The United States Congress and IMF Financing, 1945-2009

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Abstract: Since 1945, United States financing of the International Monetary Fund (IMF) has been appropriated and approved in Congress by roll-call vote. As voting to increase funds to the IMF is an observable signal of "support" for the IMF, these roll-calls stand as a historical record of U.S. support for the IMF. I analyze roll-call voting on IMF financing from 1945 to 2009 at both the macro (congressional) and micro (legislator) levels. At the macro level, I find support for the IMF to be higher and more stable in the Senate than in the House of Representatives, due to the Senate's larger and more diverse constituencies. I use a "natural experiment" to establish that intercameral differences in support for the IMF are the result of constituency differences, as opposed to other modeled and unmodeled factors. At the micro-level, I find that legislator support for the IMF is shaped strongly by ideology: regardless of chamber, left-wing (liberal) legislators are as much as 32 percentage points more likely to support the IMF than right-wing (conservative) legislators. Yet, controlling for ideology, Senators are much more likely to support the IMF than Representatives, and Representatives are more sensitive to constituency pressures than Senators. I attribute these differences to chamber-specific rules governing the size of constituencies.

1. Introduction

When Congress authorized United States participation in the International Monetary Fund (IMF) in 1945, it retained the "power of the purse" indefinitely, meaning that any subsequent increase in U.S. financing for the IMF would require congressional authorization and appropriation. Over the years, the IMF has requested more resources from the United States (and other member nations) on nine occasions, to accommodate growth in the world economy and to meet crisis needs for balance of payments financing. On each of these occasions, both houses of Congress considered and authorized the funding increases. These IMF funding authorizations, and the roll-call votes that accompanied them, are the focus of this paper.

From a social science standpoint, congressional roll-call of voting on IMF financing is important because it provides an observable record of individual and aggregate support for the IMF within the United States. When an individual legislator votes in favor of increasing U.S. funding of the IMF, it signals the lawmaker's approval of the IMF and its mission—loosening the purse strings is equivalent to a vote of support for the IMF. Likewise, when financing bills are passed by large majorities in the House of Representatives and the Senate, it sends the message that aggregate political support for the IMF is high in the United States. By contrast, when legislators vote against IMF financing, individually or as a majority, it signals opposition to the IMF and its practices. In short, congressional financing decisions convey information about support and opposition to the IMF in the country that provides the most resources to the IMF and is its most powerful member.

I analyze congressional authorizations of IMF financing from 1945 to 2009 at two levels of analysis: the "macro" level, where aggregate congressional support for the IMF is outcome to be explained, and the "micro" level, where the voting behavior of individual legislators is the

unit of analysis. At the macro level, I find that there are clear differences in aggregate support for the IMF across the chambers of Congress: support in the Senate has been higher and more stable than in the House. I argue that this intercameral difference is a function of chamber-specific electoral rules and institutions. Due to their larger, state-wide constituencies, Senators are more likely than Representatives to support the IMF's "internationalism," even as increasing globalization brings dislocations to some workers and industries and benefits to others. By contrast, with small districts and frequent elections, House members are particularly sensitive to constituency and interest group pressures associated with global economic integration. As preliminary evidence, I show that aggregate support for the IMF closely tracks the U.S. trade balance in the House but not the Senate.

To explore these intercameral differences in greater depth, I move to micro-analysis of individual vote decisions by legislators. One innovation over previous work on this topic (Broz 2008, Broz and Hawes 2006a, 2006b) is that I have assembled roll-call data back to the IMF's founding in 1945. In addition, I have roll-calls from both houses of Congress over the 1945-2009 period. The longer panel dataset allows me to examine how support for the IMF has changed over time, and the roll-calls from both the House and the Senate allow me to see how institutional differences across these chambers affects legislator voting.

Building on previous work, I show that legislator "ideology" is the single most important influence on how legislators view the IMF, both over time and across chambers. Controlling for the political party of the legislator, and including roll-call fixed effects, I find that a one standard deviation increase in legislator "conservatism" reduces the likelihood of a legislator voting in

support of new money for the IMF by an astonishing 32 percentage points.[1] This supports my argument that congress-people use ideology as a simple schema for determining positions on the IMF and its operations. Conservatives on the right of the political spectrum tend to oppose the IMF because they see it as providing "bailouts" that insulate international investors and foreign borrowers from the risks of their actions. By contrast, liberals on the left of the spectrum tend to focus on market failures and see a positive role for the IMF in mitigating crises that result from imperfections in international financial markets. My results show that a left-leaning ideological position is an important source of legislator support for the IMF, going all the way back to the founding of the institution.

I also find micro-level evidence that Senators are more supportive of the IMF than Representatives. Controlling for political party and roll-call fixed effects, Senators are 28 percentage points more likely than Representatives to support the IMF. I attribute this to the Senate's large, statewide constituencies that encompass more cross-cutting groups and interests than do House congressional districts. Larger constituencies lead the Senate to be more supportive of the IMF than the House, just as the Senate is more supportive of free trade than the House. My best evidence is drawn from a "natural experiment" that takes advantage of the fact that certain Senators and Representatives have identical constituencies.[2] Due to their small populations, states such as Vermont, Delaware, South Dakota and Wyoming are apportioned just one "Representative-at-Large" to represent the entire state. To test whether larger constituencies increase support for the IMF, I compare the votes cast by Representatives-at-Large with the votes of Senators from these same states. I find that Representatives' votes on the IMF are not

[1] My measure on legislator ideology is from Pool and Rosenthal (1997), who use spatial modeling to map legislator positions on a dominate left-right dimension.

[2] Karol (2007) came up with this experiment.

statistically different than the votes of Senators *when they have identical constituencies*. This result holds when I control for the time until the next election, which is one of the important differences between the House and Senate. When Senators register more support for the IMF than Representatives, it is because they have larger and more diverse constituencies, rather than because they face election less frequently than Representatives.

I also test the related institutional hypothesis that the House is more susceptible to pressures from constituent groups and special interests than the Senate. I find evidence that receiving more campaign contributions from money center banks, having more skilled "pro-globalization" workers in a district, and having more workers employed in export industries increase the likelihood that a Representative will vote to approve new financing for the IMF. By contrast, having more workers employed in import-competing industries reduces the likelihood a Representative will vote to approve money for the IMF. None of these constituency influences hold for Senators, however. I find that Senators are better insulated, due to their large districts, from the societal pressures that House members face when voting on the IMF.

The plan of the article is as follows. In Section 2, I describe the relationship between Congress and the IMF and the congressional procedures for ratifying IMF requests for more resources. I provide information on all IMF funding increases to come before Congress since 1945 and the associated congressional roll-call votes on these allocations. Section 3 contains my macro analysis of congressional support for the IMF, along with conjectures about the institutional sources of intercameral differences in IMF support. In Section 4, I develop and test these arguments with micro-level voting data from Congress. Section 5 provides a summary and the implications of my research.

2. Congress and IMF Funding Increases

The basic terms of U.S. participation in the IMF have not changed substantively from the original law: the Bretton Woods Agreements Act of 1945. In this law, Congress delegated some important functions to the Executive Branch: the President appoints the U.S. Executive Director to the IMF, and the Executive Director is ordered by law to clear his or her decisions with the Secretary of the Treasury. But Congress retained final authority over certain IMF policy areas, including funding increases. **Table 1** identifies the key IMF policy areas and indicates whether congressional action is required by U.S. law in each area. Quota increases for the United States, as well as supplemental loans to the IMF via the General Arrangements to Borrow (GAB) and the New Arrangements to Borrow (NAB), require congressional authorization and appropriation.

"Quotas" are the capital subscriptions that member governments make to the IMF. Quotas serve as the IMF's main resource for international stabilization activities and also determine member governments' voting power—vote shares in the IMF are tied to contributions. Quotas can be increased for all members under a "General Review of Quotas," which must be conducted at least every five years.[3] If a General Review results in the approval of a quota increase, Congress must ratify the U.S. increase. **Table 2** provides a summary of all General Quota Reviews since the founding of the IMF. As indicted in Column 3, General Reviews have produced eight major quota increases since 1945. In each instance, Congress was required to approve the increase in the U.S. quota.

While quotas are its main source of financing, the IMF supplements its resources during emergencies by borrowing directly from the United States (and other industrial countries)

[3] Article III, Section 2(a) of the IMF's Articles of Agreement provides that "the Board of Governors shall at intervals of not more than five years conduct a general review, and if it deems it appropriate propose an adjustment, of quotas of members."

through the GAB and the NAB. The flexibility and importance of supplemental borrowing was made evident during the recent "subprime" global financial crisis. On April 2, 2009, members of the G-20 agreed to increase the NAB by up to $500 billion to combat the crisis. The United States committed to a $100 billion increase to the NAB and the overall agreement was ratified by the Executive Board of the IMF on April 12, 2010. Given U.S. law, President Obama needed to secure Congressional approval for two actions: the increase of $100 billion for U.S. participation in the expanded NAB, and an increase of $8 billion in the U.S. quota needed to implement the April 2008 IMF quota reform package. This proved to be difficult due to opposition from what the *Wall Street Journal* called "an unlikely coalition of Republicans, liberal Democrats and anti-globalization activists" (Davis and Hitt 2009, A10).

I exploit the feature of American law that requires all increases in U.S. quotas and loans to the IMF to be approved by Congress. I assume that voting to authorize more resources for the IMF is signal of support for the IMF since providing more resources to the IMF allows it to engage in more international financial operations. Hence, congressional voting provides an opportunity for understanding patterns of support and opposition to the IMF within the United States.

Table 3 provides summary information on the roll-call votes analyzed in this paper. These are "clean" votes in the sense the sole or primary content of each roll-call vote was the allocation for the IMF. I do not include votes on omnibus spending bills that include IMF funding bundled with other projects and programs because it is impossible to discern legislators' positions on the IMF in these votes. Since several quota and loan increases were approved in this fashion, I have found amendments or motions that targeted the IMF allocation specifically. For example, the $108 billion increase for the NAB was approved in 2009 as part of a

supplemental appropriations bill that included financing for the wars in Iraq and Afghanistan, among other things, as well as for the IMF. It would be misleading to infer that votes on this omnibus measure indicate support or opposition to the IMF since many other programs were funded as well. However, on May 21, 2009 the Senate voted on an amendment that isolated the IMF allocation. The amendment, proposed by conservative Jim DeMint (Rep-SC) – an opponent of the IMF increase – would strip IMF funding from the supplemental appropriations bill. The amendment failed by a vote of 30-64 and the IMF got its money. By voting "nay," senators indicated they supported extending the IMF an additional $100 billion credit via the NAB and supported increasing the U.S. quota by $8 billion. The vote on the amendment is "clean" and therefore included in the analysis

3. Aggregate Congressional Support for the IMF

Both the level and the volatility of support the IMF enjoys in Congress are likely to differ systematically between chambers, due to differences in electoral institutions across the chambers. The U.S. has a bicameral legislature consisting of an upper house – the Senate – and a lower house – the House of Representatives. The 435 members of the House of Representatives serve two-year terms and represent small districts, apportioned by population, while the 100 Senators serve six-year terms and represent entire states. Due to their larger constituencies and longer electoral cycles, I expect members of the Senate to register higher and more stable support for the IMF than members of the House of Representatives. Their larger constituencies mean that Senators have more diverse, cross-cutting interests in their districts, which makes them less sensitive to parochialism than Representatives. Just as the Senate is more free trading than the House, so too should it be more supportive of international financial

institutions like the IMF.[4] In regard to the volatility of support for the IMF, whereas Representatives need to be sensitive to changes in constituent interests and public opinion (since they are running for reelection continuously), their long tenures give Senators greater insulation from such pressures, leading to greater stability in IMF support.

