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The Organisation for Economic Cooperation and Development

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GLOBAL MONITOR

The Organisation for Economic Cooperation and Development

RICHARD WOODWARD

The Organisation for Economic Co-operation and Development (OECD) is frequently cited as one of the foremost institutions of global governance. A recent survey of the global economy lists the OECD as one of the ‘major public global governance agencies for trade and finance’¹ while Joseph Nye, in his latest book *The Paradox of American Power*, identifies the OECD as part of a triumvirate of bodies (the others being the World Trade Organisation (WTO) and the International Monetary Fund (IMF)) ‘that provide a framework of rules for the world economy’.² Yet, in contrast to these other international organisations, whose roles are well documented³ and widely understood, remarkably little has been written about the OECD. Many of the leading texts on global governance and global political economy deem the OECD worthy of only a passing reference while some choose to ignore it completely.⁴ Occasionally the OECD has commissioned its staff to write an account of the organisation’s activities which have yielded some useful insights into the aims, structure and functions of the organisation.⁵ Unfortunately this work tends to lapse into anecdotes about the daily routines and changing dietary requirements of the organisation’s

Secretariat and can hardly be said to amount to a systematic or scholarly analysis of what the OECD lends to global governance.⁶

This report begins by sketching the history and evolution of the OECD and identifying its principle functions in the global economy. Next the report outlines and assesses the OECD's controversial Harmful Tax Competition initiative. The third part discusses the OECD's changing relationship with non-members and efforts to forge stronger links with global civil society. The report concludes by looking at what the future holds for the OECD and, in particular, at proposals to enlarge the organisation as it strives to maintain its relevance in the 21st century.

The OECD in the global economy

The OECD is constructed on the institutional foundations of its predecessor, the Organisation for European Economic Cooperation (OEEC). The OEEC was created in 1948 to administer the Marshall Plan and supervise Europe's post-war recovery.⁷ The organisation is widely credited with repairing the European trading system, establishing in 1950 the European Payments Union (EPU) which provided credit facilities to fund European trade, dismantling quantitative trade restrictions, and preventing backsliding into the protectionist policies that had blighted the 1930s.⁸ In 1959, buoyed by the success of the OEEC, the USA called for a new transatlantic institution where industrialised countries could meet as equals (rather than the donor-recipient model embodied by the OEEC) and which recognised the North's obligations to the developing countries of the South. The European label was

jettisoned, a development dimension was added and, on 30 September 1961, the OECD was born.

Since its formation the OECD has expanded both geographically and functionally. In terms of its membership the OECD has gone through two phases of expansion (see Table 1). In the 1960s and 1970s the organisation spread from its transatlantic origins into Asia and Australasia with the accession of Japan (1964), Australia (1971) and New Zealand (1973). In the 1990s, the OECD welcomed its first Latin American member, Mexico (1994), a second Asian member, South Korea (1996), and four of the transition economies of Eastern Europe the Czech Republic (1995), Hungary (1996), Poland (1996) and the Slovak Republic (2000). In functional terms the OEEC had been dominated by macroeconomic concerns. These remain the fulcrum of the OECD's work but it has broadened its focus to such an extent that its tentacles now delve into almost every facet of economic life including trade, finance, science, education, fisheries, industry, agriculture and the environment. Moreover, the OECD has been adept at colonising new issue areas. For example, the notion of 'trade in services' was first dreamt up at the OECD in 1972⁹ and, more recently, the OECD has been at the forefront in a number of cutting edge debates including intellectual property rights, genetic engineering, the problems of pensions and aging societies, food safety, biotechnology, computer security and mega-terrorism risks.

