

American Politics, the Presidency of the World Bank, and Development Policy

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Abstract

The World Bank's president has been an American by tradition. Yet little work has explored the consequences for this connection in influencing visions of development in the organization across time. This paper uses evidence from archives, congressional hearing records, and memoirs and histories of World Bank presidents to investigate United States-World Bank relations and development policy during four presidencies—Eugene Meyer, Eugene Black, Robert McNamara, and James Wolfensohn. The author argues that at times the

political arrangements had the effect of pushing the Bank toward greater institutional independence from the United States, particularly when partisanship in American politics rose and new United States presidential administrations came into office with the World Bank president's term holding over from before. At other times, United States-World Bank connections pulled the Bank into foreign policy issues in the United States that the Bank might not otherwise have addressed when advocates pressed their case on Capitol Hill.

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American Politics, the Presidency of the World Bank, and Development Policy

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Several recent studies in a variety of social science disciplines have pointed to the connection between domestic American politics and the World Bank, a connection which seems to be particularly strong given the relationships among leadership of the Bank and the American political class.¹ At the Savannah meeting establishing the Bretton Woods institutions, European delegations were uncomfortable with the decision to locate the headquarters of the new International Monetary Fund and International Bank for Reconstruction and Development in Washington, DC. The head of the latter, which evolved into the World Bank Group, has been an American by tradition.

The gentleman's agreement that allows this tradition to survive has posed problems for the Bank for a number of reasons. First of all, member-states have raised the criticism that it prevents an open, public debate among potential candidates for the presidency of the Bank, thus preventing the Bank's stakeholders from determining whom they might endorse. Similarly, the process impedes a fair airing of the relevant qualifications a candidate brings to the position and ensures that the Bank's president will not come from a developing country. Some would simply end the practice insofar as it appears to give the US an inordinate hold on the organization. Others would do so, based on the argument that there is nothing more fundamental to a constitutional system than the techniques an organization adopts and employs for the selection of its decision makers, particularly executive officials. The IMF/World Bank deal strikes at the heart of how international decisions are made, the public values of international organization, and the private control of particular institutions.² Each strain of these arguments was alive and well during the most recent selection of Dr. Jim Yong Kim in 2012 by President Barack Obama.

This paper explores the link between domestic American politics and the World Bank by considering how the US's selection of the World Bank's president has shaped development policy across the history of the World Bank. I find that American politics, filtered through the representation of the US at both the head of the organization and on the executive board, have resulted in outcomes that both pulled development policy closer to US national interests at some times, and pushed the Bank into a more independent role at other times.³ The outcomes veer towards institutional autonomy when the president of the Bank was appointed by one presidential administration and his term carried over to the next US presidential administration with a different political party. The variation occurs because when a new administration comes to Washington, it must be organized and find its way through the maze of agencies and

international organizations that need to be staffed. This creates institutional “space” and opportunities for the World Bank president to assert a more independent role vis a vis the American government. In short, World Bank presidents do not seek the same goals as American presidential administrations once they move outside of the domestic sphere and into the international one, and particularly after the distinct appointment tie is broken.

The insight that emerges from a comparison of these four cases with respect to the independence of the Bank from its largest shareholder, and with respect to domestic politics in the US, is that the American presidents have no doubt influenced the trajectory of the organization and thus global notions of development. Nonetheless, the circumstances accompanying weighted voting and thus the Bank's US executive director (ED) controlling the largest bloc of votes under American management have resulted in outcomes that are not easily categorized outside of their historical context.

To explore the meaning of the US-World Bank relationship as it relates to the selection of the president, this paper evaluates the influence of US politics through the prism of the selection and networks of four World Bank presidents on the thinking and practice of development policy in the World Bank during their tenure: Eugene Meyer, Eugene Black, Robert McNamara, and James Wolfensohn. The use of the historical narrative provides a good method to investigate this topic, and archival materials in particular, because they allow the researcher to examine different points of view from different documentary sources. These four cases are significant because the early clash between the Bank's first president, Eugene Meyer, and first US Executive Director (ED), Emilio Collado, combined with the desire of the US foreign policy establishment to tap New York capital markets to result in a weaker board than the Bank's Articles of Agreement might suggest. Nonetheless, the Bank's transformation from a bank to a development agency can be associated with the desire of two of these presidents, Robert McNamara and James Wolfensohn, to seek a high degree of independence from the US government. These later presidents reinforced this institutional autonomy by creating and strengthening the Bank's internal research capabilities. The paper's approach is limited, however, in what light it sheds on views of development policy in other parts of the world during these years. However, many such explorations have been conducted elsewhere.⁴

To demonstrate this feature of the US-World Bank relationship, the paper begins with an introductory section on the connection between the selection of the World Bank's president and

the evolution of development policy. Next, the second section contains four case studies, each of which asks what view of development policy within the World Bank emerged during the Bank president's historical period, and how was it informed by actors in the US presidential administration and major figures in Congress active on World Bank policy. The primary evidence to be evaluated will be the oral histories each man conducted with the World Bank archives and their archival correspondence files available. I supplement this information with further primary and several excellent histories of the men, their work and contributions to the institution and development policy. The third section explores the notion that the two presidents with the most extensive political networks prior to their appointment made use of these connections to introduce greater institutional independence to the Bank as a development agency. Thus, partisan politics in the US do not necessarily tie the Bank more closely to the hegemonic power within it through the process of presidential selection by the US. The paper concludes with considerations of how current arrangements differ from those in the past and keep the topic salient as the international economic context remains in a constant state of transition.

THE EVOLUTION OF DEVELOPMENT POLICY AND THE SELECTION OF THE WORLD BANK PRESIDENT

The US selects the president of the World Bank according to an informal arrangement made in 1946. European countries choose the managing director of the International Monetary Fund (IMF). The informal method of selecting these leaders has been challenged over the history of both organizations by many stakeholders, but in recent years it has come to represent how the international system operates at its most essential level, that is, how resources are allocated, and how international law will be interpreted. In this regard, the US and industrialized countries exert disproportionate influence overall.⁵ For this reason and others related to weighted voting mechanisms within them, the IMF and World Bank have been perceived as operating within the framework of a US postwar hegemonic, liberal regime, underpinned with norms advocating market-oriented modes of allocation as a particular approach to development. Conversely, the United Nations (UN) and its agencies, particularly the United Nations Conference on Trade and Development (UNCTAD), with leadership selection biased towards

individuals from the developing world, have been viewed as advancing more authoritative modes of allocation, or those where political authorities apportion resources directly.⁶ Therefore, the close ties between the US presidential administration and the presidency of the World Bank have appeared to orient the trajectory of thinking about development policy towards a certain group of states since the Bretton Woods institutions were established. Other ideas about development policy have gained currency at different times, but became embodied in different institutions, or none at all. For example, a number of scholars in developing countries have advanced a radical critique of the discourse on 'development' and called for an interest in local knowledge and culture as the basis for redefining representations.⁷

Nonetheless, the close relationship does not mean that American politics are the exclusive drivers of thinking about development within the World Bank for several reasons. First of all, studies of the American presidency point to the institutional weakness of the person who holds the office. He is generally depicted as one individual among many in a set of institutions who holds little direct power.⁸ Among the most prominent scholars of the topic, Richard Neustadt characterizes power as "personal influence of an effective sort on governmental action."⁹ He views the presidency as a weak role because there is a large gap between what is expected of the individual and their assured capacity to carry through on it. As expectations rise during a president's term, support from any constituency falls, and foreign alliances weaken. Neustadt echoes Harry Truman in arguing that within the American system of shared powers, presidential power is chiefly the power to persuade. While the power to command can be a method of persuasion, it is neither a substitute for it, nor a method that can be used frequently.¹⁰ Therefore, when the president makes an appointment to a given position, he or she appoints an individual who then heads a large, complex organization. That person must likewise try to obtain influence amid the many other roles required, chiefly "chief administrator" and "chief of global development strategy." As a result, the power of the US presidential administration and government agencies is one step removed from the organization.

