Political Trust, Corruption, and Ratings of the IMF and the World Bank

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There are only a handful of studies that examine public support for the IMF and World Bank. Public opinion data on attitudes to the economy feature prominently in these studies. Utilizing data from the Afrobarometer survey, we find that evaluations of the economy, ideology and a range of socio-demographic factors including age, gender, employment status, health, education, and living conditions are not significantly related to ratings of effectiveness. Rather, we find that political trust and corruption—two very important concepts in the wider literature on individual level attitudes toward international relations and foreign policy issues—are strongly associated with ratings of effectiveness.

KEYWORDS Africa, corruption, International Monetary Fund, public opinion, trust, World Bank

The International Monetary Fund (IMF) and the World Bank are two of the most important international organizations in modern times. Only a handful of developing countries have not participated in an IMF or World Bank program, and this list grows smaller every year. As a consequence, scholars from across the social sciences have been engaged in explaining the effect of IMF and World Bank programs on a diverse range of outcomes in development, education, health, conflict, economics and government policy. But despite being the subject of considerable research in all of these areas, we know very little about whether citizens in developing countries, some of which face grave problems, believe that international economic organizations (IEOs) are working effectively. This is a vital question for the debate about the role of the Bretton Woods institutions in the global economy and whether they are suffering from a crisis of legitimacy (Stone 2008: 617; Marshall 2008; Seabrooke 2007). Public opinion research can help to inform this debate and shed light on this important question. More fundamentally, it can help us to understand the reasons why some citizens think international organizations work, while others believe that they are failing to deliver.

There are only a handful of studies on the determinants of attitudes toward international economic organizations. Evaluations of the economy, a staple of public opinion research, feature prominently in these studies. It is not surprising that the economy should be a key focal point in the literature. The IMF and the World Bank are perhaps the most influential and visible international organizations in modern times. Both organizations possess the ability to impose change from the outside, monitor policy implementation and enforce compliance. Few

2

international organizations have the same breath of influence and level of input into national policy making. Their ability to impose conditions in return for financial support has been a source of great controversy, with critics accusing them of undermining national sovereignty. Citizens that live in developing countries may fear the actual or potential distributional effects of an IMF or World Bank programs.[1] This is quite plausible because previous work has demonstrated that governments sometimes use IMF programs to push through unpopular economic reforms (Vreeland 2003). Moreover, there is a substantial literature which has been resoundingly negative about the impact of structural adjustment in developing countries (Woods 2006; Collier and Gunning 1999; Crisp and Kelly 1999; Noorbakhsh and Paloni 2001; Easterly 2005; Abouharb and Cingranelli 2006).

This study's empirical focus is Sub-Saharan Africa, where the IMF and World Bank have been highly active since the 1970s. Surprisingly, we find that evaluations of the economy, ideology, and a range of socio-demographic factors including age, gender, employment status, health, education, and living conditions are not important determinants of ratings of effectiveness. Rather, we find that attitudes toward the IMF and World Bank are a product of an individual's relation to the state. The greater an individual's trust in domestic public institutions, the more highly they rate the performance of the IMF and the World Bank. Similarly, when an individual participates actively in civil society, we find that they tend to rate both organizations more

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[1] For example, they may draw a link between entering into an IMF program and harsh spending cuts.

3

favourably. When an individual has experienced corruption, however, they tend to award lower ratings. Taken together, our findings suggest an individual's relationship to the state and authority, whether good or bad, trumps a range of other factors.

The paper is organized as follows. First, we consider the role of the IMF and the World Bank in Sub-Saharan Africa and the extent of public support for both organizations in the region. Second, we place our work in the context of the existing literature on attitudes toward international economic organizations and show how this literature can be extended to incorporate political trust, corruption, and participation. Third, we present our methods, data and findings. The final section concludes with a discussion of the relevance of our findings to the wider literature on international organizations, development, and globalization.

THE IMF AND THE WORLD BANK IN SUB-SAHARAN AFRICA

In the 1970s many Sub-Saharan African states came to rely heavily on the IMF and the World Bank (Woods 2006:141). Since this time, both organizations have assumed a prominent role in economic policymaking through regular consultations, technical support, and short and long-term adjustment programs. Their work in the region has often resulted in them becoming highly visible in everyday politics. A good example of this comes from Nigeria. During the 1980s, President Major General Ibrahim Babangida "invited the entire country to participate in what he called a "town meeting" on the IMF. The New York Times reported that "Day after day on dusty street corners, in tiny shops and air conditioned offices, people are arguing, waving fists and

4

shouting about the International Monetary Fund." (Vreeland 2007:60-61). In 2014, both organizations are still heavily involved in economic policymaking in the region. The majority of the loans disbursed under the IMF's concessional lending arrangements go to African states. In fact, the average stint of participation in an IMF arrangement is about five years and some critics have argued that participation has led to continued dependence on IMF and World Bank resources.[2] The most extreme examples of 'recidivism' within the context of Sub-Saharan Africa are Mali, which spent 19 years from 1981-2000 in an IMF arrangement, Zaire, which spent 13 years from 1976-89, and Liberia, which spent 15 years from 1963-1977 (Vreeland 2007:30, 58). However, some states in the region have had very little contact. For example, Angola didn't borrow from the IMF until 2009 and Botswana, Eritrea, Namibia, and Swaziland have never borrowed.[3]

Africa is even more important to the World Bank. Not only is the largest part of its organizational complex dedicated to Africa, but many within the Bank recognize that the future of global development efforts depends critically on how World Bank programs in Africa perform (Marshall 2008:47). There is also substantial variation in World Bank support across the region. In 2013, there were 212 active projects in Tanzania amounting to 9.95 billion US dollars – a

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[2] The figure of five years comes from Vreeland (2007). For a discussion of 'recidivism' in IMF lending see Conway (2007) and Bird, Hussain, and Joyce (2004).

[3] While some of these states have used IMF resources they have not used these resources under a conditional lending arrangement.

similar number to Nigeria where there were 162 projects worth 16.2 billion US dollars for a population that is 3.5 times larger. Moreover, some countries have had relatively little support from the World Bank; in 2013 there were only two projects in Namibia amounting to 0.02 billion US dollars and in three of the last ten years there have been no active projects. Recent work has found glaring weaknesses in the way in which support has been delivered in Sub-Saharan Africa. Winters (2010), for example, has found that the World Bank tends to grant less autonomy to IDA-eligible states with higher levels of good governance, even though the opposite should prevail.[4] In addition, Stone (2004) has found that IMF programs in Africa have lacked credibility because donor countries, especially France and the United Kingdom, have intervened to prevent the enforcement of conditionality. These kinds of weaknesses in program delivery may have deeper roots in the way in which both organizations are influenced by powerful member states.[5] A substantial literature has argued that both organizations could do more to be transparent, accountable, and democratic (Seabrooke 2007; Woods 2006; Thirkell-White 2005).[6] It has been

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[4] Many studies have questioned the World Bank's role in fighting corruption (Marquette 2004; Polzer 2001) and designing and implementing reforms in Africa (Harrison 2005).

