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Abstract: Sovereign default has myriad economic and political consequences. Existing research, however, has not explored the human costs of sovereign default, though some link the fiscal flexibility afforded by sovereign creditworthiness to improved human rights performance. But what are the consequences when sovereigns lose all creditworthiness and default on their debt obligations? I argue that while the average effect of default is negative for respect for physical integrity rights, a conditional effect exists. When states devote more of their resources to debt service and default, they are likely to see a short term increase in respect for physical integrity rights. I find robust support for these arguments using panel data on over 90 developing countries from 1981–2010.

Keywords: debt service; sovereign debt; human rights; risk management; physical integrity rights

1. Introduction

Public attention recently has begun to focus on sovereign debt- specifically, the ways in which debt repayment may limit the ability of governments to fulfill human rights. For example, Haiti has consistently spent more on debt repayment than on social services, sometimes as much as three times as much. According to UNICEF (2021), 25 countries spend more money repaying their debts than on education, healthcare, and social protection in aggregate.

While the public has focused on the relationship between debt and economic and social rights, scholarly attention has been more focused on the connection between debt and physical integrity rights. Prior research demonstrates that access to cheap credit allows sovereigns to better train, monitor, and reward their agents (Clay and Digiuseppe 2017). There is, additionally, a growing understanding that sovereign defaults do not only occur when governments are unable to repay, but also when they have the ability but lack the will. I connect these two developing streams of scholarly thought by asking: what are the physical integrity rights consequences of sovereign default?

Sovereigns who default on their debt obligations face a myriad of consequences. Empirical evidence from existing scholarly work shows that states who default lose access to credit (Tomz 2007), must pay higher premia when they re-enter the market (Tomz 2007), lose incumbency advantages and suffer leader turnover (Digiuseppe and Shea 2015, 2016, 2018), see a contraction in GDP (Reinhart and Rogoff 2008), see declines in international trade (Bulow and Rogoff 1989; Kohlscheen and O'Connell 2006) and demonstrate long-term losses in output by almost 10% over eight years (Furceri and Zdzienicka 2012). While some recent scholarship acknowledges that the choice states face in continuing to service their debt or to default is a social and political phenomena (Roos 2019), little scholarly attention has been paid, though, to the consequences of default on the individuals within a state. Clay and Digiuseppe (2017) find that states who are creditworthy have better respect for physical integrity rights, are less likely to respond to violent dissent with repression, and are less likely to experience physical integrity rights abuse due to agency loss during and immediately after revenue shocks. What happens to respect for physical integrity rights, though, when states use their creditworthiness, rely on sovereign debt, and then suffer

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a default episode? Are human rights practices worse in states that never gained access to credit, or in states which were previously viewed as creditworthy prior to default? In other words, do states that lose the fiscal flexibility afforded by access to credit repress more than states which never had fiscal flexibility to begin with? Answering this question provides vital insight into the indirect consequences of relying on external finance to meet citizen demands.

I answer these questions first by finding that the effect of sovereign default on physical integrity rights overall is negative. I also provide empirical evidence which suggests that states which rely more heavily on sovereign credit prior to a default episode improve their respect for physical integrity rights, while states which rely less heavily on credit and default see a decrease in respect for physical integrity rights. While earlier research studied the effect of overall creditworthiness on respect for physical integrity rights, this study focuses on the impact of the interaction between reliance on credit and the total loss of credit that is associated with sovereign default. Recent scholarship has found no relationship between sovereign debt and human rights (Bagwell and Hall 2020; Clay and Digiuseppe 2017; Richards et al. 2001). This study, then, is the first to uncover a relationship linking sovereign debt and respect for physical integrity rights. I argue that the human costs, in contrast to the political and economic costs, of sovereign default are important and worthy of concern given the long term political and economic ramifications of repression (Blanton and Blanton 2007; Lichbach 1987; Mason and Krane 1989; Moore 1998; Moore 2000; Bell et al. 2013).

The political and economic consequences of default are well known. Politically, defaulting states are sometimes sanctioned (Tomz 2007). Leaders may also struggle to maintain power after a default, while maintaining access to credit allows for longer leader tenure (Digiuseppe and Shea 2015, 2016). In democracies with divided government, losing access to affordable credit shortens incumbent leader tenure (Digiuseppe and Shea 2018). Economic consequences include loss of access to sovereign credit, inflation, and losses in real GDP (Reinhart and Rogoff 2008; Kaletsky 1985; Tomz 2007). To date, however, no scholars have examined the human costs of sovereign default.