The power of the US president is mitigated even further by the nature of the World Bank as an international organization, and not an agency of the US government. Thus, the political story does not end with the appointment. Once in office, the individual heads a complex organization with *international* constituencies. The term of the World Bank president is for five years. Since the Bank's administration does not change immediately with a new presidential

administration, that individual's term frequently extends beyond that of the US president who appointed him. If the World Bank president has different political affiliations from the new administration, he may be oriented by a completely different set of political ideologies and experiences than the new US president. Moreover, the World Bank president may have to address concerns in Congress, which may or may not share the presidential administration's partisan affiliation, about the Bank's activities in order to secure the funding for capital increases and the International Development Association (IDA) that the executive branch has negotiated. All of these activities pull the World Bank and notions of development policy into the partisan conflicts endemic to US politics. At the same time, they are themselves embedded in world politics that national American actors must respond to.

Second of all, the close relationship between the US president and World Bank leadership does not mean that American politics drives thinking about development within the World Bank because American political institutions do not generate such thinking, but respond to it. As many studies of the World Bank have pointed out, the World Bank and United Nations bureaucracies are themselves important forces for generating research on appropriate approaches to economic development because during the course of its history the Bank has become the world's largest development research body. Given these functions, international organizations can then be described as “teachers of norms” to the global community.¹¹ Universities and American and international think tanks also generate ideas about development.¹² This intellectual project is grounded within the context of an ever-changing global economy. The location of the World Bank within the Washington, DC policy community no doubt embeds scholarship within the liberal, American tradition. However, as Costigliola and Paterson point out, at every level of analysis, from the individual, to the national, to the international, history and politics are unavoidably cultural. Cultural influences condition our perceptions and decisions.¹³ A concept like development is thus constructed across these levels of analysis and evolves over time. This paper focuses on the history of American relations with the World Bank; nonetheless, the entire field of foreign policy is part national and part international history.¹⁴ The topic requires a mixture of understanding the internal forces within the American state that shape US foreign policy, together with the external forces that influence and constrain the US in the wider world.

Those who study US foreign policy are quick to note that policy results not only from one or another government agency, but from interactions among them.¹⁵ Moreover, contradictions can appear not only within an administration, but within the legislature because it is a forum for political activities and not a unified ideological entity.¹⁶ Hence, the public histories of government agencies and international organizations like the World Bank are important for three reasons.¹⁷ First of all, an ahistorical view is biased. Any one person's picture of an organization may magnify the part he or she knows best. Secondly, history allows newcomers to quickly get an objective picture of the organization by looking at its current powers, resources, and personnel system in relation to those in the past. Thirdly, historical considerations allow a person being oriented to learn not only what an organization like the World Bank does now, but what it might do, or is unlikely to do in the future.

A COMPARISON OF FOUR WORLD BANK PRESIDENCIES AND DEVELOPMENT POLICY

This section contains four case studies of presidencies of the World Bank selected from different historical contexts. Each considers how the view of development policy that emerged was informed by the American president and Congress active on World Bank policy. These four presidents have arguably left the most definitive marks on the Bank since they proceeded with the clearest vision of what they hoped to accomplish. The exploration seeks to uncover the nuances in the relationship between the World Bank and US government that derive from the separation of powers in American political institutions and their partisan makeup. I do not attempt to advocate for this selection process or relationship, or the policies that have resulted from it.¹⁸ Rather, I use the cases to explore the connection so that its results may be applied to, and evaluated within, the current historical context. Other World Bank presidents are more transitional figures whose vision of development is harder to characterize. Hence, a more detailed study would be necessary to build a more comprehensive understanding of the connection.

The First President of the World Bank: Eugene Meyer

Although explanations for the practice of American selection of the World Bank president vary, its origins are believed to derive less from the position of the United States as the largest shareholder than from the initial need for the Bank to access American capital markets at the end of the war. The sense at the time was that an American could not head both of the new Bretton Woods institutions. Treasury Secretary Fred M. Vinson was reluctant to join John Maynard Keynes in supporting the candidacy of Harry Dexter White because the head of the Bank needed to be close to the American banking community.¹⁹ Hence, a US citizen would head the Bank and a European would head the International Monetary Fund. The American delegation to the inaugural Savannah meeting also sought a degree of political influence over the new organization. Rather than to locate it in New York near Wall Street, the delegation felt that if headquartered in Washington, it would be closer to the Treasury, the State Department, and Congress. Since it was a new and untested organization with an unclear connection to the banking community, the Truman administration did not find the position of World Bank president easy to fill.

Secretary of State James Byrnes offered the presidency to a former Wall Street executive and publisher, Eugene Meyer, most likely because Meyer had organized a high-level famine emergency committee with Truman's sanction.²⁰ Although the Bank was supposed to be launched in May of 1946, Truman and Byrnes were not successful in persuading Meyer to accept the position until early June.²¹ At the end of the same month, Meyer assumed the role. One of the most immediate problems he confronted, however, was in working out the internal governance arrangements in the new institution, chiefly the balance between the president and the board insofar as the board member with the greatest percentage of votes under the system of weighted votes established by the Articles of Agreement also happened to be American. If the board controlled the organization, the US ED would have greater influence over its lending policies than the president would. If the board deferred to the president, the president would have greater influence.

Partisan politics in the US were less of a concern at the time than the internal tension between the World Bank's president and its board. The American political system of the 1940s and 1950s has been characterized by weak political parties and little cohesion in Congress. Rather, committee chairs, who were elected to Congress by their own efforts and responsive to

their districts, owed little to either the national political party or president. Hence, the US president could not count on the support of his party in the Congress on matters of foreign policy or otherwise.²² Meyer's Republican affiliation mattered less at the time to the Truman administration than his wide range of previous experiences in the banking sector and government service. In fact, according to Kraske's evaluation of his service, his reputation on Wall Street was one of his strongest assets. He stated his intention to operate the Bank on sound banking principles explicitly.²³

Meyer's intention led him to clash with Emilio Collado, the American ED. Whereas Meyer's previous work on Wall Street had been built on research into potential investments, Collado came from the Department of State and was perceived to be a New Dealer. Collado pressed Meyer to approve a \$40 million package of projects for funding to the Chilean government. Meyer resisted. With differing views of the role of the president and the EDs, the essence of the new organization's manner of making loans was at stake in the conflict between the two men.

In addition to their different backgrounds, Meyer and Collado had different institutional connections to the US government. Whereas Meyer was appointed by the president, as with all World Bank presidents, he became an international civil servant once he took office. Collado received his authority from the National Advisory Council (NAC) that Congress had insisted upon forming in order to pass the Bretton Woods Agreement Act. Therefore, if officials at the Treasury and State Department on the NAC agreed with Collado, he could work with the EDs and use the American voting bloc against the Bank's president on a given loan agreement.²⁴ Under these circumstances, and without the trust of Wall Street, Meyer was not able to sell bonds or issue loans. In addition to his clashes with Collado, he was frustrated with disputes among member nations.

