

INTERNATIONAL ORGANIZATION



ODUNLAMI A.A

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FOR

SCHOOLS AND COLLEGES

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*P*reface

This book gives an in-depth analysis of the various international organizations, origin, formation, aims and objectives, achievements and failures.

It pin-point the structure and organizations of International Organization, organs, and functions.

It also touches all the relevant areas that students of political science need to know.

I believe this book would elicit a great interest in students studying political science in higher institutions of learning and also enhance their horizon of knowledge to foster effective teaching and learning.

Odunlami, A. A.

2018

DEDICATION

This book is dedicated to the almighty God, the Author and Finisher of our faith, and to my **Late father Pa. Adefisan Ayodele Odunlami** who toiled to give me the benefit of having western education and to all lovers of education throughout the world.

ACKNOWLEDGEMENTS

For there are three that bear record in heaven, the Father, the Word and the Holy Ghost and these three are one. And there are three that bear witness on earth, the spirit, the water and blood and these three agree in one (I Jn. 5:7-8). To the Trinity, I say thank you God, what shall I say, unto thy Lord, all I have to say is thank you Lord.

Let me use this medium to re-affirm my vow of undying love and affection to a Fabulous mum @70 Mrs. Odunlami, S. I. and my siblings whose immeasurable effort financially, spiritually, and material wise is unquantifiable. I say a big thanks to you.

To the number one citizens in Saint Margaret's High School: Mrs. Komolafe, B. A. and Dr. Mrs. Aluko. Kudos to you for your love, affection, care and words of encouragement which have really helped me in developing my academic pursuits.

Also, to the vice-principals, academics and non-academics staff. I thank you all. You have all played an indispensable role in modeling my life. I pray the good lord would continue to bless you tremendously.

I equally appreciate Professor Akin Ogunlade for taken his time in reading the manuscripts and effecting necessary corrections. I pray the lord would grant you all your heart desire and make you to sail through in life in Jesus name Amen.

I also, appreciate my wife, Mrs. Odunlami Taiwo and my godly children Philip, Nicolaus and Inumidun. I pray you shall flourish like the palm tree and grow like cedar in Lebanon Amen.

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CHAPTER ONE

THE LEAGUE OF NATIONS, 1920

The League of Nations was an international organization, headquartered in Geneva, Switzerland, created after the First World War to provide a forum for resolving international disputes. Though first proposed by President Woodrow Wilson as part of his Fourteen Points plan for an equitable peace in Europe, the United States never became a member.

Origins

In a more general way the League of Nations was grounded in the rise and fall of the practice of consultation among the European powers, which was increasingly formalized as the Concert of Europe after 1815. By the late nineteenth century the Concert of Europe was breaking down in the context of the rise of imperial Germany. The emergence of the United States as an increasingly important player also weakened the balance of power on which the Concert of Europe rested, as did the wider social and political changes in Europe itself. However, the central idea of the Concert of Europe—that the Great Powers had particular rights and duties in international relations—underpinned the creation of the

Council of the League of Nations. This was the organization's supreme decision-making body and included only the major powers. Despite the influence of the Concert of Europe, a more immediate and equally important catalyst for the League of Nations was World War I. The war stimulated a general dissatisfaction with the management of inter-state relations and encouraged growing interest in a new international system of collective security. In May 1916 Woodrow Wilson publicly spoke of the need to reform the international order. This gave the whole idea greater legitimacy and encouraged European political leaders to examine the idea. This interest was further strengthened when the Russian Revolution of 1917 brought pressure to bear on the old international system. A number of draft versions of the constitution for the League of Nations were produced by the United States and by the European governments. The actual peace conference in 1919 focused on a draft produced jointly by the United States and Britain.

Establishment

The official opening of the League of Nations, 15 November 1920. At the Paris Peace Conference in 1919, Wilson, Cecil and Smuts all put forward their draft proposals. After lengthy negotiations between the

delegates, the Hurst-Miller draft was finally produced as a basis for the Covenant. After more negotiation and compromise, the delegates finally approved of the proposal to create the League of Nations (French: *Société des Nations*, German: *Völkerbund*) on 25 January 1919.

The final Covenant of the League of Nations was drafted by a special commission, and the League was established by Part I of the Treaty of Versailles. On 28 June 1919, 44 states signed the Covenant, including 31 states which had taken part in the war on the side of the Triple Entente or joined it during the conflict.

Principal organs

Further information: Organisation of the League of Nations, Permanent Court of International Justice, and Leaders of the League of Nations, Palace of Nations, Geneva, the League's headquarters from 1936 until its dissolution in 1946. The main constitutional organs of the League were the Assembly, the Council, and the Permanent Secretariat. It also had two essential wings: the Permanent Court of International Justice and the International Labour Organisation. In addition, there were several auxiliary agencies and commissions. Each organ's budget was allocated by the Assembly (the League was supported financially by its member states).

Other bodies

The League oversaw the Permanent Court of International Justice and several other agencies and commissions created to deal with pressing international problems. These included the Disarmament Commission, the International Labour Organisation (ILO), the Mandates Commission, the International Commission on Intellectual Cooperation (precursor to UNESCO), the Permanent Central Opium Board, the Commission for Refugees, and the Slavery Commission. Three of these institutions were transferred to the United Nations after the Second World War: the International Labour Organisation, the Permanent Court of International Justice (as the International Court of Justice), and the Health Organisation (restructured as the World Health Organisation).

Failures

The origins of the League as an organisation created by the Allied powers as part of the peace settlement to end the First World War led to it being viewed as a "League of Victors". The League's neutrality tended to manifest itself as indecision. It required a unanimous vote of nine, later fifteen, Council members to enact a resolution; hence,

conclusive and effective action was difficult, if not impossible.

Global representation

Representation at the League was often a problem. Though it was intended to encompass all nations, many never joined, or their period of membership was short. The most conspicuous absentee was the United States. President Woodrow Wilson had been a driving force behind the League's formation and strongly influenced the form it took, but the US Senate voted not to join on 19 November 1919. Ruth Henig has suggested that, had the United States become a member, it would have also provided support to France and Britain, possibly making France feel more secure, and so encouraging France and Britain to co-operate more fully regarding Germany, thus making the rise to power of the Nazi Party less likely.

Collective security

Another important weakness grew from the contradiction between the idea of collective security that formed the basis of the League and international relations between individual states. The League's collective security system required nations to act, if necessary, against states they considered friendly, and in a way that might endanger their national interests, to support states for which they had no normal affinity.

CHAPTER TWO

UNITED NATIONS ORGANISATION

The United Nations Organisation (UNO) was founded on 24 October in the year 1945 after Second World War. The main aims of UNO are to maintain international peace and security and to develop friendly relations among nations. Also, International cooperation in solving problems of economic, social and humanitarian nature; promotion and encouragement of respect for human rights and fundamental freedom and to be a center for harmonizing the actions of nations and to achieve the above aims. The six principal organs of UNO are: The General Assembly, The Security Council, The Economic and Social Council, The International Court of Justice, The Secretariat and The Trusteeship Council.

SIX PRINCIPAL ORGANS OF THE U.N.O.

The General Assembly

The Security Council

The Economic and Social Council

The International Court of Justice

The Secretariat

The Trusteeship Council

UN General Assembly

It is the main organ of the UN consisting of representatives of all the members of the U.N. Each member state has a single vote and all members are equally placed, unlike in the case of the Security Council. It generally holds regular annual session in September. Decisions are taken based on simple majority, but in cases of peace, security, election of new UN members and budget, a two-thirds majority vote is required.

According to the Charter of the United Nations, the General Assembly may:

- Consider and approve the United Nations budget and establish the financial assessments of Member States;
- Elect the non-permanent members of the Security Council and the members of other United Nations councils and organs and, on the recommendation of the Security Council, appoint the Secretary-General;
- Consider and make recommendations on the general principles of cooperation for maintaining international peace and security, including disarmament;

- Discuss any question relating to international peace and security and, except where a dispute or situation is currently being discussed by the Security Council, make recommendations on it;
- Discuss, with the same exception, and make recommendations on any questions within the scope of the Charter or affecting the powers and functions of any organ of the United Nations;
- Initiate studies and make recommendations to promote international political cooperation, the development and codification of international law, the realization of human rights and fundamental freedoms, and international collaboration in the economic, social, humanitarian, cultural, educational and health fields;

UN Security Council

It is the main organ of the UN with the basic responsibility for the maintenance of World Peace. It has 15 countries as members. Five of them are permanent members - the United States of America, the United Kingdom, Russia, France and China. The remaining ten are non-permanent members, who are elected for a two-year term by a two-thirds majority of the General Assembly. Out of these ten

seats, five are allocated to Afro-Asian region, two seats to Latin America, one seat to Eastern Europe and remaining two seats to Western Europe and others.

