Unity in Diversity: A Global Consensus on Choosing the IMF's Managing Director

Evidence from CGD's Online Survey

David Wheeler

Abstract

On May 19, 2011, the Center for Global Development launched an online survey of the global development community on three issues: the selection process for the IMF's managing director, criteria for rating the candidates, and actual ratings for 15 candidates who had been named by the international media. Between May 19 and June 23, CGD received 790 responses from people whose characteristics reflect the diversity of the international finance and development community. Survey participants represent 81 nations, all world regions, high-, middle-, and low-income countries, and all adult age groups. In this working paper, David Wheeler analyzes the survey results, incorporating the diversity of the respondents by dividing participants into four mutually exclusive assessment groups: Europeans, who have a particular interest in this context; non-European nationals of other high-income countries; and nationals of middle- and low-income countries. Although the participants are diverse, their responses indicate striking unity on all three survey issues. First, both European and non-European participants reject Europe's traditional selection prerogative by large margins, with equally strong support for an open, transparent, competitive selection process. Second, participants exhibit uniformity in the relative importance they ascribe to CGD's six criteria for selecting candidates. Third, the participants exhibit striking consistency in rating the fifteen candidates.

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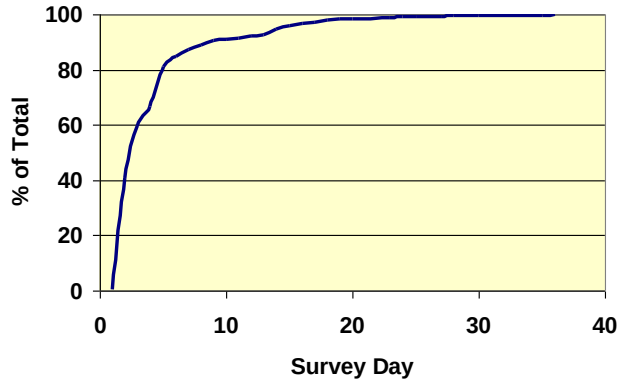
1. Introduction

On Thursday, May 19, the Center for Global Development (CGD) launched an online survey of the global development community on three issues: the selection process for the next IMF Managing Director; criteria for rating the candidates; and actual ratings for fifteen candidates who had been named by the international media. CGD notified over 16,000 subscribers to the Center's e-mail newsletter, but participation was open to others as well. Nearly 800 people completed the survey in 36 days, with 90% responding during the first nine days (Figure 1). We tallied responses using software provided by SurveyMonkey.com.

Survey respondents exhibit striking diversity, with 81 nationalities distributed as follows by World Bank country income class: high (22), middle (34), low (25). They come from Africa (26 countries), Asia (18), Europe (18), and Latin America and the Caribbean (14), as well as the US, Canada, Australia, New Zealand and Mauritius. The participants work at a variety of organizations: business firms (14.6% of participants), NGOs (14.7%), governments (12.3%), universities and policy research institutions (28.3%); multilateral organizations (16.1%), and other organizations (13.9%). They also include a significant number of women (31.3% of the total) and people in all adult age categories: 20-35 (28.3% of respondents), 36-50 (26.9%), 51-65 (28.3%) and over 66 (16.5%).

Figure 1: Timing of Survey Responses



Survey respondents selected themselves and participation was open to the public, so our results are not "representative" in the scientific sense. However, it is not clear how such a survey could be representative, even if time and resources had permitted a standard sampling exercise, because the target population cannot be precisely identified. Relevant sampling populations might include professionals in finance and development; the political community whose representatives sit on the IMF's Executive Board; or even the global population. But random sampling on such a specialized topic

in large, diffuse populations would confront validity problems because many respondents would lack the requisite information.

Although our participants are not randomly selected, analytical leverage is provided by their diversity in professional affiliation, home-country development status, region of origin, gender and age. These characteristics may be important sources of difference in assessing the three survey issues: the selection process for IMF Managing Director, the criteria for selection, and candidates for the position. Accordingly, this paper focuses on testing the impact of respondents' characteristics on their assessment of the three issues. From a sampling perspective, we are likely to have a significant problem if participants' views are strongly affected by their personal characteristics, because the distribution of these characteristics in the respondent population may differ significantly from their distribution in any of the potentially-relevant sampling populations. Logically, the converse is also true: Our results are more likely to reflect a broad global consensus if participants' assessments of the three survey issues are not significantly affected by their professional affiliation, home-country development status, region of origin, gender or age.

The remainder of the paper is organized as follows. In Section 2, I assess the respondents' views of the candidate selection process. Section 3 analyzes their views of candidate selection criteria, while Section 4 develops and analyzes candidate ratings from the survey responses. Section 5 summarizes and concludes the paper.

2. Views of the Selection Process

The first part of the survey asks for participants' views on five propositions related to selection of the IMF's Managing Director. Table 1 displays the propositions and responses for all participants, with the dominant response tally in bold for each proposition. Responses to the first and fifth propositions indicate a large, consistent majority in favor of reform. Among all participants in the survey, 83% disagree or strongly disagree with continuation of the status quo (row one), and 88% agree or strongly agree with replacement of the current system by an open, competitive international process (row five).[1] A majority of respondents (60%) also disagree or strongly disagree with proposition two, in which Europe retains its right to select the candidates. In the same vein, majorities favor options three (60%) and four (51%), which propose alternatives ways to internationalize the selection process.

[1] Respondents undoubtedly interpreted the phrase "open, competitive international process" in a variety of ways, and more specific language might have revealed significant differences among favorable respondents. An illustration is provided by the global debate about whether the most recent selection process for IMF Managing Director was open and competitive.

