

The political economy of project preparation

by Colum Graham
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A [new paper](#) (pay-walled) by Christopher Kilby in the *Journal of Development Economics* examines the political economy of project preparation periods at the World Bank. No-one had tackled this issue explicitly before Kilby because the Bank's project identification dates aren't publicly available. But Kilby avoids this issue by using a novel methodology with the World Bank Project's Database. He finds that voting with the US on important matters (as designated by the State Department) in the General Assembly, being a non-permanent member on the Security Council, and having an Executive Director on the board of the Bank are all correlated with securing faster project approval. Countries voting with the US in the General Assembly have the duration of a project's preparation period potentially reduced by 25 per cent, or 126 days; non-permanent membership on the Security Council reduced by 18 per cent, or 97 days; and countries that have Executive Board membership reduced by 10 per cent, or 52 days (pp.217-218).

The paper contends that the quality of a borrowing government, in terms of its institutions, have little impact on the duration of project preparation. Voting in-line with other G7 countries, G7 economic aid, participation in trade with the US, and World trade, have little, or even negative impact on reducing preparation periods. Ultimately Kilby considers this to be evidence of the US using the World Bank as an instrument of its own foreign policy by "doling out rewards to friends and punishment to enemies"(p.222). I'm so not sure it's possible to be talking about "enemies" so explicitly, but one does wonder what impact voice reform efforts within the Bank can have on reducing favouritism. After all, as Kilby reasons, other studies have found that favouritism and subsequently rushed preparation processes can undermine the effectiveness of aid. [More voice reform](#) within the bank may be able to secure a better balance between efficiently delivering aid to those who need it, and not rushing preparation, too.

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Link: <https://devpolicy.org/the-political-economy-of-project-preparation-20131010-1/>