ADJUSTMENT AND GROWTH IN IMF-SUPPORTED PROGRAMS

Draft Issues Paper for an Evaluation by the Independent Evaluation Office (IEO)

July 31, 2019

I. INTRODUCTION

1. This evaluation will assess how well IMF-supported programs have helped to sustain economic growth while delivering necessary adjustment for external viability. According to the Articles of Agreement, one of the fundamental purposes of the IMF is to make its resources temporarily available to members to help correct balance of payments (BOP) problems without resorting to measures "destructive of national or international prosperity." This purpose is echoed in the Fund's Guidelines on Conditionality (2002), which also stipulate that the focus of IMF-supported programs should be primarily directed to solving the member's BOP problems and achieving medium-term external viability while "fostering sustainable economic growth." As indicated in a 2013 Board paper, IMF-supported programs should therefore help maintain and strengthen growth as much as possible, while ensuring that programs meet their primary external goals (IMF, 2013).

2. Growth has been recognized as important not just for its own sake but also as a key ingredient to achieving economic and financial stability. The endogenous linkage between debt sustainability and growth is well known. Overly ambitious adjustment may help improve flow balances and reduce debt in absolute amount but not necessarily as a share of GDP. Weak growth outcomes render targeted balance sheet repairs or correction of stock imbalances more difficult to achieve or sustain and may undercut political support for adjustment and reform. More generally, the relationship between adjustment and growth is likely to be nonlinear and uncertain, particularly if the economy is under financial stress or operating outside normal macroeconomic conditions. It is also likely to differ depending on the horizon considered—i.e., adjustment may depress growth in the short run but support growth in the medium and longer run. In this light, achieving an appropriate and realistic combination of adjustment and growth has always been a challenging task.

3. In practice, the Fund's attention to growth in the context of financing arrangements has increased over time. The introduction of the Extended Fund Facility (EFF) back in the 1970s provided scope for structural policies over longer program periods to support deeper adjustment and achieve greater growth impact. Greater emphasis on growth and poverty reduction for low-income countries (LICs) was reflected in the introduction of the Enhanced Structural Adjustment Facility (ESAF) in 1987 and the Poverty Reduction and Growth Trust (PRGT) in 2000. The 2002 Guidelines on Conditionality explicitly specified growth as a program goal more generally in Fund-supported programs. In the aftermath of the global financial crisis (GFC), the Fund paid greater attention to growth in program design out of concerns for contractionary effects on already weak growth. Greater emphasis on growth outcomes—both during the program period and afterwards—implied increasing attention to growth friendly policies such as protection of public investment, growth-enhancing structural reforms, and debt operations to alleviate the extent of fiscal adjustment needed to achieve viability.

4. IMF policies related to supporting growth in the program context have evolved, primarily informed by periodic internal reviews of conditionality (ROC) and the lending framework. For

instance, the Fund's debt sustainability framework has been refined with greater built-in scrutiny of the realism of growth projections. The 2009 and 2014 reforms of debt limits policy (DLP) sought to ensure that IMF-supported programs strike a balance between debt sustainability and growth considerations—especially for LICs—by allowing greater flexibility in borrowing to create space for productive investment.

5. Despite these refinements, growth and debt outcomes have tended to fall short of program assumptions. Indeed, the 2018 ROC found that while IMF-supported programs were often quite successful in solving the member's BOP problems, program growth projections were generally too optimistic, implying less progress in reducing stock imbalances or ensuring debt sustainability than intended.

6. Concerns about the growth impact of IMF-supported programs have fostered an extensive academic literature. Empirical findings vary substantially depending on the sample periods and countries covered. In broad terms, the literature is inconclusive about the growth impact of IMF-supported programs, reflecting in part significant empirical challenges involved in identifying appropriate counterfactuals and isolating the impact of programs on growth from influences of other factors. Nevertheless, lackluster growth under IMF-supported programs relative to non-program countries or periods has often been criticized as indicative of an excessive tightening bias and resulted in a perceived stigma, potentially discouraging use of IMF financing and challenging the Fund's reputation.

7. This evaluation will assess experience with adjustment and growth in program design and outcomes over the past ten years and draw lessons for the Fund's lending and conditionality framework. The evaluation will build on the findings and conclusions of the recently completed 2018 ROC and other relevant studies, including earlier IEO evaluations. As to program design, the evaluation will assess how programs have paid attention to growth considerations, including how program design was influenced by the principle of country ownership, need for tailoring to country circumstances, and concerns to ensure evenhandedness. For program outcomes, the evaluation will seek to assess whether programs helped countries support growth better than otherwise. The evaluation will recognize and discuss the role of constraints on external financing and IMF financing in particular. The evaluation will make appropriate distinction, wherever relevant, between short and medium runs, as well as between demand restraints and supply-side responses.

