Knowledge and Learning in the World Bank: Assessing the Role, Challenges and Prospects for a More Accountable International Financial Institution

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2 authors:

Teresa Kramarz
University of Toronto

Bessma Momani
University of Waterloo

Chapter 14

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Teresa Kramarz and Bessma Momani

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Introduction

This chapter traces the development of the 'Knowledge Bank' initiative, and assesses its impact on enhancing the World Bank's accountability after the international financial crisis. As Grant and Keohane (2005) have previously noted, accountability implies that some actors have a right to hold other actors to a set of standards, judge if these have been met, and impose sanctions accordingly. In this volume, many contributors investigate questions of compliance and consequences. This refers to the second and third components of Grant and Keohane's definition of accountability: making judgments on the extent to which plurilateral summit institutions have met their commitments and to what effect (Kirton and Larionova, this volume). However, there is an analytically prior question in any relationship of accountability, and that is what actor is accountable to whom? Grant and Keohane claim that the World Bank has distinguished itself among other multilateral organizations for holding itself accountable to both its clients and principals. This means that the organization aspires to both a participation and delegation model of accountability. Whereas participation models identify those affected by the Bank's actions (its developing country clients) as the main targets of the Bank's accountability, delegation models identify the states that created the Bank (its principals, and key among them the G7) as the targets.

The Knowledge Bank holds the promise of responding to both modes of accountability. For clients, the Knowledge and Learning Agenda (K&L) as it has come to be known in the Bank, can enhance transparency of decision-making, and empowerment of poor people through projects that address local development challenges. For principals the K&L agenda can improve international policy effectiveness by providing the required analytical support to states negotiating binding targets and commitments. This is what Kirton and Larionova (this volume) highlight as one of the key contributions of multilateral organizations in a system of global governance. However, we argue that the Knowledge Bank has fallen short of delivering on its transparency, empowerment and effectiveness promise, and has thereby failed both accountability targets: clients and principals. We suggest ways to improve the initiative in meeting the needs of both constituencies by learning from past failures, and provide policy recommendations to become a more accountable international financial institution.

The World Bank is often synonymous with funding international development projects and programmes. While the World Bank's role as a key source of project lending in the developing world is well known, the World Bank also lays claim to another, lesser known function in international development and global governance: to be the source of ideas on development and advise for developing countries on how best to meet the challenges of increasing economic growth and reducing poverty. With a cadre of intellectual heft of World Bank economists and development experts, World Bank President James Wolfensohn formalized this role in 1996 when he proclaimed the organization a 'Knowledge Bank.' Wolfensohn and others at the Bank envisioned their organization as an institutional node in the provision of ideas on how to achieve progress in developing countries. Today, knowledge is considered "the core of the Bank's DNA" and the Bank has attempted to capitalize on that knowledge to enhance its accountability (The World Bank 2010).

The 'Knowledge Bank' concept has at times rescinded from the Bank's public mantra, but it has remained a part of its core philosophy. It has been reignited as one of its key *raisons d'être* after the international financial crisis, as states and non-state actors from civil society, media, and academia questioned World Bank accountability. In 2008, the Bank embarked on a plan for institutional renewal that would hold it more accountable to its clients and principals, in response to the global economic crisis and the many unfulfilled, long-term development goals. Establishing a new Knowledge Agenda was one of the six key components of institutional reform. In 2009, management presented the Board of Directors a strategic vision for knowledge at the Bank. A year later the Bank launched its strategy for deploying that vision. This strategy envisions the Bank deploying knowledge in conjunction with lending and convening (The World Bank 2010).

The knowledge strategy conceives the three business lines as co-dependent, each buttressing the other two in a way that makes the Bank a more competitive institution in an ever more crowded international arena. On knowledge and advisory services, the Bank competes with large and distinguished players such as the Gates Foundation in health, or a myriad of think tanks in emerging economies. On lending, the Bank is dwarfed by private capital markets that lend with lower transaction costs. And on convening actors to a policy debate, the Bank competes with other international organizations and regional development banks. Given the growth of players in global governance working in international development, the Bank's K&L agenda allows the World Bank to combine the three functions for more effective and coherent governance.[1]

