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# Assessing the impact of NGOs on intergovernmental organizations: The case of the Bretton Woods Institutions

Robert E. Kelly

## Abstract

The response of intergovernmental organizations (IGOs) to the pressure of nongovernmental organizations (NGOs) is undertheorized. Scholarship on NGOs around IGOs is frequently idiosyncratic and laudatory, and we lack cumulation for cross-IGO generalizations about NGO impact within the frame of established international relations (IR) theory. From the central three IR paradigms (realism, liberalism, and constructivism) I elaborate a null and three alternative hypotheses to explain why an IGO would respond to NGO pressures. I benchmark these hypotheses to empirical indicators of NGO impact on IGOs. I then ‘test drive’ this framework against the highly relevant, easily cross-comparable Bretton Woods Institutions. I find that the World Bank responds functionally to NGO pressure: NGO outreach serves its mission efficiency. The International Monetary Fund responds defensively: NGOs are an organizational threat to be managed.

## Keywords

International Monetary Fund, World Bank, international organization, nongovernmental organizations, international financial institutions, international relations theory

Nongovernmental organizations (NGOs) mobilize heavily around intergovernmental organizations (IGOs), but do they actually impact them? If so, why, and if not, why not? Given the large literature in international relations (IR) and sociology on NGOs, there is a surprising paucity of effort to answer these questions. Theoretical cumulation is poor, while case studies, narratives of NGO successes, and idiosyncratic, ad hoc explanations are common (Khagram et al., 2002: 11; Risse, 2002: 264). Because established, consensual benchmarks of change are lacking, an empirical stalemate characterizes the question of NGOs’ impact, or lack of it, on IGOs (Edwards and Gaventa, 2001; Fox, 2002; Fox and Brown, 1998; Gutner, 2005; Karns and Mingst, 2004: 230; Nielson and Tierney, 2003; O’Brien et al., 2000; Wade, 1997). This article takes up the challenge (Scholte, 2008: 26) to

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generate a research design of generic hypotheses and indicators of NGO impact on IGOs. I provide four standardized hypotheses to explain NGO impact on IGOs and six empirical indicators to demonstrate that impact. I then apply this generic structure to two easily comparable cases. The very similar Bretton Woods Institutions (BWIs) (the International Monetary Fund [IMF] and World Bank [WB]) have seen extensive NGO pressure and so make robust empirical cases for analysis.

## Generic model of NGO impact on IGOs

In a Waltzian IR frame (1979), outcomes in world politics are usually driven by the state system, in which NGOs are Kuhnian anomalies (Karns and Mingst, 2004: 241, 249–50). Yet the recent flurry of NGO activity and academic research suggests that NGOs, taken together as global civil society (GCS), represent a serious paradigmatic challenge (Boli and Thomas, 1999; Edwards and Gaventa, 2001; Florini, 2000; Keck and Sikkink, 1998; Khagram et al., 2002; London School of Economics, 2001–09; Nelson, 1995, 1996, 2001; O'Brien et al., 2000; Smith and Johnston, 2002; Smith et al., 1997a). This challenge requires empirical evidence demonstrating NGO impact, and where established, explanatory hypotheses. IGOs, as frequent targets of NGO pressure, are useful tests of hypotheses of NGO-sympathetic change, and as institutions with bureaucracies and paper trails, they make good empirical arenas for observation (Karns and Mingst, 2004: 230).

Risse (2002: 264) notes that ‘many [NGO] studies do not lead to generalizable conclusions, since they suffer from methodological problems such as case selection on the dependent variable. There are many single case studies of successful transnational campaigns, while we know much less about failed campaigns.’ This article responds by positing standardized markers of NGO impact on IGOs to promote empirical cumulation and ignite hitherto undone cross-case comparisons. This generic model can potentially be applied to any case of IGO–NGO contestation (Koremenos et al., 2001: 780). Risse warns against choosing on the dependent variable; hence, I select the WB and IMF as cases for this model, because they are very similar, face analogous and decades-old NGO pressure, and are consequential due to conditionality. NGOs are defined as non-profit, principled, or value-based actors engaging in the promotion of social change. Important exclusions include government-organized nongovernmental organizations (GONGOs), Northern think tanks, and unions (Kelly, 2007, 2008).

### *Hypotheses: Explaining NGO-sympathetic change at IGOs*

Realism, liberalism, and constructivism provide alternative explanations for change at IGOs (Lombardi and Woods, 2008; Nielson and Tierney, 2003; Schweller and Priess, 1997; Woods, 2006: ch. 2). They can generate competing hypotheses for the occurrence, or failure, of NGO-sympathetic change at an IGO.

A realist null hypothesis (HN) begins with overdetermination. The simple realist explanation of NGO-sympathetic change at an IGO ascribes exclusive causal weight to states. If states’ and NGOs’ preferences regarding an IGO align, then NGOs are unnecessary for parsimonious explanation. The application of principal–agent theory to IGOs (Hawkins et al., 2006) begins from this realism; IGOs, *de jure*, are the agents of state principals. Hence, *if the preferences of the great powers regarding NGOs change, then so will those of the IGOs they have created*.

Almost all variants find NGOs ‘epiphenomenal’ to IGO change. States are the masters of their creations, and IGO autonomy is not seriously possible (Mearsheimer, 1995; Schweller and Priess, 1997). Hence, any ‘NGO-sympathetic change’ at an IGO agent is not a product of NGO pressures,

but, rather, of the changed preferences in the IGO's state principals, particularly the great powers (Cox and Jacobson, 1973). There is no demonstrable NGO impact.

Before considering alternate hypotheses, HN must be disconfirmed by a demonstration that IGOs engage in autonomous behavior to a meaningful degree – at least on NGO questions (Hawkins et al., 2006; Martin and Simmons, 1998). This is so at the BWIs – primarily because their 'collective principals' (the boards of governors) are stalemated over NGOs. WB and IMF 'agents' enjoy discretion. With some autonomous space established (as discussed below), the causal arrow explaining the dependent variable (NGO-sympathetic change at the IGO) now emanates from the IGO staff (agent), not the board (principal). Two alternative hypotheses (H1 and H2) draw from liberalism. My third (H3) draws from constructivism. Because these macro-paradigms are anemic on the specifics of organizational behavior, I supplement the hypotheses with organizational theory (Barnett and Finnemore, 1999: 702 ff.).

H1 formalizes the characteristic organizational self-defense against an external challenge. *If NGO activity jeopardizes the IGO's continued existence, or the maintenance or expansion of its budget or its issue briefs, then an IGO will partially adapt its practices to include NGOs in non-binding ways.* Organizational theory contends that bureaucracies' first goal is usually survival, not mission accomplishment (Abbott and Snidal, 1998; Barnett and Finnemore, 1999; Farazmand, 2002a: 32). Hence, threatening NGO pressure on an IGO should drive at least resentful or cynical change. Contemporary NGOs are savvy enough to exploit the available political opportunity structure to place pressure on IGOs where leverage is greatest, including national funding procedures, in project areas, through large transnational protests, and through the press (Smith and Johnston, 2002; Tarrow, 1998: 176–231). Should NGOs win these interorganizational contests, they may push change on an IGO, if only for the latter's self-preservation.