Relying on debt allows leaders to put off politically unpopular decisions and satisfy their constituents or winning coalition (Digiuseppe and Shea 2015; Alesina and Tabellini 2005). Consequentially, higher debt to GDP or debt to revenue ratios increase the proportion of resources that are needed to maintain debt service. While both debt to GDP ratios and default lead to lower growth and revenue shortfalls, it is possible that in the short term, the revenue freed up from repudiating on high levels of debt obligations allows sovereigns to shift resources from debt service to dealing with issues of physical integrity. This would be primarily true in countries with higher levels of debt-service as a proportion of their total revenues or overall expenditures.

A current trend in human rights research revolves around discovering the correlation between economic indicators and respect for or violations of physical integrity rights (Abouharb and Cingranelli 2006; Bagwell and Hall 2020; Escribà-Folch 2012; Barry et al. 2013). This existing research is theoretically motivated by the relationship between development, state capacity, and economic grievances. Building on this existing work, more recent studies have investigated the relationship between international capital or trade and respect for physical integrity rights. For example, Abouharb and Cingranelli (2006) find that World Bank Structural Adjustment Programs cause states to shift resources away from public goods provisions, causing hardships, increasing conflict, and ultimately worsening respect for physical integrity rights. Hafner-Burton (2005) finds that preferential trade agreements are more effective at limiting repression than other human rights agreements. Richards et al. (2001) provide evidence that FDI and portfolio investment increase respect for certain types of human rights, whereas sovereign debt decreases the odds of government respect for political rights and civil liberties but has no statistically discernible effect on physical integrity rights . In general, dictators are more likely to repress when budget constraints are tight, particularly in personalist regimes (Escribà-Folch 2012). These insightful stud-

ies provide valuable information in the role economic globalization plays in helping or harming state efforts to respect human rights. However, few studies have explored the direct linkage between a government's economic resources—or the capital available on hand—and violations of human rights.

Clay and Digiuseppe (2017), then, serves as this study's theoretical point of departure, as I build off their findings on the relationship between creditworthiness and repression. Leaders do not have unlimited resources to meet the needs of their citizens or winning coalitions, and their behavior is therefore constrained by the resources available to them. Leaders can lessen this constraint by accessing the sovereign credit markets. By gaining financing through sovereign credit, leaders gain fiscal flexibility to respond to citizen demands with strategies other than repression. But what happens when states that have come to rely on credit experience a default episode? Does repression happen at levels higher than in states that never were able (or willing) to rely on sovereign credit markets?

2. Theory

Domestic threats to the status quo are perceived to be the primary motivator for human rights violations (Davenport 2007). When faced with such threats, leaders have the options of repression or accommodation. Accommodations on scales large enough to satisfy dissent that also allow leaders to maintain power are significantly costlier to the leader than widespread or indiscriminate repression. Indiscriminate repression, on the other hand, is relatively cheap. If the government has already devoted resources to developing a state security apparatus, then carrying out a program of abuse requires very little additional allocation of resources (della Porta 1995; Pierskalla 2010; Ritter 2014). All leadership must do is allow their agents to meet dissent with repression and impunity.

Building on the existing foundation of scholarship that demonstrates the relationship between financial constraints and respect for physical integrity rights (Abouharb and Cingranelli 2006; DeMeritt and Young 2013; Clay and Digiuseppe 2017), I make a compelling case that leader behavior is influenced by their available revenues. Specifically, leaders wishing to alleviate their financial burdens may turn to external credit, gaining the "fiscal flexibility" to turn to responses other than repression when faced with dissent, particularly in times of revenue shortfalls.

Sovereigns can access multiple sources of revenue. The existing scholarly literature highlights natural resource wealth (Conrad and DeMeritt 2013; DeMeritt and Young 2013), taxes (Cingranelli et al. 2014b), trade (Peterson 2017), and foreign direct investment (Blanton and Blanton 2007) as potential sources of revenue which influence state capacity to improve respect for human rights. The signing of preferential trade agreements with enforceable human rights standards improves the behaviors of some human rights abusers (Hafner-Burton 2005, 2011). Economic sanctions which decrease foreign capital inflows, particularly multi-lateral sanctions, increase the probability of declining respect for human rights (Peksen 2009). More diversified exports, similarly, promote growth, generating revenues for leaders, lessening mobilization for dissent, and increasing the costs of repression, leading to better human rights practices (Peterson 2017).

Revenues are directly tied to state capacity. Blanton et al. (2018) demonstrate that state capacity plays a vital role in diminishing human trafficking. McLean and Whang (2019) similarly show that sanctions decrease government revenues and spending, leading to increased human losses caused by natural disasters . Early scholarship largely modeled respect for physical integrity rights and compliance with human rights treaties as a matter of sovereign will, but Cole (2015) shows that much of the noncompliance is a matter of state capacity linked to bureaucratic efficiency. Further, Cole and Reynolds (2019) find that increased foreign aid improves compliance with the ICESCR through improving state capacity. Likewise, Englehart (2009) shows that states which generate low tax revenues, suffer from high levels of corruption, and generally lack law and order are far less capable of meeting their obligations to guarantee personal security rights. Sovereigns which are able to generate additional revenues increase their bureaucratic efficiency (Cingranelli et al.