To begin the analysis, I use an aggregate indicator of the level of congressional support for the IMF: the size of the margin voting in favor of IMF funding by chamber. When a chamber approves IMF funding increases by wide margins, it stands to reason that the IMF commands a high level of support in that chamber. By contrast, when funding increases are approved by narrow margins – or fail to be approved altogether – it signals that the chamber views the IMF less favorably. While factors other than legislators' native "support" for the IMF shape the size of these margins – international crises, conflicting spending priorities, budget conditions, etc. – vote margins provide a rough gauge of aggregate congressional support for the IMF, both over time and across the houses of Congress.

3a. Support for the IMF in the House of Representatives

Figure 1 displays vote margins on IMF funding increases for the House of Representatives since 1945. The vertical bars indicate the share of the chamber voting in favor of new appropriations for the IMF while the year the vote occurred is shown on the horizontal axis (see **Table 3** for the details of each vote). The figure reveals that aggregate support for the IMF has fallen over time in the House. In 1945, ninety-five percent of House members registered support for the vote to fund and authorize initial U.S. participation in the IMF. But by

[4] In his classic paper, Rogowski (1987, 208) argues that it "almost self-evident" that large districts offer insulation from particularistic pressures and therefore a more internationalist outlook. There is a large literature evaluating the reasons why the Senate is more supportive of free trade than the House. A good place to start is Karol (2007).

1998, only 46 percent of House members could muster support for the IMF on the clean vote identified in **Table 3**. This roll call took place on April 23, 1998, during the height of the Asian currency crisis when the IMF was desperate to increase its resources to deal with the spreading crisis. But the failure of the House to approve this procedural motion—which would have allowed the House and Senate to pass identical spending bills and thereby provide the IMF with $18 billion—stalled the IMF appropriation for another six months. The subsequent spread of the crisis to Russia and Brazil, along with President Clinton's admonishment of congressional foot-dragging as "irresponsible," ultimately helped convince House opponents that they would be blamed if a global recession took place (Frankel and Roubini 2003, 187). But it was not until October, 1998 that the House finally approved the IMF's $18 billion (in an omnibus supplemental spending package), and many House conservatives were still deeply skeptical about the funding increase.[5]

The secular decline in support for the IMF reflects institutional features of the House of Representatives: with small districts and frequent elections, House members are particularly sensitive to interest group and constituency pressures. I argue that societal pressures associated with growing international economic integration help explain why support for the IMF has declined in the House. My claim is that industry and worker skepticism about globalization increased in many districts as the U.S. trade balance deteriorated over time, diminishing support for the IMF. The IMF is the international institution charged with protecting world trade and payments from financial distress; it is a natural target for constituencies harmed by deepening global economic integration (Woods 2006). Support for the IMF was very high in the House in the early post-war period because few congressional districts faced serious import competition at

[5] See Broz and Hawes (2006a, 2006b) for details of this event.

that time. The war's destruction of the capital stock of the other major industrial countries left the United States running large trade surpluses: from 1945 to 1955, the U.S. trade surplus averaged an impressive 1.76 percent of GDP per year.[6] By the early 1970s, the boom for the tradables sector was over as post-war recovery and rapid economic growth in Europe and Japan led to surging imports and the onset of persistent U.S. trade deficits. The nation imported more goods and services than it exported in every year since 1975 and the trade deficit has averaged an astonishing -2.05 percent of GDP between 1975 and 2009. Large trade deficits meant that U.S. workers and firms were more exposed to foreign competition—both at home and in world markets—than before. As a result, anti-globalization pressures intensified and were reflected in the House of Representatives (Destler 2007). My claim is that this opposition to globalization spilled over to the IMF and reduced legislator support for new funding increases.

The deterioration in the U.S. trade balance is indicated in **Figure 1** (right axis). Eyeballing this figure suggests a positive (albeit possibly spurious) relationship between the trade balance and support for the IMF in the lower house. While other factors may correlate with support for the IMF in the House, the trade balance is potentially important. Global competition, as well as import surges caused by U.S. macroeconomic policies—e.g. the "strong dollar" policy of the first Reagan administration—engendered rising opposition to the world economy. As the international financial institution most strongly associated with globalization, the IMF took the heat. **Figure 2** plots the correlation between support for the IMF in the House and the U.S. trade balance. The trade balance fits the data very well ($R^2 = 0.72$) and the relationship is highly significant ($t = 4.84$). This suggests that support for the IMF in the House is very sensitive to the

[6] Trade balance data are from *Historical Statistics of the United States.*

distributional effects of international trade, a claim that I will evaluate more extensively in the micro-level analysis below.

3b. Support for the IMF in the Senate

As indicated in **Figure 3**, aggregate support for the IMF in the Senate has been higher and more stable than in the House during the postwar period. This is to be expected, given differences in electoral institutions: large, statewide constituencies allow Senators to take a more internationalist outlook while long tenures insulate them from immediate constituency pressures. Furthermore, **Figure 3** also suggests that Senate support for the IMF does *not* track the trade balance (**Figure 4** confirms that Senate support is unrelated to the trade balance in these data). As with trade politics, the Senate appears to be relatively immune to anti-globalization pressures. This is intuitive since senators represent more populous and industrially diversified political units than House members. Therefore, it is less likely that the proportion of workers and firms that are negatively affected by import competition will be so high that a senator is forced to adopt an anti-globalization and anti-IMF posture.

Senators are also more likely than Representatives to have aspirations for national political office, which may predispose them to favor the IMF. This is because the "constituency size" argument also extends to the office of the president. With a nationwide constituency, U.S. presidents have consistently supported IMF funding more strongly than Senate, just as they have supported free trade policies more strongly than the Senate.[7] Every IMF quota increase has been supported by the president despite partisan and ideological differences across presidents. A good example of this occurred in 1983 when aggregate Senate support for IMF funding ebbed to its

[7] According to Karol (2007, 486), "Since 1932 all presidents have indeed been more supportive of freer trade than the Congresses with which they served."

lowest level (63 percent). The context was the IMF's Eighth General Quota Review, which coincided with the Latin American debt crisis. The debt crisis aroused strong ideological divisions in Congress over IMF funding (Boughton 2001, 867-70). The Eighth Review quota increase proposal was attacked by left-of-center legislators who saw it as a bailout for commercial banks that had lent imprudently to developing countries. Conversely, right-of-center politicians attacked the IMF quota increase as a bailout for indebted countries with excessive governmental intervention in their economies (Boughton 2001, 869). The ideological opposition delayed the appropriation, which led the IMF to impose a partial freeze on new lending (Bordo and James 2000, 32). The threat to the global banking system and U.S. national interests spurred President Ronald Reagan to undertake a strong personal campaign to elicit support for the appropriation. Despite his conservatism, Reagan said he had "an unbreakable commitment to increased funding for the IMF" and referred to the Fund as the "linchpin of the international financial system." Reagan urged Congress to back the large quota increase to prevent an "economic nightmare that could plague generations to come" (Farnsworth 1983, 1).

While "ideology" has relatively less influence on presidential support for the IMF, it is an important source of congressional attitudes toward the IMF.[8] As I have argued elsewhere, ideology provides legislators with a simple schema for evaluating policy towards the IMF, which they tend to know little about (Broz 2006a, 2006b). Nearly all issues and votes in Congress fall along the "liberal-conservative" dimension epitomized by the role of government in the economy (Poole and Rosenthal 1997). Funding the IMF is no different (Locke 2000). Conservatives that believe in a small role for government in the *domestic* economy oppose the IMF because IMF

[8] While both Ronald Reagan and George W. Bush were initially susceptible to conservative arguments against the IMF, once in office, they both supported new IMF funding proposals. See Smith (1984) and Babb (2008).

programs distort economic incentives in the *global* economy. Conservatives view IMF programs as "bailouts" that insulate investors and borrowers from the risks of their actions and thereby promote greater instability in international finance. Conservatives also oppose the expansion of the government sector and see international organizations like the IMF as particularly prone to waste and inefficiency.[9] Conversely, liberals focus on market failures at both the domestic and the international levels and see a positive role for IFIs in mitigating the economic and social costs of financial and development crises. They also tend to be more optimistic about the operations of international organizations, and the motivations of the officials that inhabit them.[10] In short, ideology provides the foundation upon which legislators evaluate the IMF.

The ideological divide on the IMF widened in 1983 when the Latin American debt crisis starkly illustrated the moral hazard problem (Smith 1984). It became wider still during the Asian currency crises when the Clinton administration approached Congress for increasing the resources of the IMF by $18 billion (Locke 2000). By that point, the proposal was immediately and forcefully opposed by House conservatives. After a long battle, the final appropriations bill passed with a proviso that a special bipartisan commission be established to consider the future of the IMF and the other international financial institutions. The Meltzer Commission, named for its chair, economics professor Allan Meltzer, produced a report in November 1998 that encapsulates the tension been the conservative and the liberal views of the IMF. While the conservative majority on the commission emphasized how IMF programs created a moral hazard

[9] See, for example, Dick Armey (Rep, TX), "The Moral Hazard of IMF Expansion." Remarks prepared for delivery on the House Floor, October 2, 1998. http://www.imfsite.org/finprograms/hazard.html

[10] See, for example, John J. LaFalce (Dem, NY), "The Role of the United States and the IMF in the Asian Financial Crisis," Address before the Institute for International Economics, Washington, DC, January 27, 1998. http://www.iie.com/publications/papers/paper.cfm?ResearchID=301

for international banks and borrowing countries alike, liberal dissenters argued that the IMF has a necessary and important place in the world economy, due to market failures in international finance.

