The Effect of International Actors on Public Support for Government Spending Decisions

Pablo M. Pinto, Stephanie J. Rickard, James Raymond Vreeland

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Abstract

Does foreign intervention in a country's economic policy-making render reform more or less politically palatable? While voters may ultimately care only about policy outcomes, the involvement of international actors often seems to lead to resentment. Still, citizens may have greater faith in the wisdom of international actors than their own government. We suggest that voters rely on signals or cues from reputable sources when taking a stance on economic policies. A well-respected international actor can provide one such cue, especially for voters considering controversial policies like spending cuts. We test this argument in a novel pre-post experimental panel study conducted in Spain, a country that has been in the crosshairs of multiple international organizations for many years. We find that citizens' opinions become *less opposed* to unpopular spending cuts when informed that they are required by an international institution. The effects differ across two organizations: they are stronger for the European Union than for the International Monetary Fund. Our findings suggest that the endorsement of certain international organizations can help push through otherwise unpopular policies.

Introduction

Foreign intervention—particularly as embodied by international organizations—has long stood out as a source of discontent, as identified by scholars and activists alike.[1] While voters might ultimately care about policy outcomes,[2] some argue that the policy-making process also matters, and outside actors may be unwelcome in domestic politics.[3] Indeed, the desire for a national authority to "take back control" from the European Union (EU) led many people to vote Leave in the United Kingdom's 2016 referendum on EU membership (Hobolt, Tilley and Leeper, 2020).

Nevertheless, other scholars have argued that the involvement of international actors might actually enhance public confidence in policy decisions.[4] If a government seeks to pursue controversial policies, voters may see the approval of a respected outside actor as a reassurance that the country is following the best path.

Examining spending cuts as a particular facet of economic austerity programs, this research note posits that citizens become more supportive of policy changes when informed that they are required by an international actor. We contend that people are often uninformed about economic policy (Caplan, 2011). Given the time required to learn the relevant details of austerity measures and their consequences, voters often rely on "signals" or "cues" when choosing their stance on economic policies (Lupia, 1994; Popkin, 1994; Lupia and McCubbins, 1998; Guisinger and Saunders, 2017). International actors provide one such cue.

A large literature demonstrates the importance of cues for public opinion. Much of the existing research focuses on the role of domestic political parties (e.g. Popkin, 1994; Kam, 2005) or trust in the sources of information (Lupia and McCubbins, 1998). Here we suggest another potential source of influential cues: foreign authorities. If the public puts greater faith in the wisdom of certain international actors than in their own government, then foreign intervention might generate increased support for policy reform. Of course, we do not expect that even uninformed citizens would blindly accept cues—the identity of the international organization matters. Foreign actors with greater salience in the politics of a country may carry more weight with voters.

We test this argument using the case of Spain—a country that transitioned from a poor authoritarian country to a democracy with an advanced economy in a generation and has had experience with numerous international organizations in its history. We

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[1] Stiglitz (1994); Hechter (2000); Broz, Zhang and Wang (2020); Lake, Martin and Risse (2021).

[2] Madsen et al. (2021); Kaya, Handlin and Günaydin (2020); Dietrich and Winters (2015)

[3] Becher and Brouard (2022); Reeves and Rogowski (2018)

[4] Dietrich, Mahmud and Winters (2018); Baldwin and Winters (2020). See also Cruz and Schneider (2017), Levi, Sacks and Tyler (2009), Böhnke and Zürcher (2013).

consider the effects of two international organizations that have both intervened in the country's economic policy-making: the International Monetary Fund (IMF) and the European Union (EU). We note that, while the possibility of an IMF program was discussed during the 2008 Global Financial Crisis (GFC), Spain has not actually entered into an IMF arrangement since 1978. The EU, by contrast, has played a continuous major and growing role in Spanish political economy since even before the country joined in 1986.

Our question is difficult to investigate empirically because spending cuts and foreign interventions often occur simultaneously and during times of crises. It is therefore challenging to separate the impact of international actors from other factors that effect public opinion. We employ a novel survey experiment with a repeated-measures within-subject design (see Clifford, Sheagley and Piston, 2021).

The pre-post design allows for the examination of within-subject differences across treated and untreated subjects, akin to a difference-in-differences approach commonly used with observational data. As Clifford, Sheagley and Piston (2021) explain, the "pre-post" design yields estimates similar to the standard between-subject ("post only") design, but with far greater precision.

Our topic is further challenging because of the numerous dimensions that economic policy-making can take. Austerity measures, for example, are multifaceted, involving spending cuts, privatization, tax hikes, increased interest rates, currency interventions, trade policy, banking and credit regulation, and the list continues. The fiscal side alone encompasses various types of spending cuts and different approaches to taxation. To preserve the power of our experiment, we take a narrow approach, informing participants that taxes remain constant, while various forms of spending are reduced.[5]

We compare citizens' support for spending cuts undertaken by national governments with and without involvement of a foreign authority. We investigate the influence of the IMF, which has a long and ostensibly unpopular history of requiring spending cuts, and the EU, a more recent foreign source of authority that played a major role in European bailouts over the past decade (e.g. Jacoby and Hopkin, 2020).

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[5]Note that differential responsiveness to cutting spending or raising taxes would not be a major concern for our experimental design if preferences over taxation were randomly distributed in the population. There is ample evidence, however, that individuals hold different attitudes towards taxation depending on their income, economic beliefs, perceptions of fairness, partisanship and ideology, among other considerations. These considerations cannot be fully addressed without posing serious challenges to the power of our statistical tests given our sample size. To mitigate the influence of priors over taxation on individuals' evaluation of government fiscal choices enacted in the presence of foreign influence we chose to anchor the expectation that taxes remain constant while varying the rate of the spending cuts, and the sectors included.

