On Networks, International Organizations, and Institutional Hegemony

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The autonomy of international organizations (IOs) has long been the subject of heated debates in international relations theory. IO autonomy is generally examined relative to states that create them and often in contexts of dyadic relationships. The broader yet immediate institutional environment in which IOs are embedded, composed of the IO links and ties with state and non-state actors alike, has been insufficiently studied to date. This research seeks to fill that void. In particular, it delineates between state-centric and network approaches to understanding IO autonomy. It then examines how the immediate institutional environment of an IO conditions its ability to resist the political and often parochial pressures from donor and beneficiary states in conflict zones. Do networked IOs more effectively leverage the network power to enhance their autonomy, or do the networks constrain IO behavior? To explore this question, this study draws from the European Agency for Reconstruction in the Balkans and the microfinance programs of the World Bank in Bosnia and Herzegovina and Afghanistan.

Introduction

The autonomy of international organizations (IOs) has long been considered an ultimate proxy to demonstrate the significance and agency of IOs in world politics. Autonomy of IOs is often understood as the range of potential independent action available to an IO after its principals (often understood as states) have established mechanisms of control (Hawkins et al. 2006). The wider the scope of independent action by an IO relative to states, the more autonomous and more significant in global politics the IOs are considered to be.

This framing of IO autonomy has been characterized by two main features. First, the discussion has been rather state-centric. Michael Barnett and Martha Finnemore define IO autonomy as independence from states. Similarly, Yoram Z. Haftel and Alexander Thompson define autonomy as IO ability to "operate in a manner that is insulated from the influence of other political actors—especially states" (Haftel and Thompson 2006: 256). It has been viewed primarily relative to states that are politically powerful and financially significant contributors to a given IO. The influence of smaller and "weaker" states has been largely omitted (McCormick 1982). There is little understanding as to how IOs interface with governments in the developing world and with states politically marginal in the world that have insignificant financial contributions to IOs. This is a particularly problematic gap in the face of anecdotal evidence, indicating a "revolving door" between the field offices of international organizations and former governmental officials. Second, the evaluations of IO autonomy have mostly been carried out internally, often focusing on such attributes as the regulative and executive capacities of the organization, its organizational expertise, and legitimacy (Pentland 1976; Barnett and Finnemore 2004) but focusing little on how these attributes and markers of organizational autonomy are shaped by institutional environments external to the organization. Why is it that IOs can exert such regulative and executive capacities in one country and not in another? The variance in cases of autonomy of a single organization across different countries and issue areas has received less attention to date than comparisons of various IOs to one another and to nation states.

From the policy perspective, such state-focused understanding of IO autonomy is problematic, because IOs are increasingly operating as parts of larger systems of organizations, including nongovernmental organizations (NGOs), private consulting firms, and state agencies. Their accurate evaluation requires treating them as part of such interorganizational systems and networks, and the consensus on this point is solidifying among academics and practitioners alike (Moore, Eng and Daniel 2003; OECD 1999; Ohanyan 2008, 2007; Orsini, Morin, and Young 2013). Understanding IO embeddedness in the broader network systems in which they operate is essential for a more comprehensive analysis of international development and global governance (Atouba and Shumate 2010; Jordan, Archer, Granger, and Ordes 2001). Network-based operation of IOs (Ohanyan 2008, 2009) is a new and indispensable feature of organizational behavior necessary for IO survival and goal attainment (Atouba and Shumate 2010).

The state-centric and organizational bias of existing scholarship on IOs holds us back from probing the increasingly complex role IOs play in international development, particularly as sites and frontlines of global public administration. IOs are enmeshed with various types of actors, state and non-state, and often with poorly delineated institutional boundaries between them. Importantly, the dominant state-centric frameworks of IO studies privilege earlier stages of policy development, such as problem definition and agenda setting (Rochefort and Cobb 1994; Stone 1997; Schneider and Ingram 1997). The role of IOs in global policy implementation, and the intense power struggles for autonomy at this stage, is often omitted (Ohanyan 2004).

The state-centric understandings of IO autonomy, regardless of one's position on how much IOs are independent of states, obscures the organizational complexity surrounding the IO. On the contrary, the starting point is acknowledging that IOs are institutionally embedded into the networks and coalitions of nongovernmental organizations (NGOs), the national public institutions of donor and beneficiary states, private consulting firms, and other IOs. The state is one of many actors that, under certain conditions, may influence the IO autonomy.[1] In addition, this approach also explores the IO autonomy in the trenches of policy implementation where the ultimate beneficiaries of IO policies reside, as opposed to the distant Western capitals where major IOs are headquartered and where only initial stages of policy development processes occur. Similar to states, IOs are organizationally complex, with some of their parts being more responsive to state needs while others are more driven by professional expertise. This study moves the organizational autonomy discussion to a level of project implementation where political pressures from donor and target states acquire particular significance, and the tensions between IO and nation-states play out in subtler ways than during project formulation and broad-agenda setting that occur in IO's headquarters.

The network approach to IO studies developed here maintains that IO autonomy is variable, contingent on the varied institutional possibilities of IO embeddedness in such networks. Each network manifests different patterns of authority structures and produces various kinds of environmental pressures on IO autonomy. I argue that IO autonomy is contingent on its immediate network-based institutional environment. Against this backdrop is the question of whether networked politics for IOs are assets or liabilities in terms of their organizational autonomy. Do frequently networked IOs more effectively leverage the network power to enhance their autonomy, or do the networks constrain IO behavior?

1. For instance, the IO embeddedness in networks is manifest in terms of IO centrality in the network relative to other members: its reliance on states for funding and political support and their dependence on NGOs for organizational resources in program implementation. Higher reliance on such actors and networks can be assessed in terms of the size of externally generated funding and the number of NGO contracts in a given project implementation.

I investigate these questions in conflict zones Afghanistan and Bosnia and Herzegovina, where IOs are major actors of public policy. Conflict and post-conflict areas are settings with heightened political sensitivities, where each penny and every policy position can become a source of instability and division. In these internationalized policy domains, multiple donors have their own national interests and specific policy priorities, which often conflict with the goals of IOs and post-conflict states. In such settings, IO autonomy is defined by its ability to resist political pressures and parochial preferences from donor and beneficiary state and non-state actors. It is also defined by the extent to which an IO exerts control over the policy process relative to the other players in a given network of which an IO is a part.

The empirical material introduced in this work illustrates that some IOs are more networked than others. As a result, they are empowered, to different degrees, to manage the sometimes overwhelming political influence exerted by states. The empirical section delineates the specific tactics and strategies IOs use in withstanding political influences from states. It draws on the World Bank's engagement of the microfinance sectors of Afghanistan and Bosnia and Herzegovina and the engagement of the European Commission's European Agency for Reconstruction in the Balkan countries. The interviews conducted with representatives of these agencies reveal new dimensions of power as expressed through the opportunities for the occasionally hegemonic network management by some IOs. Depending on certain network conditions, some IOs enjoy greater bargaining power and opportunities to advance their goals and missions relative to other players within a given network. Such network conditions allow some IOs to evolve into institutional hegemons that tend to centralize power within a network, largely because of the centrality of their nodal position within that network. Networks are the intermediary institutions between IOs and states. In that role, they can buffer political influences from the state, in some cases insulating the IO from state pressures.

IOs are embedded differently in various arrangements of network-based governance between IOs and donor states, with some IOs occupying central positions and others marginal positions in the network. Comparing the three models in the empirical section illustrates the various coping strategies IOs use to exert their autonomy in complex policy settings. The comparison shows how different structures and institutional designs external to IOs shape and filter the ability of individual players, states, or IOs to advance their narrow parochial interests relative to the rich mosaic of interests pursued by the many other players.

