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TESTIMONY

Statement of

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Chairman Barr, Ranking Member Moore, and Members of the Subcommittee, thank you for the opportunity to appear before you today on behalf of the Congressional Research Service to discuss "Lessons from the IMF's Bailout of Greece." As requested, my testimony focuses on the implications of the International Monetary Fund (IMF) programs in Greece, particularly their impact on the IMF's capacity to deploy its resources responsibly and effectively.

IMF Involvement in the Greek Crisis

The International Monetary Fund (IMF) is an international organization whose primary purpose is to ensure stability of the international monetary system.[1] The United States is the IMF's largest shareholder and plays a key role in shaping IMF policies and programs. IMF membership has grown from 30 countries in 1945 to 189 countries today.[2]

The IMF's role in the global economy has evolved over the past 70 years. The IMF was originally created to oversee a system of pegged exchange rates and provide financing to countries facing temporary balance-of-payments crises associated with currency misalignments. In the 1970s, the system of pegged exchange rates broke down, and the United States and several other major economies adopted floating exchange rates. New challenges in the global economy emerged, and the IMF began extending emergency loans to countries facing a broader range of banking, debt, and currency crises. The IMF played a key role in responding to major international financial crises, including the 1980s debt crisis, the Mexican crisis in 1994-1995, the Asian financial crisis in 1997-1998, the Argentine crisis in 2000-2001, and the global financial crisis of 2008-2010. The IMF's track record in crises has been scrutinized, and at times has been characterized by some critics as bailing out profligate governments and imposing austerity policies that have harsh social consequences.[3]

In recent years, the most challenging economic crisis facing the IMF has been Greece.[4] The Greek crisis is rooted in concerns about its public debt and finances, although the crisis exposed broader issues with Greece's banking sector, structural policies, and membership in the Eurozone.[5] The IMF approved two financial assistance programs for Greece, co-financed with European creditors, in 2010 and 2012. For the IMF as an institution, the stakes were high: the programs were among the largest in IMF history, Greece was the first advanced economy to borrow from the IMF in several decades, and failing to contain the crisis could have undermined recovery from the global financial crisis.

Seven years into the crisis, the IMF's record in Greece is mixed. The IMF programs—in conjunction with measures taken by the Eurozone countries and the European Central Bank (ECB)—succeeded in ring-fencing the crisis and preventing spillover from Greece to larger economies in the Eurozone and the broader global economy. However, Greece's economy has not yet recovered. Greece's debt is higher than

[1] For more on the IMF, see CRS Report R42019, *International Monetary Fund: Background and Issues for Congress*, by Martin A. Weiss.

[2] International Monetary Fund (IMF), *List of Members*, March 7, 2017.

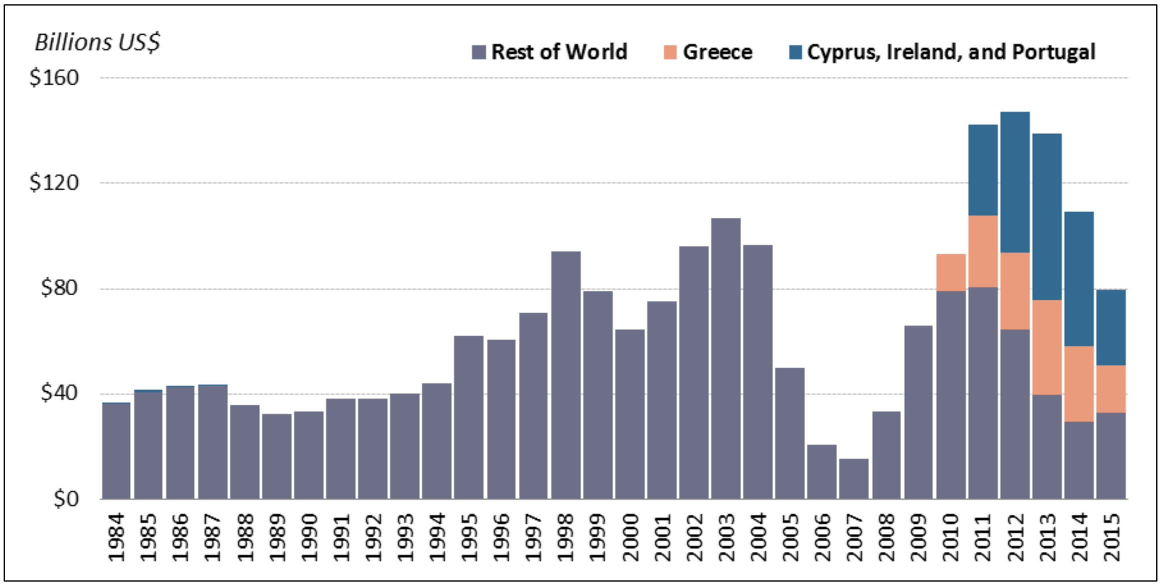
[3] For example, see Allen H. Meltzer, "The Report of the International Financial Institution Advisory Commission: Comments on the Critics," in *The IMF and its Critics: Reform of the Global Financial Architecture*, ed. David Vines and Christopher L. Gilbert (Cambridge University Press, 2004), pp. 106-124; Alexander E. Kentikelenis, Thomas H. Stubbs, and Lawrence P. King, "IMF Conditionality and Development Space, 1985-2014," *Review of International Political Economy*, vol. 23, no. 4 (2016), pp. 543-582.