We find that citizens become *less opposed* to governments' spending cuts when they learn that the cuts were required by an international actor. The intervention of the EU has a larger reductive effect than the IMF has. We suspect that the stronger effect of the EU derives from the salience of the institution in contemporary Spanish politics.

Closer examination of the data reveals a number of further important findings. There are larger effects for individuals who are *opposed* to the incumbent, left-leaning, government. We also find larger effects for internationalists; the results for respondents who oppose foreign intervention (whom we label as more nationalistic in preference) are weaker and less robust. We also find, consistent with other studies (e.g. Bansak, Bechtel and Margalit, 2021), that providing citizens with more detailed information on the size and type of spending cuts increases opposition.

The upshot of our analysis is that international actors can increase public support for controversial policies. The effect is stronger for the more salient of the two international organizations that we examine. The effect is also stronger for opponents of the incumbent government, and for respondents with a more internationalist orientation.

The study makes three contributions. First, our results contribute to understanding the societal preferences that underpin austerity politics. Understanding these preferences is important because "austerity tolerance" affects citizens' willingness to support globalization, the liberal international order, and mainstream political parties (e.g. Dal Bó et al., 2018; Scheve and Slaughter, 2018; Foster and Frieden, 2019; Fetzer, 2019). We help to disentangle whether people object to international authority primarily because of concerns over sovereignty, or because of the substantive policy reforms required by international actors.[6] Our findings would suggest that backlash against globalization is driven by economic consequences—not foreign influence in domestic politics per se.

Second, our study contributes to debates about why governments bring in outside actors when pushing through unpopular policies.[7] Rather than *blame* foreign actors, governments may *highlight* their endorsement. Doing so can win support for unpopular policies. Our findings suggest that at least some voters see international organizations as legitimate actors and trust them to suggest appropriate fiscal policies.

Third, this study speaks to the political repercussions of austerity (e.g. Alesina, Favero and Giavazzi, 2018, 2019; Arias and Stasavage, 2019; Talving, 2017). Although generally disliked by voters, austerity measures have been shown to have little impact

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[6] See also Madsen et al. (2021).

[7] See, for example, Vaubel (1986, 45), Putnam (1988, 454-457), Vreeland (2003), Smith and Vreeland (2006), Vasilopoulou, Halikiopoulou and Exadaktylos (2014), and Heinkelmann-Wild and Zangl (2020).

on leader turnover (Arias and Stasavage, 2019). Our findings suggest this may be due, at least in part, to the involvement of international actors. When foreign actors are involved in austerity drives, citizens may be less opposed to spending cuts and consequently less likely to remove an incumbent leader from office.

Case selection: Why Spain

We focus on the impacts of the IMF and EU in a case that stands out for reasons of both international and domestic politics: Spain. A growing body of international scholarship examines this case (e.g. Fernández-Albertos and Kuo, 2016; Fernandez-Albertos and Kuo, 2020; Rickard, 2021; Liu, Kuo and Fernandez-Albertos, 2022; Jambrina-Canseco, 2023; Jurado and Kuo, 2023), but it remains relatively under-studied compared to English speaking countries, like the United States and United Kingdom.

Beyond being an intrinsically interesting case, Spain stands out as an analytically useful country to study for several reasons. The country has recent experience with austerity. During the GFC, Spain entered a deep and persistent economic recession, which led the government to implement myriad austerity measures (see, for example, Jacoby and Hopkin, 2020). In May 2010, for example, the Spanish government implemented an average five percent cut of public employee salaries, a reduction in infrastructure spending, pension freezes, and an initial two percent increase in the value added tax (Fernandez-Albertos and Kuo, 2020).

Spain also has experience with both the IMF and the EU. The country has not entered into an IMF arrangement since 1978, but it faced intense pressure to do so from other EU members during the euro crisis. Then Prime Minister Jose Luis Rodriguez Zapatero said in 2013 that he was able to avert "the greater evil" of an IMF bailout, however he came under intense pressure from other EU members, particularly Germany, to enter into an IMF loan program.[8] Despite not entering an IMF arrangement, Spain worked closely with the Fund during the euro crisis, as it has before, having been a member of the organization since 1958. Spain joined the EU in 1986, and did accept an EU bailout during the GFC. This bailout did not require austerity, but banking reforms were imposed.[9]

Spain further stands out domestically in that, unlike other EU countries such as France and Denmark, the country does not have a euro-skeptic party—although the left-wing Podemos Party called for a Brexit-style referendum amidst austerity im-

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[8]See Taylor (2013). See also Zapatero (2013) and Field (2013).

[9]EU involvement in Spanish politics persists. In 2022, the Spanish government undertook policy reforms to unlock EU grants under the Recovery and Resilience Facility.

posed during the GFC. Moreover, at the time of our experiment, the Spanish incumbent government was led by Pedro Sánchez of the center-left Spanish Socialist Workers' Party (PSOE). So, on the one hand, the country may have a more internationalist orientation than others; but on the other hand, the voters had supported a government that tends to oppose spending cuts of the kind examined in our experiment. We consider both international and domestic political orientations of the participants in our survey and find, indeed, that they matter.

Because the case is an important one, we are not alone in investigating public opinion, economic policy, and foreign sources of authority in Spain. Fernandez-Albertos and Kuo (2020) report no evidence that the involvement of the EU affects Spaniard's attitudes to austerity. Alonso Sáenz de Oger and Sánchez-Cuenca (2022) similarly finds no effect of the European Central Bank (ECB). In contrast, studying the effect of the IMF, (Hübscher, Sattler and Wagner, 2021) find that involvement of the IMF increases public support for austerity measures in Spain. The case of Spain has garnered attention for good reason, but, to the best of our knowledge, none of the studies of international organizations and public opinion on economic policies in Spain—or other country, for that matter—employs a pre-post survey within-subject research design.

