



**A CRITICAL ASSESSMENT ON THE ROLE OF WORLD BANK GROUP IN  
RELATION TO GLOBALISATION: THE CASE OF CONDITIONAL CASH  
TRANSFER PROGRAMMES AS A GLOBAL PROGRAMME**



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**Abstract**

This study aims to assess the role of the World Bank Group (WBG) in relation to globalisation by using the case of Conditional Cash Transfer (CCT) Programmes. To reveal the relation between the globalisation and World Bank Group, a leading international organisation, it is also reviewed and referred to hyperglobalist, transformationalist, sceptic theses and “globalisation-from-below”, “globalisation-from-above” concepts. The transformationalists thesis seems to represent the closest arguments to the case of CCT and WBG as this study reveals that the traces of a new “sovereignty regime” can be tracked even in poverty reduction and welfare programmes.

**Key Words:** World Bank, Conditional Cash Transfer Programmes, Globalization.

**DÜNYA BANKASI GRUBU'NUN KÜRESELLEŞME İLE İLİŞKİSİNDEKİ ROLÜ  
ÜZERİNE ELEŞTİREL BİR DEĞERLENDİRME: KÜRESEL PROGRAM OLARAK  
ŞARTLI NAKİT TRANSFERİ PROGRAMLARININ DURUMU**

**Öz**

Bu çalışmada, Dünya Bankası ile Küreselleşme olgusu arasındaki ilişki Şartlı Nakit Transferi Programları örneği temelinde incelenmektedir. Bu ilişkiyi açığa çıkartabilmek amacıyla, hyperglobalist, dönüşümcü ve şüpheli tezler ile “aşağıdan” ve “yukarıdan” küreselleşme kavramları da irdelenmiştir. Bu çalışma sonucunda dönüşümcü tezin Şartlı Nakit

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Transferi programları ve Dünya Bankası örneğini en iyi temsil eden tezlere sahip olduğu düşünülmektedir. Çünkü bu tezler yoksullukla mücadele ve refah programlarında yeni bir “egemenlik rejimine” atıfta bulunmaktadır.

**Anahtar Kelimeler:** Dünya Bankası, Şartlı Nakit Transferi Programları, Küreselleşme

## 1. Introduction

This study aims to critically assess the role of the World Bank Group (WBG) in relation to globalisation by using the case of Conditional Cash Transfer (CCT) Programmes. To establish a conceptual framework this study will first and foremost overview the discussions on the definitions of globalisation in the second section. Under the same section, hyperglobalist, transformationalist, sceptic theses and “globalisation-from-below”, “globalisation-from-above” concepts will also be examined

The third section of this study aims to provide detailed background information on the establishment, organisational structure and decision making mechanism of the WBG. Then, the mutual interaction between WBG and globalisation process will be examined comprehensively. The fourth section will examine the CCT programmes that were initiated by WBG loans and will try to reveal mutual interaction between globalisation and WBG depending on a case study. CCT programmes were selected as a case study in this study mainly for two reasons. Firstly, these programmes serve as an exact model of the WBG global programmes that cover partnerships and initiatives in different regions and countries. Secondly, CCT programmes are basically a type of poverty reduction and social development programmes in which the mutual interaction between WBG and globalisation is considered to be limited at first glance. However, by using CCT programmes as a case study, this study aims to reveal that the mutual interaction between WBG and globalisation process is even deeper in very humanitarian areas than expected.

This study will be completed with a conclusion section that assesses the findings of study and the mutual relation and interaction between WBG and globalisation through the lenses of hyperglobalist, sceptical, and transformationalist theses.