8. The evaluation will focus on IMF financing arrangements (including arrangements treated as precautionary) approved and completed between September 2008 and June 2019. It will feature three sets of analysis. First, empirical analysis of program and actual data for growth and adjustment indicators will be undertaken for the whole sample. Second, select country case studies will be conducted to evaluate experience with adjustment and growth in detailed, country-specific contexts. Finally, thematic studies on program design will build on the findings of country case studies to discuss the role and contributions of complementary strategies to support growth while delivering adjustment needed to achieve external viability.

9. The remainder of this paper is organized as follows. Section II provides a short background for the evaluation and outlines some initial empirical evidence on growth and adjustment in IMF-supported programs over the period of 2008–19 to motivate the evaluation themes and questions. Section III discusses the sample and methodology that the evaluation will use. Section IV sets out the broad and related specific questions to be addressed in the evaluation. Section V proposes a list of countries/programs for case studies and the selection criteria, together with a set of structured questions to be asked across case studies for comparability. Finally, Section VI presents topics for thematic background papers.

II. BACKGROUND

Attention to growth in IMF-supported programs

10. The IMF's attention to growth in the program context has increased over time and has received different emphasis under different facilities. The Extended Fund Facility (EFF) was created in 1974 to provide a longer program period for countries experiencing serious balance of payments imbalances because of structural impediments or characterized by slow growth and an inherently weak balance of payment position. In 1987, the Enhanced Structural Adjustment Facility (ESAF) was introduced to provide concessional financing to support structural adjustment in low-income countries. The September 1999 Annual Meetings resulted in a clear mandate to more fully integrate the objectives of poverty reduction and growth into the Fund's operations for the poorest countries. This led to the creation of the Poverty Reduction and Growth Trust (PRGT) in 2000.

11. Reflecting in part the increasing attention to growth, the Fund adopted a new set of guidelines on program conditionality in 2002, which replaced the 1979 Guidelines. The 1979 Guidelines focused on stabilization objectives while calling for the Fund to pay due regard to the domestic social and political objectives and economic priorities of the country. The 2002 Guidelines on Conditionality specified clearly that Fund-supported programs should be primarily directed at solving the member's BOP problem without recourse to measures destructive of national or international prosperity; and to achieve medium-term external viability while fostering sustainable economic growth.

12. Notwithstanding the increased emphasis on growth in the 2002 Guidelines, program design—particularly in programs supported by the General Resource Account (GRA)—continues to give primary place to achieving external objectives. The 2005 ROC recognized that in the context of streamlining conditionality in GRA-supported programs, growth can of course be a key aid to sustainability, but measures that would be aimed solely at increasing growth but would have no impact on external sustainability, while laudable, should not be made conditions of GRA-supported programs. At the same time, it acknowledged a risk that streamlining efforts would result in insufficient attention to growth- and efficiency-related reforms in IMF-supported programs (IMF, 2005). Relatedly, the 2007 IEO evaluation on structural conditionality in IMF-supported programs found that there was extensive use of structural conditionality during

the period of 1995–2004, but most structural conditions had little structural depth, with only a weak link between compliance and subsequent additional reforms (IEO, 2007).

13. The growth impact of IMF-supported programs has received significantly more attention since the GFC. The 2009 Review of Recent Crisis Programs indicated that post-GFC programs accommodated larger deficits in order to cushion the short-run impact on growth (IMF, 2009b). Similarly, the 2011 ROC found that fiscal adjustment was generally restrained in post-GFC programs largely out of concerns for contractionary effects, and that promoting growth and poverty reduction was a goal in an increasing number of GRA-supported programs (IMF, 2012a; 2012c). It also found that key macroeconomic projections, such as growth, did not display an optimism bias in the aggregate. The 2011 ROC discussed growth in the broad macro-social context, encompassing the quality dimension of growth such as inclusiveness and income distribution. The 2015 Crisis Program Review noted that often tepid growth performance during 2008–13 reflected in part factors such as weak global conditions and balance sheet stress (IMF, 2015).

14. Increased attention to growth was reflected in the 2014 Revisions to the Operational Guidance Note (OGN). Specifically, it required staff to accommodate to the extent possible the preferences and policy choices of country authorities, including on growth, labor market and distributional targets (IMF, 2014). It also stressed that staff should ensure that conditionality is parsimonious and well matched to tightly specified program goals, with due regard to the likely program effects on growth, employment and, where relevant, income distribution.