2014b). Similarly, Hafner-Burton (2014) argues that reducing agency slack, or phrased differently, increasing capacity to monitor, train, and reward agents, is likely to lessen human rights abuses. Berliner et al. (2015) find that improvements in state capacity may increase respect for collective labor rights.

Sovereigns who default lose their status as "creditworthy" (Reinhart and Rogoff 2008) and should see a decrease in physical integrity rights for two primary reasons. First, building off the above discussion of Ritter (2014), widespread repression is the cheapest option available to leaders, and loss of access to credit limits options to only the cheapest available. Default is often accompanied by austerity programs implemented through conditional lending from lenders of last resort- meaning states who default lack the ability to respond to dissent with options other than indiscriminate repression. Second, leaders which would otherwise prefer not to violate physical integrity rights may be unable to adequately compensate or monitor agents after losing access to credit. This second mechanism is functionally a form of agency loss. Overall, I expect sovereign default to diminish the fiscal flexibility available to leaders, all else equal, and therefore decrease respect for physical integrity.

Hypothesis 1 (H1). *Sovereign default is associated with a decrease in respect for physical integrity rights.*

However, as the level of government debt increases, more resources must be devoted to maintaining debt service. Since fiscal resources are finite, leaders faced with dissent must choose between debt service and responses to dissent: accommodation or repression. Default offers leaders saddled with debt the ability to reallocate resources away from debt service and choose strategies other than repression while also compensating and monitoring their agents. In the short-term, this should allow leaders to limit the amount of repression taking place within their borders, or at the very least, prevent repression from increasing.

On the other end of the spectrum, states which rely on debt only minimally are less likely to suffer serious negative consequences from default. The lost access to international capital would not cause a revenue shock sufficient to change existing human rights standards in one way or another. States which borrow very little would not see a decline in revenue and would not be overly harmed by not regaining access to sovereign credit markets. Creditworthy states begin with more fiscal flexibility and should, on average, have higher existing human rights standards/conditions. These states have been able to rely on sovereign credit to smooth over revenue shortfalls, allowing leaders to choose more expensive strategies like accommodation when faced with dissent. In these states, at the very least, I would expect the impact of default to be lessened.

Over time, however, governments may build up a reliance on external finance. This reliance comes with the expectation that should such shortfalls occur, they will be able to access sovereign credit markets, using the funds to offset the need for politically unpopular policies like raising taxes or cutting social spending. However, the more a state relies on sovereign debt, the more they must repay, and the more resources must be devoted to debt service. If sovereigns who rely on debt repudiate their obligations, they should be able to reallocate resources away from debt maintenance to providing public goods and accommodating dissenting voices, leading to less conflict and more respect for physical integrity rights. In the short term, then, sovereign default and a loss of creditworthy status should provide more fiscal flexibility than continuing to rely on external finance.

Hypothesis 2 (H2). *As government debt increases relative to government resources, default will be associated with short-term improvements in respect for physical integrity rights.*

3. Research Design and Analysis

To begin, I limit the sample by excluding OECD countries. OECD countries traditionally have more static respect for various human rights, but especially physical integrity rights. Member states have made the protection of human rights a policy priority, generally experience less violent dissent, and have less incentive to repress. Furthermore, by following convention and limiting the sample to non-OECD states, I am able to make more like to like comparisons among those who fill the panel. The dependent variable is the change in respect (respect at *t* minus respect at t-1) for physical integrity rights as measured by CIRI. Due to the presence of autocorrelation I utilize an FGLS model that accounts for the presence of first order autocorrelation. For the test of hypothesis 1, the sample is just over 3200 country years, from 1982–2010. For hypothesis tests 2 and 3, due to the presence of obvious outliers, I exclude observations from the model in which the debt to revenue and debt to expenditure ratio are over 30.[1] This leaves a sample size of 902 country years from 1991–2010.[2]

3.1. Physical Integrity Rights

I measure government respect for physical integrity rights using the Cingranelli Richards Human Rights project (Cingranelli et al. 2014a). The CIRI Physical Integrity Rights Index generates scores from the US State Department's yearly *Country Reports on Human Rights Practices* and Amnesty International's *Annual Report*. The Physical Integrity Rights Index is an additive scale of four components: the right to not be tortured, the right to not be disappeared, the right to not be arbitrarily detained, and the right to not be extrajudicially executed. Each of the individual components is measured from 0–2, with zero indicating no respect for that right and two indicating the highest level of respect for that right. Taken together, the Physical Integrity Rights Index takes 9 possible values, from 0–8, and represents the ability of a state to guarantee the security of a person's bodily integrity.

