

The Institutional Ramifications of American Interventionism:
Examining the Short and Long-Term Effects of Foreign Political Interventions on
Democratic Institutions

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Abstract

This paper investigates the short and long-term effects of United States political interventions in foreign governments on the democratic and institutional strength of those countries. Following the method proposed in Berger et al's 2010 paper, I expand intervention data from the Cold War to include the years 1990 to 2016. I use panel data as well as time and country fixed-effects to analyze this relationship through a series of OLS regressions. My findings indicate that American interventions abroad had significant and negative effects on institutional quality when measured throughout the extended period. However, measuring for lagged effects of these interventions suggests that after 30 years this trend reverses, and countries which experienced interventions seem to reclaim some of their institutional quality. 40 years following an intervention, analysis suggests institutional quality rises to a point comparatively higher in countries which experienced interventions than in those that did not.

1.0 Introduction

Most historical accounts of the United States indicate that the country has traditionally followed an isolationist foreign policy directive and caution towards foreign entanglements. George Washington himself, in his farewell address, stated “The great rule of conduct for us, in regard to foreign nations, is in extending our commercial relations, to have with them as little political connection as possible.”¹ This view was espoused in the nineteenth century with the Monroe doctrine, and continued throughout the nation’s history until World War I. Even entry into the Great War was delayed and marked by extreme reluctance by the American people.² However, directly following World War II, the United States increasingly found itself involved in world affairs as it sought to protect its interests and its allies from the Soviet Union and the spread of communism. The creation of the Central Intelligence Agency with the National Security Act of 1947 greatly expanded the ability of the United States to spread its influence around the world, and made regime change a viable and potent strategy to combat this new threat. Presidential administrations between 1947 and 1989 took advantage of this new power, and throughout that time the United States was covertly involved in the governments of 50 foreign countries. This influence took many forms, such as strategically directing economic and military aid, distributing propaganda, and orchestrating coups and political assassinations. This aligned with foreign policy doctrine adopted by multiple administrations to preserve democracy and combat communism. However, accounts of the period such as Blum and Weiner note that as many, if not more, autocratic regimes received help from the US as democratic ones.³ Therefore,

¹ “Our Documents - Transcript of President George Washington’s Farewell Address (1796).”

² Hook and Spanier, *American Foreign Policy Since World War II*.

³ Blum, *Killing Hope*; Weiner, *Legacy of Ashes*.

it is critical to ask the question of whether US intervention in these countries truly helped the development of democratic institutions, or if instead these countries became doomed to deal with despotic leaders and minimal freedoms.

In the years since the Soviet Union collapsed in 1991 these interventions have continued, although they have decreased in frequency. In the unipolar era the United States has not needed to rely on covert operations as often, but instead wields its influence publicly or uses military power to achieve its goals. The aim, however, is often still to affect regime change in nations which are deemed a threat to American vital interests or security. The goal of this paper is not to pass judgement on these decisions, or even to measure the effectiveness of their stated goals. Instead, this paper investigates the effect these interventions have had on the democratic institutions of affected countries in both the short and long-term.

Economists and political scientists can gain valuable insight through this research. Proponents of institutions as a driving force behind economic growth and national development will find it helpful to understand what geopolitical actions were executed in the twentieth century, and how that may have helped or hindered institutional development. Political interventions act as a natural “shock” which could be used to show how a sudden change in institutional quality affects growth patterns. Those attempting to uncover the sources of Africa’s underdevelopment should consider that the period marking widespread independence for African nations coincides with Cold War political interventions. Those who favor the effects of cultural intangibles, on the other hand, could understand how a sudden and dramatic regime change could deeply affect the mores and values of a population. This research also holds value beyond the realm of economics. Current and future leaders in the United States, if they decide to continue with these policies, should be as informed as they can be to the externalities resulting from their

actions. Only by knowing what effect these interventions have had historically can leaders minimize any potential negative effects while maximizing any positive ones in the future.

To promote accurate results, the paper uses panel data for a sample of 133 countries. In order to be relevant, these countries have a population of over 500,000 in 2016, were officially recognized before 1980, and have had a continuity in their borders and sovereignty between 1945 and 2016. These requirements eliminate countries such as Germany, Vietnam, and Czechoslovakia, all of whom saw reorganization of their borders during this time or came to exist as new sovereign territories.

This paper adds to the relatively small body of literature on this topic by expanding on an investigation by Berger et al showing the negative short- and medium-term effects of these political interventions between 1945 and 1989 on the probability a country will be a democracy.⁴ My research extends the scope of this paper an additional 27 years by expanding the data using known interventions and imitating the method of Berger et al. It also shifts the focus to measure the magnitude of institutional change instead of the probability that a country will be a democracy or dictatorship. In so doing, I have been able to show the difference between the effects of interventions measured from 1945 to 1989, where they were more frequent and characterized by the Cold War; 1990-2016, where interventions were less frequent but more overt; and the combined period. Additionally, I explore the lagged effects of these interventions to understand their long-term consequences. I do this first with 30, and then with 40-year lags.

I find first in the short-term a significant negative effect consistent throughout the 1945-1989, 1990-2016, and 1945-2016 periods. Results show that interventions occurring in the 1990-2016 period were less impactful as well as less frequent than the other two periods. 30-year

⁴ Berger et al., "Do Superpower Interventions Have Short and Long Term Consequences for Democracy?"

lagged results show residual negative effects throughout the first 10 years after a country experiences an intervention. However, after 30 years this effect becomes positive and significant, showing that the country in question will in time begin to recover some of the institutional potential that was lost due to US interventions. The 40-year lags, although only applicable to the years 1945-1976, suggest that countries which received interventions ended up with comparatively stronger institutions after 40 years than countries that did not sustain such interventions. However, many still had to suffer through up to 35 years of reduced institutional quality before they saw this benefit.

