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The IMF and Economic Development

Why do governments turn to the International Monetary Fund (IMF) and with what effects? In this book, James Raymond Vreeland examines this question by analyzing cross-national time-series data from throughout the world. Vreeland argues that governments enter into IMF programs for economic and political reasons, and he finds that the programs hurt economic growth and redistribute income upward. By bringing in the IMF, governments gain political leverage – via conditionality – to push through unpopular policies. For certain constituencies, these policies dampen the effects of bad economic performance by redistributing income. But IMF programs hurt doubly the least well-off in society: They lower growth and exacerbate income inequality.

James Raymond Vreeland, Ph.D., New York University, 1999, is Assistant Professor of Political Science at Yale University and Director of Undergraduate Studies for the International Studies Program. His research has appeared in the *Journal of Development Economics*, *Political Analysis*, and *World Development*. He teaches courses on political economy, quantitative methods, and the IMF.

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To Mom, Dad, and Kristen

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The IMF and Economic Development

JAMES RAYMOND VREELAND
Yale University



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