Furthermore, this new K&L agenda claims to address developing countries' concerns that development agencies are needed to foster greater country ownership of development strategies in pursuit of good governance of global institutions. New best practices were laid out in both the 2005 Paris Declaration and the Accra Agenda for Action in 2008, which encouraged donors to allow aid-recipient countries to develop and deploy their poverty reduction strategies using local systems (OECD, 2009). Responding to these global initiatives, the K&L agenda envisioned the Bank as a 'global facilitator of capacity development.' The new approach promoted a strengthening of peer networks of south-to-south practitioners, and stakeholders that could exchange ideas on the 'how to' of key development subthemes while the World Bank facilitates the process with funding and technological tools. This strategy was reflected in the Bank's 2010 Annual Report: "Our mission is to fight poverty with passion and professionalism for lasting results and to help people help themselves and their environment by providing resources, *sharing knowledge, building capacity* and forging partnerships in the public and private sectors" (World Bank, 2010).

[1] Personal interview with senior Bank staff, April 28, 2010

In the words of James Wolfensohn, after 1996 the Bank emerged as a two-part institution – one part money lender and the other knowledge broker (Wolfensohn, 2005). The Bank has lived with the tension of being a fast disburser of loans on the one hand, and a knowledge institution whose *raison d'être* is to engage with complex, learning processes on the other. According to senior staff from the Bank's evaluation department, the institution has met this dual purpose with mixed results, often falling short of delivering well on both (Uma Lele, 2009). The logical argument as the institution faces reform is to consider if it can in fact deliver on its ambitions to be more accountable as a two-part Bank, or if it needs to rationalize its functions to deliver on its transparency and accountability promise.

This chapter begins by briefly tracing the evolution of the World Bank's knowledge agenda, which has had many critics along the way. The international financial crisis helped to catapult the concept back on the World Bank agenda, particularly as the institution searches for meaning and relevance in a world dominated by private capital, bilateral foreign aid, and new-found power in traditional clients of the Bank: emerging market economies. This chapter argues that the World Bank's reincarnated Knowledge Bank initiative faces complex external and internal challenges, and will need to undertake key policy changes in order to fully achieve the Bank's broader effort to reform the institution into a more responsive, accountable, and legitimate organization.

Global bodies need to maintain their relevance, stay accountable in the eyes of their members and clients, and keep trust and confidence of their donors who are often taxpayers that want accountability for money spent. This has become more complicated, however, since the international financial crisis and the shifting global economic power from the G7 to the G20, resulting in the new 'mulitpolarity' in the global economy. Emerging market economies have a mounting political and economic voice in international economic governance and are more demanding of change. They need to be reckoned with, as in 2015 emerging markets and developing economies accounted for 70% of global economic growth (International Monetary Fund, 2016). At the same time, many of the new G20 members have experienced the inadequacy of the international financial institutions, particularly under the structural adjustment policies of the 1990s, and have amassed their national wealth as forms of self-insurance against both future crises and the prospect of resorting to the international financial institutions for funding help.

They have also increased demands for accountability measures that increase effectiveness in global governance. A greater number of stakeholders, directly engaging with the World Bank in calls for increased transparency and responsiveness, could theoretically enhance organizational performance. However, complexity in accountability relationships emerges when stakeholders with conflicting agendas demand different roles and outputs from the same institution. As Koppell (2005) has explained with the concept of "multiple accountability disorder," conflicting expectations are often a source of institutional dysfunction rather than enhanced performance.

The international financial crisis exposed the vulnerabilities of the so-called sound best practices in economic and financial systems, particularly those championed by developed countries. The impetus to reform international financial institutions and make them more accountable is now coming from the new members of the G20 who are more vocal in their calls for governance and operational reforms to achieve IFI accountability and effectiveness. While there has been recent attention given to the G20's efforts to re-engage and reform the International Monetary Fund, the World Bank has only seen limited mention and funding in G20 statements, and has had modest reform proposals suggested by this new node in the global governance architecture. The need to evaluate the World Bank's response and vision for its future as an organization is therefore vital to its continued relevance and merits further study.

Impetus behind the Knowledge Bank Initiative

After only a year in his post, World Bank President James Wolfensohn announced in the 1996 Annual IMF and World Bank meetings the launch of the 'Knowledge Bank' and in so doing turned the Bank's acquired knowledge of 50 years in development into an integral component of its commercial value. As Weaver and Leiteritz (2005) describe, the impetus to change the World Bank's mandate at that time was partly external as well as internal. Externally, the World Bank was losing many clients as developing countries sought out financing on capital markets. Moreover, the non-governmental community and other civil society actors mounted numerous advocacy campaigns that undermined the World Bank's legitimacy in development circles. Internally, the World Bank conducted its own study in 1992, called the Wapenhans report (for its principal author), which showed low country compliance with legal agreements attached to Bank loans and weak organizational behavior within the Bank (Weaver and Leiteritz, 2005). Wolfensohn, an international investment banker, was motivated to promote functional changes within the World Bank that would enhance its legitimacy and accountability to stakeholders. He believed that the 'Knowledge Bank' would be a positive and transformative approach to that end.