2.0 Literature

This paper relates most closely to two areas of study: United States political interventions and institutional quality. These two subjects are widely separated in terms of existing published literature; publications on political interventions are sparse, as most related data was only recently declassified. Institutions have been a topic of publication and hot debate for decades. This paper adds to both academic spheres. However, while it is always helpful for economists to better understand factors which influence institutional quality, the larger impact of this paper will be on the less researched field of American political interventions.

Although the existing body of literature relating to United States political interventions is relatively small, a few influential publications have stood out. Historical accounts such as those

made by Blum, Westad, and Weiner provide a solid factual foundation.⁵ Dov Levin is another important addition to this list. His Partisan Electoral Interventions by Great Powers data was incredibly helpful in expanding the intervention data set relevant to this paper.⁶ His publication, *When the Great Power Gets A Vote: The Effects of Great Power Electoral Interventions on Election Results* (2016), finds causality between “great power” electoral influence and a higher level of success found by those they support.

Furthermore, two publications by Berger et al are especially pertinent to this field and to this paper. In 2010 they published *Commercial Imperialism: Political Influence and Trade During the Cold War*. In it they examine the effects of United States political interventions on global trade flows, and show how these interventions resulted in increased exports in comparative disadvantage goods from the United States to affected countries with no reciprocal imports. In 2013 Berger et al published *Do Superpower Interventions Have Short and Long Term Consequences for Democracy?*, which examines how these interventions effect a Democracy-Dictatorship indicator over these course of the Cold War. They find, for the years 1945-1989, that countries experiencing an American intervention have a higher probability of being a dictatorship than a democracy. However, they also find that these effects tend to wear off before their measured data ends in 1989. Although they also measured for Soviet interventions, these turned out to lack statistical significance and were not robust to model specifications.

Berger et al’s 2013 publication was a big influence on this paper and a basis of knowledge from which to build off. This paper expands on their research in many ways and pushes their findings to a new level. First, I change the dependent variable to Polity Score instead

⁵ Blum, *Killing Hope*; Westad, *The Global Cold War: Third World Interventions and the Making of Our Times*; Weiner, *Legacy of Ashes*.

⁶ Levin, “Partisan Electoral Interventions by the Great Powers: Introducing the PEIG Dataset.”

of the indicator Democracy-Dictatorship variable. This allows me to understand the magnitude of institutional change occurring, rather than the probability that a country will end up as either a democracy or a dictatorship. For the subject of this paper I believe this is a superior measure, as this accounts for countries which do not vary between the two, but are instead subjected to a change in institutional quality within the same autocratic or democratic framework. Moreover, this measure is more illuminating of the tangible changes within various countries which provide an explanatory basis for why they may then have a higher probability of being classified as one system or the other. Although Berger et al introduce Polity to ensure robustness, they compress Polity into an indicator which is then measured the same way. Next, I expand Berger et al's data to include the years following the Cold War, which allows this paper to compare differences in interventions which occurred during the Cold War to those which occurred after, as well as to the combined time period. The expanded data also allows me to more accurately estimate the effects in the long term than was previously possible.

Finally, I add additional explanatory variables which control for key domestic factors such as coup d'états, civil wars, and trade relations. In doing so, this paper is able to scrutinize the effects of interventions above and beyond any other important domestic occurrences. This is especially important for coups and civil wars, as these result in a similar degree of domestic instability in a country as political interventions. Adding these variables to my analysis allow for a separate discussion for each and reduces what would otherwise be a large omitted variable bias. Likewise, adding various trade variables removes another strong possible source of bias. While examining the effects of these variables deserves discussion, and is interesting in its own right, adding them also allows for a more accurate understanding of the effects of US influence.

The body of literature related to institutions is much broader and more loosely defined than that of political interventions. Still, there are many relevant articles which touch on the subject of this paper, especially on the intersection of institutions and democracy. One paper that sets a broad foundation is Myerson (1995): *Analysis of Democratic Institutions: Structure, Conduct, and Performance*. Cheibub et al (2010) address the strengths and weaknesses of measures of political regime type. Enterline and Greig (2005) and Downes and Monten (2013) both discuss the level of stability and prosperity that imposed democracies find, and conclude that countries with imposed democratic regimes tend to be worse off than their natural counterparts. Freund and Jaud (2014) explore, to a lesser extent, how regime changes affect growth through democracy. Finally, Smith and Ziegler (2008) examine liberal and illiberal democracies in South America, what the defining features are of each, and what caused countries to fall into one category or another. This is especially relevant due to the frequency with which the United States intervened in the South American continent.

The rest of this paper will be organized as follows: Section 3 will include an in-depth explanation of the data and methodology used in this paper; Section 4 will examine the results emerging from that data and a discussion of the implications of those results; Section 5 will provide conclusive remarks.

