The Costs of Membership Withdrawal from International Organizations
Motivating example

- UK voted to leave the European Union

- expected effects:
  - 
  - 
  - 
  - 

- Can historical analysis of other exits inform us?
Research Question

• What are the costs of membership withdrawal from international organizations?
  •

• Focus on regional economic organizations
  •
  •
  •
Withdrawals in context

• What is an IO withdrawal?
  •
  •
  •
  •
  •

• ~200 since 1945
Figure 1: IO Withdrawals, 1925-2015
Other REO withdrawals

- 1970: Honduras from Central American Common Market (SICA)
- 2000: Tanzania from Common Market for Eastern and Southern Africa (COMESA)
- 2008: Uzbekistan from Eurasian Economic Community (EAEC)
Competing Theoretical Explanations

1. IO accession literature implies exit will be costly
   •
   •

2. IOs exit may be costless
   •
   •
   •
Research Design

- **Unit of analysis:**
- **Sample:**
- **IV:**
- **DV:**
- **Model:**
- **Controls:**
  - Country’s decision to exit (selection!):
  - DV specific:
  - Lagged DVs, time trends
## Preliminary Results

<table>
<thead>
<tr>
<th>Withdrawal</th>
<th>Trade Share</th>
<th>GDP Growth</th>
<th>Risk Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>t-1 (1)</td>
<td>t (2)</td>
<td>t (3)</td>
</tr>
<tr>
<td></td>
<td>-3.284 (1.201)***</td>
<td>-2.554 (1.224)**</td>
<td>-0.279 (1.424)</td>
</tr>
</tbody>
</table>

| Cubic Polynomials of Time | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Controls                 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Observations             | 3950 | 4030 | 3895 | 4102 | 4202 | 4063 | 2144 | 2123 | 204 |

- Robustness checks:
  - Random effects with lagged DV
  - Different IV codings
Implications

• *some*
  • era of populist backlash

• More work needed
  •

• Future research:
  •