

# The World Bank as Social Environment: The Origins of Conditionality in the EU-ACP Relations

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## Abstract

*This article focuses on one of the most salient aspects of the EU-ACP relations, namely the conditionality of aid assistance and it traces the origins of conditionality in the influence of the neoliberal doctrine widespread within the World Bank. The analysis of the World Bank as a social environment bolstered by the use of cognitive mapping of assertions of European officials and official documents is used to appraise the functioning of the microprocesses of socialisation. Accordingly, with a structure-centred constructivist approach this article argues that the EU development policy toward the ACP countries was influenced by the conceptions and practices within the World Bank. Nevertheless, the novelty of the approach utilised here is the focus on the mechanisms of propelling of the socialised norms and doctrines rather than their content: a thorough analysis of the microprocesses of socialisation is applied to the World Bank. The acknowledgment of the origins of the conditionality, which has become typical of the EU's development policy, is crucial in order to appreciate the history and the future of the relations between the EU and its former colonies.*

## Introduction

The objective of this analysis is to trace the origins of conditionality in EU<sup>1</sup> development policy toward the African, Caribbean, and Pacific (ACP) countries. In other terms, this is an inquiry into the causes of the shift from “a support to the likes of Amin, Bokassa or Mobutu” (Guardian 1993) through “[structural] adjustment [which] has become the daily bread of the vast majority of the countries of Africa and a sine qua non of their dialogue with the outside world” (Frisch and Boidin 1988: 67) to “the respect for human rights, democratic principle and the rule of law ... shall constitute an essential element of this Convention” (art. 5 Lomé IV- bis and then art. 9 Cotonou Agreement). Not only is this topic theoretically relevant given the

<sup>1</sup> EU and EC are used interchangeably since the origins of conditionality date back to the end of the 80s and the beginning of the 90s, but the phenomena analysed in this work are not limited to that period.

vast literature which has hitherto focused on it, but it is also politically and socially salient. This article focuses on one of the most employed and criticized paradigms of development assistance—conditionality. Aid conditionality refers to “conditioning aid on a number of prerequisites and promises of reform, [which] has been extended from the economic realm to the political arena” (Santiso 2001: 10). Nowadays, the vast majority of actors involved in development assistance employ some types of conditionality. On the one hand, conditionality has been perceived as a sensitive strategy to incentivise economic and political reforms within developing countries, in which too often aid encourages corruption and bad governance (Bauer 1991). Furthermore, ‘charity assistance’ has proved to put the recipient country in a never-ending vicious circle of dependence vis-à-vis donors (Moss et al 2006). On the other hand, developing countries have seen conditionality as old colonialism in new bottles mining

their suffered independence (Woods 2006). This issue is even more relevant in a context such as the European one in which imperialism is still fresh in the minds of people.

This article commences with an historical overview of EU development policy toward the ACP countries and special attention is devoted to the policy paradigm of conditionality. The first section analyses the development of such a concept from its theoretical origins from the employment by international financial institutions (IFIs) to its use in the EU's context. The second section copes with the theoretical state of art, focusing on the various approaches hitherto utilized to tackle the issue at stake. The ensuing section analyses the World Bank as a social environment in order to test whether socialisation is at work therein. Accordingly, this article argues that the World Bank is conducive for persuasion dynamics and a case-study is taken into consideration in order to test the validity of such an argument. Indeed, through the method of cognitive mapping the final section uncovers the effects of the persuasion dynamics on European development policy.

## The Historical Background

The relation between the European Union and the ACP countries finds their roots in the French colonial experience since 1871 (Grilli, 1994). After the Franco-Prussian war, France had to revise its approach to colonialism, which until then had been based on merely commercial interests. The new doctrine delineated by philosophers such as Ferry and Leroy-Beaulieu was characterized by strong emphasis on the moral obligations which colonialism bore (Rist, 1997): 'the white man's burden' entered the European colonial narrative vis-à-vis African countries. This influenced the development discourse in the aftermath of World War II in a significant manner, though another characteristic of French colonialism was crucial. In fact, the 1946 French Constitution established what has been labelled 'associationism', namely a variety of links between the mother country and the colonies based on equality of rights and obligations (Grilli, 1994). Possessions were intertwined with France in a quasi-federalism, in which resources were pooled in order to sustain that feeling of solidarity which was at the basis of the French empire. In 1957 the concept of associationism was transposed into the Part IV of the Treaty of Rome and it was adapted to the new European reality (Grilli, 1994). Accordingly, the main pillars were: a free trade among the EC states and their present and former African dependencies and multilateral economic aid. Through

the various reforms of the agreements between the EC and its former colonies, namely the 1963 Yaoundé I Convention and its successor in 1969, a clear pattern was delineated. Economic aid was provided both in bilateral and multilateral manner<sup>2</sup> and the increase of local production was triggered by a free trade area (Arts and Dickson, 2004).

