# International Economic Organisations and the Developing World

*Roles, Challenges and Prospects*

by

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**International Economic Organisations and the Developing World: Roles, Challenges and Prospects**

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# Preface

This manuscript offers readers insights into the role of international economic organizations and their impact on the progress of nations classified as part of the "Developing World." It explores the categorization of countries into the "Developing World" and the developed world, analysing the connection between the functions of these organizations and the advancement of developing nations. Additionally, the book delves into the dynamics of regionalism and globalism, highlighting their influence on the evolution of the global economy.

The aim of this book is to produce graduates with leadership qualities capable of applying critical thinking and communicating their thoughts in various aspects of the states, non-state actors and international Organisations. In particular, the book is aimed at enabling the graduates to participate in international issues in the areas of diplomacy, strategic studies, international political economy, and international relations. The continuous demand for containerization and internalizations have been spurred by the emergence of mega vessels owned by global carriers.

Looking at the current trends and the competitive scenarios, an understanding of the anatomy of competitive advantage is of paramount importance to general managers who bear the ultimate responsibility for an international Organisation long-term survival and success. A competitive Organisation should have the ability to implement and conceive its strategies by making use of its resources, assets, capabilities, organisational process, firm's attributes, information, and knowledge to achieve competitive advantage. To assess their roles and identify their specific competencies that would enable them to achieve and sustain international Organisations.

# Chapter One
# International Cooperation and International Organisations

Among 196 countries in the world, only 25 countries are recognized and known as rich countries. On the other hand, some countries are considered poor nations due to their per capita wealth of only $1 000 a year, or approximately $3 a day. Nowadays, every country is on a path to growth, however the poor countries tend to be at the leisure pace due to the unfortunate environment they had. To understand the term of developing countries, it can be referred to an emerging or transitional economy which indicates that a nation with an underdeveloped industry base and low in terms of Human Development Index (hereinafter, HDI), compared to other countries, in addition developing countries also faced the poor quality of governance (Amadeo, 2020). Referring to the United Nations (hereinafter, UN), a developing country with a somewhat low standard of living, non – developed industry base and approximately moderate to low level of HDI. The international organisation, cooperation and interaction towards the developing countries more likely help the developing countries in terms of several aspects namely basic needs aid, financial loan, fund, development assistance and so forth to ensure the developing countries can manage their own state’s affairs in a way to development.

The term "Developing World" refers to nations characterized by a low degree of industrialization and a relatively low Human Development Index (HDI). These nations are often identified as less developed or third-world countries. Developing nations typically face challenges such as limited access to a free, safe, and healthy living environment.

Their classification is determined by various economic indicators, including Gross Domestic Product (GDP), Gross National Product (GNP), per capita income, levels of industrialization, technological advancements, living standards, unemployment rates, poverty levels, and the quality of infrastructure such as transportation, communication, healthcare, and education systems (Bantiji, 2009). Examples of countries categorized as developing include Brazil, Russia, India, China, South Africa, Turkey, Kenya, Mexico, Malaysia, Chile, Argentina, Pakistan, Colombia, Thailand, among others. In order to help the developing countries to achieve their aims to be developed countries, international cooperation and international organisations are relying on each other to fulfil the developing country's goals. International cooperation's main aim is to create the greatest opportunity for better living conditions especially people who are living under "Poverty" and oppression. While international organisations also play an important role in developing countries to solve various type of political economy challenges and creating stability by tackling many problems in developing countries.

According to Bielschowsky & Silva (2016), just as humans by nature choose to categorize, so has the World Bank chosen similarly to differentiate the countries in groups according to income classifications. This has led to the differentiation between the low, lower middle, upper middle, and high income grouping of countries that are updated annually according to their Gross National Income (GNI) per capita. Thus, based on this diversification of countries in accordance with their income groups, the World Bank has thereby referred to them as the "The "Developing World"". However, according to IMF (2020), the world is divided into 2 major groups which is advanced economies, and emerging and developing economies. These countries are then categorized based on their interest rates by GDP converted to the U.S. market exchange rates, the countries' domestic economy in which the ratios are weighted by GDP at Purchasing Power Parities (PPP).

