a simple zero one count of program involvement. Calculating flows per capita makes this a measure of the intensity of IMF and World Bank engagement with countries. Simple data on financial flows, whether positive or negative, will not capture the intensity of the engagement of these institutions lacking a denominator to scale them. In addition, because these are net measures, they are calculated as disbursements less repayments. This is valuable because it identifies when the IEOs matter - whether their influence is felt early in the lending cycle (when the money is disbursed subject to conditionality, meaning that the variable is positive) or later in the lending cycle (when conditions have improved and countries enter loan repayment, meaning that the variable is negative). Because these measures were highly correlated (at a level of .62), I estimated these separately in the tables below. Of course, one would expect lending patterns from these two institutions to be closely related to one another. Separate regressions thus allow us to mitigate concerns about collinearity.

Assessing the influence of the WTO is less straightforward. Keeping with our focus on direct measures of IEO activities, I choose to focus on the extent to which countries use the WTO dispute settlement procedures. This provides a direct link between WTO activities and citizen responses. While an alternative would be to devise a measure of policy preferences toward liberalization, the link to the international organization would be less clear. The level of trade openness also would not make a good proxy for WTO influence, since it might reflect earlier policy choices. Our focus lies not in how the respondent feels about foreign trade, which could be shaped by domestic factors, but more on how they evaluate the WTO. I assessed the influence of the WTO through a count of involvement in trade disputes (either as a defendant or a plaintiff) using information from the WTO website.

7 Relying on data on flows help mitigate concerns about omitting the degree of program compliance, since the money is only given if the Fund certifies that the conditions have been met. For more on this, see Dreher 2006.
One last item is worth noting here. Some countries receive World Bank loans for gender-based programs. These might include programs intended to strengthen family planning and nutrition programs, address HIV incidence, and increase funding for secondary education for young women. Using information from the World Bank’s website, I generated a count of active and completed loans with a gender-based component for each country. I include these in a regression in which the effects of gender on IEO evaluations is the dependent variable. This allows us to assess if World Bank lending more generally or specific types of loans alter the effect of gender on opinions regarding the IEOs.

Finally, I controlled for two other national-level factors that might also shape evaluations regarding the IEOs. I controlled for GNI per capita to address claims that middle income countries were the ones being harmed the most by economic integration (Garrett 2004). I also controlled for each state’s Freedom House score to assess if there were differences in evaluations of the IEOs between free and unfree societies.

In this two part modeling strategy, making the coefficient in an individual level model a dependent variable in another model allows one to assess the contexts in which the independent variable in question has greater or lesser effects on opinions. Thus, each of the key independent individual-level variables (education, gender, partisanship, views of the economic situation, views on prospective changes in the economy, and views on household income) is the dependent variable, and IMF and IBRD lending, WTO dispute involvement, the count of gender-based loans, differences in gross national income, and variations between free and unfree societies are independent variables.8

I followed the procedures described in Lewis and Linzer (2005) to assess the influence of national level factors. I first reestimated the model in the rightmost column of Table 1 on a country-by-country basis. For each country estimation, I saved the coefficients on each of the independent variables (education, gender, partisanship, etc.) Each of these variables then becomes a dependent variable on which I regress national level factors. This allows me to assess the influence of national level contexts, as the results of each estimation tell us the conditions under which the impact of each independent variable on opinions is lesser or greater.

Rather than talk about each independent variable in isolation, discussing across models helps us to better observe patterns in the data. These results appear in the table below. Table 3.

As noted above, the value of measuring IMF and IBRD lending as a net per capita flow allows one to tease out how the independent variables have different effects between lending and repayment periods. These findings suggest that World Bank and IMF programs have similar effects on opinions. Countries that had large disbursements of IMF and World Bank programs (in other words, loans) during this time period included Argentina, Brazil and Turkey. In these countries, the effects of education and evaluations of household income on opinions were more muted. In other words, the effect of each of these independent variables on evaluations of the IEOs were weaker in countries that received loans from either the IMF or the World

8 The VIFs between these national-level regressors were very low (1.81 for model with IMF, 2.73 for model with IBRD flows), which mitigates concerns about collinearity between these aggregate-level variables.
Table 3 Tests for parameter heterogeneity

