TEN

The politics of democracy and the global institutions: lessons and challenges for community development

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Introduction

One of the great paradoxes of our age is the simultaneous omnipresence and absence of democracy. Wars are fought and justified in its name yet, as global markets and institutions expand their reach and influence, the power of nation states and their communities is diminished. Democracy is all at once everywhere and nowhere, as market imperatives facilitated by global institutions, but not communities and their representatives, determine national and local policy. In this chapter I explore the mechanisms through which global institutions generate broad social support for their policies. Focusing in particular on the most influential institutions, the World Bank, the International Monetary Fund (IMF) and the World Trade Organization (WTO), 1 I argue that these seek to construct not just national policy, but communities themselves, effecting their disciplined inclusion into the globalised, market-driven development project.

I begin the chapter by examining the rise of the World Bank, the IMF and the WTO. I highlight the principal policies of these institutions, together with their now well-documented social and political impacts. I then go on to explore how, in the face of increasing challenges to their legitimacy, these institutions have sought to engage civil society groups and their constituent communities as 'partners' in managing and mitigating the social fallout accruing from their policies. Drawing on the global institutions' own discourses, I next demonstrate how this 'third way' for the 'Third World' depoliticises civic engagement and community practice as it necessarily obfuscates the links between local issues and macro-level policies by embarking on an ambitious project of social engineering which seeks to redefine civil society and its agency. Drawing on some of my own experiences and conversations with civic groups and activists, I finally demonstrate the limits to this social engineering approach as communities, angry at their marginalisation and exploitation, either resist engagement in the global development project or, by maximising the opportunities provided by its new policy institutions, demand more effective representation from their civic leaders within it. I conclude with some lessons and challenges for community development in this regard.

Towards the Washington Consensus: the rise of the World Bank, the IMF and the WTO

The World Bank and the IMF were established by the Allies towards the end of the Second World War at Bretton Woods in the US with the aim of preventing a repeat of the economic collapse of the 1930s, which had constituted one of the principal drivers of the war. Although constitutionally part of the United Nations (UN) system, the Bretton Woods Institutions (BWIs), as they are also known, operated in a significantly different manner from the start. While decisions are made in the UN system on a one-country, one-vote basis, ³ decision-making power within the BWIs is based on financial contributions. Thus, the US holds the greatest share of voting power, followed up by a number of European countries.⁴ The IMF was to provide short-term loans, thereby supporting an orderly international monetary system, while the World Bank was devised to provide long-term loans for reconstruction after the war. At first, the BWIs' activities were confined to Europe and they provided loans to Denmark, France and the Netherlands in the aftermath of the Second World War. However, the breakdown in the early 1970s of the system of fixed exchange rates followed by the global debt crisis in the early 1980s resulted in a sudden and significant increase in their remit globally (Helleiner, 2011).

The forerunner to the WTO, the General Agreement on Tariffs and Trade (GATT) was also set up after the Second World War, again in part to avoid a return to the 1930s-style trade wars between the major powers, which triggered the recession [Is this correct or should it be 'depression'? Illowever, as time evolved, the GATT developed increasing levels of these and regulations, which marginalised poorer member states within the global trading system. The upgrading of GATT to the WTO in 1995 brought to public attention a number of these issues, with the Seattle ministerial meeting in 1999 collapsing amid public protests. Multiple rounds of negotiations and talks since that

time have ended in deadlock as wealthy countries refuse to capitulate to Southern states' demands for fairness. According to Green (2012: 260-3), four key issues mitigate against fair trade within the WTO today. First, trade rules allow wealthy states to use tariff and non-tariff barriers to keep Southern states' exports out of lucrative markets. Second, the WTO continues to support agricultural trade subsidies in Northern countries, thus making it harder for poor producers to compete. Third, trade rules oblige some Southern countries to reduce tariffs, removing a key source of government revenue and protection of fledgling indigenous industry. And fourth, patenting laws under the WTO restrict Southern countries from accessing new technologies and innovations, as well as from developing indigenous industries. Thus, while the WTO claims that the institution 'provides a forum for negotiating agreements aimed at reducing obstacles to international trade and ensuring a level playing field for all' (WTO, 2014: n.p.), in practice these agreements tilt the playing field heavily in favour of its wealthy member states and their interests.