[5] For recent work that has considered the question of control see (Breen 2013; Stone 2011; Copelovitch 2010).

[6] There is also a large literature on how voting rights should be re-allocated to strengthen legitimacy in the eyes of member states and the wider public (Strand and Rapkin 2005; Martin

noted in some of this literature that African states, in particular, have very little input into decision-making: only two of the IMF's 24 Executive Directors are from African states. Both directors represent the interests of 42 sovereign states yet hold only 4.84% of all votes – few in comparison to Germany, which by itself holds 5.81%.[7]

Despite the many criticisms of the IEOs in the academic literature, it is important to stress that it is also possible that the IMF and World Bank have no impact on some important outcomes in Sub-Saharan Africa. For example, Dreher and Rupprecht (2007), find that IMF programs have no effect on market-oriented reforms. Furthermore, ordinary citizens in Sub-Saharan Africa think that both organizations are doing their job well enough. Figure 1 shows that a considerable majority of individuals rate the effectiveness of the IMF above five on an 11 point scale. In Malawi, approximately 40% of those polled awarded a perfect, followed closely by Mozambique, and Lesotho. Surprisingly, respondents from Mali – the country with the longest continuous spell under an IMF program – awarded some of the highest ratings. Citizens in Botswana and Namibia, where there has been relatively little IMF activity, awarded average ratings. By contrast, South Africans tend to be the more critical, with many citizens (but not a majority) awarding fewer than five out of 11 points. The same pattern holds for ratings of the

and Woods 2005; Woods and Lombardi 2006; Rapkin and Strand 2006; Bradlow 2006; Meltzer 2007; Eichengreen 2007; Truman 2009).

[7] www.imf.org Access date: 13 October 2013.

7

World Bank. In the next section, we discuss the literature which attempts to explain variation in attitudes toward international economic organizations.

PUBLIC OPINION AND INTERNATIONAL ECONOMIC ORGANIZATIONS

Scholars of international relations have theorized the functions and benefits of international organizations, arguing that they have the potential to constrain great powers, provide information, reduce transaction costs, facilitate reciprocity among states, and facilitate reform in domestic politics (Keohane 1984; Milner 2005; Dai 2007). While all of these functions can help developing countries, this literature has also identified a number of recurring problems with international organizations: sometimes they are simply not effective; sometimes they do not do their job well because of institutional design (Hawkins, Lake, Nielson, and Tierney, 2006) and the accumulation of internal dysfunctions (Barnett and Finnemore 2004); and sometimes they are prone to capture by powerful countries and private interests (Stone 2011; Gould 2006). However, studies of international organizations do not often incorporate a view from the citizens. To our knowledge there are only two previous studies on the determinants of attitudes toward international economic organizations. These studies have explored variation in beliefs about a) the influence of international economic organizations, and b) whether respondents trust them to manage globalization.

Utilizing data from the Pew Global Attitudes Survey conducted in 2002, Edwards (2009) analyzed responses to the question "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)?" Edwards finds that more educated respondents are less inclined to support IEOs, women are more likely to support IEOs, and left-wing respondents are more likely to hold negative views of IEOs. Hessami (2011), using data from the Eurobarometer survey, analyzed responses to the question: "Globalization is a general opening up of all economies, which leads to the creation of a truly world-wide market. From the following list, who do you trust most to get the effects of globalization under control?" Hessami finds that a range of individual characteristics explain answers to this question better than individuals' evaluations of the economy. Furthermore, the study exploits the Eurobarometer's more detailed questions on the WTO, and finds that attitudes are shaped by knowledge about the WTO and beliefs that the EU is well-represented in the WTO. Like previous studies, we consider the key variables from the wider literature on attitudes toward economic reform. This literature emphasizes sociotropic variables, prospective views on the future path of the economy, education, and gender (Edwards 2009:188-191). Unlike previous studies, however, our dependent variable is coded from a question about the effectiveness of IEOs, rather than perceptions about trust and influence. Moreover, we argue that it is necessary to consider two key variables – trust and corruption – as both have proven central to the wider literature on attitudes toward international organizations and world affairs.

International Economic Organizations: The Role of Trust and Corruption

With few studies on the attitudes toward IEOs, the wider literature on attitudes to foreign policy and attitudes to other international organizations is relevant. Trust is a very important concept in

9

this literature. In domestic politics, one of the main reasons why citizens trust government is because of its capacity "to make credible commitments, to design and implement policies non-arbitrarily, and to demonstrate competence" (Levi and Stoker 2000:484). Trust is necessary because it is costly for citizens to know if government will act in their interests. The need for trust is even greater when one considers international organizations, whose inner workings and operations are opaque to most citizens. At the same time, some of their basic functions overlap with domestic institutions. Take the World Bank, for example, one of its core functions is to transfer resources from richer to developing countries through project-based lending. Domestic institutions, when they function well, also redistribute resources from rich to poor. Given some of these basic similarities it is plausible that citizens' beliefs about domestic institutions may contribute to their rating of IEOs. However, it is even more difficult for citizens in developing countries to obtain information about the IMF and the World Bank. Survey evidence demonstrates that citizens believe they have least influence at the international level (Vaubel 2006:125). Focusing on the United States, Brewer and Steenbergen (2002) find that citizens use interpersonal trust as a shortcut to help them understand foreign policy issues such as isolationism and international cooperation. Moreover, Brewer, Gross, Aday, and Willnat (2004) find evidence that citizens who are cynical about politics are also cynical about international relations.

Even more relevant to our study is Torgler (2008), who finds that trust in domestic institutions and the level of corruption, affects individuals' confidence in the United Nations (UN). Torgler's study on the extent to which individuals have confidence in the UN is closely related to the question we are interested in – whether individuals think IEOs are effective. The link between

10

trust and effectiveness has interested academics from across the social sciences. Economists have found that higher levels of trust and participation under experimental conditions lead to greater provision of public goods (Anderson, Mellor, and Milyo, 2004). Social psychologists have found that trust is strongly associated with perceptions of fairness and collective efficacy (Cremer 1999: 153). Given the importance of trust as a concept for helping us to explain support for international organizations and its role in helping us to explain individuals' beliefs about effectiveness, we wish to test the effect of trust on ratings of the IEOs.