<table>
<thead>
<tr>
<th>t3.2</th>
<th>Education</th>
<th>Gender</th>
<th>Partisanship</th>
<th>Economic situation</th>
<th>Change in economy</th>
<th>Household income</th>
</tr>
</thead>
<tbody>
<tr>
<td>t3.3</td>
<td>Net IBRD lending per capita</td>
<td>−.00103*** (0.00047)</td>
<td>−.0156*** (0.0019)</td>
<td>−.00107*** (0.00049)</td>
<td>.00778*** (0.0014)</td>
<td>.00493*** (0.0013)</td>
</tr>
<tr>
<td>t3.4</td>
<td>Net IMF lending per capita</td>
<td>−.000153*** (3.25e-06)</td>
<td>−.000555*** (0.00018)</td>
<td>−.000138*** (4.42e-06)</td>
<td>.000284*** (0.00017)</td>
<td>.000284*** (0.00026)</td>
</tr>
<tr>
<td>t3.5</td>
<td>Gross national income per capita</td>
<td>2.94e-06*** (1.08e-07)</td>
<td>3.04e-06*** (1.01e-07)</td>
<td>8.10e-06*** (5.13e-07)</td>
<td>9.69e-06*** (9.21e-07)</td>
<td>7.79e-07*** (1.47e-07)</td>
</tr>
<tr>
<td>t3.6</td>
<td>Freedom house score</td>
<td>−.04142*** (0.00437)</td>
<td>−.0436*** (0.00043)</td>
<td>.04319*** (0.00178)</td>
<td>.05811*** (0.00058)</td>
<td>.03055*** (0.00061)</td>
</tr>
<tr>
<td>t3.7</td>
<td>Trade dispute count</td>
<td>−.00148*** (0.00049)</td>
<td>−.00081*** (0.00052)</td>
<td>.01106*** (0.00027)</td>
<td>.01222*** (0.00034)</td>
<td>.00362*** (0.00055)</td>
</tr>
<tr>
<td>t3.8</td>
<td>Gender loans count</td>
<td>−.005304*** (0.0028)</td>
<td>−.01012*** (0.00020)</td>
<td>.00345*** (0.00028)</td>
<td>.00362*** (0.00055)</td>
<td>.00362*** (0.00052)</td>
</tr>
<tr>
<td>t3.9</td>
<td>Constant</td>
<td>.1250*** (.00079)</td>
<td>.1295*** (.00075)</td>
<td>.2205*** (.0038)</td>
<td>.1916*** (.00371)</td>
<td>.03272*** (.00152)</td>
</tr>
</tbody>
</table>

Number of Observations: 10468 (14 countries)
Model F Test: 0.00000 (for all)
Models estimated as OLS with HC3 standard errors
Bank during this time period. By way of contrast, countries that were repaying loans to the IMF and World Bank during this time period, which includes Bangladesh, Cote d’Ivoire and Venezuela, education and evaluations of household income were stronger determinants of evaluation of the IEOs.

Concerns about the present state of the economy and the future trajectory of the economy were more important determinants of evaluations in loan recipient countries than in loan repayment countries. This is not surprising, given that the intent of IMF conditionality is to induce fiscal and monetary restraint and that large World Bank adjustment programs are also intended to help countries cope with the adverse costs of austerity on social programs. On the other hand, household income matters most when countries were repaying loans, and less when countries receive loans. This finding comports with others evaluating the relative weight of sociotropic versus pocketbook explanations for public opinion. When countries are under IMF or World Bank programs and receiving loans, the state of the national economy matters more for evaluations of these organizations.

The influence of education on opinions increased as countries moved from lending to repayment. Here education serves as a proxy for respondent skills - and the finding that differences in levels of IEO support between lesser skilled and better skilled workers diminish when states are under IMF and World Bank programs, but increase when these states move into repayment merits some discussion. Thinking about the effects of these programs helps to understand why differences in education matter less under IMF and World Bank programs. If low skilled labor supports the IEOs, then it is easy to understand why this support can be conditional. For low-skilled labor, fiscal and monetary tightening mean an overall slowdown in the economy and fewer jobs. This erodes the support that lower skilled workers would normally provide to the IEOs. As the country moves from austerity into repayment and the economy grows, there are more opportunities for low-skilled labor and greater support for the IEOs as a result.

