

POL 396: International Organization

Precept 5

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March 5, 2024



MID-TERM
IS COMING

Today's Topic: Mid-Term

- Mid-term logistics
- UNSC informational game
- Schelling's conjecture
- IMF game
- Regression table
- Trilemma
- Chinese Institutions

Very Important Points

- Mid-term available between (subject to change):
 - March 7 (Thursday), 4:30pm
 - March 11 (Monday), 11:59pm
- **90** minutes to complete: **NO PAUSE**
 - No guarantee of email response during your 90-minute exam window
- Open-book: All class materials (even the internet)
- Honor Code !
 - and: You CANNOT discuss the exam (or share any materials from the exam) with other students who have not yet taken it.

Mid-Term Exam: Format

- Finish within 90 minutes (No Pause)
- Part I: Multiple Choice Questions
 - 35 questions ~ 35 points
- Part II: Fill in the Blank
 - 15 questions ~ 30 points
- Total = 65 points

Grade allocation between exams

- At the end of the mid-term, you need to allocate 30% - 50% for this exam.
- The final exam will automatically account for the remaining portion.

Mid-Term Exam: Resources

- Lecture slides on course website:
<https://jrv.mycpanel.princeton.edu/POL396.html>
- Precept slides on precept webpage: <https://jingqian.org/pol396/>
- Office hour this week (appointment on precept webpage)
 - Tuesday, 4:30pm - 6:00pm, Fisher 100
 - Wednesday, 10:30 am - 12:00pm, Zoom (**additional**)
- Google doc to pool weekly assignment?

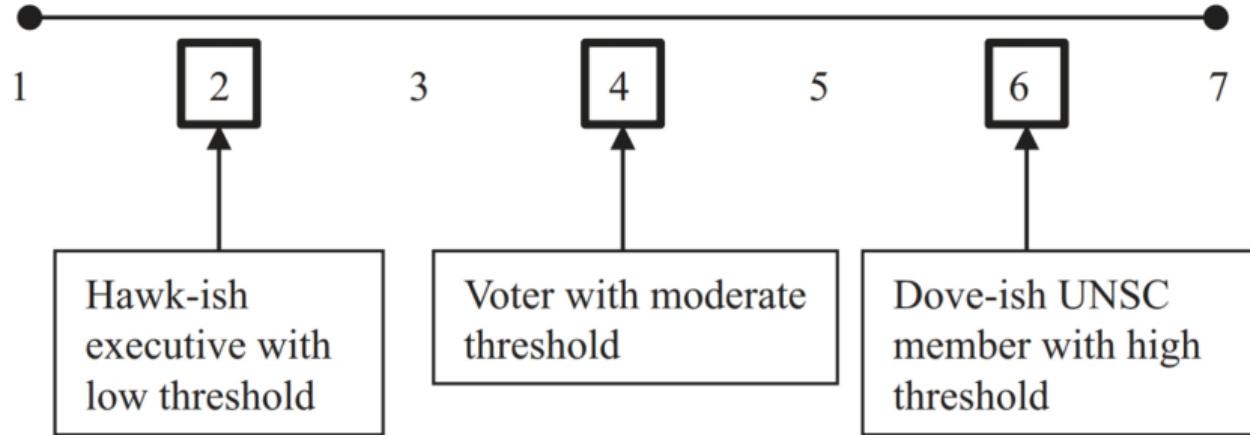


FIGURE 1.1. Hypothetical threat level with “action” thresholds for three actors.

- Voter does not observe the true threat level
- Executive and UNSC member both observe
- All actors only act if threat level is \geq threshold