According to Burnell (2017), points out that after the 2nd world war, the most important international economic organisation was none other than the General Agreement on Tariffs and Trade. In his studies, being the earliest international economic organisation, he uses GATT as an example where it is necessary to make modifications to the law as it involves members who are equally sovereign states. Thus, in order for full cooperation to be met as an institution most rules and regulations which bind the members in international economic organisations have to be in the form of the horizontal legal system of international law. Although Dobney also states that GATT, an example of an international economic organisation, was guided by pragmatism rather than legalism which eventually showed how law became a hindrance to efficiently execute the GATT. Despite the statistics and numbers used to categorize the developing countries, many of them until today are still closely related to similar characteristics of poor governments, weak rule of law, tight control on information as well as a high level in corruption levels (Clemens, & Kremer, 2016). From the studies, there is a correlation between international cooperation in fiscal policy making and the time consistency of a policy. The policies chosen always to achieve a global social optimum consistency. It is discovered that a strategic relationship exists between governments, private agents, and independent policy makers. Since the policy outcomes will differ based on the policy maker's commitment abilities, the degree of cooperation between independent policy makers in terms of international cohesive co-operation is also a determining factor of macroeconomic policy. Meanwhile, when it comes to the enforcement of international cooperation there is a long-standing debate between neoliberals and their neorealist critics upon the cheating, enforcement, and problems of relative gains.

According to Edwards (2009), argues that regardless of the issue areas, states must resolve their bargaining problems of agreeing on terms before they begin enforcing the agreement. From the arguments of Cooperation Theorists, among the various international issues such as trade, finance, the environment, each has their own strategic structure which in turn affects international cooperation. With his game model, he proves that states must bargain through frequent continued interactions in order for the deal to be enforced, as well as a higher incentive for the respective states bargaining power. Folger (2020), on the other hand states that the reason international cooperation is limited, mainly because states worry more about the cost's outcomes of their cooperation more than how well they do on their own. In his studies, it is explained that the Prisoners' Dilemma model was used to represent international anarchy as to explain how states are gains maximisers which contributes to a zero-sum situation, thus eliminating decentralized cooperation. According to the examination made based on the model, initiating cooperation is no more difficult under relative as compared to absolute gains.

According to Grabel (2007), states that the aim of International Monetary Fund (IMF) was to promote worldwide economic stability however, currently in the 21st century, International Economic Organisations and Cooperation like the (IMF) are changing as the members within the cooperation are evolving along with their economic growth despite being developing and less developed nations. With International economic organisations like the IMF, World Bank, and most of all the support of the United Nations, the "Developing World" has seemed to integrate faster into a global market economy to reduce the North-South gap. Heakal (2019) found that despite having formed an international economic organisation there was slow progress in the negotiations between the rules of World Trade Organisation (WTO) and the multilateral environmental agreements. As most governments did not understand the commitments, they signed upon to the MEA likewise they became ignorant of how it affected the rules of WTO. They argued that it was necessary for governments in WTO and the UN system to work more efficiently for global governance to maintain the efficiency of trade and sustainability.

## 1.1 The Concepts of International Cooperation

The term cooperation is often associated with the process of working with another company, organisation, or country in order to achieve mutual benefits or goals. Cooperation is said to have originated from as early as the Stone Age where humans realized that they could obtain something with another individual or parties other than themselves when they met personal limitations. Eventually, as capitalism became most popular among a generation who welcomed liberal market economies, these same countries formed bonds among themselves to offer support for trade exchange, credit relations and technical cooperation. This form of cooperation eventually created a community among the members of a particular economic cooperation with its own respective rules and regulations that were agreed upon democratically by all its member/ participant states.

Today, the concept of International Economic Cooperation is said to have begun when head of states wished to achieve competitive advantage through a network of intergovernmental economic organisations which links various governments, businesses, and trade regulations to stimulate the progress of trade globally. Among the numerous instances of international economic cooperation in the modern world, we will focus on examining the Organisation for

Economic Co-operation and Development (OECD) and the European Union (EU).

