



Care for Assets, Resources, and Obligations

A non-profit organization for changing the community

The mechanism of the World Bank: A Critical Comparison with CARO's Universal Governance Framework and Equitism

Authors- Md. Nayam Hossain¹, Sadia Akter², Mumtarin Aktar Meem³, Arpita⁴

Md. Nayam Hossain

Intern, Department of Education & Research, Care for Assets, Resources, and Obligations (CARO)

Email: mdnayamhossain2002@gmail.com

Sadia Akter

Intern, Department of Education & Research, Care for Assets, Resources, and Obligations (CARO)

Email: sadiaislamf999@gmail.com

Mumtarin Aktar Meem

Incharge, Department of Education & Research, Care for Assets, Resources, and Obligations (CARO)

Email: mumtarinmeem4@gmail.com

Arpita

Intern, Department of Education & Research, Care for Assets, Resources, and Obligations (CARO)

Email : arpitask993@gmail.com

Abstract:

This study criticizes the World Bank Group's neoliberal development model's ongoing inability to alleviate global inequality and attributes this shortcoming to its reliance on capital-intensive, voluntary growth strategies. The study compares the Bank's strategy to the Universal Governance Framework (UGF), a new paradigm based on "Equitism" that promotes enforceable redistribute justice, using a qualitative comparative analysis. By comparing the Bank's discretionary concessional lending with the UGF's proposal for a Global Economic Justice Authority (GEJA) financed by a mandatory global minimum corporate tax, the investigation identifies a crucial "Enforceability Gap." In the end, the results reveal a "Governance Paradox" in which the UGF provides normative clarity without political infrastructure, while the Bank has operational scale without enforceable morality. In order to institutionalize the UGF's binding principles and shift global development from voluntary aid to planned, quantifiable, and enforceable economic justice, the study's conclusion advocates for a "pragmatic synthesis" that makes use of the World Bank's current machinery.

Keywords: *World Bank Group, Universal Governance Framework, Equitism, Enforceability Gap, Global Economic Justice Authority, Neoliberalism, Global Inequality.*

Introduction:

In modern development, few institutions have been as influential as the “World Bank Group”. In the post-World War II era, with a charter for stabilizing economies and reconstruction, the Bank evolved into the most influential development authority in the world. Its policy advice, lending frameworks, and macroeconomic prescriptions set national strategies for more than seven decades. However, well into the twenty-first century, a huge contradiction has emerged: despite decades of World Bank interventions, inequality keeps widening in many of the very societies the institution is supposed to uplift. The persistent divergence between economic growth and equitable human development lays bare structural weaknesses in the overarching development philosophy that guides the Bank. What was once considered a neutral, technocratic institution has been increasingly criticized for entrenching a “neoliberal economic order” that places accumulation over distributive justice?

Background

The intellectual foundation of the Bank's model of development is essentially based on the neoliberal paradigm that peaked in global preeminence in the latter half of the twentieth century. Scholars like Griffin (2006) argue that Bank policies have invariably been oriented toward capital-intensive, market-driven growth based on the principle that the gains from increased production will eventually trickle down to the poor. This logic was crystallized through the so-called Structural Adjustment Programs, policy conditionality's, fiscal austerity, and large-scale privatization aiming at creating investment-friendly climates for international capital.

Although these policies often succeeded in stabilizing macroeconomic indicators, research from across regions suggests that they equally led to weakened state capacity, reduced social protection, and increased vulnerability for low-income populations. Although there has been robust GDP growth in certain contexts, the promised pathway to equitable development remains nowhere in sight. Inequality remains rampant, poverty reduction is fragile, and many countries continue to be structurally dependent on loans and policy prescriptions from abroad. This latter pattern has provoked extensive debate over whether an institution premised on voluntary compliance and market incentives can seriously tackle profound global injustices.