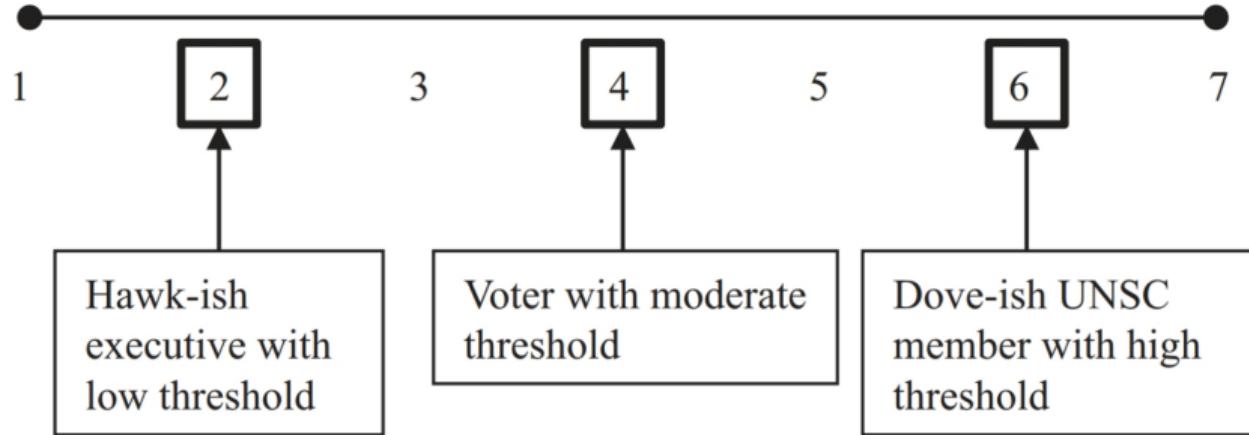


FIGURE 1.1. Hypothetical threat level with “action” thresholds for three actors.

- If Executive supports but UNSC member objects, will voter support?
- If Executive & UNSC member support, will voter support?
- What if Executive could pay the UNSC member to vote in favor?

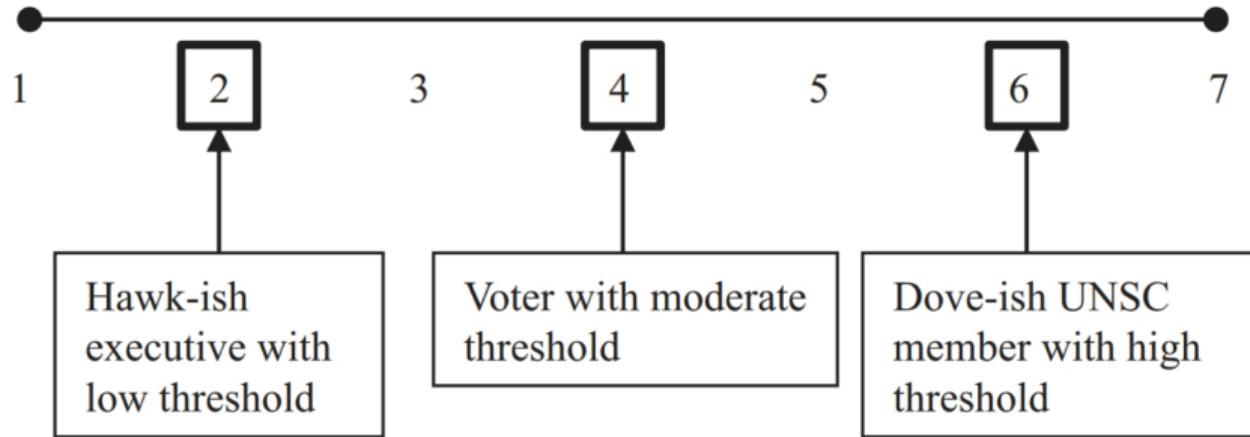


FIGURE 1.1. Hypothetical threat level with “action” thresholds for three actors.

- What if Executive could pay the UNSC member to vote in favor?
 - If the favor was offered secretly
 - If the favor was offered publicly

A little animation



Line represents some generic policy space (e.g., total free trade on left, total protectionism on right. Two governments – an authoritarian and a democratic country – are negotiating.

Aut*= Ideal point of an “Authoritarian” government

Pres*= Ideal point of a *democracy’s* President

SQ=Status quo

P?=A proposal from the authoritarian government, which seems plausible for the democratic government – in the *absence* of the legislative constraint...

