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## International Organizations: an early history

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## 2 International organizations an early history

This chapter charts the history of **international organizations** (IOs) from their early nineteenth century origins through a period of growth and consolidation followed by an expansionary phase at the end of the Second World War. During this time the European **state** system started to mature, moving away from cooperation based on a tapestry of bilateral treaties towards a more institutionalized and **multilateral** approach to politics, as statesmen, diplomats and various private actors recognized the need for more sophisticated international **governance** structures. This chapter identifies IOs developing in three overlapping stages: the century from the end of the Napoleonic Wars (1815) to the commencement of the First World War (1914); the interregnum between the First and Second World Wars (1918-1939); and the latter part of the Second World War when the Allied Powers began building a new international architecture.

Starting with the creation of some technical organizations the overall period saw a steady growth in the numbers and functional coverage of IOs, with attention gradually turning to political and social activities, mirroring underlying changes in the European political environment. The experience gained from organizations formed during the nineteenth century paved the way for the structures and mandates of their successors. Although several of these primitive IOs vanished, many survive, albeit absorbed into other organizations or operating in different guises. Examination of their work shows that many contemporary preoccupations such as drug trafficking, cross-border health issues, child labour and the impact of technology were equally of concern in the past.

## 2.1 Beginnings

Concerted action to create multilateral mechanisms to foster cooperation first arose in the nineteenth century. This reflected the presence of four prerequisites for the development of IOs (Claude 1964: 17). First, given that states are the main constituents of IOs, the world had to be split into states functioning as sovereign political entities. Although the viewpoint is contested (Osiander 2001) many scholars trace the principle of sovereign statehood to the 1648 Peace of Westphalia after which, in Europe at least, modern nation states progressively displaced the characteristically medieval miasma of overlapping principalities and fiefdoms (Anderson 1996). Second, these independent units needed sizeable interconnections. Advances in technology, communications and commerce propelled an unprecedented amplification of the intensity, extensity, velocity and impact of cross-border migration, production, pollution, popular culture, trade and finance (Held *et al.* 1999). Economically speaking, by 1914 the world was almost as integrated as at the end of the twentieth century (Hirst, Thompson and Bromley 2009). **Interdependence** gave rise to the third and fourth of Claude's preconditions namely cognizance amongst states of the frictions arising from their coexistence and an appreciation of the need for governance mechanisms.

Uppermost in the minds of statesmen was mitigating frictions from security and economic interdependence. On the security front the end of the Napoleonic Wars, marking nearly two centuries of increasingly fierce bouts of European infighting, persuaded

Europe's Great Powers to search for international mechanisms to check violent remedies to international disputes and bring hostilities to a swift halt. Liberals were optimistic that the Industrial Revolution and the economic interdependence it sponsored were routes to peace. Industrialization and the innovations upon which it rested promised endlessly expanding wealth that could ameliorate social conflict. Tighter economic integration would raise the costs of warfare between states sharing significant economic interests. States recognized that realising the full benefits of industrial expansion necessitated the development of harmonized rules and standards to govern and facilitate commerce including rail and maritime transport, telegraphic and postal communications, intellectual property and units of measure.

The starting points were two Congresses held by the victors in the Napoleonic Wars, the Congress of Vienna (1815) and Congress of the Holy Alliance (1818) where for the first time the Great Powers sought multilaterally to plot the course of European politics. Their contribution enhanced the conditions allowing IOs to prosper, one aspect of which was the 'Concert of Europe'. Founded by states that had united against Napoleon (France would join later) Europe's Great Powers agreed to 'concert' against threats to international peace by maintaining a balance of power conducted through regular diplomacy and periodic conferences. Great Power meetings fizzled out, but the practice of state representatives meeting regularly took hold. Between 1850 and 1914, 105 conferences were held under the broad aegis of the Concert system (Murphy 1994: 57-59) meaning instances of multilateral diplomacy became 'a fact of life in the 19<sup>th</sup> century' (Claude 1964: 21). As well as instigating a set of **norms** and rules for diplomatic dealings in security and military

affairs, conferences held in the second half of the nineteenth century were often dedicated to fostering commerce and industry or strengthening societal bonds.

The spasmodic nature of meetings and the absence of permanent organizational underpinnings meant the Concert system was not an IO in the strictest sense but the Congress of Vienna can claim to have created the world's oldest IO, the Central Commission for the Navigation of the Rhine (although it had no secretariat until 1920). However, some conferences provided the intellectual starting points for embryonic IOs in the form of Public International Unions (PIUs). These efforts were piloted as much by individuals and private interest groups as by states. Indeed states were sometimes lukewarm supporters of PIUs, especially if their interests were threatened. Equally some PIUs developed to sideline state encroachment into private affairs. Concomitantly, many budding IOs such as the International Red Cross were hybrids (see Case Study 2.1), with membership combining states, private and professional associations and even individuals. Many were funded without direct government subvention and had secretariats provided exclusively by a host state. PIUs mostly focused on issues impacting on or handicapping the growth of economic interdependence. Prominent examples include the International Telegraph (later Telecommunications) Union in 1865, the International Meteorological Organization in 1873 (now the World Meteorological Organization) and the Universal Postal Union (UPU) founded initially as the General Postal Union in 1874. The International Bureau for Weights and Measures was started in 1875 to provide an international forum to agree on and maintain the standards to be used for the metric measurement system.