Functions of the Security Council

- to maintain international peace and security in accordance with the principles and purposes of the United Nations;
- to investigate any dispute or situation which might lead to international friction;
- to recommend methods of adjusting such disputes or the terms of settlement;
- to formulate plans for the establishment of a system to regulate armaments;
- to determine the existence of a threat to the peace or act of aggression and to recommend what action should be taken;
- to call on Members to apply economic sanctions and other measures not involving the use of force to prevent or stop aggression;
- to take military action against an aggressor;
- to recommend the admission of new Members;
- to exercise the trusteeship functions of the United Nations in "strategic areas";

- to recommend to the General Assembly the appointment of the Secretary-General and, together with the Assembly, to elect the Judges of the International Court of Justice.

Economic and Social Council

The ECOSOC is the Chief Coordinating Agency of the UN in the economic and social sectors between the UN and the specialised institutions of the UN. It consists of 54 members, meets twice a year. Its main activities include conducting studies and making recommendations on social, economic, educational, health and related matters in the world with special focus on the least developed countries.

TASKS AND FUNCTIONS OF ECOSOC

- promotion of higher standards of living, full employment, economic and social progress
- solutions to international economic, social and health problems
- international cultural and educational cooperation
- encouraging universal respect for human rights and fundamental freedoms
- consults with academics, business sector representatives and more than 2100 registered non-governmental organizations

- _ coordinates the work of the 14 UN specialized agencies,

International Court of Justice

The ICJ is Established in 1945 by the UN Charter. It is the main judicial organ of the UNO. It is also commonly known as the World Court. ICJ has its headquarters at Hague, the Netherland. It is composed of fifteen judges elected to six year terms by the United Nations General Assembly and the United Nations Security Council. It is meant to adjudicate on the disputes referred to it by the members and to give advisory opinion on matters referred to it by the UN Security Council or General Assembly. As stated in the UN Charter, all 192 member states of UN are parties to the Court's statute. Non-UN members too can become parties to the Court's statute under the Article 93(2) procedure.

UN Secretariat

The United Nations Secretariat is one of the six principal organs of the UNO. It is headed by the UN Secretary General. It provides studies, information, and all facilities needed by United Nations bodies for their respective meetings. It also carries out tasks as directed by the United Nations Security Council, the United Nations General Assembly, the United Nations Economic and Social Council, and other U.N. bodies

UN Trusteeship Council

The United Nations Trusteeship Council is one of the six principal organs of the U.N formed in 1945. It was established to ensure that non-self-governing territories were governed in the best interests of the people living in there and of international peace and security.

Functions and powers

Under the Charter, the Trusteeship Council is authorized to examine and discuss reports from the Administering Authority on the political, economic, social and educational advancement of the peoples of Trust Territories and, in consultation with the Administering Authority, to examine petitions from and undertake periodic and other special missions to Trust Territories.

LIST OF SOME SPECIALIZED AGENCIES OF THE U.N.O.

- 1 Food and Agriculture Organization (FAO)
- 2 International Civil Aviation Organization (ICAO)
- 3 International Fund for Agricultural Development (IFAD)

- 4 International Labour Organization (ILO)
- 5 International Maritime Organization (IMO)
- 6 International Monetary Fund (IMF)
7. International Telecommunication Union (ITU)
- 8 United Nations Educational, Scientific and Cultural Organization (UNESCO)
- 9 United Nations Anti-Terrorism Coalition (UNATCO)
- 10 United Nations Industrial Development Organization (UNIDO)
- 11 Universal Postal Union (UPU)
- 12 World Bank Group (WBG)
 - 12.1 International Bank for Reconstruction and Development (IBRD)
 - 12.2 International Finance Corporation (IFC)
 - 12.3 International Development Association (IDA)

Objectives –

1. Maintaining international peace and security
2. Promoting human rights
3. Fostering social and economic development
4. Protecting the environment
5. Providing humanitarian aid in cases of famine, natural disaster, and armed conflict

Successes of UN

1. No further world wars.
2. Endeavour to make world nuclear free by negotiating treaties like NPT and CTBT.
3. Ending of colonialism and imperialism mostly in Africa and Asia.
4. Protection of human rights by Universal Declaration of Human Rights, 1948
5. Peace keeping missions to war torn countries resulted in success in dozens of countries, including Cambodia, El Salvador, Guatemala, Mozambique, Namibia and Tajikistan.
6. Formation of international laws and regulations.
7. Food aid via World Food Program especially during natural disasters .exemplary success during Haiti earthquake.

8. Aid to refugees and protect children mostly in Africa.
9. Helped to conduct free and fair elections in many countries.
10. Achieved significant success in Environmental protection, Health and medical research, Alleviation of poverty and economic development, Agricultural development and fisheries, Education, Advancement of women. Emergency and disaster relief. Air and sea travel, Workers' rights etc.

Shortcomings of UN

1. was not able to stop Cold war.
2. Use of veto power by permanent members of Security Council
3. Nuclear proliferation and spread of nuclear technology to N. Korea, Iran etc.
4. Some mentionable failures like Darfur, Rwanda, Bosnian War massacre, Sri Lanka, Middle East etc.
5. Failed to generate a universal consensus to protect the deteriorating world climate.
6. Sometimes UN moved away from neutrality and showed impartiality towards western countries.
7. No adoption democracy in functioning of UN
8. Failure to stop terrorism

CHAPTER THREE

ORGANIZATION OF AFRICAN UNITY

Establishment and members

The Organization of African Unity was established in 1963 in Addis Abeba. From 32 independent Member States in 1963, the independent Member States of Africa are now 53. The OAU is entering from political liberalization to phase two by focusing on the economic integration. It has therefore a new mandate and new responsibilities which will by no means make it abandon its political character and its resolve to sustain peace and security in the continent which are crucial for the socio-economic development process.

Purposes and principles

The following purposes and principles are stated in OAU charter adopted in 1963 in Addis Ababa, Ethiopia.

The OAU objectives are stated in Article II of the CHARTER as follows

- 1.** to promote the unity and solidarity of the African States;

2. to co-ordinate and intensify their cooperation and efforts to achieve a better life for the peoples of Africa;
3. to defend their sovereignty, their territorial integrity and independence;
4. to eradicate all forms of colonialism from Africa; and
5. to promote international cooperation, having due regard to the Charter of the United Nations and the Universal.

Functions of OAU

1. **Decolonization:** In this field, the OAU Co-ordinating Committee for the Liberation of Africa, has organized diplomatic support and channelled financial, military and logistical aid to liberation movements. Though much remains to be done before final victory is obtained, the struggle for liberation has gained considerable momentum.
2. **Boundary conflicts :-** In the ten years of its existence, OAU has been confronted with a number of boundary

conflicts in North, East and Central Africa. Thanks to OAU machinery and efforts, these conflicts were settled in a true spirit of African Solidarity without outside intervention or interference. On such occasions, OAU made a name for itself as peacekeeper no. 1 in the continent. The UN General Assembly has paid tribute to OAU for the role played in the maintenance of international peace and security.

3. Defence of Member States' sovereignty and territorial integrity Action undertaken by OAU in this concern will remain one of its greatest achievements ever:

a)- In the Congo: where imperialism threatened in its supply lines of strategic raw materials (uranium, and copper) vied for disintegration to set up a puppet state.

b)- In Nigeria: where a civil war flared up and threatened the Federal Republic of Nigeria to its very foundation. By throwing its weight on the side of unity, and providing for appropriate machinery (an ad hoc Consultative Committee) OAU helped to prevent secession while maintaining the cohesion of its membership.

c)- In Republic of Egypt: which was aggressed and occupied in parts by Israeli forces in 1967. OAU has strongly condemned this Israeli aggression and demanded

the withdrawal of Israeli troops from all occupied Arab territories. Egypt is one of the founding Member States of the Organization of African Unity.

d)- In Guinea: where Portugal's last ditch attempt at colonial reconquest failed. In the wake of this aggression OAU's offer of financial and military aid to Guinea, along with its declared war on mercenaries in Africa and the successful information campaign it waged to alert international opinion were all evidence of the usefulness OAU has in facing outside aggression and the outside world.

e) -In Equatorial Guinea: where OAU support enabled the Young Republic to reinforce its newly won independence.