On the other hand, emerging governance models like the “Universal Governance Framework (UGF)” provide alternative paradigms based on enforceable fairness and redistributive justice. Developed under CARO’s global research initiatives, the UGF challenges the age-old assumption that development needs to be premised on market goodwill. Its doctrine of ‘Equitism’ asserts that fairness must be structurally inlaid-designed, measured, and enforced, rather than just encouraged. The framework proposes new global institutions that include the “Global Economic Justice Authority (GEJA)”, which would implement binding fiscal mechanisms such as a global minimum corporate tax. This model shifts the debate from voluntary aid to “institutionalized redistribution” and invites a systematic comparison with the World Bank’s existing architecture.

Research Problem

Although there is substantial scholarship critiquing neoliberal development, existing research often treats the World Bank's policies as isolated technical failures rather than the product of a deeper ideological structure. Few studies have interrogated the direct causal link between the Bank's “capital-intensive growth paradigm” and its empirical inability to deliver long-term inequality reduction. Even fewer have attempted to juxtapose this empirical pattern against a comprehensive alternative governance model that prioritizes enforceable fairness.

Moreover, although global redistribution is increasingly discussed, concrete institutional designs rarely follow. Much of the literature remains confined to either moral argumentation or incremental reform proposals working within the World Bank's existing framework. This leaves a conceptual and practical gap: the world lacks a structured comparison of the limitations of current global economic governance with possibilities that are more equal and enforceable.

Purpose and Direction of This Study

This paper aims to fill this lacuna by undertaking a multi-layered analysis of the World Bank's ideological commitments, fiscal practices, and institutional constraints. It critically investigates how and why the Bank's neoliberal focuses on capital intensity has never been able to reduce inequality, even within conditions of high growth. The study also includes a fiscal simulation that models the revenue-raising potential of GEJA's global minimum corporate tax, comparing

that with the World Bank's annual concessional lending portfolio in a manner highlighting the gap between voluntary, aid-based financing and enforceable redistributive capacity.

It also examines the institutional "enforceability gap" that typifies the structure of the World Bank. While guidance given by norms and financial incentives are provided by the Bank, the mechanisms for binding fiscal justice or mandatory accountability are still lacking. In this respect, the research contrasts this with the legally grounded enforcement architecture of the UGF and shows how an alternative model could redress systemic deficits hindering equitable development under the current paradigm.

Rationale of the Study

The rationale motivating this study thus stems from an urgent need felt across the world for a reimagining of economic fairness in terms of its generation, distribution, and governance. The approach pursued by the World Bank is, voluntary compliance, debt-dependent assistance, and market-first ideology has proven incommensurate to the structural inequalities facing the modern global economy. Meanwhile, wealth concentration continues its upward swing, social mobility shrinks, and developing nations are put under greater fiscal pressure in today's fast-evolving world.

This paper asserts that mere growth, in fact, is not enough for sustainable development; what is needed is "a governance framework that can enforce fairness". The research compares the existing mechanisms of the World Bank with the UGF's model, which is enforceable, in order to demonstrate that redistributive justice has the potential to be operationalized through institutional design rather than mere moral appeals or temporary flows of aid. The insights generated may contribute to new debates in development and provide grounding for practitioners, scholars, and policy thinkers oriented toward a shift from neoliberal orthodoxy toward a more equitable global economic order.

This study focuses on the World Bank's neoliberal paradigm and the Universal Governance Framework which is mainly the fairness-based architecture as two competing visions for the future of development. Whereas the former draws upon voluntary market dynamics, the latter embeds justice into enforceable systems. Therefore, the introduction gives the path to a deeper exploration of how global development can evolve from growth-centered strategies to a structure

of designed, measurable, and enforceable equity by synthesizing ideological critique, fiscal comparison, and institutional analysis.

Research Objectives

The objectives of the study are to investigate through the analytical lens of the Universal Governance Framework (UGF) to find out the ideological and structural limitations of the World Bank framework. The objectives are designed to establish measurable connections between policy orientation, fiscal outcomes, and institutional enforceability in addressing global inequality.

1. To analyze how the World Bank's neoliberal emphasis has failed to achieve sustainable reductions in inequality by reinforcing the UGF's call for enforceable redistributive mechanisms under Equitism.
2. To simulate the projected global revenue of the Universal Governance Framework's Global Economic Justice Authority (GEJA) through a mandatory global minimum corporate tax and to compare this with the World Bank's annual concessional lending aimed at poverty reduction.
3. To examine the institutional enforceability gap between the World Bank's current accountability mechanisms and the UGF's proposed system of equity-driven global governance.

