The Asian Infrastructure Investment Bank and China's new role in global economic governance: from the Bretton Woods institutions to the new need for accountability

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Abstract: This article explores the emerging role of China as an actor in global economic governance, focusing on the establishment and the rise of the Asian Infrastructure Investment Bank (AIIB). The Bank has been pivotal in exploring a new kind of Multilateral Development Banking, which has caused mixed emotions on an international scale: many states decided to join the new institution, whereas other important actors decided not to adhere or, like in the case of the United States, tried to sabotage the emerging new Bank. The AIIB has also collected much criticism about its transparency and the nature of its operation, which have often been associated with China's foreign policies such as the Belt and Road Initiative.

After the post-World War II quest for global economic stability, which was propelled by events such as the Bretton Woods Conference, a new order of institutions - now merged under the World Bank Group - inspired the international financial landscape, which saw the creation of various regional and sub-regional financial entities over the years. After the Gold exchange standard's collapse, a series of failed reforms and a generalised global mistrust led to the fall of the Bretton Woods Institutions and the creation of new global actors, like the recent Asian Infrastructure Investment Bank, born from the new Chinese approach to the free market principles and the subsequent rise in the global economic sphere. One above all is the newborn Asian Infrastructure Investment Bank, a new MDB built with the intent to represent a valid alternative to the current establishment.

This paper will first analyse the historical development of Multilateral Development Banks (MDBs): it will be important to start from the history of the Bretton Woods institutions, from their creation to their fall. Subsequently, the paper will analyse the new role of China in international economics and finance from Mao Zedong's state-centric, planned economic model to Xi Jinping's renovated internationalism, alongside its strengths and weaknesses. Lastly, the new Asian Infrastructure Investment Bank will be analysed: the main points of discussion will concern its structure, its creation - alongside the motivations behind this new institution - and the main criticism revolving around its peculiar character.

The birth of multilateral development banks

During July 1944, just some months before the end of the Second World War, the United Nations Monetary and Financial Conference was held in Bretton Woods (US) and saw the presence of delegates from 44 nations with the common goal of creating a new set of rules to create the bedrock for a new international economic order that could grant a faster recovery after the conflict. The meeting had three major accomplishments: the creation of the International Monetary Fund (IMF), the International Bank for Reconstruction and

Development (IBRD) and the International Trade Organization, which was never established.[1] From that moment onwards, many new actors began to play a prominent role in the field of international, regional and sub-regional finance, often following the World Bank Group as a standard from which their organisation and field of action could take inspiration. The European Investment Bank (EIB), the Asian Development Bank (ADB), the Inter-American Development Bank (IDB) and many other financial institutions were born under the auspices and strong influence of the Bretton Woods Institutions, which represented the dominant system for a long time,[2] even though the situation was destined to change soon.

The Gold exchange standard, which was the system in force at the time, valued foreign currencies' in relation to the US dollar, this value then being converted in gold at the conventional price of 35 dollars per ounce. During the 1960s, an over evaluation of the dollar resulting from the many foreign and military investments by the United States caused a series of unsuccessful reforms and international cooperations aimed at sustaining both the American currency and the Bretton Woods system, also thanks to the general mistrust of foreign traders who "en masse" started to sell dollars. At this point it became clear that action was needed President Richard Nixon, who was in charge at the time, structured his new policies in two key moments:

➢ On August 15, 1971, Nixon presented a new economic policy titled "The Challenge of Peace," which was aimed at a three fold post-Vietnam challenge, namely to "*create more and better jobs; [...] stop the rise in the cost of living; [...] protect the dollar from the attacks of international money speculators;*"[3]

[1] "Bretton Woods and the Birth of the World Bank," The World Bank, accessed October 4, 2023, https://www.worldbank.org/en/archive/history/exhibits/Bretton-Woods-and-the-Birth-of-the-World-Bank.

[2] Amy Clarke, "Bretton Woods, Multilateral Development Banks and the financial systems we need," *Tribe Impact Capital*, January 19, 2023, https://tribeimpactcapital.com/impact-hub/bretton-woods-multilateral-development-banks-and-the-financial-systems-we-need/.

[3] Richard Nixon, "Address to the Nation Outlining a New Economic Policy: The Challenge of Peace," transcript of speech delivered in Washington, DC, August 15, 1971, https://www.presidency.ucsb.edu/documents/address-the-nation-outlining-new-economic-policy-the-challenge-peace.

➢ In December 1971, the leading countries' monetary authorities met at the Smithsonian Institution in Washington DC, which resulted in the unsuccessful Smithsonian Agreement: the deal set a new fixed exchange rate centred on the US dollar, which was devalued against gold and other countries' evaluated currencies, resulting in a 10.7 percent average devaluation of the dollar.[4]

The new reforms had little to no use in trying to save the Bretton Woods institutions: speculative market pressure led to a further devaluation of the dollar and this, alongside the Group of Ten (G–10) arrangement of March 1973 approved an arrangement wherein six members of the European Community jointly floated against the American currency, resulted in the abandonment of the established exchange rate system.[5]

The Bretton Woods Institutions were formally ended with the Jamaica Accords of 1976, an international agreement drafted by the IMF Interim Committee by which a major reform of the international monetary system was carried out: the rigidity in the exchange rate provisions of the IMF was abolished by introducing a floating exchange rate of gold.[6]

The latter events resulted in a massive route change on various fronts: the Keynesian Consensus, namely that paradigm formed by need of state regulation felt in order to promote national development,[7] was abandoned for a new approach, the Washington Consensus. The programme introduced 10 fundamental points for the development of Latin American countries[8] and was later used to refer to a broader economic approach oriented on the

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[4] "The Smithsonian Agreement," Federal Reserve History, November 22, 2013, https://www.federalreservehistory.org/essays/smithsonian-agreement.