Eugene Meyer resigned, suddenly, in December of 1946. His departure was thought to have sealed the fate of the young organization in a setback from which it could never recover.²⁵ It was difficult to find a replacement for him. Several bankers, including Graham F. Towers, governor of the Bank of Canada, were approached. Towers declined because he argued that a US citizen had to lead it in order to restore its credibility on Wall Street.²⁶ As part of the negotiations for taking office, the next World Bank president, John J. McCloy clarified the situation, and Collado resigned. Once McCloy assumed the role, he, together with Eugene Black

(as American ED) and Robert Garner worked to organize the Bank in a conservative basis, with proper loan conditions.²⁷ Thus, despite Meyer's short tenure, substantive differences of outlook between the World Bank president and US ED were eliminated, and the selection of the president was solidified as a channel of American influence with the weaker board in place.

Given the short time he held the position, however, Meyer's influence on the institution's notion of development was limited. His background in banking lent him a technocratic, economic vision that stressed access to credit. Drawing on his experiences with the Famine Emergency Committee in an address to the Academy of Political Science, he stated that the Bank's intention was not to compete with private banks, but to fulfill the mission established at Bretton Woods to promote exchange after the war. In his view, private investors would not make foreign loans without some reasonable assurance that borrowers are approaching a balanced economic position. In the interim, the Bank could achieve what private banks would not be in a position to.²⁸ For their part, developing countries did not perceive themselves to be countries with general "development" problems at Bretton Woods. Rather, they saw themselves as new, raw-material producing nations.²⁹

A Transformational President: Eugene Black

Notions of development as an entirely new strategy for dealing with the perceived problems of large countries that came to be referred to as "underdeveloped" took shape between 1945 and 1955.³⁰ The IBRD organized the first economic mission of its kind sent to a country, Colombia, with the purpose of formulating a *comprehensive* strategy for the country in November of 1949.³¹ The approach was new because it offered an integrated manner of intervention in all social and economic matters of importance.³² At the same time the World Bank embarked on its initial forays into the new comprehensive development initiatives in 1949, Eugene Black assumed the presidency. Since the concept of development was being built in those years, Black held a view of the topic that was inherently centered on diplomatic and strategic alliances for the United States, as opposed to a true vision for the future development of poor countries that would emerge in later years.

Black was initially appointed as president of the World Bank by the Truman administration, but worked well with the Republican Eisenhower administration that followed. Thus, Eisenhower recommended his appointment to second and third five-year terms.³³ Unlike

the first president, Meyer, or the second, John McCloy, Black brought a high level of experience to the position because he had served as the American ED prior to his appointment as president. Like the two previous presidents, he also brought experience from Wall Street where he had worked at the Chase National Bank. Black's initial priority when he had been ED was for countries to re-establish their credit. Nonetheless, the Bank itself also had no credit when Black arrived, and it had to prove that it was going to make sound loans in order to raise capital. Moreover, legislation was required in each of the fifty states to make the Bank's bonds legal investments for insurance companies or savings banks or pension funds or fiduciary funds. Therefore his initial efforts were directed at seeing to it that the necessary legislation was passed.³⁴ In addition, the Bank needed legislation in Congress making IBRD bonds "exempt security," or a security that commercial banks can deal in, such as government bonds or municipal bonds.³⁵ Once the requisite legislation was passed, the Bank needed to convince investors to buy the bonds. Black and others made speeches and invited groups to come to Washington for "information conferences" where investors would meet with Bank officials and discussed how it planned to operate.³⁶ At the end of his term as ED and prior to his time as president, he returned to the Chase Bank.

Therefore, when Black returned to the World Bank as president in 1949, he had a very clear view of each of the Bank's constituencies in the financial community, American political community, and international community. When he had been American Director, he cast approximately one-third of the votes on the board. When a loan was submitted to the board, the American Director was in constant touch with the US government in order to get instructions about whether to vote for or against it. Hence, Black attended the meetings of the National Advisory Council, could express opinions, but could not vote. The members of the Council--the Secretary of the Treasury, Secretary of State, Secretary of Commerce, head of the Federal Reserve Board, head of the Export-Import Bank, and later the head of the Marshall Plan organization--would vote on whatever other financial transactions the US government might have. Subordinates would brief the members on what to do at the meetings.³⁷ Therefore, as World Bank president, Black knew all of the members of the National Advisory Council personally, and frequently met with them. By his own admission, it would have been far more complicated if he had not known them as well from his earlier experiences.

Moreover, Black, like Meyer and McCloy before him, held an international position when he became president of the World Bank and the American Director became *his* liaison with the US government.³⁸ After his time at the Bank ended, Black argued that Bank loans were not directly influenced by the US government, albeit a form of indirect influence existed through collaboration between the Bank president and US ED. For example, a loan to Poland became politically contentious when the Russians ordered Poland and Czechoslovakia not to participate in the Marshall Plan. As American Director, Black had orders to vote against a loan to Poland in the Bank. However, he conveyed this information to McCloy (then President of the Bank) and the issue never came to a vote.³⁹

The vision of development operating when Eugene Black assumed the presidency of the World Bank was still indeterminate since much of the world still had some type of colonial status. As the Cold War became more of a concern with the United States, notions of economic development became tied up in the ideological rivalry with the Soviets for global supremacy. As a conservative Southern banker, Black was concerned with the spread of communism as well as the democratic values of the United States. Nonetheless, anti-communism did not dictate his views of development, rather the soundness of the loan did.⁴⁰ He continued the process of introducing the Bank to international financial markets and navigating the political terrain that was required to ensure passage of critical legislation during his tenure as president.

As the world recovered from the war, notions of development lending began to take shape. Whereas the Bank's early loans for reconstruction in Europe were the program type, its early loans to developing countries had a project focus.⁴¹ When developing member countries did request assistance, they raised questions of the creditworthiness of the borrowers rather than broader questions of global inequality. Black reflected the thinking of his day that viewed the lack of development as a problem of lack of modernization, or simply in technological terms. He followed the thinking of the Bank's economists as it evolved in its understanding of development, but did not allow economists a major role in running the organization. This led to tension within the organization.⁴²

When Eugene Black was recruited to the World Bank, it still lacked a vision for its role in the world. When he left, it was considered "Black's Bank." The era was dominated by his personality, leadership, and connections. Throughout his tenure, Black emphasized carefully prepared development plans. The upshot was that planning ensured a strong role for the state in

management of the national economy--a role that seemingly contradicted with the capitalist values of the time. Moreover, it ensured a role for the Bank in providing technical assistance to countries that did not have a plan for economic priorities.⁴³ Therefore development emerged as a mode of thinking and source of practices within a mode of thinking and source of practices that became an omnipresent reality.⁴⁴ As this process evolved, development became more professionalized and was grounded in a network of development institutions responsible for putting plans into action.⁴⁵

The Bank becomes a Development Agency: Robert McNamara

As the development project took shape within international organizations, intensive thinking about the topic occurred in universities and research institutes across the US and the world. Development economists combined economic theory and policy analyses. Thus, they pushed notions of development beyond its roots in public administration, anthropology, and the history of colonial economies.⁴⁶ By the time Robert McNamara assumed the presidency of the World Bank, the intellectual as well as institutional projects were well underway. He would integrate them within the Bank itself and put the organization on a path towards becoming the world's largest development research body along with being its leading multilateral development aid donor.