Moreover, the story often told is that Wolfensohn was further motivated to initiate the Knowledge Bank after speaking to a World Bank employee, who was about to leave the organization with all of his files and who planned to store them in his home after lamenting that the Bank would not know how to preserve such valuable information. Wolfensohn claimed that this was illegal, but he soon found out that it was not, and that the World Bank had no system in place to preserve the knowledge created in the organization (Leautier, 2005). The Knowledge Bank vision saw the World Bank helping to create knowledge in its research department, sharing knowledge within the Bank staff, member countries, and the stakeholders involved in development, then applying this knowledge in country programs.

Ideally the creation of knowledge would be cyclical, wherein Bank research would adapt its acquired knowledge from the experiences of member countries and the application of previous ideas. This would serve as a feedback loop into the cycle of acquiring and sharing knowledge. As Wolfensohn noted in his 1996 speech to the Board of Directors, the use of information communication technologies would allow for the acquisition, organization, and dissemination of knowledge to be used more effectively than they had been in the past. The World Bank would capitalize on its ability to play a pivotal role as a broker in the described knowledge cycle.

The World Bank's Chief Economist, the outspoken Joseph Stiglitz, was instrumental in promoting the Knowledge Bank concept. Stiglitz's life-time academic work and views on the subject were noted in his address to UNCTAD's annual Prebisch Lecture in 1998:

"Development requires closing the gap not only in 'objects,' in human and physical capital, but also in knowledge. Knowledge and capital are in fact complements: improved knowledge enhances the return on capital, while additional capital provides the opportunity to make use of recently acquired knowledge" (Stiglitz, 1998, p 21).

Stiglitz and other World Bank researchers articulated the concept further in the World Bank's premier annual publication, the *World Development Report*, in 1998. The "Knowledge for Development" report identified two deficiencies in development: knowledge gaps in technical issues (such as health care, agriculture, and finance), and information problems related to attributes (such as country member's creditability as borrowers or product quality). The argument was that the developing world suffered from these two deficiencies more so than the developed world. The former were not poor solely for a lack of capital, but also for a lack of knowledge (World Bank, 1999). Hence the World Bank was to be transformed from the 'conditionality bank' to the 'knowledge bank' – two competing paradigms about the role of the World Bank (Gilbert et al., 1999).

Gilbert et al. (1999) have argued that the Bank is in the perfect position to be a knowledge broker because knowledge is a public good that is best produced by an objective party like the Bank. They argue that the Bank can produce and 'bundle' knowledge and ideas more effectively than either academia or the private sector because it can use lending to help 'the money carry the ideas' (Gilbert et al. 1999, 51). Their argument was that the Bank was well positioned to be a knowledge broker in an age of globalization in need of policy congruence. Moreover, with the rise of capital markets, the Bank's *raison d'être* as a lending institution would be limited; it could therefore play a more effective role in brokering development ideas.

In summary, the World Bank would act as the central node by collecting knowledge from its clients and then disseminating the knowledge back to governments, donors, and private actors; this would prevent 'reinventing the knowledge wheel' (World Bank, 1999). The 'Knowledge Bank' initiative would address the shift in global economic power from the international financial institutions to private capital markets. The initiative would also respond to the growing criticism by external actors who had a deep effect on the World Bank's self-image as a pro-poor institution. However, the attempt to capitalize on the political and ideational space with a new role as knowledge provider was short-lived, and soon criticism mounted that the World Bank was not doing enough to incorporate client feedback into the knowledge cycle. Moreover, as Weaver (2008) points out, Bank staff remained hesitant to internalize the required changes. Instead, it was business as usual where the staff prescribed policy reforms in debtor countries and little exchange of knowledge took place. This point was echoed by external evaluations of the initiative where staff complained that documenting knowledge in the process of assignments had burdened their workload (Prusak, 1999).