4. The struggle against Apartheid: Through action of the African group at the United Nations and appropriate information campaigns Apartheid, the abhorred system of state imposed racial discrimination in South Africa, Rhodesia and the International territory of Namibia (South West Africa), has been universally condemned as "a crime against humanity". (Teheran Conference in 1968). As a result of increasing pressure from all quarters, Apartheid South Africa has been forced out of the Commonwealth and a number of specialized institutions of the United

Nations family. In world sports, Apartheid South Africa has been barred from the Olympic Games and from International Tennis Tournaments.

5. Promotion of African Culture: OAU staged both the 1st All African Cultural Festival (Algiers August 1969) and the First Workshop on African Folklore, Dance and Music (Mogadiscio Somalia) October 1970. The first momentous pan-african Festival took place in Algiers, Algeria in August 1969. Never before, had African culture and arts given such a brilliant display of their richness, variety and genius. Above cultural and artistic achievements, this First Festival was the triumph of African solidarity and sense of purpose, the triumph of **AFRICANITY**. In Mogadiscio, the workshop on African folklore, dance and music was attended by many scholars and artists of international repute from OAU Member States. The quality of the various contributions is likely to influence any future development of African culture.

6. Fields of economic and social development, transport and telecommunication: Thanks to OAU efforts, African countries have harmonized their policies with regard to UNCTAD, IBRD, IMF, UNIDO, ILO. Consequently, their claims for better terms of trade, full

participation in a new international monetary system and more multilateral aid carry more weight. Through OAU, African countries have proclaimed their permanent sovereignty over their natural resources, just as they are pressing for a modification of International Law with regard to the continental shelf and territorial waters.

7. Fields of Education, Science, Health:

In these fields, OAU action may be credited with: pre-investment studies: fishery projects; an anti-rinder pest campaign that has vaccinated so far a billion dollars worth of cattle, a number of scientific investigations on plant protection, soils, animal health, all of which may be obtained from the OAU/STRC office in Lagos, Nigeria.

8. Action in favour of African Refugees: A bureau for placement and education of African refugees has been in operation at OAU headquarters since 1968. Great many African refugees ever since have been provided with educational and job opportunities. A convention governing aspects of refugee problems in Africa has been adopted by OAU Heads of State in September 1969. To the terms of this convention, a refugee status and right of asylum are recognized to refugees by all independent African

countries. "No longer are refugees subjected to rejection at the frontier, return or expulsion, which would compel them to return to or remain in a territory where their life or freedom would be threatened". (Article 11 of OAU convention on refugees).

FAILURES OF O. A. U.

Africa been plagued with post-colonial and neo-colonial issues that cannot be ignored nor dismissed, including the fact that it has also failed to unify its economic institutions for the benefit of the continent, and having thirteen economic unions has not been helpful. In addition, despite receiving vast sums of aid over the years, African countries have never benefited from a co-ordinated initiative such as the Marshall Plan, which saw Western European states re-emerge after the devastation of the Second World War in the 1940s.

Africa's failed integration failure is found in the continent's perpetual coup d'états, conflicts and abuse of power, which stand in sharp contrast to the European Union's (EU) where war has not only disappeared but has even become almost impossible to imagine. This is partly due to old legacies but 50 years cannot and should not be used as an excuse.

CHAPTER FOUR

AFRICAN UNION (AU)

The formation of the African Union (AU or EU depending on the language) was heralded as an event of great magnitude for the continent. In September 1999, African Heads of State issued a declaration calling for the formation of the African Union. In July of 2002, at the Durban Summit, the AU was officially launched and the first Assembly of the Heads of State of the African Union was convened. The AU consists of 54 African States, the exception being Morocco, which declined to join because it opposes the membership of Western Sahara.

The Vision and Mission

The AU was formed with the overall mission of speeding up integration in the continent in order to enable Africa to play its rightful role in the global economy while at the same time addressing a myriad of economic, political and social problems currently plaguing its member states. The AU succeeded the Organization of African Unity (OAU), which had failed due to multiple reasons. The AU is based on the common vision of a united and strong Africa and on the need to build a partnership between governments and all segments of civil society, in particular women, youth

and the private sector, in order to strengthen solidarity and cohesion amongst the peoples of Africa. It focuses on the promotion of peace, security and stability on the continent as a prerequisite for the implementation of the development and integration agenda of the Union. Ultimately, the AU is building towards a greater unity and solidarity between the African countries and its people.

Objectives

Article 3 of the Constitutive Act of the AU provides the following as the objectives of the African Union:

- To achieve greater unity and solidarity between the African countries and the peoples of Africa;
- To defend the sovereignty, territorial integrity, and independence of its Member States;
- To accelerate the political and socio-economic integration of the continent;
- To promote and defend African common positions on issues of interest to the continent and its peoples
- To encourage international cooperation, taking due account of the Charter of the United Nations and the Universal Declaration of Human Rights;
- To promote peace, security, and stability on the continent;

- To promote democratic principles and institutions, popular participation and good governance;
- To promote and protect human and peoples' rights in accordance with the African Charter on Human and Peoples' Rights and other relevant human rights instruments;

Principles establishing the AU:

- Sovereign equality and interdependence among Member States of the Union;
- Respect of borders existing on achievement of independence;
- Participation of the African peoples in the activities of the Union;
- Establishment of a common defense policy for the African Continent;
- Peaceful resolution of conflicts among Member States of the Union through such appropriate means as may be decided upon by the Assembly;
- Prohibition of the use of force or threat to use force among Member States of the Union;
- Non-interference by any Member State in the internal affairs of another;

- The right of the Union to intervene if a Member State pursuant to a decision of the Assembly in respect of grave circumstances, namely: war crimes, genocide, and crimes against humanity
- Peaceful co-existence of Member States and their right to live in peace and security;

The AU consists of the following organs:

The Assembly

Composed of Heads of State and Government or their duly accredited representatives. The Assembly of Heads of State and Government is the supreme organ of the Union.

The Executive Council

Composed of Ministers or Authorities designated by the Governments of Members States. The Executive Council is responsible to the Assembly.

The Permanent Representatives' Committee

Composed of Permanent Representatives of Member States accredited to the Union. The Permanent Representatives Committee is charged with the

responsibility of preparing the work of the Executive Council.

The Court of Justice

A Court of Justice of the Union shall be established. The statutes defining the composition and functions of the Court of Justice have been prepared and will be submitted to the Assembly in Maputo.

Peace and Security Council (PSC)

By decision AHG/Dec 160 (xxxvii) of the Summit of Lusaka, July 2001, a decision was made for the creation within the African Union of the Peace and Security Council. The Protocol establishing the PSC is in the process of ratification.

Pan-African Parliament

A Pan-African Parliament, and organ to ensure the full participation of African peoples in governance, development and economic integration of the Continent. The protocol relating to the composition, powers, functions and organization of the Pan-African Parliament has been signed by Member States and is in the process of ratification.

ECOSOCC

The Economic, Social and Cultural Council. This is an advisory organ composed of different social and professional groups of the Member States of the Union. The statutes determining the functions, powers, composition and organization of the Economic, Social and Cultural Council have been prepared and will be submitted to Maputo Summit.

The AU Commission

The Commission is the key organ playing a central role in the day-to-day management of the African Union. Among others, it represents the Union and defends its interests; It elaborates draft common positions of the Union; It prepares strategic plans and studies for the consideration of the Executive Council; It elaborates, promotes, coordinates and harmonizes the programmes and policies of the Union with those of the RECs; IT ensures the mainstreaming of gender in all programmes and activities of the Union.

