

WSDC 2023 ROUND 1 : MALAYSIA VS NEW ZEALAND :

THBT the World Bank Group should adopt a one country one vote system

Detailed summary

PROP	OPP
<p>Framing</p> <ul style="list-style-type: none"> - World Bank imposes unrealistic conditions for loans on poverty stricken countries <ul style="list-style-type: none"> - Diverts resources from the nations that need them the most - Aid becomes political tool for superpowers to consolidate power - Even if member states are unable adequately contribute, the World Bank is already stable financially in status quo <ul style="list-style-type: none"> - ie. a small percentage of the US' GDP is already worth billions - World Bank also gets funds from non-state actors + charities <ul style="list-style-type: none"> - ie. Melinda Gates Foundation - A portion of assets in the World Bank's reserve are also put to use by investments, bonds and repayment of recipient nation loans 	<p>Framing</p> <ul style="list-style-type: none"> - Problem solution mismatch on prop <ul style="list-style-type: none"> - Short term solution - 3 ways World Bank donors will react <ul style="list-style-type: none"> - Pulling out of World Bank because there is no longer political incentive to do so - Severely cut down on funding as extra expenditure on the World Bank is seen as wasteful by the public <ul style="list-style-type: none"> - More likely to pursue isolationist policies - Turning away from the World Bank and turning to more malevolent option like China's Asian Infrastructure Investment Bank (AIIB) <p>Developing countries don't have the facilities to monitor their economy in the long term</p>
<p>Mechanism</p> <ul style="list-style-type: none"> - All countries now get a vote that is equally weighed <ul style="list-style-type: none"> - Vote is able to determine: <ul style="list-style-type: none"> - Selection of technocrats + executive boards (tasked with the allocation of resources) - Settling disputes - Policy implementation - Formulating resolutions to aid poorer countries - Member states required to provide annual payments <ul style="list-style-type: none"> - Directly proportional to their gdp - Any additional payment will not be used to consolidate political power further (ie more money more vote power) 	<p>Mechanism</p> <ul style="list-style-type: none"> - increase recipient nation non-voting representation <ul style="list-style-type: none"> - ie. Board of Directors, because it holds much more impact in policy making - Collective bargaining by recipient nations <ul style="list-style-type: none"> - ie. African states are doing in status quo - Comparative of opposition : <ul style="list-style-type: none"> - Maintain US leadership - Maintain Competitive incentive structure for more countries to donate more to have larger number of votes - Allow recipient nation to maintain political capital to focus on case by case negotiations to ensure fair outcomes in each context
<p>Burden of Proof Prove why a politically clean World Bank is the only path to fulfilling the agenda of equitable world development even if it comes at the cost of less funding</p>	<p>Burden of Proof Prove why status quo is the superior alternative to prop (defend status quo)</p>
<p>A1 : Weighted voting systems undermines World Bank's goals to reduce global poverty</p> <p>Current voting systems forces development in a way that entrenches inequality</p> <ul style="list-style-type: none"> - Enables wealthiest countries to overturn policies to be overturned - Wealthy nations have a chokehold - The moment World Bank imposes unrealistic 	<p>A1 : Negative outcomes of Prop 2 scenarios will play out :</p> <ul style="list-style-type: none"> - Superpowers find new ways to control the bank OR they entirely opt out of it (World Bank loses massive amount of funding) <ul style="list-style-type: none"> - USA and Japan control the World Bank via funding (and thus have an effective veto) - If they have political incentive to control

condition

- Incentive now changes for smaller nations, instead of eradicating poverty at home, nations now strive to have higher GDP, etc
 - Worsening social inequality
 - Forceful imposition of 1st world economics jeopardises the goal of the bank to reduce poverty
 - Developed countries use the World Bank to push their agenda of free trade
 - Developing nations are forced to open economies to foreign input destroys unprepared local industries
 - ie. World Bank's structural adjustment programs in Senegal entrenched 1/3rds of their workers in the 1980s putting millions into unemployment and poverty
 - Developing nations are forced to cut critical subsidies as World Bank views it as disruptive to free trade
 - ie. World Bank voted for Zambia to eliminate fuel and food subsidies to pay its debts
 - These subsidies controlled the prices of critical goods, forcing zambians into poverty
 - Comparatively,
 - An equal voting system would encourage representative reform in World Bank
 - These individual nations might lack in GDP but are numerically strong
 - They can vote in solutions based on their unique expertises
 - ie. Microloans/Microcredit Systems by Bangladesh's Dhrami Bank lifted millions out of poverty
- On Opp, Microloans would've never been considered as these borrowers are seen as high risk by trad banking assessments
 - poorer nations are forced to compete in a worse off global framework.
- World Bank's legitimacy is based off their member states believing their member states are accommodated
- Forcing destructive policies forces nations to pick between econ. survival and getting money from the bank
 - This forces smaller nations to pivot away from the bank and opt into Asian Infrastructure Investment Bank (AIIB) led by China
 - Smaller nations are screwed over further because China leverages their poor credit scores
 - When nations default, China seizes the property and profiteers
 - ie. port of Hambantota in Sri Lanka
 - This cripples their long term econ

the bank, they will do it no matter what
In prop, superpowers will use backroom approach to threaten decisions they don't like