In international trade and commerce three PIUs came into being and like the technical organizations, have survived to the present. The Paris Convention for the Protection of Industrial Property (the precursor of patent rights) entered into force in 1884 while the Berne Convention for the Protection of Literary and Artistic Works (copyright) followed two years later. The administrative bureaux established by these conventions were merged in 1893 and became the United International Bureaux for the Protection of Intellectual Property whose functions were grandfathered into what is now the World Intellectual Property Organization. In 1890, the International Union for the Publication of Customs Tariffs was set up to provide information to facilitate inter-country trade.

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**Case Study 2.1** The Red Cross - the origin and development of a hybrid international organization

As with many early IOs, individuals were the catalyst for creating the Red Cross. Disturbed by the treatment of prisoners at the Battle of Solferino (1859) Henri Dunant, a Swiss national, distributed an account of his experiences to leading politicians, aristocrats and philanthropists. Their response inspired the foundation of the International Committee of the Red Cross (ICRC) in 1863 to protect the lives and dignity of the victims of war and to negotiate between warring parties and Dunant's role was ultimately recognized by the award of the 1901 Nobel Peace Prize. ICRC's fundamental operating principles are: humanity, impartiality, neutrality, independence, unity, universality and voluntary service but its controlling legal authority is the Geneva Conventions. The Conventions obligate

states to; ensure humane standards of treatment for non-combatants and enemy wounded, facilitate the repatriation of prisoners of war and to notify and allow ICRC access to political prisoners. Many states initially resisted efforts to insert humanitarian concerns into the norms of warfare believing it placed undue limits on their sovereignty. Nonetheless, the persuasive influence of individuals on ICRC played a pivotal role in obtaining states' agreement to adopt the 1864 Geneva Convention for the Amelioration of the Condition of the Wounded in Armies in the Field.

This mixture of public and private actors persisted as the organization evolved. The Red Cross (now called the Red Cross and Red Crescent) is shorthand for three interlocking elements, collectively known as the Red Cross Movement, each with its own legal identity which between them, involve individuals, states and NGOs. The core and oldest component of the Movement is ICRC, initially comprised of five individuals including Dunant, which oversees the Conventions and negotiates between warring states. It is a Swiss organization with a self-perpetuating managing committee of up to 24 private individuals (the Assembly) all of whom must be Swiss nationals. However, in view of its global activities and membership, 20 honorary members from other countries are now appointed to the Assembly. Initially Assembly members included Swiss government officials which enhanced its ability to deal directly with states, but this practice ceased after the Second World War. ICRC is a primary authority on the application of international humanitarian law and it monitors compliance with the Conventions subscribed to by member states.

During the First World War the National Societies (see below) provided medical assistance to troops but the need for a neutral body was also apparent and ICRC developed its own field operations. ICRC interfaces with governments to ameliorate conditions for the

victims of war but its discussions with member states in conflict situations are kept completely confidential. After the Second World War it was strongly criticized for not taking a firmer and more public stance over the Nazi concentration camps, about which it had known. In mitigation ICRC believed that its policy of confidentiality and its consequent ability to develop effective relationships was more important for its overall objectives than if it had condemned the camps publicly. ICRC's work has been recognized by the award of three Nobel Peace Prizes in 1917, 1944 and 1963.

Agreement to create the second component, the National Societies, was secured at the 1864 meeting when the Geneva Convention was adopted. National Societies are NGOs which provide emergency medical support, operate ambulance services, run clinics and espouse national health policies and public fundraising (although they also receive governmental support). The National Societies were made interlocutors between governments and the Assembly, particularly to ensure that states were willing co-operants.

In 1919 the Red Cross' role was extended to deal with internal violence and disaster relief, thus the third component, the International Federation of the Red Cross (IFRC), was created. IFRC, an INGO whose members are the 187 National Societies, delivers international humanitarian assistance. In responding to humanitarian crises IFRC takes the lead role and the National Societies work with it providing emergency supplies, specialized personnel and field workers to support relief efforts.

The three component parts and representatives of the 194 governments that have ratified the 1949 Geneva Convention convene in the quadrennial meeting of the Movement known as the International Conference of the Red Cross and Red Crescent; which is the



forum for discussing policy and for making changes to the Conventions. Governments and other institutions participate directly and cooperatively in the Movement's work and it gets the majority of its funding from the public purse.

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Socially and politically oriented institutions materialized around the turn of the twentieth century. In 1889 the Inter-Parliamentary Union was launched as a meeting place for individual parliamentarians but later became a forum for official delegations from national parliaments. Concurrently the first regional organization was established, the International Bureau for the American Republics (1890) the precursor of the Organization of American States. Originally set up to foster trade, it soon became the Pan-American Bureau, a political body, which in its turn formed the Pan-American Health Organization. The threat of infectious diseases spreading across borders helped spur the formation of the International Health Office in 1907 to collect data and provide early warnings against health epidemics. In 1909, David Lubin, a US national, concerned that agricultural producers were disadvantaged by a dearth of world market price information, founded the International Institute of Agriculture in Italy, an organization that would become the UN Food and Agriculture Organization (FAO). The Institute primarily collected and disseminated global agricultural statistics and in 1929 it organized the groundbreaking World Census of Agriculture. However, it also sponsored other important activities including the first International Convention on Locust Control, an International Wheat

Agreement to prevent overproduction and stabilize prices and the first International Convention on Plant Protection.

While some PIUs matured into fully-fledged IOs many fell by the wayside. Approximately one-third failed to survive the First World War. Others ceased to be of direct interest to governments and morphed into INGO or professional associations (e.g. the International Institute of Administrative Sciences and the Permanent International Association of Road Congresses now renamed the World Road Association). Some, like the International Court of Prize whose treaty was never ratified by enough states, were stillborn. A further group was absorbed into new or existing IOs (e.g. the Universal Radio-Telegraphic Union into ITU and the International Poplar Commission into FAO). Finally the International Sugar Union was disbanded in 1920 only to resurface seven decades later as the International Sugar Organization.