## 2. Globalisation and International Organisations and Global Governance

Although globalisation is a fashionable concept in social and political sciences, it is also a highly controversial since it has been addressed from various perspectives and approaches. Even, according to the several critics, globalisation is not a new phenomenon but it is actually an extension of former structures and establishment. The best example of this argument can be found in Martin Khor's speech to International Forum on Globalisation in 1995. He defined globalisation as a phenomenon that is known as colonisation in the third world for centuries (Khor, 1995). However, this argument only addresses one aspect of globalisation and treats globalisation as a form of "modernisation", "westernisation or "imperialism" (Scholte, 2000, p.16). In addition to this, globalisation is considered to mean a growing "internationalisation" which includes wider "capital mobility" and "flows of trade" (Hirst and Thompson, 1999, p.48 and 2003, p.99). This mobility of capital and trade added a dimension of "liberalisation" (Scholte, 2000, p.15) and "economic integration" (Sander, 1996, p.27) into globalisation concept. According to this approach, globalisation has removed or has been removing barriers on transnational movements of goods, services and capital and people. Globalisation seems to have a great impact on the diffusion of ideas and experience. Therefore, globalisation can mean "universalisation" or "a planetary synthesis of cultures" in a "global humanism" as described by Oliver L. Reiser and Blodwen Davies in 1940s (Scholte, 2000, p.16). The last approach that is used to identify globalisation is "deterritorialisation" which is described by Jan Aart Scholte as "a spread of supraterritoriality ... [that]... globalisation entails a reconfiguration of geography, so that social space is no longer wholly mapped in terms of territorial places, territorial distances and territorial borders..." (Scholte, 2000,p.16).

In addition to these conceptions on the definition and different aspects of globalisation, it seems imperative to examine theoretical categorisations on impact of globalisation in order to understand and reveal the relation between globalisation, global governance and international organisations, namely the World Bank. These can be collected and examined in three main groups as hyperglobalists, sceptics and transformationalist approaches.

According to hyperglobalists, globalisation is mobilized and steered by a "unified global economy" surpassing borders of nation states (Michael, 2003, p.6). Therefore,



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regulative of nation states becomes less effective economically and politically due to “emergence of institutions of global governance” such as international organisations and multinational enterprises (Held et al., 1999, p.3). According to hyperglobalists, rise of a global market and economy and global governance lead nation states and people loose their over economic and political activities (Ohmae, 1995, p.5 and Luard, 1990). Therefore, international organisations and actors of global governance play key roles in shaping decisions of nation states and imposing demands of global markets since power of nation states are quite limited due to their commitments and dependence to these institutions and actors (Michael, 2003, p.6).

The second group, who is categorised as sceptics, raises an objection to the argument that a “truly global economy” has emerged or about to emerge. This objection of sceptics is mainly based on three points. These are absence of an accepted model of global economy that explains how new global economy differs from previous forms of international trade and absence of economic model proving economic sector are increasingly dominated by “autonomous global market forces” , and lastly lack of historical analysis revealing economic globalisation is a unique and persistent process (Hirst and Thompson, 2003, p.98). Therefore, it is naive to name this phenomenon as economic globalisation and “...increasing salience of foreign trade and considerable and growing international flows of capital are not per se evidence of a new and distinct phenomenon called ‘globalisation’...” (Hirst and Thompson, 2003, p.100). In fact, even these international flows of capital seem to have concentrated particular regions and states of the world. According to sceptics, it is naive to mention an emergence of global governance since international organisations such as the International Monetary Fund, World Bank or World Trade Organisation do not represent the developing countries in which most of their activities are focused, rather they are led by and serve for the industrialised nations (Stiglitz, 2003, p.479).

The last group of authors, the transformationalists believes globalisation is the main driving force that accelerates economic, political and social change in modern societies. Globalisation has eliminated distinctive boundary between international relations and domestic affairs and is also reconstructing the power and functions of nation states by using international organisation and international law. However, transformationalists agree neither with the hyperglobalists who claim “the end of sovereign nation state” nor sceptics who argue



that “nothing much has changed” (Held et al., 1999, p.9). However, transformationalist emphasize on a new “sovereignty regime” that is replacing the traditional understanding on the authority, power and sovereignty of nation states (Held et al., 1999, p.9). According to them, traditional nation states do not appear to be at the centre of world governance and planetary distribution of power due to emergence and strengthening capacity of local, national regional and international organisations and multinational enterprises. In this context, transformationalists also argue that globalisation does not bring an end to nation-states, but it contributes to transforming nation states into more “outward” and “activist state” in a global age (Held et al., 1999, p.7). Despite these arguments, the direction of globalisation is still uncertain according to transformationalists (Held et al., 1999, p.7).