The pre-post research design and data collection

We conducted our survey experiment in two waves.[10] By doing so, we are able to gauge what people thought about spending cuts before and after the treatment—that is, before and after they learned of the involvement of an international actor. Furthermore, we compare the treated group with a control group that was told nothing about international actors—this helps ensure that any over-time changes in Spain did not affect our average treatment estimates. As Clifford, Sheagley and Piston (2021) explain, this "pre-post" approach tends to yield estimates similar to the standard between-subject design, but with greater precision.

Data collection was administered by the private polling company Netquest as an Internet survey. In the first wave, 2,658 individuals completed the survey and, of these, 88 percent completed the second wave. Wave 1 was conducted from May 12-25, 2021 and wave 2 from June 30-July 25, 2021. We set the interval of time between the two waves to be long enough for any priming from the first wave to diminish before the second wave—but also short enough to limit the effect of potential real word events that could influence respondents' opinions. We focus our analysis on the

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[10]The experiment was preregistered and had institutional review board (IRB) approval; details about preregistration and IRB approval have been removed to preserve anonymity.

2,335 respondents who completed both waves. Our sample targets were set to match Spain's demographics.

In the first wave, we included questions about respondents' political orientations. On the domestic front, we asked if they supported the current government. Answers, on a five-point scale, ranged from total support (1) to total opposition (5). We used responses to this question to implement a cluster randomization strategy in assigning the treatment and control conditions among government supporters and opponents (for the second wave of the survey). On the international front, we asked panelists whether they agreed or disagreed with the following statement: the government should only ensure the well-being of their citizens and not allow the involvement of foreign governments.[11]

Our key outcome variable is citizens' support for the government's decision to cut spending. In both waves of the survey, we measured respondents' support for budget cuts using their responses to the following question (asked in Spanish):

> *Suppose the government decides to continue to collect taxes at the current level and reduce the amount of money it spends. Would you agree or disagree with the government's decision to cut spending?*

In the second wave of the survey, all respondents were informed of the size and types of the intended budget cuts (we provide details below). Respondents in the control group received no information about the involvement of an international actor. We had two treatment groups. Respondents in the first treated group were told that the cuts were required by the IMF. Respondents in the second treatment group were told that the cuts were required by the EU. Answers were measured on a seven-point scale ranging from "totally agree" (coded 1) to "strongly disagree" (coded 7). Higher values indicate greater opposition to spending cuts.

Main results

Table 1 presents a summary of our main results. As can be seen in the table, the mean level of opposition increased from a score of 3.88 to 4.09 (on our seven-point scale) when respondents were informed in the second wave of the details of the spending cuts.[12] This finding is consistent with Bansak, Bechtel and Margalit (2021), who find that public opinion towards austerity is sensitive to the specific design features

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[11] We also asked other related questions, following Mansfield and Mutz (2009). Results reported below are robust to using various combinations of these other questions (see Figure A.1 in the appendix).

[12] We randomly assigned respondents to consider different policy areas included in the proposed spending cuts and to consider different sizes of budget cuts.

of the package. In our study, the increase in opposition is driven largely by the control group (779 observations), where opposition to spending cuts went from 3.91 to 4.28, an increase of 0.37. The average level of opposition for the 1,556 treatment observations increased only by 0.13 of a point. This increase, in turn, is driven by the IMF-treatment group, where opposition increased by 0.24 of a point. For the EU-treatment group, there is nearly no change in levels of opposition between the first and second waves, despite receiving more detailed information about the size and nature of spending cuts. In other words, the EU treatment reduced opposition.

Table 1: Levels of opposition to spending cuts across the two survey waves

	N	Mean Wave 1	Mean Wave 2	Mean Δ (Wave 2 – Wave 1)
Full sample	2,335	3.88	4.09	0.21
Control	779	3.91	4.28	0.37
IMF or EU Treatment	1,556	3.87	4.00	0.13
IMF Treatment	777	3.86	4.10	0.24
EU Treatment	779	3.88	3.90	0.03

Table 2 presents the differences across the control and treatment groups in the second wave only—so, a post-only analysis. Here we see that being treated by information that the spending cuts were required by an international organization lowered opposition to spending cuts by 0.28 of a point. The difference is statistically significant at the one percent level of confidence. Considering that the average level of opposition in the control group is 4.28, this difference represents a decrease in opposition by about 6.5 percent.

When we drill into the treatment observations and consider the IMF and EU treatment groups separately, we see again that the effect is driven by the EU. The effect of the IMF in lowering opposition is only 0.18 and is statistically significant at the ten percent level. For the EU, however, the effect is 0.58, which is significant at the one percent level and represents a decrease of about 13.5 percent from the control group mean.

Table 2: Post-only (Wave 2) Comparisons

|	Mean	Std. Error	95% Conf. Int.		t	p
Treatment – Control	-0.28	0.09	-0.45	-0.10	-3.11	0.00
IMF – Control	-0.18	0.10	-0.38	0.02	-1.73	0.08
EU – Control	-0.37	0.10	-0.58	-0.17	-3.61	0.00

We estimate similar effects when we take advantage of our pre-post design. Table 3 presents the difference between the changes in the treatment and, respectively, control

groups. Here we see that the difference in differences across the treatment and control groups is 0.24 of a point. The effect is statistically significant at the five percent level. Looking at the effects of the treatment groups separately, we see that the effect of the IMF is small, 0.13 and not statistically significant. The effect of the EU, by contrast, is 0.35 and is statistically significant at the one percent confidence level. Figure 1 presents these results graphically.