The article will start by discussing the rationale of the network approach for IO studies. The second section will focus on the network literature as it relates to the issue of the organizational autonomy of IOs. The third section will demonstrate the network model of IO autonomy. The fourth section will present the empirical cases of the European Agency for Reconstruction in the Balkans and the World Bank's microfinance programs in post–Dayton Accord Bosnia and Herzegovina and in Afghanistan post- 9/11 U.S. intervention. The conclusion will delineate the theoretical implications for understanding IO autonomy in world politics.

Network Application of IO Autonomy: Theoretical Contours

The issue of organizational autonomy has stimulated vibrant and often interdisciplinary research in the fields of organizational studies, public policy and administration, and international relations, to name a few. While the discussion in each disciplinary context differs in terms of the stakeholders involved, understanding the issue of power and control over policy outcomes is a shared concern across such disciplinary divides. Johnson (2013) highlights how the issue of autonomy in American politics centers on relationships between federal bureaucracies relative to legislators and presidents (Kiewiet and McCubbins 1991; Lewis 2003). In comparative politics, the autonomy discussions often center on the European Union

(Moravscik 1999; Posner 2009; Sandholz and Zysman 1989) or the extent of governmental control in the developing world (Migdal 1988; Evans 1995) in the face of nepotistic and oligarchic pressures from the society. In the field of international relations, it is the relationship between IOs relative to states that has generated the most scholarship on the issue of autonomy. Furthermore, the extent of IO autonomy is often considered a proxy of its significance as an actor in world politics.

The dominant framework of IO autonomy in international relations is state-centric, regardless of whether or not the state is considered influential in shaping IO behavior. Realist and rationalist approaches to the issue highlight the primacy of states in designing IOs and setting agendas (Abbott and Snidal 1998; Hawkins et al. 2006; Mearscheimer 1994/1995 cited in Johnson 2013), which then determines state control over policy outcomes as the argument goes. The alternative explanations from social constructivist perspectives have highlighted the role of IOs as international bureaucracies and further demonstrated the significant scope of independent action which IOs have claimed since their inception (Barnett and Finnemore 2004; Loescher 2001). While the former views IOs as instruments of national policy, with a strong bias for great powers in its analysis, the latter highlights IOs as systemic modifiers of state behavior at the least and as autonomous actors at the most (McCormick 1982).

Defining IO autonomy relative to states is a shared attribute among all of these definitions, which I argue obscures the institutional complexity of the links and relationships that transcend the state, in which IOs are embedded. In this context, autonomy is defined as the extent of IO agency relative to state and non-state actors alike. Autonomy is an IO's ability to advance its goals while drawing resources from these actors, shaping preferences through coercion and control and cultivating compliance in cases where the interests of the IO and other actors diverge. In this respect, this definition reflects another conceptualization, according to which IO autonomy "is not an end in itself but rather a means for reducing insecurity and enacting expert policy" (Barnett and Coleman 2005: 598). Here autonomy is understood to be a tool for organizational survival rather than being ontologically predetermined.

Principal-agent theory also has furthered our understanding concerning the conditions under which IOs may claim an autonomous space for independent action from their masters. It has pushed for greater delineation of institutional conditions under which either the states or IOs can be more assertive in advancing their goals in world politics. Haftel and Thompson (2006) refer to principal-agent scholarship that has illustrated cases when IOs as agents possess a significant degree of autonomy and discretion, and when they can engage in actions not anticipated by the states (Hawkins et al. 2006; Pollack 2003; Nielson and Tierney 2003; Majone 2001).

Principal-agent theory was critical of moving the debates on IO autonomy into institutional analysis. Here, the literature acknowledged the variation in institutional design within the IO. Haftel and Thompson (2006) identified several lines of scholarships on institutional design features. In particular, the degree of formality (Lipson 1991; Abbott and Snidal 1998), hierarchy (Lake 1999), legalization (Goldstein et al. 2001) and institutionalization (Stone Sweet, Sandholtz, and Fligstein 2001; Haftel 2004b) are some of them. More concrete indicators of institutional design in IOs include the existing mechanisms of state control, such as state financing, oversight meetings, and veto players (Johnson 2013) among many others.

The modeled IO autonomy builds on the existing scholarship on institutional design of IOs, but it moves the discourse into a relatively underexplored area of external, as opposed to internal, institutional design features of IOs, such as the patterns of organization and engagement IOs develops with other organizations in various cycles of policy development and project implementation. Network embeddedness of IOs as an independent variable is an institutional design feature, but one that tells of the external environment of the IO, developed by design by the IO, or one that has emerged by default, rather organically, and with different outcomes for IO autonomy.

As indicated earlier, this approach also departs from existing scholarship in two respects. First, the dominant scholarship on IOs treats them as self-contained systems of rules (Hawkins et al. 2006) and actors with clear organizational boundaries, whereas the network models of IO autonomy are treated as open systems with malleable boundaries (Ohanyan 2012). It highlights the institutional embeddedness of IOs in their immediate interorganizational links and relationships with state and non-state actors alike. The proposed framework moves away from seeing organizations as formal and self-contained units (Jönsson 2001). Instead, this approach treats them as constituent parts of internally differentiated interorganizational systems and structures (Ness and Brechin 1988) built around interorganizational bargaining, conflict, and cooperation (Ohanyan 2008). Within the organization theory, the network approach signifies a shift away from treating organizations as closed systems to seeing them open and interacting with their environment.

The second distinction of the proposed approach of IO studies rests with post-sovereign focus of analysis. It abandons state-focused applications of IO autonomy research in favor of an organizationally multilayered approach that factors in state and non-state actors as forces influencing IO autonomy. The state-centric applications of IO autonomy often view IOs in zero-sum relationships with states, and any gains in autonomy for IOs relative to states are often understood as losses for the states. Formal strategies of state control, such as managing resources, institutional oversight, or decision-making practices, are usually developed relative to states only, often discounting availability of financial and institutional resources that IOs can access from other sources. State-centric applications of IO autonomy also disregard the powerful control over final policy outcomes in the implementation stage that IOs tend to exert. Their relationship with partner NGOs implementing policies is usually the missing link in state-centric applications of IO autonomy (Ohanyan 2008, 2009).

Network Model of IO Autonomy

The embeddedness of the IO in its immediate interorganizational network is a feature of institutional design. It further contends that such network embeddedness is consequential in expanding and/or limiting IO autonomy in world politics. As an institutional design feature, network embeddedness of IOs is about its institutional location within the network. The IO autonomy will depend on the network conditions and the specific position that it occupies in the network relative to many network members, as opposed to a single actor (often the state). It is contingent on the structural position of the IO relative to the other members of the network. That is, the ability of IOs to exercise their authority claims is contingent on their nodal position within a given network in a certain issue area. It also follows from the network approach to IO studies that the autonomy of an IO is not fixed; it is subject to specific structures of delegation developed around a given IO. Discounting the nodal position of an IO in its immediate institutional environment leads to frameworks that struggle to factor in the multilayered environmental pressures on IO autonomy.

Building on my prior research on transnational networks and global governance (2004, 2008, 2009, 2013), I define networks as interorganizational coalitions among IOs, NGOs, and bilateral aid agencies. Networks are multi-sectoral, bound together by financial resource flows and formalized relationships (Ohanyan 2003, 2009). They are structures of international public administration, because they are institutionalized over time through repetitive and enduring transactions (DiMaggio and Powell 1991). Joel M. Podolny and Karen L. Page (1998) define a network as "any collection of actors (N≥2) that pursue repeated, enduring exchange relations with one another and, at the same time, lack a legitimate organizational authority to arbitrate and resolve disputes that may arise during the exchange." Networks may be distinct players in world politics in their own right (Kahler 2009), because they influence the behavior of their members, whether they be NGOs (Ohanyan 2008, 2009) or intergovernmental organizations (Hafner-Burton 2006).