In the mid-1970s the approach toward the developing world mutated drastically due to two factors. First, the Generalized System of Preferences (GSP) established in 1971 shifted the attention to the poorest countries (e.g. sub-Saharan Africa), although the signatories of the Yaoundé conventions maintained their privileges (Dinan 2005). Second, when Great Britain joined the EC in 1973 with its colonial legacy a revision of the European approach toward development became necessary. As a consequence, the extension to 46 countries characterized the 1975 Lomé I Convention. Inspired by the New International Economic Order (NIEO), Lomé I Agreement bore two novelties. First, a system of stabilization of prices for the exports from the ACP countries was included in the agreement. Second, a complex inter-institutional framework was created in order to improve the multilateralism of the decision-making process. In fact, the ACP-EC Council and the inter-parliamentary assembly soon assumed the role of fora in which decisions were reached in the most concerted manner (Dinan 2005). New agreements were negotiated every five years until 2000 when the parts signed the Cotonou Agreement, which in turn was reformed in 2010.

The 1990 Lomé IV introduced a significant novelty in the EC approach. Despite maintaining the previous provisions, it introduced the concept of 'structural adjustment'. Such a new policy paradigm was first utilised by the World Bank in 1979 in response to the debt crisis in the 1970s (Brown 2002). The Berg Report issued in 1981 provided the theoretical background for economic conditionality questing for a neoliberal approach to development assistance. Accordingly, recipients had to undergo various reforms in order to obtain loans: a decrease in the role of the state in the economy, de-nationalisation of firms, and the removal of trade barriers (Arts and Dickson, 2004). The IMF introduced structural adjustment in its policies in the 1980s thus becoming the main doctrine of the so called 'establishment'. Economic adjustment was in 1989, encapsulated in the neoliberal ideology and diffused through the main practitioners in this field: the 'Washington consensus'. The latter consisted of a set of economic policy paradigms aimed at expanding the

2 The European development Fund (EDF) was established in 1958 with the objective of complementing and not substituting the pre-existing aid.

free market to developing countries (Williamson, 2004). Other types of conditionality have been employed in the history of the relations between the EC/EU and the ACP countries: from the political one of Lomé IV-bis to a more complex concept of conditionality in Cotonou (i.e., 'good governance'). The main novelty introduced by the revision of Lomé in 1995 is its emphasis on human rights, environmental protection and the need for self-reliant development. Recipient states had to show serious commitments in this regard in order to be eligible for funding. The Cotonou Agreement, on its part, included these elements though introducing the concept of 'good governance'. This was in line with the then main approach to development, which stigmatized the role of factors endogenous to underdeveloped countries as the main reasons for their conditions (Bauer, 1991). Accordingly, the locus of intervention shifted to corruption, maladministration and the rule of law (Dinan, 2005). Despite acknowledging the importance of these two types of conditionality, this article focuses on the economic one for reasons clarified in the methodological section.

## The Theoretical State of Art

A vast literature concentrates on the origins of conditionality in the relations between the EU and the ACP countries. Two main fields of studies have developed in this regard: one focusing on exogenous factors and the other on endogenous factors. Scholars such as Grilli (1994), Arts (2004) and Claeys (2004) attribute the cause of the shift of approach to development assistance and thus the introduction of conditionality to European enlargement. The accession of new members have broadened the scope of European development policy thus rendering the special privileges, which the signatories of the previous agreements had enjoyed, no more feasible (Arts 2004). In addition, the accession of Great Britain with its own tradition of colonial rule diluted French associationism, which had been crucial until then in determining European development policy (Grilli 1994). Thirdly, the reduction of the influence of the French approach to development was triggered also by the dismantling of French monopoly on the key positions in European institutions (Claeys 2004). , until the 1970s France had managed to forge the Commission's organs dealing with its former and present colonies on the model of its national administrative structures. Furthermore, many French civil servants had operated in the Directorate-General (DG) in charge of development policy, including some former administrateurs coloniaux (Claeys 2004). Whilst this article argues in favour of a systemic approach, it does not arbitrarily dismiss these

arguments. It is beyond any doubt that enlargement has contributed to the abandonment of the policy paradigms typical of the first decades. Nevertheless, although these theories explain why an approach to development was abandoned, they fall short in explaining why another one was adopted.