The Organisation for Economic Co-operation and Development (OECD) represents a significant example of international economic collaboration, consisting of 36 member nations (Mabey et al., 2004). Among the countries who are participating in this cooperation are "France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, South Korea, Latvia, Lithuania, Luxembourg, Mexico, Netherlands, Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, New Zealand, Norway, Poland, Portugal, Slovakia, Spain, Slovenia, Sweden, Switzerland, Turkey, United Kingdom, the United States, Germany, Greece, Hungary,".

Initially the OECD was known as the Organisation for European Economic Co-operation (OEEC) in 1948. The sole intention for this cooperation was for financial aid together with employing efficient plans in the renovation of Europe after the Second World War. By the early 1960s, this cooperation among the developed countries eventually shifted their focus towards the inclusion of non-European states as well as it was seen to benefit trade and globalization initiatives. Due to the close similarities of being elevated revenue markets with a high HDI the members of OECD are thus regarded as developed countries who are under mutual interests of committing themselves to democracy and a market economy. Since OECD members share a common interest and background identity, their cooperation is to uphold procedures to progress the commercial and gathering welfare of the group in developed nations like their member states (Michael, 2005). Currently, from this economic cooperation, OECD has comprised 62.2% of the global nominal GDP, which is the equivalent of US$49.6 trillion, while standing at $54.2 trillion GDP in purchasing power. Since the OECD comprises of most developed countries, it therefore is an official United Nations observer, allowing the OECD access to contribute to the United Nations General Assembly.

Another example of international economic cooperation can be seen in the formation of the European Union (EU). The EU is a regional economic cooperation that initially begun in 1951 as the European Coal and Steel Community. It was signed in Paris among member economies that were geographically situated in the European region. Today, the EU consist of 28 members especially from the geographical European Region such as "France, Germany, Greece, Hungary, Ireland, Italy, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Spain, Sweden and the United Kingdom, European Union, Latvia, Lithuania, Austria" (Milner, 2005).

The initial purpose for the European nations coming together in that region for the steel and coal industry was because they saw potential in mutual benefits through cooperation. Eventually, in 1957 the community "signed the Treaty of Rome which brought the European Economic Community into existence". As the community continues to grow and develop over time, changes and adjustments are made to maintain the relevance of the cooperation as well as to be inclusive towards all its member economies. Such adjustments can be seen through the Single European Act of 1986 and the Maastricht Treaty of 1992-2007 where the European Community implemented a single currency agreement to be used among member economies together with trade rules and regulations to synchronize and further cement the unity of the member economies in the region. One of the factors for the EU being one of the most successful international economic cooperation is due to their long-standing history among the European countries since the Middle Ages. As they share similar cultures, and religious identities, the language barriers among them are easily overcome. Hence, with over centuries of interaction as a region, the strategy used by the EU to create a market based on their region has increased their economic standing and marketability as a region to investors and multinational companies based purely on the benefits of cooperation.

By trading as a single market, the EU has not only become a major world trading power. With a regulated Economic Union, the EU's policies have also increased HDI and socio-economic developments for their citizens through increased employment. Currently, "the total value of goods and services produced by the EU in GDP is 15.3 trillion Euros" as of 2017 which makes it bigger than the US who has always been the domain's leading wealth. While over 64% of the EU's trade is done among other member countries of the EU, it has become accounted for the world's global imports and exports up to 15.6%. As for its unemployment rate, based on the data provided in EURO Stats, the EU is seen to have benefitted majority of its member countries with relatively low unemployment rates except for countries like Greece, Spain, Italy, Portugal, and North Macedonia who are facing financial instabilities (Nayyar, 2009).

International cooperation refers to the process through which countries collaborate to achieve shared objectives and address global challenges. It contains a wide array of occupations, including diplomacy, trade agreements, environmental protection, humanitarian aid, and conflict resolution. In an increasingly interconnected world, international cooperation has become essential for fostering peace, economic growth, and "Sustainable Development".

**Defining International Cooperation:** At its core, international cooperation involves mutual engagement between nations to advance common interests. Unlike competition, which prioritizes self-interest, cooperation is based on shared goals and interdependence. It often takes place within formal frameworks such as international Organisations (e.g., United Nations, World Trade Organisation) or through informal mechanisms like bilateral agreements and regional partnerships.