INSERT TABLE 1 HERE

The OECD has been variously described as a 'rich man's' or 'rich-country club'¹⁰, a 'consultative forum'¹¹, a 'think tank'¹², and a 'pool of statistical and economic expertise'.¹³ Each of these epithets reveals something of the nature of the

OECD, but the sheer number of different characterisations is testament to the fact that the organisation is the least clearly defined of all international organisations with ‘no widely agreed *raison d’être*, no clear purpose, few very precise commitments...and no simple goals which commanded public understanding’.¹⁴ Even the OECD’s own description of its role as ‘a forum where governments can pool ideas and expertise to tackle the economic, social and governance challenges of the 21st century’ is somewhat vague.¹⁵ Essentially, however, the OECD performs four functions in the global economy.¹⁶ Firstly, it promotes cooperative solutions to the world’s economic problems. It does so by providing a forum for ongoing policy dialogue plus surveillance and peer review of member economies. Secondly, it gathers and disseminates information. The OECD is a highly regarded and prolific source of statistical information and economic forecasting, publishing over 250 books a year and maintaining 40 associated databases.¹⁷ Thirdly, the OECD provides ‘support services’ to other international institutions, most notably the WTO and the Group of 7 (G7). These bodies are heavily reliant on the OECD’s research and expertise and they occasionally request the OECD to carry out tasks on their behalf.¹⁸ Finally, the OECD is an international standard setter. The OECD has passed 180 Acts across a whole spectrum of issues (see Table 2). Some of the better known pronouncements such as the OECD *Principles of Corporate Governance* are habitually extolled as best practice standards to which countries should aspire. However, the OECD’s role as a standard setter should not be overstated. Only OECD Acts described as Decisions are binding only on member countries. Moreover, the organisation has no regulatory function. Though the OECD monitors the implementation of its guidelines it has no mechanism for enforcing these rules. As the discussion of the Harmful Tax

Competition initiative will show, the OECD's forays into the realm of global standards enforcer have met with stiff resistance.

INSERT TABLE 2 HERE

Harmful tax competition

Despite the fact that the evidence is mixed,¹⁹ it has become axiomatic that the liberalisation of financial markets has sounded the death knell for taxes on wealthy individuals and corporate profits. The removal of capital controls has facilitated the ease with which investment can be transferred across national boundaries and, so the argument goes, tax rates on corporations and the wealthy have been driven down as states have become locked in a competitive battle to attract mobile capital. Generally speaking tax competition has been welcomed because lower taxes provide a more conducive climate for investment and have placed a stringent discipline on government expenditure. However, many OECD countries have become increasingly concerned about the proliferation of offshore jurisdictions offering tax regimes explicitly designed to enable wealthy individuals and corporations to avoid tax in their country of residence. Each year revenue authorities in the UK and USA lose £85billion²⁰ and US\$70billion²¹ respectively as a result of tax avoidance. According to the OECD these practices 'undermine the fairness, neutrality and broad social acceptance of tax systems'²² and in 1996 the Council of OECD Ministers called for 'measures to counter the distorting effects of harmful tax competition'.²³ Responsibility for the project was passed to the OECD's Committee on Fiscal Affairs

and in April 1998 their report *Harmful Tax Competition: An Emerging Global Issue* (hereafter the 1998 Report) was approved by the OECD Council.

The 1998 Report argues that harmful tax competition ‘occurs when a jurisdiction combines low or no rates of taxation on foreign owned assets with legal or administrative restrictions that prevent overseas tax authorities from identifying the owners of those assets and hence levying taxes upon them’.²⁴ Two broad categories of harmful tax competition were identified: tax havens and preferential tax regimes (PTRs). In a tax haven low or no rates of tax become harmful when the jurisdiction lacks transparency, mechanisms to exchange information with tax authorities overseas, and does not require investors to maintain substantial business activities.²⁵ Similarly, PTRs are identified by the absence of transparency and information exchange. The key difference between a tax haven and a PTR is that in the former low tax rates apply across the entire jurisdiction whereas in the latter substantial revenue is raised from taxing domestic assets but exemptions are granted to non-resident investors. The OECD calls this ‘ring fencing’ because offering inducements exclusively to non-residents enables the territory concerned to siphon off revenue from elsewhere but to insulate its domestic tax base.²⁶ The report made 19 Recommendations to counter harmful tax competition, the cornerstone of which was intensified international cooperation through a newly created body, the Forum on Harmful Tax Practices. By acceding to the 1998 Report OECD countries agreed to eradicate their harmful PTRs within five years. OECD members were requested to review their own tax regimes and provide details to the Forum of any practices which might be deemed harmful under the rubric of the 1998 Report. This self-assessment was followed by a peer review which identified 61 harmful PTRs among OECD countries.²⁷ The OECD also requested the Forum to produce a list of tax havens. Prospective tax haven