Robert McNamara was the fifth president of the World Bank. President Lyndon Johnson's decision to nominate McNamara was not universally popular within it. McNamara had played a major role in the war in Vietnam as Secretary of Defense, and there was the suspicion that he had been fired from the Johnson administration.⁴⁷ The Bank's board had wanted to be given a list of several names to choose from, and the US ED had promised that they would have a degree of choice. After Johnson submitted McNamara's name, he was reported to have told Secretary of the Treasury Fowler that he had provided a list with only one name on it.⁴⁸ McNamara's endorsement of Bobby Kennedy's candidacy for president further lent the impression that he was not acting as the head of a multilateral body, but as an actor within the US domestic arena. Nonetheless, the previous Bank president, George Woods, and McNamara knew each other before McNamara's appointment. Woods thought he might be a good choice. Whereas Woods had overseen the growth of the bank as a development institution, it had occurred in a more incremental way than McNamara envisioned.

In the years McNamara held the position, American governing institutions changed in several fundamental ways that would affect how US policy towards international organizations would be made. First of all, the congressional committee structure became less influential. Second, interest group activity grew around single issues and not around packages of issues negotiated by political parties.⁴⁹ Jeffrey Berry has argued that the changes in interest group operation raised the likelihood of conflict because competing coalitions were so much more complex, and so many more groups needed to be satisfied to reach a consensus.⁵⁰ The creation of IDA in the 1950s to make long-term concessional loans meant that the Bank was now reliant on an annual appropriation from Congress to supply it. Since the Bank's Articles of Agreement stipulated that only a government's finance ministry could serve as an intermediary, the US Treasury could speed or slow down Congress's action for money on IDA. Interest groups could further influence activities on Capitol Hill. The creation of IDA and evolution of the congressional role made the Bank increasingly subservient to broader US foreign policy issues. McNamara did not want the Bank to be perceived as an American institution.⁵¹

Robert McNamara came out of the circle of Washington insiders from the Kennedy administration who had previously worked in private enterprise. Therefore unlike the other presidents of the Bank with their extensive financial experience, he had served in several roles prior to becoming president. Many of these former roles contributed to the problems he encountered with the annual IDA appropriation on the Hill. At first, he had to overcome the perception that he supported Bobby Kennedy in the US presidential race. Later, he had to address the growing isolationism in the US on the issue of foreign aid in general, and Vietnam specifically. Senator J. William Fulbright played a major role in the IDA allocation and Fulbright had confronted McNamara over the evidence of a second Tonkin Gulf attack in 1964. Fulbright felt that McNamara had misled him on that issue, forcing McNamara to try to recover his standing on Capitol Hill.⁵²

The degree to which McNamara helped or hurt the US-World Bank relationship over the IDA appropriation is debatable. When he came to office in 1969, he received a report from Treasury Secretary Fowler on the history of IDA and the problems that already existed. In it, Fowler detailed congressional objections to the organization, which ranged from its cost as a percentage of its returns, the lack of congressional control over the use of the funds, its role as a so-called "handout" of foreign currency, its contribution to the foreign aid budget, and its role in

the growing balance of payments problems in the US because procurement from US suppliers was not guaranteed.⁵³ Therefore, while problems with the IDA appropriation persisted throughout his presidency, they did not commence with McNamara's arrival.

McNamara Works within the Branches of the US Government

Despite the existing problems, the Bank would have to grow in order to lend and borrow on a larger scale.⁵⁴ Shortly after assuming his role, a former journalist hired by George Woods to work on congressional relations, Perry Sellon, told McNamara that he would most likely have more problems with Congress than previous presidents had had, because of his connection to the war in Vietnam.⁵⁵ Although McNamara never talked about Vietnam during these years, his experience with the war gave some the impression that his work at the Bank was to compensate for what he had done in the Department of Defense.

Nonetheless, when McNamara sought to expand IDA, his familiarity with the workings of Congress allowed him to anticipate the obstacles ahead. He also had personal relationships with many of the major players in the years of his presidency, including Henry Kissinger, George Shultz, John Connally, Edward Kennedy, and Cyrus Vance. Although he did not testify before a congressional committee, he did meet with individual members or groups at the request of the Treasury when members of Congress wished to do so.⁵⁶ Nonetheless, his most effective strategy in dealing with the US government was to work to expand IDA's resources *without* American involvement. To do so, he encouraged prominent British, Dutch, and Kuwaiti citizens to lead the effort.⁵⁷

The advent of the Nixon administration changed the situation for McNamara at the Bank. McNamara had the sense that Nixon wanted to get rid of him.⁵⁸ William Simon became Secretary of the Treasury. Later, Gerald Ford, who had criticized McNamara for mismanaging and losing the war in Vietnam, became Vice President and later President himself.⁵⁹ Although the Nixon administration had supported the Bank and multilateral aid, the Ford administration and Simon feared that McNamara was not under their control. In one tense exchange, McNamara told Simon that the Bank could run its operations without Congress. In other exchanges the tension between Bank president and US ED grew more contentious. The Nixon administration would attempt to control loans and credit before the Board. Nixon's Secretary of State, William P. Rogers, would call McNamara and ask him to remove loan items from the

agenda that were not in the US's Cold War interests. McNamara told Rogers "Look, you get your votes, and I'll get mine."⁶⁰ The Secretary of the Treasury could control the US's 23% vote. But McNamara could also round up votes and according to his recollection, he won these matches. In another exchange with Congress, members sought to lower the US contribution to IDA, Treasury Secretary Simon was slow to lobby on the Bank's behalf. In this episode, McNamara threatened that the Bank could run its operations smoothly no matter what Congress did. The Japanese ED resigned from the board, apparently to gain favor with the Ford administration.⁶¹

The Carter administration contained many members sympathetic to the Bank, not least of all Jimmy Carter himself. McNamara felt close to the Carter administration because his son-in-law worked in the Security Council. President Carter awarded Robert McNamara's wife the Medal of Freedom. Cyrus Vance had been a protégé of McNamara's and was Secretary of State. Nonetheless, the relationship was complicated by the administration's support for human rights, which McNamara felt was applied inconsistently. He could not yield to one government alone.⁶² His problems with Congress persisted because a \$60 million loan to Vietnam had created a major political issue with both Democrats and Republicans in the House, leaving the annual IDA appropriation and capital increase highly controversial.