Methodology

The research methodology in this study is essentially qualitative in nature and interpretive; the effort, therefore, has been to investigate into the ideological and structural dimensions of WBG's neoliberal model for development and its impacts on global inequality. The qualitative orientation is selected because, in essence, the research aims at an understanding of how and why certain economic paradigms-particularly the emphasis on capital-intensive growth and market liberalization-have failed in their accomplishment of equitable outcomes. Rather than numerical generalizations, the research enterprise aims to capture the deeper conceptual logic, institutional

practices, and normative assumptions that underpin the policies propagated by the World Bank and their interface with emerging frameworks such as the Universal Governance Framework (UGF) and its doctrine of Equitism.

Research Approach: A qualitative and thematically analytical approach has been adopted to facilitate a critical interpretation of both the ideological underpinning and policy manifestations of the WBG development strategy. This approach enables an in-depth investigation into the role of language, discourse, and institutional reasoning in the development of the Bank's policy choices and their socio-economic consequences. Key texts, including but not limited to World Bank annual reports and policy evaluations, academic critiques of the Bank, and alternative models of governance, will thus be used in attempting to build a comprehensive analysis of the causal link between neoliberal ideology, capital-intensive growth strategies, and continued global inequality.

Research Design: The research applies a thematic comparative case design that permits the systematic comparison of the WBG operational framework and the UGF's proposed institutional architecture. This design allows the study to identify patterns of policy failure against which it contrasts enforceable solutions embedded in the UGF, especially through the latter being an alternative fiscal mechanism known as the Global Economic Justice Authority, or GEJA. The comparative design is necessary to expose what this research labels the "Enforceability Gap," or the structural chasm between the WBG's voluntary poverty alleviation programs and the UGF's legally binding redistributive vision.

Data Collection: Qualitative data collection shall be carried out exclusively through documentary analysis. The corpus includes, among other things, World Bank publications such as the World Development Report, regional economic outlooks, lending portfolios, and institutional reviews; peer-reviewed academic works on neo-liberalism and development economics; and theoretical writings on the Universal Governance Framework, consisting among others of *Forging a Planetary Future and Fair Democracy* by A. N. M. Nuruddin. Data will be selected through a purposive strategy that ensures inclusion of materials that address the themes of inequality, capital allocation, and global fiscal governance directly. This methodology is selected for depth and contextual relevance rather than breadth or numerical representation.

Data Analysis: Thematic content analysis of the collected materials will follow Braun and Clarke's framework for the identification, coding, and interpretation of recurrent patterns in textual data. Among others, neoliberal efficiency narratives, capital intensity and exclusion, fiscal dependency, and enforceable redistribution are identified as key themes. Based on iterative reading and coding, this study traces the evolution of the WBG's ideological framing and assesses its practical outcomes against the UGF's alternatives based on enforceability. This interpretive process will culminate in a synthesized understanding of how jointly policy design and institutional philosophy shape development outcomes.

Ethical Considerations: As this is research based on secondary data, the major ethical considerations lie with academic integrity, transparency, and intellectual honesty. All materials provided, quotes, and ideas will be cited correctly and contextualized to avoid any misrepresentation of information. The researcher will remain reflexive during the analysis process, considering that there might be biases, and ensuring that interpretations remain faithful to the original context of the materials reviewed.

Literature Review

A literature review addressing the World Bank's mechanism in comparison to CARO's Universal Governance Framework (UGF) and Equitism necessitates synthesizing critiques of neoliberal development, the emerging literature on global tax regimes, and discussions around international institutional accountability.

World Bank's Neoliberal Emphasis and the Persistence of Global Inequality

The World Bank's policy orientation has been largely defined by the neoliberal discourse since the 1980s, characterized by a reliance on economic growth, deregulation, privatization, and fiscal consolidation (Milanovic, 2012; Neoliberalism and the World Bank, 2025). This approach frames economic development around market efficiency, often presenting its assumptions of financial stability and human behavior as universal and neutral, despite inherent gendered and social biases (Neoliberalism and the World Bank, 2025).