jurisdictions were not trusted to conduct self-assessments but were subjected to external scrutiny by the Forum. The Forum identified 41 jurisdictions meeting the tax haven criteria of which six (Bermuda, the Cayman Islands, Cyprus, Malta, Mauritius, and San Marino) immediately committed to remove harmful elements of their tax regimes. The 35 remaining jurisdictions were ‘named and shamed’ in the OECD’s 2000 Progress Report *Towards Global Tax Co-operation*²⁸ (hereafter the 2000 Report) and given until the end of July 2001 to make a commitment to eliminate harmful tax practices by 2005. Territories that refused to make a commitment would be liable to ‘countermeasures’ from OECD countries ranging from the imposition of withholding taxes, the abolition of tax treaties and assorted levies on transactions.²⁹

The Harmful Tax Competition initiative is perhaps the most controversial project upon which the OECD has ever embarked. Previously the standards promulgated by the OECD were only applicable to member countries with the organisation encouraging non-members to comply on a voluntarily basis. However, the Harmful Tax Competition initiative was intended as a *global* standard with sanctions available for recalcitrant territories. Many commentators questioned whether the OECD was a legitimate institution for developing and enforcing global standards, standards to which many countries would be forced to submit without having had any say in their development.³⁰ In addition, there was anxiety about the developmental impact that implementing the OECD’s proposals would have on tax haven jurisdictions. Many of the jurisdictions being targeted by the initiative were small states highly dependent on offshore financial services for their economic wellbeing.³¹ These countries now faced an unpalatable choice between

‘committing to the initiative (so suffering possible and immediate to long-term loss of economic activity through the loss of offshore sector clients) or not providing a commitment (and suffering loss of economic activity through the imposition of defensive measures by OECD members). In either case the elements which make offshore financial tools attractive will be removed and so cause the shrinkage or closure of this sector in listed nations’.³²

These worries were exacerbated by the absence of a level playing field between OECD members and non-members. Two OECD members, Switzerland and Luxembourg, abstained from the 1998 Report citing their reluctance to dismantle their secrecy laws and unhappiness over the criteria used to identify tax havens.³³ Because they have not endorsed the Report they are not bound by its recommendations. Therefore they can continue to provide the kinds of tax practices being outlawed in tax haven jurisdictions, prompting a huge outflow of funds from non-member tax havens into Switzerland and Luxembourg. Furthermore it was unclear whether the OECD had plans to impose countermeasures on its own members if they perpetuated harmful tax practices. The 2000 Report visualizes ‘possible defensive measures.....with regard to *Uncooperative Tax Havens*’ but makes no mention of countermeasures against *uncooperative preferential tax regimes*.³⁴

Thus the future looked bleak for tax haven jurisdictions. However, in May 2001 the USA government effectively pulled the rug from under the OECD proposals. In a press statement US Treasury Secretary, Paul O’Neill, said the USA had ‘serious concerns....about the direction of the OECD initiative’³⁵ in particular the absence of a level playing field between OECD members and non-members and the premise that

low tax rates were harmful. O'Neill reiterated USA's support for information exchange and transparency but other OECD countries realised that substantial modifications were required to keep the US on board. The OECD's revised proposals were unveiled following the meeting of G7 Finance Ministers in Rome in July 2001. The OECD dropped its demand that investment be linked to substantial business activities, guaranteed that co-ordinated defensive measures would not be applied to non-member tax havens any earlier than they would be applied to OECD member PTRs, and gave tax havens additional time to make a commitment by pushing the deadline back to November 2001.³⁶ The OECD's 2001 Progress Report on harmful tax practices confirmed these changes and further extended the deadline for commitments to February 2002.³⁷