In advertising the Bank as an aid agency and not as a bank, it was now susceptible to the accusation that its employees were overcompensated. At the end of the 1970s, Congress was attaching riders to bills that would prohibit lending to Vietnam, Cambodia, Cuba, Laos, Angola, or the Central African Republic. The Bank could not accept US funds that carried restrictions.⁶³ McNamara cut a deal on the salaries issue and signed a letter on Vietnam. However, the Bank posed a challenge for both parties. On the Democratic side, David Obey was particularly perplexing to McNamara because he was a liberal Democrat who was nonetheless difficult with foreign aid. As was Joseph P. Kennedy Junior, a member who posed unanticipated obstacles.⁶⁴

According to McNamara's analysis of governance of the Bank and its relationship to the US government, the Bank's board played a key role insofar as it could *stop* something but not *start* it. He could work with the sensitivities of board members to achieve results that might not be immediately acceptable to the US. For example, with respect to IDA, he was successful in working with governments on the board who were friendly to IDA and then getting the US administration to go along with it. He would approach US representatives and say "more in

sorrow than anger, ‘We’re going to go ahead without the U.S.’”⁶⁵ In that way, he was successful in dividing and conquering within the international organization to use the board as a source of power and authority. McNamara’s sense was that the US rarely sent an effective representative. If he had a serious question, he would take it to the Secretary of the Treasury directly.⁶⁶

In addition, McNamara was willing to approach members of Congress directly. During the controversial IDA VI replenishment period at the end of the 1970s, the White House worked to brief church groups and nongovernmental organizations. At the same time, McNamara did not want to go behind the administration's back, but had his own line to Matthew McHugh (D-NY), a Democrat then serving in the House of Representatives. In preparing for a meeting with McHugh, McNamara was advised to mention to McHugh that the Bank had worked on human rights issues, and that it had mobilized funds for energy. Specifically, the Bank's work on mobilizing funds for Egypt had eased the burden on US taxpayers to provide assistance, and its work in Mexico helped problems with illegal migration.⁶⁷

McNamara's Vision of Development

McNamara sought to develop an intellectual underpinning or foundation for what the World Bank would do under his leadership. During his presidency, research on development became a more integral part of the operations of the Bank. He appointed Hollis Chenery as head of the economics department, an individual whose research supported McNamara's emphasis on growth and the alleviation of poverty.⁶⁸ The contributions that followed came from the application of new ideas and comparative knowledge of policies in practice. As the research was conducted over time, it accumulated data so that empirical studies could interpret the experience of development across time and space. While the Bank was not noted for original ideas, it was noted for disseminating those that originated elsewhere.⁶⁹

McNamara himself had been influenced by the thinking of Barbara Ward. He first heard Ward speak to Kennedy Cabinet members at Bobby and Ethel Kennedy’s home. A journalist who had covered the Marshall Plan for Europe had converted her into an admirer of the United States and someone who believed in the potential of foreign aid. She lectured at Harvard in the early Kennedy years and moved among the members of the Eastern establishment. As a result of his forays into the topic, McNamara placed an early emphasis on population planning, which he articulated in a speech to the University of Notre Dame early in his tenure.⁷⁰

For McNamara, the World Bank was not a bank, it was a “development agency,” which meant that it sought to address certain objectives in terms of social and economic advance in the developing countries that the Bank should be sensitive to. Achieving those objectives required not only action by the developing countries and their leaders, but also required external assistance.⁷¹ The movement to transform the Bank into a development agency was controversial at the time. McNamara had relationships with consulting firms from his previous work at Ford and the Defense Department. He would rarely use a consulting firm as the CEO unless he had already decided to make a change and the firm would ratify it. He did the same with McKinsey and Company when he was at the Bank.⁷² Nonetheless, unlike his predecessors, he had serious differences of opinion with presidential administrations over loans, as discussed previously with respect to Vietnam.⁷³

When McNamara decided to leave the Bank, he worked to secure his successor with the Carter administration and sought input from the incoming Reagan administration. He had a list of US citizens. If Carter and Reagan would not appoint someone acceptable, he also had a list of non-US citizens that he planned to circulate with the Board. Among them was James Wolfensohn who was not a US citizen at the time. McNamara informed Wolfensohn that he was on his list for nomination as president and the two met to discuss the position.⁷⁴

McNamara was therefore willing to recommend that the Board appoint a non-US citizen if the US citizen was not competent. However he argued further that it might be a good idea to have a non-US citizen for other reasons. In the post Cold War world, the Bank would need enlightened leadership and more collective decision-making. And that is difficult for the US. Nonetheless, he thought that the individual should be from one of the major sources of finance. A leader from a developing country would not be appropriate because they are not a major source of finance, particularly to get IDA replenishments and capital increases.⁷⁵

The World Bank and NGOs: James Wolfensohn

By the end of the twentieth century, both the study and practice of development had matured to the point that radical critiques emerged, at one extreme arguing that the discourse on development functioned as a mechanism for the production and management of developing countries in the postwar period.⁷⁶ In addition, the world's financial system had changed in such a way that direct access to capital markets undercut the importance of the World Bank as a source

of capital to many developing countries. Nonetheless, the Bank had consolidated its position for its supporters and critics alike by that time as an important site for the construction of knowledge about development, to the point where it seemed nearly impossible to come up with a different view.⁷⁷ During the same years, non-governmental organizations (NGOs) emerged within the world system as links between interdependent actors in the formal sphere of international organizations and their environments.⁷⁸ Therefore, the Bank's ninth president, James Wolfensohn, assumed the role at a time when private capital flows surpassed official ones and the Bank appeared less relevant. Some of the strongest criticisms came from the NGO advocacy community, which pressured governments to reconsider development issues as a moral responsibility.

In addition to the new international climate for development as a field of research and operation, James Wolfensohn assumed the presidency of the World Bank in an entirely different American political climate than McNamara did. Scholars of Congress who track the polarization of the congressional parties argue that by the 1990s, the parties that had previously lacked cohesion in voting behavior grew increasingly more likely to vote with their party colleagues and against their partisan opponents.⁷⁹ Sinclair concludes that as a result, presidents lost considerably more in conditions of divided control (i.e. the president's party is different from the congressional party in control) than they gained under unified control (i.e. the president's party is the same as the congressional party in control).⁸⁰ This result would tend to inhibit policy success.

An Australian national who had a successful career in investment banking at Salomon Brothers and later his own advisory firm, James Wolfensohn was a banker, but had many political contacts from his cultural and social activities in New York and Washington. Therefore, he brought an entirely different set of political connections to the position than his predecessors had. Wolfensohn was a truly international individual who was born and raised in Australia, educated at Harvard Business School, and worked in London. He had a vague familiarity with Robert McNamara from his work at the Rockefeller Foundation and the Population Council. In addition, he had been a close friend of Vernon Jordan since their days on the board of the Rockefeller Foundation. Jordan had a close relationship to Bill Clinton, thus Wolfensohn was able to call on Jordan for information when his name re-surfaced in consideration of the post.⁸¹ Wolfensohn had met the Clintons from the first Washington dinner

that Jordan gave when they arrived in Washington in 1992, and he was the head of the Kennedy Center.⁸²

As with McNamara, James Wolfensohn continued the effort to push the World Bank beyond a narrow banking approach, toward a more comprehensive development approach that combined research on economic development with policy goals in a "knowledge bank." The results could be seen in the Economic Development Institute (EDI) and the annual publication of the World Development Reports (WDRs).⁸³ His development strategy was called the Comprehensive Development Framework (CDF) that sought to achieve development based on a comprehensive and inclusive approach with measurable long-term results, with the recipient nation in the driver's seat, and in partnership with international institutions, NGOs, and the private sector.⁸⁴ Although Wolfensohn had worked in the financial services community prior to his appointment, he regarded the Bank as somewhat different from the for-profit world. When he arrived, appointments within it followed national lines and sought to achieve an implied balance among countries and regions. This made the Bank rigid to a point, as did its compensation system.⁸⁵

Thus, as a part of this strategy, Wolfensohn tried to work more effectively with NGOs to achieve results in two main areas: one was the interrelationship of the substantive areas—governance, corruption, finance, infrastructure and then education, health and the environment. Since these items are interrelated, they cannot be addressed apart from each other. The second area of the CFT was the consideration of governance and legal and judicial systems and the financial systems to control. Despite the interrelationships, the development community did not work together but competed within itself.⁸⁶ One of his major initiatives was the Heavily Indebted Poor Countries (HIPC) debt forgiveness program. As someone who had spent a lifetime in banking, he felt that a lending business that served low credit borrowers would, by its nature, not receive payment of 100% on every loan.⁸⁷