The final notable development at the turn of the twentieth century was the 'Hague System' of meetings. Following Tsar Nicholas of Russia's call for a conference on disarmament, two International Peace Conferences were held in The Hague in 1899 and 1907. From an IO perspective, their novelty lay in the decisions to invite non-European powers to discuss international relations (44 states participated in the 1907 conference compared with 26 mainly European powers in 1899). Before immolating in the flames of the First World War, the Hague meetings stumbled upon a core problem of international security organizations, namely how to evolve mechanisms to govern collective challenges without violating state sovereignty. Nonetheless, it also demonstrated states' growing willingness to resort to formal procedures to arbitrate international disputes and, through

the establishment of the Permanent Court of Arbitration, moved further towards their institutionalization.

Under the Concert system the institutionalization of world politics advanced significantly, culminating in the second part of the nineteenth century with PIUs, the chrysalis from which modern IOs would evolve. Some features of contemporary IOs were already present including permanent staff and rudimentary versions of decision-making instruments such as Councils or governing bodies with restricted memberships. Some vital lessons, such as recognition of the special status of Great Powers, were learnt and would inform the development of post-war IOs. Equally the results were far from the finished article; state interests were not always paramount and coupled with habitually slack governance structures there was an absence of independent secretariats and formal foundations in international law. By the outbreak of the First World War there were 49 IOs/PIUs and the average number of memberships per state vaulted from 3.1 in 1879 to 16.7 in 1914 (Rittberger and Zangl 2006: 55). Although their memberships were dominated by a handful of states colonialism meant their impact was even wider.

The UK, the putative **hegemon**, played a more ambivalent role in these developments than liberal institutionalist or realist theories would predict. The UK's readiness to play the role of equilibrator helped to sustain a peaceful balance of power but its support for IOs was less wholehearted. IOs were an encumbrance on its use of power and sometimes, as with international economic governance, clashed with its preference for regulation by dominant (often British) corporations. For liberals, early IO development reflects rational responses by states to interdependence. While they made only modest headway in the domains of 'high politics' where fundamental national interests were at

stake they made significant inroads in areas of 'low politics', generating common rules, norms and principles for mundane, if important, matters. Virtually all PIUs were clearing-houses for information that first allowed states to identify the benefits of, and to generate the transparency needed to police cooperative agreements. Alongside the Concert these arrangements possibility prevented trivial squabbles spilling over into more dangerous confrontations. Indeed, for constructivists, the salient role of early IOs was laying the foundations for a liberal world order, influencing agendas by uncovering previously unrecognized interests, providing intellectual leadership for the creation of new organizations and teaching states about the roles they ought to play in regulating and fulfilling the basic needs of their societies.

## **2.2 The inter-war years**

The inter-war epoch witnessed a quantitative and qualitative expansion of IOs. Quantitatively, Wallace and Singer (1970: 251-2) report a net increase of 44 IOs between 1918 and 1939; an upsurge matched by the growth in the average membership of these IOs and the average number of IOs to which states belonged. Qualitatively, the form and function of IOs were strengthening, moving away from loose confederations dealing with specific economic and technical matters towards fresh organizations with broader remits.

The inspiration for this was the liberal construal of Europe's recent history by those in the vanguard of building a peaceful international order at the 1919 Versailles Peace

Conference following the end of the First World War. To realists the stifling of conflagrations amongst the Great Powers in the nineteenth century and the outbreak of the war were explained by the underlying distribution of power in the international system. The war vindicated their belief that the Concert of Europe and IOs were irrelevant to attaining peace and cooperation because they could not alter the distribution of power and states would not surrender autonomy over security matters. Contrastingly liberals, whose ideas were in the ascendant amongst the triumphant powers, believed the World War might have been avoided had there existed a more sophisticated and elaborate international architecture enabling states to take a more enlightened view of their interests. In addition to scribing a peace treaty, the Peace Conference sought to fashion a pristine international architecture including IOs to champion and nurture the basic liberal values needed to ensure that the ‘war to end all wars’ would be just that. Three organizations in particular surfaced to deal with issues seen as critical to the establishment of post-war peace and social justice; the League of Nations (the League), the International Labour Organization (ILO) and the Bank for International Settlements (BIS). The League and ILO were the institutions from which the concept of an international civil service, independent of any national influence, has developed and were the historical antecedents for the structure of present IOs.

### *2.2.1 The League of Nations*

The League was established by Articles 1 to 26 of the Treaty of Versailles. Unlike the Concert of Europe, the League had more appurtenances of an IO, including an international

secretariat under the leadership of its first Secretary-General (SG), Sir Eric Drummond (Text Box 2.1). Although he was always clear that the most senior positions would be filled by political appointees, reflecting the positions of the Great Powers, Drummond laid the platform for an independent international civil service. In that respect, the activities of his most senior officers and their immediate staff more closely foreshadowed the Commission of the European Union than the UN. The League's governing body, the Assembly of member states, met annually in Geneva, coequal with which was a permanent Council. Anticipating the UN Security Council (SC) the League's Council had both permanent and rotating members. The permanent members were the Great Powers: France, Italy, Japan, UK and later Germany and the Soviet Union (USSR), while the rotating members were elected by the Assembly. Illustrating the importance of sovereignty, both the Assembly and the Council required unanimous decisions. The League's structure was developed to operate in politico-legal and socioeconomic spheres. On the political side were four commissions on: military affairs, disarmament, the treatment of minorities and mandates. Mandates were the mechanism through which the League administered and prepared for independence those colonial territories expropriated from states defeated in the First World War that, at the time, were not capable of self-government. On the socioeconomic side committees on drug trafficking, traffic in women, slavery, child protection and intellectual cooperation were supplemented by three embryonic organizations concerned with health, finance and economics, and communications and transport.

