

## Endnotes

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### I INTRODUCTION

- 1 Joseph Stiglitz. 1998. "Towards a New Paradigm for Development: Strategies, Policies, and Processes." Prebisch Lecture, UNCTAD: Geneva, 19 October; Jim Yong Kim. 2012. "Remarks As Prepared for Delivery." IMF and World Bank Annual Meeting Plenary Session: Tokyo, 11 October.
- 2 The IMF's Chief Economist first made this admission in a working paper: Olivier Blanchard and Daniel Leigh. 2013. "Growth Forecast Errors and Fiscal Multipliers." *IMF Working Paper* (No. WP/13/1).
- 3 As I will discuss in Chapter 3, structural adjustment lending provided financial support to governments on the condition that they instituted significant reforms such as eliminating price controls and subsidies, reducing tariffs and privatizing government enterprises.
- 4 Niklas Luhmann. 1998. "Describing the Future." In *Observations on Modernity*, Stanford University Press, 69. Linsey McGoey considers the implications of this insight for institutional practice in: McGoey. 2007. "On the Will to Ignorance in Bureaucracy." *Economy and Society* 36 (2): 212–35.
- 5 Nigel Thrift explores some of these trends in: Thrift. 2009. "A Perfect Innovation Engine: the Rise of the Talent World." In *Cultural Political Economy*, edited by J. Best and M. Paterson, London and New York: Routledge, 197–221. The classic statement of the shift from use to exchange to sign value can be found in: Jean Baudrillard. 1981. *For a Critique of the Political Economy of the Sign*. New York: Telos Press.
- 6 In that particular case, the initial estimate of an increase of 171,000 jobs was revised downwards just a month later to 138,000. Bureau of Labor Statistics. 2012. "The Employment Situation: November 2012." Washington, DC: US Department of Labor, 3.
- 7 World Bank. 1998. *Assessing Aid: What Works, What Doesn't, and Why*. New York: Oxford University Press, 32.
- 8 IMF. 2011. "Managing Volatility: A Vulnerability Exercise for Low-Income Countries." Washington, DC: International Monetary Fund, 6.
- 9 Michel Callon, ed. 1998. *The Laws of the Markets*. Oxford: Blackwell, 260–61; Andrew Barry. 2002. "The Anti-Political Economy." *Economy and Society* 31 (2): 268–84.

- 10 Michel Foucault. 1990. *The History of Sexuality, Vol. 2: The Use of Pleasure*. New York: Vintage, ch.2; Foucault. 1996. *Foucault Live: Interviews, 1961–84*. New York: Semiotext(e), Ch. 50; Foucault. 1997. “Polemics, Politics and Problematizations.” In *Ethics: Vol. 1 of Essential Works of Foucault*, edited by L. Davis. New York: The New Press, 381–90.
- 11 Susanne Soederberg. 2002. “On the Contradictions of the New International Financial Architecture: Another Procrustean Bed for Emerging Markets?” *Third World Quarterly* 23 (4): 607–20; Jean-Pierre Cling, Mireille Razafindrakoto and François Roubaud, eds. 2003. *New International Poverty Reduction Strategies*. London: Routledge.
- 12 Sheldon Wolin. 1981. “Max Weber: Legitimation, Method, and the Politics of Theory.” *Political Theory* 9 (3): 419.
- 13 Max Weber. 1949. *The Methodology of the Social Sciences*. Glencoe, IL: Free Press, 116. See also: Barry. “Anti-Political Economy” 274–75. I will discuss the fragility of expert authority at greater length in Chapter 4.
- 14 Some excellent examples of such internal bureaucratic studies include: Susan Park and Antje Vetterlein, eds. 2010. *Owning Development: Creating Policy Norms in the IMF and the World Bank*. Cambridge University Press; Jeffrey Chwieroth. 2008. “Organizational Change ‘From Within’: Exploring the World Bank’s Early Lending Practices.” *Review of International Political Economy* 15 (4): 481–505; Catherine Weaver. 2008. *Hypocrisy Trap: The World Bank and the Poverty of Reform*. Princeton University Press.
- 15 Arne Rückert. 2007. “Producing Neoliberal Hegemony? A Neo-Gramscian Analysis of the Poverty Reduction Strategy Paper (PRSP) in Nicaragua.” *Studies in Political Economy* (79): 91–118; Marcus Taylor. 2005. “Opening the World Bank: International Organisations and the Contradictions of Global Capitalism.” *Historical Materialism* 13 (1): 153–70; Paul Cammack. 2004. “What the World Bank Means by Poverty Reduction, and Why it Matters.” *New Political Economy* 9 (2): 189–211; Cristina Rojas. 2004. “Governing through the Social: Representations of Poverty and Global Governmentality.” In *Global Governmentality: Governing International Spaces*, edited by W. Larner and W. Walters. London: Routledge, 97–115.
- 16 I provide a fuller definition of the concept of inscription, which I am borrowing from Callon and Latour, below.
- 17 As I will discuss further in the Conclusion, this more experimental approach to governance has been explored by a number of different scholars recently, including: Charles Sabel and Jonathan Zeitlin. 2012. “Experimentalism in the EU: Common Ground and Persistent Differences.” *Regulation and Governance* 6 (3): 410–26; Paul Rabinow. 2003. *Anthropos Today: Reflections on Modern Equipment*. Princeton University Press; Michel Callon, Pierre Lascoumes and Yannick Barthe, eds. 2009. *Acting in an Uncertain World: An Essay on Technical Democracy*. Boston: MIT Press.
- 18 Rita Abrahamsen. 2000. *Disciplining Democracy: Development Discourse and Good Governance in Africa*. London: Zed Books.
- 19 On the importance of neutrality and expertise to IO culture, see: Michael Barnett and Liv Coleman. 2005. “Designing Police: Interpol and the Study of Change in International Organizations.” *International Studies Quarterly* 49 (4):

- 593–619; Michael Barnett and Martha Finnemore. 1999. “The Politics, Power, and Pathologies of International Organizations.” *International Organization* 53 (4): 699–732; Bessma Momani. 2005. “Recruiting and Diversifying IMF Technocrats.” *Global Society* 19 (2): 167–87; Jacqueline Best. 2012. “Ambiguity and Uncertainty in International Organizations: A History of Debating IMF Conditionality.” *International Studies Quarterly* 56 (4): 674–88.
- 20 James Ferguson. 1990. *The Anti-Politics Machine: “Development,” Depoliticization, and Bureaucratic Power in Lesotho*. Cambridge University Press; Timothy Mitchell. 2007. “The Properties of Markets.” In *Do Economists Make Markets? On the Performativity of Economics*, edited by D. MacKenzie, F. Muniesa and L. Siu. Princeton University Press, 244–75.
- 21 In March 2013, the Canadian conservative government announced plans to merge CIDA with the Foreign Affairs ministry. Since the Canadian policies discussed in this book were initiated while CIDA still existed, I will generally refer to it, rather than to the new Department for Foreign Affairs, International Trade and Development.
- 22 The IMF has been in the business of development since it began its long-term concessional lending in 1976, and even though its priorities are different, its overlap with the Bank has only grown in the intervening years. Many IMF staff are aware of this fact, particularly those working in the Africa Department. It is those working in the European Department, certain executive directors (particularly the US) and a few NGOs (who hope to get the IMF out of the business of lending to poor countries) who have continued to uphold the idea that the IMF should only engage in managing global finance, and not economic development (as if the two were separable, whether lending to Burkina Faso or Greece).
- 23 Some excellent examples of studies that examine the impact of recent policy changes on specific countries or regions include: Isaline Bergamaschi. 2011. *Le consensus post-Washington au Mali: Trajectoires, usages et processus d’appropriation*, PhD thesis, École Doctorale de Sciences Po, Institut d’Études Politiques de Paris; Rückert. 2004. “Producing Neoliberal Hegemony?”; Graham Harrison. *The World Bank and Africa: The Construction of Governance States*. London: Routledge; Tim Conway. 2004. “Politics and PRSP Approach: Vietnam Case Study.” London: Overseas Development Institute; Geske Dijkstra. 2005. “The PRSP Approach and the Illusion of Improved Aid Effectiveness: Lessons from Bolivia, Honduras and Nicaragua.” *Development Policy Review* 23 (4): 443–64; Nadia Molenaers and Robrecht Renard. 2003. “The World Bank, Participation and PRSP: The Bolivian Case Revisited.” *The European Journal of Development Research* 15 (2): 133–61; Patrick Guillaumont and Jeanneney Sylviane Guillaumont. 2004. “Une expérience Européenne: la conditionnalité de performance au Burkina Faso.” *Afrique Contemporaine* 1 (209): 197–227. Without trying to provide a comprehensive picture of the impact of the policies on the ground, I have drawn on these and other studies throughout the book where appropriate.
- 24 My views on the centrality of process have been influenced by the work of Kevin McMillan, Iver Neumann and Ole Jacob Sending; Kevin McMillan. 2008. *The Emergence of International Governance: Practices of European Politics, 1700–1848*, PhD thesis, Department of Political Science, Columbia University; Iver B. Neumann and Ole Jacob Sending. 2006. “Governance to

- Governmentality: Analyzing NGOs, States and Power.” *International Studies Quarterly* 50 (3): 651–72. See also: Diane Stone. 2003. “The ‘Knowledge Bank’ and the Global Development Network.” *Global Governance* 9 (1): 43–61.
- 25 Barnett and Finnemore. “Politics, Power, and Pathologies”; Michael Barnett and Martha Finnemore. 2004. *Rules for the World: International Organizations in Global Politics*. Ithaca: Cornell University Press. See also: Chwieroth. “Organizational Change”; Antje Vetterlein. 2007. “Economic Growth, Poverty Reduction, and the Role of Social Policies: The Evolution of the World Bank’s Social Development Approach.” *Global Governance* 13 (4): 513–33.
- 26 Key ANT texts used here include: Bruno Latour. 1987. *Science In Action*. Milton Keynes: Open University; Michel Callon. 1986. “The Sociology of an Actor-Network: the Case of the Electric Vehicle.” In *Mapping the Dynamics of Science and Technology: Sociology of Science in the Real World*, edited by M. Callon et al. London: Macmillan, 19–34; John Law, ed. 1991. *A Sociology of Monsters: Essays on Power, Technology and Domination*. London and New York: Routledge; John Law and John Hassard, eds. 1999. *Actor Network Theory and After*. Oxford: Blackwell. As I discuss in Chapter 2, I am drawing in particular on Foucault’s notion of “problematization,” and also engage with the wider literature on governmentality. Michel Foucault. *Use of Pleasure*; Foucault. “Polemics, Politics and Problematizations”; Foucault. 1991. “Governmentality.” In *The Foucault Effect: Studies in Governmentality*, edited by Graham Burchell, Colin Gordon and Peter Miller. London: Harvester Wheatsheaf, 87–104; Foucault. 2004. *The Birth of Biopolitics: Lectures at the Collège de France, 1978–1979*. New York: Palgrave Macmillan; Peter Miller and Nikolas Rose. 1990. “Governing Economic Life.” *Economy and Society* 19 (1): 1–31. On the practice turn: Theodore Schatzki, Karin Knorr Cetina and Eike von Savigny, eds. 2001. *The Practice Turn in Contemporary Theory*. London: Routledge; Vincent Pouliot. 2008. “The Logic of Practicality: A Theory of Practice of Security Communities.” *International Organization* 62 (2): 257–88; Emmanuel Adler and Vincent Pouliot. 2011. *International Practices*. Cambridge University Press. In combining these different approaches, this book shares much with some of my previous work on cultural political economy: Jacqueline Best and Matthew Paterson, eds. 2010. *Cultural Political Economy*. London: Routledge.
- 27 Notable exceptions include: William Walters. 2002. “The Power of Inscription: Beyond Social Construction and Deconstruction in European Integration Studies.” *Millennium* 31 (1): 83–108; Tony Porter. 2012. “Making Serious Measures: Numerical Indices, Peer Review, and Transnational Actor-Networks.” *Journal of International Relations and Development* 15 (4): 532–57; Paul Langley. 2010. “Review Essay: On the Materiality of Markets.” *Journal of Cultural Economy* 3 (3): 395–402.
- 28 Bruno Latour and Steve Woolgar. 1986. *Laboratory Life: The Construction of Scientific Facts*. Princeton University Press; Bruno Latour. 1986. “Visualization and Cognition: Thinking with Eyes and Hands.” *Knowledge and Society* 6: 1–40; Michel Callon. 1986. “Some Elements of a Sociology of Translation: Domestication of the Scallops and the Fishermen of St. Brieuç Bay.” In *Power, Action, and Belief: A New Sociology of Knowledge?*, edited by J. Law. London: Routledge and Kegan Paul, 196–233.
- 29 Walters. “Power of Inscription.” For a similar use of the idea of inscription, see also: Miller and Rose. “Governing Economic Life.”

- 30 For an interesting discussion of this challenge, see: Mark Blyth. 2002. *Great Transformations: The Rise and Decline of Embedded Liberalism*. Cambridge University Press, Chs 1 and 2.
- 31 I am borrowing this critique of the idea of trajectory from Bruno Latour, who describes the limits of this idea as a way of conceptualizing technological change, using as an example the invention of the Kodak camera. Bruno Latour. 1991. "Technology is Society Made Durable." In *A Sociology of Monsters: Essays on Power, Technology and Domination*, edited by J. Law. London and New York: Routledge, 103–31.
- 32 Bruno Latour. 1999. *Pandora's Hope: Essays on the Reality of Science Studies*. Cambridge, MA: Harvard University Press; Michel Callon. 1998. "Introduction: The Embeddedness of Economic Markets in Economics." In *The Laws of the Markets*, edited by M. Callon. Oxford: Blackwell, 1–57.
- 33 Barnett and Finnemore. *Rules for the World*; Nikolas Rose. 1993. "Government, Authority and Expertise in Advanced Liberalism." *Economy and Society* 22 (3): 283–99; Nikolas Rose. 1999. *Powers of Freedom: Reframing Political Thought*. Cambridge University Press.
- 34 This is not always the case in some of the earlier writings of economic sociologies such as Callon and Latour, which do point to the limits of strategies of inscription, translation and mobilization. Yet Callon's later work on the performativity of economics, as well as some of the advocates of ANT, have sometimes overstated the effectiveness of economic theory and technological practice. This also holds true for some of the governmentality and bureaucratic culture literatures, which focus primarily on the effectiveness of various techniques for governing at a distance, and pay less attention to the slippages, resistances and limits of such efforts. One exception to this trend within the IO literature is Broome and Seabrooke's analysis of the ways in which organizations' practices of standardized measurement can ignore more appropriate local forms of knowledge and thus produce policy failures: André Broome and Leonard Seabrooke. 2012. "Seeing like an International Organisation." *New Political Economy* 17 (1): 1–16.
- 35 Jeremy Walker and Melinda Cooper. 2011. "Genealogies of Resilience: From Systems Ecology to the Political Economy of Crisis Adaptation." *Security Dialogue* 42 (2): 143–60; Mitchell Dean. 1999. "Risk, Calculable and Incalculable." In *Risk and Sociocultural Theory: New Directions and Perspectives*, edited by D. Lupton. Cambridge University Press, 131–60; Henry Rothstein, Michael Huber and George Gaskell. 2006. "A Theory of Risk Colonization: The Spiraling Regulatory Logics of Societal and Institutional Risk." *Economy and Society* 35 (1): 91–112.
- 36 I have made other arguments about the need to rethink indeterminacy beyond risk in Jacqueline Best. 2008. "Ambiguity, Uncertainty and Risk: Rethinking Indeterminacy." *International Political Sociology* 2 (4): 355–74.

## 2 A MESO-LEVEL ANALYSIS

- 1 Not all governmentality approaches share this tendency towards epochal analysis; yet the tendency remains quite strong, as Collier has pointed out: Stephen J. Collier. 2009. "Topologies of Power: Foucault's Analysis of Political Government beyond 'Governmentality'." *Theory Culture and Society* 26 (6): 78–108.

- 2 The two scholars who have most explicitly defined themselves as practice theorists are Vincent Pouliot and Emanuel Adler: Pouliot. 2008. "The Logic of Practicality: A Theory of Practice of Security Communities." *International Organization* 62 (2): 257–88; Pouliot. 2010. *International Security in Practice: The Politics of NATO-Russian Diplomacy*. Cambridge University Press; Adler and Pouliot. 2011. *International Practices*. Cambridge University Press; Adler and Pouliot. 2011. "International Practices." *International Theory* 3 (1): 1–36. For other interesting uses of Bourdieu, see, for example: Michael C. Williams. 2007. *Culture and Security: Symbolic Power and the Politics of International Security*. London: Routledge; Alexandra Gheciu. 2009. *Securing Civilization? The EU, NATO and the OSCE in the Post-9/11 World*. Oxford University Press; Anna Leander. 2011. "The Promises, Problems and Potentials of a Bourdieu-Inspired Staging of International Relations." *International Political Sociology* 5 (3): 294–313.
- 3 Theodore Schatzki, Karin Knorr Cetina and Eike von Savigny, eds. 2001. *The Practice Turn in Contemporary Theory*. London: Routledge, 2.
- 4 Unnoticed, everyday practices such as pronouncing words are sometimes described as "coping skills." David Stern. 2003. "The Practical Turn." In *Blackwell Guide to the Philosophy of the Sciences*, edited by S. P. Turner and P. A. Roth. Oxford: Blackwell, 190–1.
- 5 Some early uses of the idea of practice include: Iver B. Neumann. 2002. "Returning Practice to the Linguistic Turn: The Case of Diplomacy." *Millennium* 31 (3): 627–51; William Walters. 2002. "The Power of Inscription: Beyond Social Construction and Deconstruction in European Integration Studies." *Millennium* 31 (1): 83–108.
- 6 Pouliot. "Logic of Practicality": 275.
- 7 *Ibid.*: 274.
- 8 *Ibid.*: 270. As Pouliot himself admits (259), he differs here from Bourdieu in defining social practice in such a way as to exclude representational or discursive practices.
- 9 Although many scholars have pointed to the disjuncture between international organizations' formal policies and their application on the ground, the production of different kinds of (often abstract) knowledge is a practice that is central to both the formulation and application of policy. Layna Mosley. 2000. "Room to Move: International Financial Markets and National Welfare States." *International Organization* 54 (4): 737–73; Swati Chaudhary and Leonard Seabrooke. 2009. "Pragmatic Numbers: How the IMF Creates Policy Dialogue for Financial Reform." *Warwick CSGR Working Paper* (No. 261/09).
- 10 As Craig Calhoun has noted, Bourdieu's use of the metaphor of the game likely owes something to his own experience as a rugby player. Calhoun. 2003. "Pierre Bourdieu." In *The Blackwell Companion to the Major Social Theorists*, edited by G. Ritzer. Cambridge, MA: Blackwell, 274–309.
- 11 This problem of the multiplicity of social fields is akin to the problem of the multitude of contexts that J. G. A. Pocock has identified as a challenge for contextualist history. Both historical and sociological traditions draw on Wittgenstein's concept of language games to help understand the meaning and significance of a practice or a historical text, suggesting that it has to be

- interpreted with reference to the game being played. Yet if there are multiple games, fields and contexts, then this shift from the practice or text to the context or field does not necessarily solve the riddle. J. G. A. Pocock. 1971. "Languages and their Implications." In *Politics, Language and Time: Essays on Political Thought and History*, New York: Atheneum, 3–41.
- 12 Although I have not therefore used the concept of field here, a looser conception of fields as discursively constituted, such as that used by Didier Bigo would still be consistent with a meso-level approach. Didier Bigo. 2005. "La mondialisation de l'(in)sécurité." *Cultures et Conflits* 58 (Été): 53–101.
- 13 Stern. "Practical": 202; William H. Sewell. 1992. "A Theory of Structure: Duality, Agency, and Transformation." *American Journal of Sociology* 98 (1): 14–15; Anthony King. 2000. "Thinking with Bourdieu Against Bourdieu: A 'Practical' Critique of the Habitus." *Sociological Theory* 18 (3): 417–33. Nonetheless, there does remain room with Bourdieu's analysis for an attention to contingency, agency and innovation, through his concept of virtuosity, as I have discussed elsewhere: Jacqueline Best. 2012. "Bureaucratic Ambiguity." *Economy and Society* 41 (1): 84–106.
- 14 There has been excellent work done on institutional stability by scholars of bureaucratic culture who have demonstrated just how little institutional actors sometimes change in spite of external pressures to do so. Catherine Weaver and Ralf J. Leiteritz. 2005. "'Our Poverty Is a World Full of Dreams': Reforming the World Bank". *Global Governance* 11 (3): 369–88. Bourdieu's concepts would make a useful contribution to such analyses, supplementing the current focus on norms with his more concrete emphasis on routines and habits.
- 15 Not to mention the pervasiveness of risk-based analysis in a wide range of other policy areas. Ulrich Beck. 1992. *Risk Society: Towards a New Modernity*. London: Sage.
- 16 Classic formulations of this kind of strategic interaction in IR include those by Robert Axelrod and Thomas Schelling. Schelling. 1960. *The Strategy of Conflict*. Cambridge, MA: Harvard University Press; Axelrod, ed. 1976. *Structure of Decision*. Princeton University Press. Adler and Pouliot provide an interesting practice-based analysis of Schelling in: Adler and Pouliot. "International Practices."
- 17 My use of strategy therefore has similarities to de Certeau's; however, whereas de Certeau defines strategies as strictly spatial, and contrasts them with more temporal, contingent tactics, I would tend to resist this dichotomy. Michel De Certeau. 1984. *The Practice of Everyday Life*. Berkeley and Los Angeles: University of California Press, 34–7. My concept of strategy is also somewhere between Foucault's narrower and more instrumental use of the term in "The Subject and Power," and his much broader concept of rationalities, as used in his work on governmentality. Michel Foucault. 1982. "The Subject and Power." *Critical Inquiry* 8 (4): 777–95. Foucault. 1981 "Governmentality." In *The Foucault Effect: Studies in Governmentality*, edited by Graham Burchell, Colin Gordon and Peter Miller. London: Harvester Wheatsheaf, 87–104; Foucault. 2004. *The Birth of Biopolitics: Lectures at the Collège de France, 1978–1979*. New York: Palgrave Macmillan.
- 18 Michel Foucault. 1990. *The History of Sexuality, Vol. 2: The Use of Pleasure*. New York: Vintage, 23–4; Foucault. 1996. *Foucault Live: Interviews, 1961–84*.

