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Overview

The study of international organizations inevitably leads to consideration of the role of several that have been at the heart of international efforts to promote development after World War II, primarily but not exclusively in decolonized countries or countries soon to be decolonized.

These efforts were stimulated by shifts in political and socio-economic outlooks both within industrialized countries as a result of turbulent global history, 1914-1945, and as a result of the energetic struggle for independence and greater autonomy in Africa, Asia and Latin America initiated in part by political shifts within China and India as early as the turn of the last century foreshadowing China's tumultuous path through the 20th century and India's independence in 1947.

This working paper chronicles international cooperation for development, starting with two prominent early drivers: the dawn of global communications; and profound shifts in thinking in both industrialized and developing worlds after the Second World War. This process was promoted in part by debates within the (then very new) United Nations.

The paper adopts a semi-chronological approach, tracing the early connectivity introduced in the late 1800s by the International Telegraph Union and the General Postal Union, to the pre- and post-Bretton Woods development landscape. It then tackles a shift in global development efforts from economic protection to material poverty alleviation, assessing the role and performance of the principal organizational actors, clients, approaches and institutional structures along the way.

The paper highlights regional economic advances and the emergence of successful economies in the global south (albeit some still hosting hundreds of millions of ultra-poor citizens) and looks at the role of diverse actors engaged in funding, organizing and promoting development globally.

Arguing that the "golden age" of international development organizations — a period of relative coherence of objectives (if often served by flawed strategies) — could be coming to a close, the paper touches also on today's pressing issues of economic governance and climate change.

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1. INTRODUCTION

Notions of development have varied over time, and so an account of the international organizations concerned with its advancement must be accordingly elastic.

The roots of international organizations concerned with development lie in two aspects of global inter-connectedness. The first is the propagation and management of a nascent technology for the global good. Thus were born the International Telegraph Union (ITU, now the International Telecommunication Union) in 1865 and the General Postal Union (GPU, now the Universal Postal Union) in 1874.

The second driver of international cooperation to achieve prosperity, articulated during the early 1940s, was the failure of the Treaty of Versailles and the League of Nations to protect the peace due to the ruinous economic reparations the Treaty imposed on Germany leading to severe economic and social distress in that country that laid the foundation for the rise to power of Hitler's National Socialism and its revanchist agenda, which precipitated the Second World War.

It was in the aftermath of the Second World War that use of the term "organization" came into general use. At the time, the principal inter-governmental organizations were not concerned with the poorest countries in the world, but with the consequences of poverty and marginalization among the warring nations of Europe. The Bretton Woods conference towards the end of the Second World War foresaw the creation of three organizations, the third of which, an International Trade Organization, was stillborn, with the General Agreement on Tariffs and Trade (GATT) signed in 1947 to take on some of its functions. Here the imperative was to create and protect global economic gains that would underpin a lasting peace. The idea of alleviating material poverty in the poorest countries (mostly still colonized in 1945) came only later.

The desired content of development in the Global South (those continents lagging the industrialized countries in economic prosperity as of the 1950s and 1960s) has been greatly contested, as have been the methods advocated and deployed to achieve it, not least in the preferred balance between poverty alleviation and social empowerment (although for many, these at times have seemed synonymous). This may account for the proliferation of International Organizations purporting to promote some aspect of development, each with a strong constituency, at least for a time.

Recently, the success of the first wave of Asian "tigers" and the phenomena of the "emerging economies" and the "BRICS" have resulted in fluidity in the client base of the principal post-Second World War development organizations. Meanwhile the funding base of these institutions, and resistance to change in their internal governance, needs to evolve. Non-official actors (mainly the American philanthropic Foundations and the international non-governmental organizations or NGOs) and newer formations (the vertical funds related to health and nutrition, the CGIAR – the international agricultural research system) and even new mechanisms (such as social or development-impact investment vehicles) have reinforced the notion that poverty alleviation programming in poor countries has to be situated in the larger context of global cooperation and well-being and lend itself to a variety of approaches.

In the wake of the international financial and economic crisis that has gripped much of the industrialized world since 2008 with sometimes delayed knock-on effects for some developing and emerging countries, the development landscape looks starkly different. The traditional development donors of the industrialized world experience pauperized treasuries battling domestic banking and other systemic financial failures, while many developing countries, and, indeed, the continent of Africa, hitherto sometimes described as a basket case, have performed better. This has called into question not so much the imperative of development, but the mechanics and the institutional infrastructure through which it has been pursued in the developing world. Thus, the "golden age" of international development organizations may be coming to a close, in part perhaps as victims of their own success (and of penury among the traditional donors). Even if they do not disappear, a recasting away from traditional poverty alleviation in poor countries to provision of global public goods (financial stability, climate change mitigation) is likely to accelerate.