Network embeddedness of IO as an institutional design feature is conceptualized in terms of two variables: centrality of IO position in its immediate interorganizational network and centralization of its relationship with other network members. While centrality describes the institutional location of an IO within the network, centralization describes the extent to which an IO centralizes its relationships with network members. Centrality as a variable is pre-determined for the IO, which is largely a result of often unpredictable forces that produce a particular network. In contrast, centralization as a variable is an administrative feature, informing the dominant patterns and practices of organizational performance by the IO relative to its network partners.

In particular, centrality is a network-level index that captures the extent to which the network has one central and many peripheral nodes (Wasserman and Faust 1994). Borrowed from the organizational network literature, it measures the number and strength of ties that an organization has with other organizations in the network (Moore, Eng, and Daniel 2003). Resource dependency perspective has maintained a strong positive association between an organization's level of centrality in a network and its influence in "community affairs" of the network (Galaskiewicz 1985). Others hypothesized that higher centrality represents more enhanced "communicative activity," which positions them better with regard to the flow of information and coordination of their activities (Moore, Eng, Daniel, 2003).

Higher centrality[2] essentially signifies a more hierarchical network dominated by one or two major players. IOs with higher levels of centrality within a network have the most links to most members in the network. Such links and relationships between the given IO and other network members are created, cultivated, and cemented by financial and institutional resources flowing between them. As a variable describing the structural position of IO in the network, variance in centrality produces different scenarios, ranging from a given IO being the key provider of resources in the network to cases in which several IOs/donors are providing needed resources in the network. In the latter case, the network is less hierarchal, because it houses several major players, of which a given IO is only one. This, therefore, reduces the centrality of the IO, undermining its prospects of autonomous behavior in a given network. In this context, centrality of an IO in the network is determined by several indicators:

- The extent to which a particular IO provides the bulk of the financial resources in a given network.
- The extent to which it maintains an institutional presence in the area of program operation.
- The extent to which it serves as a hub of expertise and knowledge development within the network.
- Whether or not the sudden withdrawal of the given IO would produce a collapse or disintegration of the network as a whole.

As I argue, this structural feature of IO embeddedness in its network, while important, on its own has limited explanatory power for IO autonomy—the dependent variable. Foreign-aid industry is littered with cases of large IOs with significant financial resources and numerous ties with implementing partners being pulled different directions by these very same partners (which are often NGOs or state agencies in target countries).

Centrality, while describing the structural position (central or marginal) of the IO in the network, provides only a partial explanation for IO autonomy. Only when combined with centrality, the second feature of network embeddedness of IO, does a fuller picture transpires.

Centralization is an attribute of organizational design in which the organization gathers and reasserts its authority and decision making over resource distribution, strategic and long-

2. "Centrality" and "centralization" are qualitatively different. Centrality refers to the network position of an organization, while centralization refers to the capacity and willingness of a single network member to centralize the network operation in a given issue area.

term policy development, and implementation, leaving only tactical and day-to-day managerial issues to its partners in the network. It is a commonly used variable, often found in wide-ranging fields of study, such as business administration, organizational management, and public administration. Centralization in a network is measured by several indicators, including but not limited to the following:

- Tight administrative instruments of controlling the implementing partners
- Frequent monitoring
- In-house evaluation tools
- Centralized decision making and decentralized implementation
- Centralization of expertise

Centralization is often confused with centrality and used interchangeably (Orsini, Morin, and Young 2013). It is often perceived that those organizations that enjoy a high level of centrality in a network will also be able to centralize their operations and that only autonomous organizations that enjoy a position of centrality may centralize their operations in a network. True, IOs that enjoy greater centrality within the network are more powerful, are more capable of resisting political influences, and have more chances to shield the professionalization of their policies. And indeed, autonomous organizations are better positioned to centralize their operations. What comes first, centralization/centrality or autonomy?

The practice of IOs creating networks to achieve their goals in international policy systems, which is an important measure of organizational autonomy, is frequently observed. These are cases of network development *by design*. Often, large and powerful organizations strategically deploy large networks with NGOs and other types of agencies, and they may dominate these networks and centralize their operations due to their sheer power and resource endowments. In network development by design, there is extensive and systematic coordination among the members of a given network, IOs, NGOs, and state agencies alike. They are characterized by close coordination among donors as they determine the type of implementing actors to work with. In such cases, an IO has independent effects on network by formation. In such instances, it is the organizational power and autonomy that drive the patterns of network formation and ultimately shape the institutional features of the network.

Focus turns to a second, and much more common, phenomenon of network formation by default. These are cases when network formation occurs rather sporadically, often driven by forces of organizational inertia and opportunistic forces of convenience. This can occur because of partners in a country where incompatibility of organizational cultures between network members can complicate deep coordination. In cases of network formation by default, no serious coordination exists, and the institutional features of a given network either constrain or empower the IO operation. Importantly, the institutional attributes of the network can craft the contours of IO autonomy.

The structural position of an IO in the network (i.e., the levels of its centrality) by itself fails to predict the extent of IO autonomy. Some IOs will take advantage of that position, but there are many who do not. Instead, centrality as a dimension of IO embeddedness in its network needs to be supplemented with the feature of centralization. When an IO that already enjoys a favorable structural position of centrality in the network moves to also centralize its operations and engagements with its partners in the network, its autonomy and ability to resist outside pressures is significantly enhanced. It is the combination of both features that can serve to predict the IO autonomy in a given network. The network model of IO autonomy presented here maintains that IOs are more powerful in terms of advancing their goals relative to other players in world politics when they enjoy a favorable structural position of centrality and opt to operate through centralized networks.

The variation of centrality and centralization of IO embeddedness in its network produces four possible institutional outcomes, presented in Table 1.

Table 1 presents four institutional scenarios of IO autonomy. The "Marginal Power" scenario is an outcome of unfavorable structural position of low centrality of the IO in the net-

Table 1: Institutional Scenarios of IO Autonomy

		Centralization *Centralization of its administrative practices by the IO*	
		High	**Low**
Centrality *Structural position due to IO resource endowments*	**Low**	*Marginal Power* World Bank-BiH	*Hollow Shell*
	High	*Institutional Hegemony* EAR-Balkans; World Bank-Afghanistan	*Unclaimed Power*

work, but in which the IO choses to centralize its operations relative to its network members. In this case, the IO is proactive but with little structural opportunities to exercise full autonomy over its programs and their implementation.

The next case of "Unclaimed Power" shows when an IO fails to take advantage of the structural opportunities in the network it enjoys. This scenario captures cases when large IOs with significant financial and institutional resources in a given country fails to exercise control over its operations. Often in such networks, the IO's power is diluted by other players in the network and often driven into unplanned and unforeseen directions by their partner NGOs and other donors.

The "Hollow Shell" indicates cases in which an IO finds itself part of a larger network, in which it neither provides significant resources nor takes ownership of its projects. Such outcomes tend to develop in networks built around highly technical development issues, such as microfinance in post-war settings, where IO donors join the network by providing financial resources but cannot exert any control over the larger program, because they lack the internal expertise.

The fourth scenario of "Institutional Hegemony" happens if the IO enjoys a favorable structural condition of high centrality in the network and selects to centralize its administrative and management of programs in a particular country. In each case, the opportunities and prospects for IO autonomy are different, discussed later in this section.