H2, however, notes that NGOs may play a constructive role. *If NGO participation improves the mission effectiveness of an IGO's operations, then an IGO will willingly adapt its practices to utilize NGO expertise.* Like all bureaucracies, IGOs are constructed and funded to achieve some goal, to generate some outcome. Organizations perform missions. Performance generates resources, prestige, and identity (Hawkins and Jacoby, 2006: 207), and efficient performance, *ceteris paribus*, is preferred (Barnett and Finnemore, 1999; Farazmand, 2002a, 2002b). Hence, IGO behavior may change because NGOs contribute to improving mission performance. NGOs have widely claimed a new form of authority: superior knowledge, often local (Fisher, 1993; Florini, 2000; Risse, 2002: 268). They may be useful service providers in program implementation.

H1 and H2 both follow March and Olson's rationalist 'logic of expected consequences' for institutions (1989). The BWIs and NGOs are distinct, separate actors, with preferences that may clash. NGOs function like interest groups or contractors (Willets, 1982); they are discrete, external actors with critiques or skills to be negotiated or utilized. Interorganizational conflicts between NGOs and IGOs are hashed out in negotiation and bargaining. This fits the rationalism of neoliberal institutionalism in IR (Baldwin, 1993).

By contrast, H3 draws from constructivism. *If NGOs shift the IGO's sense of identity to include accountability to non-state actors, then the IGO will accord political space to NGOs as an appropriate entitlement.* This hypothesis reflects the organizational sociology of March and Olson's 'logic of appropriateness'. NGOs can provide an IGO with Barnett and Finnemore's 'symbolic legitimacy' (1999: 716–17). Beyond simply bargaining with the World Bank over the placement of a dam or the IMF over inflation targets, NGOs also practice norm entrepreneurship, or 'deep politics', at these institutions (Smith et al., 1997b: 70). NGOs seek to persuade IGOs, in the Habermasian sense of communicative deliberation (Risse, 2000), that they do business inappropriately.

This ‘identitarian’ challenge reframes both NGOs and IGOs. NGOs frequently package themselves as semi-democratic representatives of those affected by IGO actions (‘project-affected populations’ or PAPs) (Brown, 2008; Sechooler, 2009). They pursue participation within an IGO as a democratic entitlement, not on utilitarian grounds (Karns and Mingst, 2004: 238; Kelly, 2007). They are more than just bundles of interests; they claim to be GCS, co-principals of IGO agents. Because they represent PAPs to whom the IGO must be accountable as well (Khagram et al., 2002; Scholte, 2008), states must share IGO accountability with NGOs. NGOs want IGOs to re-imagine themselves away from the strictly interstate coordinating bodies of HN–H2 into something more robust and accountable to non-state actors (Grant and Keohane, 2005). NGOs are ‘re-imagining’ IGOs as ‘global governance agencies’ in ‘complex multi-layered, multilateralism’ (O’Brien et al., 2000; Scholte, 2000: 83).

Table 1 summarizes the hypotheses and their attributes.

### Empirical indicators

Each hypothesis suggests specific observable behaviors by the IGO. For example, if an IGO negotiates NGO pressure primarily to defend itself (H1), NGOs should be viewed mainly as interest groups, outreach to NGOs should be limited and somewhat cynical in nature (‘talk is cheap’), and resources devoted to engagement should be rather minimal. Conversely, if NGOs successfully challenge the IGO’s sense of its appropriate role (H3), then internal IGO conflicts over mission, with correspondent mission creep, and internal debates over the role of NGOs should be prominent.

The following six indicators attempt to formalize these deductions into observable empirical implications of H1–H3. Table 2 displays the correlate indicators (and sub-indicators) of the hypotheses as a continuum.

I1 and I2 are proxies for H1, that is, organizational defense. An IGO’s creation of an NGO facility (I1) is simple organizational change. Such an office can funnel, deflect, and domesticate external critiques. Sub-indicators include (1) NGO staff size, (2) resources devoted to NGO affairs, (3) information transparency, and (4) access to IGO elites for NGOs. This initial step of opening up to NGOs reflects a basic adaptation to pernicious environmental change (Cox and Jacobson, 1973: 113 ff.; Wilkinson, 2002: 208). Consultation with NGOs (I2) is also a minor change.

**Table 1.** Hypotheses of NGO Impact on IGOs

Hypothesis and title	IR paradigm	Organizational logic of NGO engagement by IGO	IGO understanding of NGOs	Area of NGO-sympathetic change
HN Great-power dominance	Realism	None needed	N/A (both are epiphenomenal)	None – change is state-driven
H1 Organizational defense	Liberalism	Logic of expected consequences (cynical)	Interest groups	Operational practice (light)
H2 Mission performance	Liberalism	Logic of expected consequences (functional)	Vendors	Operational practice (heavy)
H3 Identitarian or democratic	Constructivism	Logic of appropriateness	Constituents or representatives	Policy and values

**Table 2.** Indicators of NGO Impact on IGOs

Continuum of IGO change	Hypothesis (purpose of NGO engagement by IGO)	Indicators (empirical variables)	Sub-indicators (specific NGO-traceable changes at the IGO)
Adaptation	H1 Defense	I1 Organizational modification	1. IGO's NGO staff size 2. Resources devoted to NGO affairs 3. Information dispersion (transparency) 4. NGO access to IGO elites
		I2 Program consultation	1. IGO outreach to NGOs 2. Required IGO outreach to NGOs
Learning	H2 Utility	I3 Program impact	1. Requirement of NGO impact on programming 2. NGO-sought programmatic spending changes
		I4 Evaluation	1. Reviews of NGO engagement 2. Complaint mechanism for NGOs
	H3 Appropriateness	I5 Legitimacy	1. Voluntary inclusion of NGOs in internal decision-making 2. Rewording of IGO's formal descriptions of NGOs
		I6 Paradigm/policy change	1. Policy dialogue with NGOs 2. NGO-sought policy change

I2's sub-indicators include (1) outreach to NGOs (meetings and regular consultations) and (2) a requirement to consult NGOs. Consultation alone represents no commitment to change outcomes – talk is cheap and easy (Koremenos et al., 2001: 788). Hence, while I1 and I2 are necessary empirical changes to achieve I3–I6, on their own, they suggest little more than minor adaptation for purposes of defense against external critics (H1) (Barnett and Finnemore, 1999).

I3 and I4 are proxies for H2, that is, mission efficiency (Abbott and Snidal, 1998). Impact on programming (I3) suggests that NGO input is valuable in its own right. Consultation has graduated to impact – on projects and national loan packages in the case of the WB and IMF, respectively. Impact on performance outcomes is real. Sub-indicators of functionally driven change include (1) a requirement to alter IGO programming after consultation (going beyond the defensive, ‘talk is cheap’ pattern of H1) and (2) tangible changes in IGO programming that are process traceable to NGO inputs provided in consultation.

A second indicator (I4) of the utilitarian engagement of NGOs by IGOs is the occurrence of after-action reviews. Any organization changing its behavior to improve performance will expend some resources to measure whether those changes are in fact improving scoring. This does not require NGOs to ‘pass’ these IGO evaluations, only that they occur. Retrospective evaluations suggest that the IGO takes NGOs seriously. Sub-indicators include (1) the existence of a review body and its reports as well as (2) a grievance mechanism for NGOs to express concerns about their engagement.

I5 and I6 are proxies for H3, that is, identity shift. When an IGO grants internal legitimacy to NGOs (I5), this indicates H3, because the move from an IGO to a 'global governance agency' requires normative acceptance of non-state actors' internal participation (Scholte, 2007; Sechooler, 2009). The 'logic of appropriateness' dictates that if actors are legitimate, they are consulted, even if it is cost inefficient (in contrast to H1 or H2). Sub-indicators of NGO legitimacy include (1) the voluntary inclusion of NGOs in internal IGO decision-making (without a previous cost-benefit calculus) and (2) formal redefinition of NGOs in IGOs' printed material as constituents, representatives, or 'the voice of the people', rather than simply 'interest groups' or 'service providers'.