By April 2002 all but eight of the original 41 tax haven jurisdictions had made a commitment. Seven of these jurisdictions (Andorra, Liberia, Liechtenstein, the Marshall Islands, Monaco, Nauru and Vanuatu³⁸) appeared on the inaugural list of uncooperative tax havens.³⁹ The eighth, Barbados, reached a separate deal with the OECD in January 2002 after convincing the Forum on Harmful Tax Practices that their arrangements for information exchange and transparency were adequate. The OECD portrayed this as a triumph arguing that the number of commitments from non-members demonstrated that it had succeeded in generating an extensive international consensus on the need to fight harmful tax competition.⁴⁰ However, the reality was somewhat different. Though it may sound innocuous, the OECD's assurance that defensive measures would not be imposed on non-members before they were imposed on OECD members has brought the project to an impasse. Most jurisdictions inserted into their commitments a clause stating 'The commitment is offered on the basis that.....Those jurisdictions, including OECD Member countries and other

countries and jurisdictions yet to be identified, that fail to make equivalent commitments or to satisfy the standards of the 1998 Tax Competition Report, will be the subject of a framework of co-ordinated defensive measures'.⁴¹ In other words, the OECD has to ensure that its members eliminate their PTRs before countermeasures can be invoked against non-member tax havens. Given the continued intransigence of Switzerland and Luxembourg and the faltering support of the USA this is unlikely to be forthcoming in the near future. Until this happens the commitments made by tax haven jurisdictions are 'virtually meaningless'.⁴²

The OECD and civil society

Compared with some international institutions the OECD can claim a relatively enlightened stance towards civil society organisations. The OECD has longstanding arrangements for consulting business groups and trades unions through the Business and Industry Advisory Committee (BIAC) and the Trade Union Advisory Committee (TUAC). These bodies, formally designated by the OECD Council in 1962, participate across the entire gamut of OECD activities and have annual liaisons with the OECD Council.⁴³ Recently the OECD has made strenuous efforts to enlarge its collaborative activities with civil society. The enthusiasm for improved links stems, at least in part, from the chastening experience of the failure of the Multilateral Agreement on Investment (MAI) in 1998. The MAI was supposed to put in place a framework of rules to liberalise and govern international investment akin to that already in place for trade in goods and services. These proposals will stillborn. Part of the explanation laid in the fact that several OECD members had serious misgivings over plans to fully liberalise international investment and insisted on a multitude of

escape clauses to protect their own industries. Equally non-OECD states were reluctant to commit themselves to an agreement they had not helped design.⁴⁴ However, another significant factor which undermined the MAI was the virulent opposition of civil society groups. They argued the MAI was an investor's charter, privileging the pursuit of profit and eviscerating the ability of governments to pass legislation to protect consumers, workers and the environment. Some 560 civil society groups organised an anti-MAI campaign via the Internet, culminating in gate crashing an October 1998 meeting of the OECD in Paris with two days of street actions, teach-ins and the occupation of the headquarters of the International Chamber of Commerce.⁴⁵

