



Why Should We Care About Development Finance? ...because it's our money!

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The Economy This Week!

Eight Charges against World Bank on its 80th year.

As the Bretton Woods Institutions complete 80 years, here are eight charges against them (not in order of the severity of the crimes!).

1. Perpetuator of Climate Crisis:

Now championing as a climate saviour and "climate bank", the Bank must be the one institution which might have contributed the most to the crisis the planet is facing now. It's not just with their investments in key sectors and projects they did this, but religiously and ruthlessly promoting a development model based on extraction from and exploitation of nature, without considering planetary boundaries.

2. Privatising public sector and services:

Apart from promoting a development model that put the planetary boundaries in jeopardy, promotion and sustaining that model required systematic dismantling of public sector and services one by one. In India, it started with the power sector and then spreading into nearly all key sectors and services like education and health. Once created with a vision for the development of a nation, and with public money, these public institutions were handed over to private corporations in the name of encouraging competition, reducing governmental inefficiency, and spurring innovation.

3. Conditionality:

All fiscal interventions the Bank/IMF initiated in emerging economies were accompanied with drastic conditionalities impacting the economy and people of those countries. The story of the debt trap in Latin America in the 70's and 80's is well documented. In recent years, the austerity measures in countries facing economic crisis put people in severe constraints.

4. Not accountable:

Until fishworkers from Gujarat won the case in the US Supreme Court (Jam vs IFC) in Feb 2019, World Bank Group enjoyed even legal immunity. But that aside, in none of the projects where the Bank invested, despite causing massive devastation of the environment and negative impacts on people, the Bank never was accountable to people. This is despite the institution taking huge credit over putting Independent Accountability Mechanisms (IAMs) to address the negative impacts. But over the years, the powers of the IAMs got watered down, their findings ignored, and IAMs never could hold anyone accountable in the Bank for gross violations of their own policies.

5. Undemocratic:

Despite 8 decades of its operations, despite there has been significant progress in global governance structures, good practices and better understanding of democratic rights, the Bank remains undemocratic and dancing to the tunes of the rich and powerful nations. Just to illustrate that, eight of the Bank's largest shareholders – US, Japan, Germany, France, UK, China, Saudi Arabia and Russia have 42% of voting share. In contrast, all 47 Sub-Saharan African countries command less than 6% of all voting shares.

6. Development Finance Gatekeeper:

Country policy and Institutional Assessments, Investment Climate Assessments, Global Economic Prospects Report and Ease of Doing Business Report are some of the reports through which the Bank influences smaller economies to facilitate easy investments of private corporations. In India alone, Ease of Doing Business rankings paved the way for the dilution of thousands of environmental and labour safeguard policies. The Make in India website proudly claims that "India jumps 79 positions from 142nd (2014) to 63rd (2019) in 'World Bank's Ease of Doing Business Ranking 2020'. To further enhance the ease of doing business in the country, more than 39,000 compliances have been reduced, and more than 3,400 legal provisions have been decriminalised." Interestingly, the ranking was discontinued in 2021 after getting exposed over data fraud and methodology.

7. Knowledge provider & Standard setting institution:

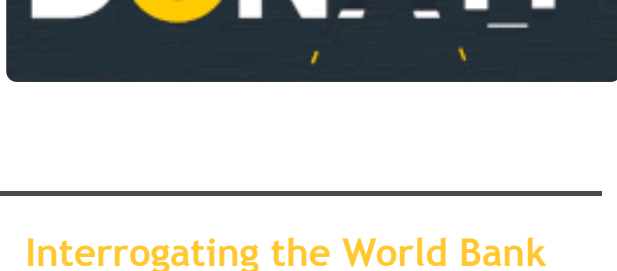
As a knowledge provider, the Bank continues to create an atmosphere in favour of the business model and projects they want to promote, by generating research and literature. Bank sets the standard for nearly all developmental sectors. While their data collection and methodology are never open for scrutiny, the knowledge they produce and the standards they define often influence the public and academic debates to the extent that it makes it a difficult task to expose those.

8. Promoter of wealth inequality:

The World Bank has been accused of focusing too heavily on GDP growth as a primary indicator of success, often overlooking the distribution of wealth and income within countries. Bank's failure to address the root causes of inequality in its development strategies has perpetuated, rather than alleviated, social and economic disparities. The World Bank has historically emphasized free-market reforms as the path to economic growth, often prioritizing the interests of multinational corporations and wealthy elites over those of the general population.

-Team CFA

We refuse to give up trying to demystify finance. We will continue to hold the government and financial institutions accountable for their economic policies and investments. [Support us.](#)



Interrogating the World Bank and IMF at 80: Development or hypocrisy?

On their 80th birthday, the colonial legacies of the World Bank (collectively for the IBRD – International Bank for Reconstruction and Development and the IDA – International Development Association) and the International Monetary Fund (IMF) have sparked calls for reforms, radical reconstruction and even shutdowns from civil society organisations (CSO) in the Global South/Majority World.

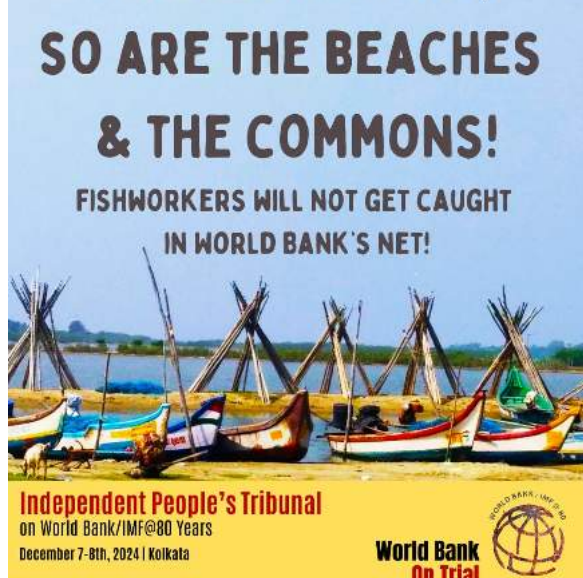
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[Essay:](#)
Revisiting Bretton Woods@ 80: Critiques and Calls for Change in Global Development



[Essay:](#)
World Bank's Ironical 80 years; but why we are more unequal than ever?



World Bank on Trial | Independent People's Tribunal on the World Bank/IMF on their 80th Anniversary

As the World Bank Group celebrates its 80th anniversary, the Working Group on International Financial Institutions in India is organising an Independent People's Tribunal on December 7th and 8th at Bharat Sabha Hall, Bowbazar, Kolkata, to look at the harmful impacts of the World Bank Group's interventions in India. Join us for an India-focused tribunal on the impact of the World Bank and IMF on our nation and beyond. [Learn More.](#)

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