**Text Box 2.1** Sir Eric Drummond - Secretary-General of the League of Nations (1919-33)

The SG's position was seen as an administrative rather than a political appointment. Thus the search for candidates focused on the ranks of European civil servants. Eric Drummond entered the British Foreign Office in 1900 and followed a high-profile career becoming Private Secretary to two Foreign Ministers and a Prime Minister. He participated in discussions on the formation of a post-war organization to maintain peace and was instrumental in drafting several key documents for the Versailles peace conference. His balanced opinions, administrative ability and drafting skills made him an acceptable candidate to the founding governments.

Drummond was not an interventionist (for example, he never once addressed the League's Assembly) believing that his role should be that of facilitator rather than policy-maker and while he took political positions, these were usually in behind-the-scenes discussions (Barros 1979). In public he and his senior staff acted as conduits to their respective governments, ensuring that all relevant aspects of a situation were considered. His importance lies in the fact that he saw the League's staff as a neutral but fully representative secretariat whose loyalties lay not to their governments but to the organization, a philosophy carried forwards into modern IOs. Drummond is therefore rightly seen as the founder of the international civil service. The structure of the Secretariat was his concept and his personal example resulted in a Secretariat with a distinctive style and shared commitment for the League which survived its collapse. In this effort he was strongly supported by his French deputy Jean Monnet, later a formative figure in the creation of the European Common Market (see Text Box 3.4).

The League was intended to preserve the peace, settle international disputes by tribunal and promote disarmament. Ultimately it collapsed under the weight of these endeavours but not before it had notched up some notable, if less celebrated, successes and had established many of the features that characterize contemporary international security governance. The term was never invoked but the League was the forerunner of collective security, the idea that all members share an interest in global peace and security and so it is in their collective interest to confront aggressors, with a declaration of war on one member being tantamount to a declaration of war on them all.

In the security field the League successfully resolved disputes between Sweden and Finland over the Åland Islands, between Poland and Germany over Upper Silesia, between Albania, Greece and Yugoslavia over their common frontier and between competing claims of France, Germany and Belgium over the Ruhr. The League's intervention also prevented a war between Columbia and Peru over contested territory in the Upper Amazon basin. The 'mandates' which were maintained during the Second World War and transferred to UN which eventually oversaw their cessation were also a lasting success . For 15 years the League administered the disputed Saar Territory and the Free City of Danzig and in 1934 it launched the first international peacekeeping operation when it established an international force to oversee the Saar plebiscite, a referendum to determine whether the territory would opt to become German or French. Regrettably these triumphs were overshadowed by half-hearted or non-existent remedies elsewhere that seriously undermined the League's authority. Within two years of the League's creation, Greece, in complete disregard of the principles it had accepted under the Covenant of the League, attacked Turkey. Then, the following year, French and Belgian troops were sent into the Ruhr and the Rhine republic



was declared. These early events exposed weaknesses in the Covenant, particularly the League's ability to respond effectively, which were not subsequently addressed thereby creating an environment that was eventually to be exploited by three permanent members (Japan, Germany and Italy) ultimately leading to the League's collapse.

Elsewhere the League found a more receptive audience. Together, the First World War, the disintegration of the Austro-Hungarian and Ottoman Empires and the Russian civil war had displaced millions of people, many of whom were unwilling or unable to repatriate. With their hopes of asylum dashed by the legal and administrative barriers erected by states since the end of the nineteenth century, Europe confronted a bleak humanitarian crisis. The League reacted by creating an IO in 1921, the High Commissioner for Refugees (HCR), headed by Fridtjof Nansen, the Arctic explorer, statesman and scientist. Nansen utilized his standing amongst leading statesmen to expand and entrench an IO designed originally as a temporary office to alleviate the exodus prompted by the Russian civil war. By the end of the 1920s, HCR had assisted refugee populations in Greece, Armenia, the Saar and Czechoslovakia and elaborated mechanisms to assist refugees including 'Nansen passports' which allowed the stateless to travel internationally. HCR was made permanent in 1931 and rechristened the International Nansen Office for Refugees. This office of the League was awarded the Nobel Peace Prize in 1938, worked throughout the Second World War and was eventually merged into the United Nations International Refugee Organization in 1946.

The day-to-day work of the League presaged the UN system. Agreements regarding narcotic drugs restricted opium trafficking; in particular, a Convention in 1931 limited narcotics' manufacture to quantities sufficient for medicinal purposes and allowed the

League to prohibit their export to countries that could not account for their use. It held technical conferences dealing with reducing trade restrictions, controlling armaments, international maritime navigation, health, passports and the preservation of historic monuments and it published a *Monthly Bulletin of Statistics*, a feature carried forward by the UN.