The OECD decided that urgent action was needed to prevent a repeat of the MAI fiasco. The 1999 Annual Ministerial Communiqué 'looked to the Organisation to assist governments in the important task of improving communication and consultation with civil society'.⁴⁶ The OECD sought to engage civil society in a number of ways including stepping up informal contacts, regular consultation, joint analytical work and, as in the case of the *OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions*, utilising their expertise to monitor the implementation of OECD guidelines.⁴⁷ However, the highest profile innovation has been the development of the OECD Annual Forum. The Annual Forum provides a venue where ministers, heads of international organisations and representatives from business, non-government organisations and civil society can meet 'to impart and share information, improve communication and foster a climate of enlightened policy-making'.⁴⁸ To maximise its impact, the Forum is held in conjunction with the OECD's Annual Ministerial Meeting permitting the discussions to 'feed directly into the annual OECD Ministerial'.⁴⁹ The first Forum, held in June

2000, attracted over 1000 delegates to discuss the theme of ‘Partnerships in the New Economy’.⁵⁰ The Forum has since grown in popularity. The 2002 Forum ‘Taking Care of the Fundamentals: Security, Equity, Education and Growth’ was attended by 1500 participants from 78 countries.⁵¹ The OECD Secretary General, Donald Johnston, declares its development ‘a landmark in the life of the Organisation’⁵² and the 2000 Annual Ministerial Communiqué states it is ‘a major step forward in the Organisation’s openness toward economies outside its membership and to civil society’.⁵³

These bullish assessments do mask some serious deficiencies. Most seriously the Forum is dominated by the concerns and viewpoints of the developed world. The Forum attracts deputations from nearly 80 countries, however the overwhelming majority of participants are drawn from the OECD. In 2002, for example, 74 per cent of delegates came from 10 OECD member states.⁵⁴ These problems become even more pronounced when the speakers at the Forum are considered. Of the 500 presentations made to the OECD Forum between 2000 and 2003, 448 (89.6 per cent) have been made by delegates hailing from OECD countries (see Table 3).⁵⁵ A mere seven presentations have been made by representatives of the African nations. This creates the impression that deputations emanating from less developed, non-OECD countries are there to be lectured to rather than to actively contribute to the outcome of the Forum’s deliberations. In summary, the Forum has unquestionably contributed to a quantitative and qualitative expansion in the OECD’s contacts with civil society organisations. Nevertheless, while the installation of the Forum theoretically offers the opportunity for developing countries and more radical groups to influence the thinking of OECD member governments, in practice it has operated primarily as a

platform for reiterating established free-market policy nostrums while offering the usual platitudes about development and poverty alleviation.⁵⁶

INSERT TABLE 3 HERE

Reform and enlargement

The lack of a clearly defined role has led to a paradox at the heart of the OECD. On the one hand, it has made it a highly resilient institution conferring upon it chameleon like qualities that have allowed the OECD to continually reinvent itself in the light of the changing requirements its members and the global economy. Equally, it has made the OECD highly vulnerable because it faces the constant danger of its functions being usurped by newer, specialist and more clearly instructed bodies. The OECD is confronting fresh challenges from the ‘huge supply’⁵⁷ of governance mechanisms, not least the ‘gaggle of G’s’ (G7, G8, G10, G20, G22, G24, and G30)⁵⁸ which mimic the restricted membership and the informal, consultative approach of the OECD, and the continued development of the European Union (EU). By 2004, assuming the present process of EU enlargement proceeds as planned, 19 OECD countries will also be members of the EU, increasing the likelihood that these countries will look toward the EU rather than the OECD as the forum for their co-operative ventures.⁵⁹

In response the 1996 Ministerial Communiqué asked the OECD to ‘accelerate the process of structural change in the Organisation.....with a view to further enhancing the relevance, efficiency and effectiveness of the Organisation’⁶⁰ giving Donald Johnston, the newly appointed OECD Secretary General, a mandate for