- New York: Semiotext(e), 456–7; Foucault. 1997. “Polemics, Politics and Problematizations.” In *Ethics: Volume 1 of Essential Works of Foucault*, edited by L. Davis. New York: The New Press, 381–90. Where my concept differs from Foucault’s, however, is in my stronger emphasis on the concrete manifestations of such problematizations.
- 19 For a comprehensive analysis of the different dimensions of practice, see: Joseph Rouse. 1996. *Engaging Science: How to Understand its Practices Philosophically*. Ithaca: Cornell University Press, 134–57.
  - 20 This principle was first elaborated by Bruno Latour in *Science in Action*, in which he sought to follow scientists and laboratory technicians in their day-to-day activities in an effort to unravel the practices of science. Bruno Latour. 1987. *Science in Action*. Milton Keynes: Open University.
  - 21 Bruno Latour. 1993. *The Pasteurization of France*. Cambridge, MA: Harvard University Press.
  - 22 Susan Leigh Star. 1991. “Power, Technologies and the Phenomenology of Conventions: On Being Allergic to Onions.” In *A Sociology of Monsters: Essays on Power, Technology and Domination*, edited by J. Law. London and New York: Routledge, 28–9.
  - 23 Ian Hacking. 2002. “Making up People.” In *Historical Ontology*, Cambridge, MA: Harvard University Press, 99–114.
  - 24 Latour. *Science in Action*, 62.
  - 25 Nikolas Rose and Peter Miller. 1992. “Political Power Beyond the State: Problematics of Government.” *British Journal of Sociology* 43 (2): 172–205.
  - 26 One aspect of STS and ANT theory that I am not adopting here is the idea of actants – or the possibility that non-humans (whether Latour’s famous door-closer, Callon’s scallops or Woolgar’s machines) can also be actors with significant effects on the social world. In the realm of global governance (at least at the level of bureaucratic institutions that I am studying here), the objects to which such forms of agency are delegated tend to be “softer” than door-closers, taking the form of paper or images on computer screens: tables, graphs, reports and other inscriptions. While there is another story to be told about the increasing delegation of agency to such “quasi-objects,” to use Latour’s term, I do not have the space to tell it here. For three classic STS discussions of non-human agency, see: Michel Callon. 1986. “Some Elements of a Sociology of Translation: Domestication of the Scallops and the Fishermen of St. Briec Bay.” In *Power, Action, and Belief: A New Sociology of Knowledge?* edited by J. Law. London: Routledge and Kegan Paul, 196–233; Jim Johnson. 1988. “Mixing Humans and Non-Humans Together: The Sociology of a Door-Closer.” *Social Problems* 35 (3): 298–310; Steve Woolgar. 1991. “Configuring the User: The Case of Usability Trials.” In *A Sociology of Monsters: Essays on Power, Technology and Domination*, edited by J. Law. London: Routledge, 57–102.
  - 27 DFID. 2007. “How to Note: Country Governance Analysis.” London: UK Department for International Development; IMF. 2003. “Operational Guidance on the New Conditionality Guidelines.” Washington, DC: International Monetary Fund.
  - 28 Bruno Latour and Steve Woolgar. 1986. *Laboratory Life: The Construction of Scientific Facts*. Princeton University Press.



- 29 While it takes many different forms, the concept of performativity comes originally from the pragmatic philosopher Austin, who defined certain kinds of speech act as performative, such as a priest's declaration of marriage, since the enunciation does the very thing that it states. John L. Austin. 1962. *How to do Things with Words*. Cambridge, MA: Harvard University Press.
- 30 On the potential for negative performativity, see: Donald MacKenzie. 2006. *An Engine, Not a Camera: How Financial Models Shape Markets*. Cambridge, MA: MIT Press.
- 31 In fact, I would argue, it is impossible to separate out the two forms of knowledge: as William Connolly points out in his analysis of the political and philosophical implications of recent neuroscience, thinking, emotion, instinct and embodied habits are all interconnected, layered and interdependent. William Connolly. 2002. *Neuropolitics: Thinking, Culture, Speed*. Minneapolis: University of Minnesota Press, Ch. 3.
- 32 Rouse. *Engaging Science*, 137.
- 33 Max Weber. 1976. *Economy and Society: An Outline of Interpretive Sociology*. Vol. 1. Berkeley: University of California Press, 215–16.
- 34 For another influential typology of forms of authority, see: Rodney Bruce Hall and Thomas J. Biersteker, eds. 2002. *The Emergence of Private Authority in Global Governance*. Cambridge University Press.
- 35 Michael Barnett and Martha Finnemore. 2004. *Rules for the World: International Organizations in Global Politics*. Ithaca: Cornell University Press.
- 36 In the case of the IMF, most are economists trained in a limited number of universities; at the World Bank and in aid agencies, they are trained in a wider range of social sciences and sciences, but are still predominantly economists. Bessma Momani. 2005. "Recruiting and Diversifying IMF Technocrats." *Global Society* 19 (2): 167–87; Jeffrey Chwieroth. 2007. "Testing and Measuring the Role of Ideas: The Case of Neoliberalism in the International Monetary Fund." *International Studies Quarterly* 51 (1): 5–30; Weaver and Leiteritz. "Our Poverty Is a World'."
- 37 I have written about this particular trend in global economic governance at greater length elsewhere: Jacqueline Best. 2003. "Moralizing Finance: The New Financial Architecture as Ethical Discourse." *Review of International Political Economy* 10 (3): 579–603.
- 38 Nikolas Rose. 1999. *Powers of Freedom: Reframing Political Thought*. Cambridge University Press, 188–92.
- 39 Rouse. *Engaging Science*, 134–5.
- 40 This conception of power is best captured by Steven Luke's first and second dimensions of power: Lukes. 1974. *Power: A Radical View*. London: Macmillan.
- 41 In using the term "productive," I am both borrowing and expanding Barnett and Duvall's very useful term, including practices as well as discourse. Michael Barnett and Raymond Duvall. 2005. "Power in International Politics." *International Organization* 59 (1): 39–75; Barnett and Duvall, eds. 2005. *Power in Global Governance*. Cambridge University Press.
- 42 The classic formulation of this kind of power is: Robert A. Dahl. 1957. "The Concept of Power." *Behavioural Scientist* 2: 201–5.

- 43 This indirect character of power is clearly related to the broader phenomenon of the diffusion of power, as discussed by Stefano Guzzini and Iver Neumann in: Guzzini and Neumann, eds. 2012. *The Diffusion of Power in Global Governance*. New York: Palgrave Macmillan.
- 44 Giorgio Agamben. 1998. *Homo Sacer: Sovereign Power and Bare Life*. Stanford University Press, 6–7.
- 45 A style often captures the affective dimension of governance: scratch beneath the technical surface of documents and communications from the structural adjustment or contemporary era and you find certain kinds of feelings circulating: confidence (even hubris) in the 1980s and 1990s, and a great measure of caution and uncertainty today. I do not have the time to explore the implications of this affective dimension in this book. For a very thoughtful analysis of affect in IR, see the work of Andrew Ross, including: Ross. 2010. “Why They Don’t Hate Us: Emotion, Agency and the Politics of Anti-Americanism.” *Millennium* 39 (1): 109–25; Ross. 2006. “Coming in from the Cold: Constructivism and Emotions.” *European Journal of International Relations* 12 (2): 197–222.
- 46 My use of style is therefore not unlike that used by William Walters who in turn is inspired by Ian Hacking’s work on “styles of reasoning.” William Walters. 2012. *Governmentality: Critical Encounters*. London: Routledge, Ch. 4; Hacking. 2004. *Historical Ontology*. Cambridge, MA: Harvard University Press.
- 47 Jacqueline Best. 2012. “Ambiguity and Uncertainty in International Organizations: A History of Debating IMF Conditionality.” *International Studies Quarterly* 56 (4): 674–88. I also discuss similar concerns about the preference for (but limits of) quantitative metrics in my examination of vulnerability assessments (Chapter 7) and the recent return to results measurement (Chapter 8).
- 48 Niklas Luhmann. 1998. “Describing the Future.” In *Observations on Modernity*, Stanford University Press, 69.
- 49 Martha Finnemore and Kathryn Sikkink. 1998. “International Norm Dynamics and Political Change.” *International Organization* 52 (4): 887–917.
- 50 Iver B. Neumann and Ole Jacob Sending. 2006. “Governance to Governmentality: Analyzing NGOs, States and Power.” *International Studies Quarterly* 50 (3): 651–72; Mark Duffield. 2001. “Governing the Borderlands: Decoding the Power of Aid.” *Disasters* 25 (4): 308–20.
- 51 Susan Park and Antje Vetterlein, eds. 2010. *Owning Development: Creating Policy Norms in the IMF and the World Bank*. Cambridge University Press, Ch. 11.
- 52 James Ferguson. 1990. *The Anti-Politics Machine: “Development,” Depoliticization, and Bureaucratic Power in Lesotho*. Cambridge University Press; Timothy Mitchell. 2007. “The Properties of Markets.” In *Do Economists Make Markets? On the Performativity of Economics*, edited by Donald MacKenzie, Fabian Muniesa and Lucia Siu. Princeton University Press, 244–75.
- 53 The answer to this conundrum is to recognize that there are several kinds of failure. As I will discuss in the Conclusion to this book, the role of failure in development governance is complex: some failures are far more damaging to governance practices than others.

## 3 WHAT CAME BEFORE

- 1 Transparency, for example, could be understood as a recent strategy for managing the problems of organizational communication and accountability, while decentralization could be seen as a particular way of conceptualizing the problems and possibilities of the spatial logic of policy implementation.
- 2 Joseph Stiglitz. 1998. "Towards a New Paradigm for Development: Strategies, Policies, and Processes." Prebisch Lecture, UNCTAD: Geneva, 19 October; Stiglitz. 1998. "More Instruments and Broader Goals: Moving Towards the Post-Washington Consensus." WIDER Annual Lecture: Helsinki, 7 January; Jean-Pierre Cling, Mireille Razafindrakoto and François Roubaud, eds. 2003. *New International Poverty Reduction Strategies*. London: Routledge; Heloise Weber. 2006. "A Political Analysis of the PRSP Initiative: Social Struggles and the Organization of Persistent Relations of Inequality." *Globalizations* 3 (2): 187–206; Paul Cammack. 2004. "What the World Bank Means by Poverty Reduction, and Why it Matters." *New Political Economy* 9 (2): 189–211.
- 3 McNamara wrote a key memorandum outlining the basic elements of this new form of "lending for structural adjustment": World Bank Archives. 1980. P7757. Memorandum to the Executive Directors: Lending for 'Structural Adjustment,' from the President, Robert McNamara. 5 February.
- 4 For a more detailed discussion of the Bank's movement from project to program-based lending see: David Williams. 2008. *The World Bank and Social Transformation in International Politics: Liberalism, Governance and Sovereignty*. London: Routledge, Ch. 3.
- 5 Paul Mosely, Jane Harrigan and John Toye. 1991. *Aid and Power: The World Bank and Policy-based Lending*. London: Routledge, 27–8.
- 6 Although more formal collaboration was resisted by both organizations and was always incomplete, this process of convergence was formalized in the IMF's creation of the Structural Adjustment Fund (SAF) in 1986 and the Enhanced Structural Adjustment Fund (ESAF) in 1987, both of which required formal Bank–Fund collaboration through their agreement on the policy framework paper (PFP) that set out the basic objectives of the adjustment program.
- 7 So, for example, even as the Canadian government has begun to link its aid more directly to national political objectives, it continues to represent its actions as based on universal principles of results-orientation, transparency and accountability. CIDA. 2010. "Development for Results 2010–2011: At the Heart of Canada's Efforts for a Better World." Gatineau: Canadian International Development Agency. On the growing politicization of Canadian development assistance, see: Stephen Brown, ed. 2012. *Struggling for Effectiveness: CIDA and Canadian Foreign Aid*. Montreal: McGill-Queen's University Press.
- 8 Jacqueline Best. 2003. "Moralizing Finance: The New Financial Architecture as Ethical Discourse." *Review of International Political Economy* 10 (3): 579–603; Jacqueline Best. 2005. "The Moral Politics of IMF Reforms: Universal Economics, Particular Ethics." *Perspectives on Global Development and Technology* 4 (3–4): 357–78.

- 9 Robert McNamara. 1981. “To the Board of Governors, September 1973.” In *The McNamara Years at the World Bank*, edited by R. McNamara. Baltimore: The Johns Hopkins University Press, 238–9.
- 10 Gerald Helleiner used this phrase in a very critical review of the Berg Report (discussed below): Helleiner. 1983. “Accelerated Development in Sub-Saharan Africa, an Agenda for Action: The World Bank.” *Journal of Development Economics* 13 (1–2): 261.
- 11 Francisco Ferreira and Louise Keely. 2000. “The World Bank and Structural Adjustment: Lessons from the 1980s.” In *The World Bank: Structure and Policies*, edited by C. Gilbert and D. Vines. Cambridge University Press, 175.
- 12 Devesh Kapur, John P. Lewis and Richard Webb. 1997. *The World Bank: Its First Half Century. Vol. 1*. Washington, DC: Brookings Institution Press, 336.
- 13 Discussions of the neoclassical economic assumptions underpinning structural adjustment lending at both the IMF and World Bank can be found in: Williams. *World Bank and Social Transformation*, 54–59; Bob Milward. 2000. “What is Structural Adjustment?” In *Structural Adjustment: Theory, Practice and Impacts*, edited by Giles Mohan, Ed Brown, Bob Milward and Alfred B. Zack-Williams. London: Routledge, 24–38; Howard Stein. 2008. *Beyond the World Bank Agenda: An Institutional Approach to Development*. University of Chicago Press, Ch. 3; Ferreira and Keely. “World Bank and Structural Adjustment,” 160–8.
- 14 World Bank. 1981. *Accelerated Development in Sub-Saharan Africa: An Agenda for Action*. Washington, DC.
- 15 *Ibid.*, Ch. 4; Kapur *et al.* *World Bank*, 514.
- 16 Kapur *et al.* *World Bank*, 355.
- 17 The Polak model, developed by Jacques Polak when he was Deputy Director of the IMF Research Department in the 1950s, combined Keynesian fiscal and neoclassical monetary policy and focused on achieving improvements in the balance of payments over the short term. James Boughton. 2004. “The IMF and the Force of History: Ten Events and Ten Ideas That Have Shaped the Institution.” *IMF Working Paper* (No. WP/04/75): 14; Jacques Polak. 1991. “The Changing Nature of IMF Conditionality.” *Princeton Essays in International Finance* (No. 184); Jeffrey Chwieroth. 2010. *Capital Ideas: The IMF and the Rise of Financial Liberalization*. Princeton University Press, 131.
- 18 A country’s balance of payments is the difference between its economic outflows and inflows. The IMF generally intervenes to help fund countries’ balance-of-payments deficits and imposes conditions to move them into a more balanced position.
- 19 Like the World Bank, the IMF was initially created to address the financial and development needs of the world in the aftermath of the Second World War. In the IMF’s case, over half of its lending went to developed countries in the first two decades of its existence. It was really only towards the end of the 1970s that the Fund began to lend most of its resources to low-income countries. Richard Peet. 2005. *Unholy Trinity: The IMF, World Bank, and the World Trade Organization*. London: Zed Books; James M. Boughton. 2001. *Silent Revolution. The International Monetary Fund 1979–1989*.

- Washington, DC: International Monetary Fund, 18–19; Margaret De Vries. 1986. *The IMF in a Changing World 1945–1985*. Washington, DC: International Monetary Fund, 226.
- 20 I have discussed this phenomenon in: Jacqueline Best. 2005. *The Limits of Transparency: Ambiguity and the History of International Finance*. Ithaca: Cornell University Press; Best. 2012. “Ambiguity and Uncertainty in International Organizations: A History of Debating IMF Conditionality.” *International Studies Quarterly* 56 (4): 674–88.
- 21 IMF Archives. 1986. EBS/86/211. Program Design and Performance Criteria. September 8: 15.
- 22 Boughton. “IMF and the Force of History.” The staff prepared a key document outlining the implications of supply-side economics for Fund policy, which was discussed in April of 1981. IMF Archives. 1981. SM/81/78. Supply-oriented Adjustment Policies. 6 April.
- 23 Polak. “Changing Nature”; Harold James. 1998. “From Grandmotherliness to Governance: The Evolution of IMF Conditionality.” *Finance and Development* 35 (4): 44–7; Joseph Gold. 1979. *Conditionality*. Washington, DC: International Monetary Fund; Adolfo C. Diz. 1984. “The Conditions Attached to Adjustment Financing; Evolution of the IMF Practice.” In *The International Monetary System: Forty Years After Bretton Woods*. Boston: Federal Reserve Bank of Boston, 214–43; Sidney Dell. 1981. “On Being Grandmotherly: The Evolution of IMF Conditionality.” *Princeton Essays in International Finance* (No. 144).
- 24 The day-to-day activities of the IMF and the World Bank are managed by their respective Executive Boards, which are made up of Executive Directors representing one or more member countries. The members with the largest quotas (e.g. the United States, the United Kingdom and several others) each have their own Executive Director, whereas many states with smaller quotas are grouped together.
- 25 Best. “Ambiguity and Uncertainty.”
- 26 John Williamson. 1990. “What Washington Means by Policy Reform.” In *Latin American Adjustment: How Much Has Happened?*, edited by J. Williamson. Washington, DC: Institute for International Economics, 5–20.
- 27 I am not of course suggesting that the organizations succeeded in separating the two, given that the very attempt to distinguish the political from the economic is itself a political act.
- 28 As an example of McNamara’s efforts to remain apolitical, Kapur *et al.* note that the Bank staff and leadership never commented, in either internal or external documents, on Indira Ghandi’s declaration of a state of emergency in India in 1975. Kapur *et al.* *World Bank*, 477.
- 29 Although in addition to their Executive Boards both the IMF and World Bank have a Board of Governors made up of representatives (usually finance ministers) from all of the member countries, the Board only meets twice a year. For simplicity’s sake, I will therefore refer to each institution’s Executive Board as “the Board” and the Executive Directors as either “EDs” or “directors.”
- 30 IMF Archives. 1968. SM/68/128. Fund Policy with Respect to the Use of Its Resources and Stand-by Arrangements. 22 July: 23.