Partisanship moved in the opposite direction from education. Differences between left and right were more salient determinants of IEO evaluation when countries were receiving loans compared to when they were repaying loans. This reflects the political constraints of austerity and economic crisis. Fiscal and monetary contractions make partisanship more salient, as an individual’s partisan self-identification becomes a handy informational shortcut that helps one evaluate the IEOs. Once the economy returns to normal, partisan cues become less useful for individuals, and as a result, the effect of differences between left and right are not as strong a determinant of individual evaluations.

Finally, IMF and World Bank loans also served to modify the effects of gender on evaluations of the IEOs. Women are more supportive of the IEOs when states receive IMF and World Bank loans, and less supportive (meaning that opinions are more likely the same regardless of gender) when states are repaying them. The conventional wisdom is that IEO programs are harmful to women because austerity leads to cuts in safety nets and public sector employment that disproportionately affect women. However, the strong negative effects on IEO evaluations implied by this argument are not borne out here, as women exonerate the IEOs. As noted above, austerity leads women to enter the job market to gain added income. Moving into the labor force gives women skills as well as greater autonomy and independence (Gray
et al. 2006: 296–297). Separate from the effects of IEO-backed austerity, the World Bank has a special category of loans with a gender component. These include loans for population and health, HIV/AIDS, and support for female school enrollments. Increases in the number of gender-based loans a country receives also serve to increase female support of the IEOs. Thus, not only does the austerity supported by the IMF and World Bank lead to increased opportunities for women (and thus higher support) but gender-based lending also increases female support for the IEOs by cutting against the harmful effects of austerity.

It is worth noting that while IMF and World Bank loans moved in similar directions insofar as modifying the individual level variables, the coefficients differed between the two institutions considerably. The coefficients for IMF lending were consistently smaller than those for World Bank lending, suggesting that increases in IMF lending per capita have smaller effects on the individual level coefficients than a similar increase in World Bank lending per capita.

Turning to the effects of WTO dispute settlement, the divide is between those countries that are frequent clients (either as plaintiffs or defendants) of the dispute settlement proceedings (hereafter DSP) and those that are infrequent ones. For countries with a greater incidence of use of the DSP, both education and gender have weaker effects on evaluations of the IEOs. With more use (either as a plaintiff or defendant) of the DSP, the gap in IEO support between higher educated respondents and lower educated respondents shrinks. Just as in the discussion of the effects of IMF and World Bank lending, WTO activity depresses the effects of education on IEO evaluations. One possible interpretation is that those countries with greater use of the DSP, by opening markets in other countries, create additional opportunities for highly educated workers. In these countries, using the WTO to help open markets bolsters support for the IEOs more generally. Alternatively, it could reflect trade-related job loss as unskilled labor loses out due to foreign competition.

At the same time, gender also has correspondingly weaker effects on opinions of the IEOs as the use of dispute settlement increases. Male and female evaluations of the IEOs look less distinct at higher levels of DSP usage. Gray et al. (2006: 298) suggest that increases in trade may disadvantage women by producing job losses in local industries. In this sense, increases in DSP usage may serve to close the gender gap by leading to trade induced job loss. More broadly, the lack of the gender gap noted above may also reflect a stronger preference by women for trade protection. This finding has been noted in many studies of public opinion regarding trade, including ones based on cross-national samples (O’Rourke and Sinnott 2002; Mayda and Rodrik 2004).

Use of dispute settlement affected the link between evaluations of the state of the economy and how respondents evaluated the IEOs. Evaluations of the present economic situation were more salient in states with a high level of DSP usage, just as with IMF and World Bank lending. Similarly, in high DSP usage countries, respondent views of household income were less significant determinants of IEO evaluations. Using the IEOs appears to affect public opinions regarding them by making individuals more sensitive to the effects of the national economy.

Just as increasing use of dispute settlement reduced the effects of gender on evaluations, differences between left and right in IEO evaluations were weaker in states with high levels of DSP usage. In contrast to the IMF and World Bank, in
which lending served to accentuate the effects of partisanship on IEO evaluations, here use of dispute settlement suppresses the effects of partisanship.

