
Preface

My desire to explore the theme of this book—Robert S. McNamara’s efforts to reorient the World Bank toward a more explicit concern with poverty alleviation in the world’s poor countries—had its origins during my years in the political science department at the University of California in Berkeley. My principal field was Latin American politics, and in my research I was struck by two facts: the importance of external factors in political and economic developments there and the glaring features of poverty amid abundance that characterized the countries of the region. I was searching for a topic that would combine these twin preoccupations and found it when McNamara began the poverty-oriented redirections at the Bank. The Bank was an increasingly important actor in the development of Latin America. At the time I was conceptualizing this study it was on the verge of surpassing the Inter-American Development Bank as the largest official lender to the region. I also reasoned that the antipoverty orientation would be particularly interesting to explore in Latin America with its concentrated structure of landholding, notoriously inegalitarian income distribution, and manifold political obstacles to an equitable pattern of development.

Having written on some of these themes in an article which attracted considerable attention (“Development Policy and the Possibility of a ‘Livable’ Future for Latin America,” *The American Political Science Review*, 92, June 1975, pp. 507–525), I drafted a research proposal and submitted it to the International Affairs Fellowship Program of the Council on Foreign Relations. The Council awarded me a fellowship for the 1975–76 academic year, and I left Berkeley to take up residence as a guest scholar at the Brookings Institution in Washington, D.C. While there I conducted the background research that has eventuated in the publication of the present study. I have worked on the study intermittently since 1976, with the bulk of the research being undertaken

between 1978 and 1980 following my appointment to the position of senior fellow at the Overseas Development Council (ODC).

My initial inquiries at the Bank concerned its operations in Latin America, and I am grateful to Adalbert Krieger Vasena, former finance minister of Argentina and then the vice-president of the World Bank for Latin America and the Caribbean, and Barend de Vries, then the regional chief economist, for facilitating my first contacts with staff and officials of the institution. But it soon became apparent that the inquiry needed to be extended beyond simply Latin America to other regions where the Bank's poverty-oriented emphases were increasingly being put into practice. It also seemed necessary to expand the inquiry to explore a wide range of issues concerning the Bank, not only its recent antipoverty work. While Edward S. Mason and Robert E. Asher had published their monumental book on the Bank (*The World Bank Since Bretton Woods*) three years before my research commenced, the book had not dealt with the institutional implications of the Bank's poverty-oriented work for the simple reason that the work only began after their research had ended. The decision to write a somewhat broader book about the Bank than originally planned vastly increased the research demands of the enterprise and led to interview and documentary work at the Bank well beyond that envisioned at the outset of the study.

The turning point of the study took place in January 1978, when I joined the staff of the ODC. Its president, James P. Grant, who has since become the executive director of UNICEF, was intensely interested in the themes I was pursuing. So was ODC's vice-president, John W. Sewell, currently the organization's president. Both encouraged me to continue my research despite my other commitments involving ODC's many activities in the field of international development. ODC was a virtually unique base from which to pursue such a study. The range of its concerns with development issues and the breadth of its contacts with development policy makers within and without the World Bank provided me with the access and stimulation necessary to complete my work. While I must express my appreciation to many individuals and organizations, a special sense of appreciation is reserved for Jim Grant, John Sewell, and the Overseas Development Council. Its work on the most vital issues of contemporary international development continues to be of the utmost service to scholars, the Washington policy community, and the public concerned with development.

Those who assisted me at the Bank itself are far too numerous to mention and would in any event probably prefer anonymity. I must, however, register my particular indebtedness to John E. Merriam, the

Bank's director of information and public affairs throughout the course of this study. He facilitated my work at the Bank in countless ways. I thank all who assisted me at the Bank, ranging from project officers and country economists through division chiefs and department heads to vice-presidents. In the latter months of the study Bank Presidents McNamara and A. W. Clausen were themselves generous with their time and insights.

Crucial research assistance was provided by Philip C. Erquiaga. Philip pored over Bank documents, gathered data, systematized my notes on interviews, and checked the manuscript for any glaring inaccuracies. More than that, he was my main source of intellectual stimulation throughout much of the course of my research. "Research assistant" is inadequate to describe the role he played in this study.

A word of thanks is also due those who read the manuscript in one or another form and offered helpful comments and suggestions: Robert E. Asher, J. Burke Knapp (former senior vice-president for operations of the World Bank), and S. J. Burki, senior adviser to the Bank's vice-president for external relations.

At the time I began the study I did not realize how prominent and controversial the subject was destined to become. The poverty-oriented redirections of the Bank provoked adverse commentary from both left and right, and I was consistently pressed to "take a stand." The stand taken here is to reject the extremes and adopt a realist's defense of the Bank as a reformist institution. My defense of the Bank against rightist critics was contained in an article entitled "Breaking the Bank," which appeared in *Foreign Policy* (Summer 1981, pp. 104-120). Parts of chapters 1 and 10 represent a revised and expanded version of arguments contained in that article. A defense against leftist critics is contained in the present volume. I have found much to criticize but not enough to alter my view that the Bank functions in an effective manner in face of the severe national and international constraints under which it must operate. This conclusion will, I anticipate, be open to the same criticisms that the Bank itself has experienced from those searching for more definitive pronouncements.

In a personal sense the real contribution of the Bank has been to my own intellectual evolution and growth. I began the study with some degree of regional expertise on Latin America and with limited knowledge of what has come to be called "North-South relations." Intimate involvement with the Bank over the course of this study has opened windows on other regions of the developing world, issues confronting the international economic system, and the complex nature of the interdependence between the world's rich and poor countries.

In a very real sense, therefore, I am grateful to the officers and staff of the World Bank for much more than simply their contributions to this study. Like many of the written reports of the Bank itself, the process by which the study was conducted is perhaps as important to me in an ongoing sense as the substantive themes that it addresses.