Spatial scaling techniques developed by Poole and Rosenthal (1997) are well established tools for estimating the ideological positions of legislators and legislatures over time (Poole 2005). The DW-NOMINATE methodology yields estimates of each member's ideal point in each Congress and allows the estimated locations to be compared across Congresses. Previous research has demonstrated that the first dimension of DW-NOMINATE locations reveal standard left-right cleavages (Poole and Rosenthal 2007).[11] To investigate whether "ideology" might help explain why the Senate tends to be more supportive of the IMF than the House, **Figure 5** plots the average value of the first dimension DW-NOMINATE for each house of Congress from the 79th Congress (1945-46) to the 110th Congress (2007-08). I am interested in the *difference* in the average ideology of the Senate and the House because, if ideology accounts for the higher level of support for the IMF in the upper chamber, then the Senate should be systematically more liberal than the House. The figure does not support this conjecture as there is no clear liberal bias in the Senate. A comparison of means test confirms that the small difference (0.004) in average ideology between the House ($x = -0.014$) and the Senate ($x = -0.018$) is not statistically significant ($t = 0.653$). I interpret the absence of a difference in ideology between the chambers as support for the "size of constituency" argument.

[11] Because Poole and Rosenthal construct their estimates using only roll call data, DW-NOMINATE conflates two sources of legislator ideology: constituency characteristics and the personal beliefs of members. Constituents shape legislator ideology by electing members with similar beliefs—conservative electorates tend to elect legislators who occupy conservative positions in the NOMINATE space. Thus, DW-NOMINATE incorporates both constituency and personal ideological beliefs. See Fleck and Kilby (2002) and Fordham and McKeown (2003).

In this section, I have explored aggregate levels of support for the IMF in the U.S. Congress. My central finding is that support for the IMF is higher and more stable in the Senate than in the House, which I attribute to differences in electoral institutions. Members of the upper house are elected by larger constituencies, which insulate them from the parochial pressures Representatives face. Due to their larger populations, states encompass a wider variety of groups and interests than do congressional districts, which are sometimes gerrymandered to produce a single interest or dominant partisan predisposition. Population size and diversity, along with six-year terms of office, produces an internationalist outlook among Senators.[12] Support for the IMF in the House of Representatives, by contrast, closely tracks the U.S. trade balance, presumably because members of Congress are more sensitive to the plight of firms and workers in the tradables sector. Furthermore, there is little evidence that the Senate's higher level of support for the IMF reflects any systematic ideological difference with the House.

4. Micro-level Analysis of Support for the IMF

In this section, I analyze the individual voting decisions of Senators and Representatives on the sample of "clean" IMF funding bills to come before Congress since 1945. The aim is to build on the arguments and conclusions from the previous section, which can be restated at the micro-level:

[12] Meernik and Oldmixon (2004) find that the House of Representatives tends to be less supportive than the Senate of on all internationalist presidential policy proposals, except what they call "militant internationalism." They argue that the intercameral difference in support for internationalism reflects institutional factors: "Because of its closer ties to voters, who are more generally concerned with economic and social issues, representatives may feel less compelled than senators, who have greater foreign policy powers and a longer electoral cycle, to support the executive" (2004, 457). See also Cronin and Fordham (1999).

1. The more liberal the *ideology* of the individual legislator, the more likely the legislator is to vote in support of a new appropriation for the IMF.
2. Controlling for ideology and the time until election, *Senators* are more likely than Representatives to vote for a new IMF appropriation.
3. Representatives are more sensitive to *constituency pressures* than Senators on matters relating to IMF financing.

The first argument reflects the fact that ideology structures almost all roll-call voting in Congress (Poole and Rosenthal 1997), including votes on the IMF (Broz and Hawes 2006a, 2006b). The second hypothesis captures the argument that intercameral differences in the size of constituencies give Senators a more internationalist outlook on IMF policy than Representatives. The third hypothesis tests the claim that, due to their smaller districts, House members are more susceptible to pressures from constituents and special interests that are affected, directly or indirectly, by the IMF's international financial activities.

With respect to groups that are *directly* affected by the IMF's activities, I focus on "money center" banks. Money center banks are the nation's largest global banks. They engage in international finance and have a heavy involvement in wholesale banking with clients comprising many retail banks and global corporations. Citigroup, J. P. Morgan Chase, and Bank of America fit this description. Money center banks comprise a key constituency for the IMF. On the one hand, IMF financial rescues provide *de facto* insurance to these banks, allowing them to retain the gains from international lending while distributing losses, when they occur, to the public sector. IMF rescues are a form of insurance to these private creditors, and thus a source of moral hazard (Bulow and Rogoff 1990, Rogoff 1999). Indeed, Bird (1996) finds that the financial assistance the Fund provides to debtor countries is often used to repay loans to

commercial banks. In some instances, debt service is an explicit component of IMF programs (Gould 2003).[13] Demirguc-Kunt and Huizinga (1993) also find general evidence of the benefits moral hazard provides to banks by showing that unanticipated increases in U.S. financial commitments to the IMF cause the stock market capitalization of the exposed banks to increase. On the other hand, the operations of the IMF expand international opportunities for money center banks and promote policies in developing countries that are conducive to debt repayment. Thus, I expect campaign contributions from money center banks to have a positive impact on the propensity of Representatives to vote in favor of increasing U.S. contributions to the IMF.

With respect to constituents that are *indirectly* affected by the IMF's activities, I expect House members representing districts with greater proportions of net "losers" from economic globalization to be more likely to oppose increasing the IMF's resources. This is because the IMF, by pursuing its mandate to promote the expansion, integration, and stability of the global economy, encourages globalization and its attendant domestic distributional consequences (Woods 2006).

Two models from trade theory identify the losers and winners of the IMF's pro-globalization policies: the Ricardo-Viner model and the Stolper-Samuelson model. My extension to IMF funding recognizes that the IMF's mandate to protect the world economy from financial disorder is a benefit to constituencies that gain from global economic integration and a cost that to groups that suffer. From the Ricardo-Viner perspective, I thus expect House members with higher shares of constituents employed in export industries to be more receptive to IMF funding increases than members with large numbers of workers employed in import-

[13] Broz and Hawes (2006b) and Oatley and Yackee (2004) find that countries in which U.S. money center banks are more heavily exposed are more likely to receive support from the IMF, controlling for other correlates.

competing industries. From the Stolper-Samuelson perspective, I expect members representing districts with greater proportions of high-skilled workers to support IFI funding increases, while Representatives with greater shares of low-skilled workers in their districts will oppose these appropriations.

4a. Data, Models, and Results

The dependent variable in the following regressions is the legislator's vote on IMF funding increases. The roll-calls included in these analyzes are listed in **Table 3**. Votes are coded 1 = "support" for the IMF funding increase, and 0 = opposition to the appropriation.[14] The data are in panel format with the legislator-vote as the unit of analysis. The panel specification means that I am combining roll-call votes within and across congressional sessions, which allows for a simple and compact analysis of the data. I estimate probit models with robust standard errors clustered by legislator, to deal with heterogeneity across legislators. I include roll-call fixed effects to control for any unmodeled heterogeneity across votes and differences in the yea-nay margin over time.

Table 4 presents results related to my first two arguments. Hypothesis 1 is that legislators with more liberal ideologies will be more likely to support IMF funding increases. I evaluate this argument using the first dimension of a legislator's DW-NOMINATE score as a proxy for "ideology." (Since DW-NOMINATE is constructed solely from roll call data, it incorporates both member beliefs and the ideological positions of constituents that elect members into Congress). DW-NOMINATE estimates ranges from -1 to +1 (from most liberal to most conservative) and are available for all legislators in my sample of IMF financing roll-call

[14] On the four roll calls where a "nay" vote supports the IMF appropriation, "nay" = 1 and yea = 0 (roll calls #341, #125, #149, #201).

votes (1945-2009). In Model 1, the negative and highly significant estimate (z = -24.67) for DW-NOMINATE suggests that conservative legislators are indeed more likely to oppose financing the IMF than liberal legislators.

To test Hypothesis 2, that legislators from the upper house are more supportive of the IMF, Model 2 adds the binary variable, SENATE, to the regression. The estimate is positive and highly significant (z = 4.43), which means that Senators are more likely to favor new funding for the IMF than Representatives, regardless of their ideology. Model 3 controls for PRESIDENT'S PARTY, which is a binary variable equal to 1 if the legislator is a member of the same political party as the current president. I include this control because ideology may correlate with being of the same party of the president, which would predispose legislators to support the IMF since presidents have uniformly supported IMF funding bills when they are considered in Congress). But the size and significance (z = -23.56) of the estimate for DW-NOMINATE is not affected by the inclusion of this control, which supports the claim that legislators' positions on the left-right ideological scale are closely associated with positions on the IMF. In Model 4, I control for the occurrence of an international financial crisis with INTERNATIONAL CRISIS, a binary variable that equals 1 if the IMF vote took place during a crisis period in global finance. The estimation reveals that international crises tend to reduce support for the IMF—perhaps because a crisis focuses public attention on the vote—but have little effect on the estimates for my variables of interest: ideology and a seat in the upper chamber influence voting in about the same way during crisis and non-crisis periods. Model 5 drops the crisis dummy variable in lieu of roll-call fixed effects, to deal with unmodeled heterogeneity across votes and over time. The estimates for DW-NOMINATE and SENATE remain highly statistically significant (z = -23.13, z = 6.20 respectively) in the proper direction.

In **Table 5**, I provide a substantive interpretation of these probit results and a sense of the magnitude of the effects. I simulated the predicted probability of observing a vote in favor of increasing the IMF resources, and then examined how the predicted probabilities *change* as the explanatory variables increase one standard deviation from their means, holding other variables at their mean values (binary variables are set to zero).[15] I ran the full model (Model 5) in **Table 4** with vote fixed effects to estimate these predicted probabilities. The impact of ideology is substantively large and very precisely estimated: a one standard deviation increase in DW-NOMINATE above its mean reduces the likelihood of a legislator supporting the IMF by 32 percentage points. The effect of being in the Senate as opposed to the House is also very large: a Senator is 28 percentage points more likely than a Representative to support the IMF. These effects are far more powerful than being of the same party as the president, which increases the likelihood of voting more funds to the IMF by 13 percentage points.

To further explore Hypothesis 2, I take advantage of a "natural experiment" derived from apportionment procedures that give certain Senators and Representatives identical statewide constituencies.[16] Due to their small populations, states such as Vermont and North Dakota are apportioned only one legislator to the lower house and these "Representatives-at-Large" are elected by the entire state.[17] Since Senators from these small states are elected by the same constituency, a comparison of the votes cast on the IMF by Representatives-at-Large and

[15] The simulations were performed with "Clarify" software developed by Tomz, Wittenberg and King (1998).

[16] See Karol (2007) for an application of this test to trade policy voting.

[17] The number of states with a Representative at Large has changed over time due to population and migration shifts. For the votes in my sample, the states with a single representative include Alaska (1959-2009), Delaware (1945-2009), Hawaii (1959), Montana (1991-2009), Nevada (1945-1978) North Dakota (1970-2009), South Dakota (1980-2009), Vermont (1945-2009), and Wyoming (1945-2009).