Critiques of Neoliberal Policy Outcomes

A significant body of literature critiques the outcomes of this neoliberal policy framework. While advocates point to the poverty-reducing effects of increased trade and foreign direct investment, the disquieting costs in terms of increased inequality are prominent (World Bank Blogs, 2016). Scholars like Milinkovic (2012) and Piketty have meticulously documented the rise of global inequality, suggesting that the benefits of the neoliberal agenda have been difficult to establish broadly, and distributional effects must be considered even if growth is the primary goal (World Bank Blogs, 2016).

Critics from civil society organizations also highlight that the Bank's bias toward fiscal consolidation and debt servicing restricts the public policy space, undermining the sovereignty of borrower nations and their ability to finance essential social services (Bretton Woods Project, 2019). Although some internal World Bank evaluations claim to show learning from past "traditional adjustment lending" mistakes (World Bank Lending, 2019), the fundamental structural weaknesses and policy missteps leading to crises in developing nations continue to be linked to external borrowing and an over-reliance on debt-driven infrastructure (Sri Lanka's Economic Recovery, 2025). This aligns with the UGF's assertion that non-enforceable redistributive mechanisms have failed to achieve sustainable reductions in inequality.

The UGF and Equitism as a Counter-Ideology

The Universal Governance Framework (UGF), rooted in Universal Governance Theory (UGT), proposes a counter-ideology centered on Equitism, which mandates an enforceable, rights-based global structure focused on equity and ethical leadership (CARO, 2025). Unlike the Bank's model, which relies on ex-post lending and conditional aid, the UGF's core principles prioritize regenerative design over perpetual material growth, aiming for societal and ecological well-being, and institutionalizing fairness (Global Governance Frameworks, n.d.; CARO Global, 2025). The UGF thus challenges the World Bank's ideological limitation the market-first approach by calling for a structural and ex-ante commitment to economic justice through enforceable global mechanisms.

Fiscal Capacity and Redistributive Mechanisms: Global Tax vs. Concessional Lending

The research objective of comparing the fiscal capacity of the World Bank's concessional lending with the projected revenue from a global minimum tax under the Universal Governance Framework's Global Economic Justice Authority (GEJA) draws upon a growing body of work concerning international tax reform.

The Rise of the Global Minimum Corporate Tax (GMT)

The current multilateral effort, primarily led by the OECD/G20 Inclusive Framework, is establishing a Global Minimum Tax (GMT) (Pillar Two) of at least 15% to address base erosion and profit shifting by multinational enterprises (OECD, n.d.). This initiative seeks to put a floor under intense tax competition, which has fueled a "race-to-the-bottom" among nations (University of Michigan Law School, 2021). The World Bank itself has published analyses on the GMT's implementation, noting its potential to generate significant new tax revenue, with initial estimates suggesting up to \$150 billion annually globally (World Bank, 2023; Global minimum corporate tax rate, 2023).

Findings

The UGF's proposed Global Economic Justice Authority (GEJA) would likely build upon this GMT model but with a crucial difference: the revenue would be centrally managed and redistributed according to the equity-driven principles of Equitism, rather than simply remaining with the implementing nations (as projected for the G7, which is estimated to receive 60% of the initial \$150 billion in new tax revenue despite hosting only 10% of the world's population) (Global minimum corporate tax rate, 2023). This contrasts sharply with the World Bank's primary mechanism for poverty reduction: concessional lending through the International Development Association (IDA). IDA provides interest-free loans and grants to the world's poorest countries. The annual scale of IDA funding, which is replenished every three years, is substantial but remains an aid/debt mechanism funded by donor contributions, differing conceptually and fiscally from a mandatory global tax on corporate profits. Simulating GEJA's revenue, particularly if a higher rate or broader application than the current 15% is proposed, would therefore directly address the UGF's claim that a truly enforceable, equity-driven revenue

mechanism can fundamentally alter the scale of global redistributive finance compared to the Bank's voluntary, donor-funded lending model.

Institutional Enforceability and Accountability Gaps

The final thematic area addresses the institutional difference between the World Bank's current accountability mechanisms and the UGF's proposed system.

