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## The Role of International Organizations in the Development of Developing Countries

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### **Abstract:**

*The country's development depends on domestic government efforts and international organizations. India is no exception to that. Some permanent organizations were created in the nineteenth century for global peace and security. All global organizations worked to solve economic and social problems and eradicate poverty, such as the World Bank. W.H.O IMF.OECD and the United Nations, how do they help India's development?. With the help of secondary data, we will analyze and assess the organization's role in the context of economic, social, technical, and policy perspectives. The World Bank gives financial help through grants and loans, and the IMF provides business rules for trade and services. International organizations must promote socio-economic progress and harmony in the glow of the Second World War to restructure the organization. The world needs faith in international organizations that can promote a just world and achieve a decent society in a socio-economic situation. This article will cover some major international organizations, namely the World Bank, OECD, and the U.N. Some findings are that the World Bank has played a crucial role in developing India and other developing countries.*

**Keywords:** Social Progress, Technical Development, Guaranty Agency, marginalized people, and Equitable growth.

### **Introduction:**

Here, we will discuss some basic Introductory structure functions of the following organizations: United Nations, World Bank Groups, IMF, W.H.O, UNICEF, UNESCO, and OECD.

### **The United Nations.**

It was established in June 1945 in San Francisco, USA, but came into force on 24 October 1945. After the charter of the Conference was signed, it came to be known as the United Nations. U N has a main body, such as the General Assembly, which works for international competence among the states on international issues that affect the political economy and legal aspects at the global level for millions worldwide. This organization accepts the Millennium Development Goals, in which

poverty and eradication are the key issues, and the United Nations Security Council is responsible for peace and security. UNESCO works for environmental and social development across the world. It also promotes innovative thinking and finding consensus among the international community. The Trusteeship Council was established as one of the UN organizations. It has five permanent members: the USA, China, France, Russia, and the United Nations. It works for self-governments that are independent and elected after a five-year term. The International Court of Justice is the main judicial body of the UN under a charter established in the Hague. This body provides legal advice, works on international law, and solves state legal disputes. It has fifteen judges for a nine-year term. This organization handles two types of cases. The source of law for this court is the judicial decision and principles of law.

International customs, international treaties, and conventions. It is an advisory that provides its contents in international law. It also works for financial sustenance; The UN team has prepared a global bank, some action-UNDAF, to work in India. It works for inclusive growth and equitable policies for poverty reduction. In rural and urban areas, it works for skill development and tries to provide access to employment. There are some outcomes of this work here. ILO works for labor market policy to secure the employment of people. UNDP links the market and people, especially women, to empower low-income people. IFAD will secure and train the rural population.

### **Why do we need an international organization?**

The problems of the rich and the poor are not new; they are problems no societal stakeholder has ever solved. How to deal with it is a dilemma of what should be corrected, the resource or the procedure. After World War II, the wealth and poverty gap became more problematic because of the destruction of global society, and this wealth and poverty gap became the scenario of the North and South. The poor country needs to call for a living standard and improve its own economic, social, and political structure, in which social justice can be protected. South must focus on individual development and self-reliance, not depend on the North to help them, or get help from international organizations, because these organizations also rely on the North. In this discourse, India, a South Asian country, must also examine how it gets help from international organizations.

### **WTO and Trade in Developing Countries Like India:**

In the 1990s, developing nations' concerns about the WTO's rule-making powers gained more traction. These issues focused on the expenses of implementing certain WTO agreements and insufficient resources. Financial support, and high-income nations' refusal to give poor nations "special and differential" treatment. (Most clauses requesting similar treatment in WTO agreements are "best endeavor" pledges that high-income countries are not required to abide by.) The primary issue was that the game's regulations weren't always aligned with national initiatives to boost economic growth and combat poverty. Stakeholders in emerging nations must be involved in

the domestic policy-making process, understand the regulations, and be Capable of communicating their opinions to national legislators and holding them responsible for results. WTO agreements may serve a far more advantageous and successful purpose if stakeholders in developing nations believe they are consistent with or conducive to achieving development goals.