3.2. Sovereign Debt and Default

While there is some debate about the best way to measure sovereign default, I follow recent convention and count a default as any time a sovereign fails to meet their regularly scheduled debt obligations. The variable takes a value of one when a sovereign defaults and a value of zero when they maintain debt service (Borensztein and Panizza 2009; Kohlscheen 2010; Reinhart and Rogoff 2008). Table 1 displays the average results of defaulting on human rights.

Table 1. Effects of Default on Physical Integrity Rights.

	(1)	(2)
VARIABLES	CIRI Physint	Latent HR
Lagged DV	0.725 ***	0.951 ***
	(0.0116)	(0.00499)
Default	−0.0878 **	−0.0246 ***
	(0.0371)	(0.00726)
Polity	0.0140 ***	0.00140 **
	(0.00240)	(0.000564)
Regime Durability	−0.00217 **	−0.000737 ***
	(0.000998)	(0.000218)
Population (logged)	−0.189 ***	−0.0208 ***
	(0.0120)	(0.00280)
GDP Per Capita (logged)	0.0541 ***	0.0110 ***
	(0.0170)	(0.00370)
GDP Growth	−0.0142	−0.0214
	(0.0573)	(0.0249)

Table 1. *Cont.*

	(1)	(2)
War on Location	−0.468 ***	−0.00921
	(0.0591)	(0.00985)
Constant	2.630 ***	0.147 ***
	(0.210)	(0.0425)
Observations	3235	3464
Number of countries	137	138

Standard errors in parentheses: *** $p < 0.01$, ** $p < 0.05$.

I measure the amount of resources devoted to debt service proportionally, in Table 2 Column 1 by dividing the amount of state revenues devoted to interest payments by total revenues, and in Table 2 Column 2 by dividing the amount of state expenditure devoted to interest payments by total expenditures. The results are robust to a barrage of different model specifications using this proportional operationalization.

Table 2. Default x Debt to Revenue and Physical Integrity Rights.

	(1)	(2)
VARIABLES	CIRI Physint	Latent HR
Lagged DV	0.651 ***	0.933 ***
	(0.0187)	(0.00568)
Default	−0.204 **	−0.0215
	(0.0823)	(0.0145)
Debt Payments:Revenue	−0.0182 ***	-0.00003
	(0.00666)	(0.000797)
DefaultX Payments:Revenue	0.0205 ***	0.00163 **
	(0.00753)	(0.000749)
Polity	0.0219 ***	0.00209 ***
	(0.00371)	(0.000803)
Regime Durability	−0.00356 **	−0.00101 ***
	(0.00168)	(0.000251)
Population (logged)	−0.284 ***	−0.0435 ***
	(0.0226)	(0.00454)
GDP Per Capita (logged)	0.127 ***	0.0301 ***
	(0.0239)	(0.00522)
GDP Growth	0.106	0.0126
	(0.202)	(0.0572)
War on Location	−0.418 ***	−0.0199 **
	(0.0858)	(0.00908)
Constant	3.279 ***	0.199 ***
	(0.359)	(0.0538)
Observations	902	922
Number of countries	95	96

Standard errors in parentheses: *** $p < 0.01$, ** $p < 0.05$.

3.3. Other Controls

I control for regime type by including the Polity IV regime type score (Marshall et al. 2014). This variable ranges from −10 to 10 with a score of 10 representing a full and consolidated democracy and −10 representing a consolidated autocracy. I also include a measure of regime durability taken from the Polity data series (Marshall et al. 2014). This indicator signals whether there has been significant instability in the regime by capturing a three point or more swing in the overall Polity score in the previous three years. I control for the size of the state by including the natural log of the population; the size of the economy by including the natural log of GDP per capita, and for current economic conditions by incorporating an indicator of GDP growth, all taken from the World Bank (2018). I include a measure of civil conflict, indicating whether there was a war on location (Gleditsch et al.

2002; Themnér and Wallensteen 2012). All independent variables are lagged by one year, following (Bellemare et al. 2017).

4. Discussion of Results

The findings here support the argument of Clay and Digiuseppe (2017), indicating that creditworthiness is a positive predictor of respect for physical integrity rights. Table 1 demonstrates that a sovereign default is associated with a decrease in respect for physical integrity rights the following year. Losing creditworthy status, or defaulting on debt obligations, decreases respect for physical integrity rights on average, as leaders lose the ability to respond to dissent with options other than repression or suffer from agency loss due to lack of fiscal capability. I find, however, that in the short-term, states which devote a high proportion of their revenues to debt service are able to at least temporarily improve their respect for physical integrity rights. Table 1 presents models supporting hypothesis 1. Table 2 presents models which provide support for hypothesis 2, with both operationalizations of debt burden. Overall, it appears the results are not driven by model design. Table 2 Column 2 presents similar information but alters the key independent variable in the interaction term to represent the ratio of debt service to overall expenses rather than revenue. Both tables, however, support hypotheses 2 and 3. Table 2 Column 1 tests the hypotheses by interacting default with the proportion of debt payments to state revenue. Table 2 Column 2 tests the hypotheses by interacting default with the proportion of debt payments to the total of state expenditures. As debt service increases, relative to either state expenses or revenues, the short-term effects of default show an increase in respect for personhood rights. Figure 1 graphs the results from Table 1 Column 1. Figure 2 graphs the results of Table 2 Column 1. Figure 3 graphs the results of Table 3 Column 1. Figures 2 and 3 show the average marginal effect of higher proportions of debt service with a discrete change in default status.