The ultimate success of these programs in American politics, however, required that Wolfensohn work with a Republican Congress to provide the funds. His second five-year term at the Bank began in June 2000. At the end of the year, George W. Bush was elected president, which changed the relationship with the Bank. The Bush administration was more concerned with the IMF than the World Bank, and development issues were a lower priority, at least in the early years of Bush's tenure.⁸⁸ The situation with Treasury improved when John Snow replaced

Paul O'Neill as Secretary, but it nonetheless remained cool when compared with the previous one.⁸⁹ Although Wolfensohn's appointment would remain for the next four years, he lost the closeness that he had enjoyed with Clinton.⁹⁰ Bush administration appointees would have meetings every morning, or week, and report to the Treasury and receive instructions from it. Nonetheless, he worked well with several Republican members of the House and Senate, including Jim Leach (R-IA) and Chuck Hagel (R-Nebraska).⁹¹

The announcement of the Comprehensive Development Framework in 1999 crystallized the expansion of the World Bank's operations into new areas, including environmental protection and post-conflict peace building. It cemented its role as the leading multilateral development agency during these years. Despite the criticism of the bank from NGOs and other external actors, its vision of development involved governance, an effective legal and justice system, a properly regulated financial system, and a more traditional social welfare safety net for the poorest members of society.⁹²

PRESIDENTS OF THE WORLD BANK, AMERICAN POLITICS, AND DEVELOPMENT POLICY

Although limited by the scope of the four cases chosen and the fact that counterfactuals are not available, a comparison of World Bank presidents reveals several unique aspects of the institution and its relationship to the American government across its history. The US president plays a role in the process because he is the leader of his party and the executive branch is no doubt pre-eminent in the conduct of U.S. foreign policy. As we have seen, he selects the World Bank president by informal agreement when a vacancy occurs. His presidential administration plays a major role in initially selecting the top Treasury officials who will interact with the Bank and Fund, and negotiate for the United States in these forums. The administration likewise participates in the annual budget process and in negotiations on omnibus bill packages with the legislature. It must calculate how much political capital it will spend on a given policy initiative. The Treasury must manage the administration's agenda with respect to the World Bank on the Hill, which can be helped when his party is in the majority, or hindered when it is not.

Yet neither the US president, nor the World Bank president, works in a vacuum. In their study of treaty politics and the rise of executive agreements, Krutz and Peake argue that congressional constraints matter when considering mechanisms of shared power.⁹³ Although Congressional involvement may not always be required legally on matters of import to the Bank, it may very well be politically expedient. Given the fluid nature of the budgetary alliances in Congress, the broad dispersion of individuals connected to the IMF and World Bank, and the relative lack of importance of these issues to many constituents, many informal mechanisms similarly exist and grow out of the formal processes that can be even more influential. Much of this influence is personal and involves the exchange of political favors. Although IMF and World Bank officials cannot testify before Congress, there are no prohibitions on office meetings between members and administrators. Members of Congress can, and do, write letters to appropriate heads of international organizations on issues of concern that can be instigated by news coverage, NGO, or constituent pressure. These letters can also be directed to the Secretary of the Treasury for his or her input in the process.

As a result of these exchanges across the labyrinth of Washington politics, four aspects of the World Bank and its relationship to US politics and development policy stand out across its history: partisanship in American politics, the evolution of capital markets, mission evolution, and interest groups. First of all, the comparison reveals insights into partisanship in American politics and the World Bank presidency. Table 1 breaks down the terms of the World Bank heads against congressional majorities and US presidential administrations. In the early years, a president such as Eugene Black who was a Southern Democrat was reappointed by a Republican president. However Robert McNamara and James Wolfensohn, who were appointed by Democratic presidents, were not re-appointed by their Republican successors after the early 1970s. In the years that remained on their terms, however, they were able to work with members of Congress on many initiatives, frequently across party lines. McNamara noted the difficulty of working with liberal Democrats like David Obey at times. James Wolfensohn noted his good relationships with Republican Senators such as Chuck Hagel. Therefore, as the level of partisanship in US politics has grown, this does not necessarily pose a problem for the Bank in the legislature.

Second of all, in terms of capital markets, notions of development were closely linked to the resumption of lending in the postwar economy when the Bank was formed. The need for

expertise in offering securities, and the legislative requirements in each of the fifty states, shaped the institution's direction toward offering securities on American capital markets. The men selected were US citizens who had worked on Wall Street and exploited these connections. Eugene Black was successful in this role. Although he was initially appointed by a Democratic president, he was reappointed by a Republican and was considered to have worked well with each. As the importance of tapping US capital markets decreased, later individuals who led the Bank were not necessarily connected to Wall Street and had broader visions of development.

Therefore thirdly, and closely related to the issue of capital markets, the mission of the World Bank evolved as the world economy returned to its pre-war footing. Whereas it had initially been restricted to postwar reconstruction and limited lending in the developing world, the independence of the Bank from the US government was possible when Robert McNamara, an individual with an extensive Washington network and little direct experience with banks, assumed the role and transformed the institution into a development agency. This is not to say that a citizen of another country could not have led a similar transformation, particularly since so many external events contributed to the growth of the development project in so many international organizations. However, McNamara's experience with the government prior to his appointment allowed him to play off different interests against each other and expand the Bank's operations by threatening to go ahead without the participation of the United States.

Finally, with respect to interest groups, single issue advocacy has grown within both American national and international settings. The rise of single-issue interest groups and NGOs has allowed activists to break down the concerns associated with development into their component parts, such as the environment, debt, women's issues, and health. The presidency of James Wolfensohn stands out with respect to his ability to draw different constituencies into the development planning process, notably nongovernmental organizations. Nonetheless, as the number of groups involved in the process grows, the needs that must be satisfied in order to reach a consensus do as well. This makes any "winning" coalition in national or international politics inherently unstable.⁹⁴

CONCLUSION

The American presidency of the World Bank is an anomaly in world politics. There has never been an American Secretary General of the United Nations, Director General of the World Health Organization, Director General of the General Agreement on Tariffs and Trade or World Trade Organization, and only an American Director General of the International Atomic Energy Agency from 1957-1961. Combined with its location in Washington, DC, the World Bank is thus drawn into domestic American politics in a manner unlike other international organizations. Nonetheless, as governance of the global economy shifts in the wake of the 2008 financial crisis and current euro zone debt crisis away from the US and towards emerging markets, the political construction of American support for development projects through multilateral institutions will have ramifications for the future of global poverty reduction and human transformation for years to come.

In the future, whoever leads the Bank will have to operate in the political and economic context that he or she faces. Each of the areas affected by the connection between the US and the World Bank has evolved in such a way as to challenge this connection in the future. Chiefly, the Cold War has ended and access to US capital markets is no longer essential. In addition, the US is no longer the largest donor to IDA and its share of weighted votes has decreased, minimizing the initial inherent conflict between the US ED and president of the Bank in lending. The current mission of the World Bank was thrown into question by the financial crisis of 2008. At the time, the Bank's president, Robert Zoellick, proposed a “facebook for economic multilateralism.” The new order would comprise a flexible network maximizing the strengths of interconnecting and overlapping actors and institutions, public and private.⁹⁵ Finally, as the number of constituencies for the World Bank grows, so too do the potential number of groups that must be satisfied in any national legislative coalition to win support in the future.