We develop this hypothesis only partly in chronologic fashion. Section 2 examines the genesis of international organizations focusing on development, the period between 1865 when the ITU was created and the end of the Second World War. Section 3 covers the results of the immediate post-War period, in particular the Bretton Woods organizations, the UN system and the regional development banks. Their governance and (not coincidentally) the ideas and policies they favour merit special attention. Section 4 covers the parallel emergence of the Foundations, the large NGOs with a global reach and the more recent ancillaries to the established official organizations such as the vertical funds and trust funds. Section 5 examines a constellation of international developmental actors, highlighting the transition that each sub-group within it is undergoing. Section 6 concludes that prognosis for organizations caught in this transitional stage in global economic governance can only be uncertain. We appear to be headed for a prolonged period of what the 2013 Human Development Report calls "messy pluralism".[1]

2. GENESIS

When hydraulic and pneumatic power was replaced by electricity, "[t]his was once again genesis", for central power was made to be transmitted over long distances. By the late 1830s it had passed the stage of scientific curiosity to become a commercially viable form of energy with application, initially, in communication. Between 1837 and 1895, a spate of developments — the electromagnetic telegraph, undersea cable, the telephone and wireless — had revolutionized communication and ushered in a new era in cross-country cooperation, the driver of which was the need for arrangements of various kinds to locate and use the nodes and the connections between them effectively.[2] Fifteen separate agreements covered telegraph links within Prussia alone. On 17 May 1865, the International Telegraph Union was established by 20 European countries after only two and a half months of negotiations. This occurred twenty years after Samuel Morse had transmitted his first public message through his ingenious new medium.

At about the same time, a series of measures were introduced in England that resulted in core concepts that were rapidly taken up by other countries — the postage stamp that signalled prepaid mail; and uniform rates for domestic letters of a certain weight regardless of distance. The route to an international agreement was longer in this case. A series of conferences starting in 1863 resulted in the creation of the General Postal Union by 22 countries in Bern on September 15, 1874 thus multilateralizing what had worked so well at the national level.

Although not purely developmentally oriented, the ITU and the GPU were part and parcel of the series of technological and institutional advances that transformed commerce, international relations and social interconnectedness (echoed in many ways in recent decades by the creation of the virtual world made possible by a radically new generation of advanced information technologies). The member states and even those peripheral to these agreements were made richer and more developed as a result. They are the precursors to international cooperation around what are today known as global public goods, of which common standards of the sort embodied in the ITU and GPU remain the purest examples of something non-excludable and non-rivalrous. The joint nature of development and the provision of a public good is an undercurrent of the organizations covered in this Working Paper. Even an international organization concerned with nothing but fighting poverty at the national level is creating a global public good via the accumulation of lessons learned and knowledge within it, its transfer to and application in other countries, and the creation of near-universally accessible datasets. At another level, the more prosperous countries they promote reinforce the wealth of their neighbours and trading partners.

Following the creation of the GPU there followed a period not just lean but one of significant failure in international cooperation.[3] The Treaty of Versailles and the League of Nations signally failed to "win the peace", with disastrous consequences. The predatory policies in trade, investment and exchange rate management in the years leading up to the crash of 1929 were punctuated by ineffective international coordination, mostly ad hoc, resting on a poor understanding of the analytic underpinnings of the economic fundamentals and in any case not under the auspices of an international *organization*.

The "value proposition" that countries saw in cooperating around the various elements of communications a generation earlier was simply not evident in matters of macroeconomic performance. The lesson, learned hard by the entire world, was that a new "United Nations" approach would require considerable economic cooperation enshrined in strong international organizations. Franklin D. Roosevelt and Winston Churchill in particular, appreciated the point; more importantly, they were also in a position to do something about it.

3. THE UNITED NATIONS AND BRETTON WOODS

The United Nations Charter's focus is on peace, human rights and freedom. These words are generously used starting in the Preamble and then throughout the document. Chapter IX (on international economic and social cooperation) and Chapter X (on the Economic and Social Council) enshrine the view held strongly by Roosevelt and Churchill that the peace had to be supported by economic cooperation arrangements that had teeth. But the work to create the related institutional architecture and ordain the means to bring these arrangements to life began a year earlier at the United Nations Monetary and Financial Conference, at Bretton Woods, New Hampshire.

The UN

Article 57 of the UN Charter, agreed at San Francisco in 1945, urged that pre-existing "specialized agencies" with a role in the economic and, cultural and several other spheres be "brought into relationship" with the UN. One such agency was the International Labour Organization, founded in 1919 in association with the League of Nations, which had, on request, provided advice to a variety of governments, with "technical assistance" (an early form of UN support for development) being a close cousin. The first major development programme outside of the industrialized world to follow the creation of the UN, the Colombo Plan (1950, initially assisting several countries of South Asia, eventually coming to include some others), impelled at the outset by the Commonwealth, had nothing to do with the world organization. But as decolonization proceeded, bringing to independence a welter of essentially very poor states during the 1950s and early 1960s, the UN was deluged with calls for support and assistance. Beyond the (initially modest) help, largely advisory, provided by several UN specialized agencies, the UN General Assembly in 1948 set aside US$ 300,000 (even then hardly a princely sum) for "technical assistance" for economic development, soon followed in 1949 by the creation of an institutional umbrella, bringing together specialized agencies and the UN itself known as the "Expanded Program of Technical Assistance". By the end of the 1950s, this program was spending close to US$ 35 million.

But, with ever-growing numbers of developing countries often sinking into ever greater poverty following independence, much more was required, and in 1966 the UN Development Program (UNDP) came into being through the merger of two other UN entities, eventually becoming the UN's largest broad-brush development actor which also serves a coordinating role and most often underpins UN country representation throughout the developing world. Its 2012 funding levels, today under some pressure from donors, reached nearly US$ 5 billion. But the specialized agencies also provide developing countries with considerable programme assistance beyond advisory services.