3.0 Methodology

3.1 Data

This paper estimates the short and long-term effects of US political interventions in foreign governments on the quality of their democratic institutions. The dependent variable, and measure of institutional quality, is *Polity Score*, which comes from the Polity IV Project

published by the Center for Systemic Peace. Polity measures “concomitant qualities of democratic and autocratic authority in governing institutions,” showing a “spectrum of governing authority that spans from fully institutionalized autocracies through mixed, or incoherent, authority regimes to fully institutionalized democracies”.⁷ This spectrum is expressed through a 21-point scale which ranges from -10 (absolute monarchy) to 10 (full and free democracy). Nations with a population higher than 500,000 are assigned a Polity Score annually, which is determined by six sub-measures scoring aspects of a country’s regime such as quality of elections and constraint on executive power. Tables 1 and 2 in Appendix A illustrate how global Polity distribution progresses from the beginning of this sample in 1945 to the end in 2016 respectively. In 1945 exactly 50% of the 62 existing countries in this sample had autocratic regimes, denoted by a negative number in the table. By 2016, only 25% of 133 countries had this classification, and the median rose to a Polity Score of 6, which is considered a fairly strong democracy. About 20% of countries received a Polity Score of 10 in both time periods, but with the rise in number of measured countries the total number grew from 13 in 1945 to 29 in 2016.

My explanatory variable of interest is *US Influence*. This variable was originally constructed by Berger et al, and is an indicator variable with a value of 1 when in country *c*, year *t*, there is a regime in control which received direct support from the United States to either come to power or stay in power.⁸ Years in which these regimes began and ended their terms are coded as 1 regardless of what point in the year this changed. Interventions which were encoded in the variable could include subtle support such as supplying a regime with propaganda tools, economic aid, weapons, and military training, or more overt measures such as assassinations and coups orchestrated by US covert operatives. However, only successful interventions are encoded.

⁷ Marshall, Gurr, and Jagers, “Polity IV Project: Political Regime Characteristics and Transitions, 1800-2016.”

⁸ Berger et al., “Commercial Imperialism?”

Berger et al track instances of *US Influence* from 1945 to 1989. I add values for 1990 to 2016, attempting to remain methodologically consistent with the original data. To do this, I first extended “1” values for rulers who were still in power after 1989. I then took information from a relatively new source created by Dov Levin called the Partisan Electoral Intervention by Great Powers (or PEIG) data set.⁹ This data set records American, Soviet, and other “great power” attempts to intervene in elections. I then cross-referenced this data with public sources showing whether the US-supported candidate was victorious and how long their rule lasted, which allowed me to incorporate it into the format of the *US Influence* variable. Last, I explored the most recent and overt cases of political interventions such as in the war in Afghanistan, judged cases of power transfer where the United States was directly responsible, and encoded them into the variable. With this expansion, influence was observed on average in 14.6% of country-years, down from 20.8% in the original data. This clearly demonstrates that the number of interventions and US-backed regimes dropped significantly following the end of the Cold War. It is also important to note that, while this expanded measure is as accurate as possible with the data at hand, there is of course the possibility that more of these interventions have occurred in recent years which are not known to the public, leaving room for bias in the data. Table 3 in Appendix A shows an annual distribution of global interventions. Other than 1945 and 1946, every single year in the sample experienced at least one intervention or US-backed regime, and 1972 and 1973 both had 33, the greatest amount of any year. The Cold War period saw an average of 23 interventions a year, far more than the 7.3 average found in the 1990-2016 period. Saudi Arabia was under a US-backed regime for 59 years, the highest in the sample. Of the 53 countries in this sample which experienced any intervention, the average length was 23 years.

⁹ Levin, “Partisan Electoral Interventions by the Great Powers: Introducing the PEIG Dataset.”

My first category of controls includes Coups and Revolutions. I include an indicator variable for *Attempted Coups*, which is measured in country c , year t . These variables were constructed out of a database from Powell and Thyne, which indicates the occurrence of coup d'états between the years of 1950 and 2016.¹⁰ Within the 133 countries included in my data, there were a total of 383 attempted coups in 84 countries, of which Bolivia represented the highest number of attempts at 17. Of these attempts, 193 were successful in 67 countries, most commonly in Syria which had 8 successful coups. I also construct two variables indicating the occurrence of civil wars from the Correlates of War Project's Database on Intra-State Wars, spanning from 1816 to 2007.¹¹ These variables are separated into *Civil Wars for Central Control* and *Civil Wars over Local Issues*, as defined by the Correlates of War Project. This data is also expressed through indicator variables where the value is equal to 1 if in country c , year t , a civil war of the respective variable's type was waged. These variables do not indicate the success or failure of these wars, only their occurrence. In this sample, 60 countries experienced *Civil Wars for Central Control*, with a maximum of 26 years for the Philippines. Comparatively, only 26 countries experienced *Civil Wars over Local Issues*, with a maximum of 24 years in Myanmar. Although a small number of these coups and revolutions coincide with American intervention, the vast majority are the result of domestic actors. By compiling this data, I control for these events and show the difference between American-backed and domestic coups and revolutions.

Next, I have compiled data on trade flows for each country. As mentioned earlier, Berger et al discover that US political interventions are directly correlated with a rise in bilateral trade with the United States.¹² With these variables, I control for this effect and examine the possibility

¹⁰ Powell and Thyne, "Global Instances of Coups from 1950-Present."

¹¹ Sarkees and Wayman, "Resort to War: 1816 - 2007."

¹² Berger et al., "Commercial Imperialism?"

of the United States (or the rest of the world) “exporting” democratic or free trade values while it expands trade in actual goods and services. I construct two measures of trade openness, one with total trade and one with bilateral trade between the target country and the United States. Both these variables are measured as a combination of imports and exports over GDP. GDP figures come from Maddison, and are measured in 1990 International Geary-Khamis Dollars.¹³ Trade data comes from the Correlates of War Project, which is measured in current US dollars and then deflated to 1990 levels using a deflator from the Penn World Tables.¹⁴ In order to avoid problems of collinearity, I use only one of these variables in each regression.