Although the overall results seem clear, they may mask significant differences among interest groups. Table 2 summarizes the views of identifiable interest groups on the basic issue of reform. Sample sizes vary greatly, with particularly scanty representation for IMF staff and European NGOs. For the first two propositions, which reflect the status quo, Table 2 displays the percents in each group who *disagree or strongly disagree.* For the last three, the table presents the percents who *agree or strongly agree* with the proposition.

Table 1: Participants' Views on Propositions Related to Selection

Proposition	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree	Response Total
Continuation of the status quo (Europe chooses the Director)	4.2% (32)	5.2% (40)	7.3% (56)	34.7% (267)	**48.7% (375)**	770
Choice among European-selected candidates by the IMF's Board	7.7% (59)	21.9% (168)	10.6% (81)	**35.3% (270)**	24.5% (188)	766
Choice by the Board among candidates selected by a panel of "eminent persons"	17.9% (136)	**42.0% (319)**	18.8% (143)	13.6% (103)	7.8% (59)	760
Simultaneous majorities in two IMF classes: country members and voting shares determined by financial participation	13.7% (104)	**37.6% (286)**	23.4% (178)	16.8% (128)	8.4% (64)	760
Replacement of the current selection system by a process that is open, competitive and merit-based, without regard to nationality	**68.1% (525)**	19.6% (151)	4.4% (34)	4.7% (36)	3.2% (25)	771

Table 2: Assessment of Survey Propositions by Group

(Percent of Group Respondents)

Group	Response Count	Status Quo: Disagree Or Strongly Disagree (%)	Board Chooses European Candidate: Disagree Or Strongly Disagree (%)	Eminent Panel Chooses Candidates: Agree or Strongly Agree (%)	Selection by Two-Class Vote: Agree or Strongly Agree (%)	Open Process: Agree or Strongly Disagree (%)
European Government	19	76	56	41	47	84
European Private Sector	11	64	36	55	27	82
European NGO	9	100	78	56	78	88
European University or Research Inst.	30	83	73	62	37	80
European IMF	5	100	100	80	20	100
European Multilateral (non-IMF)	24	77	64	82	57	78
Africa	67	73	58	73	44	89
Asia	72	86	61	68	55	89
Europe	108	78	63	62	48	83
Latin America & Caribbean	68	85	70	52	58	93
North America	250	87	55	61	56	85
Oceania (Aus, NZ, Mauritius)	10	70	40	30	40	70
Low-Income Home Country	55	73	65	69	40	92
Middle-Income Home Country	151	83	63	62	58	90
High-Income Home Country	369	85	57	61	53	84
IMF Staff	13	100	100	69	46	100
Women	212	85	53	64	54	88
Men	466	83	64	59	51	87
Age 20-35	149	83	49	59	60	91
Age 36-50	142	79	62	60	55	86
Age 51-65	149	84	67	61	48	87
Age 66+	87	87	56	66	47	79

The second and sixth columns provide the clearest evidence on rejection of the status quo and support for an open, competitive selection process. On this strategic issue, the results are remarkably consistent: The status quo is strongly rejected by all groups. Even among Europeans, who have a traditional proprietary interest, the rejection rate ranges from 64% of business employees to 100% for employees of NGOs. The rejection rate is 70% or higher in all world regions, and in all three income groups. All IMF respondents concur with rejection, although their number (13) is far too limited for any strong inference to be drawn. Rejection rates are near or above 80% for men and women, and for all four age groups.

A similar pattern holds for support of an open, competitive process: European nationals are strongly supportive, with high percentages among European employees of all groups tabulated. Except for the 10 respondents from Oceania (Australia, New Zealand and Mauritius), nationals from all regions agree by 85% or higher. Support is at equivalent levels or higher for all income groups, IMF staff members, men, women, and all age groups.

Views are more mixed on the three propositions that address the tactics of process reform. Respondents express the least enthusiasm for double-majority voting, with 51% agreement overall. Europeans display great differences of opinion on this option, with approval from only 27% of business employees but 78% of NGO employees. Less variation is evident across regions: Double-majority voting is approved by small majorities from Asia, Latin America and the Caribbean, and North America, but receives less than a majority in Africa, Europe and Oceania. Nationals from low-income countries are least enthusiastic, with only 40% in agreement. Men and women both accord a bare majority. Across age groups, however, there is a clearer pattern of difference: Support for double-majority voting declines steadily with age.

The other two tactical options both receive 60% agreement overall. However, this general parity masks great variation at the group level. European views vary in both cases, but in different ways. Employees of European governments, NGOs, research institutions and the IMF prefer a choice among European candidates, while employees of businesses and non-IMF multilaterals prefer candidate selection by an eminent panel. Global regions display similar divergences, income groups less so. Here the first notable difference between men and women emerges, with women leaning strongly toward the eminent panel and men toward selection among European candidates. Curiously, the youngest and oldest respondents prefer the eminent panel, while others are either indifferent or lean toward selection among European candidates.

Appendix Table A1 provides a more rigorous view of the relationship between respondents' personal characteristics and their views of candidate selection options. The table reports results from probit regressions fitted to dichotomous variables that

reflect unfavorable or favorable views of particular options. Columns (1) and (2) report estimates for a variable coded 1 if a respondent disagrees or strongly disagrees with the proposed option, and 0 otherwise. The direction of coding is reversed for columns (3) – (5): The variable is coded 1 for agreement or strong agreement and zero otherwise.

Table A1 provides striking evidence of uniformity in respondents' views of the selection options. Across all five options and eleven respondent characteristics, only a handful have statistical significance. Women and young respondents are somewhat less negative about selection of European candidates by the IMF's Board. Young respondents are more positive than others about the double-majority voting option. Otherwise, the results indicate no significant variation in process views by region, income, gender or age. As Table 2 has suggested, the respondents show marked uniformity in their view of process options. This is particularly true for disapproval of the status quo and approval of an open, competitive process.

