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The resignation of the World Bank president should encourage countries to terminate all agreement with the Bretton Woods institutions

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The President of the World Bank, Jim Yong Kim, submitted his resignation with effect from 1 February 2019. He was nominated at this post by Barack Obama in July 2012, and Donald Trump maintained that. Trump also developed private interests with him through his family members. JY Kim left his post at the World Bank to join a big private investment fund specialised in the infrastructure sector. [1]

Although the Board of Executive Directors of the WB is expected to elect a president for a five-year term, in reality, a tacit rule decides that this post would be reserved for a US representative. He is directly appointed by the American president

disregarding all democratic principles. Since 1946, twelve men have been named for the post, all Americans. [2]

Another form of US influence within this institution lies in the profiles of the "chosen few", always linked to big capital, especially financial. The WB raises funds, mostly by issuing bonds and is thus economically and politically, extremely dependent on these same banks and other big American privately-owned financial institutions. The president of the World Bank from 1981 to 1986, Alden W. Clausen was the President and CEO of the Bank of America - then heavily involved in the Third World debt crisis - before and after his term at the Bank. Robert Zoelick held a

high post at Goldman Sachs before carrying out his tenure at the WB in the midst of the financial crisis from 2007 to 2012. Likewise, Robert S. McNamara, the ex-president of Ford Motor Company, blithely participated in lending to dictatorial and corrupt regimes during the Cold War. For example, in Vietnam and in RDC, both when he was the US Secretary of Defence under John F. Kennedy and Lyndon B. Johnson and, the President of the Bank between 1968 to 1981. [3]

Even though JY Kim enjoyed a polished image because of his university education in medicine and anthropology, he did not go against the firmly entrenched Bank principles. As evidenced, especially, by the

structural policies that he led within the WB since 2012. The \$13 billion paid-in capital increase, endorsed in April 2018 [4] has seen a realignment of voting powers but without any fundamental questioning of its functioning. The US still commands 16.89% of the voting powers, *de facto* retaining its right to veto (in case of votes, a majority of 85% of the voting power has to be attained to come to any decision.) The domination of the US and their allies on this institution carries on. The other countries representing 80% of the global population does not count for even 50% of the voting rights.

More broadly, while the capitalist system – the primary cause of global warming and inequalities between the countries and also within the countries – encountered difficulties after the crisis of 2007-2008, the WB of JY Kim has strengthened the control of the forces of big financial capital by increasing its loans, now implemented at market rates. [5]

JY Kim has also worked to promote “shadow banking” and “securitisation” - at the core of the 2007-2008 crisis - to finance development [6], while intensifying the recourse to private sector through the International Finance Corporation (IFC), a subsidiary of the WB known for its close links with tax havens. The WB and JY Kim have thus, still failed to learn from the failure of Structural Adjustment Plans and continue the dismantling and weakening of public sector in favour of private companies whose projects translate into serious human rights violations: land grabbing, repression, displacement [7], arbitrary arrests or killings in order to silence protests. [8]

Defending the interests of the world's largest political power more directly, in May 2017 JY Kim joined Ivanka Trump, daughter of the misogynist billionaire president, on a business trip to Saudi Arabia, a historic political ally of the United States. This visit allowed the Saudi monarchy, ultra-reactionary and continuously trampling the rights of women, to offer a progressive image at low cost, through a pledge of donation for the Women Entrepreneurs Fund. Of course, the very purpose of this fund,

launched under the auspices of Ivanka Trump, JY Kim and Justin Trudeau, is to participate in capital accumulation at the global level by claiming to advance women's emancipation.

Contrary to the flattering portrayal of some, JY Kim has not at all reformed the World Bank. It has always defended the interests of capital and the richest and most powerful countries (United States, Canada, Western Europe and Japan at its head) at the expense of human rights and the preservation of the planet.

Following the announcement of the resignation of JY Kim and considering the destructive policy that has been applied without exception by the World Bank since 1946, the CADTM International network:

- denounces the influence of the United States, their allies and big capital within this institution;
- denounces the very low representation of the so-called "Southern" countries' positions in decision-making;
- reiterate that the World Bank is a major player causing political and economic problems faced by the peoples of the planet, particularly through taxation and deepening:
 - the preponderance of financial markets and large private industrial enterprises, agribusiness and trade;
 - *Doing Business* projects creating precarious work and *Enabling Business of Agriculture* touting agribusiness which contributes to greenhouse gas emissions, and drives

peasants into a unsustainable debt spiral [9] ;

- policies of speculation and land and water grabbing, of which the southern populations are the main victims;
- microcredit policies imposing an equally unsustainable debt burden on women and people in the South;
- structural adjustment plans, under this name or another, yesterday and today;
- denounces that, despite its justiciable nature under the 1947 UN Convention and its annexes, the World Bank remains above the law and the people, never condescending to face competent judicial authorities [32]. The inconsistencies that had already been noted by some civil society organizations, who were, however, supportive of the process, were not corrected [33]. This is illustrated, for example, by the fact of mentioning in the Preamble that "the Free Trade Areas of the Regional Economic Communities (RECs) pave the way for the creation of the African Continental Free Trade Area," whereas the supposed pillars are non-existent: none of the RECs can already be considered to be a free trade area. The opinion very widely shared by specialists is that the