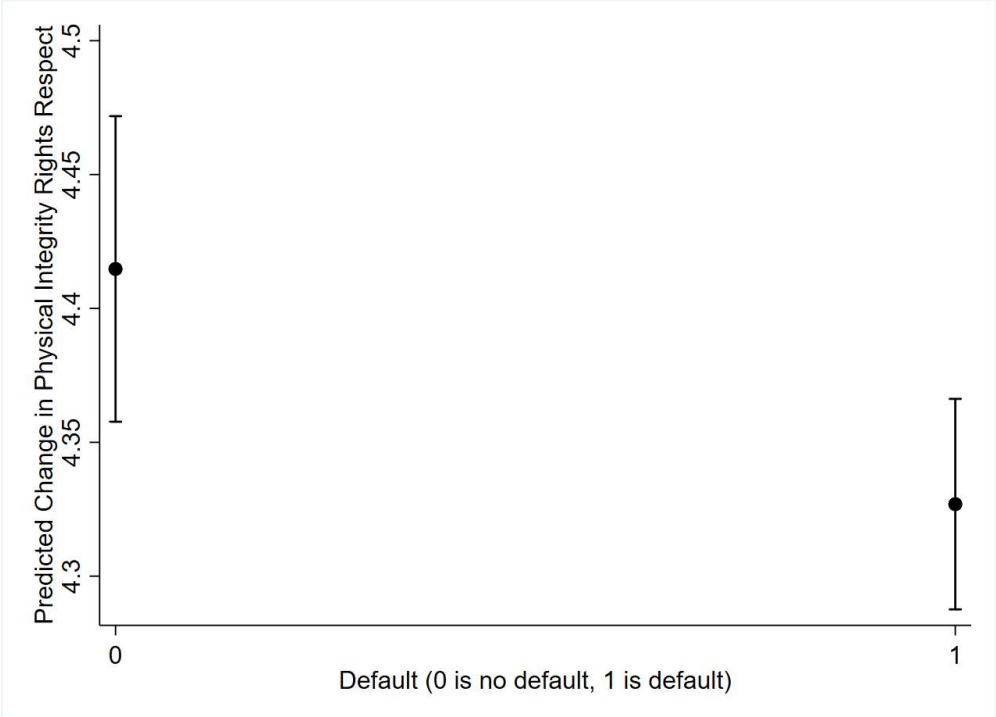

Figure 1. Marginal Effects of Default on Respect for Physical Integrity Rights (95% CIs).