15. The 2018 ROC recently discussed by the Board introduced a novel analytical framework to assess program success and paid considerable attention to analyzing growth outcomes compared to program projections (IMF, 2019a). The ROC's metric for success in GRA-supported programs focused on stability outcomes—as reflected in post-program Fund engagement and the evolution of vulnerability indicators. For programs supported by PRGT, growth performance measured as growth forecast error—considering actual growth higher than projected as success—was included as one of a range of macroeconomic and development indicators. Unlike the 2011 ROC, the 2018 ROC found an optimism bias in program projections and it called for greater realism in program design.

Academic literature on the growth impact of IMF-supported programs

16. There is a large academic literature examining the impact of IMF-supported programs on growth (and other macroeconomic variables) using various statistical analyses. A review of the literature suggests that little consensus has thus far emerged on the growth impact of IMF-supported programs, although recent studies suggest a more positive impact on growth of IMF-supported programs than earlier studies (Table 1). As is well known, there are significant empirical challenges involved in identifying the growth impact of IMF-supported programs, ranging from inherent difficulties to establish reliable counterfactuals to challenges in controlling endogeneity biases in statistical analysis.

Table 1. Selected Studies on the Growth Impact of IMF-Supported Programs

Country Group	Positive impact on growth	Negative impact on growth	Inconclusive
EM	Hutchison (2004/1975-97/25)	Bordo and Schwartz (2000/1973-99/24) Hutchison and Noy (2003/1975-97/65)	Eichengreen and others (2008/1980-2003/28)
LIC	Dicks-Mireux and others (2000/1986-91/74) Bal Gunduz (2016/1980-2010/55) Bird and Rowlands (2017/1989-2008/66)	Easterly (2005/1980-99/20) Butkiewicz and Yanikkaya (2005/1970-97/96) IEO (2002/1971-2000/51)	Hardoy (2003/1970-90/105)
Mixed	Bas and Stone (2014/1970-2008/104)	Barro and Lee (2005/1975-99/130) Przeworski and Vreeland (2000/1951-90/135) Vreeland (2003/1961-93/110) Dreher (2006/1970-2000/96)	Atoyan and Conway (2006/1993-2002/95) Evrensel (2002/1971-97/109)

Source: IEO.
Note: The three sets of numbers displayed in the parenthesis refer to the year of publication, the sample period, and the number of countries covered in the study, respectively.

17. Several other studies looked at the impact of IMF-supported programs in a broader scope encompassing inclusiveness and income inequality. For example, Garuda (2000) finds that IMF-supported programs tend to improve income distribution relative to non-program countries if initial external imbalances are small or moderate while the opposite holds otherwise. Conway (2009) finds for the sample of 108 developing countries over the period of 1988–98 that income inequality depends primarily upon country characteristics, and not on participation in IMF-supported programs. In contrast, Oberdabernig (2013) shows for the sample of 86 LICs over the period of 1982–2009 that there are adverse short-run effects on poverty and income inequality of IMF-supported programs.

Growth and adjustment in IMF-supported programs 2008–19: A first glance

18. A first look at the data for IMF-supported programs helps motivate and guide the framing of the evaluation. The sample covers 51 GRA-supported and 61 PRGT-supported arrangements (including arrangements treated as precautionary) approved and completed between September 2008 and June 2019.[1] Initial findings summarized below are based on program projections at program approval, and represent in most cases the medians and interquartile range at the country group level, obtained without controlling for other factors that might affect the variables in question. Thus, they may mask possibly significant interaction with other factors—which will be assessed in greater detail in the evaluation. This presentation does not address the issue of assessing the relevant counterfactual in the absence of an IMF-supported program. To put the findings in medium-term perspective, data are presented for an extended program period (denoted by T-3 through T+5 where T refers to the year of program approval).[2]

19. **Growth (Figure 1, upper panel)**. Growth projections and outcomes exhibit a U-shape time pattern in the GRA sample with the trough in the year of program approval (T). In the PRGT sample, there is less pattern in growth after an initial recovery at T. Notable in the GRA sample is the wide range of growth outcomes during the first year of the program, as indicated by the quartile range in shade. In fact, about 45 percent of GRA programs experienced real GDP contraction (i.e., negative growth) in the year of program approval, the bulk of which are accounted for by crisis programs approved in 2008–09 and Euro Area crisis programs for Greece, Ireland, Portugal, and Cyprus. In both the GRA and PRGT samples, growth outcomes generally fall short of projections, consistent with the findings of the 2018 ROC on optimism bias in growth projections. Another notable feature is a declining trend in growth outcomes during and after the program period in the PRGT sample.