- 31 This question of whether fiscal policy conditions were in fact too political became the subject of considerable debate on the Board: IMF Archives. 1968. EBM/68/122. Minutes of Executive Board Meeting. 14 August: 20, 27; IMF Archives. 1968. EBM/68/123. Minutes of Executive Board Meeting. 14 August: 7, 10–14; IMF Archives. 1968. EBM/68/127. Minutes of Executive Board Meeting. 6 September: 11, 13, 15–16. I provide an analysis of these debates and the broader shifts in conditionality policy at this time in: Best. “Ambiguity and Uncertainty.”
- 32 Kapur *et al.* *World Bank*, 522.
- 33 McNamara outlines some of the potential reforms to be included in the earliest structural adjustment programs in his 1980 memo on the subject: they include budgetary cutbacks and trade reforms. World Bank Archives. P7757: Memorandum to the Executive Directors. February 5: 3.
- 34 For a more detailed discussion of structural adjustment economics and policies, see: Ferreira and Keely. “World Bank and Structural Adjustment.”
- 35 Helleiner. “Accelerated Development”: 261.
- 36 World Bank. *Accelerated Development*, 133, 10–11, 4–5, 24.
- 37 Jacqueline Best. 2012. “Bureaucratic Ambiguity.” *Economy and Society* 41 (1): 84–106.
- 38 For an excellent history of the creation of the IMF and the goals that underpinned it, see: Eric Helleiner. 1994. *States and the Re-emergence of Global Finance: From Bretton Woods to the 1990s*. Ithaca: Cornell University Press.
- 39 John Maynard Keynes. 1969. “Proposals for an International Clearing Union (April 1943).” In *The International Monetary Fund 1945–1965: Documents*, edited by J. K. Horsefield. Washington, DC: International Monetary Fund, 19–36.
- 40 Boughton. “IMF and the Force of History”: 14; Polak. “Changing Nature.”
- 41 Boughton. *Silent Revolution*, 608.
- 42 Kapur *et al.* *The World Bank*, 456.
- 43 John Toye. 1995. *Structural Adjustment and Employment Policy: Issues and Experience*. Geneva: International Labour Office, 70–1. Some economic arguments in favour of rapid reform include: Michael Mussa. 1986. “The Adjustment Process and the Timing of Trade Liberalization.” In *Economic Liberalization in Developing Countries*, edited by A. Choks and D. Papageorgiou. Oxford University Press, 68–124; Michael Michaely, Demetrius Papageorgiou and Armend Choks. 1991. “Liberalizing Foreign Trade: Lessons of Experience in the Developing World.” In *Liberalizing Foreign Trade*, edited by Demetrinus Papageorgiou, Michael Michaely and Armeane M. Choksi. Oxford: Basil Blackwell.
- 44 Margaret De Vries. 1985. *The International Monetary Fund, 1972–1978: Cooperation on Trial: Narrative and Analysis*. Vol. I. Washington, DC: International Monetary Fund, Ch. 19.
- 45 Boughton. *Silent Revolution*, 618–19.
- 46 De Vries. International Monetary Fund, 481.
- 47 *Ibid.*, Chs 17 and 18.
- 48 The IMF provided such financing seventeen times between 1962 and 1989. Boughton. *Silent Revolution*, 742–5.
- 49 Kapur *et al.* *World Bank*, 525.

- 50 Ibid., 516. By the 1990s, this idea of the necessity of second-generation reforms had been widely accepted, with the IMF holding a conference on the subject in 1999.
- 51 OED. 1985. "Sustainability of Projects: First Review of Experience." Washington, DC: Operations Evaluation Department, World Bank.
- 52 Kapur *et al.* *World Bank*, 342.
- 53 Alcira Kreimer, John Eriksson, Robert Muscat, Margaret Arnold and Colin Scott. 1998. *The World Bank's Experience With Post-conflict Reconstruction*. Washington, DC: World Bank, Operations Evaluation Department, 5.
- 54 Kapur *et al.* *World Bank*, 342–3.
- 55 Ibid., 220.
- 56 Patrick Grasso, Sulaiman Wasty and Rachel Weaving. 2003. *World Bank Operations Evaluation Department: The First Thirty Years*. Washington, DC: World Bank. The OED was renamed the Independent Evaluation Group, or IEG, in 2006.
- 57 World Bank Archives. 1979. 26815. Operations Evaluation: World Bank Standards and Procedures. August; OED. 1982. "Eighth Annual Review of Project Performance Audit Results." Washington, DC: Operations Evaluation Department, World Bank. The World Bank did experiment with broader social cost–benefit analyses, but ultimately tended to remain focused on narrower measures of economic return. Kapur *et al.* *World Bank*, 38–43; Shantayanan Devarajan, Lyn Squire and Sethaput Suthiwart-Narueput. 1997. "Beyond Rate of Return: Reorienting Project Appraisal." *The World Bank Research Observer* 12 (1): 35–7.
- 58 Grasso *et al.* World Bank Operations Evaluation, 13.
- 59 Kapur *et al.* *World Bank*, 271–2.
- 60 OED. "Eighth Annual Review."
- 61 These reports looked back on previous years' programs. Given the extended time required for many of these projects to reach completion, most of the projects evaluated in the 1980s had been initiated in the 1970s.
- 62 OED. "Sustainability."
- 63 OED. 1988. "Project Performance Results for 1986." Washington, DC: Operation Evaluation Department, World Bank, 11–12.
- 64 Ibid., 12; OED. 1990. "Evaluation Results for 1988: Issues in World Bank Lending over Two Decades." Washington, DC: Operations Evaluation Department, World Bank, 2.
- 65 OED. "Evaluation Results," 2.
- 66 For this reason, there is very little scholarship on IMF evaluation, with the notable exception of Catherine Weaver's recent writings on the subject: Weaver. 2010. "The Politics of Performance Evaluation: Independent Evaluation at the International Monetary Fund." *Review of International Organizations* 5 (3): 365–85; Weaver. n.d. "The Evaluation Paradox: The Politics of Independent Evaluation in the World Bank and International Monetary Fund." Robert S. Strauss Center for International Security and Law, University of Texas at Austin.
- 67 IMF Archives. 1979. EBM/79/58. Guidelines on Conditionality. March 1: Article 12.

- 68 IMF Archives. 1979. EBS/79/635. Adjustment Programs Supported by Upper Credit Tranche Stand-by Arrangements, 1977. 21 December; IMF Archives. 1981. EBS/81/152. Review of Upper Credit Tranche Stand-by Arrangements Approved in 1978–79 and Some Issues Related to Conditionality. 14 July; IMF Archives. 1982. EBS/82/97. Review of Recent Extended and Upper Credit Tranche Stand-by Arrangements, 9 June.
- 69 In 1984, for example, they undertook a longer-term analysis, allowing for a “more intensive analysis of developments and policies” in a select group of heavy borrowers, a practice that they combined with the broader, shorter-term review in 1985. IMF Archives. 1984. EBS/84/228. Experience with Adjustment Policies. 13 November: 1; IMF Archives. 1985. EBS/85/277. Aspects of Program Design. 17 December.
- 70 IMF Archives. EBS/79/635: 9; EBS/81/152: 11; EBS/82/97: 36.
- 71 Boughton. *Silent Revolution*, 617.
- 72 *Ibid.*, 570–1.
- 73 IMF Archives. EBS/79/635: 12.
- 74 IMF Archives. EBS/82/97: 33.
- 75 IMF Archives. EBS/81/152: 15; EBS/82/97: 25.
- 76 IMF Archives. EBS/79/635: 3, 28. This second problem, of attribution, is one that continues to bedevil the IFIs and donors, in spite of their claims of their ability to demonstrate results. Interestingly, as I discuss in Chapter 8 and the Conclusion, the IMF is one of the few organizations whose staff are willing to point to these methodological problems today.
- 77 *Ibid.*; EBS/81/152: 11.
- 78 It is worth noting that not all of these earlier governance practices were fully formed strategies like the ones that emerged later. The practices of separating politics from economics and of viewing the world through certain universal economic principles were both coherent enough, reflexive enough about the problems being addressed, and well-enough institutionalized to be understood as governance strategies. On the other hand, various practices involved in IMF and World Bank efforts to conceptualize policy time and contingency and to measure policy effectiveness were looser and less coherent. It was only later in the 1990s that more coherent governance strategies began to be developed in these two domains of practice.
- 79 Nikolas Rose. 1999. *Powers of Freedom: Reframing Political Thought*. Cambridge University Press, 31.
- 80 The G-24, for example, mounted some vociferous critiques of IMF conditionality in the late 1970s: IMF Archives. 1978. Communiqué of the Intergovernmental Group of Twenty-Four on International Monetary Affairs. 22 September.
- 81 Robert Ayers. 1983. *Banking on the Poor: The World Bank and World Poverty*. Cambridge, MA: MIT Press, Ch. 4.
- 82 Cited in Jochen Kraske. 1996. *Bankers with a Mission: The Presidents of the World Bank, 1946–91*. Oxford University Press, 223–4.
- 83 I am not of course suggesting that small “i” ideas like public-choice theory were not influential during this era, but that they functioned as part of a much bigger and more explicitly ideological set of large “I” ideas at that time.



- 84 Kapur *et al.* *World Bank*, 271–2; McNamara. “Board of Governors,” 653.
- 85 World Bank. 1981. *Accelerated Development*, 104.
- 86 As the IFIs moved ever deeper into borrower politics, redrawing the boundaries between the domestic and the international, this narrowly expert form of authority would also prove to be a significant weakness, as I will discuss in the next chapter.
- 87 Kapur *et al.* *World Bank*, 316.
- 88 I discuss this phenomenon at greater length in: Jacqueline Best. 2013. “Redefining Poverty as Risk and Vulnerability: Shifting Strategies of Liberal Economic Governance.” *Third World Quarterly* 34 (1): 109–29.
- 89 These failures are described variously as failures of incentives, of capacity, and of the effective use of resources, all of which lead to a prescription of “reducing the widespread administrative overcommitment of the public sector and . . . developing and relying more on the managerial capacities of private individuals and firms. World Bank. *Accelerated Development*, v.
- 90 It is important to note that while this set of assumptions was dominant among staff at the Bank and Fund, it was not shared by all. For an account of the silent minority of more socially aware staff at the World Bank during this period, see: Antje Vetterlein. 2007. “Economic Growth, Poverty Reduction, and the Role of Social Policies: The Evolution of the World Bank’s Social Development Approach.” *Global Governance* 13 (4): 513–33; Catherine Weaver. 2008. *Hypocrisy Trap: The World Bank and the Poverty of Reform*. Princeton University Press.
- 91 As Jack Boorman, former Director of the Policy Review and Development Department at the IMF, noted, in economics departments, “the historians and the institutionalists were more or less relegated to the small offices.” Interview, Washington, DC, 31 August 2005.
- 92 Ayers. *Banking on the Poor*.
- 93 Barber B. Conable. 1991. *The Conable Years at the World Bank: Major Policy Addresses of Barber B. Conable, 1986–91*. Washington, DC: World Bank, Chs 1, 15; Kraske. 1990. *Bankers with a Mission*, 250; World Bank. *World Development Report 1990: Poverty*. Washington, DC.
- 94 Boughton. *Silent Revolution*, 689–90.

#### 4 TRANSFORMATIONS

- 1 IMF Archives. 1997. EBS/97/112. Summary of Internal Review of ESAF. Review of Experience Under ESAF-Supported Arrangements: Summary Report. 20 June; IMF. 1998. “External Evaluation of the ESAF: Report by a Group of Independent Experts.” Washington, DC: International Monetary Fund.
- 2 OED. 1998. “1997 Annual Review of Development Effectiveness.” Washington, DC: Operations Evaluation Department, World Bank.
- 3 World Bank. 1997. *World Development Report 1997: The State in a Changing World*. Washington, DC.
- 4 As in the previous chapter, I will be focusing here primarily on the IMF and World Bank, rather than attempting to provide a comprehensive history of the evolution of governance strategies among key donors as well – a task that would exceed the scope of this volume.

- 5 Bruno Latour. 1991. "Technology is Society Made Durable." In *A Sociology of Monsters: Essays on Power, Technology and Domination*, edited by J. Law. London and New York: Routledge, 114.
- 6 Principal-agent scholars are among those who tend to focus on the centrality of state (principal) actors as one of the key driving forces behind institutional change, including some recent changes in IMF and World Bank policy. See, for example: Erica Gould. 2006. "Delegating IMF Conditionality: Understanding Variations in Control and Conformity." In *Delegation and Agency in International Organizations*, edited by Darren Hawkins, David Lake, Daniel Nielson and Michael Tierney. Cambridge University Press, 140–64. For a sociological perspective that places considerable emphasis on US interests as a driving force behind the IMF's "mission creep," see: Sarah Babb and Ariel Buira. 2004. "Mission Creep, Mission Push and Discretion in Sociological Perspective: The Case of IMF Conditionality." G24 Technical Group Meeting: Geneva, 8–9, March.
- 7 The US, for example, as I will discuss in Chapter 5, actively and unsuccessfully opposed some of the changes involved in streamlining conditionality.
- 8 A moment that, as I will suggest in the Conclusion to this book, may be in the process of passing, as a growing number of conservative governments are beginning to exercise a more instrumental kind of power over aid financing in recent years.
- 9 Paul Cammack. 2004. "What the World Bank Means by Poverty Reduction, and Why it Matters." *New Political Economy* 9 (2): 189–211; Arne Rückert. 2007. "Producing Neoliberal Hegemony? A Neo-Gramscian Analysis of the Poverty Reduction Strategy Paper (PRSP) in Nicaragua." *Studies in Political Economy* (79): 91–116; Marcus Taylor. 2005. "Opening the World Bank: International Organisations and the Contradictions of Global Capitalism." *Historical Materialism* 13 (1): 153–70.
- 10 Susan Park and Antje Vetterlein, eds. 2010. *Owning Development: Creating Policy Norms in the IMF and the World Bank*. Cambridge University Press; Catherine Weaver and Ralf J. Leiteritz. 2005. "'Our Poverty is a World Full of Dreams': Reforming the World Bank." *Global Governance* 11 (3): 369–88.
- 11 Joseph Stiglitz. 1998. "Towards a New Paradigm for Development: Strategies, Policies, and Processes." Prebisch Lecture, UNCTAD: Geneva, 19 October.
- 12 John Gerard Ruggie. 1982. "International Regimes, Transactions and Change: Embedded Liberalism in the Postwar Economic Order." *International Organization* 36 (2): 379–415.
- 13 Swati Chaudhary and Leonard Seabrooke. 2009. "Pragmatic Numbers: How the IMF Creates Policy Dialogue for Financial Reform." *Warwick CSGR Working Paper* (No. 261/09). Classic works on the role of institutional learning in global governance include: Ernst B. Haas. 1990. *When Knowledge Is Power: Three Models of Change in International Organizations*. Berkeley, CA: University of California Press; Peter M. Haas and Ernst B. Haas. 1995. "Learning to Learn: Improving International Governance." *Global Governance* 1 (3): 255–84; Jeffrey T. Checkel. 2001. "Why Comply? Social Learning and European Identity Change." *International Organization* 55 (3): 553–88.

- 14 Sheldon Wolin. 1981. “Max Weber: Legitimation, Method, and the Politics of Theory.” *Political Theory* 9 (3): 406.
- 15 Ibid.: 414.
- 16 Max Weber. 1976. *The Protestant Ethic and the Spirit of Capitalism*. New York: Scribner.
- 17 Max Weber. 1976. *Economy and Society: An Outline of Interpretive Sociology*. Vol. 1. Berkeley, CA: University of California Press.
- 18 Wolin. “Weber”: 417.
- 19 Ibid.: 419.
- 20 Ibid., citing: Max Weber. 1949. *The Methodology of the Social Sciences*. Glencoe, IL: Free Press, 116.
- 21 Andrew Barry. 2002. “The Anti-Political Economy.” *Economy and Society* 31 (2): 272–3.
- 22 Ibid.: 272. For a superb discussion of the politics of standardization, see: Martha Lampland and Susan Leigh Star, eds. 2008. *Standards and their Stories: How Quantifying, Classifying, and Formalizing Practices Shape Everyday Life*. Ithaca: Cornell University Press.
- 23 Michel Callon, ed. 1998. *The Laws of the Markets*. Oxford: Blackwell, 260–1.
- 24 While some of these debates were certainly “hot,” others are better characterized as “warm”: defined neither by a general agreement on metrics nor an outright debate on what counts as success and failure, but rather by a pervasive sense of unease and ambivalence about the adequacy of existing forms of measurement. In fact, this kind of ambivalence is a central characteristic of provisional forms of governance.
- 25 There are clear links between what I am calling contested failures and the idea of socially constructed or narrated crises, as articulated by Colin Hay, Mark Blyth and Wesley Widmaier (and in some of my own earlier work). What the focus on failures adds is an attention to the methodological and epistemological character of certain crises, and the broader connections between events, debates around their interpretation, and the fragile foundations of expert authority. On crises, see: Mark Blyth. 2002. *Great Transformations: The Rise and Decline of Embedded Liberalism*. Cambridge University Press; Colin Hay. 1996. “Narrating Crisis: The Discursive Construction of the ‘Winter of Discontent’.” *Sociology* 30 (2): 253–77; Wesley Widmaier, Mark Blyth and Leonard Seabrooke. 2007. “Exogenous Shocks or Endogenous Constructions? The Meanings of Wars and Crises.” *International Studies Quarterly* 51 (4): 747–59; Jacqueline Best. 2005. *The Limits of Transparency: Ambiguity and the History of International Finance*. Ithaca: Cornell University Press.
- 26 Joseph Stiglitz. 1998. “Restoring the Asian Miracle.” *The Wall Street Journal*, 3 February. See also: Ilene Gabel. 1999. “Rejecting Exceptionalism: Reinterpreting the Asian Financial Crises.” In *Global Instability: The Political Economy of World Economic Governance*, edited by J. Michie and J. G. Smith. London: Routledge, 37–67; Jeffrey Sachs. 1997. “Power Unto Itself.” *Financial Times*, 11 December.
- 27 Michel Camdessus. 1999. “Governments and Economic Development in a Globalized World.” 32nd International General Meeting of the Pacific Basin Economic Council, International Monetary Fund: Hong Kong, 17 May;

- Lawrence Summers. 1998. Statement of Deputy Secretary of the Treasury before the Committee on Finance. United States Senate: Washington, DC, 4 February; Alan Greenspan. 1998. Testimony of Chairman of the Reserve Board to the Committee on Banking and Financial Services. US House of Representatives: Washington, DC, 30 January.
- 28 I provide a much more detailed account of the IMF's response to the Asian crisis in: Jacqueline Best. 2007. *The Limits of Transparency*. Ch. 7; Best. "Legitimacy Dilemmas: The IMF's Pursuit of Country Ownership." *Third World Quarterly* 28 (3): 469–88.
- 29 The UNDP labelled the 1980s a "lost decade" in their 1999 World Development Report, and then labelled the 1990s a "decade of despair" in their 2003 report. UNDP. 1999. *Human Development Report 1999*. New York: United Nations Development Programme; UNDP. 2003. *Human Development Report 2003*. New York: United Nations Development Programme; World Bank. 1989. *Sub-Saharan Africa: From Crisis to Sustainable Growth. A Long-term Perspective Study*. Washington, DC.
- 30 Howard Stein. 2008. *Beyond the World Bank Agenda: An Institutional Approach to Development*. University of Chicago Press, 38–9.
- 31 David Dollar and Jakob Svensson. 1998. "What Explains the Success or Failure of Structural Adjustment Programs?" Washington, DC: World Bank.
- 32 OED. 1985. "Sustainability of Projects: First Review of Experience." Washington, DC: World Bank Operations Evaluation Department, ii; OED. 1988. "Project Performance Results for 1986." Washington, DC: World Bank Operations Evaluation Department, xiii, 3.
- 33 World Bank. 1981. *Accelerated Development in Sub-Saharan Africa: An Agenda for Action*. Washington, DC, 4–5, 24.
- 34 In addition to Weber, see also: Michael Barnett and Martha Finnemore. 2004. *Rules for the World: International Organizations in Global Politics*. Ithaca: Cornell University Press.
- 35 Jan Aart Scholte and Albrecht Schnabel, eds. 2002. *Civil Society and Global Finance*. London: Routledge; Randall D. Germain. 2004. "Globalising Accountability within the International Organisation of Credit: Financial Governance and the Public Sphere." *Global Society* 18 (3): 217–42.
- 36 Interviews with senior IMF staff members, 11 May 2007 and 6 October 2008.
- 37 On the political turn at the World Bank in particular, see: Christian Chavagneux. 2003. "FMI, Banque mondiale: Le tournant politique." *Revue d'économie financière* 70 (1): 209–18; Graham Harrison. 2004. *The World Bank and Africa: The Construction of Governance States*. London: Routledge; Michelle Miller-Adams. 1999. *The World Bank: New Agendas*. London: Routledge, Ch. 5.
- 38 Interview with senior World Bank staff member, 11 May 2007.
- 39 Antje Vetterlein. 2007. "Economic Growth, Poverty Reduction, and the Role of Social Policies: The Evolution of the World Bank's Social Development Approach." *Global Governance* 13 (4): 513–33; Catherine Weaver. 2008. *Hypocrisy Trap: The World Bank and the Poverty of Reform*. Princeton University Press.
- 40 Key British ministers, such as Clare Short and Tony Benn, as well as the then Chancellor of the Exchequer, Gordon Brown, also became personally implicated in moving these agendas forward – both through pressure on the IFIs

and by enacting their own reforms to aid policy at home. Interviews with Ruth Driscoll, Overseas Development Institute and Jeff Powell, Bretton Woods Project, September 2006.