Table 1 World Bank Presidencies and US Political Parties by Branch of Government

World Bank President	Years in Office	US Congress	Senate	House	US Presidential Administration
Eugene Meyer	June 1946 to December 1947	1945–1947	D	D	Harry S. Truman (D)
John J. McCloy	March 1947 to June 1949				
Eugene Black	July 1949 to December 1962	1947–1949	R	R	
		1949–1951	D	D	
		1951–1953	D	D	
		1953–1955	R	R	
		1955–1957	D	D	
		1957–1959	D	D	
George Woods	January 1963 to March 1968	1959–1961	D	D	Dwight D. Eisenhower (R)
		1961–1963	D	D	
		1963–1965	D	D	
Robert McNamara	April 1968 to June 1981	1965–1967	D	D	John F. Kennedy (D)
		1967–1969	D	D	Lyndon B. Johnson (D)
		1969–1971	D	D	
		1971–1973	D	D	Richard Nixon (R)
		1973–1975	D	D	Gerald Ford (R)
		1975–1977	D	D	
		1977–1979	D	D	Jimmy Carter (D)
		1979–1981	D	D	
Alden Clausen	July 1981 to June 1986	1981–1983	R	D	Ronald Reagan (R)
		1983–1985	R	D	
Barber Conable	July 1986 to August 1991	1985–1987	R	D	
		1987–1989	D	D	
Lewis Preston	September 1991 to May 1995	1989–1991	D	D	George H. W. Bush (R)
		1991–1993	D	D	
James Wolfensohn	July 1995 to June 2005	1993–1995	D	D	Bill Clinton (D)
		1995–1997	R	R	
		1997–1999	R	R	
		2001–2003	R/D	R	
		2003–2005	R	R	
Paul Wolfowitz	June 2005 to May 2007	2005–2007	R	R	George W. Bush (R)
Robert Zoellick	July 2007 to June 2012	2007–2009	R	D	Barack Obama (D)
		2009–2011	D/R	D	
Jim Y. Kim	July 2012 to present	2011–2013	D	R	

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NOTES

¹ See, for example, Ngaire Woods, *The Globalizers: The IMF, World Bank, and their Borrowers* (Ithaca, New York: Cornell University Press, 2006); Sarah Babb, *Behind the Development Banks: Washington Politics, World Poverty, and the Wealth of Nations* (Chicago: University of Chicago Press, 2009); Catherine Weaver, *Hypocrisy Trap: The World Bank and the Poverty of Reform* (Princeton, NJ: Princeton University Press, 2008); Kathryn C. Lavelle, *Legislating International Organization: The US Congress, IMF, and the World Bank* (New York: Oxford University Press, 2011).

² Jacob Katz Cogan, "Representation and Power in International Organization: The Operational Constitution and its Critics," *American Society of International Law* 103, no. 2 (2009): 210-11.

³ For a similar point, see Ngaire Woods, "The United States and the International Financial Institutions: Power and Influence Within the World Bank and the IMF," in *US Hegemony and International Organizations*, ed. Rosemary Foot, S. Neil MacFarlane, and Michael Mastanduno (New York: Oxford University Press, 2003), 110.

⁴ For some examples, see Kathryn C. Lavelle, "Ideas Within a Context of Power: the Africa Group in an Evolving UNCTAD," *Journal of Modern African Studies* 39, no. 1 (2001); Craig Murphy, *The United Nations Development Programme: A Better Way?* (New York: Cambridge University Press, 2006); John Toye and Richard Toye, *The UN and Global Political Economy* (Indianapolis: Indiana University Press, 2004).

⁵ Cogan, "Representation and Power," 210-11.

⁶ See Stephen D. Krasner, *Structural Conflict: The Third World Against Global Liberalism* (Berkeley, CA: University of California Press, 1985).

⁷ See Arturo Escobar, "Reflections on 'Development': Grassroots Approaches and Alternative Politics in the Third World," *Futures*, no. June (1992). For a discussion of ideas that did not gain traction, see Lavelle, "Africa Group."

⁸ For presidency scholars who challenge Neustadt, the president has more opportunities to take independent action, with or without the consent of Congress or the courts. However, exclusive of the initial appointment of the World Bank's president, the US president's powers to issue executive orders, proclamations or executive agreements are more limited given the nature of the World Bank as an international organizations. See William G. Howell, *Power Without Persuasion: The Politics of Direct Presidential Action* (Princeton, NJ: Princeton University Press, 2003).

⁹ Richard E. Neustadt, *Presidential Power and the Modern President: The Politics of Leadership from Roosevelt to Reagan* (New York: The Free Press, 1990), ix.

¹⁰ *Ibid.*, 28.

¹¹ Martha Finnemore, *National Interests in International Society* (Ithaca, New York: Cornell University Press, 1996).

¹² See Gerald M. Meier, *Biography of a Subject: An Evolution of Development Economics* (New York: Oxford University Press, 2005).

¹³ Frank Costigliola and Thomas G. Paterson, "Defining and Doing the History of United States Foreign Relations: A Primer," in *Explaining the History of American Foreign Relations*, ed. Michael J. Hogan and Thomas G. Paterson (New York: Cambridge University Press, 2004), 17.

¹⁴ Robert J. McMahon, "Toward a Pluralist Vision: The Study of American Foreign Relations as International History and National History," in *Explaining the History of American Foreign Relations*, ed. Michael J. Hogan and Thomas G. Paterson (New York: Cambridge University Press, 2004), 37.

¹⁵ Graham T. Allison and Morton H. Halperin, "Bureaucratic Politics: A Paradigm and Some Policy Implications," *World Politics* 24, no. Spring (1972); Kathryn C. Lavelle, *Money and Banks in the American Political System* (New York: Cambridge University Press, 2013).

¹⁶ ———, *Legislating International Organization*.

¹⁷ Richard E. Neustadt and Ernest R. May, *Thinking in Time: The Uses of History for Decision-Makers* (New York: The Free Press, 1986), 230.

¹⁸ Incidentally, similar arrangements to pick leaders of international organizations exist elsewhere. See Cogan, "Representation and Power."

¹⁹ Jochen Kraske, *Bankers with a Mission: The Presidents of the World Bank, 1946-91* (New York: Oxford University Press, 1996), 5.

²⁰ *Ibid.*, 22.

²¹ *Ibid.*, 9.

²² Barbara Sinclair, "Leading and Competing: The President and the Polarized Congress," in *New Challenges for the American Presidency*, ed. George C. III Edwards and Philip John Davies (New York: Pearson Longman, 2004), 85.

²³ Kraske, *Bankers with a Mission: The Presidents of the World Bank, 1946-91*: 26-27.

²⁴ *Ibid.*, 30-31.

²⁵ Kai Bird, *The Chairman: John J. McCloy* (New York: Simon & Schuster, 1992), 283.

²⁶ *Ibid.*, 284.

²⁷ *Ibid.*, 289.

²⁸ Eugene Meyer, "An Address Before the Academy of Political Science, Columbia University, November 7-8, 1946." Folder "International Bank Staff Memoranda, Etc. 1946," Box 128, The Papers of Eugene Meyer, Manuscript Division, Library of Congress, Washington, DC.

