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BOOK REVIEW



Kim Moloney. 2022. Who Matters at the World Bank? Bureaucrats, Policy Change and Public Sector Governance (Oxford: Oxford University Press)

Susan Park¹

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Do we need another book on the World Bank? A google search of the organization turns up 3.35 billion results. Google scholar documents hundreds of citations. I profess to being sceptical of yet another monograph on one of the most well research international organizations (IO) in the world, especially when there are other powerful IOs that remain relatively under-examined. Yet, I am very glad to have read this deeply informative work by Kim Moloney. It brings greater insight into the operations of the International Bank for Reconstruction and Development (IBRD), even while covering ground already well established in the literature, namely the Bank's shift to neoliberal development prescriptions in the early 1980s; its shift towards new institutional economics in the 1990s; to its good governance and anti-corruption agenda in the 2000s.

Moloney's book takes us through 32 years of public sector policy advocated for by the Bank as a means of answering her key question: who matters for producing World Bank policy? This is of course of interest to scholars of international organizations (IOs) but also of development and international public administration. Moloney seeks to identify whether the Bank's powerful member states, the United States (US) and the Group of Seven (G7) more broadly, or other external actors such as the International Monetary Fund (IMF or "the Fund") shape the IO, or whether it comes down to the boundary role of the World Bank president or the internal role of its staff from

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¹ For example, the European Investment Bank lends more than the IBRD for similar international development projects but tends to be examined by European scholars within a regional context (see EIB 2021 https://www.eib.org/en/about/key-figures/index.htm#:~:text=In%202021%2C%20the%20European%20 Investment,Fund%20(%E2%82%AC30.50%20billion).

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different departments and units. Unsurprising given its title, the book argues that the role of bureaucrats is important for establishing and changing policy over time, and that this comes from the internal battles within the Bank intersecting with its external environment.

Using bureaucratic politics and stakeholder theory, Moloney makes a case for the discipline of (international) public administration for understanding how IOs work. This individualist and agent-centric work uses process tracing to identify how and when bureaucrats can advance public sector management (PSM) policies and what these constitute. The organization can be shaped by stakeholders if the latter have power, legitimacy, and urgency in claiming attention. Stakeholders across the Bank's PSM work including the Bank President, its Executive Directors, other IOs like the Fund, and non-government organizations (NGOs). Internal actors include the Chief Economist, Country Directors, the Development Economics Vice Presidency (DEC), the Independent Evaluation Group, the Inspection Panel, and the Institutional Integrity Vice Presidency (INT), among others.

Moloney challenges the current Principal-Agent (P-A) model favoured by many in international relations, international political economy, and development economics on the basis that this model does not disaggregate enough to pinpoint where change is occurring. She also views the founding assumptions that principals need to control potentially aberrant agents seeking to advance their own interests as less of a concern than who is undertaking the policy work. She examines how World Bank bureaucrats begin in the 1990s to shape the PSM sector according to their own internal battles and learning, which is a clear break from the US/G7/IMF push for structural adjustment in the 1980s (with the active engagement of bureaucrats inside the Bank, of course). Clearly, there are some disciplinary boundaries of what different fields find important.

Moloney also rejects constructivist assumptions on the role of organizational culture. She argues that constructivists have got Max Weber wrong for articulating that IOs have internal cultures that can take on a life of their own to shape their operations (despite clear articulations by constructivists that bureaucrats are not 'cultural dupes'). Constructivists have examined how an IO's culture contributes to organizational hypocrisy in some instances and organizational deviance in others. For Moloney, it is not deviant to pursue policy or policy change inside an organization; this is just how IOs function. This is because IOs are comprised of boundedly rational individuals who pursue their own agendas within an institutional environment. This small-p politics is entirely welcome in understanding how IOs operate and contributes to better understanding how change occurs in response to external stimuli, whether it be from powerful member states or international events.

However, it would have been good to have more reasoning for why international relations approaches are insufficient. Afterall, the P-A model does delve inside IOs to explain agency slack, just as much as constructivists do not think all organizational cultures are deviant (indeed, others trace how ideas emerge to become dominant, either from inside or outside the IO). But Moloney is doing double disciplinary work here. She advocates for her own approach to public administration compared with competing alternatives including punctuated equilibrium models and the advocacy coalition framework. The methods and use of sources in this book are scrupulous.



The book takes us through the history of public sector management/governance (PSM/PSG) from the 1980s up until 2012 with a postscript for what has come since. The book argues that external actors were important for establishing PSM within the World Bank, given the demands of its powerful member states backed by the IMF and World Bank presidents. In the 1990s, the power of these external actors recedes. Rather, change in the PSM agenda is driven by institutional learning and World Bank policy prescription failures in Africa and Central and Eastern Europe. The chapters are arranged chronologically, bar two separate chapters that delve into critical events that shaped the direction of PSM within the Bank (chapters four and seven). Thus, we see the unfolding of the PSM agenda in the 1980s with the advocacy of structural adjustment policies by external advocates in chapter three. Through this progression, we see the emergence of opposing internal PSM camps: Bankers advocating for privatization versus Bankers advocating for greater focus on 'institutional development' that understands country context and the need for the public service to provide conditions for the market to function.