While attempts to inject some degree of fairness into the rules and regulations of the WTO appear to have been caught in a stalemate since the mid-1990s, its ideological sisters – the World Bank and the IMF – have gone from strength to strength over recent decades. Their big break came with the debt crisis of the 1980s. Caught in a vicious trap of escalating interest rates combined with collapsing commodity prices due to the global recession, countries in Africa, Latin America and Asia, having borrowed heavily during the petrodollar boom of the 1970s, found themselves increasingly unable to service the considerable debts they held with Northern commercial banks. With Mexico's threat of default in 1982 threatening to destroy these banks and bring down the global financial system, the IMF and World Bank stepped in. The loans of the large commercial banks were transferred over to the BWIs, which then set about a joint process of rescheduling and further lending to ensure debtor countries maintained liquidity, thereby maintaining repayments and stabilising the global financial system. In return, the two institutions demanded far-reaching economic reforms in debtor countries, packaged in the form of structural adjustment policies.

Designed to a common template within the BWI offices in Washington (and therefore dubbed the 'Washington Consensus') and steeped in the anti-statist, free-market ideology of the time, structural adjustment policies aimed at stabilising economies and attracting inward investment by – in line with WTO rulings – removing controls on investment and barriers to trade; boosting foreign exchange earnings by promoting exports; and reducing government deficits by severe cuts

in public expenditure (Phillips, 2011). As we now know, the results were extremely damaging – economically, but most particularly socially and politically. One of the largest reviews – carried out by a group of academics, trade unions and non-governmental organisations (NGOs) across 12 countries (SAPRIN, 2002⁵) – uncovered the following results:

- *Trade liberalisation* led to growing trade deficits. Transnational corporations were typically the principal benefactors.
- Financial sector liberalisation resulted in financing going to large (and generally urban) firms run by a small number of local business elites.
- Labour market reforms resulted in more lax labour regulations and increased unemployment.
- *The privatisation of public services* resulted in poorer-quality and higher-priced services, effectively driving them out of the reach of the poor.
- *Public expenditure cuts*, including widespread redundancies within the public sector, together with the removal of subsidies on basic foodstuffs and staples led to widespread hunger and poverty, in many cases culminating in angry and violent 'food riots' on the streets.

In short, the results were devastating. As the Executive Director of the United Nations Children's Fund noted in his Foreword to the agency's landmark critique, *Adjustment with a Human Face*, at the time: 'As is too often the case during times of economic recession, a disproportionate share of suffering was borne by those least equipped to combat the effects of poverty – the most vulnerable of the poor, including children and women' (UNICEF, 1987: 3). If all of this sounds familiar, it is perhaps because, notwithstanding widespread criticism from academics, development agencies and civic groups alike, little of the overall economic policy framework of the Washington Consensus has changed since that time. What has changed, however, is the strategy for its dissemination with, as the following section outlines, civic actors now accorded a central role in this strategy.

From Washington to Post-Washington Consensus: a third way for the 'Third World'?

As noted above, the hegemonic position of the Washington Consensus had begun to run into serious trouble by the beginning of the 1990s, as empirical evidence mounted which illustrated the failures – in social and political, but also in economic terms – of the market-based reforms espoused. One of its most vocal, and arguably influential opponents at the time was the World Bank's former Chief Economist and Nobel

prize winner, Joseph Stiglitz. Stiglitz (2008) argued that the intellectual doctrine of the Washington Consensus was too simplistic, being based on simple accounting frameworks and just a few economic indicators which were administered by technocratic economists with no regard to the context specificities of individual countries. He was strongly of the view that development policies should no longer be drawn up in the BWI offices in Washington, but that countries themselves should be the authors of their own policies.