With an ever-growing array of UN institutional actors, generating oft-derided "UN sprawl", competition among these entities for now-shrinking overall levels of traditional donor dollars, tends to generate counterproductive programmatic stampedes in whatever direction the donors seem to favour (however briefly), often forsaking their core mandates. The donors, in theory, committed to high-minded principles enshrined in such worthy but nearly instantly discarded statements as the Paris (2005), Accra (2008) and Busan (2011) declarations, have rarely remained committed to strategies and priorities for long enough to establish basic proof of concept. Not surprisingly, during the current economic crisis, development assistance has become increasingly contested in parliaments of several formerly steadfast donors. Further, the 1990s and 2000s witnessed a growing trend among donors to fund telegenic emergency situations with many lives at immediate risk, than longer-term development that could benefit many more over time.[4] And their whims create severe whiplash for UN agencies, more vulnerable to disruption than are the Washington-based International Financial Institutions (IFIs) which generally enjoy support from donor treasuries as well as aid ministries. In sum, donors and UN agencies make for unhappy bedfellows, with the UN often spread too thin to achieve serious impact, with the exception of some narrowly-focused, often innovative and well-managed agencies such as UNICEF.

The greatest contribution of the UN and its many agencies and programmes almost certainly does not lie in the outcome of its "operational activities". As argued by the superb UN Intellectual History Project, in its most vivid volume, UN Voices, it is in the field of ideas that the UN has most greatly distinguished itself, doubtless in part because of its plurality and because of the dogged attachment to them of a number of past and present staff members and national representatives.[5] At the UN, ideas are constantly under challenge. This is healthy for them. Not coincidentally, it was at the UN that the concept of human development was embraced, and that related work on the Arab world, led by Rima Khalaf Hunaidi, foreshadowed the Arab Spring and documented the deficits and frustrations that led to this massive regional upheaval.

The International Financial Institutions

Preoccupation with material poverty in poor countries variety was a sideshow at the Bretton Woods conference held during three weeks in July 1944. The International Trade Organization, had it been created, was primarily intended to focus on the rules governing trade in wealthy countries. Of the twenty-three initial signatories to the GATT, only ten were developing countries amounting to xx% of global trade in 1947. Only three more developing countries joined in the next ten years. The main reason was that Article XVIII, the only part of the accord concerning developing countries, which granted them exemption from certain obligations, was deemed to be too onerous to actually use. Instead, the developing countries joined their richer counterparts in using the balance of payments exception when they wished to apply trade restrictions. A series of other aspects of the GATT, related to the way raw materials and semi-processed and processed goods were treated, also worked against the interests of developing countries. In trade as in finance, the aim of the Bretton Woods negotiators was to reconstruct war-torn Europe and ensure a liberal economic order within it and with the United States.

The ITO having failed to come into being, and the GATT having been agreed independent of the UN (and remained that way), the World Trade Organization, unlike the IBRD and IMF, also foregoes formal links with the UN (although its Director-General does participate in high-level UN executive discussions).

The International Bank for Reconstruction and Development (IBRD) was also geared towards supporting the recovery of the industrialized world from the ravages of war; also, lending at market and near-market rates of interest put IBRD resources out of the reach of most developing countries. Accordingly, its main clients remained European for a decade after the Bretton Woods conference ended. Even the first major organizational change here, the creation of the International Finance Corporation (IFC) in 1956, was geared to identifying investible projects in the private sector, and thus complicated lending to developing countries during a period when a strong government hand in industry and enterprise prevailed there. It wasn't until the creation of the Bank's soft loan arm, the International Development Association (IDA) in 1962, that development concerns truly became preeminent in the operations of what was now The World Bank Group.

The International Monetary Fund (IMF) was initially even further removed from the development realm than were the GATT/ITO and the IBRD. This organization was created to address the twin issues of the availability of international liquidity for trade and investment, and adjusting to balance of payments difficulties. The seminal debate between John

Maynard Keynes and Harry Dexter White on whether the core of the IMF's functions should be driven by the hybrid bancor or the American dollar was a technical debate about the relative efficiency of various adjustment mechanisms and a political one about the cementing of status of the United States as the global hegemon. A suggestion by the delegation from India that an additional purpose of the IMF as set out in Article I be "to assist in the fuller utilization of the resources of economically under-developed countries" was rejected.[6]

The Bretton Woods conference consciously avoided distinguishing between developed and developing countries (or indeed any other grouping of attendees); but in so doing it reinforced this distinction since non-distinction was not value neutral.[7]

With such roots, two things followed in all three Bretton Woods organizations. First, time, trends and events (mostly related to decolonization and the wretched state in which the colonial powers left their former dependencies) ensured that development concerns came to the fore dramatically during the early 1960s in all three cases. Second, they did so within institutions seen very much as creatures of the developed countries.

Following its distinctly non-developmental first decade, the GATT commissioned a study (the Haberler Report) that was even-handed in its assessment of the detrimental effects of developed country policies particularly in agriculture, on developing countries, and on the own goals of misguided inward-looking policies in developing countries themselves. Despite the intent of a new Part IV in the General Agreement to more purposefully recognize the trade and development agenda, concrete measures that developing countries saw as such were few. The Kennedy Round (1964–67) was disappointing for developing countries as it did little to penetrate the thicket of agricultural protectionism in developed countries and tariff escalation by degree of manufacturing at exactly the time when developing countries saw higher value added as the route to greater levels of development. But by the end of the Round, the fissure had already occurred, with the creation in 1964 of the UN Conference on Trade, Aid and Development (UNCTAD), a group seen by all concerned as better reflecting developing country views and interests, although one bereft of financial resources and possessing few of the practical results-oriented negotiating attributes of the GATT, unsatisfactory as these were. The UN debates (often limited to calling for further debates) tended to be claims-based and advocate redress as much as a political matter as one looking to concrete measures on the ground.