20. **Fiscal and external adjustments (Figure 1, middle and lower panels)**. Program projections on fiscal and external balances exhibit a shallow U-shape pattern in both samples, albeit less visible in the PRGT sample, as in the case of growth trajectories. Both GRA and PRGT programs projected on average a steady improvement in fiscal and current account balances during and after the program with significantly larger improvements in GRA programs. In broad terms, outcomes tended to exceed or remain close to projections for the current account balance while the fiscal balance did not improve as much as programmed particularly during the post-program period.

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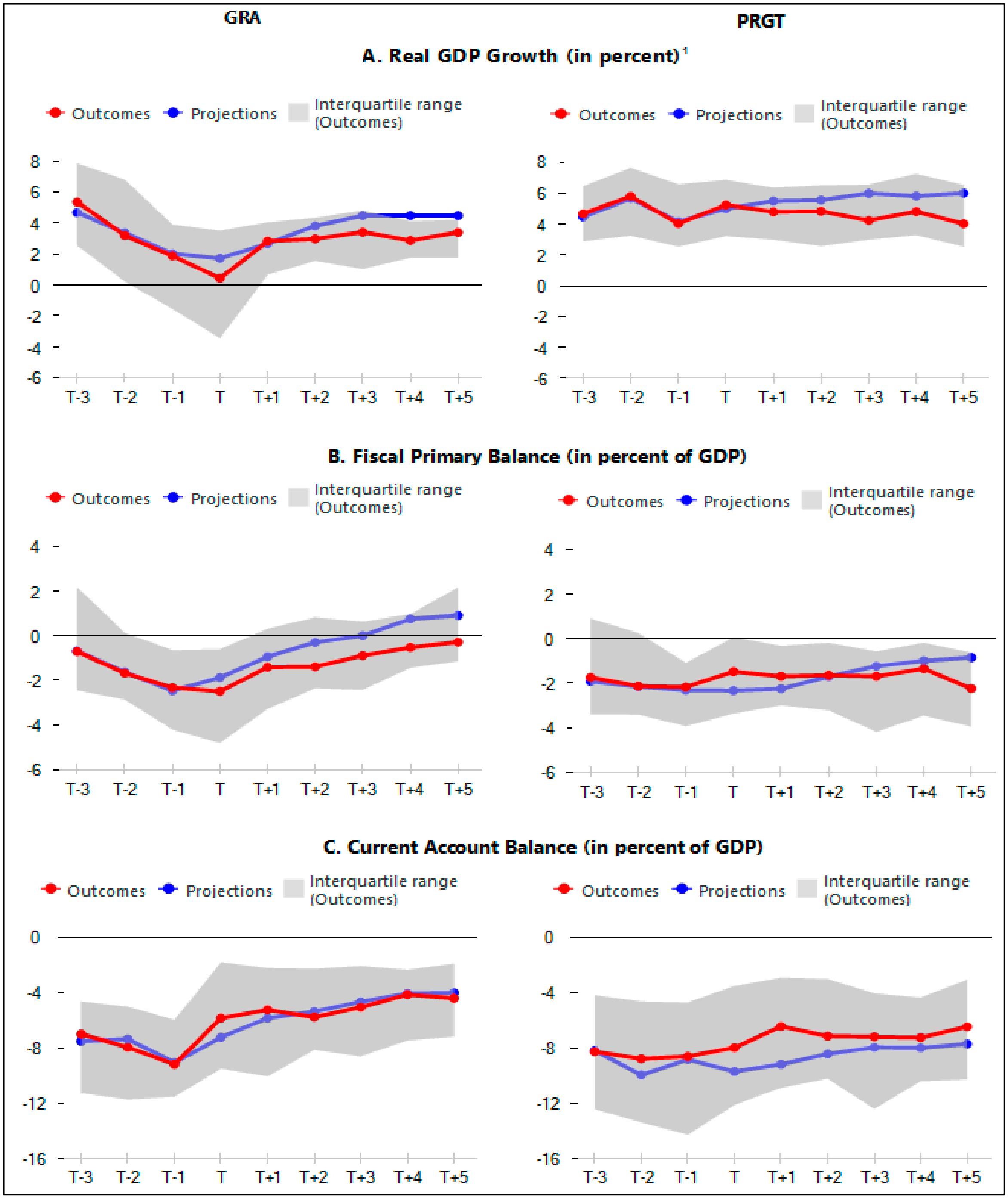
[1] Of these, eight arrangements received a blend of GRA and PRGT support and are classified as PRGT-supported arrangements in the sample.

[2] Data are taken from the *WEO* database and program approval documents. Data on outcomes are from the most recent vintage of the *WEO* database (April 2019), while projection data are taken from the vintage of the *WEO* database matched to the time of program approval (the *WEO* database is comprehensively updated four times each year).