Many authors explicitly or implicitly recognise the influence of the world-wide 'development discourse' (in its broad meaning) and its practices on the EU-ACP relation since the 80s. A telling example in this regard is represented by Grilli (1994: 43): "Lomé IV [represents the] beginning of a substantial movement in EC-ACP relation away from any pretense of partnership and towards a more traditional (and thus inherently unequal) North-South relation in both trade and aid". Furthermore, Brown (2002; 2004) and Dickson (2004) acknowledge the influence of the international 'establishment' (respectively the World Bank and the World Trade Organisation) on EC development policy. Albeit the accuracy which characterise the analysis of the content of conditionality as employed by the IFIs and the European institutions, these studies tend to neglect the mechanisms whereby the IFIs influenced the EC in this regard. This paper tries to circumvent this fallacy by focusing on the conduct of policy paradigms through socialisation processes within social environments.

## Methodology

This paper argues in favour of a structure-centred constructivist approach to EU development policy toward the ACP countries by analysing international institutions as social environments conducive for socialisation dynamics. The analysis of socialisation dynamics in international institutions, conceived as social environments, is facilitated by the presence of a particular normative structure which influences the relation actor-structure. Furthermore, in institutions the action of norm entrepreneurs and the effects of social pressure are more clearly identifiable than in other contexts. Accordingly, many scholars (Johnston 2001; Johnston 2008; Checkel 1999) recognise the theoretical relevance of analysing international institutions as social environments. Three caveats regarding the theory employed are needed. First, this paper does not fall in the "epistemological traps of sociological institutionalism" (Johnston, 2008: 492)<sup>3</sup>, which stresses the importance of the macro-historical diffusion of (Western) values and thus focusing on the content of socialisation without deepening the process of socialisation itself.

<sup>3</sup> For a thorough illustration of sociology's institutionalism see Finnemore (1996).

Second, this paper acknowledges the contributions of agent-centred constructivism (Wendt 1992; Checkel 1998; Katzenstein 1996), especially regarding the role of norm-entrepreneurs in the creation of structures of identities and interests (Wendt 1992), nevertheless it focuses on the propelling of such inter-subjective understandings within social environments. Third, this paper analyzes the micro-processes of socialization by focusing on persuasion, perceived as the imposition of inter-subjective understandings through a reiterated interaction between agents (Widmaier et al. 2007). This choice is based on the capacity hitherto developed by the literature to measure persuasion, rather than social influence. Whilst several analytical devices to measure the effects of persuasion are available, the capacity to analyse the ones of the other processes is very limited in scope and reliability. Accordingly, this article questions whether the interaction between the World Bank (structure) and the EU (agent) is conducive for persuasion dynamics.

The article uses cognitive mapping—a technique used to uncover the linkages between certain causal axioms and their estimated behavioural effects (Johnston 1995; Axelrod 1976). The article adopts the concept of socialisation in social environments, because first of all, socialisation occurs within social environments, in which discursive dynamics are at work. As a consequence, the focus of the analysis has to be not only on the practical attitudes and behaviours of actors, but also on the rhetorical aspect (Checkel 1999). Second, content analysis of official documents or statements of key actors is of fundamental importance. The causal judgements extrapolated from these units of analysis may reveal whether they juxtapose with the ones dominant in the social environment and thus revealing an internalisation of norms. Furthermore, by capturing certain linguistic cues such a method may uncover the process whereby the internalisation of norms occurs. As suggested by Johnston (2008), different rhetorical signals are associated to the various micro-processes of socialisation. The method of cognitive mapping has revealed very useful in social sciences, though when applied to difficultly isolatable phenomena (e.g. persuasion and social influence) its results may be subjected to different interpretations. Social influence may also function as a prerequisite for persuasion. Furthermore, this article acknowledges the instrumental use of rhetoric and inter-subjective arguments (Glenn et al. 1970), especially in the relation between political elites and public opinion (Widmaier,

Blyth and Seabrooke 2007). Nevertheless, cognitive mapping remains one of the most effective tools in this field.

Whilst conditionality has many forms, this article focuses on the one directly related to the 'Washington consensus', which represents the first form of conditionality inserted in the EC-ACP relations. The reasons for this choice are manifold. First, "Lomé IV [represents the] beginning of a substantial movement in EC-ACP relation" (Grilli, 1994: 43), as stated above. Structural adjustment represents the first case in which European development policy has employed conditionality. Second, its representation of a drastic change in policy paradigms affects positively the empirical analysis. Content analysis is more reliable when radically new paradigms are introduced since causal assertions related to such new paradigms may be more easily isolated from previous ones. Third, structural adjustment is a more delimited policy paradigm, which may be unequivocally captured by the discursive analysis in the final section of this article. Other types of conditionality, such as the ones based on human rights, are more difficult to be isolated from the political rhetorical etiquette. Furthermore, the neoliberal doctrine, which is assumed to be the main doctrine of the social environment in the case-study (Woods, 2006), bore a clearly identifiable type of conditionality—the economic one. Other narratives on the approach to development have not been characterised by such a linearity in determining the type of conditionality to be attached to aid.