[4] For more on the Greek crisis, see CRS Report R44155, *The Greek Debt Crisis: Overview and Implications for the United States*, coordinated by Rebecca M. Nelson.

[5] The Eurozone is a group of 19 of the 28 European Union (EU) member states which have adopted a common currency, the euro.

before the crisis, its economy has contracted by 25%, and one in five Greeks is unemployed.[6] In the summer of 2015, the Greek government did not make its scheduled repayments to the IMF. It is unusual for any country to miss a payment to the IMF, and Greece became the first advanced economy in the institution's history to do so. Although Greece later made these payments, it raised questions about the Fund's exposure to Greece, one of its largest borrowers at the time (**Figure 1**). Greece remains cut off from international capital markets and relies on a third rescue program financed by European creditors, without IMF participation.

Figure 1. Use of IMF Credit and Loans



Source: IMF, *International Financial Statistics*.

Throughout the Greek crisis, analysts have pointed to missteps taken by a number of actors, including the Greek government, private banks that lent money to Greece, Eurozone leaders and institutions, and the IMF. Given the broader role of the IMF in in the global economy, however, the IMF's handling of the crisis in Greece has been widely examined, including by independent analysts and the IMF's Independent Evaluation Office (IEO).[7]

The IMF has defended its policy response in Greece and has taken steps to address some of the issues raised by the Greek crisis.[8] The IMF changed its policy advice on debt restructuring and austerity during the crisis, declined to participate in a third program for Greece due to concerns about debt sustainability and economic reforms, and revised its lending policies largely based on its experience in Greece. The

[6] IMF, *World Economic Outlook Database*, April 2017.

[7] For example, Desmond Lachman, "Greek Lessons for the IMF," *The Hill*, February 20, 2015; Ashoka Mody, "The IMF's Big Greek Mistake," *Bloomberg View*, April 21, 2015; Carmen M. Reinhart and Christoph Trebesch, "The International Monetary Fund: 70 Years of Reinvention," *Journal of Economic Perspectives*, vol. 30, no. 1 (Winter 2016), pp. 3-28; Arvind Subramanian, "How the IMF Failed Greece," Project Syndicate, August 13, 2015; Edwin M. Truman, *The IMF and Euro Area Crises: Review of a Report from the Independent Evaluation Office*, Peterson Institute for International Economics, Policy Brief 16-13, September 2016; Independent Evaluation Office of the IMF, *Greece: Ex Post Evaluation of Exceptional Access under the 2010 Stand-By Arrangement*, 2013; Independent Evaluation Office of the IMF, *The IMF and the Crises in Greece, Ireland, and Portugal*, 2016.

[8] For example, see Olivier Blanchard, "Greece: Past Critiques and the Path Forward," IMF Blog, July 9, 2015.

IMF also financed programs in three other Eurozone countries—Ireland (2010), Portugal (2011), and Cyprus (2013)—which are broadly viewed as successful.

However, the IMF programs in Greece raise a number of broader policy challenges for the IMF that remain outstanding and are likely to be relevant in future crises. These include questions, discussed in greater detail below, about the size and duration of IMF financing, co-financing arrangements between the IMF and other creditors, IMF policy flexibility and accountability, IMF policy towards currency unions, and the seniority of IMF financing.