Members of the Commission

1. Chairperson;
2. Deputy Chairperson;
3. Eight (8) Commissioners.

4. Staff members

The Specialized Technical Committees

The following Specialized Technical Committees are meant to address sectorial issues and are at Ministerial Level:

- The Committee on Rural Economy and Agricultural Matters;
- The Committee on Monetary and Financial Affairs;
- The Committee on Trade, Customs and Immigration Matters;
- The Committee on Industry, Science and Technology, Energy, Natural Resources and Environment;
- The Committee on Transport, Communications and Tourism;
- The Committee on Health, Labour and Social Affairs; and
- The Committee on Education, Culture and Human Resources.

The Financial Institutions

- a. The African Central bank
- b. The African Monetary Fund
- c. The African Investment Bank

CHAPTER FIVE

ECOWAS

History

Before the creation of ECOWAS, the collective territory known as West Africa, was made up of an aggregation of states that had emerged from different colonial experiences and administrations which largely defined the boundaries of the 15 states domiciled in the area. Even though Member States of the community now make use of three official languages (English, French and Portuguese), there are well over a thousand existing local languages including cross-border native tongues such as Ewe, Fulfulde, Hausa, Mandingo, Wolof, Yoruba, Ga, etc. that constitute its over 300 million people tucked in a vast land of about 5.1 million square kilometres.

Prior to colonialism, the area played host to many proud empires and kingdoms that spanned centuries, some of which included Ghana, Mali Songhai, Wolof, Oyo, Benin and Kanem Bornu. The region's cultural, linguistic and ecological diversity presents both opportunities and challenges for the integration process. The longing to combine forces politically and economically has always

been recognised as a step forward in the desire to engender co-prosperity in the area.

In this regard, the first effort at integration dates back to 1945 with the creation of CFA franc that brought the francophone countries of the region into a single currency union. Then in 1964, Liberian president William Tubman proposed an economic union for West Africa leading to an agreement which was signed in 1965 by the four states of Cote d'Ivoire, Guinea, Liberia and Sierra Leone.

However, it was not until 1972 that a proposal for a union of West African States emerged. That year, the Nigerian head of state Gen Yakubu Gowon and his Togolese counterpart Gnassingbe Eyadema toured the region in support of the integration Idea. Thanks to the drafts that emanated from their efforts. These formed the basis for the emergence of the treaty of Lagos in 1975 which birthed ECOWAS. The treaty of Lagos was originally touted as an economic initiative, but emerging political events led to its revision and therewith the expansion of scope and powers in 1993.

ECOWAS is meant to foster interstate economic and political cooperation. History is on its side in this regard. Dating back to pre-colonial times, West Africans have been

among the world's most mobile populations although much of the migration had been intra-regional. About 7.5 million West African migrants (3 percent of the regional population) are living in ECOWAS countries other than their own. The 1.2 million other migrants are dispersed mainly in North America and Europe. Estimated at about 149 million in 2013, women constitute over 50 percent of the region's population. The cross-border migration of women as traders and business persons places them as potential champions for promoting integration. This reality needs to be fully exploited.

The diverse socio-cultural dimension of development should be a necessary building block for establishing peace and security in the region. Drawing strength from its past, leaders of the community have been making sacrifices to keep the shape of the political structure of the region. In 1976, Cape Verde, one of the two Lusophone countries in the region joined ECOWAS, and in December 2000, Mauritania withdrew its membership.

At all times, ECOWAS chief executive officers presiding initially as Executive Secretaries and now as Presidents, defer to the supreme organ of the community-the

Authority of the Heads of State of Government for guidance. This body is usually headed by a Chairman.

The list below shows the various chairmen in a chronological order:

- Gnassingbé Eyadéma (Togo) 1977–1978
- Olusegun Obasanjo (Nigeria) 1978–1979
- Léopold Sédar Senghor (Senegal) 1979–1980
- Gnassingbé Eyadéma (Togo) 1980–1981
- Siaka Stevens (Sierra Leone) 1981–1982
- Mathieu Kérékou (Benin) 1982–1983
- Ahmed Sékou Touré (Guinea) 1983–1984
- Lansana Conté (Guinea) 1984–1985
- Muhammadu Buhari (Nigeria) 27 August 1985 – 27 August 1985
- Ibrahim Babangida (Nigeria) 27 August 1985 – 1989
- Dawda Jawara (the Gambia) 1989–1990
- Blaise Compaoré (Burkina Faso) 1990–1991
- Dawda Jawara (the Gambia) 1991–1992
- Abdou Diouf (Senegal) 1992–1993
- Nicéphore Soglo (Benin) 1993–1994
- Jerry John Rawlings (Ghana) 27 July 1994 – 27 July 1996
- Sani Abacha (Nigeria) 27 July 1996 – 8 June 1998
- Abdulsalami Abubakar (Nigeria) 9 June 1998 – 1999
- Gnassingbé Eyadéma (Togo) 1999

- Alpha Oumar Konaré (Mali) 1999 – 21 December 2001
- Abdoulaye Wade (Senegal) 21 December 2001 – 31 January 2003
- John Agyekum Kufuor (Ghana) 31 January 2003 – 19 January 2005
- Mamadou Tandja (Niger) 19 January 2005 – 19 January 2007
- Blaise Compaoré (Burkina Faso) 19 January 2007 – 19 December 2008
- Umaru Musa Yar'Adua (Nigeria) 19 December 2008 – 18 February 2010
- Goodluck Jonathan (Nigeria) 18 February 2010 – 17 February 2012
- Alassane Ouattara (Côte d'Ivoire) 17 February 2012 – 28 March 2014
- John Dramani Mahama (Ghana) 28 March 2014 – 19 Mai 2015
- Macky Sall – 19 Mai 2015 – June 2016
- Madam Ellen Johnson Sirleaf – June 2016- June 2017
- Faure Gnassingbe- June 2017- Till date

AIMS AND OBJECTIVES

Promote co-operation and integration:- One of the aims of ECOWAS was to promote co-operation and integration. It was believed that this could lead to the establishment of a monetary union to stimulate economic activity and achieve stability.

Eliminate customs duties etc. at entry points:-

Secondly, the community aimed at ensuring the elimination of customs duties, import and export duties that are charged at the various entry and exit points among the member countries.

Harmonization of policies:-Thirdly, the community aimed at the harmonization of the policies of the member states so that programmes and projects in the sub-region can be integrated.

Common market:-Fourthly, the community's aim was to establish a common market, through the removal of the barriers to the free movement of goods and services as well as of persons. Another component of this was the adoption of common tariffs within the sub-region.

Joint venture:-Fifthly, the organization aimed at the promotion of joint ventures among companies of member countries in order to encourage investments across borders.

The major achievements of ECOWAS through the years cut across all sectors and include:

- Establishment of the ECOWAS Monetary Institute (EMI)
- Adoption of methodological guides for the harmonization of Public Finance Statistics, Government Financial

Operations Tables (TOFE), External Trade Statistics, Balance of Payment (BOP) and International Investment Position (IIP).

- Conclusion of the review of the Sahel Strategy document and its action plan to boost regional security.
- Formulation of an ECOWAS Common Trade Policy (CTP) and ECOWAS Trade Development Strategy
- Completion of the Economic Partnership Agreement (EPA) with the signing by 13 Member States.
- Free Movement of goods and persons boosted with the adoption of the ECOWAS Biometric Identity Card to facilitate mobility and promote security in the region.

Failures of ECOWAS

The weak understanding of regional framework, bribery and corruption, delays of transit goods and un-receipted charges are among the reasons why the Economic Community of West African States (ECOWAS) trade and economic integration protocols fail years after their enactment and adoption, the National Association of Nigerian Traders (NANTS) has said.

CHAPTER SIX

OPEC

The Organization of the Petroleum Exporting Countries (OPEC) is a permanent, intergovernmental Organization, created at the Baghdad Conference on September 10–14, 1960, by Iran, Iraq, Kuwait, Saudi Arabia and Venezuela. The five Founding Members were later joined by ten other Members: Qatar (1961); Indonesia (1962) – suspended its membership in January 2009, reactivated it in January 2016, but decided to suspend it again in November 2016; Libya (1962); United Arab Emirates (1967); Algeria (1969); Nigeria (1971); Ecuador (1973) – suspended its membership in December 1992, but reactivated it in October 2007; Angola (2007); Gabon (1975) - terminated its membership in January 1995 but rejoined in July 2016; and Equatorial Guinea (2017). OPEC had its headquarters in Geneva, Switzerland, in the first five years of its existence. This was moved to Vienna, Austria, on September 1, 1965.