## Cooperation can occur across various domains:

**Economic Cooperation**: Includes trade agreements, investment treaties, and efforts to promote global economic stability (e.g., G20, Bretton Woods institutions).

**Environmental Cooperation**: Addresses global challenges like "Climate Change" through initiatives such as the Paris Agreement and biodiversity preservation efforts.

**Security Cooperation**: Involves collaboration to combat terrorism, cybercrime, and nuclear proliferation, as seen in NATO and the International Atomic Energy Agency (IAEA).

**Humanitarian Cooperation**: Provides disaster relief, healthcare support, and refugee assistance through Organisations like the Red Cross and UNHCR.

**Theoretical Perspectives:** Several theoretical frameworks explain the motivations and dynamics of international cooperation:

**Realism:** Realists argue that international cooperation is driven by self-interest and power dynamics. States cooperate when it aligns with their strategic goals or enhances their security. For instance, alliances like NATO reflect collective security interests against perceived threats.

**Liberalism:** Liberal theorists emphasize the task of global organizations, interdependence, as well as shared values in advancing cooperation. They argue that cooperation is beneficial for all parties, promoting peace and economic prosperity through mechanisms like free trade and democratic governance.

**Constructivism:** Constructivists concentration on the task of norms, identities, as well as social interactions in forming cooperation. They argue that shared beliefs and collective identities can drive cooperation beyond material interests, as seen in the global response to pandemics or human rights advocacy.

International cooperation refers to the collaborative efforts of nations to address shared challenges, achieve common goals, and promote global stability. Rooted in principles of mutual benefit, interdependence, and collective action, international cooperation is critical for concentrating complex global emerges like "Environment Modification", economic inequality, pandemics, and security threats. This essay explores the concept of international cooperation, highlighting its importance, mechanisms, and impact using statistical evidence.

In an increasingly interconnected world, global challenges often transcend national borders, making international cooperation a necessity. For example, "Climate Change" is a global issue that requires collective action. According to the United Nations (UN), global greenhouse gas emissions must decrease by 43% by 2030 to limit global warming to 1.5°C, as established beneath the Paris Compact. This highlights the significance of collaboration in completing "Sustainable Development" aims (UNFCCC, 2022).

International cooperation also shows a pivotal position in economic development. Organisations like WTO and IMF facilitate global trade as well as provide financial support to developing countries. The WTO reports that trade agreements have contributed to a 5% average annual growth in global trade over the past two decades, benefiting economies worldwide (WTO, 2023).

International cooperation operates through various mechanisms, including multilateral agreements, international Organisations, and regional partnerships. Institutions like the United Nations (UN), World Health Organisation (WHO), and World Bank facilitate dialogue, provide resources, and coordinate global efforts. For instance, during the COVID-19 pandemic, the WHO coordinated vaccine distribution under the COVAX initiative, delivering over 1.8 billion doses to 146 countries as of 2023 (WHO, 2023). Regional cooperation also strengthens international ties. The African Union (AU), European Union (EU), and Association of Southeast Asian Nations (ASEAN) foster economic, political, and social collaboration within their regions. For example, the African Continental Free Trade Area (AFCFTA) is anticipated to rise intra-African exchange by 52.3% by 2025, fostering economic integration and growth (UNECA, 2021).

## 1.2 The Concepts of International Organisations

An international organisation (IO) is one of the bodies that supports voluntary cooperation and coordination between or among its members (Peet, 2009). IO is mainly divided into three types of international organisations which are known as Intergovernmental Organisations (IGOs), International non-governmental organisations (INGOs) and Multinational Corporation (MNC). Each of these organisations has its own function for its member states. Some lists of the international organisations are "United nation (UN), United Nations Conference on Trade and Development (UNCTAD), World

Bank (WB), World Trade Organisation (WTO), United Nations Educational, Scientific and Cultural Organisation (UNESCO), International Monetary Fund (IMF), Organisation for Economic Cooperation and Development (OECD), Asia Pacific Economic Cooperation (APEC) and so on (WTO, 1998)". Although there is several IO, INGOs, and MNC which contributes their efforts to "Developing World" but International Economic organisations especially IMF, World Bank and WTO plays an imperative character in aspects of monetary integration and growth in "Developing World". Those organisations have their own responsibility, specialization, and challenges in "Developing World" in order to make them to be highly developed countries. Literally, economic developments give a positive impact to the developing countries to achieve their development in level of nationally, internationally, and globally.