## Socialisation and Social Environments

Socialisation is generally conceived as "a process of internalizing new identities and interests, not something occurring outside [actors] and affecting only behaviour .... socialization is a cognitive process, not just a behavioural one" (Wendt, 1992: 399). However, there are different degrees of internalisation of norms and values which explain a pro-norm behaviour. Three micro-processes are identified: mimicking, social influence and persuasion (Johnston, 2001). The former perceives pro-norm behaviour as the borrowing of the language, habits etc. and thus as a way of acting due to the first reaction to a novel environment: "I shall do X because everyone seems to do it and thus survives. So until I know better, X is what I shall do" (Betz et al, 1996: 116). Social influence conceives pro-norm behaviour as

a function of an actor's sensitivity to social rewards and punishments, such as psychological well-being, status markers, sense of belonging etc. "I believe the answer is X, but others said Y, and I do not want to rock the boat, so I shall say Y" (Betz et al 1996: 116). Persuasion refers to pro-norm behaviour as an effect of the internalisation of the values and the culture of the group, thus assuming a taken-for-granted or an appropriate nature (March and Olsen 2009): "I do X because it is good and normal for me" (Betz, Skowronski and Ostrom, 1996: 116). Persuasion is based on the 'logic of appropriateness', whereas the former types rely on a marked 'logic of consequence'. In such cases the actor maximizes different forms of utility: in mimicking survival and in social influence the social status (Johnston, 2001). A caveat is needed: in this article the concept of persuasion entails something more than the one employed by Habermas (1996) in his discourse theory of democracy, on which many authors draw. In other terms, persuasion is not only deliberation as the strategic attempt to convince other actors in an inter pares situation through reasoning and arguing (Hasenclever et al 1997). Persuasion is triggered either through discursive processes based on the content of the message, namely pure arguing or through the role of a catalyst. In other words, environments in which "the persuader is an authoritative member of the in-group to which the persuadee belongs" (Checkel 1999: 550) are more conducive of persuasion. As a consequence, this article focuses also on the role of norm-entrepreneurs. Furthermore, this article emphasises the role of the institutional structure of social environments and how it affects the dynamics whereby norms are interiorised. The role of norm-entrepreneurs may not be duly appreciated without any consideration on the allocation of authoritativeness in a group or on the mechanisms of the decision-making process.

Johnston (2001; 2008) traces a typology of social environments (i.e., international institutions in this analysis) based on their conductivity of either social influence or persuasion by identifying five characteristics (Rogowski, 1999):

1. Membership (dimension and inclusiveness);
2. Franchise (distribution of authoritativeness);
3. Decision rules (unanimity v. majority);
4. Mandate (the role of the institution);
5. Autonomy (relation principal-agent).

This paper applies such typology to the World Bank in order to test its conductivity of a certain type of

socialisation or another. This is not a mere theoretical exercise. Depending on which micro-process is at work, the actor analysed behaves in extremely different ways which are comprehensible through cognitive mapping.

## The World Bank as Social Environment

In social sciences the phenomenology of persuasion is based on three grounds: the active assessment of the content of the message (given that common standards are internalised), the nature and the authoritativeness of the persuader and the characteristics of the persuadee (Johnston, 2001; Johnston 2008). Persuasion may be perceived as the sum of such factors which are difficultly isolatable one from the other. Johnston identifies certain social environments which are propelling of persuasion dynamics (Johnston 2001):

1. A small and exclusive membership bolsters a marked in-group identity which in turn enhances the persuasiveness of the 'message'. Whilst members cooperating in the World Bank are very numerous<sup>4</sup>, there are several factors supporting a strong sense of belonging to a small elite. First of all, the number of net donors is relatively small and throughout history certain forms of closer cooperation among them have been created<sup>5</sup>. Secondly, the particular voting system of the World Bank allows the wealthiest and more economically significant states to take significant decisions without the necessity to foster coalitions with other members (Woods 2006)., when special majority is required the large vote-holders possess a sort of veto power<sup>6</sup>. As a consequence, a small group of donor states orbiting around the US monopolises the decision-making process sharing a marked in-group identity.
2. When authoritativeness is unevenly allocated, it confers the norm-entrepreneur the capacity to "convince a critical mass of states to embrace new norms" (Finnemore and Sikkink 1998). Several factors

<sup>4</sup> Data are available at <http://go.worldbank.org/Y33OQYNE90> (accessed December 2010).

<sup>5</sup> An example is represented by the Paris Club. For more information see <http://www.clubdeparis.org/>. With few exceptions, the same countries are also members of the G-20 (and other formations) and the Council of Ministers of the EU (in many cases the same minister take part in them).