Senators from the same states allows for a direct test of the argument that members of the Senate are more pro-IMF than members of the House due to their larger constituencies. If it is only the size of constituencies that matters, then being a Senator should not be statistically related to voting on the IMF. But if there is some unmodeled reason other than constituency size that accounts for why Senators support the IMF more readily than Representatives, then the coefficient estimate for SENATOR should be positive and significant.

Table 6 presents the results of this experiment. Model 1 includes SENATOR, a binary variable indicating whether a legislator is in the Senate or not. The point estimate is positive but not significantly different than zero, suggesting that there is no difference between the way legislators with equally sized and equally diverse constituencies vote. Since the sample includes only Senators and Representatives-at-Large from the same states, this means that legislators serving in the Senate are no more pro-IMF than legislators in the House *when they have identical constituencies*. Model 2 controls for DW-NOMINATE and thereby allows a direct comparison with full sample results in Model 2, **Table 4**. Comparing the estimate on SENATOR in **Table 6**, with the estimate for SENATE in **Table 4** reveals that the point estimates are very similar—0.361 vs. 0.348—which suggests the probability a Senator will support the IMF is about the same in both samples. However, when Senators are compared to only Representatives-at-Large with identical constituencies, the point estimate is not significant, which suggests that it is the difference in constituency size that makes Senators more likely to favor the IMF on average.

Model 3 controls for TIME TO ELECTION, which is the number of years between an IMF roll-call vote and a member's next election. For Senators, this variable ranges from 0 to 5, with 0 indicating that the Senator is up for reelection later in the same year as the roll-call vote,

and 5 indicates that the Senator has five years remaining until his/her next election.[18] Controlling for the time until the next election is important since Senators may be more supportive of the IMF because they serve longer terms than Representatives, rather than because they have larger constituencies. The evidence from Model 3 supports the "larger constituency" hypothesis: the point estimate for TIME TO ELECTION is positive but not statistically significant. For Representatives and Senators with the same constituencies, the amount of time between elections is not statistically related to voting on the IMF, which supports the hypothesis that the Senate-House difference in support for the IMF is due to constituency differences.[19] These results hold when I include state fixed effects in Model 3. Overall, the inference is that constituency differences are the root cause of the pro-IMF bias in the Senate. In states where Representatives and Senators share the same constituency, they tend to vote similarly on IMF funding. In all other states, Senators have larger and more diverse constituencies than Representatives and are more supportive of the IMF because of the difference in constituency size.

My third hypothesis is that Representatives are more susceptible than Senators to interest group and constituency pressures. I argue that the IMF tends to provoke two types of societal pressures that bear especially on Representatives, due to their smaller districts: pressures from groups that are harmed or benefited from globalization (which the IMF promotes), and pressures from money center banks that gain directly from IMF activities. I proxy legislator affinity to money center banks by the amount of campaign contributions members receive from these

[18] Senators are divided into three classes for purposes of elections and every two years the members of one class—approximately one-third of the Senate—face election or reelection. Data on the class and election dates of Senators are from Swift et al., *Database of Congressional Historical Statistics*.

[19] When the sample in **Table 4** is limited to Senate voting, including the TIME TO ELECTION variable in Model 2 yields a positive but insignificant point estimate (0.0397, z = 1.18). This also suggests that long tenures are not the source of Senators' pro-IMF voting behavior.

banks. To identify money center banks, I use the regulatory classification in the Federal Financial Institutions Examination Council's (FFIEC) "Country Exposure Lending Survey." Because the FFIEC identifies the specific banks that comprise the money center group, I was able to obtain a list on which to base the collection of campaign contribution data (see the Data Appendix for the banks that make up this group). For campaign contributions, I use the Federal Election Commission's data on contributions from Political Action Committees (PACs). My constructed variable is BANK CONTRIBUTIONS: the sum total of money center bank contributions to each legislator in the previous electoral cycle. The value of contributions is divided by 1,000 for ease of interpretation.

I also expect Representatives to be sensitive to the indirect effects of globalization on their districts: the larger the share of voters in a district that benefit (lose) from global economic integration, the more likely a member will be to support (oppose) the IMF. The winners (losers) can be defined by industry, following Ricardo-Viner reasoning, or by skill level following Stolper-Samuelson. Either operationalization captures my argument that legislators understand that the IMF promotes globalization, and take positions that reflect the impact of globalization on the real incomes of their constituents.

My proxies for the Ricardo-Viner effect are NET IMPORTS and NET EXPORTS. NET IMPORTS is the percentage of district workers employed in manufacturing industries where the ratio of imports to consumption is greater that the ratio of revenues from exports to total industry revenue. NET EXPORTS is the percentage of workers in sectors where the ratio of revenues from exports to total industry revenue is greater than the ratio of imports to consumption (see the Data Appendix for more details). To tap agricultural trade, I use AG PRODUCTION, which is

the total value of agricultural output (crops and livestock) by district/state.[20] Legislators from districts with higher agricultural output should be more supportive of the IMF since those districts are likely to be net exporters of farm products. To model Stolper-Samuelson effects, in which I posit a positive relationship between constituent skill levels and legislator support for the IFIs, I use HIGH SKILLS, which is the share of state or district population aged 16 and above employed in executive, administrative, managerial, and professional specialty occupations. However, since high skills might correlate with wealth or education which could lead constituents to favor the IMF, I include a control of district/state household MEDIAN INCOME.

Due to data availability limitations, I can only test these pressure group models back to 1980 for the House and 1991 for the Senate. **Table 7** presents estimates with votes pooled by chamber. The results largely confirm my expectation that Representatives will be more susceptible to interest group and constituency pressures than Senators. In Model 1 (House votes) and Model 3 (Senate votes), I do not control for DW-NOMINATE and PRESIDENT'S PARTY. This is because member ideology and party affiliation are, to some extent, *indirect* reflections of constituency interests: voters elect legislators whose ideology and political party suggest they will vote in accordance with constituents' interests (Fleck and Kilby 2002; Fordham and McKeown. 2003). To the extent that legislator ideology and partisanship influence voting in a way that is not determined by constituency interests via elections, those elements of DW-NOMINATE and PRESIDENT'S PARTY are uncorrelated with constituency interests and omitting them won't cause omitted variable bias.[21] The coefficients on my other constituency

[20] I thank Dustin Tingley and Helen Milner for these agricultural data, which they painful constructed from county-level U.S. Department of Agriculture data. See Milner and Tingley (2010).

[21] I thank Christopher Kilby for this suggestion.

variables will thus reflect the full influence of constituents: both electing and lobbying legislators. Nevertheless, in Models 2 and 4, I include DW-NOMINATE and PRESIDENT'S PARTY as controls for comparison. In these models, the direct (lobbying) and indirect (electing) channels through which constituents influence legislator voting are included, but it is impossible to attribute indirect influence properly.

Comparing across Models 1 and 3 provides evidence that the House and Senate differ in terms of sensitivity to social pressures. In Model 1 (House votes), all constituency and special interest coefficients are statistically significant and correctly signed, with the exception of AG PRODUCTION, which is negatively signed. Farm interests should support the IMF since a large share of the agricultural land in the U.S. is devoted to grain production for export markets and the IMF's mission is to promote trade. The negative estimate may be due to the fact that AG PRODUCTION is correlated with legislator ideology: farming regions in the U.S. tend to elect conservative legislators. Indeed, in Model 2, which controls for ideology with DW-NOMINATE, the sign flips and AG PRODUCTION is positively signed, as expected, and significant.

All other point estimates in Model 1 support Hypothesis 3. Receiving more campaign contributions from money center banks (BANKPAC), and having more skilled workers a district (SKILLS), correlate positively and significantly with a House member voting in support of the IMF. Members representing districts with larger shares of workers employed in import industries (NET IMPORTS) are less likely to vote new funding for the IMF, while members with more workers in net export industries (NET EXPORTS) are more likely to support the IMF. As a group, the first five (constituency) variables in Model 1 are jointly significant at the 0.0001 level. Model 2, which controls for legislator ideology and partisanship, does little to alter the inference that voting in the House on the IMF is correlated with constituent characteristics and

interest group pressures. The joint significance of the five constituency variables in Model 2 is very highly significant (P = 0.0000).

By contrast, none of these coefficient estimates are significant, either independently or jointly, in Model 3 or Model 4, which pool votes from the Senate. While House members are sensitive to constituency influences, Senators appear to be insulated from these forces. **Table 8** provides substantive effects for these estimates for each chamber. For the House, the estimates suggest that a one standard deviation increase in BANK CONTRIBUTIONS above its mean increases the likelihood that a Representative will support the IMF by 4 percentage points. The same effect holds for House members when SKILL LEVEL and NET EXPORTS are increase by a standard deviation, but the later is more precisely estimated. Increasing the share of House district employment in the NET IMPORT sector reduces the likelihood that a Representative will support the IMF by 3 percentage points. But in the Senate, the effects of changing BANK CONTRIBUTIONS, SKILL LEVEL, NET EXPORTS, and NET IMPORTS are never statistically different than zero. Overall, House members are responsive to constituent interests and pressure group lobbying while Senators appear to be unresponsive to these influences.

5. Conclusion

When Congress ratified United States participation in the IMF in 1945, it retained permanent authority over increases in U.S. financial commitments to this international organization. I have analyzed roll-call voting on U.S. funding increases to the IMF as if it was a historical record of "support" for the IMF within the United States. I found that support for the IMF is higher and more stable in the Senate than in House, due to differences in electoral rules between the chambers. Large districts (as opposed to long tenures) make the Senate the more

"internationalist" chamber on IMF policy and insulate Senators from constituent and interest group pressures. I also found that, ideology is the most important source of congressional voting decisions on the IMF, with conservatives in either chamber far more likely to vote against new IMF funding than liberals. While conservatives see the IMF as a profligate bureaucracy that distorts incentives in international financial markets, liberals view the IMF favorably because they think international financial markets are prone to crises and need a crisis manager.[22]

An implication of both findings is that a conservative House of Representatives poses significant problems for the IMF and its supporters in the U.S. Since the late 1970s, the House has becoming increasingly conservative (see **Figure 5**) and this has led to strategic behavior on the part of the IMF's supporters. One strategy has been to package IMF funding with other spending projects that conservative legislators are loathe to oppose (Babb 2009). But there are limits to the effectiveness of this approach. Conservatives can try to build majorities for amendments to strip the IMF allocation from these engineered bills. Or, in the limit, they can call the bluff and vote against the strategically constructed bill, albeit at a cost.