Demographic and economic controls include total population, secondary school completion, and GDP per capita. Statistics for total population are taken from the Maddison Project, and are measured in thousands of people ranging from 1800 to 2016.¹⁵ GDP per capita is also from the Maddison Project, and is measured in 2011 US dollars. I also compile data on educational attainment from Barro and Lee, as a way to control for human capital.¹⁶ This variable is expressed as a percentage of the population of each country, age 15 and older, for whom completing secondary school was their highest level of educational attainment. In the original data set this percentage is measured every five years from 1950 to 2010. For the purposes of this paper I annualize the data, so that the percentage from 1950 is expressed until 1954, from 1955 until 1959, and so on.

¹³ Maddison, “Statistics on World Population, GDP and Per Capita GDP 1-2008 AD.”

¹⁴ Barbieri and Keshk, “Correlates of War Project Trade Data Set Codebook, Version 4.0”; U.S. Bureau of Economic Analysis, “Gross Domestic Product (Implicit Price Deflator).”

¹⁵ Bolt et al., “Rebasing ‘Maddison’: New Income Comparisons and the Shape of Long-Run Economic Development.”

¹⁶ Barro and Lee, “A New Data Set of Educational Attainment in the World, 1950-2010.”

3.2 Description of Regressions

Using this data, my first regression is:

$$\text{PolityScore}_{c,t} = \beta_0 + \beta_1 \text{USInfluence}_{c,t} + \mathbf{X}_{c,t} + \text{FE}_c + \text{FE}_t + \varepsilon_{c,t}$$

where $\text{PolityScore}_{c,t}$ represents the expected Polity Score in a given country and year, β_0 is the constant term, $\text{USInfluence}_{c,t}$ indicates whether a US-backed regime is in power in a given country and year, $\mathbf{X}_{c,t}$ represents the aforementioned controls, FE_c and FE_t are country and time fixed effects, and $\varepsilon_{c,t}$ is the error term. I run this regression for three separate time frames: 1945-1989, 1945-2016, and 1990-2016. In doing so, I evaluate the institutional effects of interventions occurring within the Cold War era, I find the results of this method within the extended time period including the post-Cold War years, and I see the impacts of interventions which happened exclusively after 1989.

Still working within the short-term, I then devise a regression which examines the cumulative effects of multiple years of *US Influence*. The *Cumulative* variable is derived from *US Influence*, and simply grows by 1 each year within a given country that *US Influence* is equal to 1, not requiring these years be consecutive. That regression is explained as:

$$\text{PolityScore}_{c,t} = \beta_0 + \beta_1 \text{Cumulative}_{c,t} + \mathbf{X}_{c,t} + \text{FE}_c + \text{FE}_t + \varepsilon_{c,t}$$

Because a change in *US Influence* is a perfect predictor of the change in *Cumulative*, they cannot be included within the same regression. However, this regression is constrained to country-years in which *US Influence* is equal to one. $\text{PolityScore}_{c,t}$ again is the expected Polity Score in a given

country and year, β_0 is the constant term, $\beta_1 \text{Cumulative}_{c,t}$ is the total number of years a given country has had a US-backed regime in power by a given year, $X_{c,t}$ represents the same set of controls as in the previous regression, FE_c and FE_t are country and time fixed effects, and $\epsilon_{c,t}$ is the error term.

Progressing to long-term effects, I then run a regression similar to the first with added lags at 5, 10, 15, 20, 25, and 30-year periods. That equation is expressed as:

$$\begin{aligned} \text{PolityScore}_{c,t} = & \beta_0 + \beta_1 \text{USInfluence}_{c,t} + \beta_2 \text{USInfluence}_{c,t-5} + \beta_3 \text{USInfluence}_{c,t-10} \\ & + \beta_4 \text{USInfluence}_{c,t-15} + \beta_5 \text{USInfluence}_{c,t-20} + \beta_6 \text{USInfluence}_{c,t-25} + \beta_7 \text{USInfluence}_{c,t-30} + X_{c,t} \\ & + FE_c + FE_t + \epsilon_{c,t} \end{aligned}$$

where once again $\text{PolityScore}_{c,t}$ is Polity Score in a given country and year, β_0 is the constant term, $\beta_1 \text{USInfluence}_{c,t}$ indicates whether a US-backed regime is in power in a given country and year, $\beta_i \text{USInfluence}_{c,t-x}$ represents all the lagged effect variables of *US Influence* with $t-x$ representing the length of the lagged effect, $X_{c,t}$ shows the same controls as in the previous equations, FE_c and FE_t are country and time fixed effects, and $\epsilon_{c,t}$ is the error term. This equation is only run out of the expanded 1945-2016 data set. I choose 5-year intervals because of Polity's tendency to make abrupt, larger changes between longer time periods as opposed to a slow gradual progression. I choose a maximum of 30 years of lags for this regression as it allows me to look at a far enough time differential that I can draw conclusions about long-term effect, but still allows for most of the data to be utilized by the regression. Specifically, using these lags allows me to see the full 30-year effect of interventions occurring from 1945-1986, almost the full Cold War period.