East African Community (Burundi, Kenya, Uganda, Rwanda, Tanzania) is the most advanced process, due to having introduced the free movement of goods and a common external tariff. But this REC is still only at the beginning of the process of building a regional common market. There is also the Tripartite Free Trade Area process bringing together three RECs (the Common Market for East and Southern Africa - COMESA, - the East African Community - EAC - and the Southern Africa Development Community - SADC), representing 27 African states, from the Indian Ocean to the southern shores of the Mediterranean Sea. Signed by 22 states in 2015, initially expected to come into force in 2017, this agreement was only ratified in August 2018 by 3 of the 14 states required. With the exception of Botswana, Eritrea, Tanzania and Zambia, however, all of them have signed up to the ACFTA. It is as if, instead of serving as pillars of the Tripartite Free Trade Area, the RECs plan to use it as a pillar if it is implemented. So, it is as if it was up to the roof to serve as a support ... for the pillars. This points to an inability for states to go beyond the stage of signing the

agreement.

So, let us remember that the reason there are no regional FTAs is because there are not, properly speaking, many dynamic and diversified economies - from the point of view of capitalist development - producing goods to move freely from Port Louis to Tunis. Indeed, the growth of average GDP recorded during the decade was drawn mainly by raw materials for export, to be processed outside Africa. This is also illustrated by the 12 to 15 per cent of intra-African trade [34].

In other words, from the capitalist point of view shared by all African states, national economies producing a diversity of goods would have favoured the existence of regional FTAs within which, thanks to "a significant redistribution policy " (J. Berthelot), the imbalances and the inequalities would have been mitigated. For example, between South Africa - which represents 61 per cent of the GDP of the 15 members of SADC - and its community partners such as Botswana (2 per cent of GDP) or Namibia (1.8 per cent of GDP), not to mention the so-called Least Developed Countries (LDCs) such as Lesotho (with 52.8 per cent of the population living in extreme poverty) and Malawi (with 59 per cent); between Nigeria with 75 per cent of the GDP of the 15 members of ECOWAS, in which the GDP of CÔte d'Ivoire is 6 per cent (with 22 per cent of the population living in extreme poverty), at least ten times more than the GDP of Cape Verde (20 per cent of the population living in extreme poverty), Guinea-Bissau (58 per cent of the population) and the Gambia (12 per cent), LDCs which bring up the rear of the (capitalist economic) platoon of this REC.

A policy of solidarity that

already demands the elimination of borders within the RECs, reducing the already meagre inter-African customs revenue of these states, can only get worse with the possible leapfrog that would be the rapid extension of this elimination to the whole of Africa. Especially for the LDC states, of which Africa has the largest quota in the world. Regions Refocus and Third World Network Africa estimated in 2016 that "for example, tariff liberalization between the neighbouring countries of Nigeria and Niger would be more beneficial to Nigeria (the largest economy in Africa) than to Niger, which has low relative productive capacity and limited infrastructure, etc." [35].

However, nothing is planned similar to what has been achieved, in the way of "solidarity", by the European Union, which the African Union takes as a model (without actually having either its sense of organization or therefore, its means): "more than a third (of the EU budget) was devoted to the Structural Funds and the Cohesion Fund, which greatly facilitated the catching up of less-developed Member States of the EU of 15, and even more so the 13 new Member States from Eastern Europe since 2004". This is one of the explanatory factors, according to J. Berthelot, for intra-European trade representing "two-thirds of its total trade" - without however, the disappearance of the inequalities between the economies of the EU, reflected at the level of the social classes. [36]. In recent years the trend has even been towards increasing inequalities and poverty in the European Union. [37].

Moreover, with such free movement of goods, transnationals of extra-African origin - some of which are already active in Africa and

dominate the so-called African economy – would have greater opportunities. Rather than exporting goods produced in Europe to Africa. for example, which would be subject to tariffs, they are able to install themselves in African countries, to produce for the African market within the framework of the 90 per cent of products to be liberalized first, gradually – the remaining 10 per cent, including so-called sensitive products, will be dealt with later. The ACFTA, by organizing the sacrosanct competitiveness of African economies, is supposed to attract more (extra-African) foreign direct investment – in decline between 2014 and 2016. This explains the reluctance of some states,

whose leaders have no anti-capitalist fibre, to sign the said agreement. Especially since the Protocol on Rules of Origin, setting out the criteria by which goods will be considered as originating in the ACFTA, has not yet been established.

"Betrayal" by Nigeria and socio-economic "nationalism"

This is the case of Nigeria, almost accused of felony, both by its own citizens and by foreigners. For example, the Nigeria Trade Experts Forum recalled that not only does the

ACFTA originate from the Action Plan of Lagos and the Abuja Treaty, but also that Nigeria, Africa's leading economy, had taken the chairmanship of the Continental Free Trade Area Negotiation Forum [38]. For his part, an African (non-Nigerian) teacher at Sciences Po (Paris) spoke about the Nigerian head of state, Muhammadu Buhari, in terms of a "pathetic big brother", of the "(economic) giant of Africa and its shadowy president (who) do not seem ready to assert themselves, under the fallacious pretext of giving themselves time for reflection and continuing consultations, internally, with the business community" [39], Ethiopia and Rwanda [