Should there be limits on IMF financing?

The size of Greece's IMF programs was unprecedented. The amount a country can borrow from the IMF is tied to its financial commitment to the IMF, or its "quota" at the IMF.[9] Generally, the more a country contributes to the IMF, the more it can borrow from the IMF during crises. During the Eurozone crisis, normal access to IMF financing was capped at 600% of the borrowing country's quota, with procedures for approving larger programs under exceptional circumstances.[10] The IMF programs in Greece, Ireland, and Portugal were three to five times the normal limit, and the largest programs relative to quota in IMF history (**Figure 2**). Although the Eurozone programs were extreme examples, they reflect a broader trend. IMF programs increased relative to the borrower's quota starting in 2008, with large programs in Iceland, Latvia, Hungary, Romania, and Ukraine, among others. Median IMF program size jumped from 75% of the borrowing country's quota in the 1980s to 400% in 2008-2017.[11]

Greece's programs also highlight a pattern for some countries to become repeat or "serial" borrowers from the IMF, even though IMF financing was originally designed to provide short-term balance-of-payments support. With Greece's back-to-back programs, the government received IMF support for a total of 5.5 years (between May 2010 and January 2016). Seven years after its first program, Greece continues to rely on official sector financing, although not currently from the IMF. While the other Eurozone countries (Ireland, Portugal, and Cyprus) successfully stabilized their economies during a single IMF program, some countries are frequent borrowers from the IMF. A quarter of IMF members (48 countries) have been on IMF programs for more than half of the years they have belonged to the IMF; more than a third (70 countries) have been on IMF programs more than 40% of time since joining the IMF.[12] These serial borrowers include a mix of low-income and emerging-market economies.

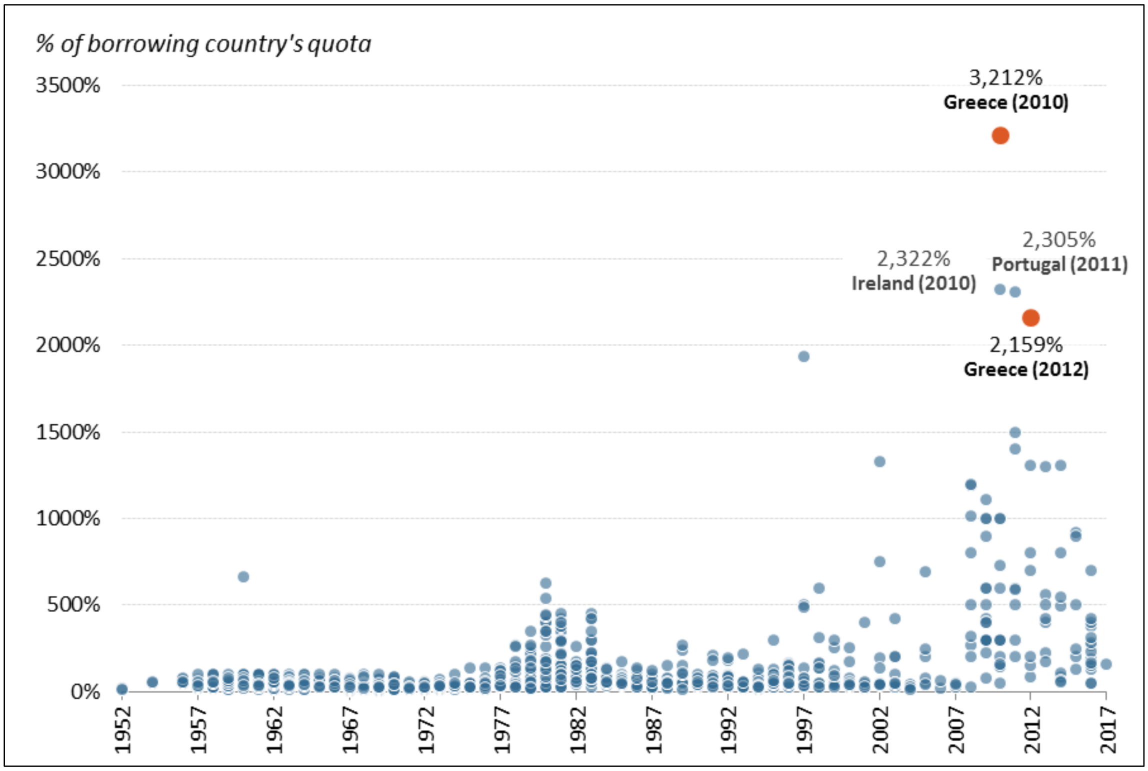
[9] A country's quota at the IMF is broadly tied to its size in the global economy, but other factors, including openness to trade, economic variability, and the size of international reserves, also play a role.