reform. Previously Johnston had spent 10 years in the Canadian Parliament serving as a Cabinet Minister in several senior posts in Pierre Trudeau's government of the early 1980s. His political career came to an end in 1988 when he chose, as a passionate advocate of free trade, to defy his party and vote in favour of the Free Trade Agreement between Canada and the United States. Following this disagreement Johnston did not seek re-election but returned to the legal profession becoming legal counsel to Heenan Blaikie, a leading Canadian law firm founded by Johnston in 1972.⁶¹ Johnston's background ensured that he was well versed in overseeing and driving change through large organisations. He likened the OECD to a large ship drifting in search of a harbour.⁶² Initially the focus was on internal reform 'remodelling, improving the design, the mechanics of the ship'.⁶³ Over the next five years the OECD embarked upon cost-cutting exercises, streamlined its committee system and shuffled the various OECD Directorates to better reflect the post-Cold War environment. However, as Johnston acknowledged, internal reform, while important, was not enough to secure the OECD's future and it was time 'to concentrate on our destination'.⁶⁴ With this in mind he 'launched a cycle of substantive reform'⁶⁵ in autumn 2001 with a policy paper entitled *OECD: Challenges and Strategic Objectives*. This paper, though still partially focussed on internal matters including the effect of OECD work on policy making in member states and further rationalisation of the committee system, was directly concerned with bolstering the OECD's role on the global stage. For this to be achieved, the paper argued, the OECD must fortify partnerships with non-members and put in place a strategy to enlarge the OECD's membership. In December 2002 an informal working group was set up under the stewardship of the Japanese Ambassador to the OECD,

Seiichiro Noburu, to examine these issues and to present recommendations to the OECD Annual Ministerial Meeting in April 2004.

Prior to this the OECD had begun work to cultivate links with non-members, maintaining co-operative links with over 70 non-member countries.⁶⁶ The OECD has formalised and regularised these partnerships through the creation in 1998 of the Centre for Co-operation with Non-Members (CCNM) which ‘manages the OECD’s dialogue with transition and emerging market economies and some developing countries, sharing institutional and policy options and promoting participation in OECD Committees and adherence to OECD standards and instruments’.⁶⁷ In 2001 the CCNM was reformed so that its work now revolves around Global Forums which ‘provide a framework for dialogue with non-members on key issues of mutual concern’.⁶⁸ Global Forums currently operate in eight areas: sustainable development, the knowledge economy, governance, trade, international investment, international taxation, agriculture and competition policy.

Nonetheless, while OECD members have enthusiastically embraced closer ties with non-members, the issue of enlarging OECD membership is encountering some thornier problems. Unlike many other international organisations countries do not apply for membership of the OECD but are invited to join by the OECD Council, normally following some informal expression of interest by the country concerned.⁶⁹ Though it is reluctant to name them the OECD has indicated that some countries have articulated a desire to join the organisation.⁷⁰ It is not unreasonable to speculate that these approaches have been made by the likes of Russia, China, Brazil, India, South Africa and Indonesia which the OECD refers to as the ‘Big Six’.⁷¹ Proponents of enlargement argue, firstly, that the accession of the ‘Big Six’ and possibly some of the other industrialising economies of East Asia and Latin America will make the OECD

a more inclusive and representative organisation. In 2003 OECD countries accounted for 60% of the world's Gross National Income and 76% of world trade but only 19% of the global population, a factor that, as we have seen with the cases of the MAI and Harmful Tax Competition, have undermined the OECD's aspirations to disseminate its prescriptions on a global scale.⁷² If consensus can be reached among a broader based OECD membership this will give the organisation's recommendations greater weight in the international community. Secondly, they argue it is necessary to make the organisation less Eurocentric. This is grounded in longer term concerns about the growth and impact of the EU, and shorter term apprehension about the growing fissures between the EU and the USA on a variety of issues, which could incapacitate the OECD. Thirdly, new partners may afford the opportunity to introduce a more equitable set of funding arrangements. Table 4 shows that since 1975 G7 countries have consistently provided around 80 per cent of the OECD's budget with the two largest contributors, the USA and Japan, contributing between 40 and 50 per cent of the OECD's funds. Finally, enlargement is a tried and tested tactic for the OECD when it has been forced to grapple with new geo-political realities.