<sup>6</sup> For data regarding voting power within the World Bank see <http://go.worldbank.org/VKVDQDUC10> (accessed December 2010).

bolster US influence over the World Bank and thus its role of norm-entrepreneur. First, the US holds, as the largest contributor, the highest share of votes thus allowing it to block any decision in case of special majority is needed—a requirement which has increased in time (Woods 2006). Second, the financial structure of the World Bank, being not dependent on subscriptions or levies by members, renders the US even more influential so long as it remains the largest contributor and the US dollar remains the core currency in the reserve assets. Third, the creation of the International Development Association (IDA) in 1960 increased US power even more. The fund on which such institution is based is subjected to periodic replenishments thus rendering the institution more dependent on the wealthiest states. Accordingly, the US has exerted its influence through IDA replenishment negotiations not only on such institution but on the World Bank as a whole (Kapur et al 1997). Furthermore, the increasing use of trust funds rendered the World Bank more porous to political pressures (Woods 2006). In the context of the Cold War, the US became even more willing to exploit its power to control the World Bank policies with the result of ‘geopoliticising’ them.

3. Consensus based voting rules enhance the actor propensity to analyze counter-attitudinal information repeatedly over time. Furthermore, such type of voting gives incentives for the creation of inter-subjective understandings due to its interactive and discursive character. Agents in social environments face uncertainty in taking decision and they rely on the information provided by epistemic communities. The role of political or scientific epistemic communities is not only characterised by reshaping policy frameworks, but also by the construction of agent’s identities and interests<sup>7</sup> (Adler 2005). In shaping its development policy, the EU has lacked the financial resources and the technical expertise to challenge the ‘ideology’ supported by the World Bank (Stevens and Killick 1989). Although the World Bank is characterized by a (qualified) majority voting system, the weighting of votes in the World Bank fosters the creation of a consensus culture among the wealthiest countries, especially regarding the ‘meta-decisions’.

4. The deliberative nature of the institutional mandate

<sup>7</sup> For a constructivist analysis of the creation of the Bretton Woods system based on the role of epistemic communities see Adler (2005).

supports active complex cognitive activities whereby persuasion dynamics take place. Checkel (1999) emphasises the importance of the isolation of the group from external political pressures as a characteristic enhancing persuasion. Accordingly, if the meetings of the group consist only in ‘drafting sessions’, in which locked positions are transposed, no deliberative practices based on arguing will occur. The World Bank’s agencies hold high autonomy in providing loans and guarantees for specific projects. Furthermore, since its establishment the highly technical nature of the World Bank activities has allowed it to avoid salient issues, strengthening its autonomy and its in-group cohesion (Woods 2006).

5. The micro-processes of socialisation affect individuals or small groups, who are more likely to be persuaded if they enjoy a high level of discretionary power within the social environment. There may be several reasons why the relation principal-agent is loose, though the most common one in international institutions depends on the high technicality of the issues at stake (Johnston, 2008). The World Bank’s focus on specific projects has required the World Bank to employ high quality staff with technical expertise. Moreover, its autonomy in budgetary management allows it to “employ more staff at higher salaries, hire more consultants, commission more country studies, hold more seminars, issue more publications” (Kapur et al., 1997: 1165). Since the staff of the World Bank has never been hired according to national quotas, the appointment of staff has always focused on “the higher standards of efficiency and technical expertise” (World Bank, art. 5). Moreover, the Articles of Agreement of the World Bank emphasise the independence of the Bank and its staff (World Bank, art. IV section 5)<sup>8</sup>, which has been characterised by a strong ‘internationalist credo’ since the its establishment (Staples, 2006)<sup>9</sup>.

In conclusion, the World Bank represents a social environment propelling of persuasion and accordingly,

<sup>8</sup> Such article reads “The Bank and its officers shall not interfere in the political affairs of any member state; nor shall they be influenced in their decisions by the political character of the member or members concerned. Only economic considerations shall be relevant to their decisions, and these considerations shall be weighted impartially on order to achieve the purposes of Article I”

<sup>9</sup> For an inquiry into the origins and the consequences of such internationalist feeling typical of the World Bankers and the role played by World Bank’s first presidents Meyer and McCloy in bolstering it see Staples (2006).

the next section copes with the case study of the relation between the EU and ACP countries in order to test the effects of persuasion on the EU. Actually, European and national officials, who have worked within and/or have cooperated with the World Bank system, are the actors affected by the processes of persuasion, for persuasion is a social process at micro-level. "A constructivist ontology allows (even demands) that the unit of socialization is the individual or small group" (Johnston, 2001: 34). A caveat is needed. This article does not focus on preference-aggregation or preference-transformation at European level, though it assumes a certain influence exerted by the aforementioned national officials and politicians on the European decision-making process. Although acknowledging that this is not a trivial assumption, assessing the real influence of an actor in such a complex polity is beyond the objectives of this article. This study rests on the assumption that access to the decision-making process may be equated to influence for the sake of analytical simplicity.