If these three groups of thesis on globalisation are overviewed, a specific emphasize on emergence of global governance and roles of international organizations can easily be found. Therefore, the discussion on global governance and international organisations will be broadened and examined.

Without getting lost in above mentioned discussions on globalisation and position of traditional nations states versus globalisation, it can be argued that emergence of global governance practically relies on the need for enhanced cooperation among international actors as the number, frequency and intensity of their interaction booms. Therefore, global governance is defined as “existing collective arrangements to solve problems” in the pursuit of shared goals such as international peace and security (Weiss and Thakur, 2010, p.4) and it includes and consists of regulations, norms, policies and organisations that regulates relations between “citizens, society, markets and state in international arena” (Weiss and Thakur, 2010, p.6). In parallel to this, Clive Archer indentified international organisations as “a formal, continuous structure established by agreement between members (governmental and/or non-governmental) from two or more sovereign states with the aim of pursuing the common interest of the membership” (Archer, 1990, p.165). These organisations are considered to serve as focus of global governance and politics (Willetts, 2001).

These organisations also play an important role as the agents of globalisation according to Richard Falk. Falk bisected globalisation as “globalisation-from-above” and “globalisation-from-below”. “Globalisation-from-above” mainly is a product of cooperation between developed states and capital formation while “globalisation-from-below” is sparked



various social concerns such as protection of environment and human rights and planetary poverty (Falk, 1993, 39). From both perspectives, different types of international organisations can be driving force or forum of global politics and global governance.

### **3. The World Bank Group versus Globalisation**

Before analysing the position of the World Bank versus globalisation, detailed background information on the establishment, structure and operating principles of the WBG will be presented in this section. On the contrary to popular belief, the World Bank is not a sole organisation. Rather, it is a group of organisation. The World Bank consists of International Bank for Reconstruction and Development (IBRD), International Development Association (IDA) that are owned by 187 states. Although IBRD and IDA focus on different groups of countries such as middle income or poorest countries, they aim to play “...a collaborative role in role in advancing the vision of inclusive and sustainable globalization...” (World Bank, 2011a) The activities of these two organisations are complemented and supported by other three organisations, known as International Finance Corporation (IFC), Multilateral Investment Guarantee Agency (MIGA) and International Centre for the Settlement of Investment Disputes (ICSID). Together, they form the World Bank Group (WBG).

Despite the fact that the World Bank Group is now a specialized agency of the United Nations (UN), WBG and International Monetary Fund (IMF) were founded in 1944 following the Bretton Woods agreement a year before the creation of the UN system in 1945. Member countries of World Bank govern the group through the Board of Governors and the Boards of Directors.

Each member country appoints one Governor and one Alternate Governor from its senior officials to the Board of Governors for a term of five years. These members can also be reappointed by member states for another term or terms. The Board of Governors is the senior decision making body of the WB (World Bank, 2011a). However, they meet once in a year and delegate specific tasks to 25 Executive Directors who are senior WB staff. These Executive Directors make up the Boards of Directors for each organisation under the umbrella of the World Bank. Boards of Directors are practically the main body responsible for management of the WB. Largest five shareholders of the WB, including the United States of



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America (USA), United Kingdom (UK), Germany, France and Japan, are represented by five different Executive Directors at the Boards of Directors. Other member countries are represented by remaining 20 Executive Directors. Daily operational activities of WB are carried out by the President who is elected by Executive Directors and is also Chairman of the Boards and vice presidents and senior management (World Bank, 2011b). Although there is no written rule, the President of WB was always a United States citizen since its establishment in 1944. Similar to this, the decision making process at the WBG is quite interesting and usually considered as highly controversial although it is mainly based on International Bank for Reconstruction and Development Agreement. According to this agreement, the decision making is based on a “weighted system of voting”. Therefore, five Executive Directors who represent the largest five shareholder countries have the largest share of votes (World Bank, 2011c). More interestingly, one country, which is USA, has practically power to block any proposal that aims to introduce modifications in the IBRD Agreement since such a proposal should be approved by “three-fifths of the members, having eighty-five percent of the total voting power” and USA currently holds more than 16 percent of total votes according to the latest amendments in the IBDR Agreement on February 16, 1989 (World Bank, 2011d). This voting system is a widely discussed subject in the literature while examining and analysing the position of WBG versus globalisation. Hence, it will be addressed again afterwards.

