

# VOTERS AND THE IMF: EXPERIMENTAL EVIDENCE FROM EUROPEAN CRISIS COUNTRIES

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# INTRODUCTION

STARTING POINT: Political resistance against fiscal adjustments (and other economic reforms)

QUESTIONS: How can government increase public support for unpopular reform policies? How does an external actor affect approval of fiscal adjustment?

# A VOTER PERSPECTIVE

## ECONOMIC CREDIBILITY

**CHALLENGE:** voters have a strong interest in economic stability

**IMF:** lends credibility to governments; serves as commitment device

## NATIONAL SOVEREIGNTY

**CHALLENGE:** voters have a strong interest in democratic accountability

**IMF:** reduces political competition over policies; imposes neoliberal agenda

# HYPOTHESES

## MECHANISMS:

- H1A (Effectiveness): Voters are more optimistic that fiscal adjustment measures effectively resolve the crisis when the IMF intervenes than when the IMF does not intervene.
- H1B (Sovereignty): Voters are more likely to perceive austerity as going against their will if mandated by the IMF.

## OVERALL IMPACT:

- H2: If the effectiveness / sovereignty mechanism dominates, voters are more likely / less likely to approve of fiscal adjustment when the IMF intervenes than when the IMF does not intervene.

# SURVEY

## DATA:

- Survey experiment
- Four countries: Greece, Ireland, Portugal, Spain
- Countries with previous IMF involvement
- 1.200 respondents per country
- Fielded in August 2020 by IPSOS (online access panel)

# EXPERIMENTAL DESIGN (2x2x2x2)

## TREATMENTS

IMF: yes / –

GOVERNMENT PARTY: mainstream  
left / mainstream right

SIZE OF CUTS: moderate / large

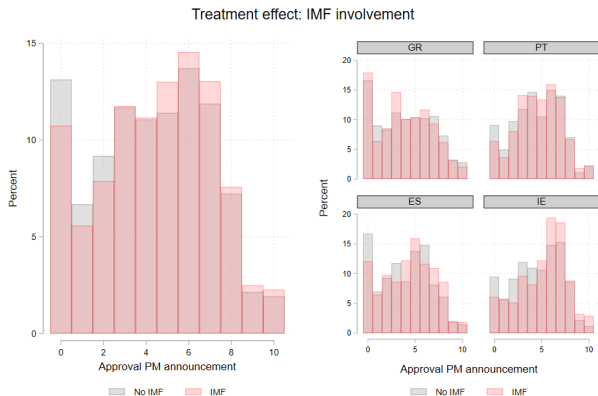
SEVERITY OF CRISIS: moderate /  
large

## OUTCOME QUESTIONS

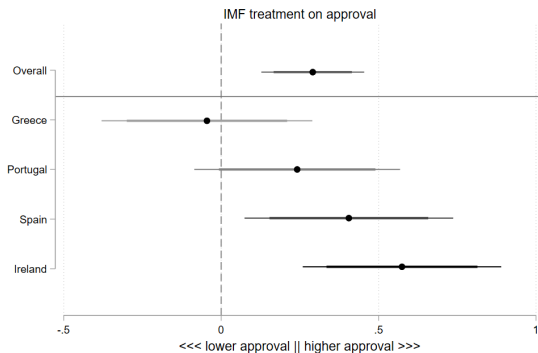
OVERALL EFFECT: policy approval  
(0-10); vote intention for govern-  
ment (0/1)

MEDIATORS: probability of resolving  
the crisis (0-10); government was  
free to choose own response (0-  
10).

## IMF → POLICY APPROVAL

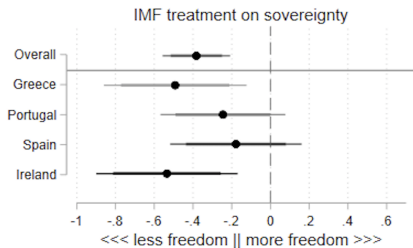
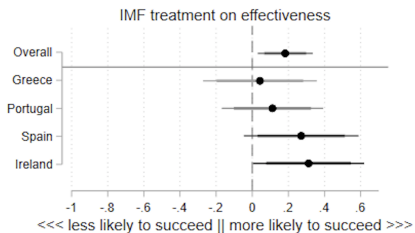


# IMF → POLICY APPROVAL

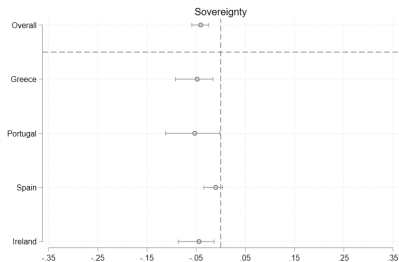
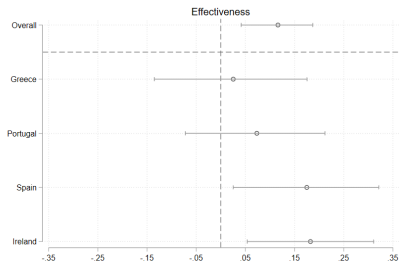




## IMF → MEDIATORS



# MEDIATING EFFECT



# CONCLUSIONS

**OVERALL EFFECT:** IMF interventions *increase* the popular approval of fiscal adjustment, but voter responses vary across countries (e.g. Greece).

**MECHANISMS:** voters expect that measures are more effective with the IMF; concerns about sovereignty decrease support, but credibility mechanism dominates.

# OUTLOOK

CONTEXTUALIZATION: experience of countries with fiscal adjustments and IMF involvement during Eurocrisis

VOTE INTENTIONS: effect of IMF primarily on voters who previously voted for the opposition

THANK YOU!