- 41 Dollar and Svensson. "What Explains Success."
- 42 World Bank. 1993. *The East Asian Miracle: Economic Growth and Public Policy*. Washington, DC.
- 43 Robert Wade. 1996. "Japan, the World Bank and the Art of Paradigm Maintenance: The East Asian Miracle in Political Perspective." *New Left Review* (217): 3–36.
- 44 David Sanger. 1998. "Decisions by US and IMF Worsened Asia's Problems, the World Bank Finds." *The New York Times*, 3 December.
- 45 Interview with senior IMF staff member, August 2005.
- 46 World Bank. 2000. *Reforming Public Institutions and Strengthening Governance: A World Bank Strategy*. Washington, DC, xii, xv; World Bank. 2002. *Reforming Public Institutions and Strengthening Governance: A World Bank Strategy. Implementation Update*. Washington, DC, 17–23.
- 47 Devesh Kapur, John P. Lewis and Richard Webb. 1997. *The World Bank: Its First Half Century. Vol. I*. Washington, DC: Brookings Institution Press, 539.
- 48 OED. 1992. "Adjustment Lending: Lessons from a Decade of Experience." *OED. Précis* 32 (June).
- 49 Although Fund staff did not use the term much until 1997, they had raised concerns about the importance of domestic "political commitment" as early as 1979. IMF Archives. 1979. EBS/79/635. Adjustment Programs Supported by Upper Credit Tranche Stand-by Assignments. 26 December.
- 50 Kapur *et al.* *World Bank*. 269, 310, 312.
- 51 OED. 1994. "Annual Review of Evaluation Results 1993." Washington, DC: Operations Evaluation Department, World Bank.
- 52 *Ibid.*
- 53 Wapenhans, Willi. 1992. "Effective Implementation: Key to Development Impact." Washington, DC: World Bank, Portfolio Management Task Force.
- 54 The influence of these more conservative attacks is made explicit by Stiglitz in his foreword to the *Assessing Aid* report. World Bank. 1998. *Assessing Aid: What Works, What Doesn't, and Why*. New York: Oxford University Press, ix.
- 55 Tony Killick. 1997. "Principals, Agents and the Failings of Conditionality." *Journal of International Development* 9 (4): 483–95; Tony Killick, Ramani Gunatilaka and Ana Marr. 1998. *Aid and the Political Economy of Policy Change*. London: Routledge; Craig Burnside and David Dollar. 1997. "Aid, Policies and Growth: Revisiting the Evidence." *World Bank Policy Research Working Paper* (No. 3251).
- 56 Dollar and Svensson. "What Explains Success?"; World Bank. *Assessing Aid*.
- 57 World Bank. *Assessing Aid*, 6, 20.
- 58 Tony Killick's work (which also applied a public-choice framework, focusing on principal-agent dynamics) was particularly damning in this respect. Killick. "Principals, Agents"; Killick *et al.* *Aid*.
- 59 World Bank. *Assessing Aid*, 4, 17.
- 60 Although the emphasis on volume of lending has remained a very significant motivator. Interview with Bruce Rich, Environmental Defense, 8 May 2007.

- 61 As Kapur *et al.* note, it is very difficult to judge the extent to which the quality of Bank projects did in fact decline over this period: “Even trends are difficult to interpret: was it due to poor inputs, the Bank’s venturing into more risky terrain (whether by country or sector), changed value judgments or a more volatile global environment?” Kapur *et al.* *World Bank*, 45.
- 62 *Ibid.*
- 63 IMF Archives. EBS/97/112.
- 64 IMF. “External Evaluation.”
- 65 On the limits of recent efforts at financial risk management see: Jacqueline Best. 2010. “The Limits of Financial Risk Management: Or, What We Didn’t Learn from the Asian Crisis.” *New Political Economy* 15 (1): 29–49; Paul Langley. 2008. *The Everyday Life of Global Finance: Saving and Borrowing in Anglo-America*. Oxford University Press; Mark Blyth. 2006. “Great Punctuations: Prediction, Randomness, and the Evolution of Comparative Political Science.” *American Political Science Review* 100 (4): 493–8.
- 66 OED. 1996. “Annual Review of Evaluation Results 1995.” Washington, DC: Operation Evaluation Department, World Bank.
- 67 Kapur *et al.* *World Bank*, 219.
- 68 What John Law would describe as “patterns that tend to reproduce themselves, and so their various distributive effects.” John Law, ed. 1991. *A Sociology of Monsters: Essays on Power, Technology and Domination*. London and New York: Routledge, 14.

## 5 FOSTERING OWNERSHIP

- 1 World Bank. 1998. *Assessing Aid: What Works, What Doesn’t, and Why*. New York: Oxford University Press, 52. This report also cites a World Bank study: William Branson and Carl Jayarajah. 1995. “Structural and Sectoral Adjustment: World Bank Experience, 1980–92.” Washington, DC: World Bank Operations Evaluation Study.
- 2 Each of these concepts has its own storied history, as discussed respectively in: Robert McNamara. 1973. Address to the Board of Governors. World Bank: Nairobi, Kenya, 24 September; Rolf H. Sartorius and Vernon W. Ruttan. 1989. “The Sources of the Basic Human Needs Mandate.” *Journal of Developing Areas* 23 (3): 344–5; Samuel Hickey and Giles Mohan. 2004. *Participation: From Tyranny to Transformation? Exploring New Approaches to Participation in Development*. London: Zed Books, 5–9.
- 3 Over time, NGOs have developed a rather mixed assessment of country ownership, challenging IFIs and donors to foster meaningful ownership while also raising questions about what the term really means – and suggesting that it often boils down to asking developing country governments to “own” traditional IFI and donor policies, rather than generating their own solutions.
- 4 David Dollar and Jakob Svensson. 1998. “What Explains the Success or Failure of Structural Adjustment Programs?” Washington, DC: World Bank; World Bank. *Assessing Aid*.
- 5 OED. 1982. “Eighth Annual Review of Project Performance Audit Results.” Washington, DC: Operations Evaluation Department, World Bank; OED.

1988. “Project Performance Results for 1986.” Washington, DC: Operations Evaluation Department, World Bank; OED. 1994. “Annual Review of Evaluation Results 1993.” Washington, DC: Operations Evaluation Department, World Bank.
- 6 OED. 1998. “1997 Annual Review of Development Effectiveness.” Washington, DC: Operations Evaluation Department, World Bank; World Bank. *Assessing Aid*.
- 7 A concern that was only intensified by the fact that success rates continued to decline in the early years of Wolfensohn’s tenure. Bruce Rich. 2002. “The World Bank under James Wolfensohn.” In *Reinventing the World Bank*, edited by J. Pincus and J. A. Winters. Ithaca: Cornell University Press, 45–6.
- 8 Because IMF resources are based on the contributions, or shares, of member states, they are referred to as “shareholders.” A member’s voting power also depends on the size of their quota, or share. Hence industrialized countries have the vast majority of the voting share, while the US, with 17 per cent, has an effective veto on fundamental changes requiring 85 per cent agreement.
- 9 IMF Archives. 1995. EBM/95/107. Minutes of Executive Board Meeting. November 13: 26–7, 41–2, 48. Support for more “ownership” came from US, UK and Canadian directors, among others, who suggested that more selectivity in lending might foster more ownership. Other directors, particularly those representing developing countries, disagreed with this approach to country ownership.
- 10 The ESAF was the facility through which the IMF made concessional lending to poor countries. It has since been replaced by the poverty reduction and growth fund (PRGF).
- 11 IMF Archives. 1997. EBS/97/112 S2. Summary of Internal Review of ESAF. Review of Experience Under ESAF-supported Arrangements: Staff Studies, Vol. 7 July: 161, 186.
- 12 IMF. 1998. “IMF Releases Report of External Evaluation of ESAF Following Executive Board Review.” *IMF Survey* 27 (6): 81–6; IMF. 1998. “External Evaluation of the ESAF: Report by a Group of Independent Experts.” Washington, DC: International Monetary Fund.
- 13 Interview with senior IMF staff member, Washington, DC, 14 June 2010.
- 14 Interview with Michel Camdessus, former IMF Managing Director (1987–2000), 17 May 2011.
- 15 Interviews with senior IMF staff members, Washington, DC, August 2005, October 2008 and June 2010.
- 16 When IFIs and donors provide funds through general budget support (GBS), they do not funnel them to individual projects or through ring-fenced units within the borrowing government, but rather provide the funds to the finance ministry directly, allowing the government to use its own internal mechanisms to allocate them. GBS became an increasingly popular form of aid delivery in the early 2000s, as part of the broader emphasis on country ownership and the move to work within domestic government systems. It has since lost some of its popularity and is the subject of considerable debate among donors. For some interesting assessments of GBS, see: Debbie Warrenner. 2004. “Current Thinking in the UK on General Budget Support.” London: Overseas

- Development Institute; Stefan Koeberle, Stavreski Zoran and Jan Valliser, eds. 2006. *Budget Support as More Effective Aid? Recent Experiences and Emerging Lessons*. World Bank.
- 17 For a more detailed discussion of the changing nature of conditionality, see: Sidney Dell. 1981. "On Being Grandmotherly: The Evolution of IMF Conditionality." *Princeton Essays in International Finance* (No. 144); Adolfo C. Diz. 1984. "The Condition Attached to Adjustment Financing; Evolution of the IMF Practice." In *The International Monetary System: Forty Years After Bretton Woods*. Boston: Federal Reserve Bank of Boston, 214–43; Jacqueline Best. 2012. "Ambiguity and Uncertainty in International Organizations: A History of Debating IMF Conditionality." *International Studies Quarterly* 56 (4): 674–88; Harold James. 1998. "From Grandmotherliness to Governance: The Evolution of IMF Conditionality." *Finance and Development* 35 (4): 44–7.
  - 18 For a discussion of the original IMF model and its evolution, see: Jacques Polak. 1997. "The IMF Monetary Model at Forty." *IMF Working Paper* (No. WP/07/49).
  - 19 For a more detailed discussion of the reaction to the Asian financial crisis, see: Jacqueline Best. 2005. *The Limits of Transparency: Ambiguity and the History of International Finance*. Ithaca: Cornell University Press, Chs 6 and 7.
  - 20 Horst Köhler. 2000. "Streamlining Structural Conditionality in Fund-supported Programs: Interim Guidance Note." Washington, DC: International Monetary Fund.
  - 21 Interview with Jack Boorman, Consultant, Office of the Managing Director and Former Director of Policy Development and Review, IMF, Washington, DC, 31 August 2005.
  - 22 Interview with former Executive Board member, IMF, Washington, DC, 29 August 2005.
  - 23 Köhler. 2002. "Streamlining Structural Conditionality"; IMF. "Guidelines on Conditionality." Washington, DC: International Monetary Fund.
  - 24 IMF Archives. 2001. SM/01/60 Sup. 1. Conditionality in Fund Supported Programs – Policy Issues. February 20: 49.
  - 25 James M. Boughton. 2003. "Who's in Charge? Ownership and Conditionality in IMF-Supported Programs." *IMF Working Paper* (WP/03/191); Susan Schadler *et al.* 1995. "IMF Conditionality: Experiences under Stand-by and Extended Arrangements, Part I: Key Issues and Findings." *IMF Occasional Paper* (No. 128).
  - 26 Interview with senior staff member, IMF, Washington, DC, August 2005.
  - 27 For example: James M. Boughton and Alex Mourmouras. 2002. "Is Policy Ownership an Operational Concept?" *IMF Working Paper* (No. WP/02/72).
  - 28 DFID. 2000. *Eliminating World Poverty: Making Globalization Work for the Poor*. White Paper on International Development. London: UK Department for International Development: 39.
  - 29 IMF Archives. 2001. EBM/01/23. Minutes of Executive Board Meeting. 7 March; IMF Archives. 2002. EBM/02/9. Minutes of Executive Board Meeting. 28 January.
  - 30 Telephone interview with Edwin M. Truman, former Treasury Assistant Secretary, International Affairs, US Government, 31 October 2006. See also:



- Allan Meltzer. 2000. "Report of the International Financial Institutions Advisory Commission." Washington, DC: US House of Representatives; US Treasury. 2001. "Report on Implementation of Recommendations Made by the International Financial Institutions Advisory Commission." Washington, DC: US Department of Treasury.
- 31 In interviews, both senior IMF and British officials noted, without attribution, that the US resisted major reforms to conditionality, a claim that is also reflected in the IMF minutes from the Board meetings. EBM/01/23; EBM/02/9. I have provided a detailed analysis of these Board debates in: Jacqueline Best. "Ambiguity and Uncertainty."
- 32 Interviews with former IMF Executive Directors, September 2006 and May 2007.
- 33 World Bank. 2001. "Adjustment Lending Retrospective: Final Report." Washington, DC: World Bank.
- 34 *Ibid.*, ix, xv, xvii.
- 35 *Ibid.*, x.
- 36 Paul Collier. 1997. "The Failure of Conditionality." In *Perspectives on Aid and Development*, edited by C. Gwyn and J. Nelson. Washington, DC: ODC, 51–77.
- 37 Interview with NGO staff member, London, September 2006. Bretton Woods Project. 2005. Highlights of Meeting with UK Secretary of State for International Development, Hilary Benn, 5 October. Available from [www.brettonwoodsproject.org/art.shtml?x=379085](http://www.brettonwoodsproject.org/art.shtml?x=379085); Bretton Woods Project. 2005. Highlights of Meeting with UK ED to WB/IMF, Tom Scholar, 5 October. Available from [www.brettonwoodsproject.org/art.shtml?x=379054](http://www.brettonwoodsproject.org/art.shtml?x=379054).
- 38 World Bank. 2004. "From Adjustment Lending to Development Policy Lending: Update of World Bank Policy." Washington, DC.
- 39 Some of the same broad goals of privatization remain, however, reframed in the language of the creation of a good business climate.
- 40 World Bank. "From Adjustment Lending," 46, 43, 42, 44, 46–9.
- 41 World Bank. 2005. "Review of World Bank Conditionality." Washington, DC.
- 42 DFID. 2005. *Partnerships for Poverty Reduction: Rethinking Conditionality*. London: UK Department for International Development.
- 43 DFID. 2006. *Conditionality*. UK Department for International Development. Available from <http://web.archive.org/web/20070203154938/http://www.dfid.gov.uk/mdg/conditionality.asp>.
- 44 Interview with Ruth Driscoll, Research Fellow, Overseas Development Institute (ODI) and former aide to Clare Short, London, 11 September 2006.
- 45 Interview with Jeff Powell, Coordinator, Bretton Woods Update, London, 11 September 2006.
- 46 Interview with Ruth Driscoll, ODI.
- 47 Interview with Jeff Powell, Bretton Woods Update and with another NGO staff member, London, September 2006.
- 48 Interview with Ruth Driscoll, ODI.
- 49 DFID. *Eliminating World Poverty*, 8.
- 50 *Ibid.*, 12. This framing of the problems of development is very similar to that found in speeches by Bank Chief Economist Joseph Stiglitz, and in the 1997

- World Development Report on the state. World Bank. 1997. *World Development Report 1997: The State in a Changing World*. Washington, DC; Joseph Stiglitz. 1998. "Towards a New Paradigm for Development: Strategies, Policies, and Processes." Prebisch Lecture, UNCTAD: Geneva, 19 October; Stiglitz. 1998. "More Instruments and Broader Goals: Moving Towards the Post-Washington Consensus." WIDER Annual Lecture: Helsinki, 7 January.
- 51 Tony Killick. 1997. "Principals, Agents and the Failings of Conditionality." *Journal of International Development* 9 (4): 483–94.
- 52 Interview with Senior Staff Member, HM Treasury, British Government, London, 6 September 2006.
- 53 MCC. 2008. About MCC. Millennium Challenge Corporation. Available from [www.mcc.gov/about/index.php](http://www.mcc.gov/about/index.php).
- 54 Alicia Phillips-Mandaville. 2009. "MCC's Approach to Country Ownership – Working Paper: A Draft for Comment and Revision." Washington, DC: Millennium Challenge Corporation; John Danilovich. 2007. Remarks by MCC CEO at Brown University's Center for Latin American Studies. Providence, RI, 16 April.
- 55 For a thoughtful overview of the Bank's internal agonies about these failures, see: John Pender. 2001. "From 'Structural Adjustment' to 'Comprehensive Development Framework': Conditionality Transformed?" *Third World Quarterly* 22 (3): 397–411.
- 56 Craig Burnside and David Dollar. 1997. "Aid, Policies and Growth." *World Bank Policy Research Working Paper* (No. 1777); Dollar and Svensson. "What Explains Success"; Collier. "Failure of Conditionality"; Killick. "Principals, Agents"; Tony Killick, Gunatilaka Ramani and Marr Ana. 1998. *Aid and the Political Economy of Policy Change*. London: Routledge.
- 57 Burnside and Dollar. "Aid, Policies and Growth"; World Bank. *Assessing Aid*.
- 58 Dollar and Svensson. "What Explains Success," 8–10.
- 59 *Ibid.*, 3–5.
- 60 *Ibid.*, 2. This point is also made by: Collier. "Failure of Conditionality."
- 61 Dollar and Svensson. "What Explains Success," 3–5.
- 62 Collier. "Failure of Conditionality"; Dani Rodrik. 1989. "Promises, Promises: Credible Policy Reform via Signaling." *Economic Journal* 99 (397): 756–72.
- 63 Of course this begs the question of how one determines "genuine" reformers.
- 64 Interview with former senior World Bank staff member, Washington, DC, 9 May 2007.
- 65 IMF. 2011. "The Policy Support Instrument: Factsheet." Washington, DC: International Monetary Fund. Of course, as I will discuss below, the fact that conditions are increasingly symbolic does not mean that they do not have very real effects.
- 66 World Bank. "Review of Conditionality," 5, 9.
- 67 *Ibid.*, 4.
- 68 World Bank, "Adjustment Lending Retrospective," 9–10. As the 2006 World Bank review notes, there has since been a slight decrease in the average number of benchmarks in IDA-only countries to twenty-seven, although the number remains well above the average for the 1990s. World Bank.