While many support the Bank's role as a knowledge bank, more often the concept has had its critics, many from academia, think-tanks, non-governmental organizations, and civil society actors. External criticism of the concept has centered on the Bank's legitimacy as a knowledge provider and focused on three main arguments: questions of Bank impartiality and objectivity (Wade, 2002; Standing, 2000), its promotion of universalist knowledge as opposed to being context specific (Stone, 2003; Woods, 2006), and prejudice towards neo-liberal prescriptions (Boas and McNeill, 2004; Wade, 2002). Despite attempts by the Bank to enhance accountability to its clients through the K&L agenda, critics highlight the ideational biases that animate the K&L agenda and the lack of any real impact on functionality.

With James Wolfensohn's departure from the Bank, frequent public appeals to the concept of the Knowledge Bank went with him. Under Paul Wolfowitz's short tenure as Bank President (2005-2007) there is little evidence of any acknowledgement of the knowledge bank concept in his archived speeches, and no evidence of public outreach on the subject on the Bank website or in the development of new initiatives in its operations. Wolfowitz concentrated his efforts on two main strategic initiatives: development assistance to Africa and fighting corruption (Marshall 2008). This changed under the leadership of Robert Zoellick from 2007 to 2012, and more importantly under the push by key individuals in senior Bank management.

In his first 100 days of office, Zoellick re-adopted the K&L agenda as one of his six strategic priorities. He specifically noted that he would promote "Fostering a 'knowledge and learning' agenda across the World Bank Group to support its role as a 'brain trust' of applied experience" (Zoellick, 2007). With support of the World Bank president, a core group of Bank staff became committed to giving this agenda stronger organizational weight. In 2008, the World Bank Institute launched a new strategy that put the K&L agenda as one of its core themes. As Zoellick (2012) noted, "One of the problems of the World Bank is that it is called a bank. Most people associate banks with lending money (at least they have until recently), but financing is only one part of what the organization does. When it is most effective, the World Bank shares knowledge." Consequently, the World Bank not only revitalized its vision as a node in the exchange of development ideas, but also started to conduct self-evaluations of its effectiveness as a facilitator or broker of knowledge.

In March 2012, Jim Yong Kim became the next World Bank president and picked up where Zoellick left off, by further amplifying the knowledge bank to push for an even stronger emphasis on providing a platform for stakeholders to share evidence-based solutions. At the first annual meeting of his tenure, Dr. Kim further elaborated on how he envisioned the development of the knowledge and learning priority:

> "We will rapidly improve our ability to provide our clients with integrated solutions for maximum impact. Better synergies will reinforce our comparative advantage as the only global development institution that can credibly support the public and private sectors; provide access to exceptional knowledge resources; and offer risk insurance to energize investment. *That's why I've asked my management team to come up with a plan for building greater synergies across the World Bank Group to save costs and improve effectiveness"* (Kim, 2012).

One of the responses of Kim's management team was to build a massive open online course (MOOC) platform. The Open Learning Campus (OLC) was launched in 2015 to offer stakeholders information, videos, training, and courses on best practices in development from across the world. The OLC describes its mission as one that "accelerates development solutions by transforming global knowledge into actionable learning" (Open Learning Campus, 2016). From Wolfensohn to Kim, the focus on knowledge and learning has been a key World Bank service. How much had changed, and would the K&L agenda provide the accountability mechanisms that lived up to the demands of its clients for effectiveness, particularly after the international financial crisis changed the realities behind global economic governance? We turn to that next.

The External Challenge: A Knowledge and Learning Agenda in a Multipolar World Economy

The 2008 financial crisis sent many analysts, pundits, and policymakers in search of new ideas and solutions to both understand and contend with the economic quagmire the crisis created in the financial and banking sectors. The international financial crisis and the recurring sovereign debt crises from Ireland, Spain and Greece underscored the relevance of international financial institutions, but their lending proved to be less important than the legitimacy of their space as vital forums for discussion on ways to move forward and learn from the errors of the crisis. Institutional leadership is needed to meet the challenges of future crises, including the prospects of mediocre global economic growth plaguing many countries since the crisis.

