



Verdict - Global Peoples' Tribunal on World Bank and IMF

11th October 2023, Marrakech, Morocco

The Tribunal called the World Bank and International Monetary Fund “the biggest scam of the century”

They are robbing the poor, and funding the rich

The Jury members of the Global People's Tribunal on World Bank and IMF convened in Marrakech, Morocco alongside the World Bank and IMF Annual Meetings on the 11th of October 2023 from 9:30am to 3:30pm. The Jury members are from different countries and are leading experts in the areas of economics, human rights and social justice activism. The Jury members heard testimony from representatives of communities affected by World Bank and IMF policies and practices in Ecuador, Egypt, Indonesia, Ivory Coast, Kenya, Malawi, Mexico, Pakistan, South Africa, Uganda, Zambia, and Zimbabwe.

Context

Across the world, Governments and International Financial Institutions (IFIs), particularly the World Bank and International Monetary Fund (IMF) continue to follow an economic model that has consistently supported the rich and failed the poor. The neoliberal economic model pursued by the Governments and the IFIs resulted in reduction in public services, exponential growth in privatization of essential services and shifting the tax burden from rich to the poor. Reduced public spending and privatisation of essential services have left devastating impacts on people's lives as the cost-of-living rises, and public services are underfunded. Women and the most marginalised are most impacted, with increasing care work and removing them from paid work, widening the gender gap. Also, debt repayments are prioritised over the rights and needs of ordinary people.

Description of accusations

The testimony of activists from Africa, Asia and Latin America gave evidence on how the IFIs' policies and practices impacted people negatively. Their testimony focussed on – (1) how the policies and practices impacted people from feminist perspectives, (2) how debt and austerity measures impacted people's day to day lives, and (3) how specific privatisation projects (and Public Private Partnerships) funded by the two institutions have impacted people's lives. The testimony gave examples of how the IFIs' policies and practices favored the rich at the cost of the poor, especially women and other marginalised groups. How the projects violated human rights of those very people they're supposed to benefit. How people's lives are being destroyed as a result of mounting national debts and austerity measures that robbed schools and hospitals of vital financial resources, removal of fuel and agricultural subsidies, and left people to deal with the cost of living crisis on their own. How the IMF in effect acts as a debt collection agency on behalf of creditors and lenders, who are the richest actors in the world.



The testimony brought our specific examples of individuals and communities, and contrasted them with how the very policies benefited the richest in their countries and societies. The testimony called out IFIs on their bluff and unmasked them. They can no longer hide behind their false commitments to fighting inequality and poverty. The testimony proved that IFIs are the biggest scam of the century. They have been scamming people and the planet under the guise of ending extreme poverty and promoting prosperity for everyone. In reality, they are doing the exact opposite by advising Governments to cut down spending on essential services and privatise them which make them inaccessible to poor people, shift the tax burden from the rich to the rest by reducing income taxes and increase regressive taxes such as VAT, and pursuing an economic model that's flawed and sexist that favors privileged wealthy few who are mostly men.

The verdict

The Jury probed those giving testimony further to understand the exact nature of the impact and their direct relationship to IFIs. The audience were asked to give their verdict after each Testimony as well. The audience were unanimous after each Testimony! The Jury convened after the final Testimony and deliberated on the validity of the accusations. They came to an unanimous decision holding the IFIs seriously guilty of fuelling inequality by colluding with the financial sector and powerful multinational corporations. They are ill-advising Governments to pursue an economic model that is entirely flawed and favours political and financial elites – a majority of whom are men. Testimony on specific projects showed a very direct impact of their policies and practices on people. The Jury called on the IFIs to stop working for the richest and start working for the rest. The Jury and the audience members agreed to call the World Bank and International Monetary Fund “the biggest scam of the century”.

Members of the Jury

Lidy Nacpil, Coordinator, Asia People's Movement on Debt and Development

Bhumika Muchhala, Political Economist, Third World Network

Aziz Rhali, President, Moroccan Association of Human Rights

Francine Mestrum, Global Social Justice

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