H1:   *A higher level of political trust is associated with more positive evaluations of the IMF and World Bank*

Corruption is another important concept in the wider literature on attitudes to international organizations. For example, Torgler (2008:78) has found that citizens who perceive higher levels of corruption in society tend to distrust the United Nations. However, he found that the effect of corruption is not robust to the inclusion of the level of political trust. One possible explanation for Torgler's mixed findings is that corruption is a notoriously difficult concept to capture in quantitative research (Tanzi 1998). Like most cross-national studies on corruption and many survey-based studies, Torgler's uses individuals' perceptions about corruption, which are not the same as the actual level of corruption. One of advantages of the Afrobarometer study is that it is possible to build a measure of *experienced* corruption – one that is more reliable than *perceived* corruption. Citizens that have been compelled to pay bribes to obtain documents, to access medical care, or to avoid problems with the police have direct experience of the failure of their public institutions and may project this failure to international organizations, too. As such, we

11

expect a link between corruption and perceptions of IEO effectiveness. On the other hand, corruption may have become so widespread and deep in some societies that it is widely tolerated or not associated with attitudes toward IEOs, which may be seen to be above corrupt domestic institutions. However, given Torgler's and Brewer *et al.*'s argument and findings, this seems less likely. In the absence of specific information on the activities of the IMF and the World Bank, we expect citizens to turn to their own positive or negative experience of domestic public institutions to rate IEO effectiveness.

H2: *A higher level of (experienced) corruption is associated with less positive evaluations of the IMF and the World Bank*

Another plausible determinant of attitudes toward international economic organizations (though it has not received as much attention in the broader literature) is participation in civil society. Both the concept of participation and the benefits of a vibrant civil society have led to a substantial literature in recent years (Fukuyama 2001; Lavalle, Acharya, and Houtzager 2005). There are a number of plausible channels through which participation might affect ratings. One channel is through more direct contact with international economic organizations. In recent years, IEOs have embraced the idea that civil society matters and have adopted the language of participation and engagement. In 1999, the IMF and the World Bank launched the Poverty Reduction Strategy Paper (PRSP) process to facilitate civil society participation in economic

adjustment programs.[8] Moreover, IMF programs and staff surveillance missions now include meetings with representatives of civil society organizations and a range of domestic stakeholders (IMF 2014). Some of these efforts to engage with civil society may lead participating individuals to award higher ratings. Another plausible channel is financial support for civil society. In 2009, civil society organizations were actively involved in 82% of World Bank financed projects (World Bank 2014). The World Bank estimates that in 2013, 10% of its annual funding portfolio (or approximately 2 billion dollars) was used to support community development projects or social funds to support civil society efforts and strengthen community organizations (World Bank 2014).

H3:   *Participation in civil society is associated with more positive evaluations of the IMF and the World Bank*

DATA AND METHOD

The data for this paper come from the Afrobarometer. The Afrobarometer is a representative cross sectional survey of public perceptions, social and economic conditions and political attitudes in Sub-Saharan Africa. Round 2 of the survey asked respondents to rate the effectiveness of the IMF and the World Bank. It was conducted in 2002 and 2003 in 16 countries – Botswana, Cape Verde, Ghana, Kenya, Lesotho, Malawi, Mali, Mozambique, Namibia,

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[8] There is substantial literature which is critical of PRSPs and questions whether they are genuinely participatory (Gaynor 2010; Gould 2005; Craig and Porter 2002).

13

Nigeria, Senegal, South Africa, Tanzania, Uganda, Zambia, and Zimbabwe.[9] All of these have the necessary data for our purposes bar Zimbabwe.

Our dependent variables come from the following question:

"Giving marks out of ten, where 0 is very badly and 10 is very well, how well do you think the following institutions do their jobs? Or haven't you heard enough about the institution to have an opinion? International Monetary Fund\The World Bank"

Figure 1 illustrates the distribution of our IMF dependent variable by country and overall. It shows substantial variation in the distribution of ratings both within and across countries. The same is true of ratings of the World Bank. We can see from the Appendix that the mean value of each variable is about the same – 6.3 for the IMF and 6.6 for the World Bank and both are highly correlated (≈0.76).

To measure political trust we use information from several questions in the Afrobarometer that take the form "How much do you trust each of the following, or haven't you heard enough about them to say?" We use the questions relating to the parliament, the army, the ruling party, the opposition, the courts, the police and the local government. Each of these can be answered "not at all", "a little bit", "a lot" and "a very great deal" to which we assign the values 0-3

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[9] The data and full methodology can be obtained from www.afrobarometer.org.

respectively. By summing over our seven categories we obtain an index of political trust that ranges from 0-21.[10]

The Afrobarometer is particularly suited for testing H2 as it contains information on individuals' experience of corruption as opposed to perceptions. Specifically, it has information on how often the respondent has had to pay a bribe in several situations. The survey question is: "In the past year, how often (if ever) have you had to pay a bribe, give a gift, or do a favour to government officials in order to X?" We use the questions on obtaining documents and permits, school placements, household services, avoiding problems with the police, and "other." The range of responses is "never", "once or twice", "a few times", and "often", to which we attach values 0-3 respectively.[11] As in the case of political trust, we sum these to create an experience of corruption index which, in this case, takes values from 0-15. The descriptive statistics for this new measure show that more than half of all respondents have no experience of corruption (at least in the areas covered by the survey, which are fairly exhaustive). Even so, many people have some experience of this type of corruption, which varies greatly by country (4% in Botswana, 21% in Ghana and 42% in Nigeria for example).

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[10] We exclude trust in the presidency as the personality and leadership qualities of the individual may trump trust in the institution of the presidency. Our index of political trust contains substantial within and cross country variation.

[11] The survey in Mozambique allowed the additional response of 'always.' Very few people opted for this so we added those that did into the "often" group.

To test H3, we make use of information regarding membership of a community development organization (CDA). The information comes from the question: "…could you tell me whether you are an official leader, an active member, an inactive member, or not a member (of a) community development or self-help association?" Specifically, we create a dummy variable which takes a value of one if the respondent reports that he is an "official leader" or "active member" of a CDA and zero otherwise. While CDAs (or self-help associations) can have many purposes, we are interested in capturing some level of participation in civil society. By our measurement, 19% of our sample is active in civil society and there is significant variation in membership across the Afrobarometer countries.