3. Criteria for Selecting the Managing Director

The survey asks participants to assess six selection criteria: banking and finance experience; understanding of international monetary and capital market issues; experience managing economic and financial crises; high-level international organization experience; high-level political and diplomatic experience; and proven effectiveness as a manager. Respondents characterize each criterion as not important, somewhat important or very important. Table 3 provides a summary of respondents' assessments, with the dominant response tally in bold for each criterion. Table rows are ordered by % rated very important. The table includes both percentages and numerical tallies. Participants clearly assign the most importance to understanding of international monetary and capital market issues (rated very important by 92% of respondents), followed by experience managing economic and financial crises (76%), proven effectiveness as a manager (75%), high-level political and diplomatic experience (50%), high-level international organization experience (48%), and banking and finance experience (33%).

To test for differences among interest groups, I score these responses 0 (not important), 1 (somewhat important) and 2 (very important). Table 4 displays responses by four assessment groups, constructed to be mutually exclusive: The High Income group is restricted to non-Europeans.[2] To obtain comparable table entries for each group, I compute the mean score for each criterion, add the mean scores for all six criteria, and re-express each score as a percent of the total.

[2] Although it would have been desirable to include IMF staff members as an assessment group, the tiny size of our IMF sample (13) precludes this.

Table 3: Participants' Assessments of Selection Criteria

Selection Criteria	Not Important	Somewhat Important	Very Important	Response Total
Understanding of International Monetary and Capital Market Issues	0.5% 4	8.0% 62	**91.5%** **706**	772
Experience Managing Economic and Financial Crises	0.3% 2	23.7% 182	**76.1%** **585**	769
Proven Effectiveness as a Manager	0.9% 7	23.9% 185	**75.2%** **581**	773
High-Level Political and Diplomatic Experience	5.6% 43	44.6% 344	**49.8%** **384**	771
High-Level International Organization Experience	6.8% 52	45.7% 351	**47.5%** **365**	768
Banking and Finance Experience	12.6% 97	**54.3%** **419**	33.2% 256	772

Table 4: Assessment Group Scores for Selection Criteria

(Expressed as Percents of Total Group Scores)

Selection Criteria	Europe	Low Income	Middle Income	High Income
Understanding of International Monetary and Capital Market Issues	21	19	19	21
Experience Managing Economic and Financial Crises	19	18	19	18
Proven Effectiveness as a Manager	19	18	18	18
High-Level Political and Diplomatic Experience	16	15	16	15
High-Level International Organization Experience	15	16	15	14
Banking and Finance Experience	11	14	13	13

The criteria in Table 4 follow the ordering in Table 3, by overall assessment of relative importance. The results also follow the pattern in Table 3, with a high degree of consistency across groups. Scores are clustered in the range 19-21 for understanding of international monetary and capital market experience; 18-19 for experience managing economic and financial crises; 18-19 for effectiveness as a manager; 15-16 for high-level political and diplomatic experience; 14-16 for high-level international organization experience; and 11-14 for banking and finance experience. Within the column for each group, scores never increase for lower-ordered criteria with a sole exception: Nationals from low-income countries score high-level international organization experience (16) one point higher than high-level political and diplomatic experience (15). Elsewhere in the table, the only noticeable difference across groups is a slightly-higher weighting for

monetary and capital market understanding by Europeans and other high-income nationals; and a lower weighting for banking and finance experience by Europeans.

Table 5: Other Selection Criteria Cited by Respondents

Criteria	Respondents	%
Character and Integrity	90	30.5
Development Expertise	37	12.5
Socio-Cultural Sensitivity	34	11.5
Economics Expertise	32	10.8
Effective Leadership	27	9.2
Relevant Experience	24	8.1
Broad Perspective	19	6.4
Communication Skills	14	4.7
Female	11	3.7
Nationality Not G8	7	2.4
Total	295	

Appendix Table A2 provides a more rigorous perspective, with regression results that relate respondents' criteria scores to their personal characteristics. The dependent variable in each column is the respondent's weighting score: not important (0); somewhat important (1); very important (2). The results clearly reinforce the general message in Table 4: Neither region nor income status has a significant effect on the assessment of any selection criterion. International organization experience seems to be discounted significantly by Europeans employed by governments, businesses and research institutions. Younger respondents assign significantly higher weight to crisis management experience, and women assign somewhat more weight to banking and finance experience. In general, however, these results provide a striking picture of uniformity in weighting of selection criteria.

The survey also provides an opportunity to suggest other selection criteria, and 295 participants have responded. Table 5 summarizes the results by broad category, sorted by frequency. I provide a more detailed category accounting in Appendix B. The results are clearly dominated by attributes related to character and integrity, which are cited by 90 respondents. Thirty or more respondents cite development expertise (37), socio-cultural sensitivity (34) and economics expertise (32). Then come effective leadership traits (27), relevant experience (24), a broad perspective (19), and communications skills (14). Finally, gender and nationality conditions are specified by 11 and 7 respondents, respectively. Some of the suggested criteria can be judged from publicly-available information (e.g., gender, nationality, education, relevant experience, communications skills), while others would require closer acquaintance (e.g., character and integrity, socio-cultural sensitivity). Suggested criteria in the latter category may be critical for

selection, so an optimum future selection process might include some form of vetting by an internationally-recognized committee of appropriately-informed people.

4. Candidate Ratings

The survey asks participants to score fifteen candidates on the six selection criteria. It includes only candidates frequently identified by the international media, without adjusting for obvious gender bias: Surprisingly, only one female candidate received significant media attention. Participants score candidates by selection criteria as follows: 1: Fair; 2: Good; 3: Excellent; 0: Lacks this qualification or experience.