L*=Ideal point of the democracy’s legislature

NSQ=The new status quo – the best deal the authoritarian government can get, *given the credible legislative constraint*

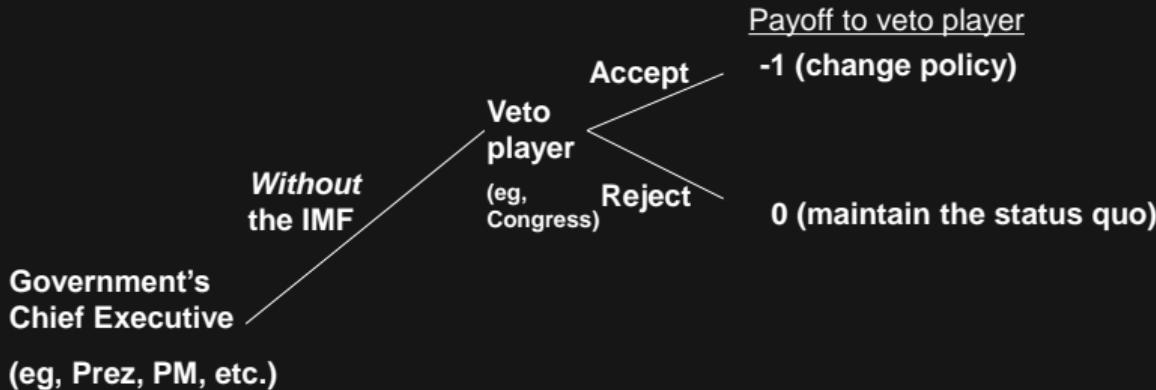
How does bringing in the IMF help push through economic reform?

Figure 1: The logic of bringing in the IMF

**Government's
Chief Executive**
(eg, Prez, PM, etc.)

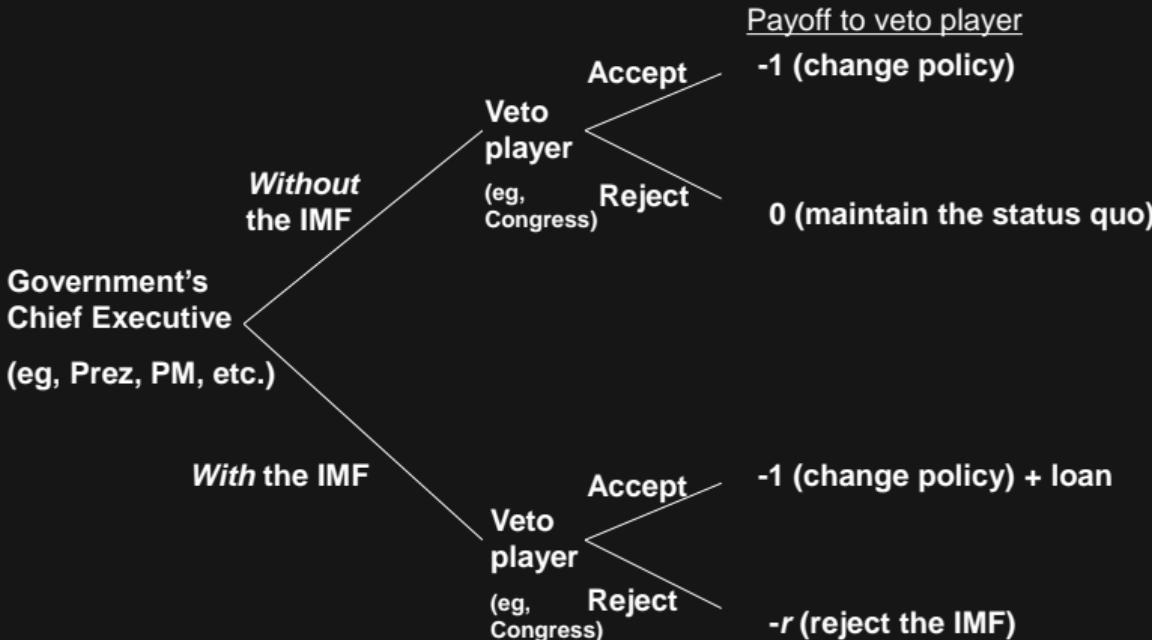
How does bringing in the IMF help push through economic reform?

Figure 1: The logic of bringing in the IMF



How does bringing in the IMF help push through economic reform?