[10] Normal access to IMF resources during this time period also included a limit of 200% of quota for any 12-month period during the program, in addition to the 600% of quota limit cumulatively over the lifetime of the program.

[11] IMF, *Financial Data Query Tool*. Based on amounts when agreements were approved; some programs were "augmented" during the course of the program (for example, Russia in 1998). Median IMF program 75% of the borrowing country's quota in the 1980s, 50% in the 1990s, and 65% in the 2000s. Excluding precautionary IMF programs, the median program size since 2008 is 300%.

[12] Carmen M. Reinhart and Christoph Trebesch, "The International Monetary Fund: 70 Years of Reinvention," *Journal of Economic Perspectives*, vol. 30, no. 1 (Winter 2016), p. 14.

Figure 2. IMF Programs, 1952-2017



Source: IMF, *Financial Data Query Tool.*

Notes:. Program amounts when agreement was approved. Programs included those funded from the IMF's General Resources Account; figure does not include programs funded by the IMF's concessional lending facility.

The trend towards larger and repeated IMF programs raises questions about whether there are limits to what IMF financing can and should be doing. On one hand, lack of clear limits on IMF financing risks moral hazard: that governments will not adopt prudent economic policies if there is an understanding that the IMF will "bail them out," even at a high cost or over a long time period. Larger and repeated programs can pose risks to donor government contributions to the IMF. More generally, IMF financing was originally designed to help countries address short-term liquidity issues relating to currency misalignments. IMF financing was not originally intended to address the types of crises the IMF has increasingly confronted in recent decades: countries grappling with serious banking or debt crises, where there are questions about the country's solvency and the country's financing needs are large and long-term. This raises questions about whether IMF financing has strayed from its original mandate, and how large, longer-term IMF programs fit into the broader international financial architecture, particularly with the World Bank and other multilateral development banks also focused on large, long-term development financing.

On the other hand, there are risks to limiting the resources the IMF can deploy during crises. Large IMF programs post-2008 reflect the severity of the global financial crisis, and it is not clear that the global economy would have been better off if the IMF had taken a less aggressive response. Large programs post-2008 also reflect the fact that IMF resources had not increased at the same rate of global GDP and international economic activity.[13] Additionally, serial IMF programs reflect the changing nature of

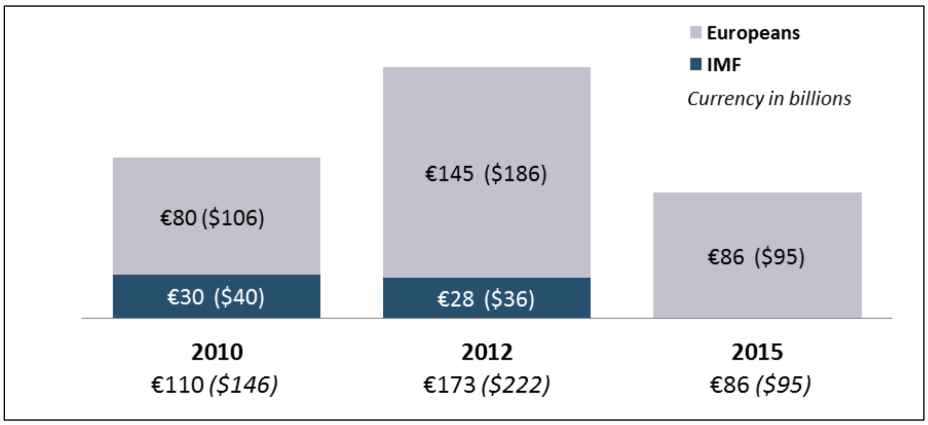
[13] This was a key argument for doubling IMF quota resources, which was implemented in 2016. For more on the IMF reform package, see CRS Report R42844, *IMF Reforms: Issues for Congress*, by Rebecca M. Nelson and Martin A. Weiss.

economic crises, as the types of crises facing countries in recent decades are associated with deeper and longer drops in economic output.[14] If there is a compelling case for large and repeated IMF programs, which is itself a hotly debated question, there may still be questions about whether IMF policies should be reformed to reflect the shift in types of crises to which the IMF is responding, and how programs can be designed to minimize moral hazard.