These models were estimated using controls for Gross National Income as well as a country’s Freedom House score. It is worth noting that these results are robust to the inclusion of these added regressors. Briefly, in wealthier countries, education has stronger effects on IEO evaluations than in poorer societies. Partisanship becomes a less salient determinant of evaluations as incomes increase. In freer societies, education has weaker effects on IEO evaluations, and partisanship has stronger effects. Finally, gender differences have less of an impact on IEO evaluations in freer societies.

7 Further Implications

At the individual level of analysis, I found support for four key factors that affected how respondents evaluate the IEOs. Views of the economy were the most significant factor. Respondents that had negative views of the economy (both in the present and future senses) were those most likely to view the IEOs negatively. Similarly, more educated respondents were likely to have negative views of the IEOs, which I traced to their relative scarcity in the labor market. Left respondents were more likely to report negative views of the IEOs, as were men.

In the second stage of the analysis, I sought to unpack exactly how the different experiences that countries had with the international economic organizations affected opinions with them. Three key lessons emerged from this analysis. First, in countries with loans from the IMF and World Bank, respondents were more sensitive to the effects of the economy on how they evaluated the IEOs. The state of the economy similarly mattered more for IEO evaluations in states that used the WTO dispute settlement procedures. In seeking to understand how these institutions matter — one lesson is clear from this study. The intervention of these organizations into countries serves to alter public opinions by making respondents more sensitive to the state of the economy.

While the individual level analysis suggested that lower skilled workers would be more likely to support the IEOs rather than reject them, the second stage findings clarified this result. In countries that received loans from the IMF and World Bank as well as users of WTO dispute settlement, the link between education and evaluations of the IEOs was attenuated. Education was more important in loan repayment states and in infrequent users of dispute settlement. Austerity appears to reduce the low skill premium.

The link between partisanship and IEO evaluation and gender and IEO evaluation was also amended in the second stage analysis. In countries that received IMF and World Bank loans, the effects of partisanship on opinions was strengthened. IMF and World Bank programs are politically polarizing. For countries that were active in

9 I also reestimated these models replacing the Freedom House score with the Heritage Index of Economic Freedom. The variable is significant in all models and in the same direction as the Freedom House score for education, partisanship, gender, and changes in future economic situation. The variable was significant and in the opposite direction for economic situation and household income.
the DSP, the effects of partisanship on opinions was weakened. In countries that received IMF and World Bank loans, women were more supportive of the IEOs in greater numbers than men. Similarly, women were also more likely to support the IEOs if their country had received loans for gender based programs from the World Bank. As countries moved out of crisis and into repayment, differences between women and men were more attenuated. The link between gender and support for the IEOs was similarly weaker in those countries that were active users of the DSP.

Taken as a whole, what are the broader lessons that emerge from this analysis? Not only do prospective and sociotropic evaluations of the economy strongly affect the respondents’ evaluation of the IEOs, but these become increasingly more important factors once states enter loan programs. This suggests that the IEOs seem to have the strongest level of public support precisely when they are not needed. Respondents that report positive (present and future) evaluations of the economy are precisely those with the most positive views of the IEOs. Of course, the problem is that states need the IEOs (specifically the IMF and the World Bank) when the economy is deteriorating, not when it is doing well. Since respondents have increasingly negative views under these conditions, it is not surprising that leaders operating under IEO-directed austerity programs face considerable domestic constraints. Economic reforms backed by the IEOs are politically polarizing, since not only are views of the state of the economy more important determinants of IEO evaluations when states are borrowing from them, but also ideological distinctions matter more as well during this time.

These findings suggest that these constraints can be reduced by more judicious timing of entering these programs. Politicians often face incentives to delay reform because of an unwillingness to endure costs (Alesina and Drazen 1991). At a deeper level, though, these findings suggest that delaying reform (i.e., waiting until economic conditions deteriorate further, or waiting until public perceptions of the economy worsen) might be a tempting strategy. As the state of the economy worsens, opinions regarding the IEOs also worsen. This raises the potential for scapegoating, since politicians can blame the IEOs for the state of the economy.