I then run another lagged-effects regression which is a duplicate of the above regression but includes lagged effect indicators at 35 and 40-year intervals. Although this method shows even longer-run effects and produces some very interesting results, running this regression separately is prudent as the sample becomes much less representative. Measuring at 40-year lags only measures 1945-1976 due to the time constraints of the data set. Therefore, results from this regression must be evaluated carefully when extrapolating conclusions onto the following years in the data.

4.0 Results

4.1 Short-Term Effects

First, I examine the short-term effects of *US Influence* on Polity using only the years 1945-1989 as seen in Table 1. This is in order to isolate the results from only the Cold War years, where interventions were most frequent. I find that these interventions have an immediate, negative, and significant effect on Polity. Column 1 shows the effect on Polity without any controls, while the following columns progressively add more of the controls discussed in Section 3.1. I use this method as the number of observations drops drastically with added controls. However, because the observed effect changes by only .162 from Column 1 to Column 5, and remains significant at the highest level, I conclude my results are robust to this change in number of observations.

	(1)	(2)	(3)	(4)	(5)
	POLITY	POLITY	POLITY	POLITY	POLITY
US Influence 1945-1989	-2.477*** (0.196)	-2.362*** (0.231)	-2.325*** (0.231)	-2.339*** (0.236)	-2.315*** (0.232)
Total Population		-2.565*** (0.464)	-2.600*** (0.463)	-2.442*** (0.488)	-2.504*** (0.471)
GDP per Capita		0.399 (0.262)	0.385 (0.264)	0.313 (0.291)	0.305 (0.281)
Educational Attainment		0.00280 (0.0179)	0.00192 (0.0179)	0.000767 (0.0186)	0.00220 (0.0180)
Coup Attempt			-0.813*** (0.232)	-0.792*** (0.237)	-0.814*** (0.233)
Civil War (CC)			0.0820 (0.284)	0.0676 (0.288)	0.0514 (0.283)
Civil War (LI)			-1.343*** (0.354)	-1.350*** (0.358)	-1.354*** (0.353)
Openness				0.413 (0.323)	
US Trade Relation					0.244 (1.644)
Constant	-8.858*** (0.687)	11.91** (4.926)	12.38** (4.920)	11.45** (5.312)	12.08** (5.045)
<i>N</i>	4930	3952	3952	3646	3835
<i>R</i> ²	0.814	0.827	0.828	0.825	0.827

Table 1
Standard errors in parentheses
* p<0.10, ** p<0.05, *** p<0.01

I use Column 4 as a reference point, as later in my analysis *Openness*, which is more often significant that *US Trade Relation*, becomes the only trade-related control variable. I find that the immediate effect of *US Influence* is -2.339, significant at the 99% level. This is also economically significant, as it shows a reduction of institutional quality of over 11%. To put this result into context, one can think of this as an 11% reduction in the amount of rights a population is afforded immediately after American operatives successfully placed a new leader into power. Moreover, the mean Polity Score for all country-years in this time period is -1.12, which illustrates that many countries were hovering right around a turning point between an autocratic and a democratic regime. This suggests that when American-backed regimes were placed into power, many nascent democracies as well as autocratic regimes which may have been transitioning into democracy were set back into a more autocratic environment.

I then progress to the extended time period of 1945-2016, as seen in Table 2. I find that this effect, when measured to include these extra years, is still negative and significant. Column 1 shows that, within this longer time period, interventions result in an immediate reduction in Polity Score equal to about -2.58 while controlling for time and country fixed effects. I use the same method as before to slowly introduce controls and I find, once again, that my results are robust to these controls despite the reduction in observations. In this sample, the largest variation between results is less than .1. Once again using Column 4 as a reference point, I find that US interventions result in an immediate change in Polity equal to -2.49, which is statistically significant at the 99% level. This is somewhat more impactful than the effect of *US Influence* in the 1945-1989 period, as it shows a reduction of institutional quality of just over 12%.

	(1)	(2)	(3)	(4)	(5)
	POLITY	POLITY	POLITY	POLITY	POLITY
US Influence 1945-2016	-2.582*** (0.174)	-2.549*** (0.197)	-2.510*** (0.196)	-2.489*** (0.213)	-2.514*** (0.210)
Total Population		-1.041*** (0.271)	-1.122*** (0.270)	-1.564*** (0.335)	-1.602*** (0.327)
GDP per Capita		-0.792*** (0.162)	-0.855*** (0.162)	-1.143*** (0.195)	-0.883*** (0.188)
Educational Attainment		0.0559*** (0.0101)	0.0575*** (0.0101)	0.0636*** (0.0127)	0.0676*** (0.0123)
Coup Attempt			-1.364*** (0.248)	-1.277*** (0.252)	-1.266*** (0.251)
Civil War (CC)			-0.609** (0.261)	-0.546** (0.263)	-0.433* (0.262)
Civil War (LI)			-0.761** (0.342)	-0.643* (0.351)	-0.654* (0.352)
Openness				-0.453* (0.251)	
US Trade Relation					-0.230 (1.413)
Constant	-8.810*** (0.748)	7.134** (3.002)	8.626*** (3.008)	14.35*** (3.643)	12.91*** (3.518)
N	8360	6796	6796	5502	5771
R ²	0.725	0.731	0.733	0.745	0.745

Table 2
Standard errors in parentheses
* p<0.10, ** p<0.05, *** p<0.01

In this regression we also see the impact of the control variables rise in importance. *GDP per Capita*, *Educational Attainment*, *Civil Wars for Central Control*, and *Trade Openness* all become significant where they were not in the 1945-1989 period. Controlling for *Attempted Coups* and both types of Civil War make the effect of *US Influence* even more noteworthy. Many of the countries in the data set experienced quite a bit of domestic unrest unrelated to American interventions, which clearly had a strong impact on their institutions. Looking again at Column 4, Attempted Coups alone result in an immediate reduction of 1.277 in Polity Score, or a 6% drop in institutional quality. Additionally, both types of Civil War are responsible for a 3-4% drop each.