In line with previous studies on attitudes to international organizations, we control for a range of important factors identified in the literature on attitudes toward economic reform. First, we consider socio-demographic and economic variables including age, gender, urban or rural status, employment, health, level of education, a lived poverty index, and (perception of) relative living conditions. Second, we consider individuals' evaluations of the macro-economy. Taking inspiration from the literature on economic voting, we consider individuals' evaluations of the recent past, present, and prospects for the future (Lewis-Beck and Stegmaier 2000). The idea is that individuals may reward IEOs in economic good times and blame them in bad times. Moreover, individuals may act according to sociotropic models and reward IEOs for general economic performance, whereas individuals acting in accordance with "pocketbook" explanations will reward IEOs for changes in their personal living conditions. Third, we control for a range of attitudes and ideological positions pertaining to employment, social identity, and the government's role in the economy, including attitudes to protectionism, inequality, the rating

16

of government effectiveness with regards to price stability, group versus national identity, economic reforms versus hardships, and quantity versus quality of jobs.

The Appendix presents the mean and standard deviation of each of the variables used in this paper and provides a description of how the variables are coded. Our basic regression of interest is:

$$RATING_i = \alpha + \beta_1 PT_i + \beta_2 COR_i + \beta_3 CDA_i + \beta_x X_i + \varepsilon_i$$

where $RATING_i$ is the effectiveness rating given by individual i to either the IMF or the World Bank; PT_i is the political trust of individual i; COR_i is the individual's experience of corruption; CDA_i indicates whether the individual is a member of a community development association; X_i represents the other variables; and ε_i is an error term of the usual type.

EXPLAINING ATTITUDES TOWARD THE IMF AND THE WORLD BANK

Main Results

Table 1 presents our key findings from our OLS regressions. As expected, the political trust index is highly statistically significant and positively associated with ratings of the IMF and the World Bank. Moreover, the size of the effect is meaningful. Taking the results from the models with all variables included (columns 4 and 8), a one standard deviation increase in the political trust index (≈ 4.7) suggests an increase of roughly 0.31 of a unit on our 0-10 IMF rating scale and roughly 0.34 of a unit on the World Bank scale – a very similar magnitude. This is about 12% of a standard deviation in the IMF variable (mean 6.3, SD 2.6) and roughly 13% in the case of the World Bank variable (mean 6.6, SD 2.6). Taken together, this lends support to H1,

17

suggesting that those who place more trust in domestic political institutions believe that the IMF and World Bank are doing a better job. Our findings also lend support to H2 and H3. The experience of bribery index is statistically significant in all specifications. Individuals who have experienced more corruption tend to think that the IMF and the World Bank are less effective. A one standard deviation increase in the bribery index ($\approx$ 1.8) is associated with a 0.12 unit decrease in the effectiveness rating awarded to both organizations.[12] We find that membership of a community development association (CDA) is a significant correlate of World Bank ratings. The size of the effect is similar to political trust effect above ($\approx$ 0.25 of a unit on our 0-10 scale). In our results for the IMF, CDA membership is significant at 95% level in all but one of our specifications. One potential explanation for why the World Bank results are stronger is that their work is more relevant to community development associations and regional and subnational development projects.

Surprisingly, we find little evidence that evaluations of the macro-economy are associated with how people view the effectiveness of these organizations. Similarly, a range of attitudes to government and society do not determine ratings of either organization. Ideological positions that are often presented as decisive, such as attitudes toward protectionism, income inequality and the role of government in society, do not appear to influence ratings. Even more surprisingly,

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[12] Our indices for political trust and experience of bribery impose the restriction that each of their elements and intensities matters equally. To test whether our results are robust to this restriction, we created alternative measures using principal component analysis. The details are available on request and the results are near identical.

attitudes to economic reform, a central function of both organizations, are not associated with ratings. However, age and higher education are consistently associated with worse evaluations of the World Bank but not the IMF. Again, as we have already alluded to, the Bank is more focused on development issues; its programs extend into many sectors, including agriculture, education, public administration, and governance. Older and more educated individuals may have more knowledge and experience of failures in development and may associate this with the World Bank.[13] Nevertheless, some of the most serious challenges facing many people in Sub-Saharan Africa, including, poor health, high poverty and unemployment, do not shape attitudes toward the IMF or World Bank.[14] This is surprising, especially in the case of the World Bank, who explicitly target health and lived poverty. Taken together, our findings suggest that political trust and corruption are closely associated with attitudes, trumping most other observable

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[13] While education is negative and significant in some of our specifications, recent work by Hariri, Justesen and Bjornskov (2013) finds that better informed citizens form more precise evaluations. Such individuals may be less likely to generalize from the performance of domestic institutions to that of IEOs. To test this we interacted corruption with education and find that it is positive and statistically significant for both IEOs. More educated individuals who experience corruption tend to award higher ratings. The results from this specification are available on request.

[14] We repeated the test using income deciles instead of our lived poverty index. This halves our sample and as the results are qualitatively similar we favour our poverty index. Results using this alternative are on request.

19

characteristics. However, it is important to note that unobservable individual-specific characteristics are likely to be very important. For example, we have no way of directly observing if an individual has benefited from a World Bank project or if an individual had a negative experience because of IMF or World Bank policies.

We performed three robustness tests. In the first test, we present our estimates using an ordered probit model. This is necessary because it is easy to question whether a "5" on our 0-10 scale represents the same sentiment toward the IMF and the World Bank in Mali as in Mozambique. The best way to address this problem in the absence of panel data or a method like anchoring vignettes is to create broader categories.[15] We create 6 categories: a zero category along with five others each taking two points on the original 0-10 scale. Table 2 presents the marginal effects for our main variables of interest. The two specifications correspond to those of columns 4 and 8 in Table 1 and the results are in agreement with our findings above. In the second robustness test, we dropped attitudinal variables from columns 1 and 5 in Table 1. We did this because Fordham and Kleinberg (2012) have argued that attitudes toward economic policy are unlikely to be causally related. Excluding these variables (including political trust) does not alter

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[15] A different way to address this issue this is to run a simple binary probit with some threshold for a good evaluation. When we do this with a threshold of 5, both political trust and experience of corruption are highly significant for the IMF though for the World Bank political trust is significant at 1% but corruption only at 10%. CDA membership is not significant in either case. Results available on request.