NGO-driven policy or paradigm change (I6) also captures H3, because policy sets the tone of the institution. If an organization is what it does, and its policy is to inform its action, then policy change suggests identity change. In the case of the BWIs, the NGOs have sought distinctly left-leaning policy changes, such as extensive debt relief, environmental safeguards, and looser macro-economic targets, as well as a paradigm shift away from the Washington consensus (O'Brien et al., 2000; Wade, 2002). To make such moves would not simply imply a routine shift at the WB and IMF, but significant change in their purpose (a point not lost on my interviewees from the BWIs). Sub-indicators of soul-searching over paradigms or policies include (1) the opening of broad policy debates with NGOs over the IGO's role and (2) tangible changes in IGO policies that are process traceable to NGO inputs provided in the policy debate.

## Method

I deploy Alexander George's 'structured, focused comparison' (1979) for case study analysis. I operationalize impact as changes in IGO in-house practices and policies (Risse, 2002: 262), rather than altered behaviors in state clients. Clients frequently undertake independent behavior (Stone, 2008) that contaminates the measurement of strictly IGO-NGO interaction. Systematic empirical data are rare. The IMF keeps few formal records of its NGO engagements; the World Bank is only marginally better. Relevant data sets are few and mediocre. Hence, the research approach was as quantitative as possible and qualitative when necessary. Where pre-existing quantitative data fit the model, they are deployed; where lacking, I conducted fieldwork and attitudinal surveys to fill in the data gaps.

There were three primary modes of data collection: (1) a content analysis of BWI documents; (2) a questionnaire distributed to NGO and BWI informants; and (3) participant observation. Given the shortcomings of the individual data streams, an overlapping, triangulation strategy best fits the research constraints.

The content analysis coded BWI documentary language by my ten-point frame: four hypotheses and six indicators. The primary document content analyzed were BWI annual reports. They are only regular board-certified summaries of institutional attitudes and preferences. I began with the year each institution first used the term 'nongovernmental organization' (1978 at the World Bank and 1990 at the IMF) and ended in 2005. Language relevant to the indicators and hypotheses of my model was flagged and coded. Where empirical data existed relevant to one of my indicators, this was recorded. Other official governance documents and statements of board-approved policy from the World Bank and IMF include: the *Articles of Agreement*, the 'Operational Manual' (World Bank only), and the 'Guide for Staff Relations with Civil Society Organizations' (IMF only). Papers from the BWIs' NGO bureaus were consulted as well.

Given the paucity of empirical data from formal BWI material, I supplemented the content analysis with regular participant observation and a questionnaire. I created a list of NGOs focused on the

**Table 3.** BWI questionnaire

	-2	-1	0	+1	+2
1. The Bank/Fund has developed a meaningful institutional response to NGO efforts to engage it.	strongly disagree		neutral		strongly agree
2. The Bank/Fund routinely consults with NGOs in the crafting of particular projects/programs.					
3. NGOs routinely impact the crafting of particular Bank/Fund projects/programs.					
4. The Bank/Fund routinely evaluates the participation of NGOs in its projects/programs.					
5. The Bank/Fund views NGOs as legitimate co-participants in its work.					
6. The Bank/Fund has altered its macro-policies because of NGO influence efforts.					
7. The Bank/Fund engages NGOs because its member-state owners have forced it upon the institution.					
8. The Bank/Fund engages NGOs because they threaten the institution itself and its work.					
9. The Bank/Fund engages NGOs because they aid the accomplishment of the institution's mission.					
10. The Bank/Fund engages NGOs because the institution sees it as proper that NGOs, as civil society representatives, participate.					

BWIs from the attendance lists at the BWIs' Civil Society Dialogues (CSDs) occurring around the biennial spring and annual meetings. (I also attended six of these over three years.) These are the primary mass interaction point for NGOs with the BWIs. The dialogues occur every six months, around the alternating spring (March/April) and annual (September/October) meetings (Kelly, 2008).

Attendant NGOs were surveyed by mail or NGO leaders were interviewed personally, if possible, at the CSDs. Interviews of BWI staff complemented the NGO survey. Thirty-eight of 210 NGOs responded to the World Bank survey; 32 of 207 responded to the IMF survey. Twenty-nine World Bank staff interviews were organized through its External Affairs Department (EXT); 10 IMF interviews were organized through its External Relations Department (EXR). The same questionnaire was given to all informants from both the BWIs and NGOs for standardization. Most informants provided additional oral or written comments. The questionnaire (see Table 3) provided 10 closed-response questions corresponding to HN–H3 (questions 7–10) and I1–I6 (questions 1–6). These questions employed a five-point Likert scale of intensity to provide a quantitative measure of opinion. The range moved from –2 (strong disagreement) through 0 (neutral) to +2 (strong agreement).

If the null hypothesis is incorrect, the next task is to assess among H1, H2, and H3. The inferential step in the analysis is from the empirical indicators, I1–I6, to the hypotheses, H1–H3. The questionnaire therefore asked all informants which hypothesis they thought most accurate (questions 7–10) and to measure NGO-sympathetic movement at the BWIs (questions 1–6) along the range of empirical markers (see Table 2). Qualitative feedback also came from participant observation and open-response answers on the questionnaire. I only utilize qualitative findings if corroborated by several informants and reinforced by participant observation at events and meetings.

## Results

The conclusions of this project are fairly robust at the World Bank, but mixed at the IMF. The documentary evidence, the questionnaire, and regular observation suggest that HN is disconfirmed. All



three data streams converged on this, and NGO and BWI informants were particularly quick to reject notions of state or great-power control of the BWI's NGO affairs. Staff have discretion. H2 (the utilitarian hypothesis of improved mission efficiency) fits the WB very well, and H1 (the cynical hypothesis of organizational defense) fits the IMF less well. Little data suggested that both BWIs engage NGOs because they are legitimate or representative. Figures 1, 2, 5 and 6 below present the aggregate mean quantitative data for the questionnaire.

### *Null hypothesis rejected*

The argument began with the null hypothesis. Realism sees IGOs' behavior as determined by the preferences of the most powerful states in the system. In the case of the BWIs, the great powers are, roughly, the G-7. Realist theory predicts a fairly direct transmission belt from state principals to the IGO agent; NGOs' own preferences for an IGO are irrelevant. Even if the IGO does what NGOs desire, it is not because of the NGOs, but because of the dominant states.

That is not so at the BWIs. The questionnaire data for both institutions reject this alternative, as did the qualitative interview and documentary data. Both organizations' annual reports frequently stress their supranational and consensual character. Neither the World Bank nor the IMF are definitively pushed one way or the other concerning NGOs by the representatives of the states on the board, that is, the executive directors (EDs). Informants in the interviews, my observations, and both the WB and IMF case literature suggest the following explanations.