Table 3: Pre-post Analysis (Difference in differences)

	Mean	Std. Error	95% Conf. Int.		t	p
ΔTreatment – ΔControl	-0.24	0.10	-0.44	-0.05	-2.42	0.02
ΔIMF – ΔControl	-0.13	0.11	-0.36	0.09	-1.19	0.23
ΔEU – ΔControl	-0.35	0.12	-0.58	-0.12	-2.96	0.00

Figure 1: Average estimated treatment effects
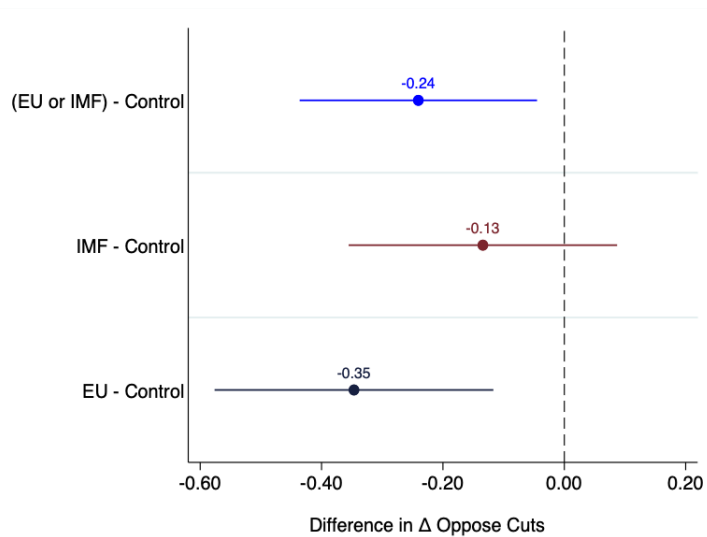
Notes: Results from pre-post analysis. Point estimates represent the difference between the change in opposition to spending cuts for the respective treatment group and the control group. The lines indicate 95 percent confidence intervals.

Our set of findings differs from prior research on the influence of international actors on public opinion in Spain. Our EU finding differs from previous studies that find little effect on Spanish opinion (Fernandez-Albertos and Kuo, 2020; Alonso Sáenz de Oger and Sánchez-Cuenca, 2022). These prior studies rely on between-subject research designs where the outcome of interest is only measured post-treatment. Our strongest results emerge from a pre-post design where the dependent variable is measured both before and after exposure to a treatment for the same individual. As Bowers et al.

(2011) have found, the pre-post design offers an improvement over standard post-only designs by increasing statistical precision through the collection of additional information about subjects.

Our IMF result contrasts with the post-only finding of Hübscher, Sattler and Wagner (2021), who find a statistically significant positive effect of the IMF, increasing public support for austerity in Spain. We have a similar result from our post-only analysis, significant at the ten percent level—but the result does not hold in our pre-post analysis. Our null IMF treatment effect is not unique to this study. In preliminary research conducted in Argentina and Mexico, we find similar null results using a pre-post research design. Moreover, Hübscher, Sattler and Wagner (2021) similarly find a null effect of the IMF on public support for austerity in Greece and Portugal.

We conclude that respondents become relatively less opposed to spending cuts when foreign actors are involved. We find little effect of the IMF, but the effect of the EU is highly significant. We speculate that the reason for this pattern is the panelists' familiarity with the EU, as noted above.

Specific budget cuts

As mentioned above, we provided respondents with explicit information about the size and nature of the spending cuts. Within the treatment and control samples described above, we randomly generated six subgroups of respondents, each of which received one of the pieces of information described below. In this way, we attempt to isolate the effect of foreign authority from respondents' beliefs about the nature of the spending cuts.

- A two percent spending cut equally target all categories of public spending

- A two percent spending cut equally target all categories of public spending including education

- A two percent spending cut equally target all categories of public spending but maintain current health spending

- An eight percent spending cut equally target all categories of public spending

- An eight percent spending cut equally target all categories of public spending including education

- An eight percent spending cut equally target all categories of public spending but maintain current health spending

Due to the small number of respondents withing each subgroup, we estimate the

average treatment effect (ATE) for combinations of these subgroups. We begin by pooling together the subgroups who were told that the spending cuts would equal two percent of total spending. We label this group the "small cut" group. We estimate the average treatment effect of both the IMF and EU's involvement for the "small cut" group. We then compare these ATEs to the ATEs for the "large cut" group— that is, those respondents who were told the cuts would equal eight percent of total spending.

Our results confirm that respondents exhibit different sensitivities to general austerity, as compared to specific rates of spending cuts (Bansak, Bechtel and Margalit, 2021). Providing information about the size of the cuts increases opposition among respondents that did not receive a foreign actor treatment (i.e. the control group). The increase in opposition holds for both small and large cuts. Although large cuts engender slightly more opposition than small cuts, the difference is not large and the confidence intervals around the point estimates overlap, as illustrated in Figure 2.

While the involvement of the IMF has no robust effect on opposition to either small or large spending cuts, EU involvement reduces opposition to spending cuts, on average, for both large and small cuts. However, the EU has a larger reductive effect on respondent's opposition when spending cuts are small (two percent) and the ATE only reaches conventional levels of statistical significance for small cuts. The pre-post EU results, displayed graphically in Figure 2, are also reported in Table A.2.

When respondents in the control group were told the cuts equal two percent, on average, they became more opposed to the cuts in wave 2; their opposition increased by 0.34 points. However, respondents that learned the EU required spending cuts of two percent became more supportive of the cuts; their opposition actually decreased by 0.1 points.

When the spending cuts were large, respondents in the control group became more opposed to spending cuts in wave 2; their opposition increased by 0.41 points. When respondents in the treatment group learned that the EU required large cuts (eight percent), they were still relatively more opposed to the cuts than they were in wave 1. However, they were relatively less opposed than respondents in the control group. Opposition among treated individuals increased by just 0.17 points when the EU required the large cuts.

In short, the involvement of the EU does more to reduce opposition when spending cuts are small, as compared to when they are large. This result suggests that the involvement of an international actor may have relatively less influence on public opinion when the proposed spending cuts are especially painful or unpopular (e.g., large).