Not all participants have responded, possibly because of the time required to assign 6 numerical ratings to 15 candidates. Hundreds have responded, however. Table 6 displays the percent of respondents who rate each candidate as excellent for each selection criterion. Respondents are obviously generous with their ratings, since the lowest percentage in the table is 72%. Given the height of this "floor", it is not surprising that assessment ranges are modest for both the candidates (across rows) and the criteria (down columns). For the candidates, the average difference between criteria minimum and maximum percents is 15%. The average difference for selection criteria is 13%.

Since the candidates are eminent people, it is certainly possible that most respondents considered them all to be excellent. However, respondents typically spent only a few minutes on the survey. For 790 participants, the table below summarizes the distribution: The median respondent spent 6 minutes on the survey; 10% spent 2 minutes or less and 10% spent 19 minutes or more.

Percentile	10	25	50	75	90
Minutes	2	4	6	10	19

The typically-short duration suggests that some candidates may have gotten short shrift, and Table 7 shows that this is the case. There is marked variation in responses for different candidates, and an unmistakable correlation with public recognition. In summary column (7), Gordon Brown has the highest average (256 respondents), followed closely by Christine Lagarde (248); then more distantly by Stanley Fischer (212) and Kemal Dervis (204). No other candidate is rated by more than 164 of 790 respondents, and the least-rated candidate attracts only 57 respondents.

Table 7 also suggests that the great majority of survey respondents did not feel qualified to judge the candidates' understanding of international monetary and capital market

issues. For this selection criterion, the most frequently-scored candidate receives ratings from only 49 of 790 survey participants. Unfortunately, as Table 3 shows, over 90% of respondents rate this criterion as very important, making it the most important of the six.

I test the robustness of candidate ratings by introducing several variants for individuals and assessment groups. For individual respondents, I develop ratings based on their own weights for selection criteria, as well as average criteria weights for all respondents. I use a similar approach for my four assessment groups, with ratings weighted by group averages and average criteria weights for all respondents. For each candidate, I multiply the relevant scores on selection criteria by the appropriate criteria weights, compute the average weighted candidate score, and rank the results.

Table 8 displays ranks for three cases: respondent scores with individual weights; respondent scores with average weights; and group scores with group weights. I have excluded group rankings with overall average weights because they are identical to the group-weighted results. The table separates rather naturally into five tiers, with three candidates in each tier. Top-three ratings are assigned by each approach to the top-tier candidates, Kemal Dervis, Stanley Fischer and Christine Lagarde. Most ratings are within the range 4-6 for the next-tier candidates, Trevor Manuel, Montek Singh Ahluwalia, and Mario Draghi. The same rank clustering applies for the third-tier candidates (Gordon Brown, Arminio Fraga, Agustin Carstens), as well as those in the fourth tier (Mohamed El-Erian, Axel Weber, Zhou Xiaochuan) and fifth tier (Tharman Shanmugaratnam, Peer Steinbrueck, Il Sakong).

The regression results in Table A3 provide further evidence on the robustness of the candidate rankings. Each column in A3 relates average respondent scores (using individual respondents' weights) to respondent characteristics: region and income status by nationality, gender, age and IMF staff membership. The only significant results in the entire set are positive increments for Trevor Manuel among Africans, Il Sakong among Asians, and Augustin Carstens among respondents from Latin America and the Caribbean; a negative increment for Peer Steinbrueck among Asians; and positive increments for Christine Lagarde and Gordon Brown among female respondents. The small set of significant results for age cohorts may well be spurious.[3]

To test the larger significance of the regional and gender results, I perform a counterfactual exercise in regression prediction. Table 9 reports the results alongside the results in Table 8, which comprise the first three columns. I retain the rank ordering in Table 8 to facilitate comparisons. For column (4), I predict each candidate's average

[3] Negative for Stanley Fischer for group 36-50; positive for Mohamed El-Erian for group 20-35.

score from the relevant regression in Table A3[4] and rank the results. For each succeeding column, I predict from the same regressions after setting the relevant dummy variables to zero. In effect, this reassigns the associated respondent to the group whose dummy variable is excluded from the regression to avoid total collinearity (male for gender; Oceania for region).

The results indicate that regional and gender effects have no impact on the status of the top-tier candidates: They remain in the top three in all cases. In lower tiers, some candidate rankings are slightly affected. The appropriate comparison in this context is with the overall rank predictions (column (4)), which differ somewhat from the direct, score-based predictions in columns (1) – (3). Among the candidates with significant regional or gender effects, only Trevor Manuel has a two-unit change in rank. The others change by one unit (Gordon Brown) or not at all (Augustin Carstens, Peer Steinbrueck).

[4] This proceeds in two steps: (1) Predict each candidate's score by each individual, given the characteristics in the regression equation; (2) compute each candidate's average predicted score across individuals in the sample.

Table 6: Assessment of Candidates by Selection Criteria:

Percent Rated Excellent (Candidates in Alphabetical Order by First Name)

	Understanding of International Monetary and Capital Market Issues	Experience Managing Economic and Financial Crises	Proven Effectiveness as a Manager	High-Level Political and Diplomatic Experience	High-Level International Organization Experience	Banking and Finance Experience	Min	Max
Agustin Carstens	93	89	80	88	88	81	80	93
Arminio Fraga	94	94	87	92	95	88	87	95
Axel Weber	93	93	84	91	94	82	82	94
Christine Lagarde	90	89	79	92	85	80	79	92
Gordon Brown	83	86	72	90	85	73	72	90
Il Sakong	80	88	85	93	90	80	80	93
Kemal Dervis	96	93	81	92	94	72	72	96
Mario Draghi	94	93	89	92	93	85	85	94
Mohamed El-Erian	95	93	86	90	92	91	86	95
Montek Singh Ahluwalia	100	90	84	90	91	78	78	100
Peer Steinbrueck	90	91	85	91	94	81	81	94
Stanley Fischer	97	92	80	90	91	81	80	97
Tharman Shanmugaratnam	100	92	88	89	90	81	81	100
Trevor Manuel	83	91	82	91	90	75	75	91
Zhou Xiaochuan	100	88	86	89	92	83	83	100
Minimum	80	86	72	88	85	72		
Maximum	100	94	89	93	95	91		