The quality and applicability of the ideas the Bank produces and disseminates can grant the institution convening power in such crisis. Furthermore, as Cord Jakobeit notes: "Due to its financial clout alone, the Bank as a globally leading (if controversial) think tank and a globally committed donor has a special position in international development policy. Because it has in many cases the power of definition and interpretation, its publications must be taken seriously" (1999, 5). The World Bank is internationally respected for its knowledge, particularly its economic research capacity. However, the World Bank's economic assumptions and policies do not remain unchallenged by internal actors and external clients: the Bank is continuously taken to task for its role as knowledge provider or knowledge broker. Nevertheless, this is part of a healthy debate on how to achieve international development that is accountable to both its clients and principals, and the World Bank still can command respect – albeit not necessarily deference – to its role as knowledge provider. Simply put, analysts and clients may not necessarily accept any of the World Bank's advice but they still listen and engage, giving serious consideration to the Bank's ideas. This is evident in a simple scan of the citation impact that World Bank publications garner compared to other international organizations that have taken up similar knowledge for development agendas (Kramarz and Momani 2013).

Since the financial crisis, the World Bank has continued to claim its leadership role in knowledge production, dissemination, and sharing. Indeed, the Bank has renewed its commitment to playing a role in providing and sharing knowledge with its member countries, and in particular to its developing country clients. In its 2009 annual report, the Bank reaffirmed the value of its role as a knowledge broker, its access to a development policy network, its strengthened relationships, its presence in international financial systems, and the tools it has created since its 1996 initiative was formalized:

> "Knowledge is the key to development effectiveness and the driver for a successful development institution. The Bank is able to draw on a global network of platforms in

> 120 countries, close and long-standing relationships with partners, a deep understanding of global and national policy issues, an unparalleled pool of development data and expertise, a strong balance sheet, and a highly motivated and entrepreneurial workforce" (World Bank, 2009, 19).

The Bank has put great emphasis on its role in the knowledge agenda, and sees itself as having strong comparative advantage and skills in the international landscape of ideas. At the same time, however, it has become evident that the Bank's K&L Agenda is increasingly being challenged by the emergence of new actors and new economic and political arrangements on the international scene. Given such claims and commitments, it is necessary to therefore ask whether the World Bank can be held accountable to clients and principals for its (self-proclaimed) role as the provider of 'unconventional wisdom.' Moreover, will the Bank continue to be the place that member countries turn to for policy advice in the future? Again, its 2009 annual report states that, "[t]he global financial crisis and the associated questioning of conventional wisdom will create more demand for the Bank's knowledge services over the coming years, underscoring the critical need for the Bank to strengthen its knowledge base" (World Bank, 2009, 19).

The World Bank indeed has recognized the need to offer more than just lending to its clients, particularly with the rise of capital-surplus countries in the developing world who have less trepidations about lending, trading, and investing in fellow developing countries. In addition to this rise in South-to-South economic activity – as illustrated further by the creation of the Asian Infrastructure and Investment Bank (AIIB) - we also see 'reverse linkages' between developing and developed countries, wherein the former is growing faster than the latter, and which remains integral to global economic recovery and long-term growth (World Bank, 2010). As the Bank's Director of External Affairs for the Africa Region, Peter Stephens (2010, para. 3), put it:

> "To think of China, India, Brazil, Mexico, Russia, South Africa and Malaysia as developing countries seems anachronistic. Yes they have poverty and challenges, but… 'developing?' They play a regional and global role of real significance. They have civil servants, academics and businesspeople as skilled as (and many more skilled than) World Bank staff. Developing just doesn't capture it."

Moreover, private philanthropic organizations like the Melinda and Bill Gates foundation are new sources of funding and development knowledge. Such organizations are also providing more capital in sectors like health than the World Bank. Thus, as the Bank faces increasing competition in providing lending, it must also deal with increasing competition in providing development knowledge.

The reality for the Bank is that development knowledge exists in southern think-tanks, universities, research centres, and government departments. Indeed, the World Bank has recognized that it faces new competitors in providing knowledge ideas. This was articulated by Bank President Robert Zoellick in his April 2010 speech to the Woodrow Wilson Center:

> "Development is no longer just North-South. It is South-South, even South-North, with lessons for all with open minds. It is conditional cash transfer programs in Mexico being studied around the world. It's Indians in Africa explaining the so-called 'white revolution' that boosted milk production. It is a new world where developing countries are not only recipients but providers of aid and expertise. Nor is it about ideological panaceas, blue-prints, or one-size-fits all. In a multipolar economy, development is about pragmatism, learning from experience, recognizing how markets and business opportunities change, sharing ideas, and connecting knowledge, just as we connect markets, across innovative networks" (Zoellick, 2010).