2006. “Good Practice Principles for the Application of Conditionality: A Progress Report.” Washington, DC.
- 69 Camilla Andersen. 2009. “New Rules of Engagement for IMF Loans.” *IMF Survey Magazine*. Washington, DC: International Monetary Fund.
- 70 Interviews with UK official and with NGO staff member, London, September 2006.
- 71 Interview with Ruth Driscoll, ODI.
- 72 Jeremy Gould, ed. 2005. *The New Conditionality: The Politics of Poverty Reduction Strategies*. London: Zed Books, 10; Graham Harrison. 2001. “Post-Conditionality Politics and Administrative Reform: Reflections on the Cases of Uganda and Tanzania.” *Development and Change* 32 (4): 669–70. My interviews with many NGO staff also touched on this particular trend, which posed a dilemma for NGOs seeking to pursue both country ownership and opposing many of the neoliberal development norms that some developing country leaders have adopted.
- 73 Harrison. “Post-Conditionality”: 660.
- 74 Interview with former senior staff member, World Bank, Washington, DC, 9 May 2007.
- 75 World Bank. “Review of Conditionality,” 19.
- 76 Danilovich. “Remarks by MCC CEO.”
- 77 Ilene Grabel. 2000. “The Political Economy of ‘Policy Credibility’: The New-Classical Macroeconomics and the Remaking of Emerging Economies.” *Cambridge Journal of Economics* 24 (1): 1–19.
- 78 Interview with former senior World Bank staff member, 11 June 2010.
- 79 World Bank. 2003. “The Role of Selectivity in Enhancing IDA Effectiveness: A Progress Report.” Washington, DC; World Bank. 2007. “Selectivity and Performance: IDA’s Country Assessment and Development Effectiveness,” Washington, DC. Selectivity has been increased in part through the Bank’s increased use of the CPIA, which I discuss at greater length in Chapters 6 and 7, as well as its shift towards performance-based allocations of concessional aid, discussed in Chapter 8.
- 80 PFPs outlined a basic economic development plan that both institutions could support. Such a plan became necessary as IMF and Bank programs began to converge, as the World Bank placed more emphasis on adjustment lending and the IMF created facilities for medium-term concessional lending (the SAF and ESAF). Paul Mosely, Jane Harrigan and John Toye. 1991. *Aid and Power: The World Bank and Policy-Based Lending*. London: Routledge, 53.
- 81 Interview with former senior staff member of the World Bank, 9 May 2007.
- 82 Karin Christiansen and Ingie Hovland. 2003. “The PRSP Initiative: Multi-lateral Policy Change and the Role of Research.” London: Overseas Development Institute, ix.
- 83 DFID. *Eliminating World Poverty*.
- 84 Christiansen and Hovland. “The PRSP Initiative,” 19.
- 85 Interview with senior OECD-DAC staff member, Paris, May 2012. OECD. 1996. “Shaping the 21st Century: The Contribution of Development Co-operation.” Paris: Development Assistance Committee, Organization for Economic Co-operation and Development.

- 86 Christiansen and Hovland. 2004. "The PRSP Initiative," 21–3; Laure-Hélène Piron and Andy Norton. "Politics and the PRSP Approach: Uganda Case Study." London: Overseas Development Institute.
- 87 I discuss these debates and the changing practices of poverty reduction in Chapter 8 and, at greater length, in: Jacqueline Best. 2013. "Redefining Poverty as Risk and Vulnerability: Shifting Strategies of Liberal Economic Governance." *Third World Quarterly* 34 (1): 109–29.
- 88 On the politics of "partnership," see: Rita Abrahamsen. 2004. "The Power of Partnerships in Global Governance." *Third World Quarterly* 25 (8): 1453–67.
- 89 The predominant account of the PRSP (including that provided by Wolfensohn in his official accounts of the events) is that it was a way of operationalizing the CDF. My alternate account has been confirmed independently by two different sources familiar with the internal politics around the PRSPs' development.
- 90 World Bank. *Comprehensive Development Framework*. Washington, DC.
- 91 Interviews with senior IMF and World Bank staff, Washington, DC, June 2010.
- 92 Interview with Camdessus.
- 93 Interview with senior IMF staff member, Washington, DC, 14 June 2010. It is worth noting that different interviewees provided somewhat different interpretations of the relative influence of IMF and World Bank staff members in the creation of the PRSP.
- 94 Interview with Jack Boorman, Consultant, Office of the Managing Director and Former Director of Policy Development and Review Department, IMF, Washington, DC, 31 August 2005.
- 95 Interview with Camdessus.
- 96 Interview with senior IMF official, 29 August 2005.
- 97 Devesh Kapur, John P. Lewis and Richard Webb, eds. 1997. *The World Bank: Its First Half Century. Vol. 2. Perspectives*. Washington, DC: Brookings Institution Press, Ch. 5.
- 98 For example, whereas the 1990–1 World Development Report is relatively pessimistic about the possibility of mobilizing the poor as an active force, the 2000–1 Report sees them as a vital force for policy change. World Bank. 1990. *World Development Report 1990: Poverty*. Washington, DC, 50–2; World Bank. 2000. *World Development Report 2000/01: Attacking Poverty*. New York: Oxford University Press, 99–102.
- 99 Nikolas Rose. 1999. *Powers of Freedom: Reframing Political Thought*. Cambridge University Press, Ch. 5.
- 100 See also: Javier Lezaun and Linda Soneryd. 2007. "Consulting Citizens: Technologies of Elicitation and the Mobility of Publics." *Public Understanding of Science* 16 (3): 279–97.
- 101 See, for example: IMF. 1999. "Republic of Mozambique Enhanced Structural Adjustment Facility Policy Framework Paper for April 1999–March 2002." Washington, DC: International Monetary Fund; IMF. 1999. "Ghana Enhanced Structural Adjustment Facility Policy Framework Paper, 1999–2001." Washington, DC: International Monetary Fund.

- 102 See, for example: Republic of Bolivia. 2001. “Poverty Reduction Strategy Paper – PRSP – Estrategia Boliviana de la Reduccion de la Pobreza.” Washington, DC: World Bank; Republic of Uganda. 2005. “Uganda: Poverty Reduction Strategy Paper.” Washington, DC: IMF; Socialist Republic of Vietnam. 2004. “Vietnam: Poverty Reduction Strategy Paper.” Washington, DC: IMF; Government of Mozambique. 2001. “Action Plan for the Reduction of Absolute Poverty (2001–2005) – Strategy Document for the Reduction of Poverty and Promotion of Economic Growth.” Maputo, Mozambique.
- 103 A detailed overview of staff techniques is provided in Chapter 7 of the PRSP Sourcebook: World Bank. 2001. *A Sourcebook for Poverty Reduction Strategies*. Washington, DC.
- 104 Stiglitz. “Towards a New Paradigm.”
- 105 Interview with Ruth Driscoll, ODI.
- 106 Horst Köhler. 2003. “The Challenges of Globalization and the Role of the IMF.” Annual Meeting of the Society for Economics and Management, International Monetary Fund: Washington, DC, 15 May.
- 107 Michel Foucault. 1991. “Governmentality.” In *The Foucault Effect: Studies in Governmentality*, edited by Graham Burchell, Colin Gordon and Peter Miller. London: Harvester Wheatsheaf, 87–104; Michel Foucault. 2004. *Naissance de la Biopolitique: Cours au Collège de France, 1978–79*. Paris: Seuil.
- 108 Piron and Norton. “Politics and PRSP Approach.”
- 109 Nadia Molenaers and Robrecht Renard. 2003. “The World Bank, Participation and PRSP: The Bolivian Case Revisited.” *The European Journal of Development Research* 15 (2): 140.
- 110 Laure-Helene Piron and Alison Evans. 2004. “Politics and the PRSP Approach: Synthesis Paper.” London: Overseas Development Institute; Geske Dijkstra. 2005. “The PRSP Approach and the Illusion of Improved Aid Effectiveness: Lessons from Bolivia, Honduras and Nicaragua.” *Development Policy Review* 23 (4): 443–64; Lindsay Whitfield. 2005. “Trustees of Development from Conditionality to Governance: Poverty Reduction Strategy Papers in Ghana.” *Journal of Modern African Studies* 43 (4): 641–64.
- 111 I will discuss this example of what I am calling a “benign failure” in more detail in the Conclusion to this volume.

## 6 DEVELOPING GLOBAL STANDARDS

- 1 In order, these quotes are from: World Bank. 1996. “World Bank President Outlines a New Agenda – Describes a Bank ‘On the Move.’” Press Release (No. 97/1153), Washington, DC; Michel Camdessus. 1999. “From the Crises of the 1990s to the New Millennium.” International Graduate School of Management, International Monetary Fund: Madrid, 27 November; DFID. 1997. *Eliminating World Poverty: A Challenge for the 21st Century*. White Paper on International Development, UK Department for International Development, 5; Horst Köhler. 2002. “Strengthening the Framework for the Global Economy.” Award Ceremony of the Konrad Adenauer Foundation Social Market Economy Prize, International Monetary Fund: Berlin, 15 November.

- 2 This last example of maternal health is one of the many new global norms included in the millennium development goals, which provide another example of a policy that relies on the standardizing strategies discussed in this chapter.
- 3 These new practices are therefore not the kind of rigid, constitutional strategies characteristic of trade and investment agreements that neo-Gramscians like Stephen Gill have discussed. Gill. 1995. "Globalisation, Market Civilisation, and Disciplinary Neoliberalism." *Millennium* 24 (3): 399–423; Gill. 2002. "Constitutionalizing Inequality and the Clash of Globalizations." *International Studies Review* 4 (2): 47–66.
- 4 On the fragility of expert authority without popular approval, see: Kirstina Tamm Hallström. 2004. *Organizing International Standardization: ISA and the IASC in Quest for Authority*. Northampton: Edward Elgar.
- 5 I have written extensively about this moral turn in IFI discourse elsewhere: Jacqueline Best. 2003. "Moralizing Finance: The New Financial Architecture as Ethical Discourse." *Review of International Political Economy* 10 (3): 579–603; Best. 2005. "The Moral Politics of IMF Reforms: Universal Economics, Particular Ethics." *Perspectives on Global Development and Technology* 4 (3–4): 357–78; Best. 2006. "Co-opting Cosmopolitanism? The International Monetary Fund's New Global Ethics." *Global Society* 20 (3): 307–27.
- 6 Catherine Weaver. 2008. *Hypocrisy Trap: The World Bank and the Poverty of Reform*. Princeton University Press; Susan Park and Antje Vetterlein, eds. 2010. *Owning Development: Creating Policy Norms in the IMF and the World Bank*. Cambridge University Press; David Williams. 2008. *The World Bank and Social Transformation in International Politics: Liberalism, Governance and Sovereignty*. London: Routledge; Rita Abrahamsen. 2000. *Disciplining Democracy: Development Discourse and Good Governance in Africa*. London: Zed Books; Graham Harrison. 2004. *The World Bank and Africa: The Construction of Governance States*. London: Routledge.
- 7 There is a significant literature on the concept of "new" or "post-conditionality," which sees recent initiatives such as the good governance agenda and Poverty Reduction Strategies as another, more extensive but less obvious, form of conditionality. My research confirms many of these claims, but because of my focus on *how* governance is performed rather than simply on the interests or outcomes at stake, this book points to broader and more profound changes in the logic of global development governance than those advanced in this literature. Jeremy Gould, ed. 2005. *The New Conditionality: The Politics of Poverty Reduction Strategies*. London: Zed Books; John Pender. 2001. "From 'Structural Adjustment' to 'Comprehensive Development Framework': Conditionality Transformed?" *Third World Quarterly* 22 (3): 397–411.
- 8 Michel Foucault. 1991. "Governmentality." In *The Foucault Effect: Studies in Governmentality*, edited by Graham Burchell, Colin Gordon and Peter Miller. London: Harvester Wheatsheaf, 87–104; Michel Foucault. 2004. *Naissance de la biopolitique: Cours au Collège de France, 1978–79*. Paris: Seuil.
- 9 For example, in the field of development studies, Mark Duffield's otherwise excellent work does tend to suffer from such tendencies: Duffield. 2001. "Governing the Borderlands: Decoding the Power of Aid." *Disasters* 25 (4): 308–20.

- 10 Stefan Timmermans and Marc Berg. 1997. “Standardization in Action: Achieving Local Universality through Medical Protocols.” *Social Studies of Science* 27 (2): 273–305; Martha Lampland and Susan Leigh Star, eds. 2008. *Standards and their Stories: How Quantifying, Classifying, and Formalizing Practices Shape Everyday Life*. Ithaca: Cornell University Press; Stefan Timmermans and Steven Epstein. 2010. “A World of Standards but not a Standard World: Toward a Sociology of Standards and Standardization.” *Annual Review of Sociology* 36: 69–89; Bruno Latour. 1993. *The Pasteurization of France*. Cambridge, MA: Harvard University Press.
- 11 Paul Wolfowitz. 2006. “Good Governance and Development – A Time For Action.” World Bank: Jakarta, 11 April.
- 12 IMF. 2001. “Review of the Fund’s Experience in Governance Issues.” Washington, DC: International Monetary Fund, 29.
- 13 IEG. 2009. “The World Bank’s Country Policy and Institutional Assessment: An Evaluation.” Washington, DC: Independent Evaluation Group, World Bank, ix.
- 14 DFID. 2006. *Eliminating World Poverty: Making Governance Work for the Poor*. White Paper on International Development London: UK Department for International Development; MCC. 2008. “Building Public Integrity through Positive Incentives: MCC’s Role in the Fight against Corruption.” Washington, DC: Millennium Challenge Corporation; CIDA. 2011. *Governance*. Canadian International Development Agency, 2011. Available from [www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/En/JUD-111883426-HX4](http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/En/JUD-111883426-HX4).
- 15 In some ways, nothing has changed since then: the pursuit of good governance remains a political project, and continues to encounter opposition, as I will discuss in the Conclusion.
- 16 World Bank. 1989. *Sub-Saharan Africa: From Crisis to Sustainable Growth. A Long-Term Perspective Study*. Washington, DC, xii, 3. The actual history of the interest in what eventually became known as good governance dates back further to the late 1970s. On this point, see: Weaver. *Hypocrisy Trap*; Michelle Miller-Adams. 1999. *The World Bank: New Agendas*. London: Routledge.
- 17 World Bank. *Sub-Saharan Africa*, 60.
- 18 Samir Amin. 1976. *Unequal Development: An Essay on the Social Formations of Peripheral Capitalism*. New York: Monthly Review Press; Theotonio Dos Santos. 1970. “The Structure of Dependence.” *The American Economic Review* 60 (2): 231–36; Fernando Henrique Cardoso and Enzo Faletto. 1979. *Dependency and Development in Latin America*. Berkeley, CA: University of California Press.
- 19 The study was referenced explicitly in the legal opinion on the Bank’s mandate as well as in Board discussions of the document, although Shihata was careful to note in those discussions that some issues addressed by the Long-Term Perspective Study did go beyond what he identified as acceptable governance policies for the Bank to undertake. World Bank Archives. 1991. Doc. 64896. Proceedings of a Seminar of Executive Directors to Discuss Issues of “Governance” in Borrowing Members: The Extent of Their Relevance Under the Bank’s Articles of Agreement. 11 April: 15, 17, 52–3.
- 20 *Ibid.*: 24–5.

- 21 World Bank. 1991. "Managing Development: The Governance Dimension." Washington, DC; World Bank. 1992. "Governance and Development." Washington, DC; World Bank. 1994. "Governance: The World Bank's Experience." Washington, DC. The reports were discussed at Board meetings in April and July 1991 and December 1993; World Bank Archives. 1991. Doc. 64896. Proceedings of a Seminar; World Bank Archives. Doc. 64897. Proceedings of a Meeting of the Executive Board as Committee of the Whole to Discuss 'Managing Development: The Governance Dimension: A Discussion Paper.' 16 July; World Bank Archives. 1993. Doc. 64898. Discussion of Governance: The World Bank's Experience. Proceedings of a Meeting of the Executive Directors. 16 December.
- 22 Classic public-choice theory works include: Kenneth Arrow. 1951. *Social Choice and Individual Values*. New York: Wiley; William Niskanen. 1971. *Bureaucracy and Representative Government*. Chicago: Aldine, Atherton; Mancur Olsen. 1965. *The Logic of Collective Action: Public Goods and the Theory of Groups*. Cambridge, MA: Harvard University Press.
- 23 The term was actually coined by Anne Krueger, an economist who later became Chief Economist at the World Bank in the 1980s and Deputy Director of the IMF in the early 2000s. Anne Krueger. 1974. "The Political Economy of the Rent-Seeking Society." *American Economic Review* 64 (3): 291–303.
- 24 World Bank. "Governance: World Bank's Experience," xv.
- 25 Ibrahim Shihata. 1990. "Issues of 'Governance' in Borrowing Members: The Extent of their Relevance under the Bank's Articles of Agreement." Washington, DC: World Bank. For an interesting discussion of this opinion, see: M. A. Thomas. 2007. "The Governance Bank." *International Affairs* 83 (4): 733.
- 26 The two Directors were, respectively, a Canadian Executive Director, Frank Potter, and a Libyan Executive Director, Salem Omeish. World Bank Archives. 1991. Doc 64896. Proceedings of a Seminar of Executive Directors: 13, 27–28.
- 27 World Bank. "New Agenda."
- 28 World Bank. 2001. *World Development Report 2000/01: Attacking Poverty*. Washington, DC; World Bank. 2002. *World Development Report 2002: Building Institutions for Markets*. Washington, DC.
- 29 For a discussion of Wolfensohn's contribution to the Bank's governance agenda, see: Williams. *World Bank and Social Transformation*; Jonathan Pincus and Jeffrey A. Winters. 2002. *Reinventing the World Bank*. Ithaca: Cornell University Press.
- 30 Classic institutionalist texts here include: Douglass North. 1990. *Institutions, Institutional Change and Economic Performance*. Cambridge University Press; Oliver Williamson. 1985. *The Economic Institutions of Capitalism*. New York: Free Press. Douglass North, in particular, is cited in a number of Bank documents as an inspiration for governance policy, particularly from the 2002 WDR on institutions onwards, in which the first footnote cites North, Williamson and Coase on institutions. World Bank. *WDR: Building Institutions*, 5 n.1.
- 31 Some of the more enthusiastic EDs included those from Costa Rica, Iceland and the Netherlands. The ED from Gambia also noted his support for



- participatory approaches, while pointing out that such processes are not new to Africa as Bank documents tended to suggest. World Bank Archives. Doc. 64896. Proceedings of a Seminar: 33–35, 65; World Bank Archives. Doc. 64897. Proceedings of a Meeting: 8, 34, 96–7.
- 32 World Bank. 2000. *Reforming Public Institutions and Strengthening Governance: A World Bank Strategy*. Washington, DC; World Bank. 2002. *Reforming Public Institutions and Strengthening Governance: A World Bank Strategy*. Implementation Update. Washington, DC.
  - 33 Interview with senior World Bank staff member, 10 May 2011.
  - 34 World Bank. 2007. “Strengthening World Bank Group Engagement on Governance and Anticorruption.” Washington, DC.
  - 35 IMF. 1996. “Partnership for Sustainable Global Growth.” Washington, DC: International Monetary Fund.
  - 36 IMF Archives. 1996. EBS/96/197. The Role of the Fund in Governance Issues. 20 December.
  - 37 Ibid.: 9, 11, 19; IMF Archives. 1996. EB/CW/DC/97/3. Helping Countries Combat Corruption and Improve Governance: A Joint World Bank/IMF Issues Paper Prepared for the Development Committee. 13 August: 2, 5.
  - 38 IMF. 2001. “Executive Board Reviews IMF’s Experience in Governance Issues.” Washington, DC: International Monetary Fund.
  - 39 The two main policies through which the IMF engages with its members are its Article IV consultations and lending programs. Under Article IV of its Articles of Agreement, the IMF conducts annual consultations with all member states (not just those using its resources) as a part of its ongoing surveillance of the international financial system. These consultations take the form of an assessment of the strengths and weaknesses of the country as well as non-binding recommendations for reform. The Fund also has a number of different facilities through which it lends resources to states in need; these funds come with conditions (discussed in Chapter 5), which are binding on states that wish to receive the funds.
  - 40 IMF. 1997. “The Role of the IMF in Governance Issues: Guidance Note.” Washington, DC: International Monetary Fund.
  - 41 Michel Camdessus. 1998. “The IMF and Good Governance.” Transparency International: Paris, 21 January.
  - 42 Interview with Jack Boorman, former Director of Policy Development and Review Department, IMF, Washington, DC, 31 August 2005.
  - 43 Camdessus. “IMF and Good Governance.”
  - 44 IMF. “Review of Fund’s Experience,” 3, 11–12.
  - 45 World Bank. WDR: Building Institutions, 3.
  - 46 Of course, the “sound economics” that formed the basis of the economic universals of the structural adjustment era were also profoundly political – but they did not represent themselves as such.
  - 47 Barber Conable. 1991. “Memorandum to Bank Managers. Subject: Managing Development: The Governance Dimension.” Washington, DC: World Bank.
  - 48 Interview with Michel Camdessus, former IMF Managing Director (1987–2000), 17 May 2011.