Initially the League's founders did not foresee much socioeconomic activity; however by 1939, economic, social and humanitarian causes swallowed three-fifths of its budget (Armstrong *et al.* 2004: 31) and a new organization to take responsibility for work in these fields was under active consideration (The Central Committee for Social and Economic Questions). Despite the limits imposed by the Great Depression (Text Box 2.2) the League supervised several successful initiatives. In health it subsumed the operations of the International Health Office and, financed by the Rockefeller Foundation, coordinated campaigns to fight several epidemics. Another health-related initiative was the Office International des Epizooties (now the World Organization for Animal Health) which from 1924 monitored and controlled the spread of animal diseases. The League's International Committee on Intellectual Co-operation (1922) was a forum of twelve distinguished experts (including Einstein and Madame Curie) intended to discuss educational policy and advance the employment conditions of intellectual workers in a manner similar to ILO's efforts for industrial workers. However, its activities were hampered by niggardly funding and its work was transferred to a new, French-backed organization, the International Institute of Intellectual Cooperation.

On the economic front, the League pioneered international support to national economies in trouble, providing loan facilities for post-war reconstruction in Austria and

Hungary and giving assistance to countries facing famine. The Austrian financial rescue package involved advances totalling £40m in the period 1919-1921 to support the basic food needs of the population and a line of financial credits in 1922 amounting to \$120m which stabilized the economy by 1925. Once post-war currency fluctuations diminished, the League turned its attention to trade and secured a tariff freeze. However, when the Great Depression took hold tariff barriers mushroomed as countries looked to their self-interest. The League's Economic Intelligence Service studied European and North American business cycles and the reasons for the Great Depression but attempts to commence economic cooperation through a World Economic Conference failed in 1933 when delegates were unable to reach agreement on their monetary systems. Despite this, there were some economic successes during the period, including: the conclusion of the international wheat agreement; the development of a blueprint for double taxation agreements (which underpinned 200 bilateral agreements); commodity group meetings on wheat, sugar and quinine as well as conventions concerning international trade, the use of ports and railways and the simplification of customs procedures.

### **Text Box 2.2** The Great Depression

The Great Depression refers to the economic tribulations which engulfed the industrialized world in the 1930s. Financial systems imploded and employment, industrial output, commodity prices and trade collapsed as states became locked in a deflationary spiral. In the US, for example, by 1932 industrial production hovered at just over half its 1929 level, one-quarter of the workforce was unemployed and over 5000 banks had

failed. Elsewhere in North America, Europe and Latin America the story was similar. In some places economic frustration prompted civil unrest and political revolution as citizens sought succour in the arms of egregious nationalists.

The causes of the Great Depression are disputed. Some place the blame on the inherent instabilities of **capitalism** and particularly financial markets, in sponsoring an unsustainable boom which culminated in the 1929 US stock market crash. Others view governments as the main culprit acting as willing accomplices to the US stock market boom and bungling their responses to the crash, thereby transforming a normal recession into a full blown depression. Governments were charged with turning their backs on international economic cooperation just when it was most needed, resorting instead to raising trade barriers and devaluing currencies to promote economic competitiveness at their neighbours' expense. This was a futile exercise as other countries retaliated by devaluing their own currencies and increasing their own trade barriers, thereby causing a deflationary spiral.

With states retreating into economic nationalism, efforts by the League to kick-start the international economy through cooperative ventures gained minimal traction. The decision to return to the pre-war **gold standard** without taking into account the economic damage wrought by the conflict and the reluctance of the USA to show the leadership necessary to avert economic calamity, doomed the League's endeavours. Nevertheless, two important lessons were learned that would inform the post-war economic IOs: unfettered capitalism needed to be sacrificed in the name of socioeconomic and political

stability and a durable international economic order was only possible with enlightened leadership.

Presaging the operative work of later IOs, in 1929, the League initiated development assistance through a programme designed to help China's economic and social development. In 1935 Australia's Prime Minister, Stanley Bruce, assisted by his economic adviser Frank McDougall, proposed that the League should assess global nutritional and health needs. In this they were closely supported by Sir John Boyd-Orr, an eminent British nutritionist (see Case Study 4.1). The League, at Bruce's suggestion, set up a commission of prominent agriculturalists, health specialists and economists. Its work was halted by the onset of war but in 1937, a ground-breaking League report for the first time connected food, nutrition and health and produced tables of minimum dietary needs.

That the League failed is widely accepted but the reasons for its failure remain contested. Broadly, however, in the words of the British historian Sir Lewis Napier: 'the impartial were not interested and the interested were not impartial'. The proximate reason was the damage caused to its authority by frail responses to a series of international events including Japan's invasion of Manchuria in 1931, Italy's invasion of Abyssinia (now Ethiopia) in 1935 and Germany's occupation of Austria and the Sudetenland on the eve of the Second World War. The seeds of these failures were sown in the Covenant which established procedures for dealing with international disputes that in turn reflected imperfections in its progenitor, the international system of states. The Covenant stated that member states: 'agree in no case to resort to war until three months after the award by

arbitrators or the report by the Council'. In other words, disregard of the decisions of the League was effectively condoned and a country could 'legally' start a war after it had engaged in arbitration. Worries that the League would impinge upon state sovereignty prevented a more robust Covenant emerging and robbed it of the universality and coercive power which would have augmented its effectiveness. Despite President Woodrow Wilson being one of its main architects the US declined to ratify the Covenant. This proved a serious setback from the start as US isolationism stifled its readiness to rally to the aid of others. Likewise, although there were 53 members by 1923, larger powers including Germany and Italy withdrew and the USSR was expelled in the 1930s. Furthermore, the League was erected on the artificial balance of power existing at Versailles, when Germany and Russia negotiated from a weak position. Few gave consideration to what would happen when they recovered, but eventually, disliking much of what the Versailles agreement entailed, they rejected the related institutions.