Figure 2: Average estimated treatment effects by size of cuts
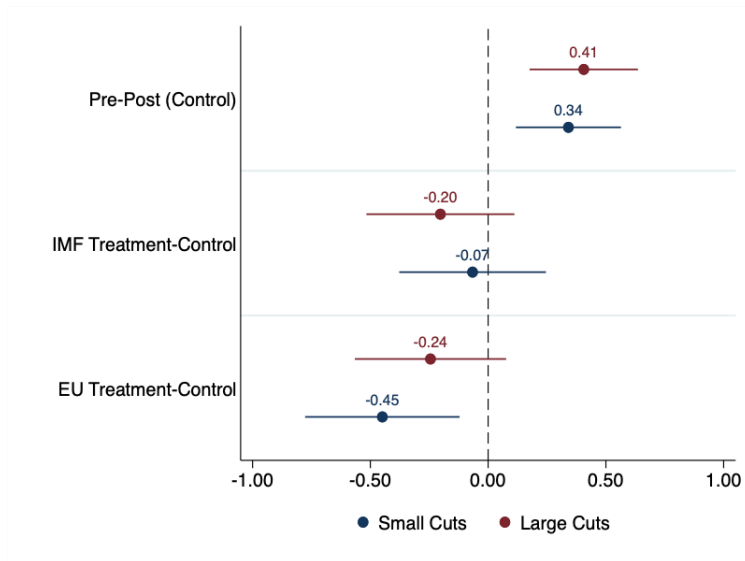
Notes: Results from pre-post analysis derived from estimates from fixed effects models on opposition to spending cuts by treatment conditions. Point estimates represent the difference between pre-and post-opposition to spending cuts in the control group (rows 1 and 2), and the pre-and post-changes in opposition to spending cuts for the respective treatment group relative to the control group (rows 3-6). The lines indicate 95 percent confidence intervals. See Tables A.1 and A.2 in the appendix.

Further evidence of this dynamic comes for an analysis of the inclusion of education in the description of spending cuts. Previous studies document that education cuts provoke strong opposition (e.g. Barnes, Blumenau and Lauderdale, 2021), often stronger than other types of spending cuts. We therefore anticipate that the involvement of foreign actors may have a smaller impact on public opinion when education is explicitly mentioned as a target of spending cuts.

To test this, we compare the average treatment effect for respondents who were told that the spending cuts *"target all categories of public spending equally including education"* to the ATE where education was not mentioned. The results are illustrated graphically in Figure 3. As expected, mentioning education significantly increases opposition among the control group, as compared to wave 1.

When education cuts were mentioned, neither the involvement of the EU nor the IMF had a significant impact on respondents' opinion about spending cuts. The IMF had no robust effect for either the education or non-education group. The reductive effect of the EU is statistically significant only when education was *not* mentioned. We speculate that this is because respondents have strong priors on the value of education, and mentioning spending cuts to education invokes strong feelings, making respondents invulnerable to cues from foreign actors.

Figure 3: Average estimated treatment effects by the content of spending cuts
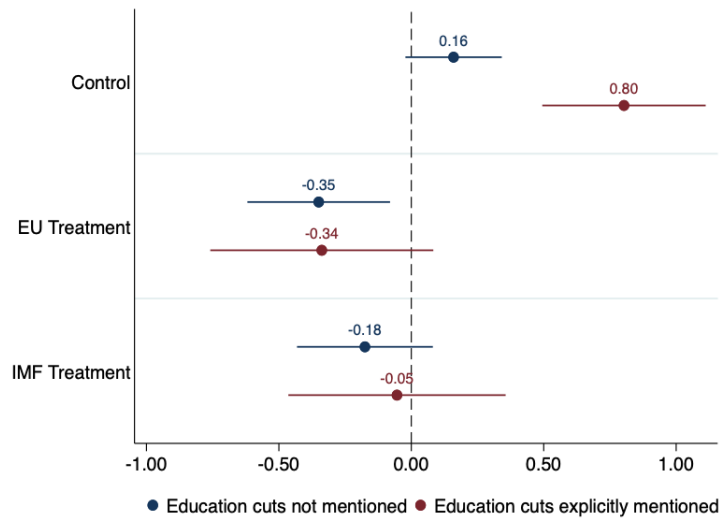
Notes: Results from pre-post analysis, derived from estimates presented in Table A.3 in the appendix. Point estimates, reproduced in Table A.4 in the appendix, represent the pre-post difference in the control group (top rows), and the change in opposition to spending cuts for the respective treatment group relative to the control group (bottom four rows) by content of the proposed spending cuts (whether education is mentioned). The lines indicate 95 percent confidence intervals.

Comparisons of large and small cuts, as well as education and generic cuts, suggest that our main finding is not driven by respondents' beliefs about how a foreign actor affects the details of the austerity package. Among respondents told the exact same information about the nature of the spending cuts, those who received the treatment where that the cuts were required by the EU were, on average, less opposed to the cuts than those told that the cuts were made by the national government acting alone. Respondents in the treatment group where the cuts were required by the IMF were, on average, no more or less opposed to the cuts than those told that the cuts were made by the national government acting alone.

Political orientation

Respondents' preferences over spending cuts may depend, at least in part, on their political orientation. Individuals who do not support the government may be skeptical of policy proposals put forward by it. For such individuals, the assurance that spending cuts is required by an outside actor may reduce their opposition to the policy reforms. When a foreign authority is involved, opponents of the government may conclude that spending cuts are indeed necessary and not simply a politically-motivated decision by the incumbent.

To examine this possibility, we employ responses to a question from wave 1 that asked (in Spanish): *"What do you think of the current national government?"* We construct two groups using responses to this question. The first includes respondents who supported the government, saying either "I fully support it" or "I partially support it". The second group includes respondents who oppose the government (or are neutral towards it). We then estimate the ATEs for the two groups.[13] The results are displayed graphically in Figure 4.

