



# POWERFUL ORGANIZATIONS AND GLOBAL GROUPS



**IB Geography Global interactions | Student resource pack | Updated October 2026**

Global problems cross national borders, but most decisions still belong to national governments. Powerful groups help countries coordinate policy, manage crises and finance development. Their decisions can shape trade, investment, energy prices and people's opportunities far beyond their membership.

This pack covers the G7 and former G8, G20, OECD, OPEC, IMF and New Development Bank. The United Nations is included as useful wider context. Read each profile to explain how power works, who benefits and why outcomes are contested.

## **Different organizations exercise different kinds of power**

G7 and G20 coordinate governments through discussion and political commitments. They do not directly govern other countries.

OECD influences policy through research, comparisons and international standards.

OPEC coordinates oil policies and production, influencing a resource on which many economies depend.

IMF and NDB use lending, but for different purposes: financial stability and development investment respectively.

UN brings states together for diplomacy, peace, rights and development, with different powers held by different bodies.

## **Key geographical concepts**

Power is the ability to influence decisions and outcomes. Sovereignty is a state's authority over its own affairs. Interdependence means countries rely on one another. Global governance describes the institutions and agreements used to manage shared issues. Multilateralism means countries working together. Legitimacy concerns whether authority is considered fair and justified.

## **How to evaluate**

Ask who makes the decisions, whose interests are represented and who experiences the costs. Separate an organization's stated aims from its actual results. A policy can help the global economy while creating hardship for particular households or places. Consider both short-term effects and long-term change.



## G7 AND THE FORMER G8

Group of Seven | Informal forum | G7 format established in 1976

The G7 comprises Canada, France, Germany, Italy, Japan, the United Kingdom and the United States. The European Union also participates. Russia joined the expanded G8 format in the late 1990s; its participation was suspended in 2014 after the annexation of Crimea. The group returned to the G7 format. [1]

### Purpose and key roles

Leaders and ministers coordinate approaches to economic and geopolitical challenges. Members can align their own aid, sanctions and investment policies. The group has no permanent secretariat or treaty-based authority to impose its summit commitments on other states. [1]

### Benefits and opportunities

A small group can develop shared positions relatively quickly. Its members have substantial financial resources and diplomatic influence, so cooperation can mobilize funding or strengthen a response to a crisis.

### Criticisms and limitations

China, India and most countries in Africa and Latin America are outside the group. This raises questions about representation when G7 priorities affect the wider world. Promises depend on national implementation, and disagreements between members can weaken action.

### Example to remember

Russia's suspension illustrates how membership can express political values and geopolitical disagreement. It also shows a limit: excluding a state from a forum does not automatically change that state's behaviour.

### Think geographically

How can a small membership make the G7 both effective and less representative? Explain one effect on a country outside the group.

Sources [1] G7 Italia About the G7



# G20

Group of Twenty | Informal forum | Established in 1999

The G20 brings together 19 countries, the European Union and, since 2023, the African Union. The name has remained G20 despite this expansion. It began after the Asian financial crisis; leaders' summits started in 2008 during the global financial crisis. [2]

## Purpose and key roles

Its main role is international economic cooperation. It coordinates discussion of financial stability, debt, development and other shared challenges. National governments and institutions implement agreements; the G20 is not itself a bank and does not directly fund a global stimulus package. [2]

## Benefits and opportunities

Including major emerging economies such as China, India, Brazil and Indonesia gives it broader representation than the G7. Bringing creditors, borrowers and major markets together can help reduce the risk that one country's crisis spreads elsewhere.

## Criticisms and limitations

Broad membership also means conflicting interests. Consensus can produce vague commitments or slow implementation. Regional representation through the African Union does not mean every African government has its own individual seat. Smaller states and civil society may have limited influence.

## Example to remember

The African Union's admission in 2023 strengthened Africa's formal representation. The geographical significance is a wider voice in discussions of debt and development, although influence still depends on bargaining power and implementation. [2]

## Think geographically

Why might greater representation improve legitimacy but make agreement harder? Compare the G20 with the G7.