OPEC's objective is to co-ordinate and unify petroleum policies among Member Countries, in order to secure fair and stable prices for petroleum producers; an efficient, economic and regular supply of petroleum to consuming

nations; and a fair return on capital to those investing in the industry

OPEC Membership

According to its statutes, OPEC membership is open to any country that is a substantial exporter of oil and that shares the ideals of the organization. Along with the five founding members, OPEC has 9 additional member countries, as of 2016. They are: Qatar, Indonesia , Libya, the United Arab Emirates, Algeria, Nigeria, Ecuador, Gabon and Angola. It is notable that some of the world's largest oil producers, including Russia, China and the United States, are not members of OPEC and pursue their own objectives.

OPEC Policies

Officially, OPEC's mission is to "coordinate and unify the petroleum policies of its Member Countries and ensure the stabilization of oil markets in order to secure an efficient, economic and regular supply of petroleum to consumers, a steady income to producers, and a fair return on capital for those investing in the petroleum industry."

OPEC's influence on the market has been widely criticized. Because its member countries hold the vast majority of

crude oil reserves (about 80%) and nearly half of natural gas reserves in the world, the organization has considerable power in these markets. As a cartel, OPEC members have a strong incentive to keep oil prices as high as possible, while maintaining their shares of the global market.

The advent of new technology, especially fracking in the United States, has had a major effect on worldwide oil prices and has lessened OPEC's influence on the markets. As a result, worldwide oil production has increased and prices have dropped significantly, leaving OPEC in a delicate position. As late as June 2016, OPEC decided to maintain high production levels, and consequently low prices, in an attempt to push higher-cost producers out of the market and regain market share. Read more: [Organization Of Petroleum Exporting Countries \(OPEC\)](#)

Achievement

1. Secure and steady supply of oil :-Since its formation in 1960, OPEC has attached great importance to the responsibilities it attributes to the provision of a frontline energy source, namely working to ensure a stable, secure, well-managed oil sector. The very first

resolution of the Organization aims to achieve stable oil prices, “with a view to eliminating harmful and unnecessary fluctuations”; a steady income for producing nations; an efficient, economic and regular supply of petroleum to consuming nations; and a fair return on their capital to investors. These principles are enshrined in the OPEC Statute, which was first adopted shortly after, in January 1961, and has provided the statutory beacon for the Organization’s actions in the market ever since.

2. Fifty years old – a success in itself:-When OPEC was set up in Baghdad in 1960, there were some who predicted that the Organization would not last long. Fifty years on, however, that initial small group of developing countries has evolved into a group of 12 that is respected far and wide as an established part of the international energy community. It has survived and it has prospered.

It has not been an easy task to advance such influence and standing, particularly given the nature of its establishment. The main catalyst for its birth came when a group of multinational oil companies — the so-called Seven Sisters — who, at that time were the dominant force in the oil market, unilaterally reduced the posted prices of the crude they supplied. These firms effectively

controlled the quantity of oil extracted and decided how much was sold, to whom, and at what price. In reality, it was a time when the international petroleum industry, outside of the former Soviet Union, was under the control of the established industrialized powers.

3. Sustainable development:-Since its very early beginnings, OPEC, whose membership comes from the developing world, has placed a high priority on easing the plight of impoverished nations, in particular by helping them pursue the goals of sustainable development. At the First OPEC Summit in Algiers in 1975, the Sovereigns and Heads of State of our Member Countries, in a Solemn Declaration, reaffirmed “the natural solidarity which unites their countries with the other developing countries in their struggle to overcome under-development.”

4. OPEC and the environment:-The oil industry through human ingenuity and technological development has a long history of successfully improving the environmental credentials of oil, in both production and use. And OPEC Member Countries — both individually and collectively — have themselves been at the forefront of many important environmental-focused developments.

This includes investing billions of dollars over the past decades in flared-gas recovery projects. This represents a significant contribution to the reduction — by more than half since the early 1970s — of the amount of gas that has been flared per barrel of oil produced. OPEC has also held and participated in a number in workshops on this issue, and is an active participant in the Global Gas Flaring Reduction Partnership sponsored by the World Bank.

5. Encouraging dialogue and cooperation:-OPEC was formed in September 1960 around the premise of cooperation, with a commitment to safeguard the interests of its Member Countries and to ensure order and stability in the international oil market. This has been reaffirmed repeatedly in its declarations, statements, decisions and actions since.

6. Strengthening of National Oil Companies:-When OPEC was formed in 1960, and many of its National Oil Companies (NOCs) formed in the years after, the world oil industry was very different to that of today. Outside the self-contained former Soviet Union, it was dominated by the multinational oil companies, which controlled the quantity of oil extracted, managed how much was sold and to whom, and determined the price. Host

governments were paid small royalties, in contrast to the large profits made by the multinationals of that time — known as the Seven Sisters — which were the forerunner to many of today's International Oil Companies (IOCs).

Failure Admitted By OPEC

MADRID, Sept. 26— After five years of trying to reverse the drop in oil prices, the Organization of Petroleum Exporting Countries said today that the effort had failed and that it had to search for "a new approach" or face the possibility of another collapse of prices next year.

OPEC's Secretary General, Subroto, the former Indonesian energy minister, said the announcement was a "signal to the oil market" that the organization was searching for solutions to its lack of discipline.

Oil prices have fallen by a third since a year ago, with the average price worldwide now \$13 a barrel. Some oil officials here, where OPEC's pricing committee met over the weekend, said the price could slip to \$10 a barrel if OPEC did not reduce output. Interest in Stability Stressed

CHAPTER SEVEN

I. M. F.

During the early years of the 20th century, the world suffered through the Great Depression. This happened during the 1930s. In addition to this, there were also two world wars. Due to this, the global economic system collapsed quickly. This had a major impact on international trade.

As a result, countries were witnessing the plummeting living standards caused by unemployment. During World War II, Anglo-American discussions focused on the increasing demand for an institution that could take care of international finances, cooperation, and even promote international trade.

Formation of the IMF

During the Bretton Woods Conference, a lot of agreements were signed to legally establish the General Agreement on Tariffs & Trade (GATT), the International Bank for Reconstruction & Development (World Bank or IBRD) and the International Monetary Fund (IMF).

The International Monetary Fund was founded on 27th December, 1945. A treaty called the Articles of Agreement was signed by 29 member countries. The next year, the first meeting was convened by the Board of Governors in Savannah, State of Georgia, United States.

The purpose of the meeting was to elect the executive directors, draft the bylaws, and decide the permanent location of the IMF's headquarters. The Board of Directors selected Washington D.C as the headquarters of the International Monetary Fund. The financial operations of the IMF started on 1st March, 1947.

The primary purpose of the International Monetary Fund is to give technical and financial assistance, oversee exchange rates, and address global financial problems. Currently, the International Monetary Fund has 182 member countries.

In order to be a member of the IMF, countries need to deposit a specific amount of money as subscription fee. The countries also need to comply with the terms and conditions of the organization.

The other sources of steady income for the International Monetary Fund are gold reserves, loan repayments from debtors, and requested financial resources from shareholders. The money generated by the International Monetary Fund is used for providing monetary assistance to member countries.

In the year 1952, some of the founding policies of the IMF were changed. The concept of standard structural adjustment loans was introduced. These loans helped the borrowing country to adjust the financial or economic structure. Standard structural adjustment loans were again modified in 1956.

Since 1956, lending operations for member countries have been the primary function of the International Monetary Fund. Moreover, many different changes have been made to the drawing policies of the IMF.

Since its establishment, the International Monetary Fund has offered financial assistance to numerous countries facing monetary or economic problems. The organization strongly believes in its objectives. It constantly tries to bring a positive change in the overall global financial scenario.

Mandate and Objectives

The primary purpose of the International Monetary Fund has already been discussed above. Here are some key pointers to how the IMF helps member countries, and what are its objectives. The IMF aims to :

- Promote global monetary cooperation
- Facilitate the balanced growth and expansion of global trade
- Promote exchange stability
- Assist member countries in the establishment of a standard multi lateral system of payments
- Make resources available combined with appropriate safeguards to member countries experiencing payment difficulties

Overview of Governing Bodies

The highest decision making body in the International Monetary Fund is the Board of Governors. It comprises of one Governor, and one Alternate Governor. They are

appointed to the IMF by each member country. The Board of Governors meet once every year.