The degree to which trade obstacles exist between industrialized and developing nations will determine whether the outcome is pro-development. This is determined by whether trade obstacles are reduced, as well as by the rules that are established. Practical and constructive participation from developing nations will significantly determine how the negotiations turn out. This, in turn, necessitates that government officials and members of the corporate sector and civil society have a solid grasp of the substantive issues and where the country's interests lie. Strengthening the ability to analyze and determine national reform goals, market access restrictions, and multilateral disciplines' possible benefits and implications is necessary.

It is helpful to distinguish between "behind-the-border" complementary policies and lowering trade obstacles at the border. Those are essential for promoting changes in trade policy. By lowering the average level and distribution of border security, doing away with nontariff barriers (NTBs), and fortifying the public institutions required to guarantee that goods cross borders with minimal transaction costs (i.e., effective customs procedures that reduce red tape), the first set of policies aims to create incentives for efficient growth. The second set focuses on regulations and policies that guarantee effective, fair, and sustainable supply responses to liberalization. Every booming market economy is governed by various regulatory bodies that control behavior in products, services, labor, assets, and Financial markets. To get an idea of the multiple organizations involved, a few U.S. acronyms will do: FTC, FDIC, FCC, FAA, OSHA, SEC, EPA, etc. In actuality, the strain on regulatory bodies increases with market freedom. Societies differ in their cleavages. Some are made up of an ethnically and linguistically homogenous population marked by a relatively egalitarian distribution of resources. Deep cleavages along ethnic or income lines characterize others. These divisions often hamper social cooperation and engender social conflict.

### **Discussion and Result:**

Economists have used models of social conflict to answer questions like: Why do governments put off stabilizations when doing so costs everyone? Why do resource-rich nations frequently perform worse than resource-poor nations? Why do external shocks often result in lengthy economic crises disproportionate to the shocks' direct costs? Examples of institutions that reduce the likelihood of such massive coordination failures include the rule of law, a strong judiciary, representative political institutions, free elections, independent trade unions, social partnerships, institutionalized representation of minority groups, and social insurance. It is frequently forgotten that the East Asian "tigers," the most prosperous "globalizers" of a previous century, were subject to



few international restrictions. They had to bear a small portion of the integration costs throughout the 1960s and 1970s, when they were going through a period of formative expansion. International trade regulations virtually gave them a free pass, and capital mobility was rarely a problem. It is not reasonable to infer from the facts that trade protection is always preferable to trade liberalization. There's no proof that trade protection has been consistently linked to greater growth over the last 50 years. The main idea is that the advantages of trade openness shouldn't be exaggerated. When other important policy goals vie for limited political and administrative capital, deep trade liberalization frequently doesn't merit the high priority it usually enjoys in development plans. Without abandoning global trade and sustained financial flows, no nation has been able to prosper successfully. Few countries have seen sustained growth. Periods during which their national product's share in foreign commerce did not rise. The diversion of farm household resources from producing the taxed good is significant because society's resources are not used where they can do the most good. For instance, a farmer who is dissuaded from focusing on producing income crops has less money to spend on other goods and is consequently less able to persuade others to focus on their strongest areas. The degree to which trade obstacles between industrialized and developing nations are reduced and the established regulations will determine whether the outcome is ultimately pro-development. A Practical and constructive participation from developing nations will significantly determine how the negotiations occur. This, in turn, necessitates that government officials, the commercial sector, and civil society members have a solid grasp of the substantive issues and where national interests lie. Indeed, there are grounds for doubting the existence of a broad, clear correlation between trade openness and growth. The relationship may be contingent and reliant on various national and external factors. The reality that almost all of today's developed nations started their development with tariffs, barriers, and less protection only later provides some hint. Furthermore, the contemporary endogenous growth theory does not answer whether trade liberalization spurs growth. A high-quality policy environment sends clear signals to producers and investors, precludes rent-seeking, does not waste economic resources, is consistent with the administrative capabilities of the government, and maintains social peace. Trade policy reform contributes to economic development as it helps build high-quality institutions along these lines. I have argued here that the first question policymakers contemplating trade reform should ask is not whether the reform will result in higher volumes of trade, render their trade regime more liberal, or increase market access abroad, but whether it will improve the quality of institutions at home. The results of trade negotiations—whether bilateral, regional, or multilateral—should be judged by the same yardstick.