A case in point occurred recently when President Obama was trying to get approval for the $100 billion line of credit to the IMF to meet the commitment he made at the G20 meeting in April 2009. Supporters attached the IMF money to a supplemental war spending bill in the Senate after the House had already passed its war spending bill without IMF funds. Since normal procedure is for the two chambers to reconcile their differences and present an identical bill, the plan was to conjoin IMF funding with "funding the troops" so that conservatives in the House

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[22] To quote conservative Newt Gingrich, the 1998 IMF quota increase was "typical liberal foreign policy...we're not turning over $18 billion to a French Socialist [Michel Camdessus] to throw it away." Camdessus was Managing Director of the IMF at the time. Speech before the Christian Coalition, September 18, 1998, Washington, DC. Cited in the *New York Times*, September 25, 1998.

would be more inclined to support it. The strategy faced its first hurdle when House Republicans, who had supplied 168 votes for the war spending in the House, said they would vote against the war supplemental *en masse* unless the IMF money was put to a separate vote. But the joint IMF-war supplemental bill moved forward after the Senate voted overwhelming against an amendment to strike the IMF allocation (as I have shown, the Senate is a safe haven for the IMF). As the bill moved forward, the White House and the Democratic leadership, lead by House Speaker Nancy Pelosi (D-CA), went into high gear threatening and offering deals to 51 anti-war Democrats that had opposed the war funds the first time around. The pressure worked and the bill squeaked through by a vote of 226-208, with 32 Democrats joining all but five Republicans in voting no. Throughout the drama, there were serious doubts that the strategy would work (Allen 2009).

Strategic behavior in response to House conservatism is not limited to congressional politics; it also takes place at the IMF when officials are considering the timing and amount of quota increases. In his magisterial history of the IMF, Boughton (2001) indicates that General Quota Review decisions in the late 1970s and 1980s were influenced by the level of conservatism in Congress. Boughton (2001, 858-872) cites several instances where quota increase negotiations among member countries were influenced by congressional conservatism, as in the Seventh General Review, where the size of the quota increase was reduced to expedite approval in the House.

Given the importance of Congress to the ratification of IMF funding increases, it is plausible that IMF quota increases are endogenous to the level of conservatism in the House of Representatives. To explore this possibility, **Figure 6** plots the percent increase in overall quotas that resulted from each General Review of Quotas against the median ideology of the House of

Representatives at each decision date. The data on quota increases is from **Table 2** and median ideology is from DW-NOMINATE. Although the negative relationship is clearly driven by the zero/not zero element of the data (as opposed to the size of positive quota increases), we should probably not reject the hypothesis that IMF quota increase decisions are related to the level of conservatism in the House. Seven large quota increases took place during periods when the House was liberal while four zero, "no increase" decisions occurred during periods when Congress was markedly conservative. The main outlier is the Eleventh Review in 1998, which produced a 45 percent increase in quotas, but came during a conservative House. As mentioned above, the Asian financial crisis put pressure on conservative legislators to approve new resources for the IMF because they feared being held responsible if the world economy collapsed (Frankel and Roubini 2003). So, just as global financial conditions shape the IMF's need for resources, they also might affect the level of constraint that congressional conservatism places on U.S. ratification of these increases.

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Table 1: U.S. Congressional Action Needed on Various IMF Options

Option	Congressional Action
Quota increase for the United States	Requires congressional authorization and appropriation.
Loans to the IMF through the GAB and NAB	Requires congressional authorization and appropriation.
Sale of IMF gold	Requires congressional authorization under most circumstances.
Increase Basic Votes	Requires congressional authorization (because it amends the IMF's Articles of Agreement).*
4th Amendment allocating SDRs	Requires congressional authorization (because it amends the IMF's Articles of Agreement).*
New allocation of SDRs	Not required if the total amount of SDRs allocated to the United States is smaller than the current U.S. quota in the fund.
Reorganize Executive Board	No authorization or appropriation required under most circumstances. However, if Board reform is done through an amendment of the Articles, congressional authorization is required.*
Ad-hoc quota increase for select countries	None required (even though this may lower the U.S. voting share).
Revise quota formula	No congressional authorization or appropriation required.

Notes: * The Bretton Woods Agreements Act requires that Congress give its assent before the United States may vote for any amendment to the IMF Articles of Agreement. This table is adapted from Sanford and Weiss (2009, Table 3).

Table 2: IMF General Quota Reviews

1 **Quota Review**	2 **Date Adopted**	3 **Overall Quota Increase (percent)**	4 **Date Effective**	5 **U.S. Quota (Billions, SDR)**	6 **U.S. share of total quotas (percent)**
Founding Subscription	1944	100	1948	2.750	32.5
First Quinquennial	1950	No increase	1950	2.750	32.0
Second Quinquennial	1955	No increase	1955	2.750	29.6
1958/59	1959	60.7	1959	4.125	28.4
Third Quinquennial	1960	No increase	1960	4.125	27.0
Fourth Quinquennial	1965	30.7	1966	5.160	24.3
Fifth General	1970	35.4	1970	6.700	23.1
Sixth General	1976	33.6	1978	8.405	22.5
Seventh General	1978	50.9	1980	12.608	21.2
Eighth General	1983	47.5	1983	17.918	20.2
Ninth General	1990	50	1992	26.527	18.8
Tenth General	1995	No increase	1995	26.527	18.3
Eleventh General	1998	45	1999	37.149	17.7
Twelfth General	2003	No increase	2003	37.149	17.5
Thirteenth General	2008	No increase	2008	37.149	17.1
Fourteenth General	ongoing	-	-	-	-

Notes: The IMF conducts general quota reviews about every five years. Quota increases comprise an equiproportional percentage increase for all members and a selective increase, which adjusts certain members' quota shares in order to align them with their relative economic size. Column 3 is the sum of the equiproportional increase and the selective increases. The 1958/59 review was the only review conducted outside the five-year cycle. Data on quota and quota shares are from the IMF's *International Financial Statistics* (IFS).

Table 3: Roll-Call Votes on IMF Financing in the U.S. Congress, 1945-2009

Chamber	Bill or Amendment	Congress	Vote Date	Roll-Call	Result
House	H.R. 3314 to provide for the participation of the U.S. in the IMF and the IBRD	79th	June 7, 1945	#47	345-18
Senate	To pass H.R. 3314 and provide for U.S. participation in IMF and IBRD	79th	July 19, 1945	#61	61-16
House	H.R. 4452 to amend the Bretton Woods Agreements Act, changing the amount of the U.S. quota for the IMF	86th	March 25, 1959	#13	315-57
Senate	To pass H.R. 4452 and increase the U.S. subscription to the IMF and World Bank	86th	March 19, 1959	#24	73-10
House	H.R. 10162 Provides standby authority for the U.S. to loan $2 Billion to the IMF	87th	April 2, 1962	#138	257-94
House	H.R. 6497 to authorize an increase in the IMF quota of the U.S.	89th	April 27, 1965	#40	301-88
House	H.R. 18306 to increase appropriations for the IMF and IBRD	91st	Sept 14, 1970	#344	177-140
House	H.R. 13955 authorizing changes in the U.S. quota and SDR.	94th	July 27, 1976	#1028	289-121
House	H.R. 9214 authorizing the U.S. to participate in the Supplementary Financing Facility of the IMF	95th	Feb 23, 1978	#767	267-125
Senate	To pass H.R. 9214 on Witteven and the IMF	95th	July 31, 1978	#907	69-16
House	H.R. 7244 authorizing an increase in funds in the U.S. quota of the IMF	96th	Sept 18, 1980	#1168	199-151
Senate	S. 2271 authorizing an increase in funds in the U.S. quota of the IMF	96th	June 16, 1980	#719	55-25
House	H.Amdt. 341 to amend H.R. 2957 to strike the language that increases U.S. participation in the IMF General Arrangements to Borrow from $2 billion to $4.25 billion, and authorizes the Secretary to consent to an increase of the U.S. quota in the IMF (nay vote supports the IMF)	98th	August 3, 1983	#341	174-249
Senate	SAmdt. 1320 to amend S. 695 to make the increase in the U.S. quota in the Fund and the increased participation of the U.S. in the General Arrangements to Borrow effective only through the fiscal year 1984 (nay vote supports the IMF)	98th	June 8, 1983	#125	33-57
Senate	S.Amdt. 835 to amend S. 1435 to strike additional U.S. contributions to the IMF (nay vote supports the IMF)	102nd	July 25, 1991	#149	31-65
House	Motion to allow the House and Senate to pass identical spending bills, providing the IMF with $18 billion for quota increase and to establish the New Arrangements to Borrow (NAB)	105th	April 23, 1998	#737	186-222
Senate	S.Amdt. 2100 to S. 1768 to provide supplemental appropriations for the IMF	105th	March 26, 1998	#342	84-16
Senate	S.Amdt. 1138 to H.R. 2346 (Supplemental Appropriations Act, 2009) to strike the provisions relating to increased funding for the IMF (nay vote supports the IMF)	111th	May 21, 2009	#201	30-64

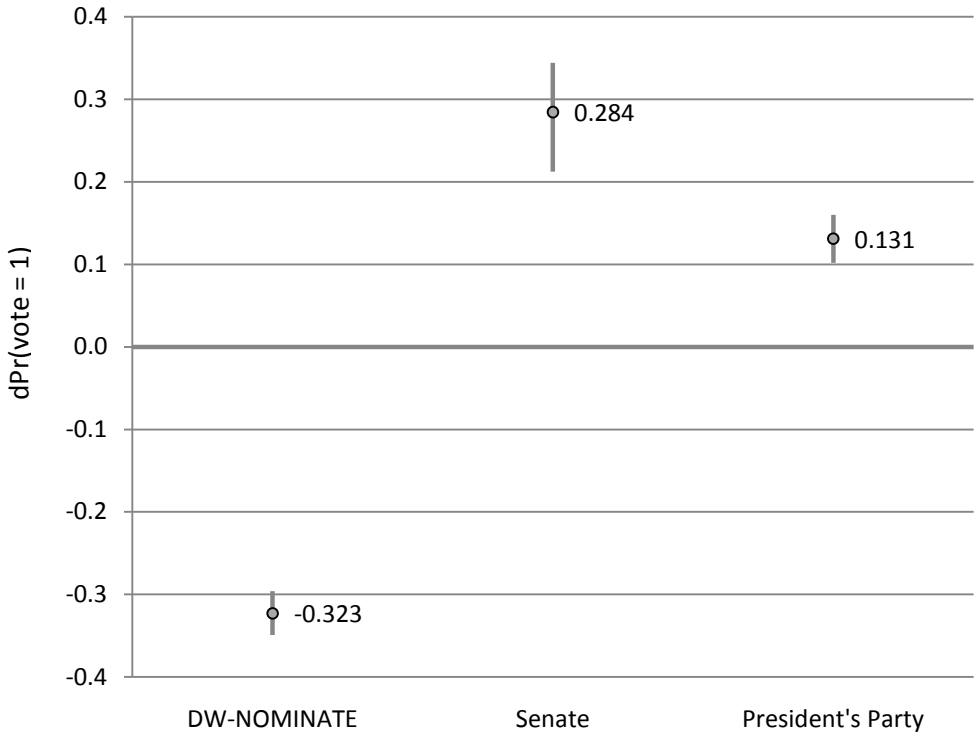
Notes: Bill and vote information obtained from the "Voteview" and the Library of Congress "Thomas" websites.