Sources [2] G20 South Africa About G20 and Overview



## OECD

Organisation for Economic Co operation and Development | Established in 1961

The OECD has 38 member countries, spanning Europe, the Americas and Asia-Pacific. It also works with non-members. Its main influence comes from expertise and policy standards rather than emergency loans or control of commodities. [3,4]

### Purpose and key roles

It gathers comparable evidence and helps governments assess policies on education, taxation, employment, inequality and the environment. Peer learning and reviews let governments compare performance. Recommendations influence national policy and discussions in forums such as the G20. [4]

### Benefits and opportunities

Comparable evidence can reveal problems and inform reforms. Cooperation helps address issues that a government cannot easily solve alone, such as multinational companies shifting profits across borders. Shared standards can improve predictability for businesses and governments.

### Criticisms and limitations

Its largely affluent membership creates concerns about whose priorities shape advice. A policy that works in one economy may not suit another. Comparisons can oversimplify local differences, while implementation still depends on governments' capacity and political choices.

### Example to remember

The OECD supports the international framework for a 15% global minimum tax for large multinational enterprises. The aim is to reduce incentives to shift profits to low-tax jurisdictions. Implementation varies, so agreeing a framework is different from achieving universal coverage. [5]

### Think geographically

How can evidence and standards give an organization power without a large lending budget? Who might gain from international tax cooperation?

Sources [3] OECD Members and partners [4] OECD About [5] OECD Global Minimum Tax



## OPEC AND OPEC PLUS

Organization of the Petroleum Exporting Countries | Established in 1960

OPEC coordinates petroleum policies among oil-exporting states. OPEC plus is the wider cooperation between OPEC and participating non-OPEC producers, including Russia. They are related but distinct arrangements. [6,7]

### Purpose and key roles

Members negotiate production levels to influence the balance between oil supply and demand. If supply is reduced while demand remains similar, prices may rise. This gives exporters leverage, although global prices also respond to demand, conflict, other producers and expectations. Production agreements require monitoring and compliance. [7]

### Benefits and opportunities

Cooperation can help exporters avoid sudden revenue collapses and plan public spending. More predictable supply can support investment. For exporting economies, oil income can fund infrastructure and services, although results depend on how revenue is managed.

### Criticisms and limitations

Higher oil prices can increase transport, manufacturing and food costs in importing countries. Members may disagree over production levels or exceed targets. Other suppliers and changing demand limit the group's influence. Dependence on oil also creates exposure to the energy transition.

### Example to remember

In June 2026, OPEC and participating non-OPEC producers reaffirmed production arrangements through the end of 2026 and emphasized monitoring compliance. This shows coordinated market management rather than complete control over the world oil price. [7]

### Think geographically

Trace how an oil production cut could affect an exporter's government, a Thai transport company and a low-income household. Why are the outcomes different?

Sources [6] OPEC Member countries [7] OPEC 41st OPEC and non OPEC Ministerial Meeting June 2026



# IMF

International Monetary Fund | Created through the Bretton Woods process | 191 members

The IMF's central purpose is international monetary and financial stability. It advises governments, develops institutional capacity and lends to countries facing external financing problems. It is not primarily a bank for building roads or schools. [8,9]

## Purpose and key roles

A balance of payments problem occurs when a country struggles to finance its transactions with the rest of the world. IMF lending gives governments time to adjust. Programs usually include agreed policy conditions and reviews, although emergency and other facilities differ. [9,10]

## Benefits and opportunities

Financing can reduce the risk of abrupt adjustment and help restore confidence. Policy advice can improve financial management. Stabilizing one economy can benefit trading partners and investors by limiting the spread of a crisis. Success depends on the program and wider conditions.

## Criticisms and limitations

Policy conditions can constrain governments' choices. Spending restraint, tax increases or subsidy reforms may create short-term hardship unless vulnerable people are protected. Voting power reflects quotas linked to economic size, so countries do not have equal influence. Assess stabilization alongside its distributional effects. [10,11]

## Example to remember

The IMF's 2026 review of program design and conditionality calls for more realistic programs, greater flexibility in responding to shocks and reforms tailored to countries' circumstances. These are proposed improvements, not evidence that all programs have already achieved them. [12]

## Think geographically

When does accepting loan conditions support sovereignty by preventing collapse, and when might it reduce policy autonomy? Explain both views.

