

Mapping Global Lending Networks: A Social Network Analysis of Loan Relationships Between Countries and Financial Institutions

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Background

- Borrowing Patterns:** Compare behaviors of Global North vs. Global South countries.
- Regional Trends:** Identify top borrowing regions and main lenders.
- Financial Clusters:** Explore loan network clusters and their regional/economic impacts.

Objectives

- Global Financial Dynamics:** Examines lending and borrowing relationships shaping economies.
- Key Players:** Focuses on the IMF, World Bank, and individual nations as lenders.
- Network Analysis:** Maps lenders and borrowers to uncover interdependencies.

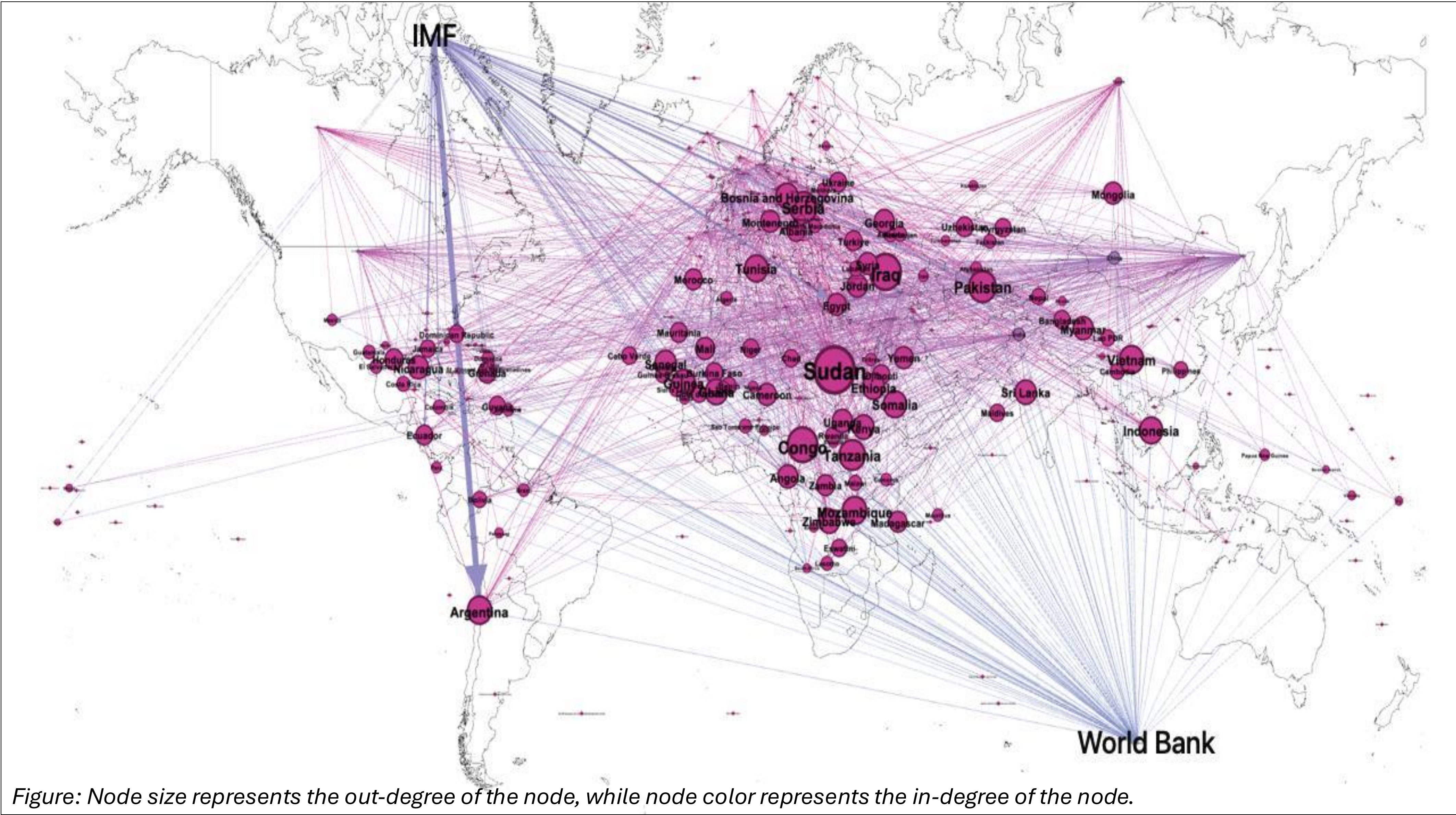


Figure: Node size represents the out-degree of the node, while node color represents the in-degree of the node.

- The network has a density of 0.22, reflecting sparse connections and regional loan concentration.
- Norway and Germany have zero in-degree, indicating economic independence and no reliance on external loans.
- Saudi Arabia focuses lending on South Asia, driven by strategic interests.
- Argentina owes the most to IMF, highlighting its significant borrowing position.