Yet, in addition to the challenges posed by its competitors – and despite the Bank's evolution from a 'provider' to a 'facilitator' of knowledge – the Bank also needs to consider another key challenge in his efforts to reinvent itself, particularly in the wake of the 2008 crisis, namely the challenge posed by the current structure and dynamics of its internal organizational culture.

The Internal Challenge: Organizational Culture and the Knowledge and Learning Agenda

Can the Bank effectively internalize its role as a knowledge broker given that: a) it has a top-down bureaucratic culture with a clear ideological perspective on development, and b) that it has a history of providing rather rigid solutions to the complex issues faced by development countries? Organizational theory tells us that an organization may have ideal goals and objectives in mind, but that change often involves solutions that can satisfy its vested interests. March and Simon (1958) developed this idea of organizational *satisficing*, wherein:

> "Most human decision-making, whether individual or organizational, is concerned with the discovery and selection of satisfactory alternatives; only in exceptional cases is it concerned with the discovery and selection of optimal alternatives…To optimize requires processes several orders of magnitude more complex than those required to satisfice. An example is the difference between searching a haystack to find the sharpest needle in it and searching the haystack to find a needle sharp enough to sew with" (1958, 140-141).

If organizational change occurs, organizations need to either *adapt* or *learn*. In the first case, incremental reform occurs without disturbing the organization's core *raison d'être*. In the second case reform is more substantive, and organizations need to *learn* by re-evaluating the its underlying values (Haas 1990). Whether it is through adaptation or learning, organizational change is customarily slow. However, organization theorists predict that adaptation is more likely to occur than learning because the former does not challenge the dominant *organizational culture*, defined as "the shared beliefs, attitudes, and values of members that determine organizational norms of behaviour" (Heffron 1989, 155). Finally, *adaptation* is also less challenging to vested interests than *learning*. Ultimately, organizational change requires staff to carry out the difficult task of adapting to new (i.e. revitalized or re-engineered) procedures, rules and modes of thinking. Consequently, change will likely be incremental, involve errors, and at times be short of an ideal objective. Nevertheless, proposed changes will settle to a point that is culturally acceptable to the organization.

Organizational change has been and will to be a difficult journey for the World Bank As things currently stand, changes to internalize the K&L agenda has had the opposite effect from what the architects of that change originally intended. For instance, one of the purposes of Wolfensohn's massive institutional reorganization was to promote internal knowledge sharing in order to transform the Bank into a 'facilitator' or 'broker' of knowledge. The Bank thus created a cross-cutting template of thematic networks and regions: network experts, who specialized in particular areas like education, environment, or gender became internal consultants to regions and competed for contracts. In the end, as an internal assessment of the World Bank pointed out, under conditions of organizational change and job insecurity, staff became more inclined to hoard knowledge than share it. In other words, when knowledge is power and can be contracted internally between regions and networks, staff behaved in similar ways to consultants who take knowledge with them once they finish assignments because doing so is what makes them marketable (Nielson, Tierney and Weaver 2006). This was indeed one of the problems that Wolfensohn noted when he looked at the Bank's over-reliance on consultants, which he attempted to remedy by strengthening internal knowledge structures.

Organizational change is heavily reliant on an organization's cultural type. There are four ideal types of organizational culture: (1) *the clan-type*, where staff feel they have a communal, family-like setting; (2) the *ad hoc-type*, where staff are motivated by innovation and creativity, and work in a relaxed or unstructured work environment; (3) the *market-type*, where staff operate in a competitive, high-strung work environment; and (4) the *hierarchal-type*, where staff belong to a rigid, structured, technocratic and rule-driven work environment (Cameron and Quinn, 2005). The Bank has often been categorized as hierarchal and technocratic. Lyla Mehta's (1999) reflections on some of the challenges inherent in Bank organizational culture are worth noting:

> "The Bank's knowledge agenda often tends to be centralized and absolutist and draws on economistic and technocratic models. These trends contribute to the emergence of a narrow knowledge agenda that both neglects sociocultural issues and those concerning a wider political economy. Thus, the plural nature of knowledge is denied and the Bank's own problematic role in knowledge generation is not reflected upon" (Mehta, 1999, p.195).

Organizational change at the World Bank will be difficult and will require organizational re-engineering to internalize among Bank staff. The K&L vision does also not easily mesh with the World Bank's current highly centralized and bureaucratized organizational structure. Change in the World Bank will be complex and slow because its technocratic and bureaucratized organizational culture means that its operations are structured to follow an expected pattern or routine of organizational behaviour.