Still, developing country membership of the GATT continued to grow. More importantly, the global trading regime was increasingly seen as a vehicle that could benefit developing countries disproportionately if appropriately reformed. The Uruguay Round provided a perverse impetus to the development agenda by yielding disappointing results for developing countries in a range of issues — intellectual property, investment, agriculture and services — that went well beyond the emphasis in previous Rounds on simple tariff reduction. These concerns and the creation of the World Trade Organization (WTO) with its dispute settlement mechanism set the stage for the Doha ("Development") Round, launched in the shadow of the 9/11 attacks in November 2011. But if this Round was supposed to be about winning "hearts and minds" by demonstrating the inherent advantages to developing countries of belonging to the liberal global economic order, it has failed.

In 2013, three-quarters of the 159 members of the WTO are developing countries. Among the Bretton Woods troika, only the Director-General of the GATT is selected free of considerations pertaining to nationality or region of nationality; xx of the last xx heads have been nationals of a developing country including the current head (Roberto Azevedo from Brazil.) Developing countries are increasingly using the WTO's dispute resolution system to litigate developed countries and each other. [numbers] But developing countries are also leaders in negotiating the approximately 550 regional trade agreements in force or under negotiation which, whatever the rhetoric about their being WTO-conformant, suggests countries are hedging their bets when it comes to their reliance on the WTO. The latter's Doha Round of negotiations to achieve further liberalization of international trade across a range of sectors have been marked by continued dominance of the United States and the EU, although the developing countries have, this time, played a blocking role they either could not or did not adopt in earlier such rounds.

In The World Bank Group (which in addition to the IBRD, IDA and IFC also includes the Multilateral Investment Guarantee Agency, and the International Centre for the Settlement of Investment Disputes) there is less ambiguity than there is in the cases of the WTO and the IMF about it being a developmental organization. Following the dominance of post-war reconstruction in Europe and Japan in the IBRD's operations at its creation, and the success of the Marshall Plan and its Japanese counterpart, it appeared self-evident that the same route of infrastructure financing and policy development was the key to overcoming poverty in the poor countries of the world as well. And soon complementing the Washington-based IFIs were a range of Regional Development Banks (RDBs), starting with the Inter-American Development Bank, created in 1959, which, with the Asian Development Bank (1964) offers the greatest lending capacity among the RDBs. The African Development Bank, which in 2009 made total commitments of US$ 12.6 billion, not far behind the others, after years of internal wrangling and management dysfunction has for the past decade been on an upswing of credibility and effectiveness. These banks, lower-key, better integrated in their regions, and less preachy than the IFIs, tend to attract less attention and to court less controversy than sometimes have the latter unwittingly.

The question of how "development-oriented" the IMF is has persisted throughout its history. At its outset, this reflected the state of the discipline of economics, wherein the development stream had yet to be credibly fleshed out both in theory and in its empirical applications. Nevertheless, in practice, there are several reasons to consider the IMF a part of any discussion on international organizations concerning development. First, for significant periods of time, use of the IMF's borrowing facilities has been dominated by developing countries. Developing countries are especially prominent among its repeat, long-term clients. Second, the organization's technical assistance and capacity building activities have concentrated on developing countries (especially if one includes the former Soviet Union and Eastern Europe in this category). Third, IMF lending is frequently the catalyst for other financial flows into developing countries, concessionary and non-concessionary, private and public.

Controversy around the IMF does not centre on whether it is a "development organization" but on charges that it has imperfectly integrated such concerns into its approach to financial and macro-economic policy and its operations. Although its external critics are legion,[9] it is the IMF's own arms-length evaluation office that has produced the most telling critiques of the organization. A report of the IMF's relations with its member countries published in 2013 concludes thus: "The degree to which the Fund is viewed as a trusted advisor is found to differ by region and country type, with authorities in Asia, Latin America, and large emerging markets the most skeptical, and those in large advanced countries the most indifferent."[10] In the aftermath of the current economic crisis the IMF has become more flexible — for example, on the degree of fiscal restraint that is required during adjustment, and in its historic antipathy to capital controls. But it has not gone unnoticed that the flexibility has come in the face of crisis in Western Europe, not the developing world, where the IMF is the junior partner in the troika of organizations addressing the rescue effort. Other evaluations more directly concerned with IMF operations in developing countries provide the fodder for the overarching conclusion about the IMF in the developing world cited above.[11]

The research programs at the IMF and the World Bank, nominally the driver for the tone and content of these organizations' lending and technical assistance activities, have also recently come under criticism for being varied in their technical merit, "message-driven", and often lacking in their understanding of local context.[12] This contrasts with an earlier era when these institutions were seen as leaders in areas like the framework for macroeconomic analysis, cost-benefit analysis and the interplay between growth and distribution.[13]

Both the IMF and IBRD were tarnished by backlash against the so-called Washington Consensus of the late 1980s and early 1990s urging "structural adjustment" on developing countries facing acute financial difficulties in ways that paid too little attention to local conditions, regional differences and what disciplines other than economics might have added to their analysis. Both institutions were unprepared for the international storm they unleashed. The narrow-bore economistic outlook of the IMF is hardly surprising nor inappropriate, but as several of the IBRD's recent presidents have noted, the World Bank Group's staff, enjoying a wider remit, has not been sufficiently multi-disciplinary. Rightly or wrongly the Bank team has come to be seen by many as retrenched behind walls of privilege and self-regard and has often seemed tone-deaf to the sensitivities and aspirations of other communities, including, at times, the Bank's clients.