IO autonomy, the dependent variable, is defined as the ability of an IO to advance its organizational goals relative to the politically conceived national priorities of the donors that fund them and the organizational goals of NGOs that implement IO policies. IO autonomy may vary in terms of the "politics-expertise" nexus. IOs usually possess expert authority (Barnett and Finnemore 2004), and they seek to advance their detailed, specialized knowledge about specific tasks (Barnett and Coleman 2005). The more autonomous IOs can withstand narrow and parochial political pressures coming from different stakeholders as they assert their technical expertise and further policies around it. While state-aid agencies are also endowed with "knowledge resources" and possess significant "expert authority," they are more driven by the national interests and foreign-policy considerations of the states they represent. The IO autonomy in conflict regions is often manifested by its ability to advance professionalizing policies and shield these policies from political influences from donor and recipient states. Autonomy is assessed in terms of an IO's ability to develop and implement its own goals, preferences, and mandates (Helfer 2006), regardless of the goal of their donors and implementing partners (Ohanyan 2009, 2012).

The autonomy of an IO in each institutional scenario is quite variable. The empirical section below presents three cases for two out of the four possible institutional scenarios of IO autonomy. In the "Hollow Shell" scenario, the IO lacks favorable structural conditions to exercise autonomy as well as the political will to do so. In the "Unclaimed Power" scenario, the conditions for IO autonomy are favorable, but it is the political will to claim that power that results in limited IO autonomy. The "Marginal Power" includes cases when the structural conditions are unfavorable for IO autonomy, but the IO possesses the needed political will to claim as much power as possible, thereby exerting some control over its policies and preferences and exercising a certain level of autonomy in doing do. The condition of "Institutional Hegemony" includes cases when favorable structural conditions intersect with strong IO will to exercise power over its preferences. It is in such cases, that IO exerts the most autonomy from other stakeholders and members in the network.

Empirical Findings

The fieldwork for this study was conducted in the Balkans (2001–03), in Brussels, Belgium (2006, 2008), Thessaloniki, Greece (2008), and Washington, D.C. (2008). It draws on more than fifty structured interviews conducted with officials from U.S. bilateral aid agencies and policymakers from the World Bank, European Commission, European Agency for Reconstruction (EAR), and numerous transnational NGOs and their branch offices in the Balkan region and Afghanistan.

This comparative qualitative study is focused on two organizations and their immediate interorganizational networks in post-conflict regions—EAR in the Balkans, which was created by the European Commission, and the World Bank in Bosnia and Herzegovina and Afghanistan. The cases imperfectly reflect the possible diversity of institutional scenarios with regard to IO autonomy, as reported in Table 1. These two organizations allow us to learn from three cases: 1) EAR in the Balkans, 2) the World Bank in Bosnia and Herzegovina and in Afghanistan. In brief, EAR's presence in the Balkans and the World Bank's microfinance projects in Afghanistan are representative of institutional hegemony, while the World Bank's presence in Bosnia and Herzegovina is best captured by the "Marginal Power" scenario. Due to certain logistical difficulties of the field work, the case selection and the empirical section are only meant to provide the general contours of the network approach to IO autonomy. The development of new cases is necessary in order to further understanding of network influences on IO autonomy. This is one step in that direction.

Both EAR-Balkans and World Bank-Afghanistan operated in networks in which they enjoyed high levels of centrality and both proceeded to centralize their operations. This created the condition of institutional hegemony discussed later in this section. World Bank-BiH operated in a network of increasingly declining centrality, albeit with persistent centralization by the World Bank of its operation—an attribute of marginal power.

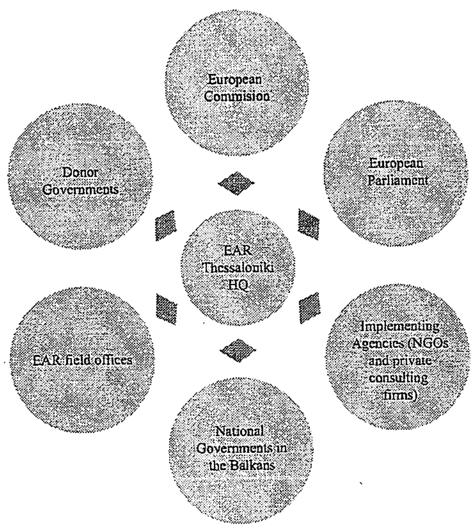
Despite ranges of differences in their internal organizational cultures, scopes of mandates, and membership rules, among other characteristics, EU/EAR and the World Bank are highly comparable. Specifically, both the World Bank and EAR have an organizational locus that supports a particular program-based intervention. And, regardless of their differences, both organizations condense their bureaucratic authority into an agency, and it is this locus of authority and administration studied in this article. Network-based operation of IOs is program-based. The same organization, such as the World Bank, can be involved in numerous separate and distinct networks around many issue areas and programs it maintains around the world.

Therefore, the network formation in processes of global policy formulation occurs around a specific organizational site within an IO. In this respect, EAR is the organizational site within the EU that has been in charge of program implementation in the Balkan area, and as such, it is comparable to the World Bank, which is more distinct in its organizational boundaries than the EU.

EAR in the Balkans

Since its creation by the European Commission, EAR has been a central node within its broader interorganizational network that was composed of the European Commission, the European Union (EU) delegations in the Balkan countries, and numerous NGOs and private consulting firms with whom it worked to implement its projects in the region (Figure 1). Over the span of nearly a decade, EAR expanded its authority within the network and emerged as an institutional hegemon. In the aftermath of the war in the Balkans, the European Commission, in its push and pull with its member states, carved out significant institutional space for itself in this network, connecting the other actors in the network. The creation of the Rapid Response Mechanism in 2001–02 was the first step to that end, a step driven by the realization that the organizational complexity of the EU was a major stumbling block in its responses to the new crises in the post-communist space (Byrne 2008; Cartopassi 2008; Mustard 2008).

Figure 1. EAR Network Structure in the Balkans



By means of the new mechanism, the European Commission could bypass the lengthy negotiation and consensus-building processes normally required within the EU and expedite its capacities in conflict response. But the Rapid Response Mechanism had a mandate of only six months, and so in 2006 it was replaced by the Instrument for Stability, which had a more expanded mandate of eighteen months. Adopting this instrument was essentially the second step in consolidating EAR's centrality in its network. The creation of EAR has been the most explicit step taken by the European Council to enhance the conflict-management capacities of the European Commission. Placed outside the European Commission's governance structures, it was more hierarchical and centralized in an organizational sense than the usual European Commission operations deployed elsewhere (Andreoni Dicorrado 2008).

Certain political pressures in the Balkans contributed to the high centrality enjoyed by EAR in its network. The creation of EAR was associated with the end of the conflict in Kosovo and the mounting socioeconomic and political needs in the region. Immediately after the end of the war in Kosovo, the European Council announced the EU's intention to assume a leadership role in the reconstruction of Kosovo. Subsequently, the European Commission took responsibility for setting up an agency to implement the European community's reconstruction programs (Temcheff and Caputo 2004). EAR, a new European institution, was largely beyond the existing and conventional channels of accountability (Cartopassi 2008) within the European Commission. EAR was not an institutional approach by the European Commission, meaning that it was an ad hoc response to a single conflict region. This relatively light and flexible structure was intended to "speed things up" and rapidly translate the aid commitments into projects (Cartopassi 2008).