After this overview on the establishment and structure of WBG, it is necessary to focus on its mission and activities. The mission of WBG is formulized as assisting the developing and less developed countries and their people to mitigate the devastating effects of poverty and to reach Millennium Development Goals (MDGs). In addition to this, WBG strongly emphasizes that all of its activities target to advance an “inclusive and sustainable globalisation” (World Bank, 2011a). In parallel to its mission and target, different organisations under the umbrella of WBG carry out different types of activities, programme and projects. However, these activities can be grouped into five categories such as fund generation, loans, trust funds and grant, analytic and advisory services, and capacity building (World Bank, 2011e). Without giving unnecessary details, it is possible to summarize the activities of WB such as that it mainly provides low and interest-free credits or grants for the developing and poorest countries and provides analysis and technical information for its



members and supports capacity building efforts of member states. To finance these activities, WB sells bonds in the financial markets and uses its capital that collected from member states since its establishment (World Bank, 2011e).

Even though it is emphasized that WBG does not operate its activities to seek profit and it uses its credibility to provide low interest loans for its members which are developing or less developed countries, there are very strong and flaming objections and findings in the development literature that WB interfere the domestic politics and development agenda of its borrowers by imposing expanding conditionalities in the loans and grants. This is also a vital point in assessing the impact of WBG over globalisation and therefore will be detailed and discussed in the next section.

### **3.1. The Impact of World Bank Group over Globalisation**

In the globalisation literature, there is a nearly a consensus that WBG is one of the most important international organisation in shaping national and international policies and one of the key actors in the globalisation process. This section will try to identify the tools used by the WBG to influence nation states and international politics, and it will also attempt to measure the degree of WBG influence over globalisation.

According to the IBRD Articles of Agreement, WBG is strictly forbidden to interfere the domestic politics of its borrowers. However, capability and tools of WBG was widened to intervene the domestic politics of its borrowers through introduction of “structural adjustment lending” since the beginning of 1980s. Structural adjustment was a sui generis concept, used to describe the measures that were implicitly imposed to borrower countries for new loan agreements by the Western donors, including WBG in 1980s and onwards. Structural adjustment programmes of the WBG generally consisted of two phases. The first phase, which was called as “stabilisation”, was including devaluation and severe public expending cuts. The second phase, which was known as “adjustment”, aimed to transform all economic system and organisations of borrower county by introducing “...varying doses of deregulation, privatisation, slimming down allegedly oversized public bureaucracies, reducing subsidies and encouraging realistic prices to emerge as a stimulus to greater efficiency and productivity, especially for export...” (Leftwich, 1993, p.607). In addition to these economic





measures, loan agreements started to include changes, such as constitutional amendments, in the political and legal structures of borrower countries (Bayramoglu, 2002, p.87).

Before moving into other tools or mechanisms that are used by WBG to influence globalisation, global economy and politics, it seems necessary to mention the main principle shaping the WBG operations and activities. This principle is known as the Washington Consensus. The Washington Consensus, firstly termed by John Williamson, is used to refer a consensus among main international donor organisations such as IMF, WBG and World Trade Organisation that are located in Washington and United States Government. According to the Washington Consensus, development depends to adopt free and open market economy policies, price liberalisation, privatisation and integration to global economy for less developed countries (Surin, 2003, p.128). This consensus still forms the mentality behind the operations and activities of international organisations, including WBG. Therefore, WBG is often seen as a “planetary executive” trying to supervise all the process that forms the globalisation (Surin, 2003).