In a series of high-profile addresses and presentations throughout the late 1990s and early 2000s, Stiglitz proposed a range of reforms to the Washington Consensus policy framework. These reforms formed the basis of what became known as the Post-Washington Consensus (PWC) – although, as we will see, the degree to which these represent a step forward or simply more of the same remains questionable. Stiglitz (2008: 53–4) identified the key tenets of this PWC as follows:

- the need for country- and context-specific development policies given that the 'one size fits all' models as advocated by the BWIs have failed:
- the involvement of developing countries themselves in the elaboration of these development plans, rather than drawing these up in Washington;
- some flexibility around the requirement for rapid liberalisation as there is no consensus that this, most particularly in countries with high unemployment, leads to faster economic growth;
- the inclusion of distributional issues and measures to reduce poverty in development planning.

In principle therefore, it seemed as though the PWC represented a significant shift away from the neoliberal tenets of the Washington Consensus, affording countries the space to formulate their own policies while paying heed to issues of distribution and poverty reduction. In practice, however, it soon became apparent that what the BWIs had in mind were the same macro-economic prescriptions, with two additional add-ons. The first was a policy add-on in the form of social safety nets which, taking various forms but generally involving externally funded projects and programmes, aimed at protecting the most vulnerable from the harshest impacts of the market-driven policies. The second, mirroring the popular 'third way' (Giddens, 2000) in Northern (particularly Anglophone) countries, involved determined efforts to foster close working relations with new 'partners' in development, community and civil society organisations (CSOs),

nurturing these and building their 'capacity' to effectively manage and mitigate the social and political fallout of market-driven policies, while in the process diffusing conflict and rebuilding popular legitimacy and support for the globalised development project.

Unsurprisingly therefore, and once again reflecting the outdatedness and analytical redundancy of the pernicious dichotomies of 'the West and the Rest' or 'Us and Them' or 'First World/Third World', criticisms of both the PWC and 'third way governance' resonate strongly with each other. Reflecting on the policy content of the new PWC dispensation, Önis and Sensis (2005) argue that it fails to provide a sufficiently broad framework for dealing with key development issues such as income distribution, poverty and self-sustained growth. Lesay (2011) concurs, arguing that despite its harsh critique of prevalent economic policies and the model of economic development, the PWC still steers clear of proposing any fundamental alternative to the old capitalist model. Such 'policy conservatism' also underpins critiques of UK and US models of 'third way governance' (see, for example, Campbell and Rockman, 2001: 46). As Wetherly (2001: 150) notes, 'the modern world is one in which there are no alternatives to capitalism', therefore the 'third way governance' and welfare reforms (social safety nets in PWC parlance) it espouses fail to adequately address the problems created by the very system they seek to support.

In short, therefore, the principal function of what we might term the 'third way Post-Washington Consensus approach' has been to build popular legitimacy for the ongoing globalised capitalist project, despite its inherently inequitable outcomes. Key and necessary allies in this endeavour have been a range of civic associations representing a reconfigured civil society, engineered and 'capacitated' to partner with global institutions and their interests in effecting the disciplined inclusion and participation of communities in this global capitalist project. In the following section I take a closer look at the discursive and institutional mechanisms through which this engineering takes place.

Politics out, capacity building in: reconfiguring and engineering civil society

From the 1990s forward, this newly branded (post-)Washington Consensus has been carefully and strategically promoted both discursively and institutionally by the BWIs. Discursively, it has been promoted in three ways. The first has involved the rediscovery of and a renewed interest in poverty. Thus, following a distinct market bias in the thematic foci of the influential World Bank annual World Development