Should the IMF co-finance programs with other official creditors and if so, under what circumstances?

At the outset of the Greek crisis, the IMF entered an unprecedented co-financing arrangement with official European creditors. While the IMF provided a minority share of the total resources in the Greek packages (**Figure 3**), co-financing was not by itself unusual in an IMF program. For example, bilateral commitments supplemented IMF resources during Mexico's crisis in 1994-1995 and the Asian financial crisis in 1997-1998.[15] However, it was unprecedented for other official creditors to play a formal role with the IMF in designing and overseeing the program, potentially limiting the independence of the Fund.

Figure 3. IMF Programs in Greece



Source: Independent Evaluation Office of the IMF, *The IMF and the Crises in Greece, Ireland, and Portugal*, 2016, p. 4; European Commission, *Greece: The Third Economic Adjustment Programme.*

Notes: Euros converted to U.S. dollars using exchange rate from the year the program was approved.

Co-financing limited the IMF's financial commitment to Greece, but the IEO found that the so-called "troika" arrangement of the IMF, European Commission, and ECB constrained IMF policy decisions and potentially subjected IMF staff's technical judgements to political pressure.[16] For example, in 2010, some European creditors insisted debt restructuring should not be on the table for Greece. The concerns of the Europeans reportedly overrode IMF staff concerns about the sustainability of Greek debt and the use of debt restructuring as a regular part of the IMF crisis response toolkit. Although the official positions on debt restructuring for Greece evolved and Greece's private debt was restructured in 2012, the delay meant that a large portion of the 2010 program was used to repay Greece's private creditors, and private sector

[14] Carmen M. Reinhart and Christoph Trebesch, "The International Monetary Fund: 70 Years of Reinvention," *Journal of Economic Perspectives*, vol. 30, no. 1 (Winter 2016), pp. 12-13.

[15] For more information on IMF and bilateral commitments during key programs in 1990s and early 2000s, see Nouriel Roubini and Brad Setser, *Bailouts or Bail-ins? Responding to Financial Crises in Emerging Economies* (Institute for International Economics, 2004), Table 4.1.

[16] Independent Evaluation Office of the IMF, *The IMF and the Crises in Greece, Ireland, and Portugal*, 2016.

debt was largely replaced by official sector debt. When Greece did restructure its private debt in 2012, it had limited impact on Greece's overall debt level.

The IMF's experience with the troika arrangement raises questions about whether the IMF should co-finance programs with other creditors. Based on the experience in Greece, co-financing can be helpful in reducing the IMF's financial commitment in a crisis, but problems can arise when the IMF and co-financing partners are not aligned in terms of goals or beliefs about the correct policy response. If co-financing is desirable, there are questions about how to structure co-financing arrangements to maximize effectiveness. This includes the optimal size of IMF financing relative to financing from other creditors and the process by which the IMF designs and oversees programs with co-financing partners.

The IMF does not have a clear policy on co-financing arrangements, although the issue is likely to remain salient in coming years.[17] The financing needs of countries in crisis have increased over the past several decades,[18] and regional financing arrangements, which provide financial support to member countries experiencing financial difficulties, have proliferated. In addition to the new Eurozone rescue fund (the European Stability Mechanism), examples of such funds include the Arab Monetary Fund, the BRICS (Brazil, Russia, India, China, and South Africa) Contingent Reserve Arrangement, the Chiang-Mai Initiative, the Eurasian Fund for Stabilization and Development, and the Latin American Reserve Fund.

How much policy flexibility should the IMF have?

In an unusual step, the IMF revised its lending safeguards in 2010 to allow the first Greek program to go forward despite misgivings about the sustainability of Greece's debt. Greece's financing needs were large, but Greece did not meet the criteria required for accessing loans above the normal IMF lending limits (referred to as "exceptional access" to IMF financing). Specifically, IMF staff could not certify that Greece met one of the exceptional access criteria—that Greece's debt would be sustainable under the program over the medium-term with high probability. However, the IMF believed that the risks from Greece to the global economy were more significant than the risks of extending a large loan to a country with a potentially unsustainable level of debt. The Fund changed the exceptional access criteria to make an exemption for countries that posed a systemic threat to the global economy, allowing the Greek program to go forward.