Table 7: Assessment of Candidates by Selection Criteria:

Number of Respondents

	(1) Understanding of International Monetary and Capital Market Issues	(2) Experience Managing Economic and Financial Crises	(3) Proven Effectiveness as a Manager	(4) High-Level Political and Diplomatic Experience	(5) High-Level International Organization Experience	(6) Banking and Finance Experience	(7) Mean (2-6)
Agustin Carstens	40	169	143	170	170	162	163
Arminio Fraga	17	119	94	116	113	114	111
Axel Weber	15	97	76	97	96	90	91
Christine Lagarde	49	265	218	270	251	235	248
Gordon Brown	40	272	242	275	254	239	256
Il Sakong	5	59	53	59	60	56	57
Kemal Dervis	24	211	191	213	216	189	204
Mario Draghi	16	112	89	111	108	110	106
Mohamed El-Erian	21	130	112	126	130	137	127
Montek Singh Ahluwalia	20	143	122	144	148	129	137
Peer Steinbrueck	10	69	59	66	67	68	66
Stanley Fischer	34	217	198	215	222	207	212
Tharman Shanmugaratnam	11	73	60	72	69	68	68
Trevor Manuel	24	169	154	175	165	157	164
Zhou Xiaochuan	7	88	77	89	84	86	85

Table 8: Ranks of Average Weighted Scores, Six Selection Criteria

		Individuals		Groups
Tier	Candidate	Individual Weights	Overall Weights	Group Weights
1	Kemal Dervis	1	1	2
	Stanley Fischer	2	2	1
	Christine Lagarde	3	3	3
2	Trevor Manuel	4	5	6
	Montek Singh Ahluwalia	5	4	4
	Mario Draghi	6	7	8
3	Gordon Brown	7	6	9
	Arminio Fraga	8	9	5
	Agustin Carstens	9	8	7
4	Mohamed El-Erian	10	10	10
	Axel Weber	11	11	14
	Zhou Xiaochuan	12	12	12
5	Tharman Shanmugaratnam	13	13	11
	Peer Steinbrueck	14	14	13
	Il Sakong	15	15	15

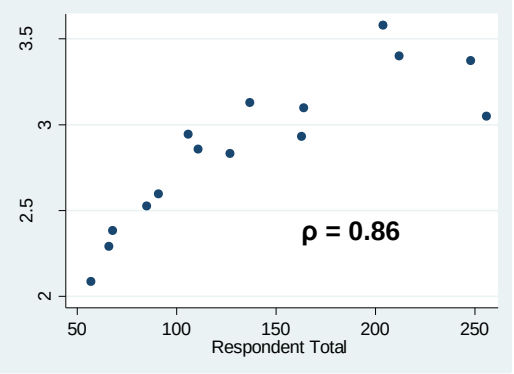
Table 9: Ranks of Average Weighted Scores, Six Selection Criteria

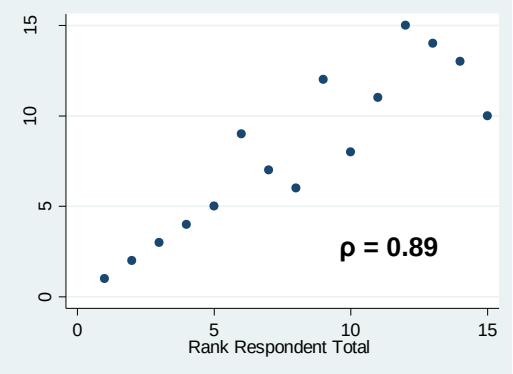
		Individuals		Groups	Predictions for Individuals			
Tier	Candidate	(1) Individual Weights	(2) Overall Weights	(3) Group Weights	(4) Whole Sample	(5) All Males	(6) No Africa	(8) No Lat. & Carib.
1	Kemal Dervis	1	1	2	1	1	1	1
	Stanley Fischer	2	2	1	2	2	3	3
	Christine Lagarde	3	3	3	3	3	2	2
2	Trevor Manuel	4	5	6	6	5	8	7
	Montek Singh Ahluwalia	5	4	4	4	4	5	6
	Mario Draghi	6	7	8	7	7	9	5
3	Gordon Brown	7	6	9	5	6	4	4
	Arminio Fraga	8	9	5	8	9	6	8
	Agustin Carstens	9	8	7	9	8	7	9
4	Mohamed El-Erian	10	10	10	10	10	10	10
	Axel Weber	11	11	14	11	13	11	12
	Zhou Xiaochuan	12	12	12	13	11	12	14
5	Tharman Shanmugaratnam	13	13	11	12	12	13	11
	Peer Steinbrueck	14	14	13	14	14	14	13
	Il Sakong	15	15	15	15	15	15	15

Although respondents' individual characteristics have little effect on candidate ratings, their collective behavior may yield additional insight into the ratings. As Table 7 shows, response frequency varies greatly across candidates. This raises the possibility that response frequency itself has a significant relationship with candidate scores. To test the relationship, I use average candidate scores associated with the ranks in column (1) of Table 9, and mean respondent counts in column (7) of Table 7. The scatter diagrams and correlation coefficients in Figure 2 show a strong positive association between the two variables, particularly for candidates with lower respondent numbers.

On average, candidates who attract more respondents also receive higher scores from those respondents.