### *2.2.2 The International Labour Organization*

In 1818, Robert Owen, the British labour activist and founder of the cooperative movement, attended the Congress of the Holy Alliance to request international protection for workers. Owen's appeal was ignored but Daniel Legrand, a French industrialist, subsequently adopted his cause and their petition led indirectly to ILO's creation.

ILO was also established through the Treaty of Versailles (Articles 387 to 399) to deal with the possibility of social unrest at the end of the First World War. The spectre of unemployment as millions of soldiers reintegrated into civilian life dovetailed with the desire to develop a common, more modern, concept of workers' rights in recognition of the substantial role that industrial workers had played in supporting the war effort. There was also recognition that many workers around the world were exploited and worked in unhealthy and dangerous conditions. This attention of the state to the situation of the common man was a novel concept and reflects how states' roles and attitudes were changing in response to the extension of the franchise.

The organization's emphasis on workers' rights resulted in it possessing a tripartite structure with representation from governments, employers and workers. ILO was independent from the League in mind but not in body, as the League's governing mechanism set its budget. Its first Director was the Frenchman Albert Thomas who became Drummond's partner in shaping the character and management style of the international civil service (Text Box 2.3). ILO had a more comprehensive membership than the League; from the start Germany was a member and some countries such as Brazil remained in ILO even when they left the League. The US joined following the Great Depression and the consequential increase in US unemployment.

Before the Second World War, ILO members agreed on several important international conventions. The inaugural ILO Conference approved conventions on: hours of work (setting the now almost universally accepted concept of a 48-hour week), maternity protection, night-work for women, unemployment and the minimum age of employment. In 1925 minimum social security provisions were adopted and in 1930 a convention

prohibited forced or compulsory labour. Less successful were its efforts to abolish child labour and to regulate employment conditions in agriculture. The war years, in fact, produced some further progress with agreement on a minimum age for agricultural workers and on freedom of association for workers.

**Text Box 2.3** Albert Thomas - ILO Director (1919-1932)

Albert Thomas was a public-relations professional by training and a socialist by conviction, who had turned to politics and risen to be Minister of Munitions in the French wartime government. He and Drummond worked together closely but they were in many respects opposites. Far from being the self-effacing civil servant, Thomas had a larger than life personality and his enthusiasm for ILO's cause resulted in a more interventionist institution than its founders had conceived. His introduction of the French *cabinet* system of centralized management combined with Drummond's concept of an independent international civil service shaped the structure and nature of future international secretariats.

A political activist with a deep interest in social questions, Thomas believed his position required him to be at the centre of decision-making. He spread ILO's message through personal visits to governments, the issuance of ILO publications in several languages and by fashioning ILO offices in several capitals. He developed the concept of a world labour code which resulted in 16 ILO conventions and 18 recommendations in less than two years. This activism eventually resulted in a backlash from more cautious



states which reduced ILO's budget and decelerated its work. Thomas responded by setting up a supervisory body of independent specialists to monitor implementation of ILO standards that reported annually to the ILO Conference. The result was ILO standards became widely accepted as states started legislating for conventions that were already in force.

### *2.2.3 The Bank for International Settlements*

After the First World War some countries wishing to stabilize their currencies against the existing gold standard had insufficient gold stocks. Consequently they devised a gold exchange standard under which a limited gold supply was used to back currencies. Close cooperation was required and for this purpose BIS was created in 1930. Apart from its core task of promoting cooperation and coordination between central banks BIS also managed German First World War reparations. It originally had only seven member countries and like other, older, IOs its early history set the tone for some of its present procedures. The most visible of these was that, uniquely, its accounts were for many years expressed in Swiss Gold Francs. BIS was established and capitalized as a private company but its shares were originally offered exclusively to central banks. However, the central banks of the US, France and Belgium did not subscribe to their full allotted capital and their remaining shares were taken-up by private banks. While these shares carried equal financial rights the private shareholders could not vote or attend BIS meetings.

#### *2.2.4 Other international organizations*

The League tried to exercise some degree of coordination and control over technical IOs, such as UPU, that had survived the First World War but this initiative came to nought. Several were located in Switzerland with the Swiss government providing staff, who exercised considerable control over their activities; it was therefore very reluctant to lose any influence. Alongside the rise of overtly political organizations, a further flurry of technical bodies materialized. The International Bureau for Education (IBE), originally an INGO, was opened to government membership in 1929 with the objective of stimulating research in education. IBE was involved with the development of, and was eventually integrated into the UN Educational, Scientific and Cultural Organization (UNESCO, see below).

Coinciding with the year of the first commercial flight, an International Air Convention was signed at the Versailles Peace Conference dealing with the technical, operational and organizational aspects of civil aviation and establishing an International Commission for Air Navigation (ICAN) which operated from 1922. ICAN was primarily concerned with resolving the legal issues in cross-border air navigation and technical standards for commercial aircraft. Simultaneously, the International Air Traffic Association (IATA) was created to coordinate commercial requirements (such as documentation) and standards. IATA was originally an association of European airlines but in 1939 Pan American Airlines joined, giving it a more global perspective. Together IATA and ICAN

developed the Warsaw Convention of 1929 which established airline liabilities for death, passenger injury and cargo loss.

Another contemporaneous intergovernmental organization was the International Criminal Police Commission, precursor of the International Criminal Police Organization (Interpol). It was founded in Vienna in 1923 as an international criminal record office and to harmonize extradition procedures. The USA founded a rival organization, the International Police Conference; however, because the majority of international crime was in Europe it was the European institution that flourished. In 1942, the Nazi government effectively colonized the organization and it ceased to exist as an international entity until re-established in 1946.