First, while hardly independent of their state creators, the BWIs do have noticeable internal bureaucratic autonomy, as per their *Articles of Agreement*, especially on day-to-day affairs such as NGO relations (Barnett and Finnemore, 1999: 705; Nelson, 1995; Scholte, 2008; Woods, 2006). Informants from all sides confirmed this. (Interviewees from the US Treasury and US Agency for International Development also claimed that US dominance over the BWIs is exaggerated. They stated that NGO affairs are generally left to the institutions.) Further, the 'requirements of multilateralism' (Woods, 2000, 2006: 18) demand some autonomy. If the BWIs were universally understood as pawns of the G-7, many state members would exit (Stone, 2008). A certain level of genuine multilateralism (and autonomy for the BWIs) is a functional, technocratic requirement (IMF, 2002a: ch. V). Abbott and Snidal (1998: 18) note that the member-states actually prefer some BWI autonomy, because it helps 'launder' unpopular policy prescriptions.

This is routinely asserted in the BWIs' annual reports. The IMF, particularly, asserts virtually every year in its annual reports that its staff are 'international civil servants' with discretion. Cortell and Peterson (2006: Figure 9.1 especially) note how independent IGO staff (not seconded from states) dramatically enhances IGO autonomy. The World Bank, especially, is widely understood to have substantial managerial, presidential, and financial autonomy (Kapur, 2002: 55, 59–61). Finally, both institutions have a highly professionalized, well-entrenched epistemic community of expertise which exists separately from the board (Abbott and Snidal, 1998: 19; Barnett and Finnemore, 1999: 709; Gould, 2006: 288; Lombardi and Woods, 2008: 715; Nelson, 1995). IGOs are wont to develop distinct internal cultures, and the BWIs' are more powerful than most (Cox and Jacobson, 1973: 104; Martin, 2006: 153).

Second and more important, states' national preferences regarding NGOs and their issues are frequently at odds or are ill-defined at the BWIs (Nielson and Tierney, 2005: 787–8). Both boards of governors have been stalemated on the NGO–BWI issue for decades. All informants confirmed the existence of a deep split among BWI EDs over NGOs. Board minutes are classified, but no definitive, binding board statement from either of the BWIs on NGO policy has ever been

promulgated, despite several decades and the increasing profile of NGO campaigns. Moreover, no annual report has ever included clear-cut rules regarding NGO treatment. Without a definitive top-down script from the board, initiative has trickled down to the staff. In the language of principal-agent theory (Hawkins et al., 2006; Nielson and Tierney, 2003), the member-states are the principals (a collective one), and they cannot agree among themselves on what to tell their agent (the BWIs) about this new issue (NGOs). As such, the agent enjoys a policy space, or 'slack', on this question.

The lending and borrowing states broadly disagree over the treatment of NGOs, and this deadlock is semi-permanent. Briefly put, Canada and the Europeans like the NGOs, the USA and Japan are ambivalent, while China, Russia, the Saudis, and an increasing number of borrowers, particularly India, do not. (A rough North/South split over NGOs is common in IGOs (Cortell and Peterson, 2006: 277; Martin, 2006: 158; Wilkinson, 2002).) This split is indefinitely perpetuated by the voting rules of the board (Cortell and Peterson, 2006: 257, 262), which require an 85 percent majority for major changes and weight GDP over population size in allocating votes. The wealthy, liberal, but numerically fewer members who accept an NGO role have enough votes to effectively veto anti-NGO action by the more numerous, but poorer borrowers, who frequently find the NGOs troublesome (Busby, 2007: 251; Fox and Brown, 1998). Given the high 85 percent threshold, neither the wealthy liberals nor the poor borrowers have the votes to get their way.

This semi-permanent split among the principals on NGO policy sends mixed signals to management and staff, and creates space for their discretion (Hawkins and Jacoby, 2006: 200–1; Kapur, 2002; Martin, 2006: 144, 155). Cortell and Peterson (2006: 256) note that 'whether an agent can engage in slack depends on the extent of agreement among principals. When significant preference heterogeneity exists, an agent can exploit disagreement to advance its own preferences.' Realists would assert that despite formal multilateralism, the great powers nonetheless determine choices. Intriguingly, at the BWIs the largest borrowers also count as great powers (because the BWIs cannot afford them to exit). This obscures who the proper principals are, deepening the borrower/lender split over the role of NGOs.

Were the liberal, or NGO-friendly, states able to push through a 'pro-NGO' outcome, NGO outreach would likely follow some state-given script and probably be more uniform across the two institutions. However, there is no script; there is no definitive instruction set coming down to the BWI from the board. Nor has the IMF's and World Bank's outreach been identical, as my results below make clear. This strongly suggests that the BWIs are effectively deciding themselves how to respond. Hawkins and Jacoby (2006: 226) measure the 'level of discretion offered to agents ... [by] the ability of principals to write detailed rules [and] the absence of conflict among collective principals.' Neither applies to the BWIs on NGO questions. Contradictory or missing signals from the board create room within the institutions to decide the fitting responses to NGOs (Gould, 2006).

Third, information transmission failures occur (Nielson and Tierney, 2003, 2005). NGO informants frequently decried how NGO-sympathetic EDs were in the dark on what the BWIs do regarding NGOs. BWI interviewees noted only mixed interest from the board in the details of practices and policies. The widely decried ad hoc nature of the BWI's NGO structures implies poor or disinterested board oversight (Nelson, 1995; World Bank, 1998b; World Vision, 2003). Hawkins and Jacoby's explanation (2006: 210), that IGO agents gain autonomy by 'buffering' principals with 'ceremonial' information, is consistent with this data. Board oversight of the BWIs' agents is difficult and expensive. A US Treasury interviewee was the sole US official responsible for tracking BWI-NGO interaction and admitted to being overwhelmed. No BWI interviewee reported regular, routinized board interest or surveillance on the NGO issue.

Fourth, NGO engagement does not raise such high costs that it drives the BWIs' state principals to a definitive showdown over the issue (Gould, 2006: 290; Hawkins and Jacoby, 2006: 212). As noted above, the board is deadlocked. Despite more than three decades of NGO pressure and activity around the BWIs, no definitive board statement on NGOs has emerged. This suggests that states do not feel themselves sufficiently pressured to provoke a full-blown clash. Although individual board members would prefer more or less NGO engagement, no one state or bloc of states is so unhappy as to threaten the BWIs (Gould, 2006; Hawkins and Jacoby, 2006). I note below that the World Bank is waffling on the exact rules of NGO engagement, and that this is sufficient for most states to drop the issue. Koremenos et al. (2001) elaborate the rational utility of IGOs to states, and a certain amount of NGO headache or confusion is still within the cost–benefit ratio of the BWIs' member-states. (If it were not, they would either exit or provoke an institutional crisis over the issue, as borrowers did, for example, over debt relief, or the USA regularly does over its shrinking percentage of the board vote.)

I conclude that HN is less operative at the BWIs than a strict realist or principal–agent approach implies because of disinterest and mutual cancellation of state direction. But this does not fully invalidate HN. Clearer board or G-1 (US) signals would likely restrict BWI staff autonomy on the NGO question (Hawkins et al., 2006).

### *World Bank: Functional NGO engagement (H2)*

At the World Bank, all the data from the World Bank side (quantitative and qualitative as well as interviewees and documents) strongly suggested H2, that is, the engagement of NGOs for mission improvement. The World Bank questionnaire data show a clear preference for H2 (see Figure 1) and positive movement through I4 (see Figure 2). Qualitative feedback from interviews suggests the same: most internal informants thought that the World Bank had moved on from defensive positioning (H1) years ago.

The NGOs were less monolithic than the World Bank. They split rather evenly between H1 and H2 in Figure 1, and the indicator data (see Figure 2) is erratic, but generally suggests H1. Yet qualitative interview evidence suggests that NGOs privately admit to more World Bank change than they will publicly declare, because of the concern that such an admission would 'give the Bank a win.' The tight NGO split on Figure 1 and the admitted politicized character of the NGO response suggest that the likely aggregate answer is H2 (NGO engagement to improve the World Bank's mission performance).