Paradoxically, the Bank and the Fund were right at the level of principle and practice in arguing that sound financial management needed to be restored as a cornerstone of any long-range development plan. And while their staffs can be assessed in many ways, flattering and otherwise, it is worth noting that many of the most impressive leaders of the developing world have served on the staff of one or other, sometimes both. Indeed, perhaps the greatest contribution of the IBRD to development has been in shaping several generations of technocrats and leaders who brought evidence-based policy to bear on the challenges of their countries when given an opportunity to do so.

Complicating any attempt to evaluate the performance of the IFIs lies their unbalanced and increasingly controversial governance structure — effectively the power relationships — at the apex of the IMF and the World Bank, heavily favouring the industrialized countries (which explains the preference of the latter for these institutions over UN agencies and programmes in which the developing countries have greater voice). Each organization is run by a board comprised of countries that are allocated voting shares based on a formula that combines size of GDP, wealth and openness. Quota reform has been contentious throughout the history of these organizations, and not surprisingly, requires the assent of both gainers and losers. As a result of the inherent inertia in this process, and the anxiety aroused in key Western capitals over the emergence of serious competition for international influence, the US and (particularly) Western Europe continue to be over-represented at the expense of the emerging economies in the developing world. With some nods towards a more open and transparent selection process, the headship of each organization is still determined as if it were 1950, and at the end of the day, the World Bank Head is reliably an American national and that of the IMF a Western European. In today's world, particularly in the wake of the financial crisis of 2008 originating in and severely damaging the industrialized world, this state of play undermines the global standing of the

IFIs. Indeed, it demeans both institutions.

Further irritating the sensitivities of countries rapidly emerging from poverty to global significance (while often still harbouring many poor individuals) was the trend established in the 1970s for the meetings of the consultative Group of Five, then Seven, then Eight to establish, subtly and otherwise, policy priorities for the IFIs and to commission work from them. The creation of the Group of 20 (including a number of "emerging" powers) at leader level in the heat of the financial and economic crisis in 2008, intended to play a similar role, has produced disappointing results after a promising start, but serves as a signal of accommodation with the Global South not yet reflected in such bodies as the UN Security Council.[14]

4. NON-TRADITIONAL ACTORS

Although private money — meaning the combination of investment, philanthropy and remittances — has always operated alongside official flows to developing countries, their size and impact has grown in recent years. Technically, they surpassed official flows during the 1990s, but this is mostly due to the growth in remittances and investment, which responds to an invisible hand relative to the deliberate programming of development institutions. However, the activities of the major American Foundations do bear mention, as they have been impactful, albeit during certain periods and in certain sectors, in a manner that is disproportionate to the size of their operations.

The activities of philanthropic organizations domiciled in developing countries and operating nationally are increasingly important but beyond the purview of this Working Paper. Although reliable data is scarce, it is unlikely that they yet compete seriously with the funding levels of other actors such as the IFIs and the American Foundations.

Of total U.S. financial flows for development of US$39 billion in 2010, Foundations accounted for US$ 4.6 billion or about 12 percent.[15] But unlike the atomized nature of the other 88 percent of American international assistance, a few well organized, determined and effective organizations have been instrumental in creating the "brand" that this stream of aid and impact has come to represent. The Carnegie Corporation established in 1911, the Rockefeller Foundation (1913), the Ford Foundation (1936) and the MacArthur Foundation (1970) have broad remits to advance human welfare, unconstrained by strictures on the geographic or thematic scope of operations. The Bill and Melinda Gates Foundation, initiated in 1994 in another form, eventually building the largest endowment of any private Foundation, is motivated by the ethos embodied in its slogan "all lives have equal value", and with its bold approach to programming allied to the quest for quantifiable results, is today a field leader influencing also the views of government donors.

In practice, this has resulted in sustained investments in a limited number of well-defined programme areas, supported by strong staff and management and excellent governance structures at the apex. During its formative years the Rockefeller Foundation supported research on malaria, hookworm and yellow fever, starting with pilot sites in Arkansas and Mississippi, and soon expanding to 25 sites across the developing world. In China, the China Medical Board was created to modernize the health system in that country. This seminal work still has echoes in current efforts to eradicate tropical and neglected diseases.

Similarly, the first Green Revolution that saw agricultural productivity rise in Mexico and South Asia, particularly in the late 1960s, began twenty-five years earlier as a series of initially uncoordinated and later coordinated investments by the Ford and Rockefeller Foundations. A second generation of this effort, this time focussed on Africa, is being led by the Bill and Melinda Gates Foundation and the Rockefeller Foundation. The Ford and Rockefeller Foundations, along with Canada's International Development Research Centre (IDRC), were also instrumental in the creation of the Consultative Group on International Agricultural Research (now known just by its acronym CGIAR), a network of 15 research centres around the world working on the science and policy of agriculture. Such donors and some aid ministries have worked hard to support the creation and expansion of indigenous capacity for policy formulation in developing countries across a wide range of fields, including economics, for example through the African Economics Research Consortium and the Economic Research Forum of the Arab world in Cairo.