20

our findings on the effect of corruption and CDA membership. In the third test, we fitted a multilevel model to explore the relevance of the country level. From this model, we find that only 3.45% of the variance in ratings of the IMF can be attributed to differences between countries and that our principal independent variables remain highly significant. Nevertheless we do not pursue this modelling strategy further, as Stegmueller (2013) argues that we should be cautious about interpreting the findings from multilevel models where there are only a small number of countries.

Who Has An Opinion? Why Do People Favor One Institution?

The data allow us to extend the analysis to examine why individuals have favoured one institution over the other, and why some individuals have an opinion in the first place. For the first of these questions, we have created two sets of dependent variables. The first takes a value of one if the rating of institution X is greater than that of Y and 0 if the rating of X is equal to or less than the rating of Y (IMFMORE and BANKMORE). The second takes a value of one if the rating of institution X is greater than that of Y and 0 if the rating of X is less than the rating of Y (IMFMORE2 and BANKMORE2). These are obviously two very closely related ways of looking at the question.

Using the first set of dependent variables, we can see from the first two columns of Table 3 that women are more likely to rate the IMF as more effective than the World Bank. Older people are less likely to rate the World Bank as the more effective of the two. Poor health is related to a higher probability of rating the World Bank more than the IMF and vice versa. This may seem inconsistent but one must remember that those who rate the institutions equally are in the

21

reference category. Thus, this result may be interpreted as saying that having worse health makes you more likely to rate one of the institutions as more effective. Finally, feeling that the country's current economic conditions are bad is negatively associated with rating the IMF as the more effective.

The second approach is necessarily symmetric. In columns 3 and 4 of Table 3, only gender matters, with women rating the IMF as the more effective agency. Taken together, these findings suggest that there is some role for personal characteristics and evaluations of the economy to matter for ratings of effectiveness. While they do not seem to explain variation in individuals' ratings they do explain why individuals discriminate among institutions. There are a number of possible reasons why. One may be that one institution is more visible than the other in a specific policy area. Another is that one institution might target different groups or at least affect areas that different groups care about. Moreover, some groups may be more sensitive to the policies and programmes of one institution. A substantial literature has argued that IMF and World Bank programmes have harmed women in Africa (Gladwin 1991; Sparr 1994; Emeagwali 1995). Therefore, a plausible interpretation of our finding is that women might perceive the World Bank as more harmful due to its visibility, and consequently tend to award the IMF a higher rating.

The second of our extensions, the question of why people have an opinion in the first place, is addressed in columns 5 and 6 (IMFOP and BANKOP). The reason we look at the determinants of opinion formation is that 52% and 46% of respondents answered "Don't know/haven't heard enough" when asked to rate the IMF and World Bank respectively. Looking at the two last specifications in Table 3, we can see that there is a role for personal characteristics in the

22

formation of opinions. Being a woman, a perception of worse relative living conditions, and negative appraisals of the current state of the economy are negatively associated with having an opinion of each institution. Living in an urban area, education (at each stage), experience of corruption, membership of CDA, and having a government salary in the household are positively associated with having an opinion of each institution. The only factor that is significant in one case and not the other is satisfaction with the government's reduced economic role, which is positively associated with having an opinion about the IMF. These findings stand in contrast to our earlier findings on ratings, which tend to focus exclusively on political trust, corruption and involvement in a CDA. Personal characteristics do seem to play a role in what could be seen a first stage of a ratings formation process. And furthermore, some of these characteristics point toward a common theme: more vulnerable individuals that are potentially marginalized or disengaged from society (whether through gender discrimination or unemployment) are less likely to report an opinion about the IMF and the World Bank. In an additional robustness check, we generated the predicted probability of an individual holding an opinion and included this as an explanatory variable in our tests on the determinants of ratings. The findings were broadly similar except that our finding on corruption is only significant at 10% for the World Bank. [16]

CONCLUSIONS

The question of whether international organizations are working is a vital question for a substantial literature on globalization, development and international organizations (Buchanan

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[16] Full results available on request.

and Keohane 2006; Barnett and Duvall 2005; McGrew and Held 2002). What this literature – and the debate about whether IEOs are working – is often missing is a view from the citizens. In this article, we have illustrated a strong association between ratings of the IMF and the World Bank, political trust, corruption and participation in civil society. By contrast, a range of personal characteristics, socio-demographic factors, and ideological dispositions did not affect individuals' ratings but did contribute somewhat to opinion formation and differential assessments of both organizations. Our findings are somewhat encouraging for the IEOs. They suggest that citizens may not perceive the same existential crisis as some academics, policy makers, and civil society organizations. However, our findings suggest that if the IMF and the World Bank wish to build legitimacy they need to ask whether, and under what conditions, their programs might undermine trust in public institutions. More research is needed to understand the extent to which programs might undermine trust and how programs can be designed to build effective public institutions.[17] Our findings suggest that supporting and engaging with civil society and supporting measures to curb corruption may help to build legitimacy. Another implication from our study is that IMF and World Bank programs, and governments across Sub-Saharan Africa, should support measures to improve institutional quality. This implication is not

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[17] Existing studies suggest that programs can be highly disruptive. For example, Hartzell, Hoddie, and Bauer (2010) have found an association between the adoption of IMF programs and the onset of civil war.

24

unique to our study or oblivious to policy makers: there is now a wealth of literature on the importance of institutional quality to developing countries.[18]

As well as contributing to the debate about whether international organizations are working, our findings also contribute modestly to an important debate about the responsibilities and obligations of international institutions to help developing countries. Within this debate, Pogge (2002) has argued that not only have international institutions failed to live up to their obligations but that they are harming poor countries and have an obligation to stop. Rawls (1999), on the other hand, has argued that justice is relevant only domestically and that no such obligation applies. Public opinion research of citizens in developing countries can help to inform this debate by illustrating how citizens view international institutions and whether they perceive harm, inefficiency, irrelevance, or threat. Our basic findings suggest that citizens in Sub-Saharan Africa relate to IEOs as if they were another feature of domestic politics, and believe that for the most part they are working well enough.

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[18] For example, Baskaran and Bigsten (2013) find that improvements to fiscal capacity is associated with better government in 31 Sub-Saharan African countries from 1990–2005.