The World Bank's published material concurs, and in fact flirts with H3. A content analysis demonstrates strong World Bank movement on Indicators 1–3, with a petering out on I4–I6. The World Bank's engagement of NGOs fits a functional purpose consistent with liberal institutionalism and the logic of expected consequences: NGOs improve (or so the World Bank believes) the World Bank's mission performance.

*Indicator 1.* The World Bank's staff has expanded dramatically to respond to NGOs. Before 1990, there were less than 10 NGO staffers in one unit office; today, there are 120 across the institution and in the country offices, with several group identities tying them together.<sup>1</sup> From no recorded spending in 1980, WB-wide spending on NGOs reached US\$781 million in the financial year of 2005.<sup>2</sup> Transparency too has increased dramatically with four iterations of a disclosure policy since 1990, each successive one increasing the amount of material released. Access is high. The CSDs are institutionalized, and management participation is routine. Further, NGO informants confirmed that their demand for access on pressing issues is generally successful.

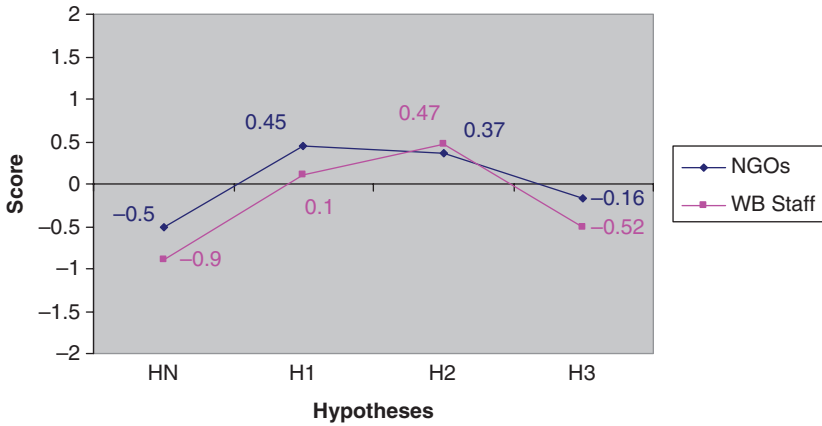


Figure 1. World Bank Hypotheses

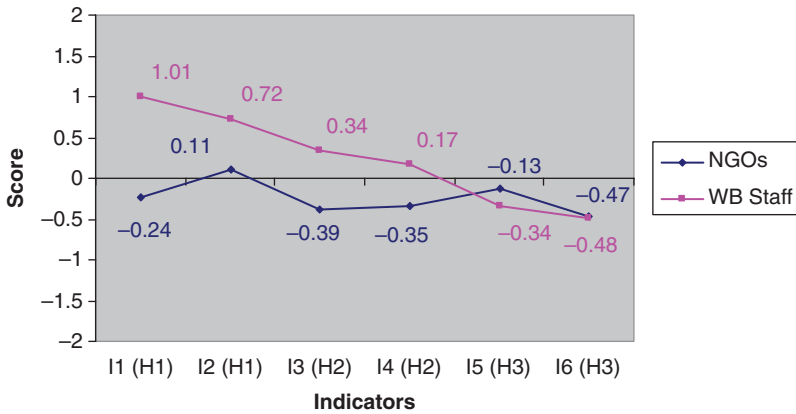
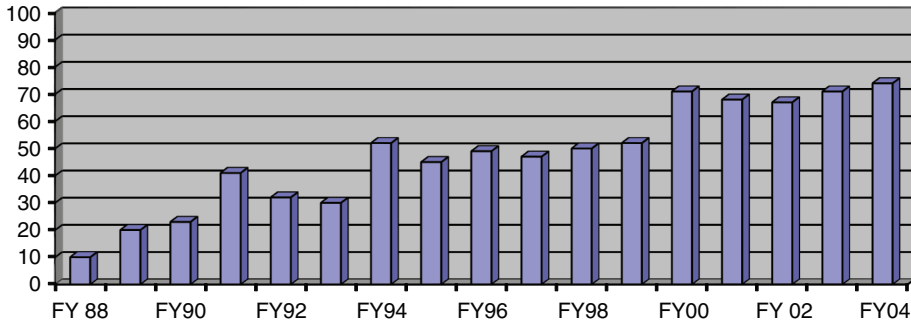


Figure 2. World Bank Indicators

*Indicator 2.* Consultation is also robust. The World Bank (2003a: 18) openly lists consultation as a main mode of engaging NGOs. The World Bank’s own figure on consultation records ‘conversations with 60,000 poor people in 60 countries’ (2003b: 119). An outreach effort began in the early 1990s, and the World Bank describes its extent:

This greater emphasis on the need to reach out to civil society has been reflected in at least 15 Bank operational policies or directives for staff, recent International Development Agency Replenishment reports, the 2000 World Development Report on Attacking Poverty, and it is an underpinning of the Comprehensive Development Framework (CDF) and Poverty Reduction Strategy Paper (PRSP) processes. The benefits of engaging CSOs [civil society organizations] are also supported by a number of Bank studies over the past decade and by an expanding body of anecdotal data.<sup>3</sup>



**Figure 3.** Planned World Bank–NGO Collaboration (as a Percentage of All Projects)  
 Source: Annual Progress Report on World Bank–NGO Cooperation (World Bank, 1988–2004).

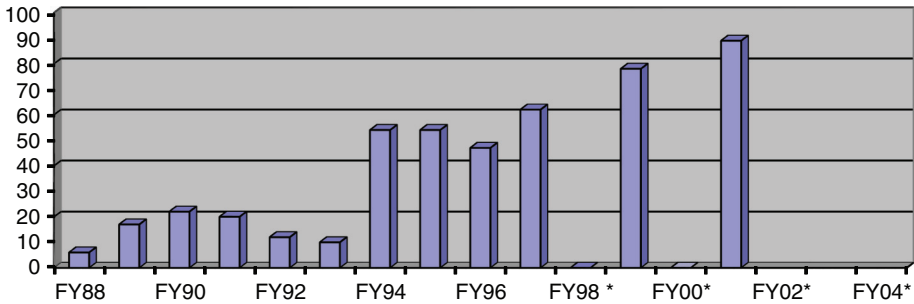
The NGO progress reports provide more detailed information on consultation and participation (World Bank, 1988–2004). They track the percentage of World Bank projects planned with NGO engagement. This is the closest that the World Bank provides to aggregate data on projects in which consultation occurs. Figure 3 presents planned collaboration with NGOs as a percentage of all projects. It documents a dramatic increase in recent decades in the proportion of projects on which NGO consultation occurs.

A fairly common NGO criticism of the World Bank is that the consultation shown in Figure 3 may occur, but unless it is required, there is no guarantee that it will happen. Consultation with NGOs is now widely expected according to all my World Bank interviewees, and the NGOs widely agreed that consultation is routine. But formal mandates are rare. In highly sensitive areas (the environment, involuntary resettlement, and indigenous peoples), the World Bank ‘Operational Manual’ does require it, and the World Bank broke the rules of its’ *Articles of Agreement* when it reached out to NGOs in the mid-1980s on the environment (Wade, 1997: 657). Participatory approaches, while encouraged, cannot easily be mandated (Miller-Adams, 1999: 97).