INSERT TABLE 4 HERE

Opponents maintain that enlargement is not a panacea to the OECD's current difficulties and may even create additional problems for the organisation. Firstly, the OECD's success has been predicated on it being a relatively small, cohesive group of countries operating mainly by consensus. Bringing in new members could dilute this consensus and may even necessitate a change in working practices whereby votes are used more often. This may lead to the paralysis that has crippled progress in other

international organisations, not to mention potential wrangling over the allocation of votes and the size of majority needed for decisions to be taken. The second set of considerations is financial. Each new member adds around one per cent to the organisation's expenditure because of the extra costs associated with various studies the OECD has to undertake in those nations.⁷³ At a time when the OECD's budget is already under considerable pressure ('the Organisation has come to rely heavily on voluntary contributions to accomplish its work programme; they approach some 25 per cent of the budget'⁷⁴) there are question marks over whether the OECD can afford to expand its membership. Furthermore, the notion that enlargement will make for a more equitable distribution of the financial burden among OECD members is fallacious. The formula for determining national contributions, related to the size of a member's economy, means that the contributions demanded of prospective members may not cover the costs of their membership thus heightening the burden on G7 countries.

Conclusion

The OECD remains the 'forgotten institution'⁷⁵ of global governance. For over 40 years it has greased the wheels of the international system by brokering agreeable solutions to many of the problems that have bedevilled the emergent global economy. Throughout this time the OECD has remained largely hidden from view. However, the OECD's risky attempts to carve out a more assertive role in governing the global economy through the ill-fated MAI and Harmful Tax Competition initiatives lifted this cloak of anonymity and turned the OECD into a target for those seeking to publicise the injustices of globalisation. In response, the OECD has sought to become

a more inclusive organisation by fortifying links with non-member states and providing new avenues for civil society organisations to become involved with OECD work. These cosmetic changes are unlikely to silence the OECD's more vociferous critics. Moreover the continuing difficulties of funding, expansion and tougher competition from other mechanisms of governance indicate that for the OECD there are some tough years ahead.

¹ Jan Aart Scholte, 'Global trade and finance', in: J. Baylis & S. Smith (Eds), *The Globalization of World Politics: An Introduction to international relations (2nd edition)* (Oxford University Press, 2001), p. 521.

² Joseph Nye Jr., *The Paradox of American Power: Why The World's Only Superpower Can't Go It Alone* (Oxford University Press, 2002), p. 144.

³ Previous contributions to *Global Monitor* by Rorden Wilkinson and Simon Lee provide an excellent overview of the contemporary work being undertaken by the WTO and the IMF. See Rorden Wilkinson, 'Global Monitor: The World Trade Organisation', *New Political Economy*, Vol. 7, No. 1 (2002), pp. 129-41; Simon Lee, 'Global Monitor: The International Monetary Fund', *New Political Economy*, Vol. 7, No. 2 (2002), pp. 283-98. More detailed analyses of the WTO include Bhagirath Lal Das, *The World Trade Organisation: A Guide to the New Framework for International Trade* (Zed Books - Third World Network, 1999); Rorden Wilkinson, *Multilateralism and the World Trade Organisation: The architecture and extension of international trade regulation* (Routledge, 2000); and Bernard Hoekman & Michel Kosteki, *The Political Economy of the World Trading System: the WTO and Beyond (2nd edition)* (Oxford University Press, 2001). Since the Asian financial crises of 1997-98 there has been a deluge of literature on the IMF including Joseph Stiglitz, *Globalization And Its Discontents* (Penguin, 2002); and Paul Blustein, *The Chastening: Inside the Crisis that Rocked the Global Financial System and Humbled the IMF* (Public Affairs, 2001).

⁴ For a more detailed discussion of the existing literature on the OECD see Richard Woodward, 'The OECD: The Forgotten Institution of Global Governance', paper presented to the *Anglo-Canadian Symposium on Global Governance*, Hull, December 2002.