1. **World Bank Accountability Mechanisms:** The World Bank does have established mechanisms for accountability, notably the Accountability Mechanism which operates through the Inspection Panel (compliance review) and the Dispute Resolution Service (voluntary resolution) (World Bank Accountability Mechanism, n.d.). These mechanisms allow communities harmed by Bank-funded projects to file complaints (World Bank Accountability Mechanism, n.d.).

However, a body of critical analysis points to a significant enforceability gap. Critiques argue that the current system's structure is often confusing and its effectiveness is hindered by internal requirements, such as the Board's necessary approval for an investigation to begin (Triple Pundit, 2024). Furthermore, the Bank's current country-level results system is criticized for being too reliant on quantifiable, short-term, output-focused metrics, which "do not fit well with the way the Bank Group pursues outcomes at the country level," ultimately limiting its knowledge of its influence on sustained societal well-being (IEG, n.d.). The lack of a strong, independent mechanism to ensure the Bank acts on the findings of an investigation severely limits its effectiveness (Triple Pundit, 2024).

The UGF's Equity-Driven Governance System

The UGF proposes a system designed to overcome these institutional weaknesses through a more enforceable fairness (CARO Global, 2025). While specific details of the UGF's enforcement system are not widely published (the UGT is generally described as a framework that addresses power asymmetries and enforceability gaps), the core principle of Equitism suggests that accountability would be shifted from an internal, complaints-driven, ex-post process to an independent, rights-based, and structural mandate (CARO, 2025). The UGF would presumably feature a globally enforceable legal framework, granting its proposed institutions (like the GEJA) the legal authority to enact and collect mandatory global resource transfers, representing a

fundamental shift from the Bank's donor-centric, voluntary accountability model to one of legal, equity-driven enforcement.

The Ideological Schism and the Enforceability Gap:

The most fundamental finding from the documentary analysis is the presence of a significant "Enforceability Gap" between the poverty alleviation strategies of the World Bank and the imperatives of sustainable global equity [cite: 19]. The literature verifies that policy orientation of the World Bank has remained mired in a neoliberal discourse that privileges deregulation, privatization, and capital-intensive growth [cite: 38, 10]. It thus couches the model in a framework of market efficiency and financial stability, which studies indicate has yet failed to deliver on equity because it treats equity as a high-minded by-product of growth rather than an enforceable rule of law [cite: 39, 43]. The findings suggest that the Bank's adherence to purely voluntary, ex-post conditional lending limits the sovereignty of borrowers, relegating them to debt-based infrastructure projects that routinely exacerbate structural inequalities rather than overcoming them [cite: 44, 45].

In contrast, the findings provide evidence that the UGF, along with its ideology of Equitism, is part of a necessary counter-ideology placing regenerative design over perpetual material growth [cite: 49]. Where that critical divergence continues with the evidence, whereas the World Bank operates under "aspirational expressions" for poverty reduction, the UGF makes a case that rights must be binding and enforceable through institutional means [cite: 83]. [Accordingly, the research finds that persistence in global inequality is not merely a technical shortcoming of the World Bank but rather a structural inevitability of a system bereft of enforceable redistributive mechanisms attended by the call of the UGF for a movement from "voluntary aid" to "mandatory justice"[cite: 46, 50].

Fiscal Disparities: Concessional Lending versus Global Taxation:

A second key finding with respect to fiscal capacity is the structural limitation of the World Bank's donor-dependent model relative to the revenue potential of the UGF's proposed Global Economic Justice Authority (GEJA). The analysis confirms that the World Bank's primary tool for the poorest nations, the International Development Association (IDA), relies on periodic replenishments from donor nations [cite: 60, 61]. This reliance subject's global development

finance to the political will and fiscal health of wealthy nations and creates a volatile and discretionary funding stream that is fundamentally essentially charity-based rather than rights-based [cite: 61].