**Indicator 3.** A regular NGO critique of consultation is that ‘talk is cheap’; nothing in the World Bank’s material requires that proposals emanating from consultation be embedded in projects. The World Bank has tried to slide around this through statements such as ‘the Bank expects the borrower to take the views of affected peoples and NGOs fully into account’ or ‘consultations can and should be powerful and serious exercises’ (1990: 65; 2000b: 8). But ultimately, the World Bank’s language on consultation stresses that ‘consultations provide input to decision-making, but do not guarantee influence. Consultation ... should not be confused with shared control over outcomes’ (2000b: 8).

Despite the lack of required follow-up, long lists of programs with NGO involvement are available from a myriad of World Bank documents and offices. Since 1996, the World Bank’s annual reports have marked which projects include NGO participation, and the World Bank’s NGO unit has patchily tracked the participation likeliest to alter project dollars spent, that is, participation in the early design phase. Figure 4 aggregates data on NGO participation in project design over time.

The most common way by which the World Bank expends resources on NGOs directly is to hire them as implementers or service providers (World Bank, 1995, 1996b). NGO interviewees confirmed this practice. This is consistent with a utilitarian orientation in which NGOs are understood as vendors (Woods, 2006: 201).



**Figure 4.** Planned NGO Role in Project Design (as a Percentage of All Collaborative Projects)

Note: \* No further data available.

Source: Annual Progress Report on World Bank–NGO Cooperation (World Bank, 1988–2004).

*Indicator 4.* The World Bank’s primary review capacity (the Independent Evaluation Group) has turned some attention to NGOs. It has generated two aggregate reports on NGOs to date (World Bank, 1999a, 2000a). There are also ‘spot-checks’ of NGO cooperation: case studies of projects and areas with NGO collaboration (World Bank, 1993, 1996a, 2000c, 2000d). These case studies tend to be fairly ideographic and are more optimistic than critical. Given that the World Bank engages in approximately 200 to 300 projects a year, they are a mixed evaluative effort at best. A Bank-NGO Projects Database providing ‘ongoing monitoring of trends and patterns in Bank-NGO operational collaboration’ is classified (World Bank, 1995). Most interviewees were critical of the poor databases kept by the World Bank on NGOs. The World Bank’s own NGO unit charges that ‘the lack of an effective, institution-wide, outcome-based, monitoring and evaluation system weakens both operational efficiency and stakeholder support for the Bank’ (2005: 15).

The World Bank’s record of evaluations of NGO complaints is similarly patchy, again suggesting that NGO impact starts eroding at I4. The World Bank does have a formal grievance mechanism for PAPs working through local NGOs: the Inspection Panel. Formally, the World Bank appears to accept the Inspection Panel, and it describes it in ways reflective of NGO values: ‘The process for addressing claims has empowered and given voice to people who may have been adversely affected by World Bank-financed projects’ (2004: 94). But there is evidence of ‘panel-proofing’ (Fox, 2002): projects tend ‘to shy away from components that might trigger review under the Bank’s safeguards policies’ (World Bank, 2002: 53).

*Indicator 5.* A World Bank paper aptly summarizes the prevailing World Bank attitude on NGO legitimacy: ‘Some themes have been touched on and left pending. The debate about the representativity or accountability of CSOs and whether they actually present the “voices of the poor” was implicit in most presentations and explicit in many’ (1999b: 9). It presents the quandary of the World Bank, and IGOs generally, on the question of NGO legitimacy: ‘NGOs, while not officially representing the poor, often defend the interests of disenfranchised populations not present at the policy debate and address diffuse issues (e.g., environment, human rights) which lack any natural constituencies, yet are crucial to the well-being of society-at-large’ (1999b: 32). As Keohane and Nye (2000: 32) and Grant and Keohane (2005) note, although NGOs represent something significant, IGOs are wary of according them formal legitimacy; NGOs are not seen as co-principals with states. Hence, ‘left pending’ may be the most trenchant formal expression on NGO legitimacy at the World Bank.

This ambiguity arises in the contradictory strains in the World Bank's own publications. A survey of World Bank staff attitudes found continuing reticence to endorse NGO engagement because it 'politicizes' the World Bank's work (World Bank, 1998a: 10, 21). This reflects the common left-NGO complaint that the World Bank's model of development is technocratic, and locks NGOs into roles as interest groups and vendors. The result is to preclude representation (Fox and Brown, 1998). Staff are loathe to engage NGOs as 'normative' or 'advocacy' actors and only one-third are willing to rank NGOs as equal partners to a state or to the World Bank itself. 'The more loaded the meaning of civil society, the less likely that it [an NGO] will be considered a safe partner by the Bank's more conservative staff ... Most of those who did not respond [53 percent] do not believe in the worthiness of the participatory exercise ... In the middle and lower echelons of the Bank staff such [NGO] commitment is disjointed, lukewarm, and fickle – or altogether non-existent' (World Bank, 1998a: 13, 15, 18). Calls for a clearer lending framework for NGOs (World Bank, 1998a, 1999a, 2005: xii) reflect this institutional schizophrenia. An integrated NGO lending window would clear up the current convoluted process. Yet, to do so would involve institutional redefinition by placing NGOs as borrowers next to states. By keeping NGO funding unrationalized and chaotic, the World Bank can avoid the awkward logic of assigning NGOs some formal position (Hawkins and Jacoby, 2006: 207).

World Bank language reflects this large institutional fudge. The World Bank refers to NGOs as civil society and 'stakeholders', which does transcend utility (2000a; 2003a: 44; 2003c). But this is immediately qualified by heavy skepticism in other printed material and a widespread staff rejection that NGOs have a representative character. The World Bank's printed material routinely flirts with the notion of NGO representativeness, but leaves discussion unresolved (1998b; 1999a: 20, 59; 1999c: 140; 2003a: 18; 2005). Frequently, voice or representation itself is not the goal. Representation is usually instrumentalized for the purpose of project success (World Bank, 1995: 28; 2000a; 2005). Many World Bank interviewees noted that NGOs with local legitimacy made useful partners; legitimacy or representation were not the end in themselves. The World Bank has a technocratic rather than democratic interest in building civil society associations. In addition, the World Bank's interest in voice is openly limited by its preference for local and 'non-political' NGOs (1995: 41, 64; 2005). Perhaps the most common response by the World Bank to the question of legitimacy is to hedge by describing NGOs as 'amplifying the voices of the poor' (1999b: 32; 2001: 6; 2003d: 1, 17). This may represent the most that NGOs can attain, and was certainly the most my World Bank interviewees would concede. Many of them were clearly uncomfortable with the whole discussion of question 5 (see Table 3).

**Indicator 6.** NGO policy engagement with the World Bank began in the mid-1980s as the Bank-NGO Committee turned from specific project concerns to institution-wide principles. Although most NGOs engaged with the World Bank are contractors or operational NGOs, advocacy work has clearly increased, and many NGOs blend the two. The World Bank has listed the primary topics of policy engagement with NGOs as (1) poverty, (2) the environment, (3) participatory development, (4) governance and management, and (5) increased openness (1996b: 4–5, 16–18). As the Bank-NGO Committee faded away in the late 1990s, the biennial CSDs took its place. These dialogues cover some specific, high-profile projects, such as the Chad–Cameroon pipeline, but are mostly dedicated to policy engagement.