Figure 1. Growth and Adjustment: 2008–19



Sources: *World Economic Outlook (WEO);* IEO staff calculations.
Note: All data represent cross-country medians within each group. Program projection data are taken from the vintage of the *WEO* database matched to the time of program approval. Program outcome data are taken from the 2019 April *WEO*. Data availability is not uniform across periods from T through T+5 (with less data being available for later periods) largely because post-program outcome data are not yet available for programs completed near the end of the sample period. Due to the presence of successor programs for the same countries in the sample, there is overlap in the data presented over the period considered—e.g., data for T+3 of a program coincide with data for T of the successor program of the same country.
[1] The negative interquartile range at T in Panel A (GRA) is accounted for by the 2008–09 crisis and Euro Area crisis programs.

III. SAMPLE AND METHODOLOGY

21. ***Program Sample***. The sample for the evaluation will cover 112 financing arrangements—51 GRA and 61 PRGT arrangements for 73 countries in total—approved and scheduled for completion between September 2008 and June 2019 (Appendix Table).[3]

22. ***Methodology***. The evaluation will rely on empirical analysis of program and actual data, country case studies, thematic studies, review of Fund documents (public and internal), and surveys and interviews.

- *Empirical analysis* will be conducted primarily to examine program outcomes and the impact of IMF-supported programs on growth at the country group level, complementing the analysis undertaken in the 2018 ROC which focused on growth outcomes relative to projections. In the analysis, where warranted, due attention will be paid to correcting for possible sample selection and endogeneity biases. Data for empirical analysis will be taken mostly from the *WEO* and MONA databases.

- *Country case studies* will be undertaken for a range of countries/programs to complement the empirical analysis with a deeper assessment of program design and outcome issues from a country perspective. The case studies will reflect the views of country authorities and IMF staff in drawing lessons for how to improve program growth outcomes.

- *Thematic studies* will focus on a range of approaches to improve the relationship between policy adjustments and growth in the short and medium runs—including growth-friendly fiscal adjustment, debt operations, exchange rate adjustment, and structural reforms. An additional study will examine the role and contribution of IMF-supported programs in initiating growth surges over a longer time horizon.

IV. EVALUATION QUESTIONS

23. The overarching question for the evaluation is how well IMF-supported programs have supported growth while pursuing adjustment policies given constraints on external financing and in particular IMF financing. Guided by this overarching question, the evaluation will address a set of questions for program design and outcomes. In answering these questions, due attention will be paid to the type of facility. For questions which have already been extensively studied by the 2018 ROC and elsewhere, the evaluation will rely on existing evidence unless additional analysis is warranted.

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[3] The sample includes both disbursing arrangements and arrangements treated as precautionary. The evaluation will not cover the limited experience to date with Policy Support Instruments (PSIs) and Policy Coordination Instruments (PCIs).

A. Program Design

24. Two broad questions will be addressed for the evaluation of program design. First, *how did program design seek to support growth when correcting BOP problems and achieving external viability?* Second, *how realistic was the underlying analysis used in framing growth considerations in program design?* Specific questions related to these broad questions are as follows:

(a) How did program design seek to support growth when correcting BOP problems and achieving external viability?

- How were growth projections set and how were growth considerations balanced against other program objectives?
- How were growth considerations affected by the principles of country ownership, parsimony of program conditionality, tailoring to country circumstances, and evenhandedness?
- How did concerns on growth factor into the determination of the size and phasing of adjustment as well as the depth and coverage of structural conditionality?
- How were growth considerations affected by constraints on the availability of external financing?
- What strategies were considered to support growth while achieving necessary adjustment (e.g., fiscal policy design, debt operations, exchange rate flexibility, structural reform measures)?

(b) How realistic was the underlying analysis used in framing growth considerations in program design?

- What available empirical evidence was used and discussed to substantiate the assumed relationship between policy adjustments and growth (e.g., fiscal multipliers, trade elasticities, expenditure switching, structural reform payoffs, etc.)?
- How well were the assumed relationship and related program conditions tailored to country characteristics (e.g., trade openness, capacity constraints, political economy factors, etc.)?
- Was the assumed benefit of the program for confidence and in catalyzing external financing realistic relative to the experiences of other countries with similar characteristics?

B. Program Implementation and Outcomes

25. The broad question to be considered for the evaluation of program implementation and outcomes is *did IMF-supported programs help countries achieve growth outcomes better than otherwise during and after the program period?* Specific questions are as follows:

- How did program outcomes for growth and adjustment fare relative to program projections and what were the factors explaining deviations? (This will largely draw on findings reported in the 2018 ROC.)