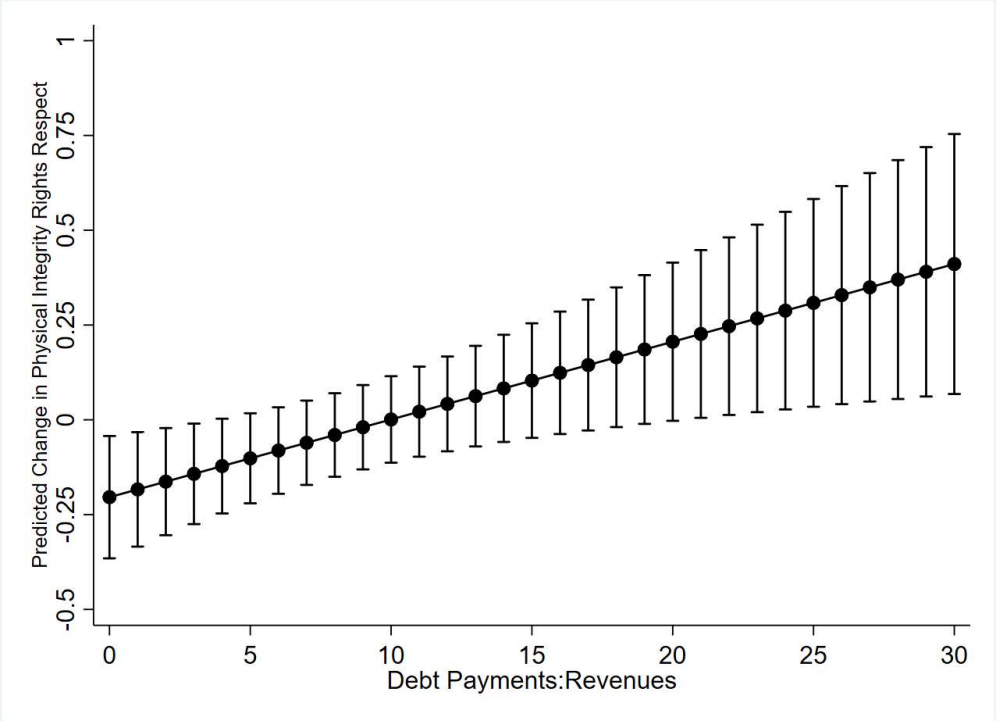

Figure 2. Marginal Effects of Default and Increasing Debt:Revenues (95% CIs).

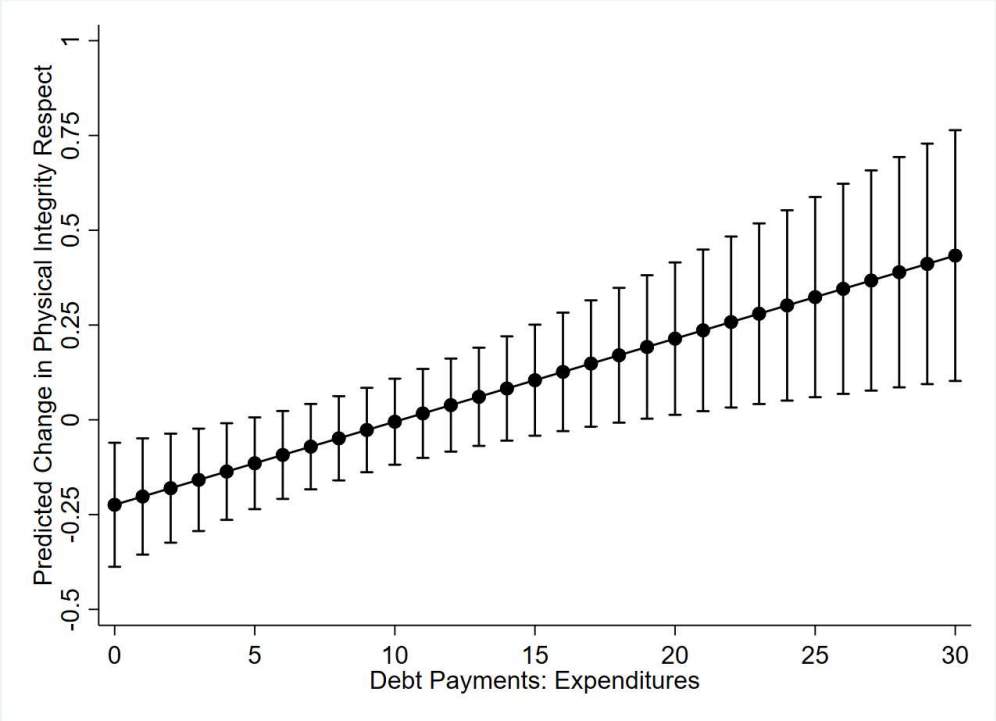

Figure 3. Marginal Effects of Default and Increasing Debt:Expenditures (95% Cis).

Table 3. Default x Debt to Expenses and Physical Integrity Rights.

	(1)	(2)
VARIABLES	CIRI Physint	Latent HR
Lagged DV	0.655 ***	0.933 ***
	(0.0181)	(0.00570)
Default	−0.224 ***	−0.0317 **
	(0.0835)	(0.0154)
Debt Payments:Revenue	−0.0185 ***	0.000627
	(0.00652)	(0.00104)
DefaultX Payments:Expenses	0.0219 ***	0.00212 **
	(0.00734)	(0.000996)
Polity	0.0209 ***	0.00198 **
	(0.00360)	(0.000807)
Regime Durability	−0.00344 **	−0.00118 ***
	(0.00162)	(0.000257)
Population (logged)	−0.281 ***	−0.0447 ***
	(0.0217)	(0.00431)
GDP Per Capita (logged)	0.126 ***	0.0316 ***
	(0.0228)	(0.00506)
GDP Growth	0.0937	0.00987
	(0.243)	(0.0568)
War on Location	−0.436 ***	−0.0170 *
	(0.0833)	(0.00959)
Constant	3.250 ***	0.196 ***
	(0.359)	(0.0501)
Observations	903	923
Number of countries	95	96

Standard errors in parentheses: *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

As Figures 2 and 3 demonstrate, at very low levels of debt, sovereign default appears to weaken respect for physical integrity rights. This is likely due to the short-term shock of default weakening state capacity to train, monitor, and reward their agents; or to cuts to social spending leading to increased protests, increasing the opportunities for domestic conflict and repression. As the proportion of debt payments to state resources increases, however, default has, on average, a *positive* impact on respect for physical integrity rights.