⁵ See for example OECD, *The OECD at Work* (OECD, 1964); OECD, *History, Aims, Structure* (OECD, 1971); and Scott Sullivan, *From War to Wealth: Fifty Years of Innovation* (OECD, 1997).

⁶ See Sullivan, *From War to Wealth*, pp. 60-1, Chapter V.

⁷ As with the OECD literature on the OEEC is scarce. However, useful overviews are provided by OEEC, *A Decade of Co-operation: Achievements and Perspectives 9th Report of the OEEC* (OEEC, 1958); No author, 'OEEC's Tenth Birthday', *The Economist*, 19 April 1958, pp. 218-9; Lincoln Gordon, 'The Organization for European Economic Cooperation', *International Organization*, Vol. 10, No. 1 (1956), pp. 1-11; Michael Palmer & John Lambert *et al*, *European Unity: A Survey of the European Organisations* (George Allen & Unwin Ltd, 1968), ch.3.

⁸ See Sullivan, *From War to Wealth*, pp. 24-5; No author, 'OEEC's Tenth Birthday', p. 219.

⁹ Theodore Cohn, *Governing Global Trade: International institutions in conflict and convergence* (Ashgate, 2002), p. 159.

¹⁰ Miriam Camps, "*First World*" *Relationships: the Role of the OECD* (Council on Foreign Relations, 1975), p. 10; Goran Ohlin, 'The Organisation for Economic Cooperation and Development', *International Organization*, Vol. 22, No. 1 (1968), p. 243; Robert Gilpin, *The Challenge of Global Capitalism: The World Economy in the 21st Century* (Princeton University Press, 2000), p. 184.

¹¹ Henry Aubrey, *Atlantic Economic Cooperation: The Case of the OECD* (Frederick A. Praeger, 1967), p. 102; Martin Marcussen, 'The OECD in Search of a Role: Playing the Idea Game', paper presented to the *European Consortium for Political Research*, Grenoble, April 2001, p. 2.

¹² Guy de Jonquieres, 'OECD fails to put its own house in order', *The Financial Times* 28 May 2002, p. 9.

¹³ Sullivan, *From War to Wealth*, p. 6; Will Hutton, *The World We're In* (Little, Brown, 2002), p. 218.

¹⁴ Camps, "*First World*" *Relationships*, p. 10.

¹⁵ OECD, *Annual Report 2003* (OECD, 2003), p. 9.

¹⁶ For a more detailed discussion of these functions see Woodward, 'The OECD: The Forgotten Institution of Global Governance'.

¹⁷ OECD, *Annual Report 2003*, p. 80.

¹⁸ See OECD, 'G7/G8 references to the work of the OECD' at http://www.oecd.org/document/19/0,2340,en_2649_201185_2512403_1_1_1_1,00.html. Accessed 31 August 2003; OECD, 'OECD work on G8 priorities for 2003 Summit' at

http://www.oecd.org/document/63/0,2340,en_2649_201185_2512383_1_1_1_1,00.html. Accessed 31 August 2003; Seiichi Kondo, 'Partnership between the G8 and the OECD - to build a better global governance' at <http://www.oecd.org/dataoecd/28/28/2955608.pdf>. Accessed 31 August 2003; and Seiichi Kondo, 'Address of the OECD Deputy Secretary General Seiichi Kondo to the Diplomatic Institute, Rome, 5 March 2001 "The Role of the G8 and OECD in Global Governance"' at <http://www.oecd.org/dataoecd/28/29/2955604.pdf>. Accessed 31 August 2003.

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⁷¹ Seiichiro Noburu quoted in Paul Betts, 'Navigating the OECD 'Supertanker'', p. 13. The one exception to this is Russia. According to Andre Barsony 'The OECD and Russia have decided several years ago to co-operate and stated that the ultimate aim of this co-operation is Russia's membership in the Organisation'. E-mail correspondence with Andre Barsony, 5 June 2003.

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