Capitol Controls
Congress and the Bretton Woods Twins in the Era of Migration

Brendan J. Connell ¹  Adrian J. Shin ²

¹Department of Political Science
Lyon College

²Department of Political Science
University of Colorado Boulder

Prepared for the 2022 IPES Conference

October 29 2022
Motivation

A “Globalization Backlash”
Motivation

A “Globalization Backlash”

Discontent with Global Economic Governance

- Hostility toward FTAs and the WTO; “Brexit”
Motivation

A “Globalization Backlash”

Discontent with Global Economic Governance

- Hostility toward FTAs and the WTO; “Brexit”
- Growing Public Skepticism Toward IOs (Bearce and Scott 2019)
Motivation

A “Globalization Backlash”

Discontent with Global Economic Governance

- Hostility toward FTAs and the WTO; “Brexit”
- Growing Public Skepticism Toward IOs (Bearce and Scott 2019)
- Congressional Opposition to the International Monetary Fund (e.g., “No More IMF Bailouts Act”)
A “Globalization Backlash”

Discontent with Global Economic Governance

- Hostility toward FTAs and the WTO; “Brexit”
- Growing Public Skepticism Toward IOs (Bearce and Scott 2019)
- Congressional Opposition to the International Monetary Fund (e.g., “No More IMF Bailouts Act”)

Particularly alarming when looking at the U.S.
What causes policymakers to support or undermine international financial institutions (IFIs)?
What causes policymakers to support or undermine international financial institutions (IFIs)?

1. (Economic) Ideology
2. Special Interests — i.e., Finance (Broz 2005; 2008)
3. Constituent Demographics
Research Question

What causes policymakers to support or undermine international financial institutions (IFIs)?

1. (Economic) Ideology
2. Special Interests — i.e., Finance (Broz 2005; 2008)
3. Constituent Demographics

Our Answer: Policymakers support IFIs as a means to curtail migration pressures into their respective districts.
The Argument

Policymakers’ migration anxiety drives support for IFIs.
The Argument

Policymakers’ migration anxiety drives support for IFIs.

- Governments use development finance to reduce immigration
  (Angin, Shehaj and Shin 2021; Bermeo and Leblang 2015; Clemens and Postel 2018)
Policymakers’ migration anxiety drives support for IFIs.

- Governments use development finance to reduce immigration (Angin, Shehaj and Shin 2021; Bermeo and Leblang 2015; Clemens and Postel 2018)

- Aid viewed more favorably by voters when addressing immigration (Tobin, Schneider and Leblang 2022)
Policymakers’ *migration anxiety* drives support for IFIs.

- Governments use development finance to reduce immigration (Angin, Shehaj and Shin 2021; Bermeo and Leblang 2015; Clemens and Postel 2018)
- Aid viewed more favorably by voters when addressing *immigration* (Tobin, Schneider and Leblang 2022)

However, concerns about immigration are not shared by all policymakers.
Policymakers’ *migration anxiety* drives support for IFIs.

- Governments use development finance to reduce immigration (Angin, Shehaj and Shin 2021; Bermeo and Leblang 2015; Clemens and Postel 2018)
- Aid viewed more favorably by voters when addressing immigration (Tobin, Schneider and Leblang 2022)

However, concerns about immigration are not shared by all policymakers.

- Immigration flows are geographically concentrated
Policymakers’ **migration anxiety** drives support for IFIs.

- Governments use development finance to reduce immigration  
  (Angin, Shehaj and Shin 2021; Bermeo and Leblang 2015; Clemens and Postel 2018)
- Aid viewed more favorably by voters when addressing immigration  
  (Tobin, Schneider and Leblang 2022)

However, concerns about immigration are not shared by all policymakers.

- Immigration flows are geographically concentrated
- Socially liberal versus socially conservative lawmakers
Table: Policymaker Profiles and Pro-IFI Preferences

<table>
<thead>
<tr>
<th>Migration Pressure</th>
<th>Policymaker Ideology on Social Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Liberal (Immigration-Accepting)</td>
</tr>
<tr>
<td></td>
<td>Conservative (Immigration-Averse)</td>
</tr>
<tr>
<td>High</td>
<td>Indifferent/Less Pro-IFI</td>
</tr>
<tr>
<td>Low</td>
<td>Indifferent/Less Pro-IFI</td>
</tr>
<tr>
<td></td>
<td>More Pro-IFI</td>
</tr>
<tr>
<td></td>
<td>Indifferent/Less Pro-IFI</td>
</tr>
</tbody>
</table>
Hypotheses