Figure 1: The logic of bringing in the IMF



Note that $0 < \text{loan} < 1$

$-1 \leq r \leq 1$, but for most countries $0 < r \leq 1$

Regression Tables

Table 1: African Development Bank commitments

	(1)	(2)	(3)	(4)	(5)
Japan: UN voting	13.32** (5.964)	12.00* (6.712)		16.51* (9.679)	
Japan: aid		0.251** (0.120)	0.331** (0.136)		0.308** (0.131)
Japan: trade	0.251*** (0.0870)	0.284* (0.162)		0.256 (0.160)	
US: UN voting		-2.486 (3.374)	-2.496 (3.156)	3.904 (4.676)	
US: aid		0.196 (0.130)	0.173 (0.149)	0.148 (0.149)	
US: trade		0.0932 (0.138)	-0.562 (0.483)	-0.528 (0.475)	
World trade	0.0771 (0.148)		0.806* (0.438)	0.569 (0.500)	
Population	3.946 (5.777)		7.154 (5.476)	5.356 (5.723)	
GDP per capita	-4.020** (1.748)		-4.170** (1.641)	-4.210** (1.696)	
Life expectancy	0.119 (0.130)		0.129 (0.124)	0.103 (0.134)	
Regime type	0.0772 (0.156)		0.118 (0.161)	0.0464 (0.152)	
Year FE	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes
Number of countries	52	50	52	50	50
Observations	1040	956	1040	956	956
Adjusted R2	0.284	0.283	0.277	0.276	0.284

Note: Standard errors in parentheses clustered at country-level. * p <0.10, ** p <0.05, *** p <0.01