In parallel to Washington Consensus, structural adjustment still plays important role in the loan agreement. Interestingly, it became more explicit and complex. However, the name of concept was changed from structural adjustment to “conditinalities” and new Country Assistance Strategy (CAS) documents stipulate borrower countries to approve political reforms in very large scope including economic, social and legal areas even before borrowing (Standing, 2000, p.747).

In addition to structural adjustment lending and loan conditionalties, there are other significant tools and practises, used by to influence the process that has created globalisation. These are dissemination of best practices and publication of performance indicators, and global programmes of WBG. WBG has been positioned as a “knowledge bank” that transfers know-how from its information network to its members (World Bank, 2002, p. 11 and Oesterreichische Nationalbank, 2004, p.32). Therefore, WBG disseminates “best practises” and publishes “performance indicators” in accordance with this position and role of knowledge bank (Neu et al., 2002). As mentioned before, providing analytical and advisory services which is one of five activity types of WB is directly related with defining and promotion of best practices and determining performance indicators. With other tools such as



conditionalities in loan agreement and its capital, WBG got the capability to affect very basic policies of its lenders and other international institutions .

Another tool that WBG uses to influence globalisation process is its “global programmes”. Global programmes are described by the WBG as partnerships or initiatives “...whose benefits are intended to cut across more than one region of the world...” (World Bank, 2004, p.1). In addition to this definition, partners, as WBG calls them, are expected to “...reach explicit agreements on objectives...[and]...agree to establish a new (formal or informal) organization...[and]...generate new products or services...[and]...contribute dedicated resources to the program...”(World Bank, 2004, p.1). The scope and amount financial resources of global programmes have been expanding increasingly since WBG considers that they are responding a new global challenge in the development agenda and literature, which is the harmonization of international aids. WBG is very well aware of the new capabilities and opportunities, brought by global programmes and attaches a special importance to these programmes as way of transferring global knowledge and experience, practises, products and most importantly standards to its clients World Bank, 2004, p.6).

Despite large tools and mechanisms of WBG to influence globalisation and global economics and politics, results of its interventions and its central role in globalisation are not welcomed and approved by a large audience. WBG is quite often accused of signing agreement with the countries that have bad reputation on human rights, ethnic conflicts and contributing to increase the gap between rich and poor countries, and destructing ecological or local environments or displacing people. The case of Pak Mun dam in Thailand constitutes a clear example of devastating impacts of WBG’s global influence and its structural adjustment agreements (Friedrichs, 2010).

### **3.2. The Impact of Globalisation on the World Bank Group**

The current system of international organisations which WBG belongs was created in the 1940s and it therefore reflects an older understanding of problem solving at the international level. Like other international organisations, WBG is under the internal and external pressure of adopting itself to new global challenges, triggered by the globalisation. The necessity of a reform on WBG structure is strongly voiced in the literature and WBG reports more than ever. These studies focus on mainly two pillars. The first pillar is the



modernisation of WBG governance that includes changes in the voting system, strategy development and a greater accountability and transparency. The second pillar of reform efforts aims to reach a more integrated and enhanced aid effectiveness.

Before analysing the first pillar of reform demands, which is the modernisation of WBG governance, it is per se noteworthy that the development of the governance concept, in which WBG had a great role, imposes a reform on WBG structure and mechanisms due to the globalisation. To emphasize a need for a governance reform at the WBG, voting system has been criticised as it does not reflect the voices of poorest members of WBG. Some countries do not seem to have equal voting power compared to their economic weight and there is a serious gap between the voting shares of developed and developing countries in the decision making bodies of WBG organisations (World Bank, 2009b, pxi). More importantly, there is still a need for a special majority vote which is generally called as “US veto” to amend the IBRD Articles of Agreement and European members of WBG are “overrepresented” in the boards of WBG (World Bank, 2009b, pxii). For instance, eight member countries are represented by eight Executive Directors for each while one of remaining directors represents nearly 16 countries alone (World Bank, 2009b, pxii). The other problems emerge as a result of exclusion of most member states from selection of the President, Executive Vice-Presidents due to unwritten rules on the selection of them. All these factors strengthen the sense that WBG is governed by developed western countries.