The Interim Committee comprises of 24 Fund Governors. This committee reflects the composition of all Fund members and the Executive Board. The Interim Committee meets twice every year. It's primary purpose is to report statistics, and advise the Board of Governors about the functioning and management of the IMF.

The Development Committee also has a similar composition. It maintains a detailed overview of the basic development process. The Development Committee reports directly to the Board of Governors of the IBRD or World Bank, and the International Monetary Fund.

The Executive Board comprises of 24 Executive Directors from member countries. It's responsible for conducting everyday business of the International Monetary Fund. The Executive Board is chaired by the Managing Director, and functions daily at the International Monetary Fund headquarters in Washington D.C.

The voting power of the Executive Board depends on quotas. However, it's very rare for the board to make

certain decisions on the basis of voting. Its functions rely on the formation of agreement among all the members.

The Managing Director is chosen by the Executive Board. He is the Chairman of the Executive Board, and also serves as the Chief of operating conducts and staff. He acts under the direct supervision of the Executive Board. The Chairman also handles ordinary business of the International Monetary Fund.

The International staff at the International Monetary Fund comes from different member countries. It's worth mentioning that Executive Directors represent their respective countries. However, staff members don't represent their countries, but serve as international civil servants. They are responsible for carrying out and managing the IMF policies.

Most staff members at the International Monetary Fund work at the IMF headquarters in Washington D.C. Some staff members are also assigned to regional offices located in New York, Tokyo and Paris. They may also represent the IMF on temporary basis in IMF member countries.

Since its establishment, the International Monetary Fund has assisted numerous countries around the world. The

Fund has been the lifeline of the global economy, and assists countries during financial emergencies. Certain changes are made on a frequent basis to the policies. These changes depend on the existing economic scenario, and world monetary situation.

- 1. At the end of the Second World War, The economies of many countries had fallen apart. Their prevailed huge poverty and unemployment. The currency value of many countries came down. Every country required monetary help.
- 2. INTERNATIONAL MONETARY FUND (IMF) To protect themselves from crisis like this in future, Around 29 countries in a conference (popularly known as the Bretton wood Conference) signed an agreement which gave birth to "International Monetary Fund" on 29th December 1945
- 3. International Monetary Fund (IMF) is an International Organization that provides financial help and advice to its member countries (188 countries). It has its headquarters in Washington DC, USA.
- 4. Aiming the Sky... • Facilitating trade IMF aims to involve all countries in trade, including those which have low income and also those who are scarce in resources. • Monetary Stability If the currency of all countries are stable then the economic growth of every country will be

good. • Accessing of Short Term Loans It is harder for countries with low income to access loans. IMF aims at making accessing of loans to these countries easier specially during difficult times. • Promoting Capital Investment Promoting capital investment would increase employment thereby making the country's economy to grow faster. • Reduce Poverty

• 5. Functions of IMF • Economic Surveillance IMF prepares reports on the economies of its member countries and gives it to them. The idea here is to prevent a crisis to some extent before it actually occurs. • Giving Loans to countries with financial crisis IMF has till now given loans of about \$180 billion to member countries during financial crisis. • Technical Assistance & Economic Training IMF provides assistance and training to member countries about what they can actually do when a financial or economic crisis arises suddenly. • Balance of Payment Adjustment Trade deficit (Balance of Payment), which causes damage to both the countries which has it and the country which buys from it, IMF helps in managing such situations.

• 6. Where does IMF get the Money From? • Member countries contribution fund To become a member of IMF, countries had to deposit some money in the form of quota which depends on the economy size of the country. US is

the highest quota holder in IMF. Countries have to keep on investing in IMF after every 5 years once they join it. • Gold Holdings IMF owns about 2,814.4 metric tons of gold. IMF is the 3rd largest owner of gold in the world. According to IMF rules IMF can take gold as payment by the company, can sell it but cannot exchange it and cannot involve in gold transactions. • Interest on Loans IMF lends to its member countries and charges interest in return. This interest is an earning of IMF. • Borrowing IMF has a borrowing capacity of \$559 billion dollars. It can borrow the money from World Bank or its member countries and other associations when it feels that its funds are not sufficient to meet the financial needs of all its member countries.

• 7. IMF as a Supporter.. In the year 2008, banks in Iceland collapsed. People lost trust in Icelandic economy. Value of the currency dropped. Public withdrew money from the economy. The current deficit of the country increased. At that time IMF gave Iceland a loan of \$2.1 billion, which is 1190 times the country's economy. IMF guided Iceland to use the money for bringing back the trust of public in the economy. India also took loan from IMF twice, The first in the year 1981-82 of SDR ₹ 3.9 billion and other in 1991-93 for SDR 2.3 billion. The latter paved the way for liberalization and Balance of Payment.

Apart from it IMF also helped low income countries by conducting campaigns against AIDS, Poverty, Malnutrition. It also conducted campaigns to teach them how to better manage their funds and how they healthy food can help them to live a healthy life.

Criticism surrounding IMF

- Modern Day Colonism IMF follows a practice called SAP (Structural Adjustment Program) Which forces countries to cut down on the basic amenities like food, security, healthcare etc. in order to return back the loan amount. Ex- A recent loan given by IMF to Argentina forced it to cut down the salary given to doctors and teachers and the money invested on Social security.
- 1\$=1Vote System IMF doesn't follow a democratic system. Here the country which pays the highest amount gets the highest voting right. USA is the country with highest voting rate of 18% and India holds voting right of around 2.7%.
- Fundamentally Flawed Development Model In IMF the member country which is facing financial crisis doesn't have the right to design its own bailout package. IMF forces the member countries specially in the global south to concentrate more on exports rather than promoting the domestic companies. Around 80% of the malnourished children belong to the south countries in which farmers

are forced to produce crops for foreign investors rather than producing it for self consumption.

- Hurting Workers, Women and Environment IMF rules force countries to concentrate on more exports, which results in extraction of more resources thereby harming the environment. The loosening of Labor laws has resulted in unemployment and workplace abuse causing harm to workers. Women are most affected because they have to manage their homes with a meagre salary and if the education costs rise then girls are the ones who are stopped from going to school.
- Promoting Corporate Welfare In the name of corporate welfare, IMF asks countries to sell their public assets to foreign investors at rock-bottom prices, this has also enraged many countries against IMF. EX- In Guyana, An Asian Timber company called "Barama" was sold a forestland at a price which is around 1.5 times lesser than its original value. IMF also gave the company a 5 year tax holiday.

IMF's Response to the Criticism..

- Crisis leads to difficulties IMF believes that to get over financial crisis countries to face some difficult adjustments and if countries are not ready for them then they should get over the thought of ending the crisis rather than Blaming IMF for its rules.

- **IMF Successes** IMF says that countries don't look at the success that IMF has had but they keep on pointing out at its failures.
- **Countries are not Obligated to take Loan** IMF says that it is the countries which approach them for loans, so if they don't like the policies of IMF they should not approach it for loans.
- **IMF Easy Target** IMF says that countries take loan from IMF when required and when the time to repay back the loan comes, they make IMF as an easy target and blame it.

Future Predictions by IMF

IMF believes that with the military dictatorship of USA over several Arabic countries the prices of Oil may surge to a greater heights in future. Apart from it, the decision of Federal Government to stop asset purchase may make the financial conditions in USA tighter and we all know that when something happens to USA, then the whole world is affected by it, so this may lead to financial swings and increase in inflation all over the years in next few years time.

CHAPTER EIGHT

IBRD

History

The International Bank for Reconstruction and Development (IBRD) and International Monetary Fund (IMF) were established by delegates at the Bretton Woods Conference in 1944 and became operational in 1946. The IBRD was established with the original mission of financing the reconstruction efforts of war-torn European nations following World War II, with goals shared by the later Marshall Plan. The Bank issued its inaugural loan of \$250 million (\$2.6 billion in 2012 dollars) to France in 1947 to finance infrastructure projects. The institution also established its first field offices in Paris, France, Copenhagen, Denmark, and Prague in the former Czechoslovakia. Throughout the remainder of the 1940s and 1950s, the Bank financed projects seeking to dam rivers, generate electricity, and improve access to water and sanitation. It also invested in France, Belgium, and Luxembourg's steel industry. Following the reconstruction of Europe, the Bank's mandate has transitioned to eradicating poverty around the world. In 1960, the International Development Association (IDA) was

established to serve as the Bank's concessional lending arm and provide low and no-cost finance and grants to the poorest of the developing countries as measured by gross national income per capital.