Sources [8] IMF at a glance [9] IMF Lending [10] IMF Conditionality [11] IMF Quotas [12] 2026 review FAQ



# NEW DEVELOPMENT BANK

NDB | Founded by Brazil Russia India China and South Africa | Operations began in 2015

The NDB is a multilateral development bank created by the original BRICS countries. It finances infrastructure and sustainable development in emerging market and developing economies. Its membership has expanded beyond the five founders. NDB membership and BRICS membership are not interchangeable. [13,14]

## Purpose and key roles

It mobilizes finance for projects such as clean energy, transport and water infrastructure. Funding includes shareholder capital and borrowing through bonds. The founders initially subscribed equal capital shares; voting rights are linked to subscribed shares, rather than every future member automatically receiving equal power. [13,14]

## Benefits and opportunities

An additional development bank expands financing choices and gives emerging economies a larger institutional role. Local-currency lending can reduce a borrower's exposure to exchange-rate changes where its revenue is earned in the same currency. Well-chosen projects can improve connectivity and services.

## Criticisms and limitations

Infrastructure loans still require repayment. Weak project selection can create debt without sufficient benefits. Construction may displace communities or damage ecosystems, so safeguards and scrutiny matter. Founding shareholders retain substantial influence, and access to market finance limits what the bank can lend. [14]

## Example to remember

The 2022–2026 strategy targets 40% of financing for climate mitigation and adaptation projects and 30% in local currencies. These are targets, not achieved results. The separate BRICS Contingent Reserve Arrangement is not an NDB fund. [15]

## Think geographically

Why might a renewable-energy project suit the NDB while an urgent external financing crisis suit the IMF? Identify one risk that development lending does not remove.

Sources [13] NDB About [14] NDB Investor FAQs [15] NDB General Strategy 2022 to 2026



# UNITED NATIONS

UN | Established in 1945 | 193 member states | Wider context beyond the specified syllabus

The UN provides a broad framework for cooperation on peace, development and rights. Its system includes many bodies with different responsibilities. The General Assembly gives each member state one vote, but voting power is organized differently in other bodies. [16]

## Purpose and key roles

The Security Council has primary responsibility for international peace and security. It can adopt binding decisions, impose sanctions and authorize force. The General Assembly provides debate and recommendations; most of its resolutions are not legally binding. UN agencies and programs also support humanitarian and development work. [16]

## Benefits and opportunities

Almost universal membership gives small states a forum to raise concerns. Cooperation can organize assistance across borders and establish shared goals, including the Sustainable Development Goals. Diplomacy and humanitarian work can continue even when states disagree politically.

## Criticisms and limitations

The Security Council has 15 members, including five permanent members: China, France, Russia, the United Kingdom and the United States. A negative vote by any of these can block a substantive resolution. This can prevent collective action during crises. Resources and implementation depend heavily on member states. [16,17]

## Example to remember

A veto on a proposed conflict response illustrates unequal institutional power. However, it does not cancel all UN activity: humanitarian agencies, diplomacy and General Assembly debate have different mandates. Evaluate the relevant body rather than treating the UN as one actor.

## Think geographically

Compare representation in the General Assembly with decision-making power in the Security Council. Why does equal voting in one body not mean equal overall influence?

Sources [16] UN Main Bodies [17] UN Security Council Voting System

# COMPARE AND APPLY

Use the profiles to build explanations and judgments. The evaluation points describe potential benefits, criticisms and risks; outcomes vary between countries and programs.

| Group | Main source of influence             | Central evaluation issue               |
|-------|--------------------------------------|----------------------------------------|
| G7    | Coordination among affluent powers   | Effectiveness and exclusion            |
| G20   | Coordination across major economies  | Representation and consensus           |
| OECD  | Evidence and policy standards        | Expertise and policy suitability       |
| OPEC  | Coordinated oil production           | Exporter gains and importer costs      |
| IMF   | Stability lending and conditions     | Recovery and social costs              |
| NDB   | Development project finance          | Infrastructure benefits and debt       |
| UN    | Diplomacy and institutional mandates | Broad representation and unequal power |

## Check your understanding

1. Distinguish an informal forum from a lending institution.
2. Explain why G8 appears in the syllabus but G7 is the current format.
3. Identify the two regional bodies represented in the G20.
4. Explain how OECD advice can influence a non-member country.
5. Distinguish OPEC from OPEC plus.
6. Explain why OPEC cannot determine oil prices on its own.
7. Define balance of payments and conditionality.
8. Distinguish IMF lending from NDB lending.
9. Explain one benefit and one risk of local-currency lending.
10. Explain how the Security Council veto works.

## Develop a judgment

1. To what extent do powerful global groups strengthen cooperation while reproducing inequality? Compare at least two groups.
2. Evaluate the view that international lending increases a country's development opportunities. Consider short-term and long-term effects.
3. Choose one organization and explain how its decisions create different effects at global, national and household scales.