First, International Monetary Fund which known as IMF is an intergovernmental organisation that mainly functioning to adoptive universal financial support, secured economic firmness, assist "Global Employment", create extraordinary service opportunity and maintainable financial development, and eliminate "Deficiency" near the creation (IMF, 2020). IMF has global membership of 189 countries and was conceived in July 1944 when 45 representative's governments agreed on framework for international economic cooperation. Furthermore, France became the first country who borrows from the IMF. IMF's elementary operation is to safeguard the steadiness of the global fiscal order. They ensure the stability in three ways which Surveillance, Lending and Capacity Development. The functions of Surveillance are to gather data and give advice in making policies of the country while lending mission is to financially assist countries to support and reform. On the other hand, capacity development helps to strengthen the human skills and institutional skills of the country.

IMF also play key roles to lending a fund to developing countries on health, education, social spending policies, reduction of “Poverty”, capacity-building activities which can boost revenues, regulate financial system, addressing the inflation, manage public finances and monetary policy. For instance, India as developing country gets many advantages for IMF to recover from several issues like financial crisis, foreign exchange crisis. India has received timely help from the fund from IMF to eliminate the deficit in its balance of payment. This financial crisis arises out of the Indo-Pak conflict in 1965 and 1971. This timely help by IMF during that time help to solve economic crisis. Apart from that, at the time of Chinese and Pakistani aggressions, India receives a large amount of financial assistance to solve their economic crisis due to the natural disaster like floods, earthquake n and famines and receiving assistance at the time of any emergency.

“The connection relating the IMF and India retains increased deep over the years”. The territory has changed into a creditor to the IMF because of the loan. The Relationship between India and IMF should be remaining in order to bring profitable to both parties in development of their economies. From this relation, India managed to record a GDP growth of 9.8% in 2006 and 9.3% in 2007. IMF has forecast India will grow by 7.3 percent in 2018-2019 against the earlier estimate of 7.4 percent (World Bank, 2018). According to the World Economic Outlook (WEO) the economy was projected to grow 7.8 percent by 2019-2020 by the fund earlier, but now the projection stood at 7.5 percent. Refer graph below to see the Gross Domestic Products (GDP) statistics growth of India. This type of helps from IMF helps India to recover from domestic economic crisis.

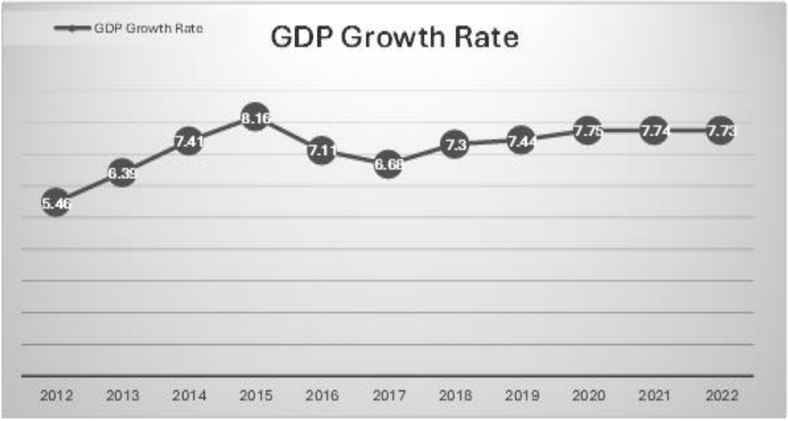


**Figure 1.1:** GDP Growth Rate from 2012 – 2022

Source: IMF, 2023

Apart from that, Yemen as developing country also helped by IMF on 2 September 2014 by approved 553-million-dollar loan for Yemen in order to support the country's plan to reinforce financial and peripheral places, improvement economic development, and eradiation of "Deficiency" by dropping unproductive fuel subventions, enlightening ascendancy organization and swelling regular grants compensated by the common well-being endowment (IMF, 2020). The lending from IMF to Yemen, part of 150 percent of its quota ongoing support to the Arab Countries in Transition (ACTs) like Egypt, Jordan, Libya, Morocco, Tunisia, and Yemen. During that time, Yemen faced a lot of challenges such as long-standing economic problems, high "Poverty" line, very high of unemployment rate, safety and security issues, corruption and so on. Financial assistance by IMF to help Yemen move forward to stabilize and bring sustainable macroeconomic with strong and durable "Poverty" reduction and growth. Apart from that, Yemen able to reduce the unemployment rates and improve the requirement of occupying to their citizens.