Betweenness	Out Degree	In Degree	Closeness	Local Clustering
China	France	Sudan	China	Ireland
India	Kuwait	Congo	France	Oman
Iraq	China	Iraq	Kuwait	Belize
Serbia	Japan	Serbia	Japan	Kazakhstan
Angola	Germany	Pakistan	Germany	Equatorial Guinea

Figure: Top 5 countries as per the centralities

Conclusion

- Global lending networks reveal complex financial interdependencies shaping global economic relationships.
- IMF and World Bank act as independent hubs, while nations like China and Kuwait serve as key intermediaries.
- Regional lending patterns highlight geopolitical and strategic considerations.
- Future research should explore factors influencing loan decisions, including alliances, dependencies, and partnerships.

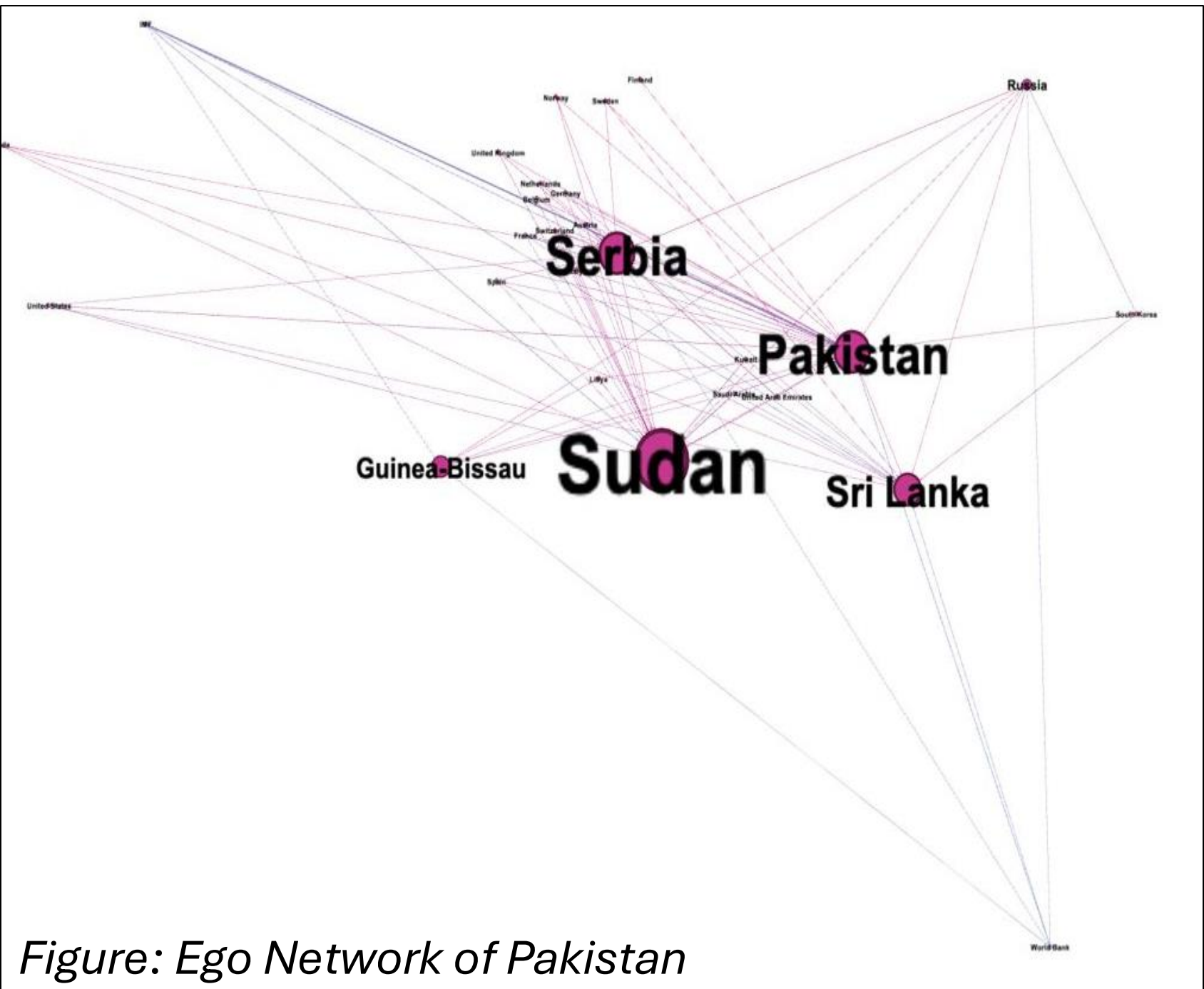


Figure: Ego Network of Pakistan

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