In terms of the specific indicators of centrality discussed earlier, the case of EAR in the Balkans is that of high centrality. It has emerged as the organization that provided the bulk of the financial resources in its network, largely channeling the European Commission funding allocated for post-war reconstruction in the region. The agency maintained a field presence in the region, which allowed its staff to be in constant communication with their partners throughout project implementation. The Rapid Response Mechanism helped EAR to maintain a field presence but also to bypass EU bureaucracy and become a key institutional hub for expertise and knowledge development in the network through creating an in-house evaluation unit and relying on professionals with deep expertise in their respective fields. Importantly, EAR's centrality in the network is also supported by the resource dependency theory application: if EAR chose to withdraw from its network, the network would be unable to survive and sustain itself.

EAR supplemented its highly favorable structural position of centrality in the network with increased levels of centralization of its operation, which was mainly achieved due to the urgency of the situation and the need to implement the humanitarian programs swiftly. And EAR represented the agency model of aid delivery (Temcheff and Caputo 2004).[3] However, the centralization of EAR's administrative practices, which was achieved through several pathways, should not be taken for granted.

Among the first and most obvious ways that the EAR centralized its operations related to the centralization of responsibilities of the director, which entailed tighter administrative control over program implementation by senior level managers. In addition, the program managers and task managers inside the organization exercised frequent monitoring of programs, while also having greater say over various components of the policy implementation as carried out by their partners. The strategic choice of hiring professionals with at least thirty years of expertise was a way to centralize expert authority and maintain leverage over contents of policies and projects in the implemented stage. This also allowed the agency to carry out policy evaluations, maintaining accountability over their implementing partners.

Also important in terms of governance structures EAR created was its ability to centralize a range of functions and many cycles of project management, which in international development are generally outsourced to NGOs and other non-state actors. According to Temcheff and Caputo:

> The "Agency Model" is characterized by the "indirect centralized management" model in which the Agency is fully and solely responsible for the full cycle of the project management (drawing up Terms of Reference, preparing and evaluating invitations to tender,

3. The EAR was created within the framework of Council Regulation 2666/2000, Community Assistance for Reconstruction, Development and Stabilisation (CARDS).

signing contracts, concluding financial agreements, awarding contracts, evaluating programmes, checking implementation and effecting payments) for delivering aid. (Temcheff and Caputo 2004: 47)

EAR powers over policy formulation and agenda setting, enabled by greater centralization of operations, were also formidable. EAR's work in budget allocations, assigning priority between sectors and regions inside the entity, was guided by the Country Strategic Papers and Multi-Annual Indicative Programs, which served as a basis for EAR's own Action Programs. In this work, EAR consulted with the European Commission, the local member-state representatives, international financial institutions, bilateral donor representatives, and representatives from the beneficiary governments. Respondents from the agency argued that EAR coordinated with and listened to the beneficiary governments (Almqvist 2008), and independent evaluators charged that the centralization of the policy process within EAR was not sufficiently inclusive of the local actors, which generated little local ownership and potentially alienating the local players.

Frequently monitoring implementing partners, a measure of centralization, was possible due to the presence of operational centers of EAR in each country of operation. Interestingly, representatives of the member states of the EU constituted the governing board of EAR, and as such, the national interests of the European states were represented within EAR, and EAR also coordinated with the bilateral aid agencies of the member states. EAR further centralized its authority and expanded the scope of its autonomous action by concentrating its implementation in operational centers located in each area where it was active. This was an arrangement of centralized decision making and decentralized implementation. EAR was headquartered in Thessaloniki, Greece, but most of its human and organizational resources were located in the field (i.e., in countries of operation). Such a local presence allowed the agency to monitor the programs closely and promptly translate feedback into policies, facilitating organizational learning (Almqvist 2008) and, most importantly, removing and shielding its policy implementations for the political reach of the donors that created it.[4] In policy terms, by means of the agency model, EAR transcended the regular bureaucratic machinery of the European Commission and brought that machinery closer to the region. The organization was more responsive to the local conflict dynamics and the day-to-day operations of state building in various areas of public administration and policy issue domains, ranging from agriculture and education to training judges.

Establishing an in-house evaluation unit was one of the major instruments allowing further centralization of EAR authority within the network relative to the donor and recipient states. Interestingly, EAR created its own internal evaluation unit, although it was simultaneously subject to evaluations and audits by the European Court of Auditors and frequent visits from the members of the European Parliament. The highly decentralized (relative to the European Commission's evaluation systems) in-house evaluation unit enabled EAR to integrate its work in project implementation. The director of the Evaluation Unit at EAR noted:

> We covered the whole area of our work, not only in the centers. We learned the environment in which we are doing our programs. When we are evaluating the results of the projects this is not possible to do from Brussels, even if you send someone to do it. This means we could adjust the development of the agency, and we could adjust the change in situations in our evaluation. So being close in implementation was one of our advantages. Also, we had a short timeline in evaluations (shorter feedback loop), so we could improve the programs quickly based on our evaluation. (Almqvist 2008)

Having an in-house evaluation unit based in the region added tremendous value to EAR as a knowledge-driven, expert-led institution. The in-house evaluation unit enabled EAR to effec-

4. When EAR was established, its mandate was expanded to include Serbia and Montenegro and, in 2002, the former Yugoslav Republic of Macedonia, each of which was represented with a separate operational center.

tively deflect political pressures from donor and beneficiary states, an effort that was helped by the relative insulation of the agency from political considerations.[5]

Such high-level centralization and centrality of EAR in its network produced a significant scope of autonomy for the organization. Autonomy, defined as an ability to resist political influences from donors and target governments while advancing expert-driven policies, was significantly boosted by the particular features of the institutional design of the network in which EAR was a key component. Within the European Commission-EU delegations-EAR triangle, there has been a clear division of labor: EU delegations were in charge of the political dialogue with the beneficiary-country governments, and EAR was focused on program management. In other territories in which the EU was delivering foreign assistance, EU delegations would execute the assistance while also dealing with the political dialogue with the beneficiary country. In such cases, the EU delegation would maintain political relations while playing the donor role (Simmross 2008). Such coupling of public administration and politics often negatively affects the former and could compromise the organizational autonomy of EAR if it failed to centralize its operations and maintain a high measure of centrality in its network. EAR, operating in parallel with the EU delegations, was not set up to be a political interlocutor between the EU and the local government (Mustard 2008). EAR's engagement with the governmental institutions was limited purely to project implementation and focused primarily on fiscal relations. The ability of EAR to consolidate its superior network positions allowed the organization to shield itself from political pressures, to enjoy organizational autonomy, and to become responsive to epistemic communities and expertise on the ground.

All of the respondents interviewed inside the agency noted this as an advantage, pointing out that separating the carrying out the political dialogue and the delivering aid enhanced the agency's effectiveness. Upon closing EAR in December 2008, all of its activities were handed over to EU delegations, which had been in charge of the political dialogue and now had to combine both tasks.[6] Some within EAR ascribed the agency's success to its relative insulation from politics, and they worried that combining both tasks for EU delegations would undercut the latter (Simmross 2008). With the new arrangement, the head of the delegation would see its governance capacities strained by political considerations. The potential for sacrificing policy administration for political purposes was the core concern of many respondents. The former arrangement allowed EAR to expand its autonomy over the policy process and strengthen its advancement of expert authority by shielding this policy process from political pressures coming from various sides.