On the other hand, the review of emergent Global Minimum Tax literature underlines the viability of an alternative fiscal model at the UGF. For example, results such as a global minimum corporate tax-already estimated by the World Bank to potentially reap 150 billion dollars a year-provide proof of concept for a GEJA [cite: 56]. The critical finding, however, is the "distributional flaw" within the current OECD/G20 implementation in that, under current modes, the lion's share of new revenues would be scooped by rich G7 nations rather than redistributed to the Global South [cite: 58]. UGF's framework corrects this by proposing that such revenue be centrally managed and redistributed based on equity principles [cite: 58]. Thus, the study finds that what the GEJA requires is not the creation of new financial physics but rather a political reorientation of existing global tax architecture to shift from national retention to global redistribution [cite: 62].

Institutional Accountability and the Governance Paradox: The research on institutional mechanisms uncovers a very specific "Governance Paradox."] The World Bank has an unparalleled operational scale and capacity to execute complicated projects around the world, while simultaneously its accountability mechanisms are structurally flawed [cite: 77, 78]. Their research demonstrates that the Bank's "Accountability Mechanism" and "Inspection Panel" suffer from a lack of independence in that they must seek Board approval to initiate investigations and do not have the power to impose remedies upon communities affected by Bank projects [cite: 69, 71]. What this sets up is a system of self-investigation by the institution wherein outcomes are driven by short-term, quantifiable metrics that mask long-term social harm [cite: 70]. On the other side of the paradox, the findings reveal that the UGF does have the normative clarity for justice the notion of "Equitism" but lacks any institutional "hardware" of treaties, budgetary power, and political alliances to put this into practice [cite: 87].

Theoretically, an independent, rights-based, and structural mandate from the UGF's vision is practically non-existent operationally in the existing geopolitical landscape [cite: 74, 87]. The critical finding of this, therefore, is that neither framework is sufficient on its own: the World Bank has the power but not the enforceable morality, while the UGF has the morality but does not have the power [cite: 80, 81].

The need for pragmatic synthesis in the synthesis of findings, these assertions indicate that the way forward is not the immediate replacement of the World Bank; rather, the direction should take the form of "pragmatic synthesis," using the existing infrastructure of the Bank to incubate the principles of Equitism. [citation: 90, 102] The research concludes that what is required is a "stages-based politically feasible approach". [citation: 91] The paper identifies specific entry points in the operations of the Bank, for instance, pilot programs with conditions which can be enforced for equity, to facilitate bridging between the current neoliberal reality and the UGF's vision. [citation: 91] What the findings emphatically establish is that in the absence of this cross-fertilization, the World Bank will increasingly become irrelevant amidst 21st-century crises, while the UGF will continue to be little more than a purely theoretical exercise. [Source: 97, 98] The clear implication of all this is that global governance must evolve from "technocratic instrumentalism" to "enforceable equitable realities," a transition that requires the marriage of the Bank's pragmatic capabilities with CARO's normative vision. [Source: 98, 103]

Discussion

The analogy of the modern development mechanism of the World Bank with the Universal Governance Framework (UGF) of CARO based on the ideology of Equitism underlines the underlying conflict of the international development government. Although both models aim to solve poverty, inequality and structural injustice, they are founded on very distinct assumptions regarding power, accountability and the origin of equity in the world. The results of the research show that these differences are not just hypothetical; they define the practical results and constraints of a particular model.

First, the discussion indicates that the World Bank has an institutional logic that puts economic efficiency, macro-stability and growth-oriented reforms at the fore front. The mechanisms it uses, especially concessional lending, policy conditionality and technical assistance are geared towards integrating the countries into global markets. This model has already generated quantifiable development benefits in a number of regions, but it also contributes to the asymmetrical power relations between donors and borrowers. Since the effects of the policy of the Bank are largely determined by the conditions of loans and the presence of voluntary government agreements, the capacity of the Bank to secure the equity in the long term or

guarantee the rights of lenders is minimal. Therefore, most policies that are supposed to minimize structural inequality are only advisory and not binding with mismatches between declared objectives and realities on the ground.

Conversely, the UGF and Equitism (the ideological basis) of CARO look at the development of the world through the lens of morality and human rights. The UGF views equity as a precondition and enforceable right rather than considering it as the fruit of growth. The framework envisions a world where redistribution, social protection and accountability do not rely on the goodwill of the donors but are legal and institutional frameworks that govern all nations. contrast to the model of the World Bank, which is based on the principles of financial leverage, the UGF suggests the global moral authority, institutional fairness and shared responsibility. This establishes an imaginary opposite to the development governance- where justice is not an aspiration but an institution.