The rollout of the policy change was opaque and controversial, because the merits and drawbacks of the policy for the IMF were not discussed separately from the exigencies of the Greek crisis.[19] The "systemic exemption" was also criticized for increasing the likelihood that the IMF program in Greece would fail, posing a risk to IMF resources.[20] Greece's missed payments to the IMF in the summer of 2015 are cited as evidence that these concerns were founded. However, the "systemic exemption" was also invoked for successful programs in Ireland and Portugal.[21] IMF staff debated repealing the systemic exemption in

[17] IMF, *Stocktaking the Fund's Engagement with Regional Financing Arrangements*, April 11, 2013; IMF, C*risis Program Review*, November 9, 2015.

[18] Carmen M. Reinhart and Christoph Trebesch, "The International Monetary Fund: 70 Years of Reinvention," *Journal of Economic Perspectives*, vol. 30, no. 1 (Winter 2016), pp. 3-28.

[19] Paul Blustein, *Laid Low: The IMF, The Euro Zone, and the First Rescue of Greece*, Centre for International Governance Innovation, CIGI Papers No. 61, April 2105; Susan Schadler, *Living with Rules: The IMF's Exceptional Access Framework and the 2010 Stand-By Arrangement with Greece*, IEO Background Paper, 2016.

[20] John B. Taylor, "Obama and the IMF Are Unhappy with Congress? Good," *Wall Street Journal*, February 13, 2014; John B. Taylor, "The Lesson Greece's Lenders Forgot," *Wall Street Journal*, July 9, 2015.

[21] Portugal and Ireland's economies were stabilized at the conclusion of the programs. The governments were able to re-enter capital markets and repay the IMF early. Edward M. Truman, "IMF Exceptional Access and Reform Legislation: Do Not Link the Two Issues," Peterson Institute of International Economics, July 23, 2015.

2014 and 2015.[22] The IMF repealed it in 2016, following congressional legislation that conditioned U.S. participation in a broader IMF reform package on its repeal (P.L. 114-113).[23]

The 2010 decision to change a key IMF lending safeguard raises questions about the appropriate balance between IMF flexibility during crises and adherence to IMF safeguards that protect IMF resources. Providing the IMF discretion to make policy changes allows the IMF to tap its expertise in unforeseen and time-sensitive crises. The risk is that the IMF may make policy changes that donor governments do not support and make the IMF less predictable as an institution. Additionally, the procedure by which the IMF made the policy change in 2010 raises governance questions relating to transparency and accountability.

How should the IMF engage with members of currency unions?

Greece's membership in the Eurozone is another unusual feature of the IMF programs in Greece. Eurozone members share a common currency and monetary policy, while largely retaining national control over fiscal and banking policies. The unusual split in economic policy responsibilities between national and Eurozone-level authorities complicates IMF surveillance and programs.[24] While there is some precedent for IMF support of countries that are members of currency unions (recent examples include St. Kitts, Benin, and Burkina Faso), Greece was unusual due to the size of its economy and the euro's status as a major reserve currency.[25]

The IMF programs in Greece, as well as in Ireland, Portugal, and Cyprus, treated the crises as crises in individual members of the Eurozone, rather than a crisis of the Eurozone as a whole.[26] The conditionality focused on policies directly under the purview of the individual member governments, such as fiscal policies and regulations. Even though the IMF coordinated closely with the ECB, IMF programs did not include conditionality on policies that applied to the currency union as a whole, particularly monetary and exchange rate policies. In most IMF programs, such policies would normally be subject to conditionality.

Additionally, IMF programs in the Eurozone also did not specifically address structural imbalances within the currency union that may have contributed to the crisis, particularly persistent current account imbalances within the Eurozone, or policy reforms in stronger Eurozone members that could have supported the crisis response, including policies to boost domestic demand.

The IMF's experience in Greece raises questions about how the IMF should engage effectively with currency unions and specific members of a currency union. By focusing on the individual member states in the Eurozone rather than the Eurozone as a whole, the IMF programs focused on a narrower set of policy tools than was needed to address the fundamentals of the crisis and imposed more costs of the crisis adjustment on specific currency union members. However, it is not clear what authority the IMF has over currency unions as a whole, or members of currency unions that are not in crisis.