- How did growth outcomes during and after the program fare relative to those of non-program countries or periods (controlling for initial circumstances, the size of adjustment and external factors)?

- How were growth outcomes affected by the quality and composition of adjustment such as fiscal policy design, debt operations, exchange rate adjustment, and structural reforms (controlling for initial circumstances, the size of adjustment and external factors)?

- How were growth outcomes during the program period affected by the phasing of adjustment (controlling for initial circumstances, the size of adjustment and external factors)?

- Did the program help to sustain growth recovery and external viability after the program? Where relevant, was market access restored quickly at affordable terms during or after the program?

V. COUNTRY CASE STUDIES

26. The evaluation will include 16 country case studies to complement the empirical analysis with a deeper country perspective (Table 2). Country selection for case studies will aim at a broad coverage across a heterogeneous group in terms of program objectives and country needs. Other selection criteria will also be used, for example including countries with market debt operations and countries where program discussions terminated without agreement on a program, while trying to minimize coverage of countries already studied in other IEO evaluations (e.g., Euro Area crisis countries and fragile states).

27. Country case studies will focus on assessing adjustment and growth in detailed, country-specific contexts. The case studies will cover periods of program discussions that did not result in an approved IMF arrangement, as well as where arrangements were approved. They will be structured, for comparability and to the extent relevant, around the following set of issues:

- What were the important country-specific factors that affected decisions on adjustment and growth in program design?

Table 2. Case Study Countries (Tentative)

Region	Country (year of program approval)	Arrangement type
AFR	Tanzania (2012)	SCF
	Ethiopia (2009)	ESF
	Kenya* (2011, 2015, 2016)	ECF, SBA-SCF
	Mozambique (2015)	SCF
APD	Bangladesh* (2012)	ECF
	Mongolia (2009)	SBA
EUR	Latvia* (2008)	SBA
	Romania* (2009, 2011,2013)	SBA
	Ukraine* (2008, 2014, 2015)	SBA, EFF
MCD	Jordan (2012)	SBA
	Tunisia* (2013)	SBA
	Egypt**	
	Pakistan (2013)	EFF
WHD	Jamaica* (2010, 2013)	SBA, EFF
	Grenada* (2010, 2014)	ECF
	Honduras (2010, 2014)	SBA-SCF

* Countries included in the 2018 ROC case studies.
** Egypt is currently under an EFF arrangement (2016).

- What were the relevant country-specific factors where program discussions did not conclude in an approved IMF arrangement?

- What strategies were used to support growth while achieving necessary adjustment, and what factors determined policy choices?

- What structural reforms were considered to support growth? How were reforms built into the program, to what extent were they implemented and followed through, and what were the growth payoffs?

- How did the country's ownership affect growth and adjustment in program design and outcomes?

- Were growth projections seen as realistic by country authorities and staff? What were growth outcomes relative to program projections and what were the factors explaining deviations? Was growth recovery sustained during and after the program?

- What attention was given to the quality or distributional aspects of growth such as unemployment, inequality and poverty?
- How strong was the catalytic role of the Fund on confidence and availability of external financing?
- What were the views of country authorities on country ownership, parsimony, tailoring and the evenhandedness of program access and conditionality in addressing growth and adjustment issues?
- What lessons can be learned from the country's experience for how to improve growth outcomes while achieving necessary adjustment?

VI. THEMATIC STUDIES

28. The evaluation will include five thematic studies to be presented as background papers. Four studies will focus on assessing strategies used in program design to improve the relationship between adjustment and growth and their impact on growth in the short and medium runs, drawing on the findings from country case studies as well as additional analysis. The fifth will examine the role of IMF-supported programs in initiating sustained growth surges from a longer historical perspective.

Fiscal adjustment and growth in IMF-supported programs

29. While fiscal adjustment features prominently in the bulk of IMF-supported programs, there are significant challenges surrounding the design of fiscal policy to support growth and meet a country's social objectives while delivering adjustment needed to achieve external viability. In reality, there is significant uncertainty about the size (and even sign) of fiscal multipliers. The political economy of fiscal adjustment is also difficult to predict particularly when the economy is collapsing or when the country is in political transition. The 2018 ROC found that although most programs aimed at growth-friendly fiscal consolidation, the adjustment that materialized was often of lower quality than envisaged. This background paper will assess: whether staff guidance on fiscal multipliers was consistent and coherent across programs; whether fiscal reforms provided a basis for sustained improvement in fiscal capacity for revenue mobilization and growth-friendly public spending; and how the growth impact of fiscal adjustment differed between short and medium runs and depending on the composition and quality of adjustment.