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29

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33

FIGURE 1 Opinions of the IMF in the Afrobarometer countries.
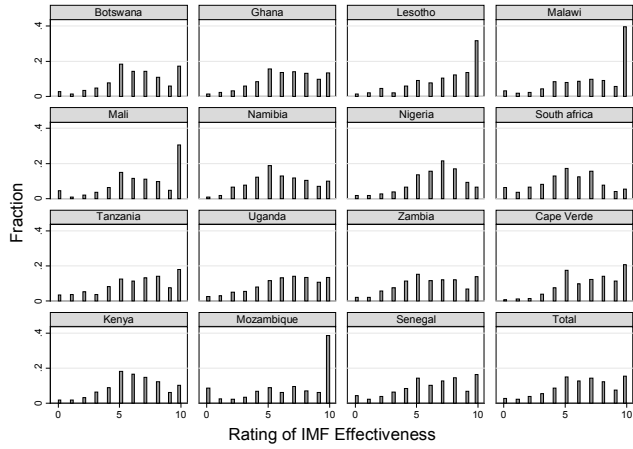
APPENDIX

Variable	Mean (S.D)	Obs.	Description
IMF	6.31	11020	"*Giving marks out of ten, where 0 is very badly and 10 is very well, how well do you think the following institutions do their jobs?*"
	(2.62)		
World Bank	6.61	12336	
	(2.60)		
Age	36.34	22543	"*How old were you at your last birthday?*"
	(14.79)		
Female Dummy	0.49	23165	Equals 1 if the respondent is female
	(0.50)		
Urban Dummy	0.37	23165	Equals 1 if the Primary Sampling Unit is urban
	(0.48)		

35

Unemployed Dummy	0.25	Equals 1 if the respondent is unemployed. Derived from the question "*Do you have a job that pays a cash income? Is it full-time or part-time? And are you presently looking for a job (even if you are presently working)?*"
	22982	
	(0.43)	
Health (0-6 scale)	1.74	Sum of two 0-3 scale indices of physical and mental health. Larger numbers indicate worse health. See www.afrobarometer.org for details of the individual questions
	22800	
	(1.59)	
Less than full primary	0.39	
	23100	
	(0.49)	
Primary or Some Secondary Education	0.35	"*What is the highest level of education you have completed?*"
	23100	
	(0.48)	

36

Secondary Education	0.15		
		23100	
	(0 .36)		
Post Secondary	0.09		
		23100	
	(0.28)		
University Complete or Postgrad.	0.02	23100	
	(0.15)		
Poverty (0-24 Scale)	8.56	22508	Sum of 0-4 scale indices of shortages of food, water, medical care, electricity, fuel for cooking and cash income. Larger numbers indicate more poverty. See www.afrobarometer.org for details of the individual questions
	(5.30)		
Perception of Worse Relative Living Conditions	0.36	22023	Equals 1 if the respondent indicates that they rate their living conditions compared

	(0.48)		to those of other countrymen as worse and 0 if better or the same
Political Trust (0-21 Scale)	9.41	18957	See Main Text
	(4.74)		
Bribe Experience (0-15 Scale)	0.70	21772	See Main Text
	(1.79)		
Member of Community Development Association	0.19 (0.39)	22778	Equals 1 if the respondent is an official leader or an active member of community development or self-help association
Government Salary in Household	0.25 (0.43)	22943	"*Do you or your household rely on the income of anyone who works for the government? Including anyone who works for local government as well as central government or anyone who works as a teacher in a public school.*"

38

Protectionist Dummy	0.67		*"Protect producers within our own country by imposing tariffs that make imported goods more expensive" over "import affordable goods from other countries, even if some of our own producers are forced out of business."*
		22287	
	(0.47)		
Prefers Fewer Jobs with High Wages	0.13		*"Better to have higher wages, even if this means that some people go without a job" over "better for everyone to have a job even if this means that average wages are low."*
		22930	
to More Jobs with Low Wages	(0.34)		
Rating of Governments Efforts at Price Stability	0.34		Takes a value of 1 if the respondent feels that the government is doing fairly well or very well at keeping prices stable and 0 if fairly badly or very badly.
		22019	
	(0.47)		
Inequality OK Dummy	0.38		Takes a value of 1 if the respondent agrees that "*It is alright to have large differences of wealth because those who*
		22630	
	(0.49)		

39

work hard deserve to be rewarded.*"*

Abandon economic reforms vs. accept hardships	0.33	21664	*"The costs of reforming the economy are too high; the government should therefore abandon its current economic policies"* over *"...for the economy to get better in the future, it is necessary for us to accept some hardships now."*
Dummy	(0.47)		
Satisfied with government's reduced economic role	0.47	20915	Equals 1 if the respondent answers satisfied or very satisfied to *"...the government has reduced its role in the economy. Overall, how satisfied are you with the way this policy works?"* and 0 if they are dissatisfied.
Dummy	(0.50)		
Group Vs National Identity Dummy	0.39	18251	Equals 1 if the respondent would identify more with their ethnic group rather than the national identity (if they had to choose).
	(0.49)		
Views Country's present	0.50	22625	Equals 1 if the respondent sees the

40

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economic condition			country's present economic conditions as
			bad or very bad.
as Bad Dummy	(0.50)		
Country's economic condition			Equals 1 if the respondent sees the
12 months ago was	0.36	22378	country's present economic conditions as
			worse compared to 12 months ago.
Worse Dummy	(0.48)		
Pessimistic about Country's			Equals 1 if the respondent thinks that the
economic condition	0.23	19601	country's economic conditions will be
			worse in 12 months time.
in 12 months	(0.42)		

TABLE 1 Explaining variation in ratings of the IMF and World Bank

	IMF				World Bank			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Political Trust (0-21 Scale)	0.0806***	0.0768***	0.0699***	0.0665***	0.0790***	0.0756***	0.0761***	0.0727***
	(0.0112)	(0.0117)	(0.0120)	(0.0127)	(0.00966)	(0.00993)	(0.0110)	(0.0110)
Bribe Experience (0-15 Scale)	−0.0502**	−0.0533**	−0.0630**	−0.0685***	−0.0566***	−0.0618***	−0.0580***	−0.0656***
	(0.0232)	(0.0240)	(0.0258)	(0.0262)	(0.0197)	(0.0201)	(0.0222)	(0.0219)