Table: Policymaker Profiles and Pro-IFI Preferences

<table>
<thead>
<tr>
<th>Migration Pressure</th>
<th>Policymaker Ideology on Social Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Liberal (Immigration-Accepting)</td>
</tr>
<tr>
<td>High</td>
<td>Indifferent/Less Pro-IFI</td>
</tr>
<tr>
<td>Low</td>
<td>Indifferent/Less Pro-IFI</td>
</tr>
<tr>
<td></td>
<td>Conservative (Immigration-Averse)</td>
</tr>
<tr>
<td></td>
<td>More Pro-IFI</td>
</tr>
<tr>
<td></td>
<td>Indifferent/Less Pro-IFI</td>
</tr>
</tbody>
</table>

**Hypothesis 1:** *When immigration-averse policymakers face a higher degree of migration pressure, they are more likely to support pro-IFI bills.*
Hypotheses

<table>
<thead>
<tr>
<th>Migration Pressure</th>
<th>Policymaker Ideology on Social Issues</th>
<th>Conservative (Immigration-Averse)</th>
<th>Liberal (Immigration-Accepting)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Indifferent/Less Pro-IFI</td>
<td>More Pro-IFI</td>
<td>Indifferent/Less Pro-IFI</td>
</tr>
<tr>
<td>Low</td>
<td>Indifferent/Less Pro-IFI</td>
<td>Indifferent/Less Pro-IFI</td>
<td>Indifferent/Less Pro-IFI</td>
</tr>
</tbody>
</table>

**Hypothesis 1:** *When immigration-averse policymakers face a higher degree of migration pressure, they are more likely to support pro-IFI bills.*

**Hypothesis 2:** *The degree of migration pressure does not influence immigration-accepting policymakers’ support for pro-IFI bills.*
Table: Sample of Congressional Roll Call Votes on IFI Funding

<table>
<thead>
<tr>
<th></th>
<th>Year</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR 5262</td>
<td>1977</td>
<td>Increase participation in World Bank Agencies</td>
</tr>
<tr>
<td>HR 7244</td>
<td>1980</td>
<td>Increase Quota in the IMF</td>
</tr>
<tr>
<td>AMDT 306 to HR 2957</td>
<td>1983</td>
<td>Remove budget provision to fund the IMF</td>
</tr>
<tr>
<td>AMDT 115 to HR 2295</td>
<td>1993</td>
<td>Remove budget provision to fund the World Bank</td>
</tr>
<tr>
<td>HR 3579</td>
<td>1998</td>
<td>Approve quota increase in the IMF</td>
</tr>
</tbody>
</table>

We examine roll call votes in the House of Representatives.
Table: Sample of Congressional Roll Call Votes on IFI Funding

<table>
<thead>
<tr>
<th>Year</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977</td>
<td>Increase participation in World Bank Agencies</td>
</tr>
<tr>
<td>1980</td>
<td>Increase Quota in the IMF</td>
</tr>
<tr>
<td>1983</td>
<td>Remove budget provision to fund the IMF</td>
</tr>
<tr>
<td>1993</td>
<td>Remove budget provision to fund the World Bank</td>
</tr>
<tr>
<td>1998</td>
<td>Approve quota increase in the IMF</td>
</tr>
</tbody>
</table>

We examine roll call votes in the House of Representatives.

- **Dependent Variable:** Whether policymaker $i$ expresses support for expanding IFI funds (i.e., *Pro-IFI*)
Table: Sample of Congressional Roll Call Votes on IFI Funding

<table>
<thead>
<tr>
<th></th>
<th>Year</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR 5262</td>
<td>1977</td>
<td>Increase participation in World Bank Agencies</td>
</tr>
<tr>
<td>HR 7244</td>
<td>1980</td>
<td>Increase Quota in the IMF</td>
</tr>
<tr>
<td>AMDT 306 to HR 2957</td>
<td>1983</td>
<td>Remove budget provision to fund the IMF</td>
</tr>
<tr>
<td>AMDT 115 to HR 2295</td>
<td>1993</td>
<td>Remove budget provision to fund the World Bank</td>
</tr>
<tr>
<td>HR 3579</td>
<td>1998</td>
<td>Approve quota increase in the IMF</td>
</tr>
</tbody>
</table>

We examine roll call votes in the House of Representatives.