## Conditionality in the relation EU-ACP

This article focuses on the World Bank as social environment and the 'Washington consensus'<sup>10</sup> of the 1980s as the prevailing ideology therein (Woods, 2006; Arts and Dickson, 2004). Pro-norm behaviour of the agent is identified with the conditionality characterising EU development policy toward the ACP countries<sup>11</sup>. The cases in which the agent behaves consistently with the norms and values of the social environment even when acting outside it, such as the EU's own development policy, are particularly revealing. Indeed, they allow the method of analysis to easily isolate persuasion dynamics from social influence dynamics. Social influence takes place exclusively when the agent is acting within the institution since it depends on social rewards which are tangible and valuable only in a defined social environment (its nature is structure-based). Differently, persuasion is a more agent-based phenomenon which may be alienated from the specific social environment but which continues to affect the actor. Several scholars have stressed the close interconnection between the conditionality promoted by the World Bank and the one

typical of the EC since Lomé IV. Some of them, more implicitly, place EC conditionality within the broader discourse about North-South relations in the 1980s (Brown, 2002); whereas others, more explicitly, underline the influence of the IFIs principles and practices, stating that "EU adjustment support is indistinguishable from that of the IFIs" (Mailafia, 1996: 112). Nevertheless, they have hitherto black-boxed the mechanisms and processes whereby such an influence occurs.

Focusing on persuasion, the cognitive mapping method should reveal causal axioms and assertions regarding development policy beyond EU officials' statements and EU documents with the following characteristics. First, they should stress the taken-for-granted and appropriate nature of the mainstream norms and values of the social environment. Table 1 illustrates statements by national or European first-ranking officials and sentences extrapolated from official documents. They represent cues of the profoundly radicated belief in the neoliberal approach to development policy (i.e. the 'Washington consensus') and they show how the European policy-makers conceived this credo as the only appropriate manner to cope with development assistance. Indeed, persuasion is based on the active assessment of the content of the message thus fostering an homogenisation of interests within the social environment (Johnston, 2001). When the social environment is structured in such a way that it allows arguing and deliberative dynamics, the agent is cognitively disposed to embody new norms and values. Table 1 illustrates examples of pro-norm behaviour in rhetorical terms: not only did European policy-makers adopt the policy paradigm of conditionality, but they also firmly believed that it represented the best (even the only) policy option available. Revealing in this regard are the statements of David Frisch, the then head of the DG in charge of development, and Manuel Marin, the then Commissioner (see Table 1). As shown, two of the key European officials in charge of development assistance conceived structural adjustment as a great achievement in that the best way to tackle this issue. This is the added value of cognitive mapping because it tests if there is consistency of attitudes, but it also extrapolates the motivations for that consistency.

Second, the findings should reveal marked in-group solidarity toward the 'community' to which the agent belongs and especially in relation to the norm-entrepreneur. Table 2 shows how European policy-makers perceive their world as closely interconnected

<sup>10</sup> For a detailed discussion on the 'Washington consensus' see Woods (2006).

<sup>11</sup> Officially since Lomé IV, though Lomé III represented a 'trial run' (Brown, 2002).

<b>Logic of Appropriateness</b>	
<b>Venice Economic Declaration (G7 Summit, June 8-10 1987)</b>	<p>“Three elements are needed to strengthen the growth prospects of debtor countries: the adoption of comprehensive macroeconomic and structural reforms by debtor countries themselves; the enhancement of lending by international financial institutions, in particular the World Bank; and adequate commercial bank lending in support of debtor country reforms.”</p> <p>“For those of the poorest countries that are undertaking adjustment effort, consideration should be given to the possibility of applying lower interest rates to their existing debt, and agreement should be reached, especially in the Paris Club, on longer repayment and grace periods to ease the debt service burden”</p>
<b>EC Council of Ministers (Development), 1987</b>	<p>“Countries benefiting from the new fund have to fulfill three criteria ... undertaking major policy adjustment programmes and reforms ”</p>
<b>L. Natali (EC Development Commissioner), 1988</b>	<p>“[Change the EU role from one in the past where] we have to a certain extent played a ‘fire brigade role’ to contribute to reform policies by giving direct support to countries pursuing policies and who are looking for this support”</p>
<b>D. Frisch (head of DGVIII EC Commission), 1988</b>	<p>“ACP countries ... they cannot choose between adjustment and the status quo. Their only option is ordered, properly managed adjustment or forced adjustment”</p> <p>“[structural] adjustment has become the daily bread of the vast majority of the countries of Africa and a sine qua non of their dialogue with the outside world”</p>
<b>M. Marin (Vice-President of the EC Commission), 1990</b>	<p>“One of the greatest innovations of the new Convention [Lomé IV] is the formal inclusion of a mechanism to support the structural adjustment of the economies of the ACP countries”</p> <p>“This is a new direction, as well as a logical, important and original development of Lomé policy”</p> <p>“For the first time there has been a North-South Agreement on the philosophy underlying structural adjustment”</p> <p>“The debt problem is obviously linked to structural adjustment. The political importance attached to this phenomenon is reflected by the inclusion in the new Convention of a specific chapter on debt.”</p> <p>“There is no way that the viability and efficiency of projects in these countries can be ensured without general or sectoral reforms and structural adjustment is the result of this need to strike all the balances again - a new factor in the ACP economies which Lomé IV could not ignore”</p>