Debt operations and growth in IMF-supported programs

30. Well-designed debt operations (debt restructuring and reprofiling) can alter the relationship between adjustment and growth by improving debt sustainability with less adjustment than otherwise and fostering renewed market access. However, warranted debt restructuring has often been delayed due to operational challenges and reluctance by

authorities. The 2018 ROC found that debt operations tend to result in higher likelihood of "program success" defined by a metric developed for the Review, at least for smaller borrowers. However, uncertainty remains as to the extent to which debt operations help promote growth and not just facilitate adjustment, given possible impact on balance sheets of domestic lenders and reputation effects. This background paper will focus on "market" debt operations undertaken in the context of IMF-supported programs (e.g., Greece, Jamaica, Seychelles, Ukraine), and examine how they affected adjustment and growth in program design and outcomes for growth and market access.

Exchange rate adjustment and growth in IMF-supported programs

31. Exchange rate policy is an important part of program design. The exchange rate may serve as a nominal anchor or can be used to facilitate external adjustment (by improving export competitiveness and facilitating expenditure switching). There may be some tension between these two aspects as nominal exchange rate adjustment may support growth but could make it harder to stabilize inflation expectations or even trigger political push back. This background paper will examine what considerations were important for program decisions on exchange rate policy and assess the role of exchange rate adjustment in facilitating adjustment and supporting growth and external competitiveness in IMF-supported programs.

Structural reforms and growth in IMF-supported programs

32. Structural reforms are an important aspect of program design to support growth and facilitate needed policy adjustments. While structural reforms would normally be expected to have long-lasting impact on growth, they may take time to put in place and take effect. Reform strategies also need to consider country ownership, focus, and technical support to foster adequate implementation, follow-through, and impact. The 2018 ROC found that structural conditionalities often did not address gaps identified in prior surveillance especially in macro-structural areas outside the Fund's core expertise. This background paper will draw on the country case studies to dig deeper to assess country experiences on growth-enhancing structural reforms undertaken in the context of IMF-supported programs.

Initiating sustained growth surges: role of IMF-supported programs

33. By supporting comprehensive reforms and successful macroeconomic stabilization, IMF-supported programs have played a role in initiating growth surges in some countries where deep-seated distortions and macroeconomic instability have long hampered growth. Examples of countries that experienced sustained growth surges following IMF-supported programs would include, among others, India (1991), transition economies (e.g., Poland, 1993; 2009), Baltic states (Estonia, Latvia, Lithuania, 2001)), and Philippines (2000). Taking a longer historical perspective than the rest of the evaluation, this background paper will identify episodes of sustained growth surges initiated in the context of IMF-supported program, and investigate what policies were crucial for initiating and sustaining growth surges.

APPENDIX. IMF FINANCING ARRANGEMENTS: SEPTEMBER 2008–JUNE 2019[1]