Reports (WDRs) throughout the 1980s,6 the 1990 WDR focused on poverty. However, poverty was framed in this and subsequent reports as a function of internal, domestic factors and policies rather than externally imposed policies⁷ (see World Bank, 1989: chapter 2). The second discursive feature of the PWC lies in the World Bank's construction of the poor as somewhat helpless victims in a harsh world of poor internal governance, state ineptitude and corruption. Ignoring the overtly political, structuralist analyses of underdevelopment of the 1960s and 1970s (see, for example, Frank, 1967) and neatly glossing over the critiques of the Washington Consensus, poor communities are constructed as requiring help and assistance. This construction is particularly apparent in the influential millennial WDR, Attacking Poverty, which, focusing on the capacities, opportunities and security of the poor, argues that 'poor people are active agents in their lives, but are often powerless to influence the social and economic factors that determine their well-being' (World Bank, 2001: 3). With a continued emphasis on the primacy of markets for poverty reduction (see chapter 8) one of the central themes of this report is that the poor need help - in both participating in markets (2001: 61) and in mitigating the effects of market-induced shocks.

More recently, following the events of 9/11 in the US in 2001 and the attendant rise of the 'failed state' discourse as a justification for international intervention, poor communities are now also constructed as having a propensity to violence, therefore representing a security threat to more affluent Northern states and societies. As the World Bank states, 'grievances can escalate into acute demands for change – and the risks of violent conflict – in countries where political, social, or economic change lags behind expectations' (World Bank, 2011: 5). Such constructions are not just demeaning and insulting to Southern communities,9 they are also dangerous and divisive in that, in failing to provide the structural context for grievances and conflict, they induce prejudice and racism among the Northern media and general public. With poor communities now constructed as victims of inept governance with worrisome propensities for violence, the ground is set for the third frame through which the PWC is promoted – paternalistic 'partnerships' with community representatives and CSOs infused with discourses of empowerment, support and the ubiquitous 'capacity building'. Within this discourse, the rich corpus of theorisation on civil society - from Hegel through to Gramsci and beyond - as a site of political contestation between different interest groups is ignored; development problems are now reframed as technical inadequacies rather than the outcome of differential power relations and interest politics; and civil society is reconfigured or engineered as the new 'magic bullet' within this apolitical developmental dispensation.

This reconfiguration assumes three aspects. First, CSOs are reconfigured as apolitical 'partners' in the global market-driven development project, complementing rather than questioning or opposing the efforts of other mainstream actors. This is reflected in the Busan declaration of 2011, 10 which defines CSOs as 'independent development actors in their own right, whose efforts complement those of public authorities and the private sector'. Second, their new political PR (public relations) role is to build public support and legitimacy for BWI reforms and policies. The IMF, for example, which since the 1990s has sought to engage CSOs in dialogue, views CSO engagement as a way of 'strengthening country ownership of policies, which is essential to successful stabilisation and reform. Constructive dialogue with CSOs can help build mutual understanding and increase support for reform' (IMF, 2013: n.p., emphasis added). The important role CSOs can play in building support for the Fund's work is reflected in the Managing Director's decision, in 2003, to publish and distribute to all staff a Guide for Staff Relations with Civil Society Organisations. Within this guide, staff are warned that 'Some CSOs harbour considerable suspicion about the IMF and blame the institution for many ills'. Staff are thus advised that 'It is usually better to focus discussions on finding and consolidating common ground rather than emphasising clashing interpretations and prescriptions'. Staff are further reminded that IMF policies are not open to influence from these CSO groups: 'CSOs may have unrealistic expectations regarding the degree that contacts with Fund staff will influence policy. The fact that staff are open to discussions with CSOs should not be misconstrued to mean that the IMF will necessarily adopt their positions' (IMF, 2003: n.p.).

Third, CSOs are expected to draw communities into the globalised development project through a form of disciplined inclusion which promotes communities' own responsibilities for plugging the gaps and managing the social fallout of this project. This role is heavily promoted by both the World Bank and the European Union – the latter now one of the major global institutions in international development. ¹¹ In the Foreword to its 2003 WDR, which focuses on service provision, the World Bank confidently declares: 'Services work when they include all people, when girls are encouraged to go to school, when pupils and parents participate in the schooling process, when communities take charge of their own sanitation' (World Bank, 2003: xiv, emphasis added). The reason for poor service provision, according to the report, is nothing to do with skewed priorities, but rather internal governance issues.