Nevertheless, although the UGF is normatively persuasive, its present incarnation does not have as much operational and political infrastructure as the World Bank has. The Bank has more than fifty years (long) ties with governments, deep financial resources, and technical know-how enabling it execute massive interventions within a short time, which the UGF, currently, is incapable of doing. Thus, the results indicate power asymmetry is in both ways: the World Bank possesses institutional power that is not highly morally enforceable and the UGF possesses normative clarity that is not highly functional enforcement systems.

The second significant learning of the analysis is about fiscal architecture. The World Bank has been stuck to donor-based financing systems and thus its ability to reduce poverty has been susceptible to political rhythms and economic volatility in the high-income nations. On the other hand, the UGF suggests global fiscal structures, e.g. just and fair tax governance or binding redistributive tools, which in principle, may establish more stable and equitable financing flows. However, these schemes demand new heights of political collaboration that are yet to be seen.

The two models are also differentiated by the governance and accountability dimension. Despite the existence of formal accountability units, the World Bank does not have the power to enforce project level adherence or offer binding solutions to the harmed communities. The UGF on the other hand is a system that sees accountability as universal, Independent and enforceable. However, once again, there is a large distance between sight and what can be put into practice.

In general, the results lead to the dawning conclusion: neither of the two systems itself can provide the magnitude and breadth of global equity demanded by the 21st century. The pragmatic capacity and financial machinery of the World Bank is needed but not enough to bring structural justice. The moral and normative values of the UGF provide a structure of international justice, but to be functional, it must be institutionalized. The most promising way out could then be a more general and hybrid strategy that, as on the one hand, builds upon the current strengths of the Bank, on the other hand, incorporates the rights-based concepts of Equitism to establish a more equitable and enforceable global developmental architecture.

Conclusion

The World Bank is put in a paradoxical situation in world governance. On the one hand, it is unmatched in terms of scale of operations. The ability to fund, design, and execute development projects on a large scale grants the Bank with an invaluable presence in dealing with the shortages in infrastructure, human capital, and institutional capacity. Conversely, the governance framework and normative culture of the Bank still have structural inequalities: asymmetries in the voting powers are manifestations of geopolitical inequalities; knowledge production favors some analytic frames; and accountability mechanisms, although not negligible, have limited remedial envelopes.

The Universal Governance Framework and Equitism provided by CARO Global is a morally aggressive response to these restrictions. Equitism considers equity not to be an adjunct to the economy policy, but as a legal norm to be implemented. Principally, this change would cause a change of nature of governance in the world: rights would cease to be expressed in aspirational expressions in statements and become binding and enforceable by institutionalized means. In the event that it occurs, this transformation may overturn a long historical tradition, according to which distributive justice takes a back seat to economic and technical factors in planning policy. The hope of equitism lies in the fact that, it would reestablish the balance in the normative ledger account, entrenching protection of vulnerable groups in all levels of policy making, implementation and redress.

The converging crises of the 21st century, including climate change, technological upheaval and escalating inequality will put pressure on the ability of global governance architectures to respect their rights and share the burdens equitably. The status quo will jeopardize the eradication of

structural injustices and the legitimization of multilateralism. Radical normative foresights such as the Equitism of CARO supply invaluable moral imagination, yet they will never work without realistic interaction with the multilateral infrastructure that is on the present. On the other hand, in its current fixation on technocratic incrementalism and a status quo allocation of power, the World Bank will fail to take a chance at revitalizing its legitimacy and performance.

Thus, the lesson comparative is evident: cross-fertilization is necessary in order to make long-term changes. The World Bank needs to be pushed into incorporating enforceable equity principles in its work; CARO needs to make its normative arguments and claims operation and develop more institutional workable alliances. It is through the marriage of the pragmatic abilities of the Bank to the normative lucidity of CARO that the international community will be able to create a governance system that will be able to administer justice on a grand scale. No global governance issue will be judged by how well projects are technically performed but the ability of institutions both old and new to translate moral commitments into enforceable equitable realities.