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[22] IMF, *The Fund's Lending Framework and Sovereign Debt—Preliminary Considerations*, June 2014. IMF, *The Fund's Lending Framework and Sovereign Debt—Further Considerations*, April 9, 2015.

[23] IMF, "IMF Survey: IMF Reforms Policy for Exceptional Access Lending," January 29, 2016. For more on the IMF reform package, see CRS Report R42844, *IMF Reforms: Issues for Congress*, by Rebecca M. Nelson and Martin A. Weiss.

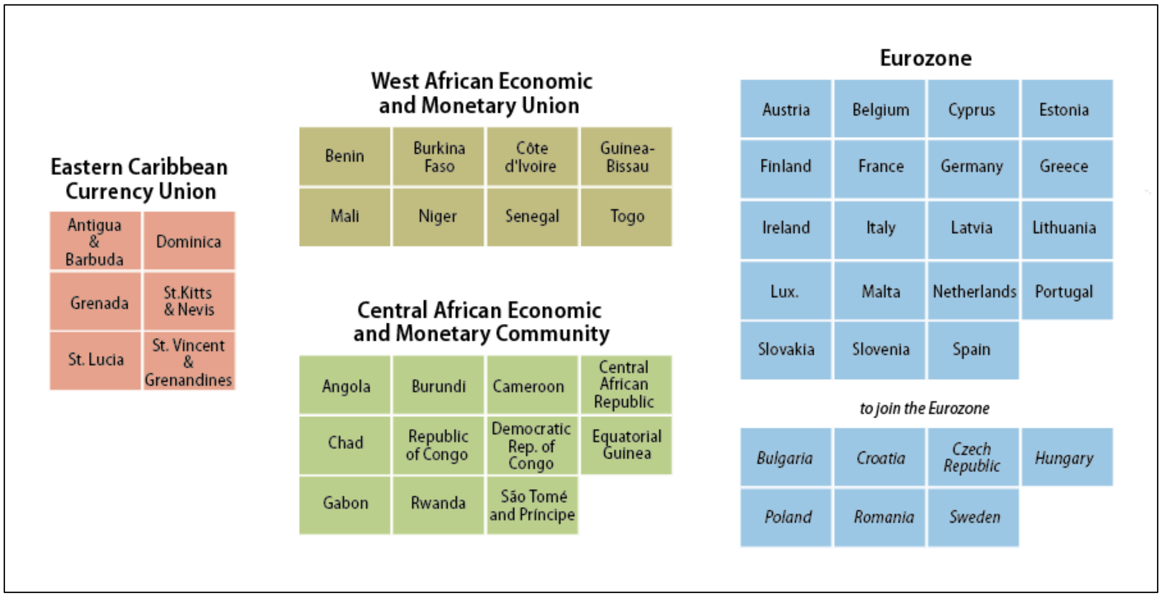
[24] For example, see Adam Feibelman, "Europe and the Future of International Monetary Law," vol. 22, no. 1 (2013).

[25] Independent Evaluation Office of the IMF, *Greece: Ex Post Evaluation of Exceptional Access under the 2010 Stand-By Arrangement*, 2013.

[26] Edwin M. Truman, *The IMF and Euro Area Crises: Review of a Report from the Independent Evaluation Office*, Peterson Institute for International Economics, Policy Brief 16-13, September 2016.

The IMF does not have clear guidelines for designing programs in currency unions or currency union members.[27] Questions about IMF programs in currency unions may arise in the future. In addition to the Eurozone (19 members), other currency unions in the global economy include the Eastern Caribbean Currency Union (6 members), the Central African Economic and Monetary Community (11 members),[28] and the West African Economic and Monetary Union (8 members) (**Figure 4**). Together, about a quarter of the IMF's total membership currently belongs to a currency union. An additional 7 EU members are expected to join the Eurozone after meeting specific entry criteria.

Figure 4. Currency Unions



Source: Created by the Congressional Research Service.

How secure is the IMF's preferred creditor status?

When the Greek government fell behind on payments to the IMF in the summer of 2015, it continued to meet its debt payments to private bondholders.[29] This broke with the long-held convention that IMF has "preferred creditor status:" distressed countries borrowing from the IMF are expected to give priority to payments to the IMF over payments to all other creditors.[30] The Greek government faced strong incentives to repay private creditors: the payments to private creditors falling due were small, and there was a market perception that a default on private debt would be "calamitous."[31] The period in which Greece was in arrears to the IMF was relatively short (less than one month). The Greek government repaid the missed payments to the IMF after reaching a deal with European creditors that unlocked fresh disbursements of funds. However, the period in which Greece was in arrears created substantial uncertainty about the stability of IMF finances, since Greece was one of its largest borrowers.