Community groups therefore have a key role to play in the monitoring and oversight of service provision – employing 'technical' instruments such as budget monitoring, report cards, service delivery satisfaction surveys and so on – all of which necessitate 'capacity building' training. With communities and civic groups thus mobilised in the delivery and oversight of social services, the way is clear for the Bank to focus on the broader macro picture – as reflected in the report of the following year – *Improving the Climate for Investment*. Since 2002, the Bank has developed 'Community Driven Development' (CDD) programmes, which support community management of safety net projects in a range of areas such as 'water supply and sewerage rehabilitation, school and health facilities construction, nutrition programs for mothers and infants, rural access roads, and support for livelihoods and microenterprises' (World Bank, 2014).

In recent years, through the European Commission (EC), the EU has developed what it calls 'an enhanced and more strategic approach in its engagement with local CSOs' (EC, 2012: 4). Echoing the PWC construction of CSOs, the EC (2012: 3) notes that 'While states carry the primary responsibility for development and democratic governance, synergies between states and CSOs can help overcome challenges of poverty, widening inequalities, social exclusion and unsustainable development'. Mirroring World Bank discourse, the EC envisages a key role for CSOs in fostering 'good governance' through oversight on public spending and service delivery. Once again, therefore, through support to select 'partner' CSOs, the active inclusion of communities in the global, market-driven development project is the central focus of EU support. And, once again, this necessitates a depoliticisation of civic engagement, obfuscating the links between local issues and macrolevel politics and redefining civic activism in purely technocratic terms.

Such an ambitious engineering of both CSOs and, through these, communities themselves, has both a material and an ideological dimension. Materially, as we have seen, the reconfiguration and engineering is attained through select funding for particular service or safety net projects – as with the World Bank's CDD above or EC funding. At an ideological level, two principal instruments are used. The first comes in the form of the ubiquitous 'capacity building' training workshops organised by donors for CSOs and, in turn, by CSOs for communities. This is justified, as we have seen above, by privileging technical, managerial capacities over analytical capacities. As the EC notes, 'In order to increase their impact, local CSOs must overcome capacity constraints ranging from limitations in technical management and leadership skills, fundraising, to results management

and issues of internal governance' (EC, 2012: 10). The second instrument is the range of new 'participatory' policy institutions at national and local levels which, as we will see, offer both constraints and opportunities to civic agency.

The two most widespread PWC policy institutions are the national-level Poverty Reduction Strategy (PRS) processes and local-level decentralisation structures. Developed in the late 1990s, PRS institutions were the PWC institutional mechanism whereby development policy formulation ostensibly moved from Washington to host countries themselves. Moreover, with their 'poverty focus' and emphasis on 'broad-based participation' (see World Bank, 2000), they were hailed as opening the political space to national governments and civic associations for dialogue and deliberation on alternatives to the Washington Consensus. Empirical studies reveal the results of PRS processes to be far more mixed, however, with, in many cases, the same policies and politics emerging as before (see, for example, Weber, 2006: Zack-Williams and Mohan, 2006, for whom the PRS functions as an institutional framework for the inclusion of civic actors within the unchanged and unchanging neoliberal, development project). At more local levels, decentralised institutions, providing the same opportunities for local CSOs and communities to become involved in local policy deliberations and implementation, have also been heavily promoted since the 1990s. As with the PRS, although normatively hailed as opening up a policy space at local levels, empirical studies reveal them to be highly susceptible to elite capture (Chanie, 2007; Crawford and Hartmann, 2008).

While discourse proves a powerful tool of social engineering (due to its relative invisibility), institutions are arguably more malleable. The issue is therefore perhaps not so much how and in whose interests such PWC policy institutions perform, but why they do so and, more normatively, how they might be transformed to challenge the political and economic status quo. Clearly, a non-reflexive, uncritical engagement can result in cooption and the disciplined inclusion of both CSOs and the communities they purport to represent as highlighted above. By contrast, as we see below, a more critical engagement, informed by mediation with communities and constituents, highlights the limitations of this institutional and, ultimately, discursive PWC social engineering approach.