**Problem of exchange rate:**

It mistreats exporters. Because domestic currency accounts for a sizable amount of production expenses, an overpriced exchange rate lowers exporters' incentives and capacity to

compete in international markets. This hinders a nation's ability to buy the imports required for economic activity and chokes off foreign exchange earnings. Foreign corporations are putting more pressure on industries that compete with imports, leading to requests for import protection. From lobbies for agriculture and industry. Eventually, the political pressure for protection becomes too great, and governments give in to pressure and raise import taxes. This limits access to necessary foreign technologies and inputs and shuts the economy off from global competition; consequently, growth declines. Devaluation increases incentives for exporters while also evenly safeguarding industries that compete with imports. Productivity gains are slower because the industries that compete with imports and exports, where productivity gains are frequently most significant, are at a high exchange rate disadvantage (Cottani, Cavallo, and Khan 1990). Removing trade-related subsidies and tariff exemptions (apart from export duty drawback programs) should improve the government's financial situation. Furthermore, the presence of tariff exemptions, particularly discretionary exemptions, not only offers a motivation for Importers may look for more exemptions, but as they become more common, there is more motivation to declare taxable goods exempt, which hurts revenue. Therefore, removing discretionary exemptions and other complications can improve governance and positively impact fiscal policy. The initial amounts and coverage of tariffs and the degree of reduction determine the budgetary impact of doing so. In theory, Trade taxes will decrease if import levels remain constant and tariffs are lowered. However, the overall effect on revenues would rely on the price elasticity of import demand because the reduced rates are also expected to raise demand for imports. The likelihood that a tariff decrease will have a net positive effect on fiscal revenues increases with elasticity.

### **Suggestion and conclusion:**

Many developing nations became increasingly dissatisfied with this system after the Uruguay Round ended, especially concerning the limitations the agreements placed on their ability to influence the agenda-setting process. Despite their active participation in the run-up to the Seattle meeting, where they submitted more than half of the more than 250 specific proposals on the agenda, their suggestions were not given the consideration they deserved. The "green-room" procedure added to the disillusionment, supporting the allegations of a "democratic deficit" and a lack of openness at the Seattle gathering. There are two main components to increasing the involvement of emerging nations: first, strengthening institutional capacity and analytical abilities. Designing appropriate positions in follow-up talks requires an understanding of and ability to oversee the operations of current agreements. Second, the WTO's decision-making process needs to be changed to give developing nations a bigger say in matters about the organization. There is little question that national efforts are necessary on the first front, especially given the growing diversity of interests of developing nations. The days of a broad coalition of poor nations being able to articulate

international bargaining are long gone.

To increase participation, it is also necessary to work toward resolving the national-level turf wars and lack of coordination that typically afflict developing nations. These issues arise from several sources, "including differences regarding the location of real compared to nominal authority concerning the articulation and implementation of trade policy as well as differences in terms of which establishment has the responsibility for trade policy as well as which governmental body has the power to negotiate and sign international agreements..."The principal responsibility of political institutions, such as the state, is to ensure the respect of what actors see as their rights and duties, especially those at the core of their sense of justice. The possibility and enjoyment of rights (and obligations) is a key aspect of the function and responsibility of political institutions, especially if they aspire to be viewed as legitimate. One of the ways political institutions can achieve such outcomes is to produce and nurture public goods in the fields of security, economics, health, and education.

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