- No legal or journalistic accountability
- Rollback progress transparency and accountability of World Bank after past decades
- Reinforce narratives about bad World Bank narratives
- Push more countries to AIIB
- Superpowers Abandon multilateral lending to the World Bank
 - Funding for the World Bank is symbolic for superpowers
 - Political incentive at home for countries like the US to spend money on World Bank (in the pursuit of global hegemony) collapses
 - When there is no exclusive benefit to paying more in World Bank, local voters are less likely to see it as beneficial
 - ie. poor americans seeing spending on the World Bank as wasteful as there is no immediate benefit from it
- As a result,
 - US will pursue a more isolationist policy (going away from World Bank)
 - Weakens perceptions of the US on a global stage
 - Raise Chinese stability relatively
 - Weaken USA's ability to maintain global peace and order
 - Especially in the midst of the US involvement in Ukraine
 - Rejection of the US led world order
- Conclusion
 - Lack of funding is major harm for World Bank

<p>prospect and China restructures their economy to exclusively benefit China</p>	
<p>A2 : Ensures a more Adequately enforced world bank</p> <ul style="list-style-type: none"> - SQ, World Bank enforces their policy is arbitrary and unfair - ie. US' injection of 48 billion dollars annually lets them determine the conditionality of their loans while being able to favour their allies. - US protects domestic industries so they push the World Bank to reject loans. - ie. they inhibit loans from India's and Pakistan's steel industries to protect US steel industries at home - ie. 2 Billion dollars were given to Haiti post disaster but similar aid was not given to Turkey and Syria who suffered on a similar scale <ul style="list-style-type: none"> - Just because Haiti is geographically proximate to the US - Financial influence over the World Bank perpetuates the enlargement of giants and only favours their allies. - On prop, <ul style="list-style-type: none"> - Smaller nations have equal say at the table as a developing state - As a result, more participation in the World Bank's initiative as nations get aid that is tailored to their needs - Leverage and negotiation power against large superpowers when their votes are impactful - Less of an incentive for superpowers to subjugate smaller states <ul style="list-style-type: none"> - Developed states have incentive to act as bastions for global development - Additional layer of deterrence when smaller nations are able to outvote developed nations from passing abusive policies - Larger nations will not step out of line as so far as they have an incentive to remain in the World Bank to maintain legitimacy 	<p>A2 : If World Bank still gets funding, massive perception change because the US no longer guarantees the World Bank</p> <ul style="list-style-type: none"> - US leadership of the bank guarantees access to low rate loans (US lends their credit rating, wealth + rep thru the world bank) <ul style="list-style-type: none"> - Collective wealth of US + other superpowers is represented by the world bank - Private financiers at ease → allows developing countries to borrow at much lower rates - Access to these low rate loans are crucial to developing nations <ul style="list-style-type: none"> - If developing nations opt out of World Bank, they get worse rates for loans - Cut back on social programs - On prop, confidence in the bank collapses because superpowers no longer cover it <ul style="list-style-type: none"> - Downgrades in credit ratings - brings up cost of borrowing - In times of economic uncertainty, lenders pursue harsh conditions of debt restructuring <ul style="list-style-type: none"> - Because they want to restore as much as possible because there is no longer a guarantee that the US will cover when a nation defaults - Rollback of democracy <ul style="list-style-type: none"> - More countries pursue less accountable loans and more corruption occurs - Entrenching power in the political elite <p>*debt restructuring refers to lender changing the method of payment for borrowers</p>
<p>A3 : World Bank will have to pursue depoliticization policy</p> <ul style="list-style-type: none"> - There will be a shift towards a global norm of inclusivity <ul style="list-style-type: none"> - Already exists in status quo, ie, ASEAN, WTO, NATO - They will strive to be as transparent and accountable as these nations 	<p>A3 : Lost of faith in the World Bank when major superpowers leave</p> <ul style="list-style-type: none"> - Bank is equally reliant on the major financier nations because the accumulation of wealth assures lenders that repayment is able to occur - Superpowers also use the bank as a form of colonial reparation for colonialism that also takes an active part in bridging the wealth gap