The limits to social engineering: colonising spaces, demanding representation, resisting 'participation'

The global institutions' plans for their new civic 'partners' is flawed in one major respect. Rather unsurprisingly perhaps for undemocratic institutions, the BWIs have neglected the one key element central to the democratic legitimacy of civic organisations - representation. In its reconfiguration of civil society, the BWI project is premised on hierarchical, top-down relations within civil society, with civic leaders exercising control and influence over their constituents, thereby effecting their inclusion in the macro development project. Yet, as we know, civic and community leaders derive their legitimacy from their skills and abilities to mediate with and represent their constituents and communities, and not the BWIs. And so, while examples of the negative effects of the global PWC approach within community practice abound – paternalistic, technocratic approaches emphasising local responsibility and action divorced from the macro-policy environment and the motivations and actions of elite actors – a closer examination of its impact over time reveals more complex dynamics and outcomes.

A few examples from my own research over the years illustrate this. In Malawi, for example, the technical and 'capacity' exigencies of participation in the country's first PRS process in the early 2000s resulted in an increasing professionalisation of civic actors engaged in the process. Having internalised the technocratic, problem-solving discourse dominant within PRS institutions, the principal CSO participating in the process attracted significant levels of international funding, which moved it away from community mobilisation and onto the PWC activities of budget monitoring and safety net provision. While prospering financially from this move, the CSO became increasingly divorced from its constituents. As this gap widened, constituents began to question, via local media and radio, the motivations and level of engagement of their leaders. A crisis of legitimacy for civic leaders ensued as they were charged with turning into yet another elite, urban-based CSO pandering to the exigencies of international donors. Faced with growing criticism across the media and within the Malawian public sphere more broadly, PRS civic actors were forced to redirect their energy and focus, and to develop and consolidate links with community groups across the country. The confluence of three factors – community groups demanding representation through their CSO at a national level; the fact that the CSO's reputation and future now depended on this; and the fact that the BWIs' own somewhat shaky legitimacy rested on claims of 'national ownership' and 'broad-based civic participation' – resulted in, for a short time at least, a reopening and retransformation of Malawi's PRS institutions (see Gaynor, 2010; 2011).

Somewhat analogously, in Burundi local civic and community groups have identified decentralised institutions as a strategic site for contesting the political marginalisation and exploitation of communities by donors and government alike. Having reappropriated the core concepts of accountability (downward, not upward) and participation (as voice, not cost-sharing through voluntary labour), they are working with local communities to prise open the political spaces created locally through decentralised structures and institutions (see Gaynor, 2014a; 2014b). In Rwanda, where rapid economic development depends on a strong, highly authoritarian, top-down system of decentralised governance, community resistance to the increasing costs of state-sponsored programmes, as articulated in community meetings and in confidential research interviews, is apparent, and the legitimacy of local political and coopted civic leaders is once more called into question (see Gaynor, 2015).

The ultimate outcome of each of these cases remains unknown and unknowable. Each represents an ongoing journey – of cooption and contestation – in the context of hegemonic development frameworks privileging elite, market-based interests over those of local communities. They highlight two fundamental points. First, that power relations are not static, but constantly changing – between different groups and within different institutions. It falls to civic representatives to strategically maximise the opportunities available and seize the power where and when they can. And second, that civic actors and community representatives are not passively coopted into these engineered spaces, as we are sometimes led to believe. By losing sight of the reasons they entered these spaces in the first place and losing touch with their constituents, they often allow themselves to be coopted, or, alternatively, remaining loyal to their roots, they resist and sometimes transform these spaces. With all our focus on the power, discourses and frameworks of global and national elites, we sometimes lose sight of the agency of the marginalised, in the process negating or ignoring this, and ultimately reproducing the stereotypes and caricatures of the victimised that are constructed and promulgated by the global institutions.