The CGIAR is emblematic of a number of hallmarks of the Foundations' role in international development. One – a start via a far-sighted well-executed pilot investment — has already been noted. The other is the capability to attract larger less agile players (in this case the World Bank and the U.S. government and later a host of other official bilateral funders) to bring an initiative to true scale. A third is for the creation to become its own entity, not just through its financial strength, but through its own operations and ideas. In many parts of the world, the CGIAR is seen as a "funder" and/or international organization just like its procreators. Finally, the activities of the Foundations are known to value and draw on local participation and ownership in ways that many projects of the bilateral funders and the IFIs are not. This local institutional development is largely what the Foundations are valued for most in countries such as Brazil and India in which they have established a long track record.
In addition to investments in health and agricultural research, some Foundations have come to be known — and sometimes criticized — for their support for liberal visions of society and democracy. Through subtle modalities such as scholarships in Western universities and support for future leaders but also through more explicitly political means

such as the creation of or support for existing civil society organizations dedicated to human rights, freedom of speech and democracy, the Carnegie Corporation and the Ford and MacArthur Foundations (and more recently the Soros Foundation/Open Society Institute) have nurtured communities that very much hold liberal Western mores on social and political matters.[16] Their offices in many parts of the developing world are hubs for the small though influential elite preoccupied with such concerns. A classic example of this facet of the Foundations' activities is the support the Ford Foundation (along with IDRC) provided to academics and civil society leaders and their organizations in the Southern Cone of Latin America during the years of dictatorship there in the 1970s and 1980s, support experienced personally and later recalled by several Presidents who came to power in the region after the dark years.[17]

In recent years the Foundations have been parties to organizational innovation in development in two other instances that bear mention. The first is in the creation of the so-called "vertical" or "global" funds, of which the two largest are the GAVI Alliance (formerly the Global Alliance for Vaccines and Immunization) and the Global Fund to Fight AIDS, TB and Malaria. These funds have accounted for much of the increase in foreign aid in recent years and almost all of it in health. In keeping with principles on aid coordination and effectiveness agreed to by the world's major development funders, these funds bring together a variety of funding organizations to work on a particular sector or sub-sector in a limited number of countries. By its very nature such a fund is both complement to and competition for the more established multilateral development organizations. Their newness and their nature has meant that it would be premature to place any weight on the early evaluations of these endeavours which, not surprisingly, highlight the tentative nature of successes, if any, and the teething pains of a new organizational form super-imposed on rather than genuinely integrated with an existing one.[18]

A second innovation is the bringing to proof of concept stage of an idea first proposed in 2004 by Michael Kremer,[19] to use public funds to "pre-create" a market for advances in health where the risks to invest in R&D without such a guarantee are too high for private sector firms. The first such Advance Market Commitment (AMC, for pneumococcal vaccines) was funded by five countries and the Bill & Melinda Gates Foundation. Initial reports indicate that vaccines suited to developing country conditions have indeed been forthcoming, and that the main constraint is excess demand relative to supply. The principle underlying the AMC approach is a broad one and can be applied to any number of areas, for example agriculture and energy, both of which have featured in commentary on the subject. To be sure, the question is one of the availability of resources, but underlying it the more fundamental question is organizational. The first two conclusions of Bezanson et al's review of the vertical funds bear mention here too — [1] "Think twice: global action does not necessarily mean a new vertical fund" and [2] "Use existing institutional capacity".

5. TRANSITIONS

That the world, including and especially the developing world, is a different place today than it was when the world's economic statesmen convened at Bretton Woods in 1944, let alone in 1913 when the Rockefeller Foundation started work in China, is an axiom. The ecosystem of international organizations that address development has also evolved though the evolution has been more additive than it has been integrative. Although examples abound of changing priorities and even "exits" from a certain line of work or region, few of the major organizations have "gone out of business". And this is a serious problem, confusing publics, dispersing resources and often underperforming relative to the potential impact of leaner and more focused machinery, such that in much of the developing world (and elsewhere) "internationals" are often seen as essentially a privileged parasitical class profiteering from the poverty of others, a frequently unfair caricature, but one rooted in inescapable perceptions. Increasingly, these perceptions attach also to some humanitarian NGOs. Mainly this is because after sixty years of the business of fighting poverty, poverty remains (albeit less severe and in relatively smaller concentrations within countries and developing continents).

With increases in private capital inflows and remittances, the financial resources of the organizations cited in this Working Paper form a dwindling proportion of international flows into developing countries. This coupled with the increase in the capacity within developing countries themselves to mobilize finance suggests that the leverage international organizations derive not mostly from money but from their ideas and their way of pursuing outcomes.

Consider the Bretton Woods twins. So far, the World Bank has successfully transformed itself numerous times, from a vehicle to finance infrastructure and lead in the intellectual contributions to development thought to managing debt relief to sector-specific lending and policy advice and more recently, to harnessing information and communications technologies for development and adapting to climate change. But it is not clear where exactly the World Bank dominates relative to its varied competitors, or what its comparative advantage is and will be going ahead. The regional development banks, the private financial sector, the Foundations, other official bilateral funders and developing countries themselves all have considerably more financial and intellectual capacity than they did when the World Bank was created 65 years ago (thanks in part to the Bank). It might be the very success of the development enterprise that has created this state of affairs. If current President Jim

Yong Kim's prediction that save for a core 3 percent afflicted by war and natural disasters, global poverty (say defined as living on US$ 1.25 or less per day) can be ended by 2030 comes to fruition, then the question about the organization's future is already a live one.