The autonomy of EAR was further enhanced by concentrating expert authority inside the organization and strengthening the control over the implementing partners. The agency hired as project managers professionals with more than thirty years of experience, which helped the agency to maintain significant control over program implementation even when outside consultants and contractors were hired for a particular project. One of the respondents from EAR noted:

> By hiring experienced project managers, we did not put out our house to the consultants. When it came to [the] operational side, we selected managers with long experience (water engineers, for example) to be staff members, people with SME (small and medium enterprise background, civil society background. We made them program managers. We tried to assemble operational teams that reflected the subject at hand. (Mustard 2008)

5. The transition marked by EAR's closure at the end of 2008, when it handed its operations over to the EU delegations in each country, had many ramifications for the issue of political influences on policymaking. Once program administration is handed over to the EU delegations, policymaking becomes vulnerable to political influences, because the institutional space for experts and professional program managers becomes limited. For one thing, EU delegations do not intend to continue EAR policies of hiring professionals with at least thirty years of experience; instead, they will opt for staff with at least two years of experience. In 2008, an anonymous respondent from EAR expressed his worry that "when the Delegation takes over, we will not be able to deliver as fast and effective as before. This is a political issue, and also [a] bureaucratic issue: the administration within the Commission is of course favoring its own system. They even see us [EAR] as unfair competitors, and sometimes they are not happy when we can show better results. It seems that we expose their deficiencies."

6. EAR mandate has been temporary from the start, and its closure, which has been postponed several times, should not be understood as a sign of organizational weakness.

By hiring experts as project managers, the agency avoided principal-agent problems in which the delegation of responsibilities to consultants or contractors generally translated into loss of control over the project. Instead, using experts and specialized professionals as in-house project managers enhanced the agency's ability to monitor program implementers, in spite of the agency using other organizations to implement programs implementation. In short, the types of networks the agency used were much more centralized.

From Institutional Hegemony to Marginal Power: The World Bank in BIH

In the first few years of introducing microfinance to BiH, the World Bank enjoyed higher levels of centrality in networks than it mobilized with NGOs, but as new donors for microfinance NGOs emerged in the country, the level of centrality of BiH declined over the years. The World Bank provided more than twenty NGOs with seed capital for their microfinance programs after the 1995 Dayton Accords. Within two years, the World Bank consolidated the sector by terminating funding lines to financially unsustainable NGOs, which eventually merged with the financially successful NGOs that continued to enjoy the World Bank's support (World Bank 2000).

Overall, at the sectoral/country level, the World Bank centrality in microfinance networks in BiH were evidenced by the fact that in the mid-1990s, the World Bank provided the bulk of the financial resources to microfinance NGOs and was the main supporter of microfinance networks. Its centrality was cemented in these networks by its field presence, which allowed for frequent communication with its implementing NGO partners in the networks. Similarly consequential was the fact that it possessed internal expertise, which was shared with NGO partners in networks, elevating the World Bank's central position in the network. Importantly, its sudden withdrawal from the microfinance networks with NGOs would challenge the long-term survival of the microfinance networks.

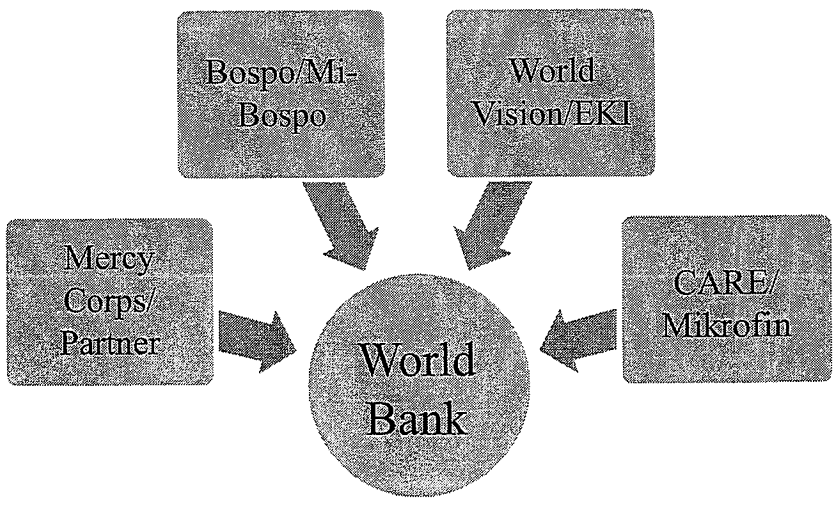
While its centrality in networks has declined over the years, the World Bank has always maintained a high level of centralization of its operations in microfinance NGO networks. In all of these, the World Bank has used tight administrative instruments in managing relations with partners. The respondents from NGOs with which the World Bank worked would often complain of frequent and stringent reporting requirements imposed by the bank. Similar to EAR in the Balkans, the World Bank has maintained an in-house evaluation system, which was used in its decision-making and policy-implementation processes. In-house evaluation systems also allowed the bank to centralize its expertise and become less dependent on outside evaluation systems common in international development.

Although the World Bank proceeded to centralize its operations with the microfinance NGOs in BiH, its centrality was still more limited relative to EAR network conditions in the region. The World Bank's position in the Bosnian microfinance sector was less central, primarily because the NGO partners in the networks were experts in significant microfinance and over time developed new partnerships with others donors. Both of these factors affected the World Bank's centrality, and limited its scope of autonomy at the sectoral level, as well as within particular NGO networks. The World Bank could then only moderately advance expert authority and professionalization of policies while withstanding political influences (which are measures of its autonomy). Some NGOs through which the World Bank disbursed microfinance funding would give in to parochial pressures from other donors and try to meet the conditions of the latter donor group, often deviating from the explicit emphasis on commercialization as advocated by the World Bank. Unlike EAR, the World Bank did not capitalize on its early institutional centrality in microfinance networks in BiH. As the sector matured and the structural position of the World Bank became compromised with more donors emerging and diluting World Bank centrality, the organization became vulnerable to the vagaries of horizontal-decentralized network politics, and its autonomy suffered.

Contrasting this sector-level behavior of the World Bank with four specific NGO networks in which the World Bank operated reveals a more detailed picture of the overall narrative on IO autonomy (Figure 2). The microfinance policies in the four NGO–IO donor networks under consideration were being implemented by Partner/Mercy Corps, Mikrofin/CARE, the Mi-BOSPO/Norwegian Refugee Council, and EKI/World Vision. In each case, the single implementing NGO was financially supported not only by the World Bank but also by many other bilateral donors and other NGOs such as the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Development Programme, the U.S. Agency for International Development (USAID), the Swedish International Development Agency, and the United Methodist Committee on Relief (UMCOR). Each of these players had different preferences for and visions about the use of microfinance in postwar BiH. UNHCR favored refugees and internally displaced persons, UMCOR had particular geographical preferences, and the World Bank focused on local residents to achieve financial sustainability of microfinance institutions at a faster pace and with less risk in the process.

The World Bank was most autonomous in advancing its policies and preferences in the Mikrofin and Mi-BOSPO networks. This is evidenced by stronger financial sustainability of these NGOs than their social performance compared to that of the other NGOs operating in the field (Ohanyan 2009), and this was more consistent with the policy preferences and objectives of the World Bank (Tinjič 2001; Forster 2002; Campara 2001). It is important to note that in both of these networks the World Bank enjoyed superior institutional hegemony, because neither Mikcrofin nor Mi-BOSPO had many donors, and the World Bank provided the disproportionately larger share of financial resources and institutional support throughout the implementation of the microfinance program—important attributes of the World Bank centrality in both networks. In both cases, the World Bank's power was not offset by other, more formidable donors, reflecting a higher level of Bank centrality in the network that allowed the World Bank to advance its preferences with relative ease. This was not true, however, for the Partner/Mercy Corps network, in which the NGO partner managed to advance both financial and social performance, because it enjoyed a broader donor base and used a variety of strategies to appease all donors while asserting its own organizational goals.