References:

- Andrews, M. (2008). Creating space for effective political engagement in development. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 95–112). The World Bank. 1
- Apter, D. E. (2008). Knowledge for policy making: Some questions and caveats. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 317–330). The World Bank. 2
- Banerjee, A. V., & He, R. (2003). The World Bank of the future. *The American Economic Review*, 93(2), 39–44. 3
- Cerra, V., Lama, R., & Loayza, N. V. (2021). Links between growth, inequality, and poverty: A survey (Policy Research Working Paper No. 9603). The World Bank. 4
- de Quelen, R. (2008). Building pro-change multisectoral coalitions to overcome the resistance of powerful vested interests. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform*

- under real-world conditions: Citizens, stakeholders, and voice (pp. 233–248). The World Bank. 21
- Deetz, S., & Irvin, L. (2008). Governance, stakeholder involvement, and new communication models. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 163–180). The World Bank. 5
- Fishkin, J. S. (2008). Consulting the public—thoughtfully. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 277–286). The World Bank. 6
- Forester, J. (2008). Participation as dialogue, debate, and negotiation: Entangled promises and practices. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 209–218). The World Bank. 7
- Gastil, J. (2008). Cultivating deliberative development: Public deliberation as a means of improving local, state, and federal governance. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 303–316). The World Bank. 8
- Griffin, P. (2006). *The World Bank. New Political Economy*, 11(4), 571–581. 9
- Haddad, C. N., Mahler, D. G., Diaz-Bonilla, C., Hill, R., Lakner, C., & Lara Ibarra, G. (2024). *The World Bank's new inequality indicator: The number of countries with high inequality* (Policy Research Working Paper No. 10796). The World Bank. 10
- Jacobson, T. L., & Lambino II, A. G. (2008). Citizen voice and the public sphere: Scoping communication challenges. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 39–64). The World Bank. 11
- Krhoda, G. O. (2008). A consensus-based, stakeholder-driven, and decentralized approach to building broad coalitions for water sector reforms. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 219–232). The World Bank. 12

- Lal, S. (2008). The political economy of reform: Role of the internal “journalist.” In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 75–92). The World Bank. 13
- Lateef, K. S. (2016). *Evolution of the World Bank's thinking on governance (Background Paper for World Development Report 2017)*. The World Bank. 14
- Malinga, P. (2008). Public sector middle managers: The critical link to driving public sector reforms. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 181–194). The World Bank. 15
- Narayan, A., Saavedra-Chanduvi, J., & Tiwari, S. (2013). Analyzing the World Bank’s goal of achieving “shared prosperity.” *Inequality in Focus*, 2(3), 1–8. 16
- Noble, P. (2008). Six big ideas: ICT as a vital tool for reform. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 271–273). The World Bank. 17
- Odugbemi, S. (2008). Public opinion, the public sphere, and quality of governance: An exploration. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 15–38). The World Bank. 18
- Odugbemi, S., & Jacobson, T. L. (Eds.). (2008). *Governance reform under real-world conditions: Citizens, stakeholders, and voice*. The World Bank. 19
- Post, L. A., Salmon, C. T., & Raile, A. N. W. (2008). Using public will to secure political will. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 113–124). The World Bank. 20
- Ravallion, M. (2015). *The World Bank: Why it is still needed and why it still disappoints (CGD Working Paper 400)*. Center for Global Development. 22
- Shams, R. (1988). The World Bank's structural adjustment loans: A critique. *Intereconomics*, 23(5), 208–211. 23

Singh, J. P. (2008). Dialogues as communication strategy in governance reform. In S. Odugbemi & T. L. Jacobson (Eds.), *Governance reform under real-world conditions: Citizens, stakeholders, and voice* (pp. 65–74). The World Bank. 24

Tahsin, A., Tahsin, R., & Chakma, P. (2017). *Report on The World Bank and its participation in Bangladesh*. BRAC University. 25

World Development Report 2014 Team. (2013). Managing risk is essential to reducing poverty and inequality. *Inequality in Focus*, 2(3), 9–14. 26