Governance

The IBRD is governed by the World Bank's Board of Governors which meets annually and consists of one governor per member country (most often the country's finance minister or treasury secretary). The Board of Governors delegates most of its authority over daily matters such as lending and operations to the Board of Directors. The Board of Directors consists of 25 executive directors and is chaired by the President of the World Bank Group. The executive directors collectively represent all 189 member states of the World Bank. The president oversees the IBRD's overall direction and daily operations. As of July 2012, Jim Yong Kim serves as the President of the World Bank Group. The Bank and IDA operate with a staff of approximately 10,000 employees.

Funding

Although members contribute capital to the IBRD, the Bank acquires funds primarily by borrowing on

international capital markets by issuing bonds. The Bank raised \$29 billion USD worth of capital in 2011 from bonds issued in 26 different currencies. The IBRD has enjoyed a triple-A credit rating since 1959, which allows it to borrow capital at favorable rates. It offers benchmark and global benchmark bonds, bonds denominated in non-hard currencies, structured notes with custom-tailored yields and currencies, discount notes in U.S. dollars and eurodollars. In 2011, the IBRD sought an additional \$86 billion USD (of which \$5.1 billion would be paid-in capital) as part of a general capital increase to increase its lending capacity to middle-income countries. The IBRD expressed in February 2012 its intent to sell kangaroo bonds (bonds denominated in Australian dollars issued by external firms) with maturities lasting until 2017 and 2022.

Services

The IBRD provides financial services as well as strategic coordination and information services to its borrowing member countries. The Bank only finances sovereign governments directly, or projects backed by sovereign governments. The World Bank Treasury is the division of the IBRD that manages the Bank's debt portfolio of over

\$100 billion and financial derivatives transactions of \$20 billion.

The Bank offers flexible loans with maturities as long as 30 years and custom-tailored repayment scheduling. The IBRD also offers loans in local currencies. Through a joint effort between the IBRD and the International Finance Corporation, the Bank offers financing to subnational entities either with or without sovereign guarantees. For borrowers needing quick financing for an unexpected change, the IBRD operates a Deferred Drawdown Option which serves as a line of credit with features similar to the Bank's flexible loan program. Among the World Bank Group's credit enhancement and guarantee products, the IBRD offers policy-based guarantees to cover countries' sovereign default risk, partial credit guarantees to cover the credit risk of a sovereign government or subnational entity, and partial risk guarantees to private projects to cover a government's failure to meet its contractual obligations. The IBRD's Enclave Partial Risk Guarantee to cover private projects in member countries of the IDA against sovereign governments' failures to fulfill contractual obligations.

CHAPTER NINE

FOREIGN POLICY

Foreign policy, General objectives that guide the activities and relationships of one state in its interactions with other states. The development of foreign policy is influenced by domestic considerations, the policies or behaviour of other states, or plans to advance specific geopolitical designs. Leopold von Ranke emphasized the primacy of geography and external threats in shaping foreign policy, but later writers emphasized domestic factors. Diplomacy is the tool of foreign policy, and war, alliances, and international trade may all be manifestations of it.

History of Non-Alignment

The Non-Aligned Movement (NAM) was created and founded during the collapse of the colonial system and the independence struggles of the peoples of Africa, Asia, Latin America and other regions of the world and at the height of the Cold War. During the early days of the Movement, its actions were a key factor in the decolonization process, which led later to the attainment of freedom and independence by many countries and

peoples and to the founding of tens of new sovereign States. Throughout its history, the Movement of Non-Aligned Countries has played a fundamental role in the preservation of world peace and security.

While some meetings with a third-world perspective were held before 1955, historians consider that the Bandung Asian-African Conference is the most immediate antecedent to the creation of the Non-Aligned Movement. This Conference was held in Bandung on April 18-24, 1955 and gathered 29 Heads of States belonging to the first post-colonial generation of leaders from the two continents with the aim of identifying and assessing world issues at the time and pursuing out joint policies in international relations.

The principles that would govern relations among large and small nations, known as the "Ten Principles of Bandung", were proclaimed at that Conference. Such principles were adopted later as the main goals and objectives of the policy of non-alignment. The fulfillment of those principles became the essential criterion for Non-Aligned Movement membership; it is what was known as the "quintessence of the Movement" until the early 1990s.

In 1960, in the light of the results achieved in Bandung, the creation of the Movement of Non-Aligned Countries was given a decisive boost during the Fifteenth Ordinary Session of the United Nations General Assembly, during which 17 new African and Asian countries were admitted. A key role was played in this process by the then Heads of State and Government Gamal Abdel Nasser of Egypt, Kwame Nkrumah of Ghana, Shri Jawaharlal Nehru of India, Ahmed Sukarno of Indonesia and Josip Broz Tito of Yugoslavia, who later became the founding fathers of the movement and its emblematic leaders.

Six years after Bandung, the Movement of Non-Aligned Countries was founded on a wider geographical basis at the First Summit Conference of Belgrade, which was held on September 1-6, 1961. The Conference was attended by 25 countries: Afghanistan, Algeria, Yemen, Myanmar, Cambodia, Srilanka, Congo, Cuba, Cyprus, Egypt, Ethiopia, Ghana, Guinea, India, Indonesia, Iraq, Lebanon, Mali, Morocco, Nepal, Saudi Arabia, Somalia, Sudan, Syria, Tunisia, Yugoslavia.

The Founders of NAM have preferred to declare it as a movement but not an organization in order to avoid bureaucratic implications of the latter.

The membership criteria formulated during the Preparatory Conference to the Belgrade Summit (Cairo, 1961) show that the Movement was not conceived to play a passive role in international politics but to formulate its own positions in an independent manner so as to reflect the interests of its members.

Thus, the primary objectives of the non-aligned countries focused on the support of self-determination, national independence and the sovereignty and territorial integrity of States; opposition to apartheid; non-adherence to multilateral military pacts and the independence of non-aligned countries from great power or block influences and rivalries; the struggle against imperialism in all its forms and manifestations; the struggle against colonialism, neocolonialism, racism, foreign occupation and domination; disarmament; non-interference into the internal affairs of States and peaceful coexistence among all nations; rejection of the use or threat of use of force in international relations; the strengthening of the United Nations; the democratization of international relations; socioeconomic development and the restructuring of the international economic system; as well as international cooperation on an equal footing.

The ten principles of Bandung

- Respect of fundamental human rights and of the objectives and principles of the Charter of the United Nations.
- Respect of the sovereignty and territorial integrity of all nations.
- Recognition of the equality among all races and of the equality among all nations, both large and small.
- Non-intervention or non-interference into the internal affairs of another -country.
- Respect of the right of every nation to defend itself, either individually or collectively, in conformity with the Charter of the United Nations.
- A. Non-use of collective defense pacts to benefit the specific interests of any of the great powers.
B. Non-use of pressures by any country against other countries.
- Refraining from carrying out or threatening to carry out aggression, or from using force against the territorial integrity or political independence of any country.
- Peaceful solution of all international conflicts in conformity with the Charter of the United Nations.
- Promotion of mutual interests and of cooperation.
- Respect of justice and of international obligations.