According to the World Bank, in 2018 unemployment rates are lower compared to the previous years. Refer to the following graph below for more details.

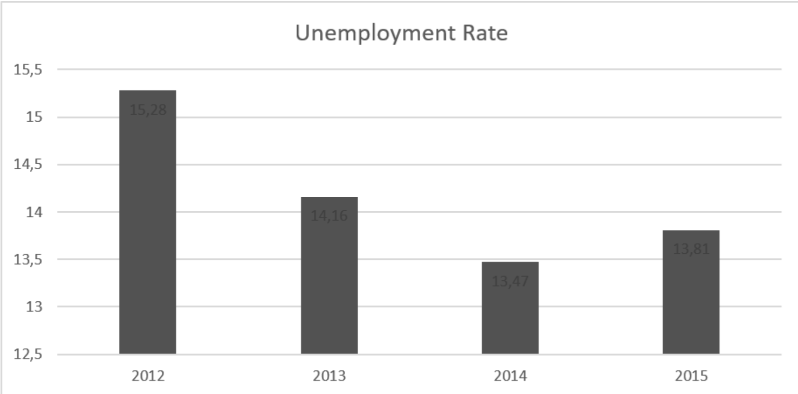


**Figure 1.2:** Unemployment rate in Yemen from 2012 to 2015

Source: IMF, 2020

IMF helps those obtaining nations to reach better settling levels as well as strengthen the commercial performance of the territories and provides benefits to the whole populations. Secondly, World Bank is a global economic organization that keeps lends to acquiring citizens for funds systems. The World Bank occurred formed in 1944 by the Bretton Woods Conference. The official goal of the World Bank is reduction of "Poverty". The second goal is to promote shared prosperity. The key rationale of the World Bank is to finances low-awareness credits, curiosity-free acclaim, and donations. This is because they are focusing on increasing schooling, fitness, and transportation. Moreover, it uses those assets to change a state's fiscal area, cultivation, and the management of environmental possessions. The bank's identified this idea is to "link the monetary separate among the nations." This way is turning "a rich country resource it has a long-term vision to “achieve sustainable “Poverty” reduction (Ruggie, 1982). To accomplish this objectives and purposes, World bank focusing and give important to main six areas such as overcome “Poverty” especially in Africa, help to reconstruct countries that effected by war, provide aids to middle-income countries to out from “Poverty”, provide healthcare to prevent from HIV/AIDS and malaria. Apart from that, World Bank work together with Arab League on three targets, mainly to develop learning, figure foundation and arrange loans to little commerce. The last focusing area is to reveal its proficiency with extending nation state by publicizing its information by report and communicating connected file.

The World Bank contains of two development establishments which known as the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA). An IBRD function is to provide finances, beliefs, and contributions while IDA operates to provide low or noninterest lends to low-income countries. Apart from that, the World Bank closely works together with three other organisations in World Bank group which known as “International Finance Corporation (IFC) that grants financing, intelligence and qualification supervision to concerns and government”. Apart from that, “The Multilateral investment Guarantee Agency (MIGA) prepares guarantees counter to damages affected by non-commercial threats to investors in emerging states”. The International Centre for Settlement of Investment Disputes (ICSID) works to settle investment disputes between investors and countries (Woods, & Narlikar, 2001). World Bank’s contributions to developing countries are proved when World Bank support India by giving loans for various purpose of developments projects. Likewise, India has been deriving from the World Bank groups through IBRD and IDA for the growth of “Poverty” alleviations, infrastructure, rural developments, iron and steel industry, coal mining, agriculture, telecommunication and so on. Apart from that, World Bank also provided technical assistance in India's development plans. It has sent several missions to India to evaluate the working and progress of it Five Year Plans and to access the foreign exchange requirements of the country.