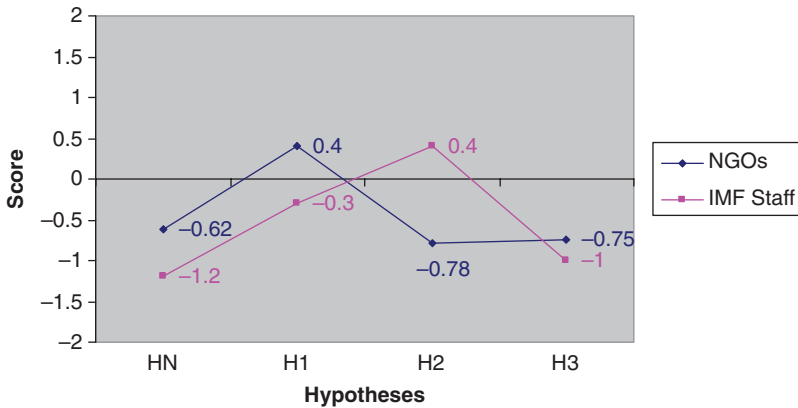
The World Bank's shift on four specific policies in the 1990s (sustainable forestry, greater transparency, rigorous social and environmental safeguards, and more generous debt relief) was widely attributed to NGOs by interviewees. More generally, the World Bank has displayed a far softer tone after two decades of NGO pressure. The World Bank's self-presentation (2003b: 11) displays

noticeable timidity toward traditional World Bank operations (infrastructure), in favor of those preferred by NGOs (social development).

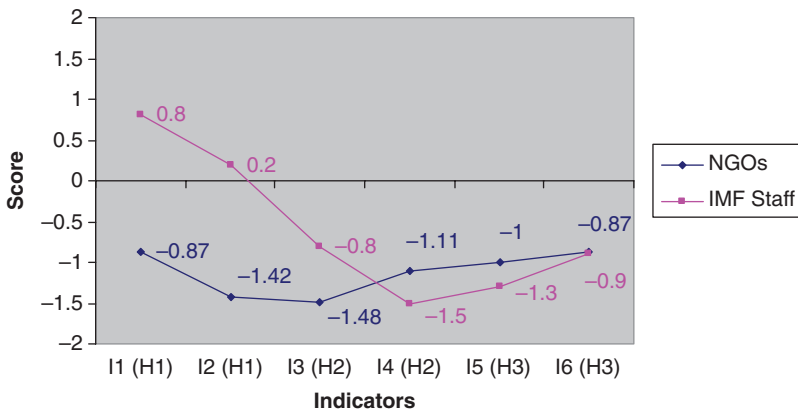
This does not constitute a dramatic shift away from capitalism or neo-liberalism in general, but social development must be ranked against the World Bank's long-running self-understanding as an institution rectifying market failures in capital accumulation in the South (Gilbert and Vines, 2000). Robert Wade (1997: 654) found the 'greening' of the World Bank would have been impossible without NGOs. Woods (2006: 163, 168) and Busby (2007) similarly argue that NGOs 'shamed' the BWI into debt relief. As early as 1992, the World Bank (1992: 100) admitted that 'NGOs ... can be effective advocates for policy change.'

**The IMF: Defensive NGO engagement (H1)**

The data for the IMF are sufficiently complex to make a solid conclusion elusive. These data require more disaggregation than the World Bank data. In the questionnaire data, NGO and IMF



**Figure 5.** IMF Hypotheses



**Figure 6.** IMF Indicators



informants were on opposite sides regarding which non-null hypothesis was correct (see Figure 5). The IMF's staff clearly rejected H1 (defensive posturing) in favor of H2 (mission utility); the inverse was true for NGOs. But in Figure 6, IMF staff answers tellingly suggested H1, while the NGO data was erratic and indeterminate.

The qualitative and documentary data followed similar breakages. The qualitative data from the NGOs strongly favored H1; NGO interviewees were often quite harsh in their appraisal of IMF outreach as 'a public relations exercise, nothing more.' This was the most robust finding in my data collection. Yet the IMF qualitative data broke the other way, although not so strongly. As at the World Bank, most IMF interviewees suggested that the IMF had graduated from H1 defensiveness to a more constructive H2 relationship based on utility. Yet most surprisingly, the IMF's documentary data, even in recent years, was supportive of H1. There are open admissions in the IMF's printed material of a hostile or awkward relationship with NGOs, of the EXR's purpose to persuade or educate (not listen to) external critics of the IMF, and of NGOs' continuing inability to contribute seriously to the IMF's work (1996: 193; 1997: 198; 2000: 154; 2001a; 2002a; 2003). So while the data are not as clear as for the World Bank, IMF data support H1 on the whole (Scholte, 2008: 20).

*Indicator 1.* The IMF has no independent NGO unit. O'Brien et al. (2000: 190) make the trenchant observation that business and for-profit-sector representatives have access to policy staff, while NGOs are sent to the EXR. The section of the EXR responsible for NGO engagement was created 'in recognition of the increasing interest being shown in the Fund by nongovernmental organizations' (IMF, 1989: 90). The staff expanded as NGO criticism increased (IMF, 2000: 155). The EXR is a 'major contribution ... to strengthening the IMF's relations with civil society' (IMF, 2002a: 59).

Most interviewees noted the small NGO apparatus within the IMF – less than five staff of the three thousand total. EXR staff estimated that approximately two to three staff years were dedicated to NGO work in a fiscal year. But like most interviewees, they were at pains to note the 'informal growth of staff time commitments to NGOs broadly across the institution.'

There are no solid figures in the IMF's printed work specifically concerning its NGO activities. There is some tracking of the expenses of the EXR. In 1998, the IMF listed the EXR's expenses as 4.7 percent of its total administrative budget of US\$503.7 million. In 2000, it accounted for 5 percent of US\$583.0 million (IMF, 1998: 102–3; 2000: 100). Transparency for NGOs has increased rapidly, although not as quickly as at the World Bank. In 2001, the IMF introduced a formal information policy, which includes a presumption of disclosure. It has also introduced a civil society e-newsletter. A former EXR director speaks of extensive 'provision of information' and 'outreach efforts' from the IMF to NGOs (IMF, 2001a: 20). No material evidence existed regarding access, but NGOs did not complain. By contrast, IMF staff thought that NGOs had excellent, even too much, access to management.

*Indicator 2.* The IMF has little formal language regarding the specifics of consultation. There is, however, a wide and general commitment to engagement (IMF, 2001b: 7, 14, 47; 2002a: 59; 2002b: vii). The IMF's 'Guide for Staff Relations with Civil Society Organizations' calls for 'proactive outreach' (Section IV.C.3). Both staff and NGO informants found the IMF open to discussion, and the CSDs have become a major interaction point. But defensive-minded staff have demonstrated increasing selectivity in which NGOs they engage (IMF, 2001a).<sup>4</sup> Not all NGOs are equal (Scholte, 2008; Wilkinson, 2002).

There are no formal requirements for staff engagement, but much 'encouragement'. That term was used frequently by informants. The 'Guide for Staff Relations with Civil Society Organizations'

notes that early consultation, although not required, is preferred: 'Many CSOs respond negatively if they feel that they are being asked to rubberstamp a *fait accompli*' (Section IV.D.2). This was a fairly common NGO complaint in the NGO strategy sessions I attended. While the guidelines do not require consultation, they nevertheless push in that direction: 'Staff should treat public outreach (including CSOs) as an integral part of their overall country work, not as a dispensable lower priority when time is short' (Section V.G.2) and 'Article IV and program missions could consider adopting a practice of blocking out at least half a day for meeting with CSOs' (Section V.G.4).