Figure 2: Candidate Scores vs. Respondent Counts





candidates. And it is worth recalling from Table 6 that all candidates are rated excellent by clear majorities of the respondents who score them. (2) Respondents may be prone to rate candidates whom they view more favorably. (3) The performance and experience of the better-known candidates may simply warrant higher ratings. The breadth of the upper-tier scatters in Figure 2 weighs in favor of interpretation (3) for the relevant candidates.

5. Summary and Conclusions

In this paper, I have assessed 790 responses to CGD's global survey on selection of the IMF's Managing Director. The survey invited participants to assess the candidate selection process, the criteria for judging candidates, and the relative merits of fifteen candidates who received significant attention from the international media. Although the survey participants are very diverse, their responses indicate striking unity on the three survey issues.

First, large majorities in all assessment groups, including Europeans in all categories, reject the traditional European selection prerogative and support an open, transparent, competitive process.

Second, participants exhibit uniformity in the relative weights they assign to CGD's six proposed criteria for selecting candidates. The highest overall weight goes to understanding of international monetary and capital market issues, followed by experience with managing economic and financial crises; proven effectiveness as a manager; high-level political and diplomatic experience; high-level international organization experience; and banking and finance experience.

Third, the participants exhibit substantial uniformity in rating the 15 candidates. With relatively few exceptions, division of the fifteen candidates into 3-person tiers by rank

yields the same results by tier for a variety of scoring approaches. Although statistically-significant gender and regional affinities affect average scores for some candidates, statistical elimination of these characteristics has no effect on candidate ranking by tier. In all cases explored, the three top candidates of the 15 evaluated are Kemal Dervis, Stanley Fischer and Christine Lagarde.

To conclude, despite their diversity, survey participants exhibit striking uniformity in their assessment of the selection process, the criteria for choosing a candidate, and the named candidates themselves. They reject European-dominated selection, support open, transparent, competitive international selection, assign very similar priorities to selection criteria, and assign similar ratings to the candidates. And, remarkably, their preferred candidate among those who actually qualified was the IMF's new Managing Director, Christine Lagarde.[5]

Despite the strength of these results, several caveats are warranted. First, no sample selection process governed the survey. However, as I have previously noted, it is not clear how a sampling population could be identified in this case. Many respondents were attracted by a notice in CGD's online newsletter, whose 16,000+ subscribers have strong professional and personal interests in international development and finance issues. Survey participation is probably best-understood as an extensive sampling of opinion in this community. And the results suggest that, in this community at least, there is striking uniformity of views on the selection process, criteria for selection, and the candidates themselves.

A second caveat relates to our six selection criteria. As I have noted in the paper, respondents suggested several additional criteria that are clearly important but, in at least some cases, hard for "outsiders" to judge. We cannot know whether expansion of our selection criteria to include such factors would have affected the results significantly. Suggestive evidence is provided by the paucity of ratings for one insider-type criterion considered by our respondents when they score the candidates: understanding of international monetary and capital market issues. And here we encounter an additional caveat: Survey participants rated this criterion the most important in the set of six, so more complete responses might well have affected the overall results.

Another cautionary note is introduced by the strong association between average candidate ratings and the number of respondent ratings, particularly for lower-tier candidates. It is entirely possible that name recognition plays a significant role for candidates who are not world-famous. On the other hand, the disappearance of a

[5] According to press accounts, Kemal Dervis chose not to present his candidacy and Stanley Fischer did not meet the maximum age condition.

strong association in the top tiers suggests that the candidates' actual qualifications play an important role where it really matters. And, in any case, my regression results for individual candidates highlight the uniformity of responses in this domain as well. If name recognition plays some role in our survey participants' responses, it plays a very similar role for all of them, regardless of their national origins, national income status, gender or age.

Appendix A: Statistical Evidence

Table A1: Selection Process Views and Respondent Characteristics

Probit Regressions
Dependent Variables:
(1) – (2) : 1 if Disagree of Strongly Disagree; 0 Otherwise
(3) – (5) : 1 if Agree of Strongly Agree; 0 Otherwise

	(1) Status Quo: Disagree	(2) Board Chooses European: Disagree	(3) Eminent Panel Chooses: Agree	(4) Double-Majority Vote: Agree	(5) Open, Competitive Process: Agree
Europe	0.171	0.624	0.800	0.248	0.513
	(0.38)	(1.47)	(1.84)	(0.58)	(1.15)
Africa	0.959	-0.047	1.011	-0.095	0.472
	(1.33)	(0.08)	(1.56)	(0.15)	(0.68)
Asia	1.308	0.175	0.815	0.015	0.562
	(1.86)	(0.30)	(1.34)	(0.03)	(0.87)
Latin America & Caribbean	1.287	0.569	0.404	-0.056	0.668
	(1.81)	(0.94)	(0.64)	(0.09)	(0.98)
North America	0.482	0.483	0.814	0.486	0.567
	(1.08)	(1.16)	(1.91)	(1.16)	(1.30)
High Income	0.813	-0.438	-0.228	-0.513	-0.254
	(1.37)	(0.95)	(0.46)	(1.09)	(0.45)
Low Income	-0.184	0.300	-0.112	-0.437	0.219
	(0.66)	(1.14)	(0.42)	(1.73)	(0.62)
Female	0.078	-0.252	0.149	-0.033	0.189
	(0.53)	(2.03)*	(1.18)	(0.26)	(1.19)
Age 20-35	-0.130	-0.388	-0.192	0.453	0.368
	(0.71)	(2.52)*	(1.25)	(2.94)**	(1.85)
Age 36-50	-0.232	-0.046	-0.126	0.244	0.111
	(1.27)	(0.29)	(0.79)	(1.56)	(0.59)
Age 51-65	-0.020	0.059	-0.006	0.172	0.272
	(0.11)	(0.38)	(0.04)	(1.16)	(1.49)
Constant	-0.124	0.250	-0.277	0.007	0.506
	(0.18)	(0.43)	(0.45)	(0.01)	(0.78)
Observations	547	545	542	542	550