In addition to these problems in the voting system and decision making mechanism, uncertainty on the responsibility and accountability, and weak transparency constitute other problematic areas in the governance of WBG.

According to reports on the modernisation of governance of WBG, there is not a clear division on the responsibilities of the board and the WBG management. Therefore, this ambiguity creates problems in determining which body of the WBG is accountable for different types of decisions and actions (World Bank, 2009b, pxiii). The above mentioned selection of managerial leadership of WBG also raises a question whom the President and Executive Vice-Presidents are accountable to.

As a response to these growing need on the modernisation of WBG governance that are undoubtedly heated by globalisation, there are efforts to change the voting system and a



policy was developed to achieve a greater transparency and to access information on the key decisions (World Bank, 2009c and World Bank, 2010).

The second pillar of reform efforts at the WBG focuses on the issue of enhanced aid effectiveness. The aid effectiveness was brought to the agenda of international development due to the concerns on the global stability and rapid proliferation of local, national and regional problem into different parts of planet using tools and mechanisms created by the globalisation process. Globalisation also exhibits mismanagements in international development assistance, more easily. Therefore, WBG appears to attach importance to aid effectiveness. In this context, it started to modernise and simplify its policies and procedures and played a leading role at the forums on global aid effectiveness over last decade. It even increased its activities and established inner mechanisms on aid effectiveness following the Third High Level Forum on Aid Effectiveness in Accra, Ghana in 2008 (World Bank, 2009a).

#### **4. The Case of Conditional Cash Transfer Programmes**

This section aims to concrete the interaction between globalisation process and WBG using the example of the Conditional Cash Transfer (CCT) programmes. CCT programmes are compatible with the definition of global programmes that were mentioned in the previous section. Similarities between CCT programmes and the definition of global programmes will be mentioned when necessary. However, brief information on the CCT programmes will be provided at first.

CCT programmes are considered as innovative poverty reduction programmes that aim to combat with poverty and its devastating effects by investing to the human capital of children in poor and disadvantaged families. CCT programmes are designed to create a link between a cash transfer and behaviour change. Under CCT programmes, generally a monthly stipend is paid to mothers in these families on the condition that children in these families attend to schools or have health check-ups regularly. CCT programmes are also considered to have a gender perspective as the payment are made to mothers and stipends for girls are higher than boys (International Poverty Centre, 2008, p.3). According to De la Brière and Rawlings (2006, p.6), CCT programmes constitute a departure from traditional and passive models of welfare and poverty reduction programmes. CCT programmes simultaneously address basic and urgent needs of poor families and disadvantaged families and invest human



capital development of children in these families in order to eliminate the intergenerational transmission of poverty or “perpetuating effect of poverty” (Fernald et al., 2008, p.828).

The Mexican Progressa, then Opportunades, programme is considered as the first CCT programme was by various programmes in different countries and continents. WBG was the main international donor to finance these programme, especially ones in Latin America and Caribbean, and Turkey (World Bank, 2011f). In some countries, WBG did not give loan for the CCT programme using its own resources. However, in these countries, WBG supplied know-how knowledge and advisory services for CCT programmes. For instance in Kazakhstan, WBG supported the establishment of a organisation, called as the Bota Foundation that carries out poverty reduction programmes and CCT programme. In addition to this technical assistance, WBG also takes place in the monitoring mechanisms of the Bota Foundation (Bota Foundation, 2010).