Trade represents one of the important indicators which brings out the transmission from developing countries to developed countries. In content of that, World Trade Organisation (WTO) contributes their responsibility to help the developing countries in many aspects. WTO is one of the overall match organisations that deal "with the regulations of exchange linking realms which arose into intensity on 1 January 1995 in Geneva".

The main goal of WTO is to facilitate the makers of exports and examines, traders lead their commerce successfully. WTO's main objectives is to progress the usual of existing, increasing the job opportunity, ensuring growth of actual revenue and mandate, growing creation and employment, increasing the "Sustainable Development", improve the protection of the environment and so on. The reason why WTO was established is because the great depression in 1930's gives big impacts to "International Trade" and for securing their economies various countries-imposed import restrictions that give difficulties to the flow of trading system. This impact tremendously declines world trade. So that, United States (US) created tried to create "International Trade" Organisation (ITO) to recover back the trading system, but that organisation collapsed due to absence of authorisation by the US Congress (Werker, & McArthur, 2016). Following that, WTO was established and replaced the '*GATT*'. As can stated that, WTO is more dominant than other organisation because have its institutional foundation and its dispute settlement system.

The WTO deals with developing countries from different perspectives and their needs. For example, WTO treaties with the unusual requests of acquiring nations in three ways. There are focusing on WTO covenants comprise distinctive provision on emerging states, the Committee on Trade and Development that helping to work in WTO and to deal with some issues related with trade and debt and technology transfer. The third way is by the WTO Secretariat who specifies specialised standards for developing countries. The WTO helps the trade throughout trade agreements and provides fair methods to resolve any trade disputes. Mainly, WTO prevents trade protectionism which slows down economic growth. For example, WTO also represent as backbone to the Malaysia's trade development. Malaysia was part of the WTO's information technology agreement in 1997 to support the global trade in IT products. According to the Star Online, stated that trade support Malaysia's development. This is because for the last five decades the nation's economy has been rising at a rate of 6.5% per year and successfully ranked 11th place in trading system with help by WTO (Sanford, & Weiss, 2004). Malaysia's trade performance also increased in 2018 by 14.8 percent to RM 157.05 billion compared last year 2017 (World Bank, 2020). This expansion growth happened because Malaysia was trade with ASEAN, China, US, Hong Kong, South Korea, Japan, and the European Union and Taiwan. During this time, export increased by 14.4 percent to 83.5 billion while imports rose by 15.2 percent to RM 73.55 billion. Thus, WTO helps Malaysia to achieved high level of economic growth, trading system and encourages them to be part of developed countries.

In short, international organisations, especially International Economic Organisations such as IMF, World Bank and WTO play important roles to help the developing countries. Each of the organisations have their own goals and developments objectives in developing countries to eliminate the "Poverty" rate, improve the trading systems, increase the infrastructures and facilities, improve the loan systems, expand the financial assistance, and improve the living standards of countries. This objective mainly to accomplish the aims to be developed countries such as United States, Singapore, Germany, Norway, Japan, United Kingdom, Sweden, Belgium, Hong Kong and so on. To achieve that, developing countries should move to highly industrialized countries, improve infrastructure and public transportation, advance their economic stability and public services like education and healthcare.

International Organisations (IOs) are entities established by treaties or agreements between nations to address global issues, facilitate cooperation, and promote peace and development. These Organisations operate crosswise a varied band of fields, incorporating economic enhancement, security, health, as well as human rights. Their structure, scope, and objectives vary, but they share a common goal of fostering international collaboration to solve complex challenges. This essay explores the concept of international Organisations, their significance, and their impact, supported by statistical evidence.

International Organisations are essential for managing global interdependence. They provide platforms for dialogue, establish norms, and implement programs that address transnational issues. For instance, the United Nations (UN), founded in 1945, is the largest international Organisation, with 193 member states. It focuses on retaining worldwide accord, encouraging person privileges, and adopting "Sustainable Development". The UN's "Sustainable Development" Goals (SDGs) represent a global assurance to achieving targets such as eradicating "Poverty" and ensuring quality education by 2030.