Additionally, I explore the marginal effects of sovereign default at different debt levels. Figures 4 and 5 provide an alternative display of the results from Tables 2 and 3 Column 1, showing the marginal effects of default at various levels of debt to revenues and debt to expenditure, increasing each by one standard deviation. The overall effects of experiencing a default are minimal, however, the comparison between defaulting states and non-defaulting states at various levels of debt is important. At low levels of debt, avoiding sovereign default does not appear to diminish respect for a person's physical integrity rights. As more of a state's resources are tied up in maintaining debt service, however, the state's ability to maintain respect for physical integrity rights decreases, but only as long as they avoid a default.

Overall, the evidence supports the claim that sovereigns may experience some fiscal relief by defaulting, and utilize the newly available funds to continue to guarantee respect for physical integrity rights within their borders.[3]

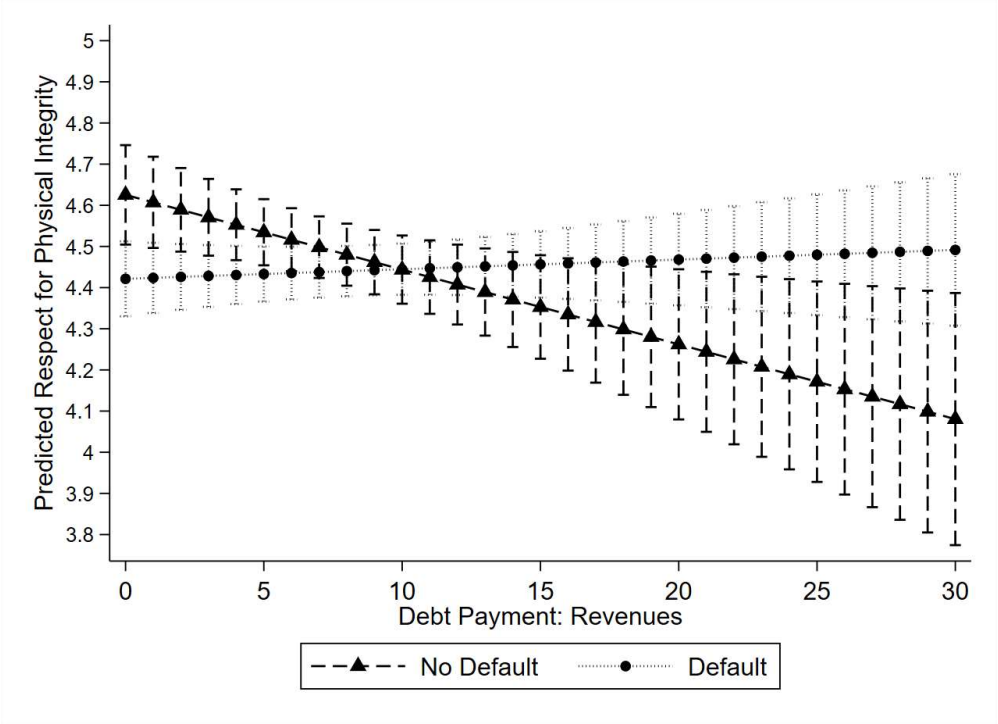

Figure 4. Marginal Effects of Default and Non-Default at Increasing Debt:Revenues.