Figure 2. World Bank in Microfinance Sector of Bosnia and Herzegovina

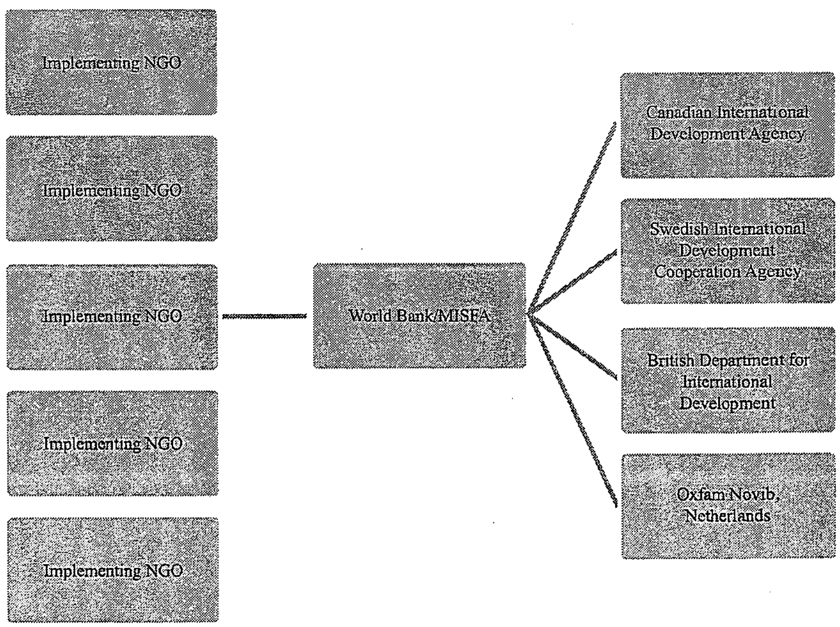


The World Bank was the only supporter of Mi-BOSPO during its first two years (1996–98). In the third year, UNHCR also began to support Mi-BOSPO. Church World Services and Women World Banking came on board during the fourth year of operation, and UMCOR during the seventh year. Despite the infusion of new funding, the World Bank was still providing more than three-quarters of the total funding for this network during that period, reflecting its centrality in this network. Moreover, in these favorable network conditions the World Bank proceeded to centralize its administration by maintaining frequent reporting requirements from the NGO and highly formalized relationships. This early institutional hegemony within this particular network was subsequently offset over the years by the new and equally institutionalized accountability channels and frequent monitoring from the other donors that joined this network. Nevertheless, despite a modest decline in its provision of resources in the network, the World Bank still maintained its hegemonic position relative to the network's other donors. It then managed to deflect political pressures and targeting requirements from other national and international donors, particularly from UNHCR.

Similarly, in the Mikrofin/CARE network over the period 1997–2001, the World Bank was the only donor in the first year, but in each year that followed it was joined by UNHCR, the U.S. Department of Agriculture, and Ireland Aid. This network was smaller than the Partner/Mercy Corps network, which enjoyed the support of more than seven donors. Although the share of financial contributions of the World Bank declined over the years, eventually reaching only one-third, its institutional support was still significant; the bank's monitoring and evaluation mechanisms were more institutionalized, centralized, and frequent than those of the other donors. Because of these supports, the bank managed to maintain its institutional hegemony within the network. Similar to its role in the Mi-BOSPO network, the World Bank successfully eclipsed the targeting priorities of other, more socially oriented donors, such as UNHCR and Ireland Aid. An independent evaluation of UNHCR's microfinance activities in postwar BiH also indicates that Mikrofin and Mi-BOSPO were least effective in advancing UNHCR's goals of targeting specific social groups (Klinkhamer 2001), which reflects the World Bank's ability to advance its goals of commercialization in microfinance in these networks.

Institutional Hegemony: The World Bank in Afghanistan

Figure 3. World Bank in the Microfinance Sector of Afghanistan



In Afghanistan, in close cooperation with other major American and European bilateral donors and multilateral institutions, the World Bank helped to create a multi-donor trust fund, Microfinance Investment Support Facility for Afghanistan (MISFA) (Figure 3). All of the implementing NGOs receive their funding from MISFA rather than from their own independent donors (Arbab 2008). This centralization of donor networks into a single organization, often described as an "apex institution," has been a powerful boost for the World Bank in deflecting political influences from individual donors or the government agencies and politicians within Afghanistan. In this network environment of institutional hegemony, the World Bank has enjoyed significantly more autonomy than it did in the Bosnian microfinance sector. This particular arrangement of institutional hegemony in Afghanistan created an organizational barrier between the NGOs and the community of donors, with MISFA acting as the intermediary agency. This arrangement reflected the World Bank's centrality in the network as well as the World Bank's successful efforts in centralization of microfinance programs in the country.

From the beginning, MISFA committed its partner NGOs to ensuring strict financial discipline in its operations and to achieving operational sustainability by its fifth year of operations (Arbab 2008)—key goals of the World Bank in microfinance sectors around the world. In this arrangement, the World Bank and its affiliate Consultative Group to Assist the Poor (CGAP) channeled donor funding earmarked for microfinance from agencies such as the Canadian International Development Agency, the British Department for International Development, the Swedish International Development Cooperation Agency, USAID, and Oxfam Novib of the Netherlands (Figure 3). Most importantly, by creating this apex institution and centralizing the networks with NGOs and donors, the World Bank exhibited enhanced autonomy as it advanced its principles and priorities in the financial sustainability of microfinance institutions. In doing so, it has successfully deflected the more parochial pressures for targeting specific social groups that individual national donors would normally target. In this case, such pressures were coming from members of Parliament to direct microfinance funding into their respective regions, even if the geographical conditions made it nearly impossible to start effective microfinance programs, as noted by one of the consultants to this projects. This institutional approach to microfinance (Barcus 2007; Hashemi 2007) clearly established the institutional hegemony of the World Bank in the microfinance sector of Afghanistan. Moreover, this arrangement was more open to epistemic communities, in this case microfinance economists and independent consultants, some of whom were advising the World Bank in BiH and were then sought out to help create the microfinance sector in Afghanistan.

Theoretical Implications: The Politics of Institutional Hegemony of IOS

Amandine Orsini, Jean-Frédéric Morin, and Oran Young (2013) emphasize that the rapid growth in the number of international institutions often creates tensions, conflicts, and adjustments between the regime complexes these institutions represent. Researching variance of IO embeddedness in its network, an emerging feature of institutional design, is one step closer toward understanding how these IOs with conflicting goals on the one hand, and interorganizational dependencies among them on the other, cohabitate in the infrastructure of global governance. In particular, research shows the push and pull involved with IOs seeking to exert their autonomy from the very same network members, which are often provide various resources for the IO. The nature of IO embededdness in its network can shape the scope of IO autonomy from these network members. The four institutional scenarios of IO autonomy (Table 1) reveal a variance of network conditions in which IOs operate, providing a more nuanced understanding of global policy implementation processes, of which IO are central components.

Particular theoretical implications include the following: 1) network effects on IO autonomy, 2) delineation of institutional hegemons from other IOs, and 3) the mechanisms by which IOs translate their structural power (i.e., superior nodal position in the network) into political might. The three empirical cases—EAR, World Bank-Afghanistan, and World Bank-BiH—

described here indicate that the autonomy of IOs, as expressed through their ability to withstand political pressures and advance their organizational goals and purposes, is contingent on their immediate institutional environment—that is, the network-based structures of delegation in which they are embedded.