²⁹ Meier, *Biography of a Subject: An Evolution of Development Economics*: 42.

³⁰ Arturo Escobar, "Power and Visibility: Development and the Invention and Management of the Third World," *Cultural Anthropology* 3, no. 4 (1988): 429.

³¹ *Ibid.*, 428.

³² *Ibid.*, 429.

³³ Kraske, *Bankers with a Mission: The Presidents of the World Bank, 1946-91*: 81.

³⁴ Eugene R. Black, Transcript of interview, August 6, 1961, Washington, DC by Robert Oliver, World Bank/IFC Archives Oral History Program, available at

http://siteresources.worldbank.org/EXTARCHIVES/Resources/Eugene_Black_Oral_History_Transcript_8_6_1961.pdf accessed June 30, 2012, p. 7.

³⁵ Eugene R. Black, Transcript of interview, August 6, 1961, Washington, DC by Robert Oliver, World Bank/IFC Archives Oral History Program, available at

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⁴¹ See Eugene R. Black, "The World Bank at Work," *Foreign Affairs* 30, no. 3 (1952).

⁴² Kraske, *Bankers with a Mission: The Presidents of the World Bank, 1946-91*: 98-99.

⁴³ *Ibid.*, 88-89. See also Eugene R. Black, Transcript of interview, August 6, 1961, Washington, DC by Robert Oliver, World Bank/IFC Archives Oral History Program, available at http://siteresources.worldbank.org/EXTARCHIVES/Resources/Eugene_Black_Oral_History_Transcript_8_6_1961.pdf accessed June 30, 2012, p. 36.

⁴⁴ Escobar, "Power and Visibility," 430.

⁴⁵ *Ibid.*, 431.

⁴⁶ Meier, *Biography of a Subject: An Evolution of Development Economics*: 51.

⁴⁷ Deborah Shapley, *Promise and Power: The Life and times of Robert McNamara* (Boston: Little, Brown and Company, 1993), 465.

⁴⁸ Kraske, *Bankers with a Mission: The Presidents of the World Bank, 1946-91*: 167.

⁴⁹ "Hyperpluralism" refers to the current state of excessive representation in which groups protect their interests tenaciously and effectively, making policymaking highly responsive to individual interests and less so to broad societal challenges Allan J. Cigler and Burdett A. Loomis, "Always Involved, Rarely Central: Organized Interests in American Politics," in *Interest Group Politics*, ed. Allan J. Cigler and Burdett A. Loomis (Washington, DC: CQ Press, 2002), 381..

⁵⁰ Jeffrey M. Berry, "Subgovernments, Issue Networks, and Political Conflict," in *Remaking American Politics*, ed. Richard Harris and Sidney Milkis (Boulder, CO: Westview Press, 1989).

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http://siteresources.worldbank.org/EXTARCHIVES/Resources/Robert_McNamara_Oral_History_Transcript_04_01_and_10_03_1991.pdf accessed June 30, 2012 p.61.

⁵² Shapley, *Promise and Power*: 467.

⁵³ Memorandum, "Congressional Objections to the IDA," Secretary Fowler to Robert McNamara, April 8, 1968; IDA History; WB IBRD/IDA 03-04 Office of the President, Records of Robert S. McNamara; 309676B, World Bank Group Archives.

⁵⁴ Shapley, *Promise and Power*: 469.

⁵⁵ *Ibid.*, 481.

⁵⁶ Kraske, *Bankers with a Mission: The Presidents of the World Bank, 1946-91*: 186.

⁵⁷ *Ibid.*

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⁵⁹ Shapley, *Promise and Power*: 524.

⁶⁰ Oral history interview, Robert S. McNamara, April 1, May 10, and October 3, 1991; available at http://siteresources.worldbank.org/EXTARCHIVES/Resources/Robert_McNamara_Oral_History_Transcript_04_01_and_10_03_1991.pdf accessed June 30, 2012 p. 50.

⁶¹ Shapley, *Promise and Power*: 525.

⁶² Robert S. McNamara, Transcript of interview, April 1, May 10, and October 3, 1991, Washington, DC by John Lewis, Richard Webb, Devesh Kapur, World Bank History Project, The Brookings Institution, available at

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⁶³ Shapley, *Promise and Power*: 571; Kathryn C. Lavelle, "Multilateral Cooperation and Congress: The Legislative Process of Securing Funding for the World Bank," *International Studies Quarterly* 55, no. 1 (2011).

⁶⁴ Robert S. McNamara, Transcript of interview, April 1, May 10, and October 3, 1991, Washington, DC by John Lewis, Richard Webb, Devesh Kapur, World Bank History Project, The Brookings Institution, available at

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⁶⁵ Robert S. McNamara, Transcript of interview, April 1, May 10, and October 3, 1991, Washington, DC by John Lewis, Richard Webb, Devesh Kapur, World Bank History Project, The Brookings Institution, available at

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⁶⁷ Memorandum, John Merriam to Robert McNamara, June 14, 1979; IDA VI Replenishment folder 2 of 6; WB IBRD/IDA 03-04 Office of the President, Records of Robert S. McNamara; 309676B, World Bank Group Archives.

⁶⁸ Meier, *Biography of a Subject: An Evolution of Development Economics*: 47.

⁶⁹ *Ibid.*, 48.

⁷⁰ Robert S. McNamara, *The McNamara years at the World Bank: major policy addresses of Robert S. McNamara, 1968-1981* (Baltimore: Johns Hopkins University Press, 1981), 49.

⁷¹ Robert S. McNamara, Transcript of interview, April 1, May 10, and October 3, 1991, Washington, DC by John Lewis, Richard Webb, Devesh Kapur, World Bank History Project, The Brookings Institution, available at

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⁷⁶ Escobar, "Reflections on 'Development'," 413. For another critique, see Richard Peet, *Unholy Trinity: The IMF, World Bank and WTO* (London: Zed Books, 2003).

⁷⁷ Escobar, "Reflections on 'Development'," 414.

⁷⁸ Leon Gordenker and Thomas G. Weiss, "Pluralizing Global Governance: Analytical Approaches and Dimensions," in *NGOs, the UN, and Global Governance*, ed. Leon Gordenker and Thomas G. Weiss (Boulder, CO: Lynne Rienner Publishers, 1996), 35.

⁷⁹ Sinclair, "Leading and Competing: The President and the Polarized Congress," 86. See also Lavelle, "Multilateral Cooperation and Congress."

⁸⁰ Sinclair, "Leading and Competing: The President and the Polarized Congress," 89.

⁸¹ James D. Wolfensohn, *A Global Life: My Journey among Rich and Poor, from Wall Street to the World Bank* (New York: Pan MacMillan and Perseus, 2010), 246.

⁸² *Ibid.*, 249.

⁸³ Meier, *Biography of a Subject: An Evolution of Development Economics*: 48.

⁸⁴ Wolfensohn, *A Global Life: My Journey among Rich and Poor, from Wall Street to the World Bank*: 344.

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⁸⁹ *Ibid.*, 359.

⁹⁰ *Ibid.*, 357.

⁹¹ James D. Wolfensohn, Transcript of interview, June 5 and 14, September 25, and December 3, 2006, Washington DC and New York, by William Becker, World Bank Group Archives, Oral History Program, available at <http://siteresources.worldbank.org/EXTARCHIVES/Resources/OralHistoryWolfensohn.pdf> accessed June 30, 2012, p. 106.

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