Towards a conclusion: lessons and challenges for community development

In this chapter I have attempted to demonstrate that the current 'third way for the "Third World" promoted by the global institutions means little in terms of policy change, but everything in terms of democracy. Necessitating and actively promoting a fundamental reconfiguration of civic agency – from oppositional force to apolitical partner, it represents a highly ambitious project of social engineering, with potentially significant political repercussions. On the one hand, it risks further undermining democracy by coopting and reconfiguring key actors within the public sphere. On the other, both the discourses and institutions it has introduced potentially offer new opportunities for critically engaged groups and individuals to widen and transform the political space, challenging the very basis on which these institutions were founded.

Three issues are worth highlighting in this regard. First, language and discourse matter. A somewhat lazy, uncritical acceptance of the PWC's depoliticised versions of the core concepts - 'democracy' (measured now in numbers rather than substance); 'participation' (active engagement in mitigating local problems arising from the global development project rather than critically interrogating their causes); 'partnership' (on whose terms?); and 'capacity' (whose? To do what?) - leads to a somewhat lazy, uncritical acceptance of a dominant, yet socially dislocating global development framework. Second, institutions matter. Again, a somewhat lazy, uncritical engagement in any of the range of institutions on offer within the PWC framework may initially prove comfortable and financially lucrative to civic groups, but it may ultimately prove their Achilles heel as CSO legitimacy and capacity to represent their constituents comes increasingly into question. And third, neither institutions nor discourses are static. Both are a function of the power relations that circulate within and around them. In a global political economy which seeks to consolidate a hegemonic consensus for an elitist, market-driven development project, it falls to community and civic leaders to reconnect with their roots and, working with their communities, to step outside the globally dominant norms, institutions and frameworks to envision, imagine and articulate alternative social and political projects and futures.

Notes

- ¹ While the range of global institutions is vast and constantly expanding, I am focusing on these three institutions as, arguably, they have proven most influential over the past five decades.
- ² I am using the term 'Third World' disparagingly as, rooted in modernist thinking, it implies a linear pathway to development while ignoring the structural causes of poverty and wealth. I also use other terms, such as Global South and North, with caution as they carry geographically specific connotations which ignore the coexistence of wealth and poverty within individual nations and regions.
- ³ With the exception of the UN Security Council.
- ⁴ See IMF (2015) for financial contributions of all IMF members.
- ⁵ The lengthy delay in the production of this report is an interesting story in itself. The report was commissioned by the World Bank in 1997. However the Bank, unhappy with the findings, sought to block publication. By the time the report was finally published (2002), the damage wreaked by these policies was widely known.
- ⁶ WDRs, which have been published annually since 1978, are the Bank's flagship publication. Each year, the WDR focuses on a particular theme, outlining the Bank's policy and thinking in this area. Given the Bank's influence and resources, WDRs are highly influential in setting donor policy and agendas more broadly.
- ⁷ While chapter 8 of the WDR 1990 acknowledges the significance of international policy in the areas of trade, aid and debt, it stresses that these can only work in poorer countries' favour when they liberalise their trade and adopt conditions associated with debt relief and aid.
- ⁸ This discourse is deeply problematic in the case of African states where the Western norm of strong Weberian states (which took centuries to develop in Europe) has never existed and where innovative experiments in state building are ongoing.
- ⁹ While the links between poverty and conflict are now well established, the popular 'failed state' index (The World Fund for Peace, 2013) is purely descriptive and makes no attempt to analyse the causes of marginalisation and/or grievance.
- ¹⁰ The Busan declaration emerged from the 4th High Level Global Forum on Aid Effectiveness held from 29 November to 1 December 2011 in Busan, South Korea. The Forum brought together all major multilateral and bilateral donors and the declaration is thus reflective of the global consensus on aid issues, including the role

of CSOs. See www.aideffectiveness.org/busanhlf4/images/stories/hlf4/OUTCOME_DOCUMENT_-_FINAL_EN.pdf.[[URL is not active. Please provide alternative]]

¹¹ EU aid overseas now accounts for one and a half times that provided by the World Bank (Hout, 2010: 3).

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