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Abstract

This paper argues that even ineffective international organizations can serve valuable patronage functions for their member states. Even if IOs fail in their goals, the bureaucracies surrounding them can still be used for patronage, defined here as the use of public office for political and personal gain.

The bureaucracies surrounding international organizations can offer substantial private rents for member state governments. The perqs that an IO can offer can lead to ineffective organizations hanging on, even if they do not fulfill their original mandate. Patronage can thus be an unintended consequence of IOs, leading to a misuse of the structure of IOs for corrupt purposes.

This goes beyond the study of bureaucratic drift to present a more pathological version of IOs. I illustrate this argument using two sets of empirical tests. The first establishes the broad logic of patronage as a driver of IO survival, and the second demonstrates the microfoundations. For the first, I use an original datset of international economic organizations around the world to show that the survival of ineffective IOs is particularly likely when member states are corrupt.

Patronage inclinations in member states makes ineffective organizations 15 percent more likely to survive. This demonstrates the broader pattern of the relationship between IO survival and patronage; I then go on to illustrate the patronage mechanism through examining finer-grained data from a subset of IOs. Using budget data gathered firsthand from 11 international economic organizations across the world, I show that member states where corruption is high tend to be associated with IOs where patronage practices persist. Through these budget data, I develop original measures of patronage in IOs: slush funding in organizations and the nonwage benefits awarded to staff, differentiated from such benefits received by member states. These novel measures offer unique insight into the ways in which IOs can be used for private gain.