Organisations like the World Trade Organisation (WTO) play a critical role in economic integration. The WTO oversees global trade, with over 98% of world trade conducted under its agreements. Since its establishment in 1995, WTO trade agreements have contributed to a 5% annual growth in global trade (WTO, 2023). Similarly, the World Bank has provided over $67 billion in loans and grants to low- and middle-income countries in 2022 alone, supporting development initiatives worldwide (World Bank, 2023).

International Organisations operate through mechanisms such as multilateral agreements, technical assistance, and dispute resolution. For example, the International Monetary Fund (IMF) provides financial assistance and policy advice to countries facing economic crises. In 2022, the IMF disbursed $49 billion in emergency support to 96 countries, helping them stabilize their economies during global uncertainties (IMF, 2023).

In the realm of public health, the World Health Organisation (WHO) coordinates international responses to health crises. During the COVID-19 pandemic, the WHO played a pivotal role in vaccine distribution through the COVAX initiative, delivering over 1.8 billion doses to 146 countries by 2023 (WHO, 2023).

Regional Organisations also contribute significantly to international cooperation. The African Union (AU) and the European Union (EU) foster regional stability and integration. The EU, for instance, represents the world's largest economic bloc, with a combined GDP of $17.1 trillion in 2022, driving global trade and innovation (Eurostat, 2023).

## 1.3 The Importance of International Cooperation and International Organisations

**Importance of International Cooperation:** International cooperation is essential in addressing global challenges that transcend national boundaries, such as "Climate Change", pandemics, economic instability, and security threats. By fostering collaboration among nations, international cooperation promotes peace, prosperity, and "Sustainable Development", ensuring a more equitable and stable global community.

**Addressing Global Challenges**: International cooperation is crucial for tackling complex global issues that no single nation can resolve alone. "Climate Change", for example, requires collective action to mitigate its impacts and transition to sustainable practices. Agreements like the Paris Agreement exemplify how international collaboration can set global targets to limit conservatory air releases and combat "Environment Modification" (UNFCCC, 2015). Similarly, the COVID-19 pandemic underscored the magnitude of coordinated responses in sharing resources, vaccines, and knowledge to protect global public health (World Health Organisation [WHO], 2020).

**Promoting Economic Growth**: Global economic stability depends on cooperative mechanisms that enable trade, investment, and promotion. Institutions such as the World Trade Organisation (WTO) play a vital character in making guidelines for "International Trade", resolving disputes, and promoting economic growth (WTO, 2021). Additionally, initiatives like the Belt and Road Initiative showcase how cross-border cooperation can stimulate infrastructure development, connect markets, and reduce "Poverty" in developing regions (World Bank, 2020).

**Enhancing Security**: International cooperation is fundamental in focusing collateral fears like violence, cybercrime, and nuclear propagation. Organisations like the United Nations (UN) and regional alliances such as NATO provide frameworks for collective security, peacekeeping missions, and conflict resolution (UN, 2021). Collaborative efforts also help counter transnational threats, ensuring that nations work together to prevent and mitigate crises.

**Advancing "Sustainable Development"**: The United Nations "Sustainable Development" Goals (SDGs) exemplify how international cooperation can align efforts toward eradicating "Poverty", reducing inequality, and promoting sustainability (UN, 2015). Partnerships between nations and Organisations mobilize resources and expertise to achieve these goals, particularly in developing countries.

**Importance of International Organisations:** International Organisations (IOs) play a pivotal role in fostering global cooperation, addressing transnational challenges, and promoting peace, security, and development. They serve as platforms for dialogue, policy coordination, and resource mobilization, ensuring collective action in an increasingly interconnected world.

**Facilitating Global Cooperation**: International Organisations provide a structured framework for nations to collaborate on shared challenges. For example, the United Nations (UN) promotes dialogue and multilateral diplomacy, enabling member states to focus issues such as "Shortage", "Temperature Alter", and conflict (United Nations, 2021). By fostering cooperation, IOs help mitigate conflicts of interest, ensuring that global solutions are inclusive and equitable.

**Promoting Peace and Security**: Organisations such as the UN and North Atlantic Treaty Organisation (NATO) play critical roles in