Table 4: Roll-Call Voting On IMF Funding Increases, 1945-2009

	(1)	(2)	(3)	(4)	(5)
DW-NOMINATE	-2.226	-2.257	-2.203	-2.176	-2.529
	(0.090)***	(0.093)***	(0.094)***	(0.092)***	(0.109)***
Senate		0.348	0.359	0.444	1.102
		(0.078)***	(0.080)***	(0.082)***	(0.178)***
President's Party			0.281	0.268	0.387
			(0.039)***	(0.040)***	(0.044)***
International Crisis				-0.434	-
				(0.053)***	-
H1945					2.207
					(0.146)***
H1959					1.063
					(0.106)***
H1962					0.704
					(0.105)***
H1965					0.674
					(0.101)***
H1976					0.303
					(0.087)***
H1978					0.190
					(0.099)*
H1980					-0.130
					(0.102)
H1983					0.012
					(0.100)
H1998					-0.076
					(0.113)
S1959					0.195
					(0.240)
S1978					-0.185
					(0.256)
S1980					-0.666
					(0.242)***
S1983					-0.717
					(0.216)***
S1991					-0.741
					(0.222)***
S1998					0.487
					(0.281)*
S2009					-0.419
					(0.253)*
Constant	0.510	0.460	0.326	0.425	-0.129
	(0.030)***	(0.032)***	(0.037)***	(0.041)***	(0.080)
Pseudo R2	0.207	0.213	0.221	0.234	0.322
Correctly predicted	76.66%	77.00%	76.07%	76.87%	79.18%
Number of groups	2105	2105	2100	2100	2100
Observations	4465	4465	4458	4458	4458

Notes: Probit regressions with robust standard errors clustered by group (legislator) in parentheses. The omitted category in Model 4 is S1945. *** p<0.01, ** p<0.05, * p<0.1

Table 5: Substantive Effect of Legislator Ideology, Chamber, and Political Party in terms of Support for the IMF



Notes: Values represent the change in the predicted probability of voting in favor of IMF funding increases as each variable of interest is increased by one standard deviation over its mean, holding other variables at their means (or zero for binary variables Senate and President's Party). Estimates are from Model 5 in **Table 4.** The whiskers indicate 95 percent confidence intervals.

Table 6: "Natural Experiment" Comparison of Senators and Representatives-at-Large with Identical Constituencies

	(1)	(2)	(3)	(4)
Senator	0.319	0.361	0.293	0.416
	(0.329)	(0.310)	(0.360)	(0.378)
DW-NOMINATE		-1.815	-1.819	-2.264
		(0.553)***	(0.554)***	(0.773)***
Time to Election			0.028	0.014
			(0.075)	(0.075)
Alaska				-0.539
				(0.892)
Delaware				-0.076
				(0.702)
Nevada				-1.267
				(0.763)*
North Dakota				-1.589
				(0.730)**
South Dakota				-2.063
				(0.776)***
Vermont				-0.704
				(0.794)
Wyomong				-0.717
				(0.699)
Constant	0.298	0.351	0.342	1.182
	(0.285)	(0.281)	(0.283)	(0.690)*
Pseudo R2	0.011	0.155	0.158	0.272
Number of groups	67	67	67	67
Observations	140	140	140	140

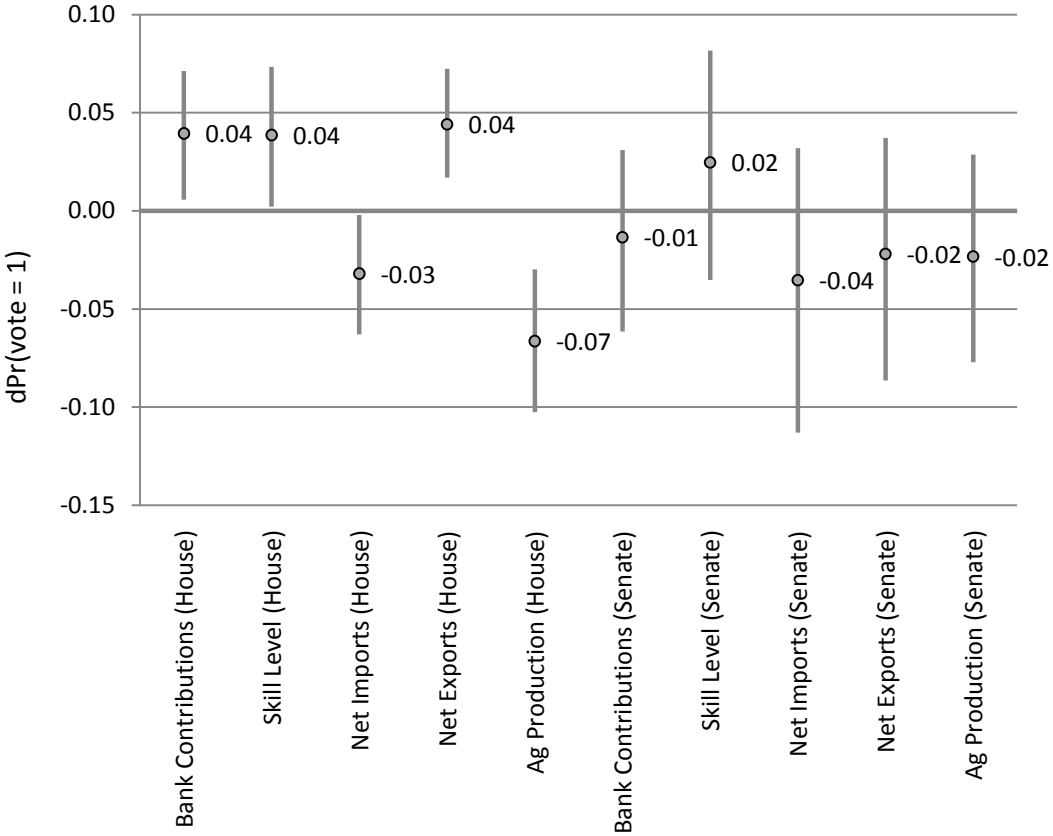
Notes: Probit regressions with robust standard errors clustered by group (legislator) in parentheses. The omitted category in Model 3 is Montana. *** p<0.01, ** p<0.05, * p<0.1

Table 7: Constituency and Special Interest Group Pressures on IMF Voting, by Chamber

	(1)	(2)	(3)	(4)
	House 1980, 1983, 1998	House 1980, 1983, 1998	Senate 1991, 1998, 2009	Senate 1991, 1998, 2009
Bank Contributions	0.017	0.037	-0.004	0.005
	(0.009)**	(0.010)***	(0.009)	(0.009)
Skill Level	1.097	2.239	2.278	0.398
	(0.631)*	(0.742)***	(3.245)	(3.083)
Net Imports	-0.975	0.241	-1.837	-1.766
	(0.555)*	(0.669)	(2.289)	(2.608)
Net Exports	2.997	3.547	-3.040	-6.450
	(1.145)***	(1.736)**	(4.919)	(4.889)
Ag Production	-21.188	11.439	-8.762	-20.645
	(6.816)***	(6.038)*	(13.647)	(12.926)
Median Income	-0.001	0.026	0.056	0.017
	(0.008)	(0.009)***	(0.024)**	(0.024)
H1983	-0.075	-0.087	-	-
	(0.113)	(0.136)	-	-
H1998	-0.327	-0.540	-	-
	(0.261)	(0.307)*	-	-
DW-NOMINATE	-	-2.643	-	-1.875
	-	(0.160)***	-	(0.400)***
President's Party	-	0.452	-	0.421
	-	(0.084)***	-	(0.259)
S1998	-	-	1.103	1.257
	-	-	(0.287)***	(0.431)***
S2009	-	-	-0.089	0.207
	-	-	(0.221)	(0.252)
Constant	-0.055	-1.649	-1.741	0.138
	(0.273)	(0.320)***	(1.037)*	(1.112)
Pseudo R2	0.036	0.351	0.103	0.3152
Correctly Predicted	61.04%	78.00%	73.01%	85.07%
Number of groups	836	836	191	190
Observations	1150	1150	289	288

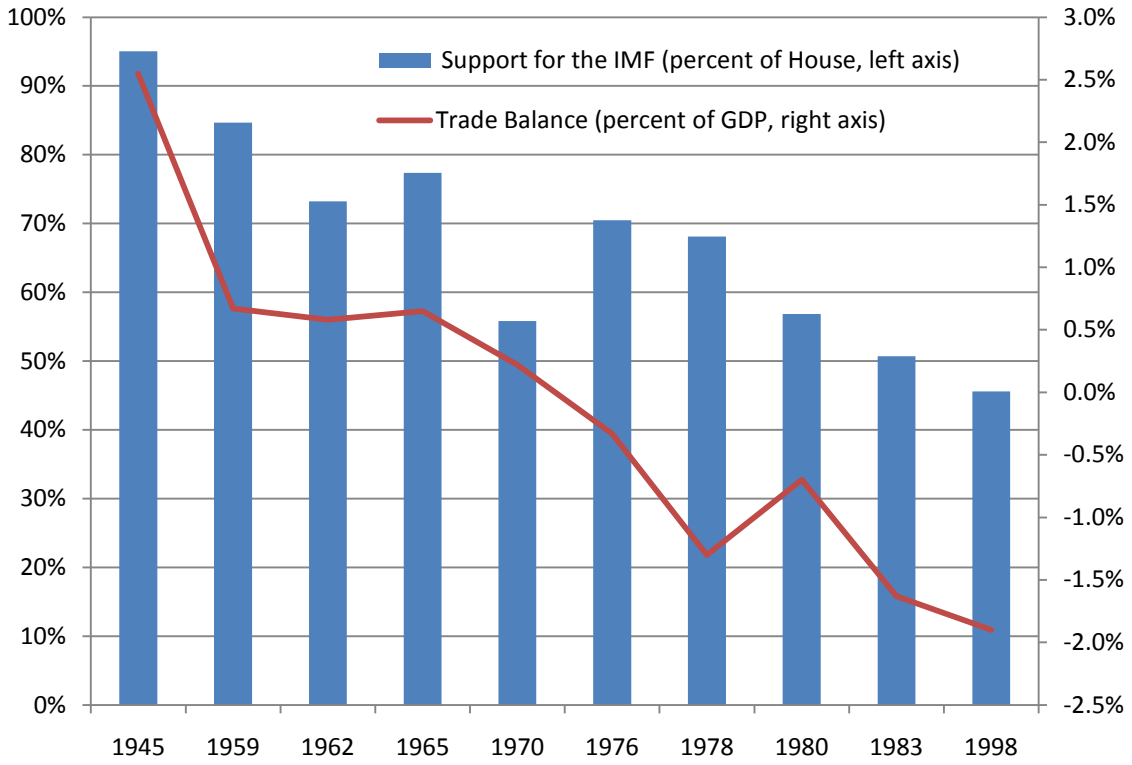
Notes: Probit regressions with robust standard errors clustered by group (legislator) in parentheses. The omitted category in Model 2 is H1980. The omitted category in Model 4 is S1991. *** p<0.01, ** p<0.05, * p<0.1