42

Member of Community Development Association	0.210**	0.233**	0.212*	0.249**	0.224*	0.251**	0.206**	0.239**
	(0.102)	(0.106)	(0.120)	(0.124)	(0.0860)	(0.0902)	(0.101)	(0.105)
Age	−0.00494*	−0.00597**	−0.00492	−0.00529	−0.00718***	−0.00929***	−0.00682**	−0.00912***
	(0.00262)	(0.00285)	(0.00328)	(0.00346)	(0.00258)	(0.00273)	(0.00322)	(0.00329)
Female Dummy	0.0714	0.0779	0.0597	0.0758	0.0380	0.0294	−0.00386	−0.0126
	(0.0603)	(0.0620)	(0.0745)	(0.0768)	(0.0475)	(0.0499)	(0.0581)	(0.0607)
Urban Dummy	–	–	–	–	–	–	−0.00303	0.01070

43

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	0.0963	0.0762	0.126	0.102	0.0439	0.0403	14	
	(0.0892)	(0.0905)	(0.0923)	(0.0929)	(0.0836)	(0.0831)	(0.0899)	(0.0889)
Unemployed Dummy	0.0879	0.0794	0.0815	0.0465	0.0476	0.0103	0.0630	0.00907
	(0.100)	(0.0997)	(0.118)	(0.120)	(0.0895)	(0.0890)	(0.105)	(0.104)
Health (0-6 scale)	–0.00865	–0.0124	–0.00568	–0.0293	0.0175	–0.00975	–0.00573	–0.00315
	(0.0359)	(0.0370)	(0.0418)	(0.0423)	(0.0318)	(0.0330)	(0.0362)	(0.0369)
Primary or Some Secondary Education (relative to less than full primary)	–0.0366	–0.0280	0.000163	0.0380	–0.0581	–0.0310	–0.0246	–0.00318

44

	(0.0980)	(0.105)	(0.123)	(0.122)	(0.0836)	(0.0902)	(0.110)	(0.109)
Secondary Education (relative to less than full primary)	−0.0237	−0.0155	−0.0377	−0.0198	−0.103	−0.102	−0.0981	−0.122
	(0.116)	(0.123)	(0.149)	(0.153)	(0.0972)	(0.105)	(0.128)	(0.133)
Post Secondary (relative to less than full primary)	−0.205	−0.221	−0.196	−0.182	0.351***	0.355**	0.298**	0.309**
	(0.147)	(0.152)	(0.159)	(0.156)	(0.130)	(0.136)	(0.150)	(0.149)
University Complete or Postgrad (relative to less than full primary)	−0.314*	−0.336*	−0.276	−0.265	0.537***	0.510***	0.496**	0.482**
	(0.174)	(0.186)	(0.202)	(0.201)	(0.178)	(0.182)	(0.203)	(0.203)

45

	4)	0)	)	)	)	)	)	
Poverty (0-24 Scale)	−0.00930	−0.00899	−0.0140	−0.0139	−0.00580	−0.00603	−0.00660	−0.00704
	(0.00843)	(0.00850)	(0.0104)	(0.0108)	(0.00762)	(0.00797)	(0.00944)	(0.0101)
Perception of worse relative living conditions	0.115	0.190**	0.166*	0.210**	0.0768	0.125*	0.0735	0.132
	(0.0830)	(0.0782)	(0.0958)	(0.0919)	(0.0755)	(0.0737)	(0.0860)	(0.0884)
Government salary in household	0.0424	0.0507	0.114	0.117	0.0735	0.0631	0.108	0.0850
	(0.0789)	(0.0811)	(0.0913)	(0.0932)	(0.0669)	(0.0707)	(0.0817)	(0.0844)
Protectionist Dummy			−0.018	−0.018			0.029	0.0150

	0	0	0	
	(0.100)	(0.104)	(0.0913)	(0.0982)
Prefers fewer jobs with high wages to more jobs with low wages	−0.0110	−0.0482	0.0266	0.0369
	(0.125)	(0.132)	(0.117)	(0.121)
Rating of government's efforts at price stability	0.162	0.192*	0.0704	0.0689
	(0.107)	(0.108)	(0.102)	(0.0997)
Inequality OK Dummy	0.0808	0.0785	0.0637	0.0684
	(0.090)	(0.097)	(0.081)	(0.0840)

47

	0)	3)	1)	
Abandon economic reforms vs. accept hardships Dummy	–0.0537 (0.0934)	–0.0756 (0.102)	–0.0638 (0.0747)	–0.111 (0.0812)
Satisfied with government's reduced economic role Dummy	0.0446 (0.107)	0.0234 (0.107)	0.0322 (0.102)	–0.00555 (0.109)
Group Vs National Identity Dummy	–0.109 (0.0967)	–0.167* (0.101)	–0.0459 (0.0990)	–0.0976 (0.107)

48

Views Country's present economic condition as bad Dummy	−0.0826	−0.0485		−0.0174	−0.0209			
	(0.0775)	(0.0893)		(0.0810)	(0.0906)			
Country's economic condition 12 months ago was worse Dummy	−0.00598	−0.00666		−0.0354	−0.0805			
	(0.0926)	(0.102)		(0.0787)	(0.0868)			
Pessimistic about country's economic condition in 12 months	−0.197**	−0.0938		−0.128*	−0.0911			
	(0.0869)	(0.0959)		(0.0747)	(0.0826)			
Constant	5.90	5.93	6.308	6.347	6.099*	6.156*	6.232	6.386**

49

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	7***	7***	***	***	**	**	***	*
	(0.274)	(0.300)	(0.362)	(0.383)	(0.226)	(0.245)	(0.313)	(0.342)
Observations	8,218	7,477	6,200	5,695	9,143	8,236	6,847	6,222
R-squared	0.062	0.062	0.064	0.065	0.077	0.079	0.074	0.076

Standard Errors are clustered at the country and regional level and presented in parenthesis. All specifications include country fixed effects. *** $p<0.01$, ** $p<0.05$, * $p<0.1$

TABLE 2 Explaining variation in ratings of the IMF and World Bank

			Category	
	(1)	(2)	(3)	(4)
	0	1–2	3–4	5–6

IMF

Political Trust (0–21 Scale)	–.0015167***	–0.0026263***	–0.0043356***	–0.0029904***
	(0.00033)	(0.00049)	(0.00078)	(0.00057)
Bribe Experience (0–15 Scale)	0.0015536***	0.0026903***	0.0044412***	0.0030632***
	(0.00057)	(0.00097)	(0.00164)	(0.00109)
Member of Community Development Association	–0.0060966**	–0.0108183**	–0.0183238**	–0.0134716**
	(0.00268)	(0.00453)	(0.00773)	(0.00616)