The richness of the empirical chapters draws one into the internal politicking even for those of us who know the cast of characters and are familiar with the outcome. Chapter four takes us through the externally motivated 1987 restructure of the Bank. This is a linchpin chapter, documenting in detail how the restructure of the IO provided the conditions for PSM units to emerge across the Bank. Moloney reminds us that PSM/PSG is the only sector within the Bank that has a Bank-wide remit (and continues to grow in terms of the Bank's portfolio). The chapter is a timely reminder of how organizational form can influence policy output, at the same time as highlighting the role of those inside the Bank for pushing their own agenda. The fine-grained research in this chapter also links how the restructure was undertaken – as a coup d'état – by advocates of structural adjustment to defeat the senior managers of the Bank with technical infrastructural skills and knowledge. The second half of the chapter details the controversial Task Force on Portfolio Management led by Bank Vice President Willi Wapenhans in 1992, which highlighted the Bank's incentive structure and approval culture, both of which remain intact to this day.

Subsequent chapters further delve into the how PSM came into its own in the 1990s (chapter five) and how "good governance" not only took up traditional public sector management issues, such as budgeting and public expenditure management, civil service reform, financial management, and tax administration, to include the rule of law, judicial reform, and decentralization. This is helpful for identifying how public administration can be understood as just another sector that can be improved with efficiencies, compared with the more political aspects of interfering in developing states with recommendations on improving the judiciary, for example. The fight to have PSM seen as contributing to Washington Consensus policies is detailed, as are concerns of how to massage the Bank's apolitical mandate. Again, this helps us understand how internal politicking between bureaucrats shaped the World Bank's Post-Washington Consensus agenda.

Chapter six continues the discussion of how early ideas on 'institutional development' morphed into the good governance agenda with the addition of the economistic understanding of how corruption affects development, including how the Bank's 1997 restructure affected PSM. For those interested in the genesis of ideas and how



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they may emerge to become dominant, this research is gold. Ideas on institutional development existed in the Bank but only emerged to define PSM once structural adjustment had failed. In chapter seven the bureaucratic politics leading to the Bank's Public Sector Strategy and its update in 2003 are covered to demonstrate in detail how external actors were largely absent. This is critical for understanding how ideas can become elevated within an institutional setting. Chapter eight examines how the 2007 Governance and Anti-corruption (GAC) sector-wide strategy consolidated public sector work before and after (2004 to 2012), including reconciling the need for both PSM supply-side and PSG demand-side projects. Again, the internal politicking as to what should drive public sector reform is critical.

Chapter nine examines the role of external actors such as non-government organizations (NGOs) and internal evaluators such as the Independent Evaluation Group (IEG) to show that they had little direct impact on the trajectory of public sector work in the World Bank, despite being identified by interviewees as important stakeholders in this area. This is incredibly useful to compare with issue areas where NGOs and internal evaluators have contributed to pushing for change in the World Bank, specifically around human rights and the environment. This is especially important given widespread opposition to the Bank and Fund's structural adjustment policies in the 1990s. Moloney highlights how general and widespread NGO criticism failed to have an effect because it lacked the nuance of the technical prescriptions advocated by the Bank in PSM. Moloney's analysis can be understood within broader contestations over how issues are framed (as economic versus human rights) and whose authority matters (Bankers versus social justice advocates). Lessons drawn from this period have already informed external actors such as NGOs as to how they should or could engage with the World Bank and other economic IOs when advocating for change. Moloney identifies thirteen theoretical propositions that emerge out of her research. These lie in the appendix tables, which perhaps was to make the book more readable. These are detailed in the book's conclusion (chapter ten) as a means of signifying the work yet to be done on the World Bank and other IOs. Some cover expected international relations territory; others take us more into the realm of IO and public administration. Each is logical and together they provide an important guide for future analysis of IOs for the field to pursue.

Overarchingly, Who Matters at the World Bank is an extremely well documented, detailed analysis of how bureaucrats advocate for their preferred policy change within the World Bank. Winners consolidate their ideas in sectoral strategies that affect millions of people around the world and help shape the trajectory of developing states over decades. The World Bank is one of a few large-scale bureaucracies with global remit in international relations (slightly larger than the World Health Organization but substantially bigger than either the IMF or the World Trade Organization). The World Bank is staffed by thousands but its policies are also impacted by the decisions of a few powerful external actors; this volume is critical for parsing out when bureaucrats can shape policy and how they are able to do so. Moloney has done a tremendous job in distilling this into a single volume and providing us with theoretical propositions to take into further research on understanding of the drivers of change in IOs.



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