Absolute value of z statistics in parentheses
* significant at 5%; ** significant at 1%

Table A2: Respondent Characteristics and Criteria Weights

	(1) Bank Finan Exper	(2) Understand Int Mon Cap Mkts Exper	(3) Crisis Mgt Exper	(4) Int Org Exper	(5) Polit Diplom Exper	(6)
European Government	-0.221	0.111	-0.013	-0.433	-0.124	0.030
	(1.11)	(1.19)	(0.10)	(2.30)*	(0.70)	(0.20)
European Private Sector	-0.119	-0.064	0.110	-0.659	-0.076	0.211
	(0.52)	(0.59)	(0.70)	(3.00)**	(0.37)	(1.23)
European NGO	-0.224	-0.029	0.083	-0.370	-0.176	-0.263
	(0.87)	(0.25)	(0.48)	(1.57)	(0.78)	(1.42)
European University	-0.174	-0.075	0.064	-0.343	-0.241	-0.123
or Research Institute	(1.00)	(0.90)	(0.53)	(2.06)*	(1.53)	(0.95)
Europe	0.256	0.088	-0.006	0.051	0.125	-0.113
	(1.08)	(0.78)	(0.04)	(0.22)	(0.58)	(0.63)
Africa	-0.075	0.041	0.078	0.079	0.029	0.075
	(0.23)	(0.27)	(0.35)	(0.26)	(0.10)	(0.32)
Asia	0.144	0.097	0.082	-0.042	-0.090	0.097
	(0.48)	(0.68)	(0.40)	(0.15)	(0.33)	(0.43)
Latin America &	-0.092	0.112	0.127	-0.050	0.127	0.004
Caribbean	(0.30)	(0.75)	(0.59)	(0.17)	(0.45)	(0.02)
North America	0.336	0.128	0.028	-0.334	-0.092	-0.131
	(1.63)	(1.29)	(0.20)	(1.70)	(0.49)	(0.84)
High Income	-0.365	0.021	-0.001	0.148	-0.023	0.121
	(1.47)	(0.18)	(0.01)	(0.62)	(0.10)	(0.65)
Low Income	0.168	0.019	-0.005	0.041	-0.035	-0.022

	(1.28)	(0.30)	(0.05)	(0.33)	
	(0.29)	(0.23)			
IMF Staff	-0.471	-0.044	0.028	-0.362	-
0.304	0.314				
	(2.10)*	(0.41)	(0.18)	(1.62)	
	(1.49)	(1.86)			
Women	0.202	0.015	0.034	0.080	-
0.037	0.051				
	(3.12)**	(0.48)	(0.77)	(1.30)	
	(0.63)	(1.06)			
Age 20-35	0.158	0.010	0.178	0.101	-
0.009	0.068				
	(2.02)*	(0.27)	(3.27)**	(1.34)	
	(0.13)	(1.16)			
Age 36-50	0.080	-0.049	0.186	0.018	-
0.021	0.028				
	(1.00)	(1.27)	(3.36)**	(0.23)	
	(0.28)	(0.48)			
Age 51-65	0.020	-0.070	0.078	-0.076	-
0.004	-0.013				
	(0.25)	(1.89)	(1.45)	(1.02)	
	(0.06)	(0.23)			
Constant	1.133	1.814	1.590	1.458	
	1.536	1.667			
	(3.75)**	(12.52)**	(7.59)**	(5.07)**	
	(5.57)**	(7.35)**			
Observations	516	517	516	513	
	516	517			
R-squared	0.09	0.04	0.05	0.07	
	0.03	0.04			

Absolute value of t statistics in parentheses
* significant at 5%; ** significant at 1%

Table A3: Respondent Characteristics and Candidate Scores[a]

	(1) Kemal Dervis	(2) Stanley Fischer	(3) Christine Lagarde	(4) Trevor Manuel	(5) Montek Ahluwalia	(6) Mario Draghi	(7) Gordon Brown	(8) Arminio Fraga	(9) Augustin Carstens
Europe	-0.261	-0.549	1.049			-0.686	-0.865	-0.318	0.395
	(0.30)	(0.40)	(1.16)			(0.52)	(1.23)	(0.48)	(1.37)
Africa	-0.724		-1.867	0.971	0.761		-0.735		0.236
	(0.47)		(1.40)	(2.03)*	(0.50)		(0.51)		(0.47)
Asia	-0.742	-0.719	-2.299	-0.474	1.098	-1.146	-1.643	-1.243	
	(0.49)	(1.37)	(1.76)	(1.00)	(0.80)	(1.50)	(1.20)	(1.91)	
Latin America & Caribbean	-0.959	0.431	-1.659		0.698	-0.469	-1.141	0.419	0.861
	(0.62)	(0.78)	(1.29)		(0.48)	(0.61)	(0.80)	(0.65)	(2.24)*
North America	-0.833	-0.775	0.739	0.114	-0.404	-0.634	-0.629	-0.235	
	(0.95)	(0.57)	(0.82)	(0.46)	(1.23)	(0.49)	(0.90)	(0.37)	
High Income	-0.551	0.781	-2.477	0.465	0.979	0.321	-0.431		0.441
	(0.44)	(0.61)	(1.60)	(1.17)	(0.70)	(0.22)	(0.35)		(1.17)
Low Income	-0.212	0.690	0.343	-0.052	0.292	-0.206	0.423	1.022	0.088
	(0.43)	(1.31)	(0.66)	(0.12)	(0.44)	(0.25)	(0.97)	(1.49)	(0.16)
IMF Staff	-0.200	0.040	-0.729	-0.601	0.361	-0.104	-0.709	-0.632	-0.005
	(0.28)	(0.09)	(1.58)	(0.99)	(0.57)	(0.14)	(1.52)	(0.92)	(0.01)
Female	0.294	0.481	0.452	0.109	0.279	0.230	0.414	0.445	0.249
	(1.23)	(1.93)	(2.18)*	(0.39)	(0.86)	(0.69)	(2.04)*	(1.55)	(1.02)
Age 20-35	0.140	-0.317	-0.457	0.054	0.122	-0.218	0.219	-0.205	0.233
	(0.46)	(1.03)	(1.66)	(0.17)	(0.30)	(0.52)	(0.88)	(0.57)	(0.75)
Age 36-50	-0.110	-0.562	-0.043	0.090	-0.263	0.236	0.201	-0.173	-0.204
	(0.40)	(2.01)*	(0.18)	(0.34)	(0.74)	(0.61)	(0.89)	(0.51)	(0.69)
Age 51-65	-0.092	-0.038	-0.236	0.113	-0.230	0.334	0.099	-0.032	-0.311
	(0.39)	(0.16)	(1.09)	(0.42)	(0.72)	(0.90)	(0.47)	(0.10)	(1.20)
Constant	4.572	3.376	5.124	2.567	2.353	3.279	3.974	3.138	2.443
	(3.01)**	(6.24)**	(4.01)**	(6.71)**	(1.66)	(4.37)**	(2.83)**	(4.81)**	(6.71)**
Observations	168	178	221	142	124	90	220	96	147
R-squared	0.07	0.10	0.07	0.11	0.06	0.09	0.10	0.20	0.10