The EU treatment reduces opposition to spending cuts among both supporters and opponents of the government. The estimated ATEs for both groups are negatively signed and of similar size. However, only the ATE for government opponents is statistically significant at the 95 percent level. Among those respondents who did not support the incumbent Socialist government, opposition to spending cuts fell by nine percent from the sample mean when they received the EU treatment. In contrast, the EU treatment had no robust effect on government supporters.

Figure 4: Average estimated treatment effects, by government support
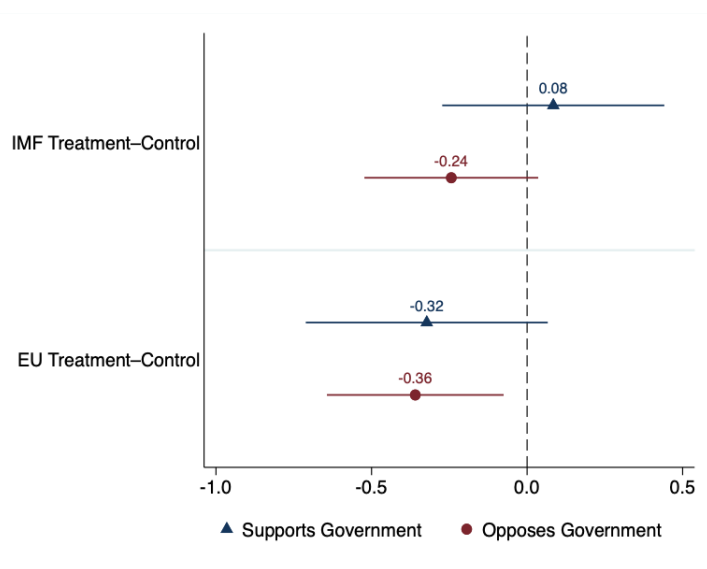
Notes: Results from pre-post analysis in Table A.6 in the appendix. Point estimates represent the difference between the change in opposition to spending cuts for the respective treatment group and the control group. The lines indicate 95 percent confidence intervals.

None of the differences in the ATEs of the IMF treatments in comparison to the control group are statistically significant. However, the sign on the point estimates differs across government supporters and opponents. The difference in ATE is positively signed for government supporters, indicating that opposition to spending cuts increased when they learned of the involvement of the IMF. While not statistically

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[13]The estimates are reproduced in Table A.5 in the appendix.

significant, this positively signed ATE may reflect the fact that the IMF is typically viewed as a right-wing, neo-liberalist institution. Supporters of Spain's Socialist incumbent government may consequently react negatively to the involvement of this institution in domestic policy-making. They may believe that the government's spending decisions are more in line with their own preferences when made independently from the IMF.

In contrast, the negatively signed ATE for government opponents indicates that those respondents that do not support Spain's Socialist government became less opposed to spending cuts when they learned of the IMF's involvement. Government opponents may otherwise be against policy proposals from the government, however, upon learning of the involvement of a foreign actor, their opposition may decrease as they realize that the proposal is not designed by the national government alone.

In sum, the effect of a foreign actor's involvement on opposition to spending cuts varies across supporters and opponents of the government. Government opponents become less opposed when they learn of the involvement of an international actor in the policy decision. In contrast, the involvement of a foreign actor has mixed, and indeed minimal, influence on government supporters.

Nationalism

An individual's level of nationalism may also influence how they react to the EU and IMF. If nationalism is rooted in an affection for a territorial political unit, then we would expect nationalists to object to international involvement in national decisions (Madsen et al., 2022). However, if nationalism is more about an identification with ethnicity or cultural values, then we expect that nationalists would be equally opposed to spending cuts whether or not a foreign actor is involved.

To test the role of nationalism, we estimate the ATEs for two subgroups of respondents. We categorize respondents as "nationalists" if they said in wave 1 that they agreed with the following statement: *"The government should only look after the welfare of its citizens and not allow the involvement of foreign governments."* This question taps directly into our main interest here, namely respondents' feeling about the involvement of foreign actors in domestic policy-making.

As illustrated in Figure 5, in all instances the differences in ATEs between treatment and control gropups are negatively signed, and this is true for both nationalists and non-nationalists alike. While none of the differences in the pre-post effects are are statistically significant at conventional levels for the IMF treatment conditions, there are differences in the impact of the EU treatments among nationalists and non-nationalists. Non-nationalists become much less opposed to spending cuts when the EU is involved. EU involvement reduces the mean level of opposition to spending

cuts by 13.2 percent among non-nationalists. The estimated treatment effect for nationalists is less than half the size and fails to reach conventional levels of statistical significance.

Figure 5: Average estimated treatment effects, by nationalism
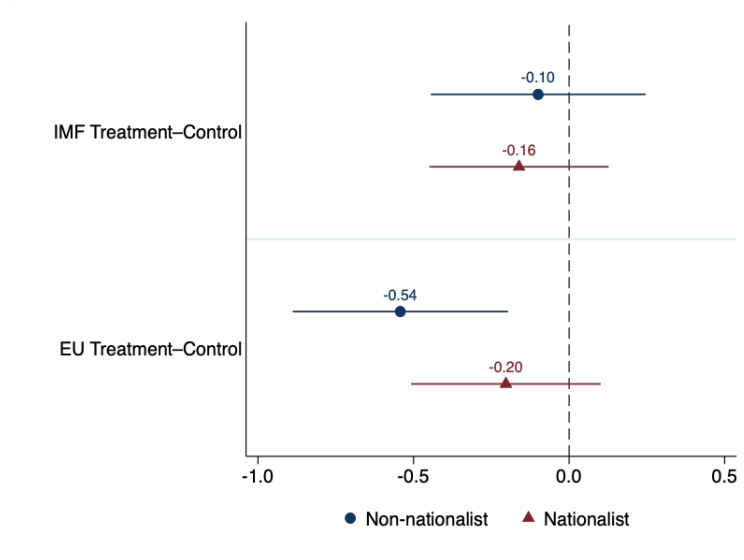
Notes: Results from pre-post analysis. Point estimates, derived from model (1) in Table A.7 in the appendix, represent the difference between the change in opposition to spending cuts for the respective treatment group and the control group. The lines indicate 95 percent confidence intervals.