The IMF is in a similar existential situation though for different reasons. Unlike decreasing poverty levels that make the World Bank's remit shrink, the frequency and magnitude of financial crises is increasing not decreasing . But following the crisis in Asia in 1997, many countries have been "voting with their feet" and self-insuring by ramping up their own reserve holdings rather than relying on the IMF to tide them through a similar event in the future. They are augmenting this capacity with regional reserve pooling and currency swap arrangements such as the Chiang Mai Initiative in East Asia, an additional cushion before they might ever have to access IMF resources in the future. In Europe, it is not clear what meaningful contribution the IMF can make as the guardian of the global financial system when it plays third fiddle there to the European Commission and the European Central Bank, and telegraphs publicly both its resentment of, but also its powerlessness to seriously influence, these larger players.[20]

Both the IMF and the World Bank experienced their heyday in the aftermath of the fall of the Soviet Union and its satellite countries in the late 1980s. Fraught as that period was — and discussion of it remains contentious — money and ideas flowed from them, early and effectively to transform the region. No such global grand challenges remain and as Leipziger (2014) points out, "intellectual leadership has migrated away from the IFIs" just as "the development paradigm offered by both IFIs has lost its glamour". A study completed in 1997 aptly titled "Titan or Behemoths?" of the World Bank and the regional development banks prophetically reached a similar conclusion – "The banks were created, after all, as means to certain desired ends. The question, 'What are the desirable outcomes of development?' is no longer as simple as it used to be and thus does not command the same degree of consensus."[21]

Regaining past prominence will require a regression in poverty of epic proportions or an insight into development that is both unique and not amenable to "borrowing" by other organizations. None of these is a likely scenario. If poverty did suddenly and universally increase, it is not clear that the world would turn back the clock and vest its financial resources in one or two institutions. And the advances in development practice and in financial management have not come from the World Bank or the IMF but, in keeping with a multi-polar world, from everywhere. The role of marshalling these for the global good and adapting them for local needs requires a global institution, but this would be a far cry from what currently exists.

At the very least a reckoning is likely to occur in the foreseeable future, as the marginal dollar devoted to global poverty reduction will face numerous choices — a bilateral aid program, the World Bank and some of the IMF's facilities, one or more of the regional development banks, and new endeavours such as the proposed BRICs Bank. This choice will frequently be different to these when the marginal dollar is generated in a developing country.

By never having been a primarily financial institution, the WTO is in a happier space, providing a forum for multilateral trade liberalization (though this too competes with the plethora of regional trade initiatives) and, more solidly, the creation of a basis for global case law via the dispute settlement body. Perhaps a lesson from the WTO and the earlier era of the ITU and GPU is that it is easier to gain global consensus around facilitation of the use of a new technology or norm than it is to "bring" development via a master plan.

By dint of their smaller size (though at about US$ 3.4 billion, of which a good proportion is spent within the US, the annual outlays of the Bill and Melinda Gates Foundation rival those of most mid-sized national development budgets) and innovative corporate culture the Foundations might well continue to thrive internationally, and indeed spawn counterparts in the developing world. This would be in keeping with the notion that it is ideas not money that matters most to development currently and in future.

6. CONCLUSION

Our discussion of International Organizations focusing on development has necessarily been primarily institutional. But we should point out that transformational individuals can galvanize organizations, indeed whole communities well beyond organizations. Even the most hide-bound organizations can yield to a strong drive for change and reform, as UNDP did under the energetic leadership of Mark Malloch-Brown. Sadako Ogata was a superb advocate, and defender of principle, when serving in the thankless position of UN High Commissioner for Refugees. Government leaders of all types quailed at her approach and she admirably energized a seriously overworked team. Melinda Gates complements with independent insight her husband's technocratic drive, and together they take impressive risks for development supported by their admirable philanthropic investment. Robert McNamara largely redeemed his tarnished reputation as a dangerously indecisive US Secretary of Defence with a superb, thoughtful run as IBRD President. All down the line, in international organizations as elsewhere, individuals matter crucially.

The familiar world of IOs principally devoted to development has been upended by two phenomena: the emergence of sustained economic success in the developing world (mostly in Asia, but increasingly also in Africa and, in a less spectacular way, in Latin America), including recognition of a dozen or so meaningful powers from Mexico to Indonesia, Turkey to Brazil — amidst compelling continuing need among the world's poor, many of them located in India, a notably rising power with capacity to wield influence well beyond its own neighbourhood if it wishes to and learns how to reach beyond it; and the slow-moving and very serious financial and economic crisis of the industrialized world since 2008 which has reordered priorities in many of their capitals towards domestic spending and away from costly international projects.

The basic needs of the remaining poorest countries will continue to command support globally, but calls from the industrialized countries for increased burden-sharing from emerging powers, for example in mitigating climate change, have not yet been answered while several industrialized powers continue to cling to outdated privileges within a number of international forums that should open up to reflect a new world order. A new set of institutions (the BRICs bank if and when it comes into being, the Chiang Mai Initiative, new philanthropic foundations centred in developing countries) will complement but not soon supplant the activities of traditional multilateral actors. But the prognosis for institutions caught in this transitional stage in global economic governance can only be uncertain.