In respect to the effects of network environments on IO performance, the cases examined here are telling. EAR and World Bank-Afghanistan cases are examples of IOs that reflect "institutional hegemony" as a type of their network embeddedness; they occupied a position of centrality in their respective networks and proceeded to centralize their relationships with other actors in the network. In contrast, the World Bank-BiH case is an example of an organization that enjoyed lesser levels of centrality, finding itself more vulnerable to the fluctuations and uncertainties of more decentralized network politics. This was a case of "marginal power" as a type of its network embeddedness. This study lacks cases of "hollow shell" and "unclaimed power" as types of IO embeddedness in their networks, which presents a fruitful area for future research.

The development of institutional ways IOs can embed themselves in their networks illuminates what distinguishes institutional hegemons from other IOs. It is evident from these cases that the centrality of the nodal position of a given IO within its network is a major precondition for any IO to establish institutional hegemony relative to other state-centric and nonstate actors in the network. The centrality of the nodal position of an IO indicates a superior bargaining power relative to other members, which allowed these organizations to centralize their operations with the other actors in their respective networks. Among the cases studied here, EAR and the World Bank-Afghanistan (i.e., MISFA) were the most effective in controlling their respective networks of policy implementers, which is largely a measure of the centrality of their nodal positions and their ability to centralize their operations in them. In both cases, the knowledge, norms, and key principles of program implementation were centralized, albeit through different strategies. EAR used professional program managers as a way to build its in-house capacities to monitor consultants and establish an in-house evaluation unit. Unlike EAR, MISFA continued to use NGOs as key implementing agencies. However, it also engaged in similar centralization of expert authority by establishing clear standards and principles of program implementation in microfinance.

The network politics of the World Bank in BiH had lower levels of centrality and more decentralized operations. Consequently, the bank was more subject to the vagaries and uncertainties of network politics. Other donors in the decentralized networks in BiH, as described earlier, had access to NGOs as implementing actors in a way that was comparable to the World Bank. The centrality of the World Bank in these networks was much lower and its bargaining position relative to other players more compromised. Here, the World Bank was more vulnerable to political influences from Western donors and local actors, and it was more vulnerable to network politics than it was in Afghanistan.

The empirical section exposed the specific strategies IOs utilize when seeking to transform their superior nodal position and structural power into political power. To that end, IOs establish a culture of legitimacy, learning, and liability within a network. First, the IO legitimizes its ideas and policy prescriptions within the network, regardless of whether or not the network members share broad policy positions (which tends to occur during the policy implementation stage). The institutional hegemons within a network generally succeed in legitimating their ideas. In the case of the microfinance programs in BiH, the World Bank was less effective. Here the bank's emphasis on the commercialization of microfinance (Drake and Rhyne 2002) was greatly challenged by those (Rankin 2006) advocating alternative approaches to using microfinance in a post-conflict entity. Moreover, the specific goals of microfinance programs were not shared by all the IOs within each network. Instead, the various ideas and principles on the use of microfinance policies clashed, and the structural composition of each network played a big role in determining which one of those ideas would eventually dominate (Ohanyan 2008). Such a contest of policy principles did not emerge in the cases of the World Bank-Afghanistan and EAR in the Balkans. In essence, IOs can legitimate "the network's ideas, consolidating and strengthening the networks, and providing the logistics by which governments actually convert the management concepts into concrete policy measures" (Haas 2000). When legitimating the network's ideas, IOs contribute to the professionalization of policies and emerge as key actors to socially construct the discourse on the "right policy" in a given region (Haas 2000).

Second, as institutional hegemons, IOs may assert their autonomy and withstand political pressures by establishing clear criteria and standards for program management. They do so by empowering the epistemic communities in a given issue area and emboldening the international civil servants relative to the politicians from donor or beneficiary states; they try to institutionalize public administrative capacities of networks by weakening political control from donor states over the network. For example, in the case of the EAR, which is described shortly, the respondent noted the following:

> Having systems of setting strategy, priorities led by local governments, and having a basic template to which to return is important. Yes, there is always conflict. It may not be the donor but someone from the government; this is [a] common thing in most assistance programs, even in post-conflict countries. We respond to such pressures by saying that "this is a multilevel program, we have agreed with you, we reflect the priorities as already agreed with you, so we can't change the program and its details." . . . You have to have a clear strategy and process . . . a semblance of order. You have to empower your partners in the government who are working for integration. . . . Giving them more capacity in discussing these priorities instead of having individuals have a go with any donor is important. (Mustard 2008)

Much uniformity characterized the operations under way in Afghanistan and in various areas of EAR's program in the Balkans. In Afghanistan, the World Bank took the lead in establishing best practice standards in the microfinance sector as a way of preventing the haphazard entry of various types of donors, most of which had little experience in microfinance (Hashemi 2007). This approach was not followed in the World Bank's microfinance programs in BiH.

Third, establishing a culture of learning within a network is a crucial mechanism for IOs to advance their institutional hegemony within a network. This is often accomplished through using evaluations performed by IOs, which can then become a tool for deflecting political pressures from various sources. EAR is particularly noteworthy. Its in-house evaluation unit, as described earlier, ensured that EAR would respond to the local settings and generated a quick feedback loop between the organization and its policy outcomes (Almqvist 2008; Mustard 2008). The microfinance programs of the World Bank in BiH and Afghanistan were also subjected to frequent evaluations, mostly carried out by independent auditing and rating agencies and professional associations.

Fourth, establishing a culture of liability within a network, an IO can counterintuitively strengthen its political position relative to other state-centric and non-state actors in the network. By establishing a transparent policy process within the network, IOs tend to strengthen their bureaucratic prowess and add credibility to their organizational purpose. The frequent charge of democratic deficit leveled at IOs has been met over the years with more open policy processes. Interestingly, this response has helped IOs to strengthen their own positions and independence relative to their donors.

The culture of liability can also be cultivated by establishing multiple accountability lines by institutional hegemons. In the cases studied here, this approach has served IOs well, deflecting political influences from donor and beneficiary states. In a way, the IOs have purposely constrained and shielded themselves through developing multiple institutional ties, which helped them bolster their positions as expert-led and knowledge-based institutions.

EAR's experience has been particularly noteworthy. This agency was accountable to the European Commission's Council of Ministers, Parliament, independent auditors, and member states. This arrangement complemented EAR's organizational independence, because the agency was in a position to play off one stakeholder against the other.

Conclusion

In terms of its theoretical contributions, the network approach to IOs focuses on the institutional conditions under which the ideas or material interests of donor states prevail during the policymaking process. Indeed, casting the debate on IO autonomy in terms of zero-sum wins for states or IOs is not always productive. Some have already introduced a variance within the internal attributes of organization, highlighting their variable impact on the ground (Boehmer, Gartzke, and Nordstrom 2004). But the state centrism that still underpins the debate over IO autonomy dramatically limits the alternative explanations and discounts the nuances of the relationships between the state and the IO. To this end, the immediate institutional environment of an IO—that is, the external links and organizational relationships of IOs with other actors—is perhaps one of the least-treated variables for IO behavior but one that is crucial in gaining a more holistic understanding of IO behavior in world politics.

The network approach to IOs developed adds to this debate. It demonstrates that the institutional environment immediately external to an IO can structure its engagement with states and shape its opportunities for independent action. Institutional forms and designs interact with ideas and norms, counterbalancing political pressures from more powerful players—either states or other IOs—in a given setting. In this respect, the network structure emerges as an independent variable of its own that can empower a particular IO at the expense of other organizations or states or vice versa. Consequently, the institutional space for ideas, knowledge, and norms is also variable, and network conditions as institutional arrangements can determine the normative discourse that IOs advance (Koremenos, Lipson, and Snidal 2001).

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