Our results suggest that the involvement of international institutions in domestic policy-making may not necessarily fan the flames of nationalism. Instead, the involvement of an international institution appears to, if anything, *reduce* opposition to spending cuts. And this holds for both nationalists and non-nationalists alike. Although nationalists are relatively less responsive to the intervention of an international institution, they do not become any *more* opposed to austerity when there is a corresponding international intervention. This result calls into question conventional wisdom about one of the suggested causes of the emerging backlash against international institutions.

Discussion

Why does the involvement of a foreign authority reduce public opposition to spending cuts? We posit that the involvement of an international actor sends a signal to voters. Austerity measures are inherently complex and, as a result, voters may rely on cues from sources they find credible when forming their opinions. International organizations may represent one cue: Voters may conclude that spending cuts are

indeed necessary when a foreign authority is involved. Indeed, one respondent in our survey who was told that the cuts were required by the EU, explained that they supported the cuts "because the EEC requires it."[14]

Still, our study suggests that individuals do not react similarly to all incursions on national sovereignty. Instead, responses depend, in part, on the identity of the foreign actor, the precise reforms required, individuals' support for the incumbent government, and their level of nationalism. Respondents reacted differently to an organization that has played a fading role in policy over the years (the IMF) than they did to an actor that has played a growing role in daily life (the EU). These results caution against aggregating different IOs together, as doing so may lead to incorrect conclusions. In our case, aggregating the IMF and the EU treatments would have lead us to underestimate the EU's influence on public opinion and overestimate the IMF's.

Our results further caution against generalizing from a single international organization. Different IOs operate differently and may play varied, and perhaps even contradictory, roles in domestic politics. We have suggested that a key difference between the IMF and the EU is their salience in daily life in Spain. We note, however, that there are other important differences across the two institutions. While Spain, of course, has representation on the governing bodies of the IMF, those representatives are appointed by the Spanish government, rendering the representation indirect. By contrast, some centers of power at the EU have directly-elected representatives from member states. We suspect that the kind of representation that citizens have at an international organization may be a fruitful path of future research on how these organizations influence public opinion. While actual organizations have only limited variation in levels and types of representation, exploring hypothetical arrangements through survey experiments could shed light on how to design more influential international institutions.[15]

Additionally, because different countries have varied experiences with different IOs, the results from any given country may not generalize to other countries. Future research could explore the extent to which our results generalize beyond Spain. Preliminary evidence that we have collected from Argentina and Mexico suggest that our IMF findings hold outside of Spain, in two countries with very different histories with the institution. While more work is needed, we hope that this study opens the door for future research and illustrates the potential usefulness of pre-post survey

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[14]The EEC (CEE in Spanish) refers to the European Economic Community, formed by the 1957 Treaty of Rome. The EEC was incorporated and renamed the European Community (EC) in 1993. In 2009, the EC's institutions were absorbed into the EU's wider framework. This respondent was 58 years old.

[15]For existing related work on this subject, see Anderson, Bernauer and Kachi (2019); Bechtel and Scheve (2013); Ghassim, Koenig-Archibugi and Cabrera (2022).

experiments in international relations.

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Supplementary online appendix

This appendix (to be made available online) includes the following results referenced in the text of the main paper.

- Figure A.1 presents pre-post results using estimates from model (2) in Table A.7 (presented below), where we measure "Oppose Foreign Intervention" (i.e., nationalism) as the factor score of the first dimension of principal components analysis of a series of questions on foreign intervention and nationalism.

- *Size of cuts tables:* Tables A.1 and A.2 present the pre-post results by the size of cuts (whether respondents are informed of small or large cuts)

- *Education-cut tables:* Tables A.3 and A.4 present the pre-post results by content of the proposed austerity packages (whether respondents are informed that spending cuts include education or not).

- *Government support/opposition tables:* Tables A.5 and A.6 present the pre-post results by whether respondents are supporters of the incumbent government or not.

- *Nationalism tables:* Tables A.7 and A.8 present the pre-post results by whether respondents are opposed to foreign intervention or not using a factor score to measure nationalism (see Figure A.1 above).

Figure A.1: Average estimated treatment effects by opposition to foreign intervention
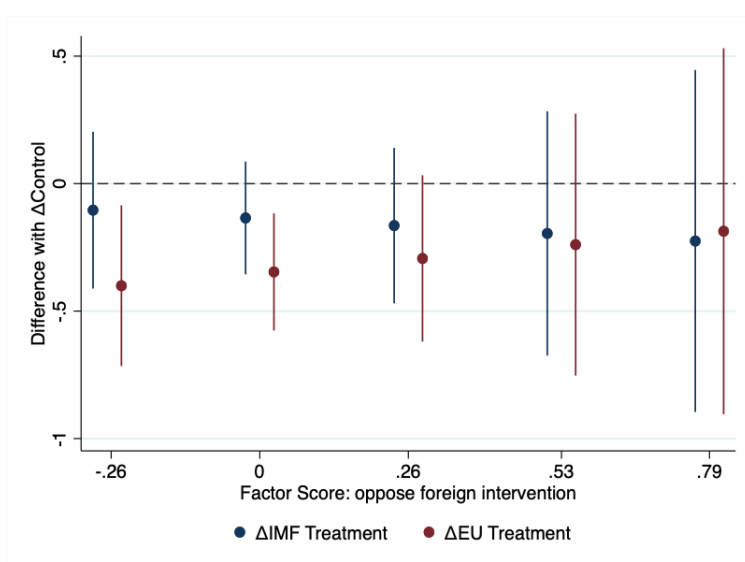
Notes: Results from pre-post analysis using estimates from model (2) in Table A.7 (presented below), where we measure "Oppose Foreign Intervention" (i.e., nationalism) as the factor score of the first dimension of principal components analysis of a series of six agree/disagree questions on foreign intervention and nationalism. Point estimates represent the difference between the change in opposition to austerity for the respective treatment group and the control group. The lines indicate 95 percent confidence intervals. The x-axis is the nationalism factor score, where higher values indicate stronger opposition to foreign intervention.