Absent a strategy that requires politicians to avoid delay, what can be done? It is not surprising that the IEOs have increasingly invested in enhancing their contacts with civil society in order to better sell their programs. However, these findings suggest that such results are not likely to be effective. Ideology and the state of the economy are more important in affecting IEO evaluations when states are under IMF and World Bank programs. Moreover, educational distinctions matter less for opinions regarding the IEOs once states are in a crisis. Making appeals to individuals on the basis of the potential effects of austerity on their skills is unlikely to be successful. While more dialogue with societal groups might prove useful in fostering transparency, it is debatable that such dialogue can lead to a greater understanding that economic reform is a necessity.

Appendix 1: List of Countries and Questions

Individual Level Model One (34 Countries): Angola, Argentina, Bangladesh, Bolivia, Brazil, Bulgaria, China, Cote d’Ivoire, Czech Republic, Ghana, Guatemala,
Honduras, Indonesia, Jordan, Kenya, Lebanon, Mali, Mexico, Nigeria, Pakistan, Peru, Philippines, Poland, Russia, Senegal, Slovak Republic, South Africa, Tanzania, Turkey, Uganda, Ukraine, Uzbekistan, Venezuela, Vietnam.

Individual Level Model Two (24 Countries): Angola, Argentina, Bangladesh, Bolivia, Brazil, Bulgaria, Cote d’Ivoire, Ghana, Guatemala, Honduras, Indonesia, Jordan, Kenya, Lebanon, Mali, Mexico, Peru, Philippines, Senegal, South Africa, Tanzania, Turkey, Uganda, Uzbekistan, Venezuela.

Individual Level Model Three (14 Countries): Angola, Argentina, Bangladesh, Bolivia, Brazil, Bulgaria, Cote d’Ivoire, Kenya, Lebanon, Mali, Peru, Senegal, South Africa, Turkey, Venezuela.

Dependent Variable:

Here is a list of groups, organizations, and institutions. For each, please tell me what kind of influence the group is having on the way things are going in (survey country). Is the influence of international organizations like the IMF, World Bank and World Trade Organization very good, somewhat good, somewhat bad or very bad in (survey country)?

Independent Variables:

Economic Situation: Now thinking about our economic situation, how would you describe the economic situation in (survey country) is it very good, somewhat good, somewhat bad or very bad?

Change in Economy: Over the next 12 months, do you expect the economic situation in our country to improve a lot, improve a little, remain the same, worsen a little, or worsen a lot?

Household Income: As I read each of the following, please tell me whether you are very satisfied, somewhat satisfied, somewhat dissatisfied or very dissatisfied with this aspect of your life. Your household income?

Unemployment: What is your current employment situation? (Dummy variable created from all those who self identified as unemployed).

Education: What is the highest level of education that you have completed? (Responses on nine-point scale: No formal education, Incomplete primary education, Complete primary education, Incomplete secondary education (vocational school), Complete secondary education (vocational school), Incomplete secondary education (preparatory school), Complete secondary education (preparatory school), Some university, University graduate.

Ideology: Some people talk about politics in terms of left, center, and right. On a ten-point scale, with 1 indicating extreme left and 10 indicating extreme right, where would you place yourself?

Free Market Economy: Please tell me whether you completely agree, mostly agree, mostly disagree or completely disagree with the following statement: “Most people are better off in a free market economy, even though some people are rich and some are poor.”
**Consumerism:** Which comes closer to your view? Consumerism and commercialism are a threat to our culture, or consumerism and commercialism are not a threat to our culture?

**Foreign Influence:** Here is a list of statements. For each one, tell me whether you completely agree, mostly agree, mostly disagree, or completely disagree with it. Our way of life needs to be protected against foreign influence.

---

**Appendix 2: Summary Statistics**

<table>
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<tr>
<th>Variable</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Minimum</th>
<th>Maximum</th>
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<tbody>
<tr>
<td>National Level Data</td>
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<tr>
<td>Net IBRD Lending per capita</td>
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**References**


AUTHOR QUERIES

AUTHOR PLEASE ANSWER ALL QUERIES.

Q1. The citation “Jusko and Shively 2006” (original) was changed to “Jusko and Shively 2005” and “Lewis and Linzer 2006” (original) was changed to “Lewis and Linzer 2005”. Please check if appropriate.

Q2. A citation to Table 3 (previously uncited) was inserted here. Please check if appropriate.

Q3. Table 3 was restructured. Please check if data are presented correctly.