Figure 2.1 shows the main IOs operating in 1935 and their, albeit few, inter-relationships. Between 1860 and the start of the Second World War systematic international cooperation had become a reality on the political, social, scientific and technical fronts. The repercussions of the First World War bloodbath offered a seemingly fertile soil in which further seeds of international organization could germinate. The ‘high’ politics of war and security became staple topics of discussion in a formally codified IO, the League of Nations. While the League’s political accomplishments were unsatisfactory, related social and technical institutions achieved modest but real results. The number of issues covered by IOs continued to multiply demonstrating that, despite the period’s economic upheavals, interdependence remained a reality. They also accumulated more of the panoply associated with contemporary IOs with the emerging concept of an independent international civil service (see Text Box 4.2) and state representatives increasingly supplanting private individuals. Ultimately the League was overwhelmed by economic disorder and the descent

into a second global conflagration. For some (Kindleberger 1973) this reflected the absence of a hegemon. For others, the Second World War marked the reassertion of the pitiless truths of global politics. Nevertheless, the interwar period was an important staging-post in IO development. Despite its political ineffectiveness the League's structure and conceptual foundations would be replicated to a considerable degree in the post-war international architecture.

INSERT FIGURE 2.1 HERE

**Figure 2.1** International Organizations their scope and responsibilities (1935)

### **2.3 The Second World War**

The Second World War halted the rise and spread of IOs with many ceasing operations, some permanently. Nevertheless, the unparalleled devastation of the war, shockingly emphasized by the atomic bombs detonated at Hiroshima and Nagasaki, injected fresh urgency into the search for mechanisms to mitigate and manage international conflict. During the war a series of Allied meetings took place. Their primary purpose was to further the conduct of the conflict but they were also the furnaces in which the post-war IOs were forged. China, European governments in exile, the USSR, the UK plus its Dominion

partners and the US cooperated closely to develop the concepts that would form a foundation for future action. Discussions culminated in tripartite meetings between British Prime Minister Churchill, US President Roosevelt and USSR General Secretary Stalin in Tehran (1943) and Yalta (1945). The outcomes of these meetings converged with the continuing work undertaken by relocated League and ILO staff in North America. The result was five separate, yet interlocked, strands of action that led to the creation of the UN and its Specialized Agencies (SA).

First, the concept of a United Nations organization as a forum for the settlement of international political disputes and the maintenance of peace was discussed and nurtured. In 1941, prior to US involvement in the war, Churchill and Roosevelt met and signed the Atlantic Charter. The Charter proposed a set of principles for international collaboration in maintaining peace and security at the end of the war (Text Box 2.4). In 1942, the Allied Nations met in Washington D.C. to adopt the Charter and to sign a Declaration by United Nations (an expression limited at that time to the Allied Powers actively engaged in the war). The preliminary structure of a new organization was agreed by China, UK, USA and USSR at the 1944 Dumbarton Oaks Conference also held in Washington D.C. At this point the League's staff was co-opted into drafting a charter for the new organization and, in 1945, at San Francisco, delegates from 50 nations met to adopt the Charter of the United Nations. The consequence of involving the League's staff was that (as will be seen in Chapter 5) with the exception of SC and the Economic and Social Council, the UN largely mimics the League's structure, although its powers are better defined.

**Text Box 2.4** The Atlantic Charter

The operative clauses of the Atlantic Charter subscribed the USA and the UK to the following principles:

“First, their countries seek no aggrandizement, territorial or other;

Second, they desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned;

Third, they respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self government restored to those who have been forcibly deprived of them;

Fourth, they will endeavour, with due respect for their existing obligations, to further the enjoyment by all States, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity;

Fifth, they desire to bring about the fullest collaboration between all nations in the economic field with the object of securing, for all, improved labour standards, economic advancement and social security;

Sixth, after the final destruction of the Nazi tyranny, they hope to see established a peace which will afford to all nations the means of dwelling in safety within their

own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want;

Seventh, such a peace should enable all men to traverse the high seas and oceans without hindrance;

Eighth, they believe that all of the nations of the world, for realistic as well as spiritual reasons must come to the abandonment of the use of force. Since no future peace can be maintained if land, sea or air armaments continue to be employed by nations which threaten, or may threaten, aggression outside of their frontiers, they believe, pending the establishment of a wider and permanent system of general security, that the disarmament of such nations is essential. They will likewise aid and encourage all other practicable measures which will lighten for peace-loving peoples the crushing burden of armaments.”

*Source:* US Department of State Executive Agreement Series

The second initiative commenced in 1942 as a consequence of the USA being drawn into the conflict. Henry Morgenthau, US Treasury Secretary, initiated a series of studies on post-war international financial policy under Harry Dexter White's leadership. Morgenthau envisaged an international agreement to eliminate competitive devaluations and monitor exchange controls as well as establishing a Bank for Reconstruction of the 'United and Associated Nations'. White's plan was for a liberal multilateral order which afforded states sufficient autonomy to attune their policies to the needs of their domestic

constituents, what Ruggie (1982) has termed a system of ‘embedded liberalism’. He proposed an International Stabilization Fund to deal with the extremes of the economic cycle. Separately, similar work was being undertaken at the UK Treasury, led by the economist John Maynard Keynes, who developed the concept of an International Clearing Union. The two Treasuries exchanged ideas and cooperated to bring a new financial structure into being but the US was the dominant influence and the resulting institutions bore its hallmarks.