Moreover, the negative impact of *Trade Openness* is interesting due to its counter-intuitiveness. This result shows that a 100-percentage point increase in the ratio of total trade to GDP will result in a reduction of .453 in Polity Score. This is only about a 2% decrease, and is only marginally significant at the 90%, but still notable. This runs contrary to the hypothesis that an increase in trade with developed countries, which account for a majority of world trade, would result in an increased exposure to, and acceptance of, their democratic values. I expected this to be especially true of trade with the United States, which turned out to not have any statistically significant effect at all. However, increasing trade with the world seems to have the opposite effect. Some of this negative effect may be biased by the exceptionally high volume of trade coming from OPEC countries, as well as countries suffering from the “resource curse”, which tend to have among the most autocratic governments in this sample. However, this may occur for a variety of other reasons. Perhaps, as a country trades more the government of that country becomes richer and therefore has more resources with which to suppress its people. Moreover, with more exposure to advanced or democratic countries, perhaps autocratic regimes

feel the need to tighten their grip on power. More work will be required to conclude on this subject, but it opens an interesting line of questioning for future research.

When comparing the effects of *US Influence* on Polity in the two above time periods, the 1945-2016 period shows a stronger negative effect, if only marginally. However, this is despite the instances of influence occurring in about 21% of country-years in the 1945-1989 period while only accounting for about 14% in the full 1945-2016 period. This initially suggests that, although US interventions decreased in frequency during the post-Cold War period, they may have increased in severity. To test this hypothesis, I run the same regression as before, but only for 1990-2016, the years I added to the data. The results for this are noted in Table 3, and show the opposite if this hypothesis is true. Instead, when all controls are accounted for, the effect of *US Influence* seems to be less impactful in this period. The observed impact of -1.193, while still significant at the highest level, is over a full point less than either of the other two time periods, and only shows a reduction in institutional quality by about 5.5%. While this is still a significant loss, it is less than half of what is found in either other regression.

	(1) POLITY	(2) POLITY
US Influence 1990-2016	-0.617** (0.280)	-1.193*** (0.351)
Coup Attempt		-1.618*** (0.366)
Civil War (CC)		-1.370*** (0.294)
Civil War (LI)		-0.292 (0.508)
Secondary Attainment		-0.0553*** (0.0193)
Openness		-0.370 (0.348)
Total Population		0.687 (0.861)
GDP per Capita		-0.878** (0.394)
Constant	-3.191*** (0.712)	-1.882 (9.611)
<i>N</i>	3553	1952
<i>R</i> ²	0.859	0.882

Table 3
Standard errors in parentheses
* p<0.1, ** p<0.05, *** p<0.01

The most likely explanation for this reduced impact can be found in the change in nature of the interventions the United States has undertaken. After the fall of the Soviet Union, the style of US interventions (or at least those revealed to the public) have been mostly overt and rely on military power or public threats. This mainly includes wars like those seen in Iraq and Afghanistan as well as political pressure such as that leveraged on Nicaragua and Israel¹⁷. As these attempts become more overt, they also become more open to scrutiny from American politicians, the American public, and international actors. When they are more open to scrutiny, American leaders must worry about factors such as public blowback affecting their electability

¹⁷ "BUSH VOWS TO END EMBARGO IF CHAMORRO WINS"; Miller, "The Inside Story of U.S. Meddling in Israel's Elections."

as well as partisan adversaries criticizing the strategies they choose or outcomes they achieve. This extra scrutiny could then lead to an increased wariness when deciding to intervene in a country, as well as a higher moral standard when choosing a successor or political regime.

To further my understanding of the relationship between *US Influence* and democracy, I run a final short-term regression which examines the impact of the total amount of time a country has experienced a US-backed regime on Polity. This regression, seen below in Table 4, shows that in years which a given country is experiencing an intervention, each cumulative year of intervention that it has experienced is responsible for lowering its Polity by an additional .0548. While by itself this only represents about a .25% change in Polity, for the many countries which experienced upwards of 20 or 30 years of interventions, this cumulative effect makes a serious difference. This demonstrates that a country's total decline in institutional quality cannot be solely attributed to the initial intervention. Instead, the longer the US supports a regime within a country, the more institutions within that country will suffer. The average country in this sample which experienced an intervention underwent about 23 years of rule under a US-backed regime, which would lead to an additional 5.75% reduction in institutional quality beyond the initial impact.

	(1) POLITY
Cumulative # of Interventions	-0.0548*** (0.0167)
Coup Attempt	-1.097 (0.682)
Civil War (CC)	2.512*** (0.734)
Civil War (LI)	-3.810*** (0.950)
Secondary Attainment	0.268*** (0.0296)
Trade Openness	-1.735*** (0.334)
Total Population	0.277* (0.144)
GDP per Capita	-1.128*** (0.194)
Constant	2.881 (2.129)
<i>N</i>	941
<i>R</i> ²	0.185

Table 4
Standard errors in parentheses
* $p < .10$, ** $p < .05$, *** $p < .01$

4.2 Long-Term Effects

To investigate whether interventions had any long-term effects on Polity, I add variables to show the lagged effects of *US Influence* at 5, 10, 15, 20, 25, and 30-year periods, as shown in Table 5. Again, Column 1 shows this regression without controls and Column 2 shows it with controls to monitor for robustness despite the drop in observations. Here, Column 2 suggests an even stronger negative effect immediately following a US intervention than was seen in the short-term, equal to -3.764. This is equal to more than a 15% decrease in institutional strength.