- **Dependent Variable:** Whether policymaker $i$ expresses support for expanding IFI funds (i.e., *Pro-IFI*)

**Independent Variables:**

- District-level foreign born as a percentage of the population (% *Foreign Born*)
Table: Sample of Congressional Roll Call Votes on IFI Funding

<table>
<thead>
<tr>
<th>Year</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977</td>
<td>Increase participation in World Bank Agencies</td>
</tr>
<tr>
<td>1980</td>
<td>Increase Quota in the IMF</td>
</tr>
<tr>
<td>1983</td>
<td>Remove budget provision to fund the IMF</td>
</tr>
<tr>
<td>1993</td>
<td>Remove budget provision to fund the World Bank</td>
</tr>
<tr>
<td>1998</td>
<td>Approve quota increase in the IMF</td>
</tr>
</tbody>
</table>

We examine roll call votes in the House of Representatives.

- **Dependent Variable:** Whether policymaker $i$ expresses support for expanding IFI funds (i.e., Pro-IFI)

Independent Variables:

- District-level foreign born as a percentage of the population (% Foreign Born)
- Policymaker $i$’s DW NOMINATE 2 score (DWNOM 2)
Model Specification

\[ Pr(Pro\ IFI_{it} = 1) = \Phi(\beta_1 \%\ Foreign\ Born_{it} + \beta_2\ DWNOM\ 2_{it} + \beta_3\ %\ Foreign\ Born_{it} \cdot DWNOM\ 2_{it} + \gamma X_{it} + \eta_s + \kappa_t + \varepsilon_{it}) \]

- **Controls:** Republican; DWNOM 1; Median Income; % Bachelor’s Degree; Net Imports; Net Exports; Vote Share in Previous Election; District-Level Unemployment Rate
Model Specification

\[ Pr(Pro\ IFI_{it} = 1) = \Phi(\beta_1 \% \ Foreign\ Born_{it} + \beta_2 DWNOM\ 2_{it} \]
\[ + \beta_3 \% \ Foreign\ Born_{it} \cdot DWNOM\ 2_{it} + \gamma X_{it} + \eta_s + \kappa_t + \epsilon_{it} ) \]

- **Controls:** Republican; DWNOM 1; Median Income; % Bachelor’s Degree; Net Imports; Net Exports; Vote Share in Previous Election; District-Level Unemployment Rate
- State fixed effects \((\eta_s)\)
- Congressional session fixed effects \((\kappa_t)\)
Model Specification

\[ Pr(Pro \ IFI_{it} = 1) = \Phi(\beta_1 \% \ Foreign \ Born_{it} + \beta_2 \ DWNOM \ 2_{it} + \beta_3 \% \ Foreign \ Born_{it} \cdot \ DWNOM \ 2_{it} + \gamma X_{it} + \eta_s + \kappa_t + \epsilon_{it}) \]

- **Controls:** Republican; DWNOM 1; Median Income; % Bachelor’s Degree; Net Imports; Net Exports; Vote Share in Previous Election; District-Level Unemployment Rate
- State fixed effects \((\eta_s)\)
- Congressional session fixed effects \((\kappa_t)\)
- Standard errors clustered on congressional session
Figure: Marginal Effect of \% Foreign Born Conditional on DW-NOM2
Figure: Predicted Support Conditional on % Foreign Born and DWNOM2
Immigrant-Averse vs Immigrant-Accepting Democrats

Figure: Predicted Support Conditional on % Foreign Born and DWNOM2
Additional Results

Figure: Conditional Marginal Effects of % Foreign Born

(a) Conditional on Vote Share
(b) Conditional on Unemployment
Migration concerns drive support for IFIs but primarily among socially conservative (Democrat) policymakers.
Conclusion

Migration concerns drive support for IFIs but primarily among socially conservative (Democrat) policymakers.

Future Directions:
- Expand Sample
Conclusion

Migration concerns drive support for IFIs but primarily among socially conservative (Democrat) policymakers.

Future Directions:

- Expand Sample
- Measuring policymakers’ aversion to immigration based on past immigration bills
Conclusion

Migration concerns drive support for IFIs but primarily among socially conservative (Democrat) policymakers.

Future Directions:
- Expand Sample
- Measuring policymakers’ aversion to immigration based on past immigration bills

Thank you!
## Table 3

Standard errors clustered by Congress are shown in parentheses. ***, **, * and + indicate statistical significance levels of .1, 1, 5 and 10 percent, respectively.