The six agree/disagree survey questions we use in our principal components analysis build on existing work used to measure nationalism Mansfield and Mutz (2009):

- The government should just try to take care of the well-being of its citizens and not let foreign governments get involved

- It is essential for Spain to work with other nations to solve problems, such as overpopulation, hunger, and pollution

- In Spain, our people are not perfect, but our culture is superior to others

- I would rather be a citizen of Spain than of any other country in the world

- The world would be a better place if people from other countries were more like us

- Generally speaking, Spain is a better country than most other countries

Table A.1: Opposition by Size of Spending Cuts

DV: Oppose Spending Cuts	
Post	0.406***
	(0.117)
Post x IMF	-0.203
	(0.160)
Post x EU	-0.245
	(0.164)
Post x Small Cut	-0.065
	(0.163)
Post x IMF x Small Cut	0.137
	(0.226)
Post x EU x Small Cut	-0.204
	(0.234)
Constant	3.881***
	(0.023)
N	4,670
Units	2,335
R^2	0.014
Unit fixed effects	Yes

Clustered standard errors in parentheses

* p<.10, ** p<.05, *** p<.001

Table A.2: Average treatment effects by Size of Spending Cuts

	Small Cuts	Large Cuts
ΔControl (Pre–Post)	0.341***	0.406***
	(0.114)	(0.117)
ΔIMF–ΔControl	-0.066	-0.203
	(0.159)	(0.160)
ΔEuropean Union–ΔControl	-0.449***	-0.245
	(0.167)	(0.164)

Table A.3: Average Treatment Effects by Type of Spending Cuts

DV: Oppose Spending Cuts	
Post	0.160*
	(0.093)
Post x IMF	-0.175
	(0.131)
Post x EU	-0.350**
	(0.137)
Post x Education	0.643***
	(0.182)
Post x IMF x Education Cuts	0.121
	(0.246)
Post x EU x Education Cuts	0.012
	(0.255)
Constant	3.881***
	(0.023)
N	4,670
Units	2,335
R^2	0.033
Unit fixed effects	Yes

Clustered standard errors in parentheses

* p<.10, ** p<.05, *** p<.001

Table A.4: Average Treatment Effects by Type of Spending Cuts

	Education mentioned	Education not mentioned
ΔControl (Pre–Post)	0.803 ***	0.160
	(0.157)	(0.093)
ΔIMF–ΔControl	-0.054	-0.203
	(0.209)	-0.175
ΔEuropean Union–ΔControl	-0.338	-0.350 ***
	(0.214)	(0.137)

Table A.5: Opposition to Spending Cuts by Support for Government

DV: Oppose Spending Cuts	
Post	0.442***
	(0.104)
Post x IMF	-0.244*
	(0.143)
Post x EU	-0.359**
	(0.145)
Post x Pro-government	-0.205
	(0.166)
Post x IMF x Pro-government	0.328
	(0.231)
Post x EU x Pro-government	0.037
	(0.246)
Constant	3.881***
	(0.023)
N	4,670
Units	2,335
R^2	0.014
Unit fixed effects	Yes

Clustered standard errors in parentheses

* p<.10, ** p<.05, *** p<.001

Table A.6: Average Treatment Effects by Government Support

	Support Government	Oppose Government
ΔControl (Pre–Post)	0.341***	0.406***
	(0.114)	(0.117)
ΔIMF–ΔControl	-0.066	-0.203
	(0.159)	(0.160)
ΔEuropean Union–ΔControl	-0.449***	-0.245
	(0.167)	(0.164)

Table A.7: Opposition to Spending Cuts by Oppose Foreign Intervention

DV: Oppose Spending Cuts	(1)	(2)
Post	0.440***	0.374***
	(0.109)	(0.082)
Post x IMF	-0.161	-0.135
	(0.143)	(0.113)
Post x EU	-0.203	-0.346***
	(0.155)	(0.117)
Post x Oppose Foreign Intervention	-0.160	0.060
	(0.164)	(0.271)
Post x IMF x Oppose Foreign Intervention	-0.061	-0.114
	(0.229)	(0.407)
Post x EU x Oppose Foreign Intervention	-0.339	0.201
	(0.235)	(0.431)
Constant	3.881***	3.881***
	(0.023)	(0.023)
N	4,670	4,670
Units	2,335	2,335
R^2	0.017	0.017
Unit fixed effects	Yes	Yes

Clustered standard errors in parentheses; * p<.10, ** p<.05, *** p<.001

Notes: (1) Oppose foreign intervention is a dummy variable, coded as 1 for respondents answering "Agree" to the question: "The government should only look after the welfare of its citizens and not allow the involvement of foreign governments." (2) Oppose foreign intervention is the factor score of the first dimension of principal components analysis of six questions on foreign intervention and nationalism.

Table A.8: Average Treatment Effects by Oppose Foreign Intervention

	Does not oppose foreign intervention	Opposes foreign intervention
ΔIMF–ΔControl	-0.099	-0.161
	(0.176)	(0.147)
ΔEuropean Union–ΔControl	-0.543***	-0.245
	(0.177)	(0.155)