<b>Lomé IV, art. 23</b>	"These instruments shall be directed mainly, by strengthening the established mechanisms and systems at: ... supporting the ACP States' structural adjustment efforts and thus contributing to the attenuation of the debt burden"
<b>Lomé IV, art. 159</b>	"support, at the request of the ACP States concerned, for operations and structures which promote the coordination of sectoral policies and structural adjustment efforts"
<b>Lomé IV, art. 243</b>	"The ACP States and the Community recognize that the economic and social problems being experienced by ACP States are the result of both internal factors and external developments. They see the need for urgent action and share the view that short and medium-term policies must reinforce the long-term development efforts and goals of ACP States. To this end, they have agreed that the Convention should provide structural adjustment support to assist ACP States in their effort"
<b>EC Commission DG Information, Communication and Culture , 1992</b>	"There is an obvious link between macroeconomic policies pursued in these countries [ACP countries] and the sectoral policies that the Community is requested to support" "interdependence between programming and adjustment has provided the backdrop to the implementation of the Convention [Lomé IV]"

Table 1. Source: author's own compilation

with the broader development landscape and how they see the cooperation with the IFIs as necessary and desirable. Solidarity towards the group is of fundamental importance: only if the social environment is fully legitimate to the agent, persuasion will occur. Agent must be cognitively motivated to analyse information and be involved in discursive dynamics (Johnston, 2008). Indeed, the weight attributed to informational stimuli or sets of values is inherently proportional to the perception an actor has of the source. Furthermore, in-group cohesiveness may trigger common jargons, common attitudes etc. which bolster arguing and in turn persuasion dynamics. The necessity of cooperation between the EU and the World Bank is markedly emphasised by the British Minister for Overseas Development and it is also clearly stated in the Convention (see Table 2). Third, the perceived threats (also of social nature) from counter-attitudinal behaviour

should be underestimated or absent. This characteristic is typical of social influence and its focus on social status markers. The presence of counter-attitudinal statements does not falsify the research question: it stresses the fact that actors feel completely free to diverge (not in marked degree though) from the mainstream 'doctrine' and are not subjugated to any type of social pressure. Pro-norm factual behaviour and (moderate) rhetorical divergence is a typical scenario of persuasion dynamics, whereas the otherwise situation is characteristic of social influence. Indeed, social influence induces pro-norm behaviour in function of the agent's social status. The agent is willing to take pro-norm attitudes only in exchange of social rewards within the group. As a consequence, rhetorical consistency is the less costly way to demonstrate the embodiment of values. As regards actual attitudes, the agent will be tempted to free-ride when no social rewards or punishments are at

<b>In-group solidarity</b>	
<b>Venice Economic Declaration (G7 Summit, June 8-10 1987)</b>	“We strongly support the activities of international financial institutions, including those regional development banks which foster policy reforms by borrowers and finance their programs of structural adjustment” “We support the central role of the IMF through its advice and financing and encourage closer cooperation between the IMF and the World Bank, especially in their structural adjustment lending”
<b>Bulletin of the EC 11-1987 (regarding the G7 in Venice 1987)</b>	“EC support is to be integrated as far as possible with the WB and the IMF”
<b>EC Council of Ministers (Development), 1987</b>	“fund programmes ... in close coordination with the WB and the IMF”
<b>EC Council of Ministers (Development), 1988</b>	“effective coordination between the Community, on the one hand, and the WB and IMF, which play a leading role in the dialogue on adjustment”
<b>British Minister for Overseas Development, 1988</b>	“It makes no sense to argue one course in Brussels and another in Washington ... close coordination with the Bank will be vital. The quickest and most effective way to support recipients’ macroeconomic reforms is to work alongside the Bank”
<b>British Minister for Overseas Development, 1988</b>	“Supporting those who pursue adjustment should be at the centre of our strategy for aid” “We must concentrate most the resources on quick disbursing aid to support economic reforms”
<b>Lomé IV, art. 246</b>	“ACP states undertaking reform programmes that are acknowledged and supported at least by the principal multilateral donors, or that are agreed with such donors but not necessarily financially supported by them, shall be treated as having automatically satisfied the requirements for adjustment assistance”