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[27] IMF, *Crisis Program Review*, November 9, 2015; Independent Evaluation Office of the IMF, *The IMF and the Crises in Greece, Ireland, and Portugal*, 2016.

[28] Anguilla and Montserrat are also members of the ECCU, but are not independent IMF members.

[29] Leo Lewis, "Greece Makes Samurai Bond Repayment," *Financial Times*, July 13, 2015.

[30] Susan Schadler, *The IMF's Preferred Creditor Status: Does it Still Make Sense After the Euro Crisis?*, Policy Brief No. 37, March 2014.

[31] Leo Lewis, "Greece Makes Samurai Bond Repayment," *Financial Times*, July 13, 2015.

The IMF's preferred creditor status is viewed as critical to allowing the IMF to work effectively as a lender of last resort, safeguarding IMF resources, and enabling the IMF to charge relatively low interest rates.[32] The "seniority" of IMF financing is not written in law, but is agreed in principle by IMF member countries and broadly understood by market participants. Until the Greek crisis, there was a strong historical record of distressed governments defaulting on other creditors (private creditors, bilateral creditors, and other multilateral organizations) prior to missing any payments to the IMF.[33] It is unclear whether Greece's temporary arrears to the IMF are a one-off deviation from a strong historical record, or whether Greece's policy choices set a new precedent for future crises. There are questions about how the IMF could respond if governments and private investors start questioning seniority of IMF financing, including whether the IMF could continue to function in effect as the lender of last resort in the global economy.

Conclusion

In the Greek crisis, the IMF is in many ways in uncharted territory: committing significant financing in back-to-back programs, entering an unusual co-financing arrangement, changing its lending policies, designing conditionality for a crisis in a major currency union, and facing temporary missed payments from one of its largest borrowers. However, the Greek crisis unfolded on the heels of the global financial crisis of 2008-2010, and there was broad agreement that the international economy was too fragile to sustain another systemic shock. Additionally, the IMF was not the only actor taking extraordinary measures to protect the global economy. Central banks were pursuing unconventional quantitative easing programs, many governments were pursuing substantial fiscal stimulus measures, and world leaders overhauled the international framework for economic cooperation, with the elevation of the G-20 as the prominent forum for international economic coordination. The IMF was widely viewed as a critical part of the response to the global financial crisis; in April 2009, G-20 leaders committed to tripling the IMF's resources to ensure it could respond effectively to the global financial crisis.[34] There is broad consensus that the IMF contributed to stemming contagion from Greece, consistent with its mandate of promoting international monetary stability.

However, seven years after the first IMF program for Greece was approved, the economic crisis there remains acute and there is no clear long-term plan for stabilizing the Greek economy. Although a number of factors beyond the control of the IMF may have contributed to the current situation in Greece, many observers have noted policy missteps by the Fund and argued that the Greek crisis has tarnished the IMF's reputation.[35]

The IMF is an international organization that has evolved over time. After a number of major crises, outside analysts and the IMF itself have evaluated the crisis response, leading to changes in IMF policies going forward. The IMF's experience in Greece may be another pivotal crisis that leads to a broader discussion of IMF policies and its role in the global economy. This could include examination of the extent to which the size and scope of recent IMF programs have veered from its original mandate to provide financial support for temporary balance-of-payments crises. In addition, issues could include the IMF's interactions with other financing organizations, IMF safeguards that ensure the Fund's accountability, and the IMF's role as a lender of last resort in the global economy.

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[32] Susan Schadler, *The IMF's Preferred Creditor Status: Does it Still Make Sense After the Euro Crisis?*, Policy Brief No. 37, March 2014.

[33] Matthias Schlegl, Christoph Trebesch, and Mark Wright, "Sovereign Debt Repayments: Evidence on Seniority," *Vox*, August 11, 2015.

[34] G-20, London Summit, Leaders' Statement, April 2, 2009.

[35] For example, Shawn Donnan, "IMF under Pressure in Washington over Greek Bailout," *Financial Times*, March 17, 2017.