Dept.	Country	GRA	Approved	Dept	Country Name	PRGT	Approved
AFR	ANGOLA 1/	SBA	2009	AFR	BENIN 1/	ECF	2010
AFR	SEYCHELLES	SBA	2008	AFR	BURKINA FASO 1/	ECF	2010
AFR	SEYCHELLES 1/	EFF	2009	AFR	BURKINA FASO	ECF	2013
AFR	SEYCHELLES 1/	EFF	2014	AFR	BURUNDI 1/	ECF	2012
APD	MONGOLIA	SBA	2009	AFR	CENTRAL AFRICAN REPUBLIC 2/	ECF	2012
APD	SRI LANKA 1/	SBA	2009	AFR	CHAD 2/	ECF	2014
APD	SRI LANKA 1/	EFF	2016	AFR	COMOROS 1/	PRGF	2009
EUR	ALBANIA 1/	EFF	2014	AFR	CONGO, REP OF	PRGF	2008
EUR	BELARUS	SBA	2009	AFR	CONGO,DEMOCRATIC REPUBLIC OF	PRGF	2009
EUR	BOSNIA AND HERZEGOVINA 1/	SBA	2009	AFR	COTE D'IVOIRE 2/	PRGF	2009
EUR	BOSNIA AND HERZEGOVINA 1/	SBA	2012	AFR	COTE D'IVOIRE 1/	ECF	2011
EUR	CYPRUS 2/	EFF	2013	AFR	DJIBOUTI	PRGF	2008
EUR	GEORGIA	SBA	2008	AFR	ETHIOPIA	ESF	2009
EUR	GREECE 2/	SBA	2010	AFR	GAMBIA, THE	ECF	2012
EUR	GREECE	EFF	2012	AFR	GHANA 1/	PRGF	2009
EUR	HUNGARY	SBA	2008	AFR	GHANA 1/	ECF	2015
EUR	ICELAND	SBA	2008	AFR	GUINEA 1/	ECF	2012
EUR	IRELAND	EFF	2010	AFR	GUINEA-BISSAU	ECF	2010
EUR	KOSOVO, REPUBLIC OF	SBA	2010	AFR	GUINEA-BISSAU	ECF	2015
EUR	KOSOVO, REPUBLIC OF	SBA	2012	AFR	KENYA	ECF	2011
EUR	KOSOVO, REPUBLIC OF 1/	SBA	2015	AFR	KENYA*	SBA-SCF	2015
EUR	LATVIA	SBA	2008	AFR	KENYA*	SBA-SCF	2016
EUR	PORTUGAL 1/	EFF	2011	AFR	LESOTHO 1/	ECF	2010
EUR	ROMANIA 2/	SBA	2009	AFR	LIBERIA 1/	ECF	2012
EUR	ROMANIA	SBA	2011	AFR	MALAWI	ESF	2008
EUR	ROMANIA	SBA	2013	AFR	MALAWI	ECF	2010
EUR	SERBIA,REPUBLIC OF	SBA	2009	AFR	MALAWI 1/	ECF	2012
EUR	SERBIA,REPUBLIC OF	SBA	2011	AFR	MALI 2/	ECF	2011
EUR	SERBIA,REPUBLIC OF	SBA	2015	AFR	MALI 1/	ECF	2013
EUR	UKRAINE	SBA	2008	AFR	MOZAMBIQUE	SCF	2015
EUR	UKRAINE	SBA	2010	AFR	NIGER	ECF	2012
EUR	UKRAINE 2/	SBA	2014	AFR	RWANDA	SCF	2016
EUR	UKRAINE 2/	EFF	2015	AFR	SAO TOME AND PRINCIPE 1/	PRGF	2009
MCD	ARMENIA 2/	SBA	2009	AFR	SAO TOME AND PRINCIPE 1/	ECF	2012
MCD	ARMENIA 1/	EFF	2014	AFR	SAO TOME AND PRINCIPE 1/	ECF	2015
MCD	GEORGIA 2/	SBA	2014	AFR	SIERRA LEONE 1/	ECF	2010
MCD	IRAQ 1/	SBA	2010	AFR	SIERRA LEONE 1/	ECF	2013
MCD	JORDAN 1/	SBA	2012	AFR	TANZANIA	SCF	2012
MCD	PAKISTAN	SBA	2008	APD	BANGLADESH 1/	ECF	2012
MCD	PAKISTAN	EFF	2013	APD	MALDIVES*	SBA-ESF	2009
MCD	TUNISIA 1/	SBA	2013	APD	SOLOMON ISLANDS	SCF	2010
WHD	ANTIGUA AND BARBUDA 1/	SBA	2010	APD	SOLOMON ISLAND	SCF	2011
WHD	COSTA RICA	SBA	2009	APD	SOLOMON ISLANDS 1/	ECF	2012
WHD	EL SALVADOR	SBA	2009	EUR	MOLDOVA* 1/	ECF-EFF	2010
WHD	EL SALVADOR 2/	SBA	2010	MCD	AFGHANISTAN,ISLAMIC REPUBLIC OF	ECF	2011
WHD	DOMINICAN REPUBLIC	SBA	2009	MCD	ARMENIA 2/	PRGF	2008
WHD	GUATEMALA	SBA	2009	MCD	ARMENIA* 1/	ECF-EFF	2010
WHD	JAMAICA	SBA	2010	MCD	GEORGIA*	SBA-SCF	2012
WHD	JAMAICA 2/	EFF	2013	MCD	KYRGYZ REPUBLIC	ESF	2008
WHD	ST. KITTS AND NEVIS 1/	SBA	2011	MCD	KYRGYZ REPUBLIC 1/	ECF	2011
WHD	SURINAME	SBA	2016	MCD	KYRGYZ REPUBLIC 1/	ECF	2015
				MCD	MAURITANIA	ECF	2010
				MCD	TAJIKISTAN 1/	PRGF	2009
				MCD	YEMEN,REPUBLIC OF 2/	ECF	2010
				MCD	YEMEN,REPUBLIC OF 2/	ECF	2014
				WHD	GRENADA	ECF	2010
				WHD	GRENADA 1/	ECF	2014
				WHD	HAITI 1/	ECF	2010
				WHD	HAITI	ECF	2015
				WHD	HONDURAS*	SBA-SCF	2010
				WHD	HONDURAS*	SBA-SCF	2014

* Indicates GRA-PRGT blended arrangements.
1/ Completion delayed.
2/ Cancelled.

[1] All arrangements approved after September 2008 and originally scheduled to be completed by June 2019.

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