[a] Variables omitted from some regressions by Stata, to avoid total collinearity

Absolute value of t statistics in parentheses
* significant at 5%; ** significant at 1%

	(10)	(11)	(12)	(13)	(14)	(15)
	Mohamed El-Erian	Axel Weber	Zhou Xiaochuan	Tharman Shanmugaratnam	Peer Steinbrueck	Il Sakong
Europe	-0.217	0.250		-1.441	0.531	
	(0.26)	(0.30)		(1.00)	(1.07)	
Africa			-0.668	0.951		2.605
			(0.44)	(1.17)		(1.89)
Asia	0.289	-0.180	-0.172	0.153	-2.205	2.747
	(0.37)	(0.21)	(0.13)	(0.25)	(2.86)**	(2.36)*
Latin America & Caribbean	0.036	0.053	-0.397		-1.224	1.258
	(0.05)	(0.06)	(0.27)		(1.47)	(0.96)
North America	0.133	-0.136	0.361	-1.489		0.318
	(0.18)	(0.16)	(0.82)	(1.07)		(0.51)
High Income			-0.519	1.646	-1.369	1.874
			(0.37)	(1.14)	(1.73)	(1.62)
Low Income	0.247	-1.231	0.713	0.411	0.538	-0.255
	(0.29)	(1.34)	(1.05)	(0.48)	(0.68)	(0.31)
IMF	0.828	-0.209	-0.487	0.949	0.072	-0.541
	(1.22)	(0.27)	(0.36)	(0.63)	(0.05)	(0.38)
Female	0.178	0.163	-0.388	-0.258	0.613	-0.482
	(0.55)	(0.40)	(0.80)	(0.47)	(1.13)	(0.85)
Age 20-35	1.013	0.063	0.890	0.868	-0.007	0.915
	(2.63)**	(0.13)	(1.80)	(1.63)	(0.01)	(1.54)
Age 36-50	0.127	0.686	0.583	-0.251	0.408	-0.194
	(0.32)	(1.41)	(1.24)	(0.47)	(0.79)	(0.34)
Age 51-65	0.089	-0.265	0.447	0.083	0.047	-0.070
	(0.26)	(0.60)	(1.06)	(0.15)	(0.08)	(0.10)
Constant	2.331	2.628	2.445	2.104	3.266	-0.151
	(3.00)**	(3.10)**	(1.71)	(3.95)**	(4.00)**	(0.12)
Observations	109	80	73	61	56	49
R-squared	0.11	0.09	0.10	0.12	0.24	0.27

Appendix B: Additional Selection Criteria Suggested by Survey Participants

General Class	Specific Suggestion	Frequency
Broad Perspective	Broad Perspective	18
	International Orientation	1
Character & Integrity	Integrity	72
	Independence	7
	Stable Personality	3
	Humility	2
	Transparency	2
	Fairness	1
	Frugality	1
	Integrity	1
	Job Commitment	1
Communication Skills	Communicator	7
	Multilingual	5
	Excellent English	2
Development Expertise	Development Expertise	33
	Emerging Market Credibility	4
Economics Expertise	Economics Grad Degree	7
	New Economic Thinking	6
	Practical Economics	6
	Economics Expertise	5
	Macroeconomist	5
	Economic Expertise	2
	Free Market Orientation	1
Effective Leadership	Consensus Builder	4
	Effective Manager	4
	International Reputation	4
	Negotiator	4
	Leader	3
	Democratic	2
	Stakeholder Leverage	2
	Effective Negotiator	1
	Good Listener	1
	Leadership	1
	Previous Achievements	1
Female	Woman	9
	Woman from LDC	2
Nationality Not G8	Non-OECD	3
	Not from G8	2
	Non-European	1
	Non-Friench	1
Relevant Experience	Advanced Degree	4
	Policy Experience	4
	Public Finance Expertise	4
	International Experience	3
	Engineer	2
	Practical Experience	2
	Academic	1
	Central Bank Experience	1
	Financial Crisis Management	1
	IMF Expertise	1
	Multilateral Relationships	1
Socio-Cultural Sensitivity	Equity Sensitivity	9
	Compassion	7
	Gender	7
	Cultural Sensitivity	6
	CSO Sensitivity	3
	Compassion	1
	Sustainability Sensitivity	1
Total		295