Table 8: Substantive Effects of Constituency Pressures in the House and Senate



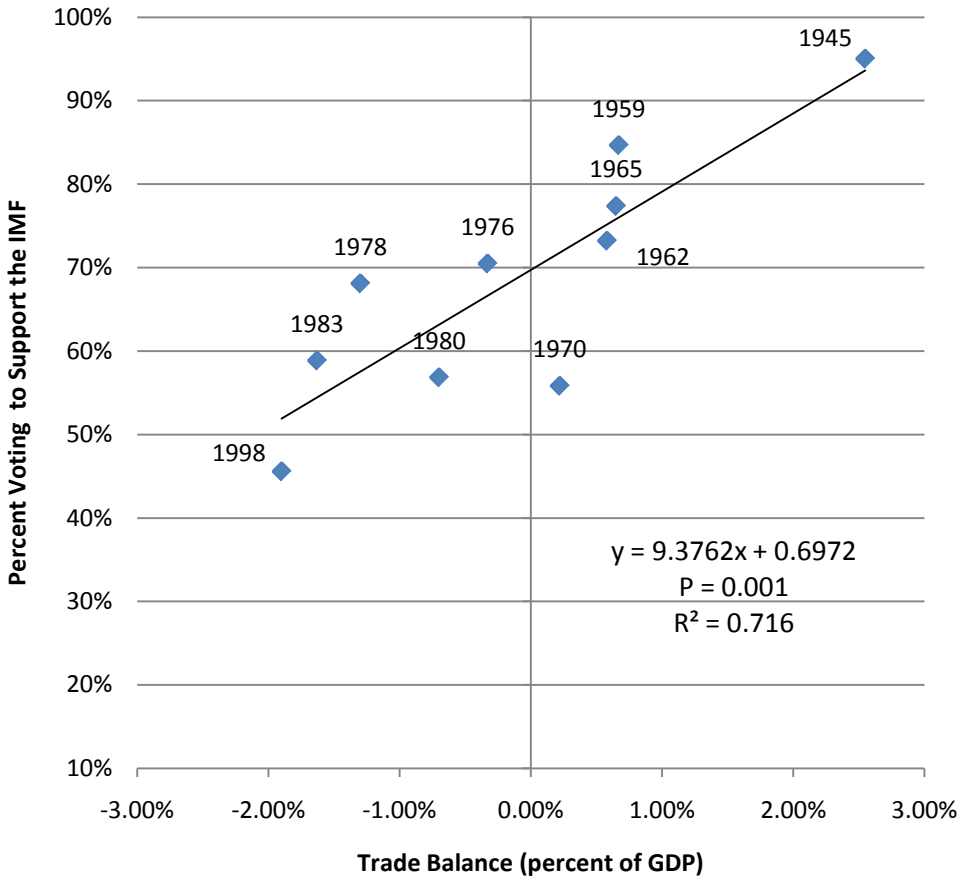
Notes: Values represent the change in the predicted probability of voting in favor of IMF funding as each variable of interest is increased by one standard deviation over its mean, holding other variables at their means (or zero for binary variables). Estimates are from Model 1 (House) and Model 3 (Senate) in **Table 7**. The whiskers indicate 90 percent confidence intervals.

Figure 1: Support for the IMF in the House of Representatives



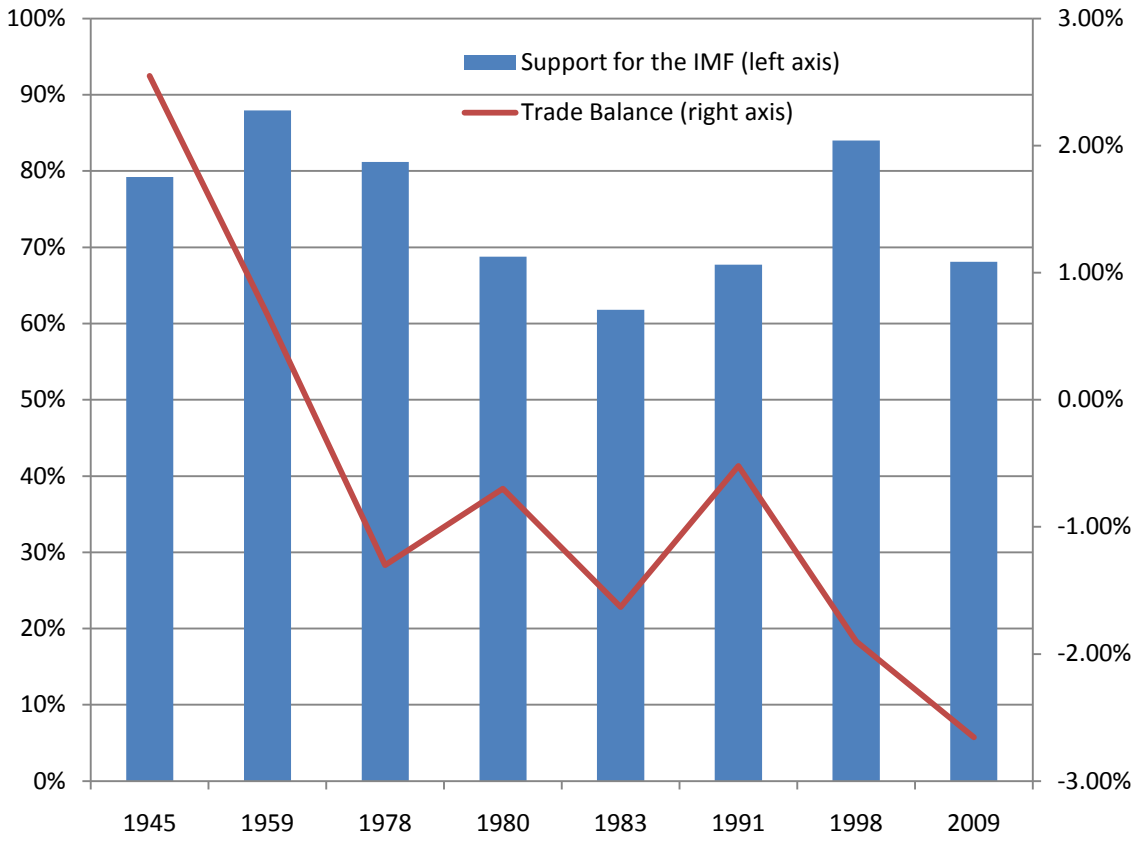
Notes: The bars indicate the percent of the House voting in support of new IMF funding legislation at each date. The dates correspond to the legislation indicated in Table 2. The source for the trade balance data is *Historical Statistics of the United States: Millennial Edition Online.*

Figure 2: U. S. Trade Balance and Support for the IMF in the House of Representatives



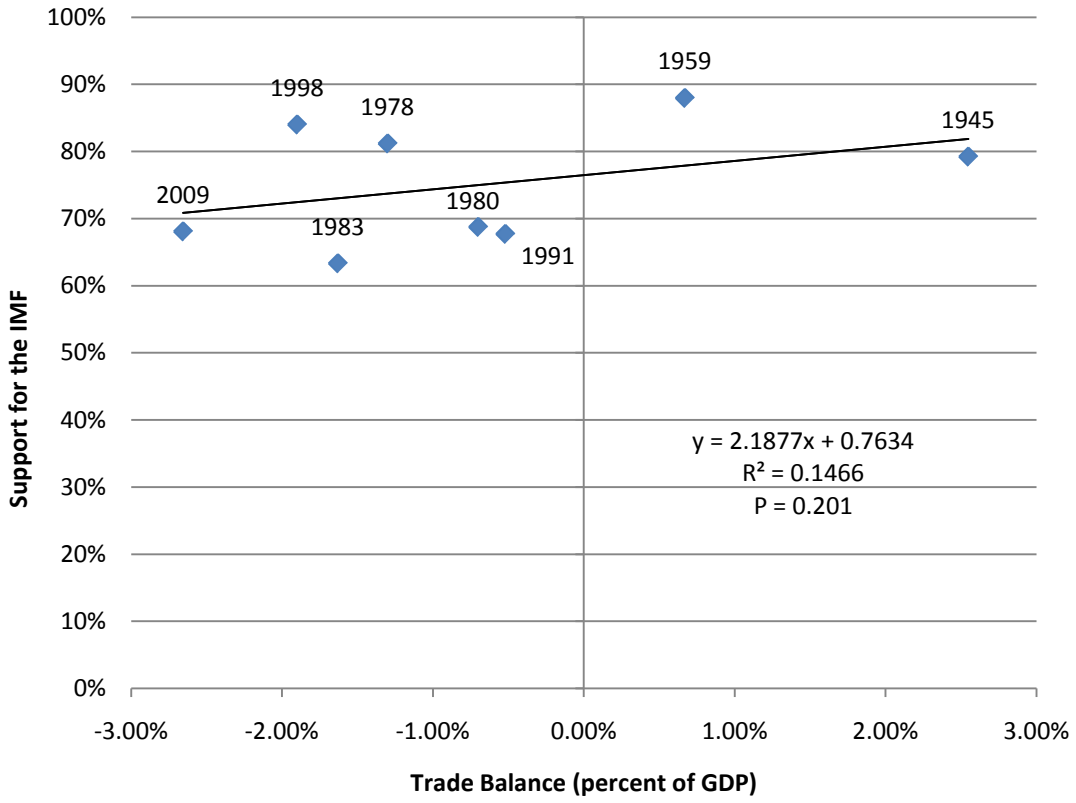
Notes: The source for the trade balance data is *Historical Statistics of the United States: Millennial Edition Online.*