1. Dependent variable

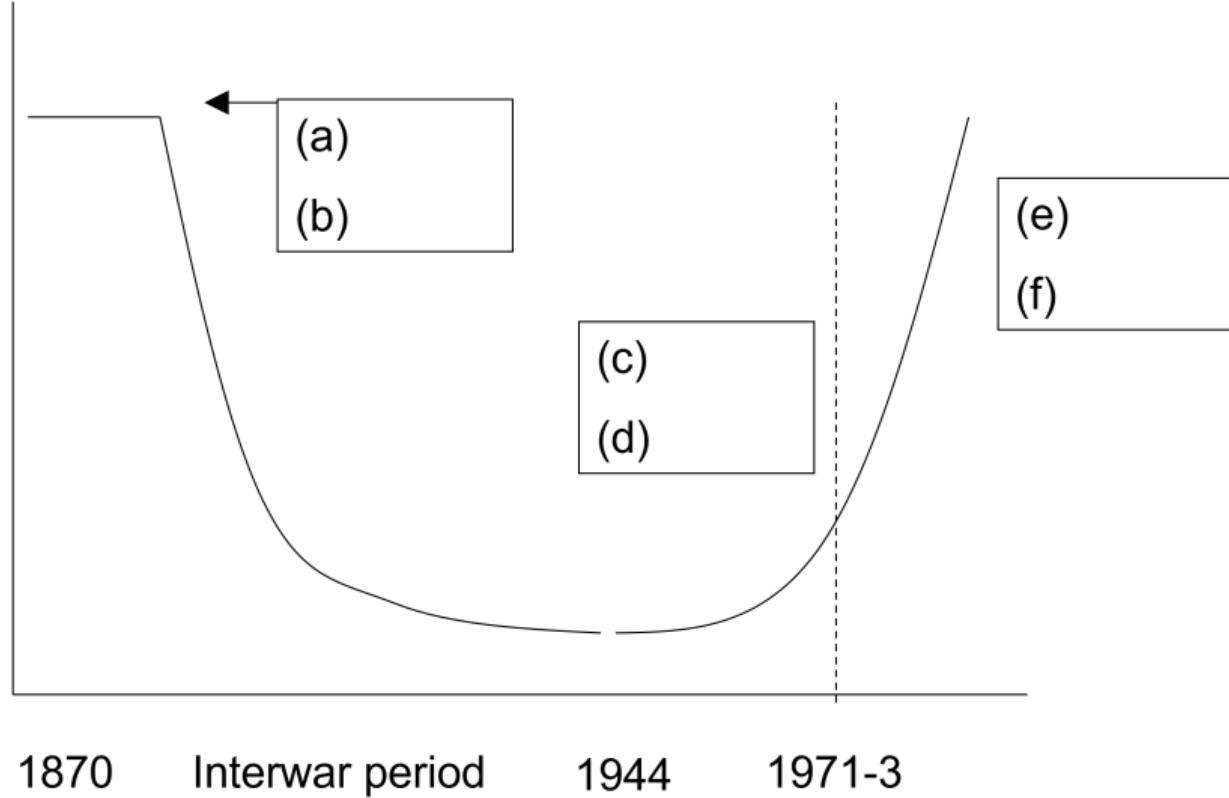
2. Unit of analysis

3. Independent variable

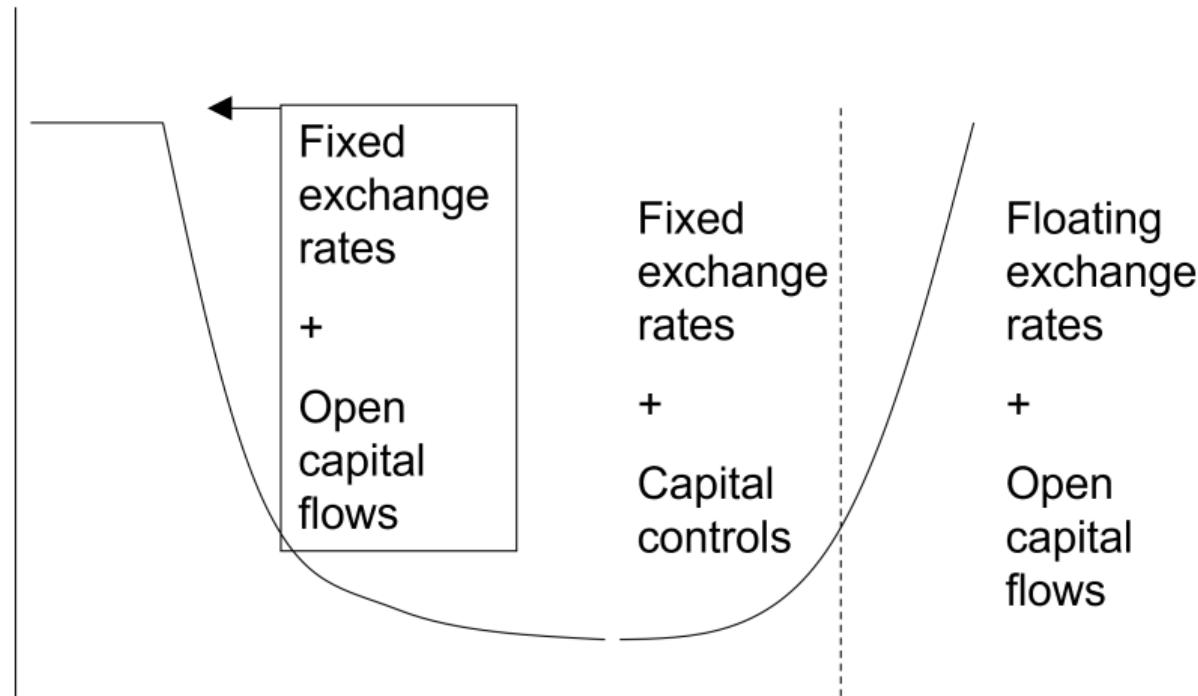
4. Positive/Negative

5. Statistically Significant

Degree of
global
capital
mobility



Degree of
global
capital
mobility



What explains the different choices?

Chinese Institutions



ASIAN INFRASTRUCTURE
INVESTMENT BANK

- Founded in 2016
- Founding Member: 57
- Current Member: 95 + 14
 - Regional: 47
 - Non-regional: 48
 - Prospective: 14



- Founded in 2015
- Founding Member: 5 (BRICS)
- Current Member: 8 + 1
 - New: Bangladesh (2021); UAE (2021); Egypt (2023)
 - Prospective: Uruguay

Chinese Institutions – Voting Power



ASIAN INFRASTRUCTURE
INVESTMENT BANK

- China: 26.57%
- India: 7.59%
- Russia: 5.97%
- Germany: 4.15%
- South Korea: 3.49%



Equal share among BRICS

(at founding: 20%)

- Brazil: 18.98%
- Russia: 18.98%
- India: 18.98%
- China: 18.98%
- South Africa: 18.98%