- 49 IMF Archives. 1996. EBS/96/197: 7. In fact, as one senior staff member explained, there was a major debate within the institution about whether the Fund should describe its role as being related to economic governance or just governance. In the end, the PDR Department sent around a memo telling staff not to use the term “economic governance,” since the broader forms of governance had significant implications for macro-economic stability and growth. Interview with Former IMF Executive Board Member, 29 August 2005, Washington, DC. Catherine Weaver has discussed a similar push by internal forces at the World Bank to make governance an acceptable part of the institution’s normal mandate. Weaver. *Hypocrisy Trap*. This claim was confirmed in one of my interviews with a senior former World Bank staff member, Washington, DC, 7 October 2008.
- 50 World Bank Archives. Doc. 64896. Proceedings of a Seminar: 43.
- 51 Karl Polanyi and Albert Hirschman both provide masterful analyses of the early history of the liberal market’s construction. Karl Polanyi. 1944. *The Great Transformation: The Political and Economic Origins of Our Time*. Boston: Beacon Press; Albert Hirschman. 1978. *The Passions and the Interests: Political Arguments for Capitalism Before its Triumph*. Princeton University Press. For a more contemporary analysis of the work involved in creating calculating economic subjects, see: Michel Callon. 1998. “Introduction: The Embeddedness of Economic Markets in Economics.” In *The Laws of the Markets*, edited by M. Callon. Oxford: Blackwell, 1–57.
- 52 Timmermans and Berg. “Standardization in Action”: 275.
- 53 I elaborate on the way in which the new appeal to moral universals works to depoliticize IFI policies in: Best. “Moralizing Finance”; Best. “Moral Politics.”
- 54 This quote is from a memo from Bank President Barber Conable to Executive Board members. Conable, “Memorandum.”
- 55 World Bank Archives. Doc. 64897. Proceedings of a Meeting: 38.
- 56 Timmermans and Berg. “Standardization in Action”: 292.
- 57 World Bank. 1997. *World Development Report 1997: The State in a Changing World*. Washington, DC.
- 58 IEG. 2008. “Public Sector Reform: What Works and Why?” Washington, DC: Independent Evaluation Group, World Bank. I further discuss the Bank’s efforts to reform developing countries’ public sectors in Chapter 8.
- 59 IMF Archives. 1996. EB/CW/DC/97/3: 3.
- 60 World Bank. 2004. *World Development Report 2004: Making Services Work for Poor People*. Washington, DC. This blurring of public and private actors is also clear in some Social Development Department documents, including: World Bank. 2011. Demand for Good Governance – Social Development. Available from: <http://go.worldbank.org/09MJLAICW0>. I discuss the thin character of this form of participation at greater length in: Jacqueline Best. Forthcoming, 2014 “The ‘Demand’ Side of Good Governance: the Return of the Public in World Bank Policy.” In *The Return of the Public in Global Governance*, edited by J. Best and A. Gheciu. Cambridge University Press.

- 61 Lampland and Star, eds. *Standards and their Stories*, 9.
- 62 World Bank. 2010. “Country Policy and Institutional Assessment: Frequently Asked Questions.” Washington, DC.
- 63 Nikolas Rose. 1999. *Powers of Freedom: Reframing Political Thought*. Cambridge University Press.
- 64 World Bank. 2007. “The Cambodian Demand for Good Governance (DFGG) Project – An Updated Storyline.” Washington, DC; World Bank. Governance and Anticorruption: DFGG Analytical Framework. Available from <http://go.worldbank.org/YQ1WM1P9W0>.
- 65 Robert S. Chase and Anushay Anjum. 2008. “Final Draft: Demand for Good Governance Stocktaking Report.” Washington, DC: World Bank, 14, 19.
- 66 World Bank Archives. Doc. 64897. Proceedings of a Meeting: 40.
- 67 Michael Barnett and Martha Finnemore. 2004. *Rules for the World: International Organizations in Global Politics*. Ithaca: Cornell University Press.
- 68 Mitchell Dean. 1999. *Governmentality: Power and Rule in Modern Society*. Thousand Oaks, CA: Sage:193; Peter Miller. 1992. “Accounting and Objectivity: The Invention of Calculating Selves and Calculable Spaces.” *Annals of Scholarship* 9 (1/2): 61–86.
- 69 Foucault’s thoughts on power are distributed among many of his writings. For a particularly thoughtful discussion of the differences among sovereign/judicial, disciplinary and governmental/security forms of power, see the 11 January lecture in: Michel Foucault. 2004. *Sécurité, territoire, population: Cours au Collège de France, 1977–78*. Paris: Gallimard.
- 70 Timmermans and Epstein. “World of Standards”: 84. See also: Laurent Thévenot. 2009. “Governing Life by Standards: A View from Engagements.” *Social Studies of Science* 39 (5): 793–813; Susan Leigh Star and Geoffrey Bowker. 1999. *Sorting Things Out*. Cambridge University Press.
- 71 On the political consequences of such indices, see: Tony Porter. 2012. “Making Serious Measures: Numerical Indices, Peer Review, and Transnational Actor-Networks.” *Journal of International Relations and Development* 15 (4): 532–57.
- 72 Although it was to be just one of three major initiatives to prevent and respond to financial crises, the other two – the Contingent Credit Lines for states who could prequalify for assistance, and the sovereign debt restructuring mechanism (SDRM), which was to act as a kind of international bankruptcy mechanism, both ultimately failed to obtain global support.
- 73 G7. 1995. “Communiqué of the Halifax Summit of the Heads of State and Government of the Group of Seven and the President of the European Commission.” Halifax: Group of Seven; IMF. 1996. “IMF Executive Board Approves the Special Data Dissemination Standard.” Washington, DC: International Monetary Fund.
- 74 IMF Archives. 1997. SM/97/174. Transparency in Government Operations. 2 July.
- 75 IMF Archives. 1997. SM/97/175. Fiscal Policy Rules. 2 July.
- 76 IMF Archives. 1997. SM/97/174: 3.
- 77 IMF Archives. 1998. SM/98/66. Draft Code of Conduct on Fiscal Transparency. 6 March.

- 78 IMF. 2000. Code of Good Practices on Transparency in Monetary and Financial Policies. Washington, DC: International Monetary Fund.
- 79 IMF. 1999. "Summing Up by the Acting Chairman of the IMF Executive Board: International Standards and Fund Surveillance – Progress and Issues." Washington, DC: International Monetary Fund; IMF. 1999. "Experimental IMF Reports on Observance of Standards and Codes: Overview and an Invitation to Comment." Washington, DC: International Monetary Fund.
- 80 The full list is: "accounting; auditing; anti-money laundering and countering the financing of terrorism (AML/CFT); banking supervision; corporate governance; data dissemination; fiscal transparency; insolvency and creditor rights; insurance supervision; monetary and financial policy transparency; payments systems; and securities regulation." IMF. 2004. Reports on the Observance of Standards and Codes (ROSCs). International Monetary Fund. Available from [www.imf.org/external/np/roscc/rosc.asp](http://www.imf.org/external/np/roscc/rosc.asp).
- 81 IMF Archives. 1997. SM/97/174.
- 82 Finn Kydland and Edward Prescott. 1977. "Rules Rather than Discretion: The Inconsistency of Optimal Plans." *Journal of Political Economy* 85 (3): 473–91.
- 83 IMF Archives. SM/97/175.
- 84 IMF Archives. SM/98/66; IMF. "Experimental IMF Reports."
- 85 Ilene Grabel. 2000. "The Political Economy of 'Policy Credibility': The New-Classical Macroeconomics and the Remaking of Emerging Economies." *Cambridge Journal of Economics* 24 (1): 1–19.
- 86 Horst Köhler. 2001. "Standards and Codes: A Tool for Growth and Financial Stability." IMF/World Bank Conference on International Standards and Codes: Washington, DC, 7 March.
- 87 Camdessus. "From the Crises." Emphasis in original.
- 88 IMF. "Summing Up."
- 89 IMF. "Experimental IMF Reports."
- 90 Köhler. "Standards and Codes"; Charis Christofides, Christian B. Mulder and Andrew J. Tiffin. 2003. "The Link Between Adherence to International Standards of Good Practices, Foreign Exchange Spreads, and Ratings." *IMF Working Paper Series* (No. WP/03/74); John Cady. 2004. "Does SDDS Subscription Reduce Borrowing Costs for Emerging Market Economies?" *IMF Working Papers Series* (No. WP/04/58).
- 91 Jacqueline Best. 2005. *The Limits of Transparency: Ambiguity and the History of International Finance*. Ithaca: Cornell University Press, Ch. 6.
- 92 In the case of the GDDS they seek to provide a capacity to measure not only economic factors but also socio-demographic data such as population and public health, enabling, in Foucauldian biopolitical terms, the measurement, constitution and governance of the population.
- 93 IMF Archives. SM/98/66: 1.
- 94 The G7 initially advocated more binding rules in 1998, and the UK continued to push for mandatory standards until 2001. Gordon Brown. 2001. Speech by Chancellor of the Exchequer to the Federal Reserve Bank. UK Treasury: London, 16 November; G7. 1998. "Strengthening the Architecture of the Global Financial System." Report of G7 Finance Ministers to G7 Heads of State or Government for their Meeting in Birmingham, May.

- 95 Interview with Jack Boorman, Washington, DC, 31 August 2005.
- 96 Köhler. “Standards and Codes.”
- 97 Callon. “Introduction.”
- 98 Benu Schneider, ed. 2003. *The Road to International Financial Stability: Are Key Financial Standards the Answer?* Basingstoke: Palgrave Macmillan; Dani Rodrik. 1999. “Governing the Global Economy: Does One Architectural Style Fit All?” In *Brookings Trade Forum*, edited by S. Collins and R. Lawrence. Washington, DC: Brookings Institution Press, 105–39. Also, interview with NGO staff member, Washington, DC, 31 August 2005.
- 99 Grabel. “Political Economy.”
- 100 Moreover, as I will discuss in the Conclusion to this volume, these standards have been contested both within and outside the IFIs, while the techniques used have often failed to achieve their intended effects.

## 7 MANAGING RISK AND VULNERABILITY

- 1 I have discussed the history of the IMF’s conceptualization and management of the unknown in my first book, on the role of ambiguity in international finance. I will not take up these same ideas here, but will focus instead on efforts to manage time and the unknown through particular conceptions of vulnerability and risk. Jacqueline Best. 2005. *The Limits of Transparency: Ambiguity and the History of International Finance*. Ithaca: Cornell University Press.
- 2 This policy is discussed briefly in Chapter 6.
- 3 Jacqueline Best. 2008. “Ambiguity, Uncertainty and Risk: Rethinking Indeterminacy.” *International Political Sociology* 2 (4): 355–74.
- 4 While acknowledging the usefulness of Ulrich Beck’s early work on the risk society, I am therefore drawing more from the work of Michel Foucault and those scholars, such as Mitchell Dean, who have built on his work: Ulrich Beck. 1992. *Risk Society: Towards a New Modernity*. London: Sage; Michel Foucault. 2004. *Sécurité, territoire, population: Cours au Collège de France, 1977–78*. Paris: Gallimard, 57–89; Mitchell Dean. 1999. *Governmentality: Power and Rule in Modern Society*. Thousand Oaks, CA: Sage.
- 5 I have written on the limits of risk management in the context of the recent global financial crisis in: Jacqueline Best. 2010. “The Limits of Financial Risk Management: Or, What We Didn’t Learn from the Asian Crisis.” *New Political Economy* 15 (1): 29–49.
- 6 Mikkel Vedby Rasmussen. 2004. “‘It Sounds Like a Riddle’: Security Studies, the War on Terror and Risk.” *Millennium* 33 (2): 381–95; Mark Salter. 2008. “Imagining Numbers: Risk, Quantification, and Aviation Security.” *Security Dialogue* 39 (2–3): 243–66; Tony Porter. 2005. *Globalization and Finance*. Cambridge: Polity Press, Ch. 5; Randall Germain. 2007. “Global Finance, Risk and Governance.” *Global Society* 21 (1): 71–93; Marieke De Goede. 2004. “Repolicizing Financial Risk.” *Economy and Society* 33 (2): 197–217; Ulrich Beck. 1992. “From Industrial Society to the Risk Society: Questions of Survival, Social Structure and Ecological Enlightenment.” *Theory, Culture and Society* 9 (1): 97–123.

- 7 OED. 1996. “Annual Review of Evaluation Results 1995.” Washington, DC: Operation Evaluation Department, World Bank.
- 8 These kinds of risk are generally known as “operational” or “institutional” risks, since they are risks to the smooth operation of an institution. Henry Rothstein, Michael Huber and George Gaskell. 2006. “A Theory of Risk Colonization: The Spiraling Regulatory Logics of Societal and Institutional Risk.” *Economy and Society* 35 (1): 91–112.
- 9 World Bank. 2001. *Social Protection Sector Strategy: From Safety Net to Springboard*. Washington, DC.
- 10 The institution formally adopted this role in 1978 with the Second Amendment to its Articles of Agreement, which, under Article IV, defined surveillance relatively narrowly in relation to member countries’ exchange rates. Over time, the scope of Fund surveillance activities expanded considerably to consider first the underlying macroeconomic conditions and then the structural policies that affected countries’ balance of payments. James M. Boughton. 2001. *Silent Revolution. The International Monetary Fund 1979–1989*. Washington, DC: International Monetary Fund, Ch. 2 and Appendix.
- 11 The economists discussed here, like those discussed throughout the book, often have close links with the IFIs and donors, particularly the World Bank. Some have worked at one or other of the IFIs at some point, and all have been cited in the key Bank and IMF documents on debt vulnerability and vulnerability assessments as justification for these new policies.
- 12 Craig Burnside. 2004. “Assessing New Approaches to Fiscal Sustainability Analysis.” Washington, DC: World Bank.
- 13 IMF. 2011. “Managing Volatility: A Vulnerability Exercise for Low-Income Countries.” Washington, DC: International Monetary Fund, 26–8; Claudio Raddatz. 2008. “Have External Shocks Become More Important for Output Fluctuations in African Countries?” In *Africa at a Turning Point? Growth, Aid, and External Shocks*, edited by D. S. Go and J. Page. Washington, DC: World Bank, 343–74; Craig Burnside and Alexandra Tabova. 2009. “Risk, Volatility, and the Global Cross-section of Growth Rates.” *NBER Working Paper Series* (No. 15225).
- 14 IMF. “Managing Volatility,” 29.
- 15 Daron Acemoglu, Simon Johnson, James Robinson and Yunyong Thaicharoen. 2002. “Institutional Causes, Macroeconomic Symptoms: Volatility, Crises and Growth.” *Journal of Monetary Economics* 50 (1): 49–123; Paul Collier, Benedikt Goderis and Anke Hoeffler. 2006. “Shocks and Growth: Adaptation, Precaution and Compensation.” Department of Economics, Oxford University; Dani Rodrik. 1998. “Where Did All the Growth Go? External Shocks, Social Conflict, and Growth Collapses.” *NBER Working Paper Series* (No. 6350).
- 16 Most LICs rely almost entirely on concessional borrowing, which is provided at extremely low interest rates, without any interest, or in the form of grants. Non-concessional borrowing, in contrast, is generally at market rates of interest.
- 17 IMF. 2009. “Debt Limits in Fund-supported Programs: Proposed New Guidelines.” Washington, DC: International Monetary Fund, 19; IMF and World Bank. 2009. “A Review of Some Aspects of the Low-income Country

- Debt Sustainability Framework.” Washington, DC: International Monetary Fund and World Bank; Francesco Oddone. 2007. “Debt Sustainability or Defensive Deterrence? The Rise of New Lenders and the Response of the Old.” Brussels: Eurodad; Bernhard G. Gunter. 2007. “MDG-consistent Debt Sustainability: How to Ease the Tension between Achieving the MDGs and Maintaining Debt Sustainability.” UNDESA/UNDP.
- 18 Interview with senior IMF staff member, Washington, DC, 14 June 2010.
- 19 IMF. 2011. “Factsheet: The Joint World Bank–IMF Debt Sustainability Framework for Low-Income Countries.” Washington, DC: International Monetary Fund.
- 20 IMF and World Bank. “Review,” 11.
- 21 IMF. “Debt Sustainability.”
- 22 World Bank. 2010. “Country Policy and Institutional Assessment: Frequently Asked Questions.” Washington, DC.
- 23 IMF and World Bank. “Review,” 4.
- 24 Low-income countries are eligible for concessional financing at the World Bank through the International Development Association (IDA). *Ibid.*, 11.
- 25 IMF. 2009. “Changing Patterns in Low-income Country Financing and Implications for Fund Policies on External Financing and Debt.” Washington, DC: International Monetary Fund, 9.
- 26 IMF. 2009. “Staff Guidance Note on Debt Limits in Fund-supported Programs.” Washington, DC: International Monetary Fund, 5.
- 27 IMF. 2011. “Concessionalism and the Design of Debt Limits in IMF-supported Programs in Low-Income Countries.” Washington, DC: International Monetary Fund.
- 28 IMF. “Debt Limits,” 9, 24. The Sub-CPIA includes an assessment of fiscal and debt policy, the quality of budgetary and financial management, and the quality of public administration and transparency, accountability and corruption.
- 29 In this case staff chose to use the full CPIA, in part because of the strong correlation they found between social inclusion and equity and vulnerability to crisis: the “Managing Volatility” report includes a graph that demonstrates the correlation, with an R2 of .29. IMF. “Managing Volatility,” 13.
- 30 *Ibid.*, 2, 5, 12.
- 31 World Bank. 1989. *Accelerated Development in Sub-Saharan Africa: An Agenda for Action*. Washington, DC, 1981; World Bank. *Sub-Saharan Africa: From Crisis to Sustainable Growth. A Long-term Perspective Study*. Washington, DC.
- 32 I provide an overview of these two closely related “small i” ideas – public choice theory and new institutionalist economics – in Chapter 4.
- 33 Acemoglu *et al.* “Institutional Causes.”
- 34 Collier *et al.* “Shocks and Growth”; Rodrik. “External Shocks.” Collier’s conclusions are far more conservative and consistent with traditional neoliberal economics than Rodrik’s; nonetheless, they both rely on certain similar institutionalist ideas in their analyses.
- 35 IMF. “Managing Volatility,” 6.
- 36 IMF. “Changing Patterns,” 4.