There continues to be a residual negative effect on institutional quality for up to 10 years with varying levels of significance. However, the negative effect slowly reduces over time until about 15 years post-intervention where the coefficient becomes positive. At this point this effect is not significant, but indicates that the negative effects of interventions stop cumulating relatively quickly. However, after 30 years this result becomes positive and significant, although at a magnitude of less than 5%.

	(1) POLITY	(2) POLITY
US Influence 1945-2016	-3.283*** (0.270)	-3.764*** (0.328)
Influence T-5	-0.511* (0.277)	-0.422 (0.339)
Influence T-10	-0.788*** (0.264)	-0.657** (0.327)
Influence T-15	0.0513 (0.252)	0.303 (0.322)
Influence T-20	-0.0586 (0.246)	0.0273 (0.325)
Influence T-25	0.534** (0.247)	0.383 (0.316)
Influence T-30	0.914*** (0.235)	0.768** (0.303)
Constant	-7.510*** (0.825)	9.576 (7.911)
<i>N</i>	4376	2796
<i>R</i> ²	0.805	0.808

Table 5
Standard errors in parentheses
* p<.10, ** p<.05, *** p<.01

These results demonstrate that, although *US Influence* has an immediate impact with lasting implications, after 30 years this trend begins to reverse itself and restore some of the initial negative impact. However, one should not expect that the country in question will become

better institutionally than a country which had not experienced an intervention. These results are consistent for the Cold War, as with a 30-year lag structure, this regression can accurately measure from 1945-1986, almost that entire period.

Next, I run this regression with a 40-year lag structure, as seen in Table 6. This shows an intriguing progression from the results in Table 5. In Column 2, the initial impact of *US Influence* is only -2.298 in Polity Score, about an 11% decrease in institutional quality. The negative residual effects observed in the last table are much smaller here, with a marginally significant 5-year lagged variable, but no more significant results observed until the 35-year lag. However, the 35 and 40-year lags are both positive and significant at the highest level. If we allow for the coefficient on the 5-year lagged variable to be included, these results suggest that by 40 years after the occurrence of an intervention, the negative effects of interventions have all but disappeared in affected countries. But, this coefficient is only significant at the 90% level, which is below the generally accepted 95% minimum confidence threshold. Therefore, if we only account for effects with the highest level of significance, the results show that the effect of *US Influence* becomes a net positive over 40 years. This suggests that countries which experienced interventions ended up with stronger institutions in the long run than countries which experienced no interventions, despite the short-term drop in institutional quality. With the net benefit totaling only .08, or a .4% rise in institutional quality, one might not expect for countries' relative advantage to be overwhelming. However, achieving any net benefit after 35 years of institutional inferiority shows the remarkable staying power of *US Influence* and potential for even greater future gains. This result must be accepted with caution; because the data set only encompasses 1945-2016, the 40-year lag structure can only measure interventions occurring between 1945 and 1976, so this may be a result exclusive to that short time period.

Conversely, this could be indicative of a larger trend where, as more time progresses, countries which sustained an intervention may see an even greater boost in institutional quality.

Furthermore, those countries that cannot currently be measured in the 40-year lagged regression due to data constraints may begin to see institutional improvements as well.

	(1) POLITY	(2) POLITY
US Influence 1945-2016	-1.788*** (0.287)	-2.298*** (0.356)
Influence T-5	-0.769*** (0.267)	-0.563* (0.325)
Influence T-10	0.0513 (0.255)	0.343 (0.320)
Influence T-15	-0.00748 (0.251)	0.469 (0.335)
Influence T-20	-0.260 (0.242)	-0.136 (0.349)
Influence T-25	0.556** (0.232)	0.360 (0.323)
Influence T-30	0.368 (0.235)	0.112 (0.308)
Influence T-35	0.981*** (0.235)	1.419*** (0.310)
Influence T-40	0.799*** (0.237)	0.965*** (0.314)
Constant	-6.798*** (0.733)	36.68*** (11.55)
<i>N</i>	3054	1805
<i>R</i> ²	0.861	0.859

Table 6

Standard errors in parentheses

* $p < .10$, ** $p < .05$, *** $p < .01$

5. Conclusion

The results displayed in Section 4 strongly indicate that the institutional effects of American political interventions are sharply negative in the short-term, but in the long-term they are potentially beneficial. I find that for the years 1945 to 1989, which I have referred to as the Cold War years, American interventions were responsible for an immediate reduction of 11% in institutional quality. When measuring for 1990 to 2016, this effect drops to a 5.5% reduction, suggesting that interventions occurring after the Cold War were less detrimental to the countries they affected. However, when looking at the combined time period, interventions overall lead to an expected 12% drop in institutional quality. Moreover, the number of years that a country was subjected to a US-backed regime was consequential, with each additional year responsible for a further .25% reduction. The average country, if it experienced any intervention, found itself under a US-backed regime for 23 years. Therefore, this seemingly small effect adds up to an average additional 5.75% institutional deficiency.