Is the Bank therefore able to act as a neutral 'facilitator' or 'broker' in a network of knowledge producers, given that it has a preferred method of understanding and fixing development problems? Current accountability deficits to stakeholders in global governance are concentrated in this first stage of design, rather than execution, of specific development interventions. Some of the most significant accountability gaps in global governance are found at the initial stage of project preparation, where development problems are framed and solutions are fixed often with only cursory consultations between the Bank and beneficiaries on the ground (Kramarz and Park 2016). The Bank must overcome an institutional history where clients were meant to learn from the Bank and its expert advisors. The reverse relationship has not historically received the institutional attention it needs (Easterly, 2006). Without reflecting on these issues, it will be difficult for the Bank to leverage the knowledge bank as a means to claim accountability and enhance its legitimacy particularly among its clients.

For much of its past, the World Bank controlled internal debate by suppressing discordant ideas and giving incentives in hiring and promotion to staff who reinforced its agenda (Broad, 2006). Stern and Ferreira (1997) point out that "[World Bank] researchers are not free to follow intellectual inspiration ... and the atmosphere is much more deferential than one would find in universities. There is an understandable concern with what superiors will think of their conclusions" (p. 594).

This system of 'paradigm maintenance' has influence outside of the Bank as well (Stone, 2003). In an internal World Bank evaluation, the Bank surveyed users of its advice and found that most were dissatisfied with its "presumption of correctness" (Gwin, 2003, p.65), as well as the Bank's discounting of alternative models and local knowledge, its prejudice toward macroeconomic solutions, and its inflexibility in considering applicability to local conditions.

The Bank eventually acquired numerous critics because of its institutionalization of what was dubbed "the Washington Consensus." The term originated in a conference paper by John Williamson in 1989, which set out ten economic principles that he believed most of Washington would endorse to foster growth and development in Latin America and counter what was then deemed by many economists as the lost decade of the 1980's (Williamson, 2004). These policy prescriptions included economic liberalization, privatization and deregulation measures. The term evolved from that point on, and became a shorthand reference for an ideological and neoliberal set of recipes that advocated a reduced role for state institutions, and an enhanced role for markets in guiding development among loan recipient countries. The World Bank incorporated these principles in large measure through its structural adjustment programs of the

1990's. In its own report of 2005, "Economic Growth in the 1990's: Learning from a Decade of Reform," the Bank re-considered the wisdom of the Washington Consensus and how it had "guided much of the advice by the World Bank and was reflected in the conditionality associated with adjustment loans" (World Bank 2005, xi).

The Deaton report also argued that some stellar economic studies had been done by the Bank, but that information was used "to proselytize on behalf of Bank policy, often without taking a balanced view of the evidence and without expressing appropriate scepticism" (Banerjee, et al, 2006, p.6). Simply put, if the Bank has been a lecturer on development ideas during its institutional lifetime, can it switch gears to become a listener on development? Will the quest to seek accountability be cosmetic, or truly internalized by Bank staff?

For the Bank to truly be a 'facilitator' or 'broker' in development thinking, it needs to foster a more open dialogue on development. As Kirton and Larionova in this volume point out, accountability mechanisms can help improve organizational effectiveness, but commitments to do so need to be internalized where members 'care enough' to put in the sustained effort for reforms and change. Past World Bank behaviour, however, indicates that a dose of skepticism is warranted. We argue that the Bank's organizational culture will prove to be the greatest challenge to overcome as it attempts to stand back and play a 'broker' role when it encounters knowledge ideas that contradict its own ideology. The Bank's recalcitrant organizational culture will continue to hamper its ability to self-correct through learning.

Finally, knowledge can be hard to reward. Traditional staff performance reviews as well as the path to professional advancement at the Bank have relied heavily on project identification rather than supervision, and even less so on incorporating lessons from project evaluations (Berg 2000). One of the difficulties in reforming this system is that the very straightforward variable of lending volume competes against the intrinsically indeterminate variable of knowledge. One is easy to capture and measure, while the other is dependent on subjective definitions, reflexivity, and relational assessments. The Bank's new knowledge vision and strategy is conscious of the institution's traditional "focus on deliverables, such as lending volume and numbers of AAA products" (World Bank 2009, 6). Yet, even with this apparent increased degree of reflexivity, significant challenges in implementation remain, and the World Bank must therefore undertake the following policy recommendations to transform into a more accountable international institution to both clients and principals.