Table 2. Source: author’s own compilation

stake. Conversely, persuasion represents public conformity due to private acceptance (Johnston, 2008), regardless the context. Accordingly, the agent behaves consistently and begins to perceive the embodied values as its own without acknowledging the influence exerted on it. Table 3 illustrates the assertions and parts of official documents which stress this aspect, though the absence per se of statements etc. stressing the importance of status markers is revealing.

The arbitrary choice of such sources is acknowledged, though such a fallacy is typical of this approach (even though in quantitative approaches the degree of discretionality in the hands of the researcher is of the same relevance) and it is also due to the limited access to sources. Furthermore, there is no pretence of comprehensiveness in the tables due to discretionality of the researcher and the traditional coupling of cognitive mapping

Counter-attitudinal behaviour	
French Minister for Cooperation, 1988	"The IMF and the WB have a too purely economic view of it [adjustment], while we are trying to bring in social objectives "
EC Council of Ministers (Development), 1988	"approach to adjustment would be more realistic, pragmatic and differentiated than that of the Washington institutions ... taking account of the peculiarities and constraints of any country ... adjustment should be compatible with long term development "
EC Council of Ministers (Development), 1989	"[not to] open up paths parallel to those followed by the WB and IMF or making Community activities subject to decisions taken by them alone"
EC Commission DG Information, Communication and Culture, 1990	"The 1980s were a period of severe economic difficulties for the majority of ACP States. To balance their budgets, many of them had to turn to the International Monetary Fund and the International Bank for Reconstruction and Development (World Bank) for financial assistance. To obtain credit, they had to accept drastic economic reforms (structural adjustment programmes) designed by the IMF or the World Bank. The Washington doctor's medicine was unpalatable, the prognosis depressing: Things may get worse before they get better".
DG VIII, 1992	"The ideological neutrality of Lomé rules out the possibility of the Community living by doctrines, be they neo-liberal or otherwise"

Table 3. Source: author's own compilation

with institutional analysis (as the one above). Nevertheless, the tables provide the ground of the functioning of the micro-processes of socialisation (in this case persuasion) and the way it may be analysed.

## Conclusion

Cognitive mapping applied to crucial EC documents and policy-makers' statements verifies the research question. In fact, the units of analysis show all the characteristics typical of the effects of persuasion dynamics. First of all, actors embodied new values according to a logic of appropriateness, without any utilitarian consideration. Secondly, they demonstrate a strong solidarity vis-à-vis the group, which is perceived as a legitimate forum. Thirdly, actors underestimate the importance of material or social benefits deriving from pro-norm behaviour. The latter is a fundamental

factor underlying the difference between persuasion and social influence. These findings, added to the analysis of the institutional arrangements of the social environment, underline persuasion dynamics operating in the interaction between the EU and the World Bank in the case-study. The conditionality and the other novelties typical of the 'new' relations between the EC and the ACP countries inaugurated by the Lomé IV Convention were not related to the EC internal bureaucratic politics or to the decrease in the influence of the French associationist model (in turn due to the various enlargement waves)<sup>12</sup>. Nor were they a direct consequence of the changes in the world geopolitics (the end of the Cold War) and the consequent EU aspirations to become a political (and no more only an economic) giant. Needles to

<sup>12</sup> For a detailed inquiry into the role of French associationism in the EC development policy see Grilli (1994).

say, these factors have bolstered the persuasive processes by rendering the EU more 'open' to new approaches to development policy, but the very origins of EU conditionality have to be sought in the process of socialisation (persuasion) within the World Bank system and the role played by the various agents therein. Many authors (Brown 2002; Mailafia 1996) have acknowledged the influence of the World Bank's ideology and practices in determining the content of Lomé IV and the subsequent conventions, though the dynamics whereby such influence took place have always been under-theorised. The analysis of the micro-processes of socialisation coupled to the study of international institutions

as social environments may cast a light upon these hitherto black-boxed phenomena. Despite the historical relevance of such findings, this is not a mere archaeological exercise but it represents also a method to foresee future attitudes and behaviours of the EU in the development policy area and its relation with the main political actors in such a realm. A theory stemming from a single case-study does not have the ambition to be generally applicable. Nevertheless, social and cognitive phenomena, such as socialisation, usually derive from iterated interactions and they tend to be embedded in the social reality in which they operate. They never prove to be a single-shot game.

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