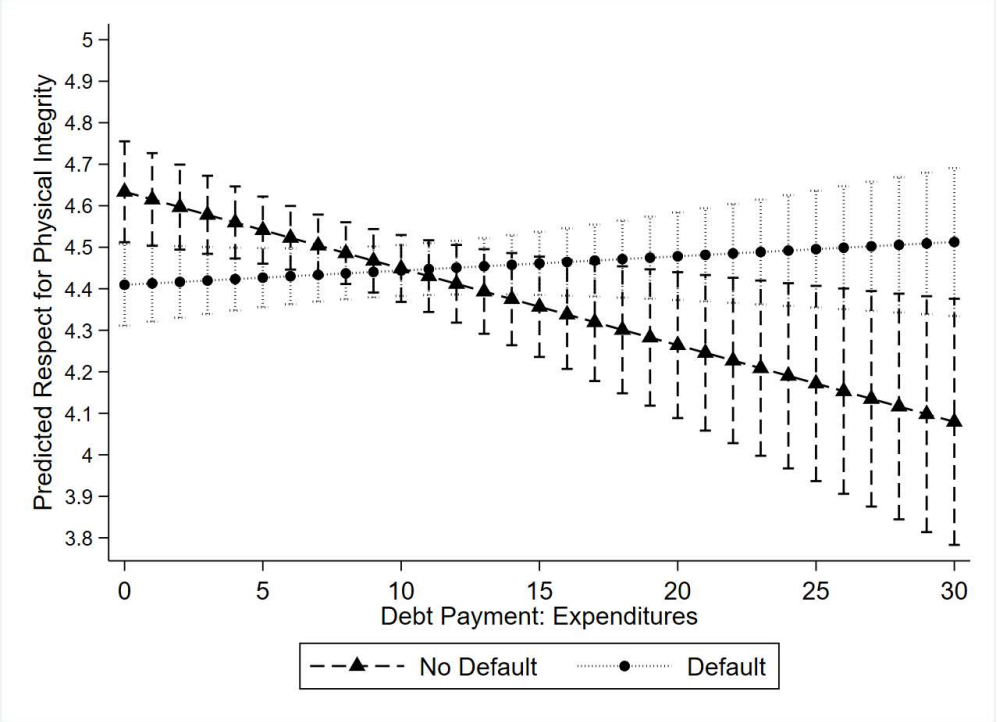

Figure 5. Marginal Effects of Default and Non-Default at Increasing Debt:Expenditures.

5. Conclusions and Implications

Building on the knowledge acquired from existing literature, I find that states which default, on average, experience a decline in physical integrity rights. However, this study also finds robust support for the additional hypothesis; states who devote a higher proportion of their resources to debt service and default likely experience some fiscal relief in the short term, better allowing them to respect and protect bodily integrity rights. Default

at higher proportions of debt to revenues and debt to expenditures leads to a short-term improvement in respect for physical integrity. When debt service is high, states can regain lost fiscal flexibility by repudiating on their agreements with creditors, and better use that flexibility to prevent abuse of their citizens, at least in the short-term.

These findings also offer insights of broader importance. Default is rarely, if ever, seen in a positive light. This study, however, shows that a sovereign may do something economically harmful (default) for a good reason, or at the very least improve an outcome at the onset of an economic crisis. From a theoretical and normative standpoint, it is worth asking the question: if a sovereign reneges on its debt obligations in order to improve its human rights practices, should it suffer the same reputational costs as one that defaults and does not improve?

Existing work finds that preferential trade agreements with codified and enforceable human rights standards mitigate human rights abuses and potentially improve respect for physical integrity rights (Hafner-Burton 2011). Sovereign creditors not wishing to add to the human costs of sovereign default might consider adding human rights standards into their negotiations of debt repayments. For example, debtor states may gain debt forgiveness or access lower interest rates if they demonstrate credible commitments to improving human rights conditions in their country. Multilateral lending agencies like the IMF should also consider similar provisions in their programs, as should organizations like the Paris Club. This seems particularly germane to programs like the Heavily Indebted Poor Country initiative, as well as its successor Multilateral Debt Relief Initiative. The MDRI, in particular, aims to ensure that countries are able to reduce poverty within their borders and achieve progress towards the Millennium Development Goals and Sustainable Development Goals. Alleviating poverty is an admirable goal, but other human rights concerns could also play a role in determining how much debt relief sovereigns are able to earn. This could operate similar to the debt-for environment swaps undertaken, for example, by Bolivia in 1987 (Thapa 1998) or the Seychelles in 2016. Given the number countries facing serious debt crises in the wake of the COVID-19 Pandemic, debt relief is likely to take on a prominent position in global policymaking in the 2020s (World Bank 2022).

While some work exists studying the effects of IMF structural adjustment programs on human rights (Abouharb and Cingranelli 2006), IMF SAPs are not agreed to by all defaulting governments, and even those who undertake them vary widely in their implementation and compliance. Identifying debtor-creditor agreements which include some measures of human rights protections and studying their effectiveness would be a useful addition to the scholarly literature. Additionally, existing work, like this study, focuses on respect for physical integrity rights, while pushing other rights established in international law to the side. Future studies could also examine the role financial crises play in changing respect for economic, social, and cultural rights. Finally, existing work shows that some regimes are better able to negotiate the terms of their defaults, i.e., better able to force lenders to accept less relative to their initial expected return on investment (Digiuseppe and Shea 2018). Interesting future studies should determine whether the size of the haircut imposed on lenders is associated with a corresponding increase in respect for human rights.

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Notes

[1] I used a boxplot to identify outliers- anything outside of the outer band was considered an extreme outlier, which excluded 9 countries from the analysis. Models not excluding outliers display similar trends. Marginal effects plots for those models are displayed in the appendix. Additionally, multinomial logistic models which operationalize the dependent variable as "improve respect", "no change in respect", and "decline in respect" show similar results: default at higher levels of debt to revenues decreases the probability of seeing a decline in respect for physical integrity rights by roughly 20%.

[2] The primary driver of losing observations is accounting for state revenues, data for which is not consistently available prior to 1990, and suffers from some missingness throughout the panel.

[3] Frequency plots showing the distribution of the proportion of debt payments to revenues and expenditures are available as supplementary material.

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