Figure 3: Support for the IMF in the Senate



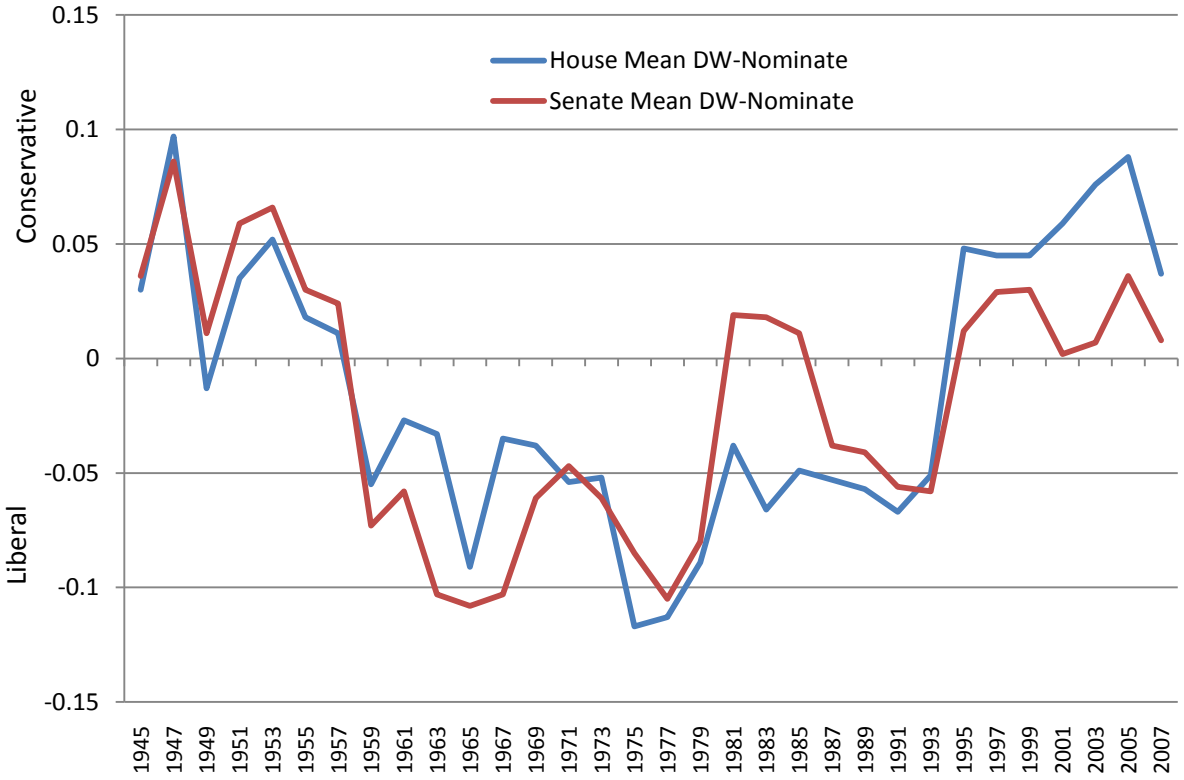
Notes: The bars indicate the percent of the House voting in support of new IMF funding legislation at each date. The dates correspond to the legislation indicated in Table 2.

Figure 4: U.S. Trade Balance and Support for the IMF in the Senate



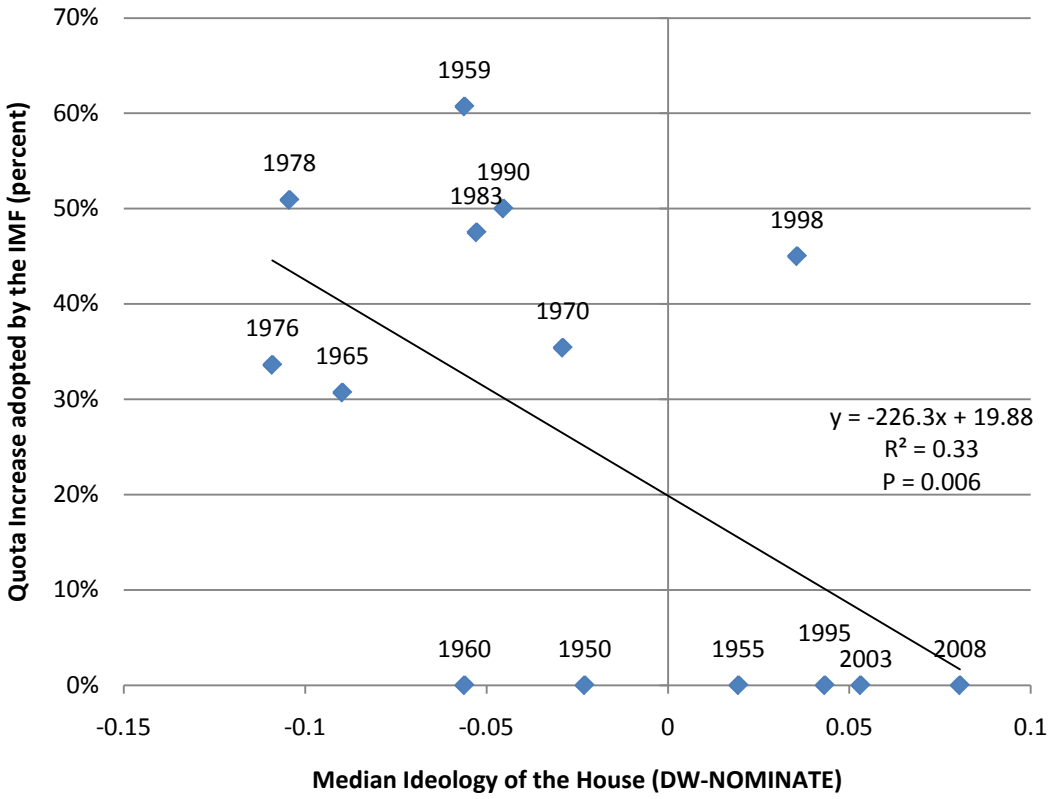
Notes: The source for the trade balance data is *Historical Statistics of the United States: Millennial Edition Online.*

Figure 5: Ideology of the House and Senate, 1945-2008



Notes: The figure graphs the mean value of the first dimension DW-NOMINATE score by chamber. DW-NOMINATE score**s** are widely used measures of legislators' ideological locations over time. Scores range from -1 to 1, with higher values denoting a more conservative ideology. See Poole and Rosenthal (1997).

Figure 6: IMF General Review Quota Increases and the Median Ideology of the U.S. House of Representatives



Data Appendix

AG PRODUCTION: Market value of agricultural products (livestock and crops) taken from county level data collected by the 1978, 1982, 1987, 1992, 1997 and 2002 Census of Agriculture. Converted into 2000 constant dollars and divided by 10,000. Source: Milner and Tingley (2010).

BANK PAC**:** Campaign contributions from money center bank political action committees to candidates in the previous electoral cycle, divided by 1,000 (contemporaneous 1979-80 data were used HR 7244). Money center banks are identified by the Federal Financial Institutions Examination Council, *Country Exposure Lending Survey* (various years). In the 1979-80 cycle, the FFIEC list includes Bankers Trust, Chase Manhattan, Chemical Bank, Citicorp, Continental Illinois, First Chicago, Manufacturers Hanover, and J.P. Morgan & Co. In the 1981-82 cycle, BankAmerica Corp joins the list. By the 1996-97 cycle, consolidations and takeovers reduced the list of money center banks to Bank of America, Bankers Trust, Chase Manhattan, Citicorp, First Chicago, and J. P. Morgan & Co). In the 2007-08 cycle, the banks were Bank of America, Citigroup, J. P. Morgan Chase, U.S. Bancorp, Wachovia, and Wells Fargo. Contributions from these banks' political action committee to candidates are from the Federal Election Commission.

DW-NOMINATE: The first dimension of the DW-Nominate score, capturing a member's ideological position on government intervention in the economy. DW-Nominate estimates the position of each legislator, using roll call voting and scaling techniques. Scores range from -1 to 1, with higher values denoting a more conservative ideology. McCarty, Poole, and Rosenthal (1997).

INTERNATIONAL CRISIS: Denotes whether a major international financial crisis occurred during the year of the roll-call vote, where 1 = crisis, 0 no crisis. Crisis roll calls are: #341 (H1983), #125 (S1983), #737 (H1998), #342 (H1998), and #201 (S2009).

MEDIAN INCOME: Median district household income, divided by 1,000. Source: Adler, E. Scott. "Congressional District Data File, [congressional term]." University of Colorado, Boulder, CO.

NET EXPORTS: Percent district population aged 16 years and over employed in net export industries. Net export industries are two-digit SIC manufacturing sectors where the ratio of revenues from exports to total industry revenue is greater than the ratio of imports to consumption. These ratios are provided by Campa and Goldberg (1997) for three time periods: 1975, 1985, 1995. I used the sample closest to each vote to assemble the data. In 1975, net export industries were Tobacco 21, Textiles 22, Lumber 24, Printing 27, Chemicals 28, Fabricated metals 34, Industrial machinery 35, Electronic equipment 36, Transportation equipment 37, and Instruments 38. In 1985, net export industries were Tobacco 21, Chemicals 28, Industrial machinery 35, and Instruments 38. In 1995, net export industries were Food 20, Tobacco 21, Printing 27, Chemicals 28, and Instruments 38. The source for sectoral employment is the *County Business Patterns,* Bureau of the Census. County-level employment data was aggregated up to the congressional district level using the following procedure: If a county contains more than one congressional district within its borders, the number of workers from an industry who are in each district is estimated by using the fraction of the county's population

residing in each district. For example, if 10 percent of a county's population lives in a district, that district receives 10 percent of the county's workers in each industry. I obtained the geographic information from the MABLE '98/Geocorr v3.0 Geographic Correspondence Engine [http://plue.sedac.ciesin.org/plue/geocorr].

NET IMPORTS: Percent district population aged 16 years and over employed in net import industries. Net import industries are two-digit SIC manufacturing sectors where the ratio of imports to consumption is greater than the ratio of revenues from exports to total industry revenue. These ratios are provided by Campa and Goldberg (1997) for three time periods 1975, 1985, 1995. I used the sample closest to each vote. In 1975, net import industries were Food 20, Apparel 23, Furniture 25, Petroleum 29, Rubber 30, Leather 31, Primary metals 33, and Other manufacturing 39. In 1985, net import industries were Food 20, Textiles 22, Apparel 23, Lumber 24, Furniture 25, Paper 26, Petroleum 29, Rubber 30, Leather 31, Stone, Clay and Glass 32, Primary metals 33, Fabricated metals 34, Electronic goods 36, Transportation equipment 37, and Other manufacturing 39. In 1995, net import industries were Textiles 22, Apparel 23, Lumber 24, Furniture 25, Paper 26, Petroleum 29, Rubber 30, Leather 31, Stone, Clay and Glass 32, Primary metals 33, Fabricated metals 34, Industrial Machinery 35, Electronic goods 36, Transportation equipment 37, Instruments 38, and Other manufacturing 39. Sectoral employment is from *County Business Patterns,* Bureau of the Census. See "Net Imports" for the concordance procedure.

PRESIDENT'S PARTY: Denotes whether a member is of the same political party as the current president, where, 1 = same party, 0 otherwise.

TIME TO ELECTION: Denotes the number of years between an IMF roll-call vote and a legislator's next election. For Senators, this variable ranges from 0 to 5, with 0 indicating that the Senator is up for reelection later in the same year as the roll-call vote, and 5 indicating that the Senator was has five years remaining until his/her next election.