51

Observations	5695	5695	5695	5695

World Bank

Political Trust (0-21 Scale)	−0.0013038***	−0.0022455***	−0.0043385***	−0.0042805***
	(0.00028)	(0.0004)	(0.00067)	(0.00064)
Bribe Experience (0-15 Scale)	0.0011869***	0.0020443***	0.0039496***	0.0038968***
	(0.00041)	(0.00064)	(0.00133)	(0.0013)
Member of Community Development Association	−0.0045418**	−0.0079913**	−0.0157771**	−0.0163114**
	(0.00201)	(0.00324)	(0.00638)	(0.00693)
Observations	6222	6222	6222	6222

Marginal Effects from Ordered Probit estimation. Additional control variables listed in columns 4 and 8 of Table 1

52

clustered at the country and regional level and presented in parenthesis. All specifications include country fixed effects. **

53

TABLE 3 Explaining opinion formation and favouritism toward one institution

	(1)	(2)	(3)	(4)	(5)	(6)
	IMFMORE	BANKMORE	IMF MORE	BANKMORE	IMFOP	BANKOP
Political Trust (0-21 Scale)	0.000803	−0.00131	0.00224	−0.00224	−0.00107	0.000201
	(0.00157)	(0.00168)	(0.00259)	(0.00259)	(0.00229)	(0.00210)
Bribe Experience (0-15)	−0.00235	0.00198	−0.00537	0.00537	0.0246***	0.0211***
	(0.00268)	(0.00381)	(0.00521)	(0.00521)	(0.00435)	(0.00416)

54

Member of Community Development Association	−0.0136	0.00103	−0.0167	0.0167	0.0676***	0.0784***
	(0.0139)	(0.0171)	(0.0256)	(0.0256)	(0.0170)	(0.0159)
Age	−0.000215	−0.00126**	−0.000621	−0.000621	−0.000287	−0.000190
	(0.000546)	(0.000546)	(0.000913)	(0.000913)	(0.000571)	(0.000486)
Female Dummy	0.0300**	−0.0142	0.0469**	−0.0469**	−0.101***	−0.106***
	(0.0117)	(0.0154)	(0.0207)	(0.0207)	(0.0150)	(0.0144)
Urban Dummy	−	0.0213	−	0.0270	0.079	0.102

55

	(1)	(2)	(3)	(4)	(5)	(6)
	0.0137	0.0270			8***	***
	(0.0135)	(0.0185)	(0.0257)	(0.0257)	(0.0207)	(0.0205)
Unemployed Dummy	−0.00306	−0.00357	0.00673	−0.00673	0.0172	0.0261*
	(0.0149)	(0.0165)	(0.0225)	(0.0225)	(0.0141)	(0.0142)
Health (0-6 scale)	0.00775**	0.0114**	0.000286	−0.000286	−0.00391	0.00297
	(0.00393)	(0.00529)	(0.00704)	(0.00704)	(0.00638)	(0.00571)
Primary or Some Secondary Education (relative to less than full primary)	0.0115	0.00873	0.00454	−0.0045	0.217***	0.194***

56

	(0.0268)	(0.0441)	(0.0578)	(0.0578)	(0.0331)	(0.0312)
Poverty (0-24 Scale)	0.00124	0.00114	0.000953	−0.000953	−0.00409*	−0.00274
	(0.00126)	(0.00149)	(0.00212)	(0.00212)	(0.00220)	(0.00214)
Perception of worse relative living conditions	0.00585	0.00479	−0.0125	−0.0125	−0.0458***	−0.0510***
	(0.0122)	(0.0127)	(0.0179)	(0.0179)	(0.0130)	(0.0131)
Government salary in household	0.00493	0.00559	−0.0161	−0.0161	0.0457***	0.0468***
	(0.012	(0.0169	(0.021	(0.0211	(0.015	(0.014

	(5)	)	(1)	)	(2)	(1)
Protectionist Dummy	0.000733	0.00966	0.0118	0.0118	0.0294*	0.0275*
	(0.0137)	(0.0140)	(0.0189)	(0.0189)	(0.0170)	(0.0146)
Prefers fewer jobs with high wages to more jobs with low wages	–0.000804	0.0104	–0.00612	0.00612	0.0492*	0.0325
	(0.0167)	(0.0174)	(0.0261)	(0.0261)	(0.0275)	(0.0215)
Rating of government's efforts at price stability	0.00705	0.0407***	0.0378	–0.0378	0.0237	0.0204
	(0.0164)	(0.0146)	(0.0273)	(0.0273)	(0.0182)	(0.0178)

	−		−		−	−
Inequality OK Dummy	−0.00850	0.00227	−0.0162	0.0162	−0.0215	−0.0140
	(0.0115)	(0.0159)	(0.0177)	(0.0177)	(0.0149)	(0.0133)
					−	−
Abandon economic reforms vs. accept hardships Dummy	0.0109	0.000171	0.00912	0.00912	−5.69e−05	−0.000616
	(0.0132)	(0.0145)	(0.0199)	(0.0199)	(0.0181)	(0.0174)
			−			
Satisfied with government's reduced economic role Dummy	0.0180	0.00197	−0.0199	−0.0199	0.0516***	0.0293*
	(0.0111)	(0.0136)	(0.0184)	(0.0184)	(0.0159)	(0.0157)
Group Vs National Identity Dummy	0.001	0.0114	−	0.0048	−	−

60

	93	0.004 88	8	0.012 0	0.022 6
	(0.014 4)	(0.0151)	(0.021 3)	(0.0213)	(0.019 8)	(0.018 7)
	–		–		–	–
Views Country's present economic condition as bad Dummy	0.037 5***	0.0000 769	0.047 5*	0.0475**	0.040 1***	0.049 0***
	(0.013 5)	(0.0154)	(0.025 2)	(0.0252)	(0.014 5)	(0.015 1)
		–		–	–	
Country's economic condition 12 months ago was worse Dummy	0.003 39	0.0005 83	0.000 940	0.0009 40	0.015 7	0.006 00
	(0.011 9)	(0.0165)	(0.021 1)	(0.0211)	(0.013 5)	(0.014 6)
Pessimistic about country's economic condition in 12 months	0.025 1**	0.0021 6	0.031 1	– 0.0311	– 0.009	– 0.002

61

					29	75
	(0.0124)	(0.0179)	(0.0204)	(0.0204)	(0.0155)	(0.0158)
Observations	5,552	5,552	2,852	2,852	9,563	9,563

Standard Errors are clustered at the country and regional level and presented in parenthesis. All specifications include country fixed effects. *** $p<0.01$, ** $p<0.05$, * $p<0.1$