Lagged effect regressions illustrate the long-term implications of political interventions. The 30-year lag structure suggests that institutions suffer an initial plunge of over 15%, with residual negative effects compounding up to 10 years later. However, by 30 years after the initial intervention, institutional strength makes a 3.5% resurgence. The 40-year lag structure, although less representative of the sample due to data constraints, shows a much lower initial effect on institutions at only 11%. Moreover, it pushes the results of the 30-year results demonstrating that 40 years after an intervention, the affected country not only has an institutional resurgence which completely reclaims any lost institutional potential, but surpasses countries which did not

experience any interventions. Although this net benefit is only equal to about 1%, as additional time passes this effect has the potential to grow into something quite significant.

This research can be improved once additional time has passed. Currently, time constraints on the data only allow for the 40-year lagged regression to measure from 1945 to 1976. Once the data includes a longer time period, it will be interesting to see whether the demonstrated results are consistent with what is found here, or if potentially they show stronger positive results. Moreover, this will allow for an even longer lagged regression. Hopefully, this will be able to show if the positive effects which are seen at the end of 40 years becomes a continuing trend into the future. Another indirect benefit of additional time passing is that classified covert political interventions that may have occurred since the Cold War could become public knowledge. Just as Cold War interventions were not revealed to the public until the 2000's, post-Cold War covert operations will require some delay before their declassification. Although it is unlikely that there have been any operations similar to the scale seen during the Cold War, the ability to confirm this or change the data accordingly will greatly reduce bias or the suspicion thereof.

In conclusion, American foreign political interventions have an undeniably negative institutional effect on the countries they target in the short-term, but in the long term show no lasting negative effects, and even mild positive ones. As leaders in America have long stated that the goal of political interventions is to strengthen democracy across the globe, it is important for them to understand how successful this method may be in advancing that goal. My hope is that, with this research, I bring a deeper understanding of the relationship between American foreign political interventions and the democratic institutions of the countries they occur in. An even better understanding of these interventions can be gained by examining their effects on growth

patterns, cultural cohesion measures, and public opinion of the United States, all in the countries in which they take place. Taking steps to fully understand the ramifications of these actions in multiple fields will increase their utility while reducing negative externalities in the future.

Appendix A: Tables of Descriptive Statistics

Table 1: Global Polity Distribution, 1945

POLITY	Freq.	Percent	Cum.
-10	3	4.84	4.84
-9	4	6.45	11.29
-8	3	4.84	16.13
-7	3	4.84	20.97
-6	3	4.84	25.81
-5	4	6.45	32.26
-4	2	3.23	35.48
-3	5	8.06	43.55
-2	2	3.23	46.77
-1	2	3.23	50.00
0	3	4.84	54.84
1	1	1.61	56.45
2	5	8.06	64.52
3	1	1.61	66.13
4	2	3.23	69.35
5	4	6.45	75.81
8	2	3.23	79.03
10	13	20.97	100.00
Total	62	100.00	

Table 2: Global Polity Distribution, 2016

POLITY	Freq.	Percent	Cum.
-10	4	3.01	3.01
-9	2	1.50	4.51
-8	2	1.50	6.02
-7	5	3.76	9.77
-6	1	0.75	10.53
-5	1	0.75	11.28
-4	5	3.76	15.04
-3	4	3.01	18.05
-2	5	3.76	21.80
-1	3	2.26	24.06
0	1	0.75	24.81
1	1	0.75	25.56
2	3	2.26	27.82
3	3	2.26	30.08
4	4	3.01	33.08
5	10	7.52	40.60
6	13	9.77	50.38
7	11	8.27	58.65
8	12	9.02	67.67
9	14	10.53	78.20
10	29	21.80	100.00
Total	133	100.00	

Table 3: Instances of US Influence, Yearly

YEAR	US Influence 1945-2016		Total	1981	107	27	134
	0	1					
1945	64	0	64	1982	106	28	134
1946	65	0	65	1983	107	27	134
1947	58	9	67	1984	110	24	134
1948	61	10	71	1985	110	24	134
1949	60	13	73	1986	112	22	134
1950	59	14	73	1987	114	20	134
1951	60	14	74	1988	115	19	134
1952	57	17	74	1989	117	17	134
1953	57	18	75	1990	118	16	134
1954	56	20	76	1991	117	16	133
1955	56	20	76	1992	117	16	133
1956	59	19	78	1993	118	15	133
1957	58	22	80	1994	119	14	133
1958	60	21	81	1995	121	12	133
1959	61	21	82	1996	123	10	133
1960	78	22	100	1997	125	8	133
1961	81	23	104	1998	126	7	133
1962	83	25	108	1999	127	6	133
1963	85	24	109	2000	127	6	133
1964	82	29	111	2001	127	6	133
1965	84	30	114	2002	126	7	133
1966	86	31	117	2003	125	8	133
1967	85	32	117	2004	124	9	133
1968	89	31	120	2005	125	8	133
1969	91	29	120	2006	127	6	133
1970	91	30	121	2007	129	4	133
1971	93	32	125	2008	129	4	133
1972	92	33	125	2009	129	4	133
1973	92	33	125	2010	130	3	133
1974	95	31	126	2011	129	4	133
1975	102	30	132	2012	130	3	133
1976	102	30	132	2013	131	2	133
1977	101	32	133	2014	131	2	133
1978	104	30	134	2015	132	1	133
1979	106	28	134	2016	132	1	133
1980	108	26	134				
				Total	7,213	1,235	8,448

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