- 37 IMF and Bank. “Review,” 4.
- 38 IMF. “Managing Volatility,” 8.
- 39 Best. “Limits of Financial Risk.”
- 40 Marieke De Goede. 2008. “Beyond Risk: Premediation and the Post-9/11 Security Imagination.” *Security Dialogue* 39 (2–3): 155–76.
- 41 IMF. “Debt Sustainability.”
- 42 IMF. “Changing Patterns,” Annex II.
- 43 Interview with senior IMF staff member, Washington, DC, 14 June 2010.
- 44 This is particularly noticeable in the vulnerability exercises, where much attention is placed on the need for an objective and methodologically rigorous evaluation process – in spite, as I will discuss further in the Conclusion, of the difficulties of such an undertaking.
- 45 Thus, following Foucault, productive power need not be zero-sum. Michel Foucault. 1980. “Two Lectures.” In *Power/Knowledge: Selected Interviews and Other Writings, 1972–1977*, edited by C. Gordon. Brighton: Harvester Press, 92–108. For an excellent application of this argument to international politics, see: Iver B. Neumann and Ole Jacob Sending. 2006. “Governance to Governmentality: Analyzing NGOs, States and Power.” *International Studies Quarterly* 50 (3): 651–72.
- 46 IMF. “Changing Patterns,” 23.
- 47 Ibid.
- 48 Ibid.
- 49 Giorgio Agamben. 1998. *Homo Sacer: Sovereign Power and Bare Life*. Stanford University Press, 6–7.
- 50 I do not have the space to discuss the form that this social risk approach has taken in these other institutions, focusing instead on the World Bank, which was the pioneer in both thinking and policy in this area. For some examples of the influence of social risk policy at DFID and the OECD, see: DFID. 2004. “Pro-Poor Growth Briefing Note 2.” London: UK Department for International Development; OECD. 2006. “Promoting Pro-poor Growth: Policy Statement.” Paris: Organization for Economic Co-operation and Development; Rachel Sabates Wheeler and Lawrence Haddad. 2005. “Reconciling Different Concepts of Risk and Vulnerability: A Review of Donor Documents.” Sussex: Institute of Development Studies.
- 51 I provide a more thorough discussion of the historical evolution of poverty-reduction approaches at the Bank in: Jacqueline Best. 2013. “Redefining Poverty as Risk and Vulnerability: Shifting Strategies of Liberal Economic Governance.” *Third World Quarterly* 34 (1): 109–29.
- 52 Devesh Kapur, John P. Lewis and Richard Webb. 1997. *The World Bank: Its First Half Century. Vol. 1*. Washington, DC: Brookings Institution Press, 148, 217; Martha Finnemore. 1996. *National Interests in International Society*. Ithaca: Cornell University Press; Robert McNamara. 1975. “Preface.” In *The Assault on World Poverty: Problems of Rural Development, Education and Health*. Washington, DC; Baltimore: World Bank; Johns Hopkins University Press.
- 53 John Williamson. 1990. “What Washington Means by Policy Reform.” In *Latin American Adjustment: How Much Has Happened?*, edited by J. Williamson. Institute for International Economics, 5–20. As Antje Vetterlein points



- out, there nonetheless remained a core group of Bank staff committed to advancing the social policy agenda, although they did not have the opportunity to exercise much influence again until the late 1990s. Antje Vetterlein. 2007. “Economic Growth, Poverty Reduction, and the Role of Social Policies: The Evolution of the World Bank’s Social Development Approach.” *Global Governance* 13 (4): 513–33.
- 54 Giovanni Andrea Cornia, Richard Jolly and Frances Stewart, eds. 1987. *Adjustment with a Human Face*. Oxford University Press for UNICEF.
- 55 Given the enormous complexity of the World Bank as an organization, the tidy picture that the annual World Development Reports (WDR) present is more than a little misleading. Yet, these reports do serve a useful purpose in outlining major thinking at the Bank at a given moment – particularly the decade-defining reports, which are more central to the Bank’s self-definition. Phone interview with former senior World Bank staff member, February 2012.
- 56 World Bank. 1990. *World Development Report 1990: Poverty*. Washington, DC, 3.
- 57 *Ibid.*, 103.
- 58 *Ibid.*, 90, 100–1. For a discussion of the Bank’s safety-net approach to social protection see: Vetterlein. “Economic Growth.”
- 59 World Bank. 2009. *Social Protection and Labor at the World Bank, 2000–2008*. Washington, DC, 1, 12; World Bank. 2003. *Social Risk Management: The World Bank’s Approach to Social Protection in a Globalizing World*. Washington, DC, 2.
- 60 Michel Callon. 1998. “Introduction: The Embeddedness of Economic Markets in Economics.” In *The Laws of the Markets*, edited by M. Callon. Oxford: Blackwell, 1–57; Andrew Barry. 2002. “The Anti-political Economy.” *Economy and Society* 31 (2): 268–84.
- 61 Dani Rodrik. 2000. “Growth Versus Poverty Reduction: A Hollow Debate.” *Finance and Development* 37 (4); François Bourguignon. 2002. “The Growth Elasticity of Poverty Reduction: Explaining Heterogeneity across Countries and Time Periods.” *DELTA Working Paper* (No. 2002–3); Joseph Stiglitz. 1998. “Towards a New Paradigm for Development: Strategies, Policies, and Processes.” Prebisch Lecture, UNCTAD: Geneva, 19 October. Also, phone interview with former senior World Bank staff member, February 2012.
- 62 Bourguignon. “Growth Elasticity.” While Bourguignon was respected within the Bank before his term as head of the Research Department, his emphasis on equality only came to be widely accepted in the mid to late 2000s. Phone interview with former senior World Bank staff member, 29 February 2012.
- 63 David Dollar and Art Kraay. 2001. “Growth is Good for the Poor.” *World Bank Working Paper* (No. 2587).
- 64 Paul Masson. 2001. “Globalization: Facts and Figures.” *IMF Policy Discussion Paper* (No. PDP/01/4); Robert Wade. 2001. “Showdown at the World Bank.” *New Left Review* 7 (Jan–Feb): 124–37.
- 65 Martin Ravallion. 2004. “Pro-Poor Growth: A Primer.” *World Bank Policy Research Working Paper* (No. WPS3242).

- 66 Amartya Sen. 1983. *Poverty and Famines: An Essay on Entitlement and Deprivation*. Oxford: Clarendon Press.
- 67 Martin Prowse. 2003. "Towards a Clearer Understanding of 'Vulnerability' in Relation to Chronic Poverty." *CPRC Working Paper* (No. 24).
- 68 Frank Ellis, Philip White, Peter Lloyd-Sherlock, Vasudha Chhotray and Janet Seeley. 2008. "Social Protection Research Scoping Study." East Anglia: Governance and Social Development Resource Centre; Naila Kabeer. 2009. "Scoping Study on Social Protection: Evidence on Impacts and Future Research Directions." London: UK Department for International Development.
- 69 Interviews with senior World Bank staff, June 2010 and May 2011.
- 70 Robert Holzmann, Lynne Sherburne-Benz and Emil Tesliuc. 2003. "Social Risk Management: The World Bank's Approach to Social Protection in a Globalizing World." Washington, DC: World Bank, 1.
- 71 Interviews with senior World Bank staff, June 2010, May 2011 and February 2012.
- 72 Phone interview with Robert Holzmann, former Director of Social Protection, 15 June 2010.
- 73 Phone interview with former senior World Bank staff member, February 2012.
- 74 Phone interview with Robert Holzmann, former Director of Social Protection, 15 June 2010.
- 75 The PREM and Research Departments tended to support one another in their scepticism about the social risk framework, in opposition to the Social Protection unit. Interviews with senior World Bank staff members, June 2010 and May 2011.
- 76 In fact, some of the most energetic contestation revolved around the 2000–1 WDR itself. I have discussed these debates and their connection to the social risk framework in: Best. "Redefining Poverty." I do not have the space to repeat them in detail here.
- 77 World Bank. 2001. *World Development Report 2000/01: Attacking Poverty*. Washington, DC, Ch. 4. This section was moved to the beginning in later drafts of the report after pressure from conservative economists within the Bank as well as from the US Treasury. Wade. "Showdown."
- 78 World Bank. Social Protection Strategy.
- 79 World Bank. *WDR: Attacking Poverty*, 19.
- 80 *Ibid.*, 136–41.
- 81 World Bank. Social Protection Strategy, 12, 23.
- 82 World Bank. *WDR: Poverty*, 34–5.
- 83 World Bank. *WDR: Attacking Poverty*, 148–50.
- 84 World Bank. Social Protection and Labor, 45–6.
- 85 *Ibid.*, 46.
- 86 Ariel Fiszbein and Norman Schady. 2009. "Conditional Cash Transfers: Reducing Present and Future Poverty." Washington, DC: World Bank; World Bank. 2011. "Building Resilience and Opportunity: Better Livelihoods for the 21st Century: Emerging Ideas for the World Bank's 2012–2022 Social Protection and Labor Strategy." Washington, DC: Social Protection and Labor Unit.
- 87 World Bank. *WDR: Attacking Poverty*, 139.

- 88 A special issue of the *Journal of Development Studies* on “Economic Mobility and Poverty Dynamics in Developing Countries” that was particularly influential in shaping the thinking of those at the World Bank working on social risk and vulnerability outlines the main reasons for this shift in measuring poverty: Bob Baulch and John Hoddinott. 2000. “Economic Mobility and Poverty Dynamics in Developing Countries.” *Journal of Development Studies* 36 (6): 1–24; Holzmann *et al.* “Social Risk Management.”
- 89 Holzmann *et al.* “Social Risk Management,” 4. In the increased focus on objectives, we can also see the intersection of risk analysis and results-based management, the governance strategy that I will be discussing in the next chapter.
- 90 World Bank. Social Protection and Labor, Ch. 2.
- 91 There are clear parallels here with the kind of processes of active economic citizenship described by Nikolas Rose and Ruth Lister: Rose. 1996. “The Death of the Social? Re-figuring the Territory of Government.” *Economy and Society* 25 (3): 327–56; Lister. 2001. “Towards a Citizens’ Welfare State: The 3 + 2 ‘R’s of Welfare Reform.” *Theory, Culture and Society* 18 (2–3): 91–111.
- 92 Andrew Shepherd. 2004. “General Review of Current Social Protection Policies and Programmes.” London: UK Department for International Development.
- 93 World Bank. *WDR: Attacking Poverty*, 142.
- 94 Holzmann *et al.* “Social Risk Management,” 9.
- 95 Together with Alexandra Gheciu, I have provided a more extensive discussion of this transformation of public and private through the logic of practice in: Best and Gheciu, eds. Forthcoming, 2014. *The Return of the Public in Global Governance*. Cambridge University Press.
- 96 Holzmann *et al.* “Social Risk Management,” 9.
- 97 World Bank. *WDR: Attacking Poverty*, 86.
- 98 On the “demand side” of good governance, see Chapter 6.
- 99 Dean. *Governmentality*.
- 100 Interviews with senior World Bank staff, 10 and 15 June 2010 and 17 May 2011.
- 101 World Bank. Social Protection and Labor, 138.
- 102 World Bank. 2011. “Building Resilience and Opportunity: The World Bank’s Social Protection and Labor Strategy 2012–2022 – Concept Note.” Washington, DC: Social Protection and Labor Unit.
- 103 Best. “Ambiguity, Uncertainty.”
- 104 This is of course a particular financial conception of risk and reward, in which greater risks can be accurately measured, priced and rewarded with greater returns. This kind of conception of risk was at the heart of the recent financial crisis. See also: Best. “Limits of Financial Risk Management.”
- 105 Shepherd. “General Review.”
- 106 Naila Kabeer, Khawar Mumtaz and Asad Sayeed. 2010. “Beyond Risk Management: Vulnerability, Social Protection and Citizenship in Pakistan.” *Journal of International Development* 22 (1): 1–19.

- 107 John Farrington. 2005. "Social Protection and Livelihood Promotion in Agriculture: Towards Operational Guidelines." Paris: Organization for Economic Co-operation and Development Povnet; Kabeer *et al.* "Beyond Risk."
- 108 For some other interesting discussions of the new ways in which institutions have recently sought to conceptualize and prepare for the unknown see: Melinda Cooper. 2011. "Complexity Theory after the Financial Crisis." *Journal of Cultural Economy* 4 (4): 371–85; Brian Massumi. 2007. "Potential Politics and the Primacy of Preemption." *Theory and Event* 10 (2); Jeremy Walker and Melinda Cooper. 2011. "Genealogies of Resilience: From Systems Ecology to the Political Economy of Crisis Adaptation." *Security Dialogue* 42 (2): 143–60.
- 109 The concept of *aporia* refers to a puzzle – often in the form of a moment in which a text or speech undermines itself.
- 110 IMF. "Managing Volatility," 3. Emphasis added.
- 111 World Bank. Social Protection Strategy.
- 112 IMF. "Managing Volatility," 6. Emphasis added.
- 113 Niklas Luhmann. 1998. "The Ecology of Ignorance." In *Observations on Modernity*, Stanford University Press, 75–111.

## 8 MEASURING RESULTS

- 1 The notable exception is the IMF, where staff and management have so far largely resisted efforts to get them to adopt a more results-oriented approach, as I will discuss briefly at the end of this chapter and in more depth in the Conclusion to this volume.
- 2 Michael Power discusses a similar process of making evidence auditable in: Power. 1996. "Making Things Auditable." *Accounting, Organizations and Society* 21 (2/3): 289–315.
- 3 For a variety of accounts of this political economic shift, see: David Harvey. 1990. *The Condition of Postmodernity: An Enquiry into the Origins of Cultural Change*. Cambridge, MA: Blackwell; Eric Helleiner. 1994. *States and the Reemergence of Global Finance: From Bretton Woods to the 1990s*. Ithaca: Cornell University Press; Mark Blyth. 2002. *Great Transformations: The Rise and Decline of Embedded Liberalism*. Cambridge University Press; Jacqueline Best. 2005. *The Limits of Transparency: Ambiguity and the History of International Finance*. Ithaca: Cornell University Press.
- 4 David Osborne and Ted Gaebler. 1992. *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*. Reading, MA: Addison-Wesley.
- 5 It is worth noting that the firms that were being mimicked were not the more traditional bureaucratic companies of the pre- and post-war order. Instead, this conception of the firm was based on more recent business thinking coming out of newly developed MBAs and consultant firms (what Nigel Thrift has called the cultural circuit of capital) who argued for more flexible and performance-based company structures. See: Nigel Thrift. 1997. "The Rise of Soft Capitalism." *Cultural Values* 1 (1): 29–57.

- 6 See Chapter 6 in particular for a more thorough discussion of public-choice theory.
- 7 Owen E. Hughes. 2003. *Public Management and Administration: An Introduction*. Basingstoke: Palgrave Macmillan, Ch. 1.
- 8 For discussion of the rise of new public management thinking in Thatcher's Britain, see: Christopher Hood. 1991. "A Public Management for All Seasons?" *Public Administration* 69 (1): 3–19; R. A. W. Rhodes. 1991. "Introduction." *Public Administration* 69 (1): 1–2.
- 9 Allen Schick. 1998. "Why Most Developing Countries Should Not Try New Zealand's Reforms." *The World Bank Research Observer* 13 (1): 123; Beryl Radin. 2007. "Performance Measurement and Global Governance: The Experience of the World Bank." *Global Governance* 13 (1): 25–33.
- 10 Interestingly, Schick himself argued against the applicability of the New Zealand model to developing economies. Schick. "Most Developing Countries," 124.
- 11 Al Gore. 1993. *The Gore Report on Reinventing Government: Creating a Government that Works Better and Costs Less*. New York: Times Books. For an overview of the evolution of new public management thinking, see: Hughes. *Public Management*.
- 12 OECD. 1990. "Financing Public Expenditures through User Charges." Paris: Organization for Economic Co-operation and Development.
- 13 Practical Concepts Inc. 1971. "The Logical Framework." Washington, DC: United States Agency for International Development.
- 14 Andrew Natsios. 2010. "The Clash of the Counter-Bureaucracy and Development." Washington, DC: Center for Global Development, 16–17.
- 15 USAID. 1994. "Focus on Performance Measurement." *USAID Evaluation News* 6 (1).
- 16 Project Analysis and Monitoring Company. 1980. "The Logical Framework." Prepared for the United States Agency for International Development, Document #PN-AAR-443. Washington, DC. Available from [http://pdf.usaid.gov/pdf\\_docs/PNAAR443.pdf](http://pdf.usaid.gov/pdf_docs/PNAAR443.pdf).
- 17 Natsios. "Counter-Bureaucracy," 21–2.
- 18 IEG. 2008. "Public Sector Reform: What Works and Why?" Washington, DC: Independent Evaluation Group, World Bank, 13.
- 19 Radin. "Performance Measurement": 30–2.
- 20 Robert Chambers. 1994. "The Origins and Practice of Participatory Rural Appraisal." *World Development* 22 (7): 953–69; Robert Chambers. 1997. *Whose Reality Counts? Putting the First Last*. London: ITDG Publishing.
- 21 Chambers. "Origins and Practice": 956.
- 22 Ibid.: Table 2.
- 23 For an interesting perspective on these tensions, see: Radin. "Performance Measurement."
- 24 CIDA. 1994. "A Hitch-Hiker's Guide to Managing for Results." Gatineau: Canadian International Development Agency; CIDA. 1995. "Draft CIDA Policy for Results-Based Management (RBM)." Gatineau: Canadian International Development Agency.
- 25 Peter Morgan and Ann Qualman. 1996. "Institutional and Capacity Development: Results-based Management and Organizational Performance." Gatineau: Canadian International Development Agency.