One challenge for the field of development, as for national governments, is that policy success responding to a given set of ideas simply yields new policy challenges requiring new ideas and methodologies. This is one of several reasons that the project of development is often viewed by cynics as perpetually disappointing. A new interest in quantifying development outcomes relating to specific spending doubtless in part arises from a desire to effectively challenge critics of the "development biz". However, in our experience, development is somewhat mysterious, responding in different ways to the same therapies in different parts of the world and in different circumstances. The quest for certainty favours a "deep drill" approach (often an expensive one) to development research informing policy, but one that may be relevant only to a small area or community and thus potentially misleading more widely.[22]

Informing this insight is the reality that the globe's development success stories are very different from each other. During their boom years, China and India had little in common, and each of them even less in common with Brazil. Consequently, the quest for a single "model of development" may always have been a fool's errand, one too often indulged within development organizations devoid of sufficiently robust internal challenge functions. Just as damaging have been organizations with little enough self-confidence that they have chased donor contributions to the extent of seriously distorting their mandates, over-taxing their core strengths, and winding up believing in, and standing for, everything and nothing.

Development organizations doubtless face a significant shakeout generated by traditional donor governments intent on cutting their contributions to international causes while they tend to distress among their fellow citizens on the domestic front, which compels their urgent attention.[23] Emerging countries, themselves beset by varying degrees of economic uncertainty are unlikely to pick up the slack for now. Logically, this shakeout should take on a Darwinian edge, with many smaller, weaker institutions disappearing or merging with others while the stronger ones hunker down and re-tool as best they can. In the long run, the outcome of such a rationalization may be a positive one, even if, for now, anxiety and fear stalk the development community. If the dysfunction of excessive sprawl in the institutional architecture of international development research, policy and programming is effectively addressed in years ahead, few beyond those immediately affected will complain.

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[1] Ref?

[2] For an account of technological advances in this period and their impact on society and the economy see Landes (1969) from which the quote at the start of this paragraph is taken (page 284).

[3] One exception, beyond the remit of this chapter, was the emergence late in the 19th century of internationally available mechanisms for arbitration of commercial and other disputes, including ones between states — notably the creation of the Permanent Court of Arbitration in 1899 — as a means of promoting commerce and avoiding conflict arising from unaddressed grievances. Such judicial and administrative dispute resolution mechanisms have since proliferated, generally in helpful ways. Much of the work of the World Trade Organization today is arbitral in nature with its dispute resolution system (which, on balance, has generally operated well).

[4] This syndrome came to be known as the "CNN effect" due to that global television network's introduction of non-stop news cycles often focusing on famine, war as pestilence of various sorts, impelling publics to exert pressure on their governments, and the governments in turn on the UN to "do something" in response. The 2010 earthquake in Haiti is an example of this syndrome at play, with very little lasting impact of international intervention to relieve the suffering and rebuild.

[5] Thomas G. Weiss, Tatiana Carayannis, Louis Emmerij and Richard Jolly (eds.), *UN Voices: The Struggle for Development and Social Justice*, Bloomington, IN: Indian University Press, 2005.

[6] Helleiner (2014)? If not, footnote 1 in Boughton's piece in Boughton and Lombardi.

[7] Helleiner (2014) is an important exception to this view. He argues that developing countries, particularly Latin American countries, had strong representations at the conference and previously in their dealings on this subject with the Americans. However, once the conference was over, "…the

world changed quite dramatically in the immediate aftermath of the Bretton Woods conference. Very quickly after the war, US officials turned their backs on much of the development content of the Bretton Woods agreement…" In any case, the end result remains that developing countries were a disaffected group after the Bretton Woods order was established.

[8] *Trends in International Trade*, A Report by a Panel of Experts, Geneva: GATT, 1958.

[9] The G24 Research Program has produced the longest standing (since 1971) and most compelling critical analyses of the IMF and the World Bank. A representative recent compendium is Buira (2005).

[10] IEO (2013), page 1.

[11] See, for example, IEO (2010), IEO (2007), IEO (2005), IEO (2004) and IEO (2003).

[12] See IEO (2011) and Deaton et al (2006).

[13] For a recent account of the heyday of intellectual leadership at the IMF and World Bank see Leipziger (2014).

[14] Ironically, further to severe financial strains within the EU in the run-up to 2012, emerging countries agreed then to contribute additional funds to the IMF (for the second time since 2009) in order to meet any contingencies that the institution might face in supporting crisis-riven countries, while Canada and the US declined to do so, arguing that European actors had done too little to help themselves to warrant further outside support.

[15] Hudson Institute (2012).

[16] They are today joined by local philanthropists with similar aims such as Mo Ibrahim in Africa and Nandan Nilekani in India.

[17] Muirhead and Harpelle (2010), pages 147-52

[18] See Bezanson et al (2012) and Isenman and Shakow (2010) for a meta assessment of evaluations of the individual funds.

[19] Kremer (2004).

[20] Ref : a recent piece of relevant journalism?

[21] Culpeper (1997), page 166.

[22] The current vogue for Randomized Control Trials (RCTs) as a means of establishing developmental `proof`and `truth`may prove ephemeral, particularly if the zeal of its proponents succeeds in marginalizing other research instruments and methods. RCTs are a valuable asset in the research toolkit but reliance only on them would seem short-sighted if not narrow-minded.

[23] Even some US Foundations chose, during the recent crisis, to accentuate domestic rather than international grant-making.

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