*Indicator 3.* The IMF is aware of the NGO critique that 'talk is cheap,' and that nothing prevents the IMF from simply ignoring NGO input altogether. 'Some CSOs may tend to think that the Fund preaches, does not listen, does not integrate CSO input from the dialogue into its policy making' (IMF, 2003: 96). The staff guidelines for NGOs are 'not mandatory.' Nor could I find any reference in the IMF's printed material to a requirement to change loan programs in response to NGO input. As consultation is not required, neither is impact (IMF, 2001a: 22).

I found no substantial evidence of NGO-driven changes in program spending. The IMF keeps no separate database of NGO-related spending. Information similar to that shown in Figures 3 and 4 for the World Bank is unavailable. This makes serious measurement almost impossible. Many IMF informants reported that NGOs had affected conditionalities, but no formal data exists. Staff interviewees agreed that NGOs had limited impact, and NGO informants clearly agreed. This is consistent with a defensive, non-functional understanding of NGOs as external interest groups. Impact is already dissipating on I3.

*Indicator 4.* IMF staff guidelines for NGOs recommend periodic reviews of NGO engagement. To date, however, the Independent Evaluation Office (the IMF's internal review service) has conducted no systematic review of NGO affairs within the IMF (nor has the EXR). None is anticipated. The IMF has no formal complaint-resolution mechanism in its organogram. Several NGO representatives reported that they sought an Inspection Panel mechanism at the IMF. But all were skeptical about the possibility. The NGO community is generally disappointed that its successes at the World Bank have not reverberated at the IMF. No IMF interviewee spoke of a formal mechanism to address NGO or civil society grievances. The IMF lacks a standard operating NGO grievance procedure, much less an office.

*Indicator 5.* NGOs are not welcomed by the IMF as actors of equal weight. The IMF is quite aware of the representative claims put forward by NGOs (Sechooler, 2009). 'Many CSOs – and NGOs in particular – see themselves as representing the broad public interest and as having a role in ensuring that individuals participate directly in shaping the rules of the international economic system' (IMF, 2001a: 2). Nothing in the IMF's printed material suggests that it accepts NGO claims to be legitimate representatives.

This topic was infrequently raised by IMF interviewees, and when so, two critical responses were common. First, staff question the credentials of NGOs by turning around the NGOs' own legitimacy arguments. 'Civil society groups ... need to ensure their own accountability, legitimacy, and good governance' (IMF, 2002a: 58). Unlike the World Bank's hedging, the IMF adheres consistently to this questioning of NGO credentials: 'The IMF is responsible to governments, which are, in most cases, accountable to their populations through reasonably well-defined democratic processes. In contrast, the constituencies and representatives of many CSOs are often unclear'

(IMF, 2001a: 4, 23). A second response waffles on NGO legitimacy claims in order to reaffirm the final accountability of the IMF to the board and states:

Thus far, collaboration [with civil society] has remained informal and it would be helpful if the Executive Board established a framework for its further development ... while confirming the IMF's accountability to member governments through the Board of Governors and the Executive Board ... Government representatives have questioned the legitimacy of NGOs. (IMF, 2001a: 21–2; 2002a: 58)

Unsurprisingly, the IMF provides no formal categorization of NGOs, and certainly no recognition of legitimacy claims. Indeed, the IMF refuses to deploy even the fairly anodyne, World Bank-employed term 'stakeholders' to describe NGOs: 'The criteria that must guide the IMF in its actions will differ from – and could occasionally conflict with – those that guide civil society. The IMF cannot have a multiplication of stakeholders; its accountability must remain with its members' (IMF, 2002a: 70). A more common reference to NGOs by interviewees was as 'interest groups' (IMF, 2001a: 22). The IMF's fiduciary relationships too remain strictly circumscribed: 'the IMF can only deal with, or through, the designated fiscal agency, which is authorized to carry out transactions with the IMF on behalf of the member country' (IMF, 2001c: 84). There is no formal accord of any insider or privileged status; the annual reports routinely bracket NGO affairs under the heading 'external communications'.

*Indicator 6.* The CSDs are the primary vehicle of NGO policy advocacy. There is now 'sustained discussion and dialogue ... While debates tended to be highly polarized just five years ago, the scale and quality of dialogue with some CSOs have improved' (IMF, 2001a: 21). NGOs acknowledge that such dialogue has occurred, but most considered the effort fruitless; the IMF was widely regarded as an 'implacable' defender of the Washington consensus. IMF informants agreed that policy debate with NGOs was now expected, although hardly welcomed.

A recent general policy change at the IMF might be attributable to NGOs. 'Our dialogue with NGOs ... is clearly having an impact on policy formulation and presentation' (Larsen, 2000: 281). At the most general level, the IMF has recently begun printing 'making globalization work for the benefit of all' on the cover of its annual reports. This 'reflects a concern that the benefits the world economy is deriving from freer trade and more integrated and deeper international capital markets are not reaching everyone, especially in the developing world' (IMF, 2000: 35). Although unelaborated and unattributed, one might reasonably read this as a response to the growing chorus of NGO criticism of globalization through the 1990s; several IMF informants did. As at the World Bank, debt relief is partially attributed to NGOs (Scholte, 2008: 33). The IMF has stated that 'CSOs have exerted some influence on the IMF in policy areas,' but concludes, 'many reformist CSOs, in both the North and South, have been unhappy with what they see as a general reluctance in the IMF to consider seriously fundamental challenges to prevailing policy frameworks' (2001a: 12, 22, 24). No informant, whether from an NGO or the IMF, thought that NGOs had seriously impacted policy.

## Conclusion

Although the research started from the state-centric frame, it quickly became apparent that the BWIs make most of their own decisions regarding NGOs and exercise considerable discretion. This prompted the use of a non-IR body of literature: organizational theory. If we accept liberal and

constructivist paradigms of world politics, our institutionalist work may need a more organizational bent. So long as IGOs are not wholly prey to great-power politics, whether by gridlock or insouciance, then in-house as well as environmental variables will require analysis.

I have proposed such an analytical framework here. By combining established macro-paradigms from IR with mid-range organizational theory, I have generated a series of hypotheses to explain IGOs' responses to NGO pressure. IGOs may address NGOs as organizational threats, mission improvers, or constituents. Measurable empirical markers were deduced from these hypotheses. A defensive posture (H1) will be indicated by light, PR-driven engagement from a newly created 'NGO office'. Nonbinding consultation, with resultant 'consultation fatigue' and cynicism among NGOs, is likely. A utilitarian approach (H2) will witness actual programmatic change due to NGO suggestions and evaluation of NGO usefulness. A 'democratic' approach (H3) will reveal the inclusion of NGOs as legitimate internal actors entitled to participate in institutional policy debates. This frame advances the ad hoc, case-study-heavy NGO literature. It ties that literature to the mainstream of IR theory. It does not select on the dependent variable and it removes the literature's informal 'pro-NGO' normative bent by using neutral, empirically verifiable indicators to arbitrate among the hypotheses.

### Acknowledgments

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### Notes

1. See URL: <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/CSO/0,,contentMDK:20093801~pagePK:220503~piPK:220476~theSitePK:228717,00.html>.
2. This according to email correspondence from the Civil Society Team, 20 October 2004.
3. See URL: <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/CSO/0,,contentMDK:20093161~menuPK:220423~pagePK:220503~piPK:220476~theSitePK:228717,00.html>.
4. I witnessed this filtering at several CSDs.

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