Recommendations and Conclusion

In an effort to boost its accountability, the World Bank has promoted its key role as a provider and manager of information and ideas in its Knowledge Bank with its members and the global development community. The World Bank's knowledge initiative efforts have been extensive, and have been seen by many as a welcome improvement to its structure and operations. But as the Bank points out in its own assessments, implementation challenges remain a central stumbling block. Internally, this has been attributed to insufficient communication, or inadequate organizational processes to harmonize research and project operations (Gwinn, 2003).

However, the Bank needs to go further than building internal synergies between its research departments and the so-called front lines of project execution. Challenges in implementing knowledge initiatives will persist until the Bank builds genuine external partnerships with its clients, and incorporates a culture of learning from the field. Although there has been some experimentation in this vein on the margins, within regions, and among particular self-motivated task managers, the organization has remained primarily concerned with learning from its own centralized analysis of successes and mistakes, rather than feedback and knowledge from its clients.

Results from an internal Operations Evaluation Department's five-country study and academic assessments reflect these concerns with the Bank's approach to knowledge and learning. Respondents from Bangladesh, Brazil, Poland, Senegal, and Tanzania noted that the Bank produced many analytical reports with comprehensive data that was of great value. However, respondents also noted that key problems with the Bank's larger pursuit of a knowledge role in international development include: (1) the uncritical view it takes of its assumptions; (2) its bias towards macro-economic solutions; and (3) its tendency to transport its own best practices from country to country without giving enough attention to the particularities of different local contexts (Gwinn, 2003).

Addressing these concerns poses a significant challenge to its organizational culture. It means, among other approaches, promoting a longer loan cycle that can accommodate more dialogue and in-country studies. This includes, for instance, having consultations to jointly define development problems, rather than simply discussing solutions proposed by the Bank. This recommendation would go well beyond the general contours of dialogue involved in the process of drafting the Country Assistance Strategy (CAS). It suggests a more critical dialogue within each of the thematic areas in order to establish local priorities, and more importantly, local framing of these priorities. Also, adapting to local conditions will mean conducting more in-country studies that can shed light on the variables future projects needs to incorporate. Moreover, the World Bank needs to bring in accountability mechanisms that ensure the knowledge bank is truly a two sided conversation that works to enhance policy initiatives and outcomes, and assess staff on the basis of being good listeners and responsive to client demands, as well as good lenders of development aid.

There is a clear tension in pursuing competing functions, such as being an analyst versus an advocate, or a fast disburser of loans versus a facilitator of in-depth technical assistance processes. Knowledge initiatives must contend with the challenge of these competing functions and establish a strategic vision that promotes institutional coherence. We have argued that for the Knowledge Bank to serve as a mechanism for accountability in global governance it needs to become more accountable itself, and this means that the institution needs to undergo significant changes in its organizational culture.

This may not happen as a result of an internal struggle, but as an unavoidable response to external demands that cannot be ignored if the Bank is to remain a relevant institution. Kirton and Larionova refer to "the global governance galaxy" to highlight the multiplicity of issues and actors involved in the current architecture of global governance (this volume, p. xx). This complexity creates both a challenge and an opportunity for relevance. It is a challenge that has become familiar to the Bank and similar multilateral organizations. The Bank has shown its resilience in the past by meeting the challenge through reforms that made it more accountable.

For example, Park (2010) shows the importance of external demands for change in creating the Inspection Panel, one of the Bank's main accountability mechanisms. This did not emerge simply as an internal decision to adopt a new vision of transparency, but as a direct response to external demands to improve Bank performance. "CSOs had been concerned about the impact of these [international economic] organisations on people in proposed project areas, and templates and ideas were being floated in the early 1990s. This coincides with broader ideas on the importance of transparency, participation and democracy with the collapse of communism and the spread of liberal economic and political ideas" (Park 2010, 26).

The external context in which the Bank operates today is one of many competing actors in a crowded arena of global governance. This is again creating pressure for the Bank to reform. The 2008 financial crisis showed the organization that one of its key comparative advantages was its convening power as an experienced development institution, and as Kirton and Larionova argue, a trusted provider of macroeconomic information and analysis to facilitate multilateral negotiations. A significant portion of the Bank's added value to global governance is in the knowledge it has acquired and can mobilize. The Knowledge Bank holds promise for the organization, its clients, principals and the global system but it all depends on the Bank's ability to learn and correct its internal and external systems.

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