CHAPTER TEN

PRACTISING QUESTIONS

Test One

1. United nations Security Council held its first ever session in
 - a. 26 January, 1948
 - b. 17 January, 1946
 - c. 17 January, 1949
 - d. 17 January, 1944

2. United Nations' six principal organs includes
 - a. World Food Programme
 - b. UNESCO
 - c. Economic and Social Council
 - d. World Bank Group

3. United Nations' system agencies include
 - a. International Court of Justice
 - b. General Assembly
 - c. Security Council
 - d. World Bank Group

4. Human rights and peacekeeping decisions are made by
 - a. UN
 - b. IMF
 - c. UNESCO
 - d. UNICEF

6. Major functions of IMF are
 - a. Oversee arrangements of fixed exchange rate
 - b. providing short term capital
 - c. Oversee arrangements of variable exchange rate
 - d. both a and b

7. Considering type of organizations, International Monetary Fund is classified as
 - a. intergovernmental organization
 - b. international organization
 - c. interregional organization
 - d. One state organization

8. International Monetary Fund formal existence came into being in
 - a. 12 May, 1944
 - b. 27 July, 1944
 - c. 27 December, 1945
 - d. 27 September, 1945

9. International body which provides short term loan to countries to manage balance of payments IMF is abbreviation of
 - a. Intra country Momentary Funds
 - b. Inter-regions Money Funds
 - c. Intergovernmental Manager of Funds
 - d. International Monetary Fund

10. International Monetary Fund is headquartered in
 - a. Washington, United States
 - b. New York City, United States
 - c. Geneva, Switzerland
 - d. Avenue Du Mont Blanc, Switzerland

Test Two

1. The objective of the Economic Community of West African States (ECOWAS) is to
 - A. promote economic development among member states.
 - B. achieve African Unity.
 - C. establish political unification of West Africa
 - D. eradicate all forms of racism in West Africa.

2. The highest organ of the Economic Community of West African States (ECOWAS) is the
 - A. Council of Ministers
 - B. Secretariat.
 - C. Tribunal.
 - D. Authorities of Heads of State and Government

3. The main focus of the ECOWAS Monitoring Group (ECOMOG) is the
 - A. maintenance of peace in troubled spots of West Africa.
 - B. installation of unpopular governments in West Africa.
 - C. protection of oil pipe-lines along the coast of West Africa.
 - D. promotion of military rule.

4. The administrative Headquarters of the Economic Community of West African States (ECOWAS) is in
 - A. Banjul
 - B. Accra
 - C. Bamako
 - D. Abuja

5. The primary objective of the Economic Community of West African States (ECOWAS) is to
 - A. prevent crimes in West Africa.
 - B. promote the socio-economic development of member states.
 - C. control pollution and environmental degradation.
 - D. promote universal human rights.

6. It is most unlikely for member nations of the Economic Community of West African States (ECOWAS) to
- A. fuse into one political entity.
 - B. establish a common customs tariff.
 - C. have joint development of transport and communication.
 - D. abolish obstacles to free movement of citizens.
7. The term ECOMOG means
- A. Economic Community of West African Group
 - B. Economic Community Monetary Group
 - C. ECOWAS Monitoring Group
 - D. ECOWAS Movement Group
8. One of the problems of the Economic Community of West African States (ECOWAS) is that
- A. member states do not attend meetings regularly.
 - B. member states do not have a common currency.
 - C. some member states want to contribute large amounts to the community.
 - D. it is a rival to the Organization of African Unity.
9. The first Executive Secretary of the Economic Community of West African States was
- A. Diallo Telli
 - B. Nzo Ekangaki
 - C. Abubakar Quattara
 - D. Salim A. Salim
10. The ECOWAS Monitoring Group (ECOMOG) was organized to maintain peace in
- A. La Cote D'ivoire
 - B. Benin Republic
 - C. Liberia
 - D. Guinea

Test Three

1. All the following are aims and objectives of the Economic Community of West African States (ECOWAS) **except** to
 - A. maintain closer relations with member states.
 - B. encourage customs union and common market.
 - C. raise the political consciousness of the people.
 - D. raise the people's standard of living.

2. Which of the following is not a serious problem of the Economic Community of West African States (ECOWAS)
 - A. the economies of member states are not contemporary.
 - B. member states are primary producers.
 - C. member states have dependent economies.
 - D. member states speak different languages.

3. A sub-organization that was formed mainly for economic purpose is the
 - A. Organization of African Unity (OAU)
 - B. United Nations Organization (UNO)
 - C. Economic Community of West African States (ECOWAS)
 - D. Commonwealth of Nations

4. Which of the following Heads of State initiated the formation of the Economic Community of West African States (ECOWAS)?
 - A. Ahmadu Ahidjo and Paul Biya
 - B. Yakubu Gowon and Gnassingbe Eyadema
 - C. Sekou Toure and Siaka Stephens
 - D. Dawda Jawara and Abdou Diouf

5. The last member of the Economic Community of West African States (ECOWAS) is
 - A. Niger Republic
 - B. Sierra Leone.
 - C. The Gambia.
 - D. Cape Verde

6. The two countries that jointly promoted the formation of the Economic Community of West African States (ECOWAS) were
- A. Nigeria and Benin
 - B. Senegal and La Cote D'ivoire
 - C. Togo and Ghana
 - D. Togo and Nigeria
7. Which of the following is a regional international organization?
- A. International Labour Organization
 - B. United Nations Organization
 - C. The Commonwealth of Nations
 - D. Economic Community of West African States.
8. The Economic Community of West African States (ECOWAS) was established
- A. 1975
 - B. 1976
 - C. 1977
 - D. 1978
9. One of the following is not an aim of the Economic Community of West African States (ECOWAS)
- A. harmonization of resources of member states for economic development.
 - B. promotion of socialism.
 - C. unifying the various tariff systems in West Africa.
 - D. ensuring free movement of persons and services among member states.
10. Which of the following countries is not a member of the Economic Community of West African States (ECOWAS)?
- A. Liberia.
 - B. Cameroon.
 - C. Togo.
 - D. Ghana.

Test Four

1. Which of the following is not associated with the UNO?
 - A. ILO
 - B. WHO
 - C. ASEAN
 - D. All of the above

2. The chairmanship/presidency of the UN Security Council rotates among the Council Members
 - A. every 6 months
 - B. every 3 months
 - C. every year
 - D. every month

3. Which of the following is not a chief organ of the United Nations Organisations?
 - A. International Labour Organisation
 - B. Security Council
 - C. International Court of Justice
 - D. General Assembly

4. Permanent Secretariat to coordinate the implementation of SAARC programme is located at
 - A. Dhaka
 - B. New Delhi
 - C. Colombo
 - D. Kathmandu

5. The Indian delegation to the first World Conference on Human Rights was led by
 - A. Dr. Manmohan Singh
 - B. Farooq Abdullah
 - C. Dinesh Singh
 - D. Alam Khan

Test Five

1. Original name of International Telecommunication Union is
 - a. international Telegraph Organization
 - b. International Telegraph Union
 - c. International Telegraph Bureau
 - d. International Telecommunication Organizers

2. United Nations' Environment Programme and World Meteorological Organization established international organization whose name is
 - a. World Tourism Organization
 - b. Economic Cooperation Organization
 - c. Intergovernmental Panel on Climate Change
 - d. International Tribunal for Law of Sea

3. International organization which coordinates shared global use of radio and assists worldwide technical standards of telecommunication is
 - a. International Telecommunication Union
 - b. international Telegraph Organization
 - c. International Telegraph Bureau
 - d. International Telecommunication Organizers

4. Official partners of World Food Programme are
 - a. Europe Aid
 - b. USAID
 - c. ECHO
 - d. all of above

5. Headquarter of World Bank is located in
 - a. Geneva, Switzerland
 - b. Washington D.C, United States
 - c. Berlin, Germany
 - d. Brussels, Belgium

6. Which world organization uses commonly the letters UN instead of its whole name?

- A. Unified Nations B. Useless Nations C. United Nations D. United National
-

7. Which world organization uses commonly the letters UNCTAD instead of its whole name?

- A. UN Conference on Trade And Development
B. UN Conference on Trading And Deposits
C. UN Chambers on Trading And Development
D. UN Conference on Trade And Down payments

8. Which world organization uses commonly the letters UNESCO instead of its whole name?

- A. UN Education, Science and Culture Organization
B. UN Educational, Scientific and Cultural Organization
C. UN Educational, Social and Central Organization
D. UN Educational, Sociology and Cult Organization

9. Which world organization uses commonly the letters UNICEF instead of its whole name?

- A. UN Child Fund B. UN Cherry Fund C. UN China Fund
D. UN Children's Fund

10. Which world organization uses commonly the letters IAEA instead of its whole name?

- A. International Atombomb Efficiency Agency B. International Atomic Energy Agency C. International Allergy Efficiency Agency
D. International Aids Erasing Agency
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