An Allied conference to discuss the proposed new international financial structure was convened in Bretton Woods, New Hampshire, in 1944. Despite initial misgivings, the Bretton Woods Monetary and Financial Conference was a success and, from it there emerged international agreement to set up the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD or World Bank) and an International Trade Organization. US hegemonic influence meant that while IMF and IBRD are both UN SA, they have a very different governance system from other UN institutions (see Chapters 8 and 9). The IMF’s principal responsibilities were to administer a code of conduct governing exchange rate policies; to provide short-term financial resources for countries with currency imbalances and to discuss international monetary matters. The World Bank was initially set up with a relatively small capital subscription and was to depend on private investors for much of its resources. Since the only post-war capital market with adequate liquidity was the US, IBRD was headed by Eugene Meyer, a US national. The International Trade Organization was stillborn as its Charter was not ratified by enough countries, principal amongst them the US. However, under UN auspices, a periodic conference to negotiate multilateral trade agreements, the General Agreement on



Tariffs and Trade, filled some of the gap. Eventually, in 1994, the idea conceived at Bretton Woods was realized with the creation of the World Trade Organization (Chapter 10).

Third, the ILO and League staff continued to function technically, albeit at a low level of activity. Whereas the League went into hibernation, ILO continued to function holding several regional meetings in Latin America and an extraordinary General Conference in Washington in 1941. Travel restrictions and wartime priorities meant a hiatus in ILO Conferences after 1941 although it held a session of the Governing Body in London to prepare for the Philadelphia Conference of 1944 (see Chapter 7). In Philadelphia ILO members adopted the Declaration of Philadelphia, an annex to the ILO Constitution aimed to rejuvenate the institution.

The fourth set of activities resulted in the creation of three other IOs which together with ILO, IBRD and IMF, were to form the nucleus of the UN SA. Frank McDougall, while in Washington for discussions on a new international wheat agreement (see the International Grains Council, Chapter 10) persuaded Roosevelt that food should be the first socioeconomic problem to be tackled by the UN. Roosevelt convened a United Nations Conference on Food and Agriculture in Hot Springs, Virginia which set up an interim commission headed by Lester Pearson, then Canadian Ambassador to the US. The commission prepared a constitution for the new organization (FAO); proposed folding the International Institute of Agriculture into it and defined an initial programme of work.

Prior to the war, regulation of air traffic and airmails were the subjects of a series of international conferences. The 1944 Chicago Convention on International Civil Aviation continued this work and reached agreement on common standards for air navigation and

rules governing the economics of air transport (Chapter 16). The convention created the International Civil Aviation Organization which became a UN SA in 1947. Across the Atlantic, following on from the 1942 London Conference of European Allied Ministers of Education, the French and UK governments jointly proposed the creation of UNESCO. UNESCO, whose constitution was adopted at a 1945 London conference, was to continue the work of the League's International Committee on Intellectual Co-operation but also had a broad remit over and above its principal subjects.

Finally, the Allies had to deal with the resettlement of European refugees. For this purpose, in 1943 they launched the last IO to emerge during the Second World War, the UN Relief and Rehabilitation Agency (UNRRA). An agency with immediate and narrowly focussed objectives, UNRRA was funded from 1945-47 and during that time it repatriated millions of refugees and managed hundreds of refugee camps in Austria, Germany and Italy. On its demise there were still 650 000 European refugees so an International Refugee Organization continued its work which, in 1951, eventually became the UN High Commission for Refugees (Chapter 6).

The UN Charter was signed on 26 June 1945 and ratified on 24 October 1945, two months after the war's end. The most ambitious IO project yet, the UN was the first genuinely global IO, albeit that many people still lived under colonial oppressors. Moreover, the organization's scope was unparalleled. In addition to an explicit focus on security and military affairs the UN's tentacles poked into almost every facet of economic, social and humanitarian life. In January 1946, the first UN General Assembly met in the Central Methodist Hall, London and the SC met in Church House nearby. Rules of procedure were adopted; ILO, FAO, IBRD, IMF and UNESCO were immediately linked to

the UN as SA cooperating within the aegis of the UN Economic and Social Council and, in a blaze of optimism, the stage seemed set for post-war international cooperation.

Suggested reading

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Bendiner, E. (1975), *A Time for Angels, the Tragicomic History of the League of Nations*, London: Weidenfeld and Nicholson. [A revealing history of the tensions and prejudices surrounding the politics of the League and its creation]

BIS. (1980), *The Bank for International Settlements and the Basle Meetings, (50<sup>th</sup> Anniversary 1930 -1980)*, Basle, Switzerland: BIS [The official history of BIS]

Claude, I.L. (1965), *Swords into Plowshares – the Problems and Progress of International Organization*, (3<sup>rd</sup> Edition) London: University of London Press. [Magisterial overview of the origins, development and prospects of IOs]

Gill, G. (1996), *The League of Nations from 1929 to 1946*, New York: Avery. [A review of the League set in the context of the history of the inter-war years]

Morehead, C. (1998), *Dunant's Dream – War, Switzerland and the History of the Red Cross*, London, Harper Collins. [An accessible history of ICRC]

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Reinalda, B. (2009), *Routledge History of International Organizations: From 1815 to the Present Day*, Abingdon, UK: Routledge. [A well-presented and detailed sequential overview of the evolution of IOs]

Schlesinger, S.C. (2003), *Act of Creation - The Founding of the United Nations*, Cambridge, MA: Westview. [The history of US involvement in events leading up to the creation of UN]

Walters, F.P. (1952), *A History of the League of Nations*, London: Oxford University Press.

[A comprehensive history of the League's work written by a former staff member]

#### Internet resources

For the League of Nations:

<http://www.library.northwestern.edu/libraries-collections/evanstown-campus/government-information/>

<http://www.unog.ch/library/>