In conformity with its description on global programmes, WBG also stipulated that partner countries, the receivers of loans or technical assistance, should contribute specific resources and establish new organisations to carry out CCT programme. One of the most typical examples of this requirements, which can be described as “conditionality” as explained in the previous sections, is the Social Risk Mitigation Project (SRMP) in Turkey. Basically, SRMP was a WBG financed project that includes different sub-components such as a CCT programme. In fact, the first CCT programme was started under SRMP in Turkey in 2003. Following the termination of the SRMP in March 2007, CCT programme was under taken by the General Directorate of Social Assistance and Solidarity (GDSAS). In the SRMP loan agreement, to release the loan, WBG had explicitly entailed a condition of having a law enacted “...satisfactory to the Bank, for the strengthening of the organizational structures of the SYDTF [Social Assistance and Solidarity Fund which has been founded in 1986 in order to fund mainly poverty alleviation programmes nationwide]... including the cooperation ... and their collaboration with NGOs...” (World Bank, 2001, p.11). This mentioned law and amendments in several other laws were enacted in December 2004 and a new governmental organisation, GDSAS, was thus established. In addition to this political “conditionality”, there was also financial contribution conditionality. Therefore, the Government of Turkey had also made significant financial contribution to SRMP budget. As may be concluded from SRMP and Bota Foundation examples, loan or technical assistance agreements for CCT programmes



remind the concepts of “structural adjustment”, “conditionalities” and argument of “knowledge bank” that were used by WBG to spread its influence globally.

In addition to dominating role of WBG in CCT programmes, these programmes also reflect that WBG is reciprocally influenced by the globalisation process. As mentioned, the discussion on the aid effectiveness, flamed by the globalisation process is a clear example of the influence of globalisation on international organisation, including WBG. To achieve an effective aid distribution and loaning, WBG is often recommended to use external expertise and evaluations more extensively (World Bank, 2009b, p.45). External evaluations are believed to assess WBG activities critically in order to reach a more efficient aid distribution mechanism. At this point, it is not surprising to find out that the highest numbers of external experts are employed to assess the impact CCT programmes and measure their efficiency compared to other programmes, financed by WBG. CCT programmes serve as a model to reach to an efficient international aid mechanism through using external and independent researchers and evaluators cumulatively.

At the same time, CCT programmes per se constitute an example of a change in the mentality of WBG’s poverty alleviation strategy as a result of globalisation. WBG seems to promote and increasingly support CCT programmes that focus on the human capital development of disadvantaged families in the poor countries while it used to attach priority to industrial development in these countries in previous decades.

In addition this, WBG believes that CCT programmes play an important role in achieving MDGs goals such as eradicating extreme poverty and hunger, promoting gender equality and empowering women, and reducing child mortality and improving maternal health. More importantly, globalisation has created new channels to share the experiences gained in different CCT programmes in relation MGDs. Therefore, these programmes appear as indispensable tools of global partnership and cooperation for WBG.



## 5. Conclusion

To conclude this assessment on the role of WBG in relation to globalisation, it is necessary to recall the arguments of hyperglobalists, sceptics and transformationalists. Then, findings of this article should be compared with these arguments.

As explained at the beginning, hyperglobalists argue that international organisations and multinational enterprises are the most powerful players to impose policies to nation states in a globalised world and nation states do not have an explicit control even over their economic and political activities. However, this study revealed even one of the leading institutions of global governance is controlled and managed by industrialized nation states. They still have the economic and political capacity to guide and to direct these organisations in many cases. In addition to this, depending on WBG example, this study also found out that relation between international organisations and globalisation process is complex. International organisations can influence the globalisation process and vice versa on the contrast to the hyperglobalist thesis.

As explained before, the second group of authors, the sceptics mainly argues that globalisation is not new and distinct phenomenon and nothing is new. Despite this study partially justified the sceptics` argument that industrialized countries have a dominating control over international organisations, other main argument of sceptics that no new phenomenon such as globalisation exists does not seem valid and consistent with the findings of study. Although this study focused on one international organisation and one case, it is able to present that globalisation remains as new and sui generis phenomenon.

On the contrary to hyperglobalists and sceptics thesis, transformationalists seem to represent the closest arguments to the case of CCT and WBG. In parallel to their arguments, this study revealed that the traces of a new “sovereignty regime” can be tracked even in poverty reduction and welfare programmes. Although this new regime does not bring an end to authority of national states, it has capacity to impose conditions to nation states and reshape the traditional understanding of authority as it might be observed in the loan and technical assistance agreements for CCT programmes. Furthermore, worldwide proliferation of CCT programmes seems to have confirmed transformationalist theses that the globalisation has the capacity to eliminate the boundaries between international and national policy making by using an international organisations.



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