- 26 For a discussion of results chains and logical frameworks, see: Jody Z. Kusek and Jay C. Rist. 2004. “Ten Steps to a Results Based Monitoring and Evaluation System.” Washington, DC: World Bank; Howard White. 2009. “The Road to Nowhere? Results Based Management in International Cooperation. Available from [www.euforic.org/detail\\_page.phptml?lang=en&page=resource\\_briefing\\_evaluat\\_edit3](http://www.euforic.org/detail_page.phptml?lang=en&page=resource_briefing_evaluat_edit3).
- 27 Chambers. “Origins and Practice”: 956.
- 28 CIDA. 2008. “Results-based Management – 2008 Policy Statement: Amended Terms and Definitions.” Gatineau: Canadian International Development Agency. Available from [www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/ANN-102094249-J4B](http://www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/ANN-102094249-J4B).
- 29 Kusek and Rist. “Ten Steps,” 5.
- 30 UN. 2002. *Report of the International Conference on Financing for Development. Monterrey*. Mexico: United Nations, 2. For a later articulation of the US interpretation of the importance of country responsibility and reform in the Monterrey Consensus, see: Andrew Natsios. 2005. “Five Debates on International Development – The US Perspective.” Remarks by the USAID Administrator before the House of Lords: London, 12 October.
- 31 Although “managing for results” is ostensibly only one of the five commitments made under the declaration (along with ownership, harmonization, alignment and mutual accountability), the definition, measurement and evaluation of program and country performance dominates the entire document’s discussion of the way forward.
- 32 Patrick G. Grasso. 2009. “History of Evaluation at the World Bank Group.” American Evaluation Association, World Bank: Orlando, November. On the link between declining success rates and the reform of the OED towards results, see also: Jean-François Baré. 1998. “Of Loans and Results: Elements for a Chronicle of Evaluation at the World Bank.” *Human Organization* 57 (3): 322–23. I discuss the decline in success rates further in Chapter 4.
- 33 Robert Picciotto. 2002. “The Logic of Renewal: Evaluation at the World Bank (1992–2002).” OED: The First 30 Years Conference. World Bank: Washington, DC, 23 September.
- 34 Grasso. “History of Evaluation,” 11. I will discuss the push for “value for money” in the Conclusion to this book.
- 35 Interview with IMF Executive Board member, 16 June 2010. Interview with senior World Bank staff member, 15 June 2010.
- 36 Natsios. “Counter-Bureaucracy,” 26.
- 37 The health sector has the longest history of results-based policy development, and tends to be the easiest to manage along these lines (although there is considerable evidence that certain kinds of results-orientation in the form of waitlist limits, for example, can have perverse effects). As Natsios notes, health has become the dominant sector for many bilateral donors, in part because its outcomes are most easily measured. *Ibid.*, 9.
- 38 Interviews with senior World Bank staff members, 15 June 2010.
- 39 British National Archives. 2002. Web archives. Briefing note. UK Objectives at the Annual Meetings of the International Monetary Fund (IMF) and

- World Bank. Available from [http://webarchive.nationalarchives.gov.uk/+http://www.dfid.gov.uk/News/Consultations/files/briefing\\_imf\\_wb.htm](http://webarchive.nationalarchives.gov.uk/+http://www.dfid.gov.uk/News/Consultations/files/briefing_imf_wb.htm).
- 40 Development Committee. 2003. "Statements Submitted to the Sixty-seventh Meeting of the Development Committee." Washington, DC: IMF and World Bank Development Committee, 95.
  - 41 Baré. "Of Loans and Results." Interview with Ariel Fiszbein, advisor to the Bank's Chief Economist and Senior Vice President for Development Economics, Washington, DC, 15 June 2010.
  - 42 Lucy Hayes. 2005. "Open on Impact? Slow Progress in World Bank and IMF Poverty Analysis." Eurodad, Christian Aid, Save the Children Fund UK and Trócaire, 5.
  - 43 Nora Honkaniemi. 2010. Eurodad Response: Draft Report of the 16th Replenishment of the World Bank International Development Association. Eurodad. Available from [www.eurodad.org/4334](http://www.eurodad.org/4334).
  - 44 Nancy Birdsall and William D. Savedoff. 2010. "Cash on Delivery: A New Approach to Foreign Aid." Washington, DC: Center for Global Development.
  - 45 Interview with former World Bank staff member, May 2011.
  - 46 DFID. 2007. "Results Action Plan." London: UK Department for International Development. Also interviews with UK Government officials, September 2006 and February 2010.
  - 47 Interview with Ruth Driscoll, Research Fellow, Overseas Development Institute and former aide to Development Minister, Clare Short, London, 11 September 2006.
  - 48 CIDA. 2008. "2008 Results-based Management Policy Statement." Gatineau: Canadian International Development Agency. As the new Performance Measurement Framework table that CIDA officers must fill out makes clear, all development practices must be linked explicitly to the outcomes specified in the logic model, with indicators, baseline data and targets all clearly specified. CIDA. 2009. "Performance Measurement Framework." Gatineau: Canadian International Development Agency.
  - 49 Réal Lavergne. 2002. "Results-based Management and Accountability for Enhanced Aid Effectiveness: A Reference Paper for CIDA Officers Engaged in Capacity Development and Program-based Approaches such as SWAPs." Gatineau: Canadian International Development Agency.
  - 50 I had informal conversations with members of CIDA staff who raised concerns about the direction of the current results-based management framework, but there is little evidence of any public debate on the issue.
  - 51 Lavergne. "Results-Based Management," 15.
  - 52 Interview with UK official, London, 15 February 2010.
  - 53 Interview with David Booth, Overseas Development Institute, London, 9 February 2010.
  - 54 DFID. "Results Action Plan," 1.
  - 55 Interview with Booth.
  - 56 DFID. "Results Action Plan," 10.
  - 57 See Chapter 5 for a more comprehensive discussion of the PRSP.
  - 58 World Bank. 2005. "Result Focus in Country Assistance Strategies: A Stock-taking of Results-based CASs." Washington, DC, 23; World Bank and IMF.

2005. “Synthesis 2005 Review of the PRSP Approach: Balancing Accountabilities and Scaling Up Results.” Washington, DC: World Bank and International Monetary Fund, 17–19. Similar concerns were articulated in interviews with senior IMF staff members, 6 October 2008 and 14 June 2010, and former senior World Bank staff members, 9 May 2007.
- 59 World Bank. 2003. “Allocating IDA Funds Based on Performance: Fourth Annual Report on IDA’s Country Assessment and Allocation Process.” Washington, DC: International Development Association.
- 60 The CPIA, in turn, is based on measuring performance in a range of areas, with over 60 per cent derived from governance indicators. IEG. 2009. “The World Bank’s Country Policy and Institutional Assessment: An Evaluation.” Washington, DC: Independent Evaluation Group, World Bank.
- 61 World Bank. 2011. “A New Instrument to Advance Development Effectiveness: Program-for-results Lending. Revised Concept Note.” Washington, DC, 15.
- 62 *Ibid.*, 8, 11, 25.
- 63 Simon Maxwell. 2003. “Heaven or Hubris: Reflections on the New ‘New Poverty Agenda’.” *Development Policy Review* 21 (1): 5–25; Rosalind Eyben. 2005. “Donors’ Learning Difficulties: Results, Relationships and Responsibilities.” *IDS Bulletin* 36 (3): 98–107.
- 64 Ilan Kapoor. 2004. “Donor Participatory Governance Evaluation: Initial Trends, Implications, Opportunities, Constraints.” *Journal of International Development* 16 (2): 157–70.
- 65 Most of the other recent policies that I have discussed in this chapter from the World Bank’s RBCAS and P4R to the new results-oriented CIDA and DFID strategies involve some reference to a participatory process.
- 66 Interview with senior World Bank staff member, 15 June 2010.
- 67 Ian Hacking. 2002. “Making up People.” In *Historical Ontology*, Cambridge MA: Harvard University Press, 99–114.
- 68 For example, Mali’s base scenario for 2008–11 is \$390 million, which drops to \$237 million under a low scenario if it fails to meet CPIA targets. This kind of difference between low and base case scenarios also applies for countries receiving regular World Bank as well as concessional IDA loans – such as Ecuador’s country assistance strategy (CAS), in which the low scenario involves half the funding of the base scenario. World Bank. 2007. “Country Assistance Strategy for the Republic of Mali for the Period FY08-FY11.” Washington, DC, 12 December; World Bank. 2003. “25817 EC. Report and Recommendation of the President of the International Bank for Reconstruction and Development and the International Finance Corporation to the Executive Directors on a Country Assistance Strategy for Ecuador.” Washington, DC, 29 April.
- 69 Peter Miller and Nikolas Rose. 1990. “Governing Economic Life.” *Economy and Society* 19 (1): 1–31; Mitchell Dean. 1999. *Governmentality: Power and Rule in Modern Society*. Thousand Oaks, CA: Sage.
- 70 I will discuss further the problems posed by this thin conception of accountability in the Conclusion.
- 71 Examples include past and present figures within the OECD, USAID, the World Bank and the IMF. Natsios. “Counter-Bureaucracy.” Interviews with senior World Bank, IMF and OECD staff members, June 2010 and May 2011.



- 72 Interviews with a former senior World Bank staff member and an OECD staff member, May 2011. For an excellent discussion of the pressures to game results indicators in developing countries, Isaline Bergamaschi provides a detailed study of the case of Mali: Isaline Bergamaschi. 2011. *Le consensus post-Washington au Mali: Trajectoires, usages et processus d'appropriation*, PhD thesis, École Doctorale de Sciences Po, Institut d'Études Politiques de Paris.
- 73 Stephen Brown and John Sinclair. 2011. "Transparency and Canadian Foreign Aid." *Huffington Post*, 1 August; CIDA. 2011. "Key Government of Canada Commitments for the Allocation of the Aid Budget." Gatineau: Canadian International Development Agency.

#### 9 THE POLITICS OF FAILURE AND THE FUTURE OF PROVISIONAL GOVERNANCE

- 1 See Chapter 4 for a full elaboration of Wolin's interpretation of the politics of Weber's methodology.
- 2 In other words, a "hot negotiation" in Michel Callon's terms.
- 3 James Ferguson. 1990. *The Anti-Politics Machine: "Development," Depoliticization, and Bureaucratic Power in Lesotho*. Cambridge University Press, 251–4.
- 4 Core areas include taxation, trade, exchange rate, monetary policy, public expenditure management and financial sector reform. IEO. 2007. "Structural Conditionality in IMF-Supported Programs." Washington, DC: Independent Evaluation Office, International Monetary Fund, 8.
- 5 *Ibid.*, 4, 29.
- 6 Nadia Molenaers and Robrecht Renard. 2003. "The World Bank, Participation and PRSP: The Bolivian Case Revisited." *The European Journal of Development Research* 15 (2): 140. On the Bolivian case, see also: David Booth and Laure-Helene Piron. 2004. "Politics and the PRSP Approach: Bolivia Case Study." London: Overseas Development Institute; Geske Dijkstra. 2005. "The PRSP Approach and the Illusion of Improved Aid Effectiveness: Lessons from Bolivia, Honduras and Nicaragua." *Development Policy Review* 23 (4): 443–64; Göran Holmqvist and Karin Metell Cueva. 2006. "If the PRS Experience in Latin America is a Disappointment, What is the Alternative?" *Development Policy Review* 24 (4): 477–80; Heloise Weber. 2006. "A Political Analysis of the PRSP Initiative: Social Struggles and the Organization of Persistent Relations of Inequality." *Globalizations* 3 (2): 187–206; Heloise Weber. 2004. "Reconstituting the 'Third World'? Poverty Reduction and Territoriality in the Global Politics of Development." *Third World Quarterly* 25 (1): 187–206.
- 7 Laure-Hélène Piron and Andy Norton. 2004. "Politics and the PRSP Approach: Uganda Case Study." London: Overseas Development Institute.
- 8 IEO. 2004. "Evaluation of the IMF's Role in Poverty Reduction Strategy Papers and the Poverty Reduction and Growth Facility." Washington, DC: Independent Evaluation Office, International Monetary Fund; IMF. 2005. Poverty Reduction Strategy Papers (PRSPs). International Monetary Fund. Available from [www.imf.org/external/np/exr/facts/prsp.htm](http://www.imf.org/external/np/exr/facts/prsp.htm).

- 9 Interview with former senior World Bank staff member, Washington, DC, 9 May 2007.
- 10 Interviews with former senior World Bank staff member, Washington, DC, 9 May 2007, and with senior IMF staff member, Washington, DC, 14 June 2010.
- 11 After the initial experience with early PRSPs, IFIs introduced the Medium-term Expenditure Framework in an attempt to link PRSP priorities with specific spending decisions, again with mixed success. For an overview see: Malcolm Holmes and Alison Evans. 2003. "A Review of Experience in Implementing Medium Term Expenditure Frameworks in a PRSP Context: A Synthesis of Eight Country Studies." London: Overseas Development Institute. *Minding the Gaps* was a World Bank assessment of the domestic challenges of operationalizing PRSPs: World Bank. "Linking the PRS with National Budgets. A Guidance Note." Washington, DC, 2008.
- 12 Interviews with two senior IMF staff members, Washington, DC, August 2005.
- 13 Pedro Malan. 2007. "Report of the External Review Committee on Bank–Fund Collaboration." Washington, DC: International Monetary Fund and World Bank. Also, interview with Executive Board member, Washington, DC, 8 May 2007.
- 14 IMF Archives. 1997. SUR/97/116. Summing-up by the Acting Chairman: Transparency in Government Operations and Fiscal Policy Rules, Executive Board Meeting 97/102, 15 October.
- 15 World Bank. 2000. *Reforming Public Institutions and Strengthening Governance: A World Bank Strategy*. Washington, DC, xii, xv; World Bank. 2002. *Reforming Public Institutions and Strengthening Governance: A World Bank Strategy. Implementation Update*. Washington, DC: World Bank, 17–23.
- 16 Arguably the Bank already quantifies governance performance through its use of the CPIA, as discussed in Chapter 6.
- 17 John B. Taylor. 2002. "International Financial Crises: What Is the Role For Government? Increasing Economic Growth and Stability in Emerging Markets." 20th Annual Monetary Conference, Cato Institute: New York, 17 October; Taylor. 2002. "Improving the Bretton Woods Financial Institutions." Annual Midwinter Strategic Issues Conference, Bankers Association for Finance and Trade: Washington, DC, 7 February.
- 18 Gordon Brown. 2001. "Globalisation." Press Club: Washington, DC, 17 December; Gordon Brown. "Out of the Ashes." *The Washington Post*, 17 October 2008.
- 19 Martha Lampland and Susan Leigh Star, eds. 2008. *Standards and their Stories: How Quantifying, Classifying, and Formalizing Practices Shape Everyday Life*. Ithaca: Cornell University Press, 13.
- 20 IMF and World Bank. 2005. "The Standards and Codes Initiative – Is It Effective? And How Can It Be Improved?" Washington, DC: International Monetary Fund and World Bank, 24. See also: Layna Mosley. 2003. "Attempting Global Standards: National Governments, International Finance and the IMF's Data Regime." *Review of International Political Economy* 10 (2): 331–62.

- 21 IMF and World Bank. 2005. “Standards and Codes Initiative”; IMF and World Bank. “The Standards and Codes Initiative – Is it Effective? And How Can it Be Improved? Background Paper.” Washington, DC: International Monetary Fund and World Bank. I have discussed this dilemma further in: Jacqueline Best. 2012. “The Limits of Financial Risk Management: Or, What We Didn’t Learn from the Asian Crisis.” *New Political Economy* 15 (1): 29–49.
- 22 IMF and World Bank. “Standards and Codes Initiative,” 27.
- 23 The acronyms stand for: country policy and institutional assessment, public expenditure and financial accountability, debt sustainability analysis and risk and vulnerability assessment.
- 24 Interview with former senior World Bank staff member, February 2012.
- 25 World Bank. 2009. *Social Protection and Labor at the World Bank, 2000–2008*. Washington, DC, 18; Valerie Kozel, Pierre Fallavier and Reena Badiani. 2008. “Risk and Vulnerability Analysis in World Bank Analytic Work – FY2000–FY2007.” *SP Discussion Paper* (No. 0812): 27.
- 26 Kozel *et al.* “Risk and Vulnerability Analysis,” 21.
- 27 Discussion at a World Bank consultation session on the concept note for the Social Protection and Labor Strategy, Ottawa, 1 June 2011.
- 28 IMF. 2009. “Changing Patterns in Low-income Country Financing and Implications for Fund Policies on External Financing and Debt.” Washington, DC: International Monetary Fund, 21.
- 29 Charles Wyplosz. 2007. “Debt Sustainability Assessment: The IMF Approach and Alternatives.” *HEI Working Paper* (No. 03/2007).
- 30 Interviews with World Bank staff, June 2010 and May 2011.
- 31 World Bank. 2011. “Building Resilience and Opportunity: The World Bank’s Social Protection and Labor Strategy 2012–2022 – Concept Note.” Washington, DC: Social Protection and Labor Unit, 7.
- 32 Ariel Fiszbein and Norman Schady. 2009. “Conditional Cash Transfers: Reducing Present and Future Poverty.” Washington, DC: World Bank, 20–2.
- 33 Interview with senior IMF staff member, Washington, DC, 14 June 2010.
- 34 Interviews with senior IMF staff members, 11 and 14 June 2010.
- 35 Interview with senior IMF staff member, Washington, DC, 14 June 2010.
- 36 IMF Archives. 2001. SM/01/60 Sup. 1. Conditionality in Fund Supported Programs – Policy Issues. 20 February; IMF Archives. 2001. SM/01/60. Conditionality in Fund Supported Programs – Overview. 20 February.
- 37 Phone interview with senior IMF staff member, 11 June 2010.
- 38 Andrew Natsios. 2010. “The Clash of the Counter-bureaucracy and Development.” Washington, DC: Center for Global Development.
- 39 Interview with senior World Bank staff member, 17 June, 2010.
- 40 Interview with former World Bank staff member, May 2011.
- 41 Interviews with OECD staff members, May 2011.
- 42 Interviews with donor and World Bank staff members, Washington, DC, June 2010.
- 43 The term “appropriate” is a translation from the French, appropriation, which Bergamaschi uses to describe the various strategies through which borrowing governments adapt donor and IFI policies to their own needs.

- Isaline Bergamaschi. 2011. *Le consensus post-Washington au Mali: Trajectoires, usages et processus d'appropriation*, PhD thesis, École Doctorale de Sciences Po, Institut d'Études Politiques de Paris.
- 44 Ibid., 322, 323. For a discussion of some similar findings in Burkina Faso, see: Patrick Guillaumont and Jeanneney Sylviane Guillaumont. 2004. "Une expérience européenne: la conditionnalité de performance au Burkina Faso." *Afrique Contemporaine* 1 (209): 197–227.
- 45 Ferguson. *Anti-Politics Machine*; Timothy Mitchell. 2007. "The Properties of Markets." In *Do Economists Make Markets? On the Performativity of Economics*, edited by Donald MacKenzie, Fabian Muniesa and Lucia Siu. Princeton University Press, 244–75.
- 46 Shoshana Magnet. 2011. *When Biometrics Fail: Gender, Race and the Technology of Identity*. Durham: Duke University Press, 13.
- 47 This second kind of constructive failure bears significant resemblances to the kinds of institutional hypocrisies that Catherine Weaver examines in her book. Weaver. 2008. *Hypocrisy Trap: The World Bank and the Poverty of Reform*. Princeton University Press.
- 48 OECD. 2005. *Paris Declaration on Aid Effectiveness*. Paris: Organization for Co-operation and Development. The Accra Agenda sought to broaden the conception of ownership somewhat, with some limited effectiveness. Interviews with OECD staff members, Paris, 2 and 4 May 2011.
- 49 For an excellent overview of such criticisms, see: Bergamaschi. *Consensus post-Washington*.
- 50 World Bank. "Concept Note," 7.
- 51 Weaver. *Hypocrisy Trap*.
- 52 Bruno Latour. 1993. *The Pasteurization of France*. Cambridge, MA: Harvard University Press.
- 53 A number of readers of earlier versions of this manuscript helped me to recognize this open-ended dimension of provisional governance and its implications for how we conceptualize expertise. These helpful readers include Michael Orsini, Paul Langley and Tony Porter.
- 54 There has been considerable interest in the possibility of a more "trial and error" approach to policy in a number of fields. In the context of the IMF, Phillip Abbott *et al.* argue for the value of a "policy trailing" approach that incorporates more "flexibility and adaptability" into policymaking. More broadly, there is an emerging literature in the fields of regulation and social theory on the possibility of more experimental forms of knowledge and governance. Philip Abbott *et al.* 2010. "IMF and Economic Reform in Developing Countries." *Quarterly Review of Economics and Finance* 50 (1): 17–26; Charles Sabel and Jonathan Zeitlin. 2012. "Experimentalism in the EU: Common Ground and Persistent Differences." *Regulation and Governance* 6 (3): 410–26; Paul Rabinow. 2003. *Anthropos Today: Reflections on Modern Equipment*. Princeton University Press.
- 55 This spirit of experimentation is particularly evident in the discussion of the Cambodian DFGG project, which has since been modified based on lessons learned about which "components" worked best: World Bank. 2007. "The Cambodian Demand for Good Governance (DFGG) Project – An Updated

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