[5] "Nixon and the End of the Bretton Woods System, 1971–1973," Office of the Historian, accessed November 2, 2023, https://history.state.gov/milestones/1969-1976/nixon-shock#:~:text=On%20August%2015%2C%201971%2C%20President,end%20of%20World%20War%20II.

[6] "Memorandum From Secretary of the Treasury Simon to President Ford," Office of the Historian, January 13, 1976, https://history.state.gov/historicaldocuments/frus1969-76v31/d128.

[7] Edvige Bilotti. "From Keynesian Consensus to Washington Non-Consensus: A World-Systems Interpretation of the Development Debate," *Review* (*Fernand Braudel Center*) 38, no. 3 (2015): 206. https://www.jstor.org/stable/26526305.

[8] "Washington Consensus," Associazione Nazionale Enciclopedia della Banca e della Borsa, accessed November 1, 2023, https://www.bankpedia.org/index_voce.php?lingua=it&i_id=135&i_alias=w&c_id=23070-washington-consensus

principles of neoliberalism and free market: its popularity is due to a *de facto* agreement between the largest international economic institutions on the minimum conditions for aiding countries in difficulty.[9]

The system soon demonstrated its capability to drift away from its original purpose and was often met with strong criticism, spacing from the strengthened issues of inequality and ravaging privatisation to the various financial crises scattered across the end of the XX century - the tequila crisis, the Asian crisis and the Russian crisis - which strongly damaged the precarious pillars of the Washington Consensus.[10]

The rise of china in global economic governance:

The criticism towards the Washington consensus, which saw its peak during the period of the 2008 crisis, favoured the birth of various alternatives to the system represented by other states which were starting to affirm their role on the international ground, one of which is represented by China.

The Chinese role within global economic governance has not always been the same: the 1950s were marked by the undisputed dominance of the Chinese leader Mao Zedong, who based the country's economy on a centrally planned model with a large interference by the state, whose choices affected production prices and allocation of resources. The economic planning, alongside the strong investments in national markets, resulted in a nearly total state control of industries through state-owned enterprises. The strong goal was to provide the Chinese economy with foundations strong enough to stand on its own, all of this to the detriment of foreign trade, which was strongly limited, and self-regulatory market

[9] "Washington consensus," Treccani, accessed November 1, 2023, https://www.treccani.it/enciclopedia/washington-consensus_%28Lessico-del-XXI-Secolo%29/

[10] Douglas A. Irwin, "The Washington Consensus stands test of time better than populist policies," *Peterson Institute for International Economics,* December 4, 2020, https://www.piie.com/blogs/realtime-economics/washington-consensus-stands-test-time-better-populist-policies.
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mechanisms.[11]

This situation lasted until the Chinese government decided, in 1979, to start a reformation campaign motivated by a widespread belief that opening up to the free market principles, mostly through financial and commercial relations with Western countries, would have caused a general growth, both under economic and wealth standards.[12] After a brief period of sudden halt, resulting from the international sanctions received in response to the Tiananmen Square events and the general shock caused by the sudden opening of what was considered to be a socialist, state-driven economy, China started its path to become one of the biggest actors on the international plain, even in spite of the 2008 economic crisis.[13]

In light of these events, it is undeniable that the Chinese government's efforts, mainly endorsed by Xi Jinping's aims to enhance the country's global connections and cooperations in global economic governance, are starting to pay off, making the country one of the biggest players on the pitch. China's integration in international strategies and partnerships such as the Asia Pacific Economic Cooperation (APEC), the Regional Comprehensive Economic Partnership (RCEP) and the new Belt and Road Initiative (BRI), which were all born to strengthen free trade agreements and economic growth in the Asia-Pacific region, has definitely marked the end of the unipolar system that characterised international politics at the end of the Cold War.

The new role of China, which has steadily adapted to the current international economic system, is certainly something impossible to ignore, but still there are some gaps to be filled. Unlike the majority of other relevant countries, the Chinese financial market is still strongly regulated by state commissions:

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[11] Wayne M Morrison, rep., *China's Economic Rise: History, Trends, Challenges, and Implications for the United States* (Congressional Research Service, 2019), 2, https://www.everycrsreport.com/files/20190625_RL33534_088c5467dd11365dd4ab5f72133db289fa10030f.pdf.

[12] See note above, 4.

[13] Winter Nie, Yunfei Feng and James Wang, "China's reforms 40 years on: What's next? A look at China's four decades of growth and challenges ahead," *International Institute for Management Development*, 2, accessed November 2, 2023, https://imd.widen.net/view/pdf/j7xoe89wue/tc013-19-print.pdf.

➢ The new National Administration of Financial Regulation (NAFR) was established on May 18, 2023,[14] comprising the roles of the China Banking and Insurance Regulatory Commission (CBIRC), which on its own resulted from the merge of the China Insurance Regulatory Commission (CIRC) and the China Banking Regulatory Commission (CBRC);[15]

➢ The China Securities Regulatory Commission (CSRC), which has a regulatory function over the securities and futures market of China, in order to ensure that legal operation of the capital market is carried out effectively;[16]

➢ The People's Bank of China (PBOC), whose main role is to issue monetary policies in order to manage the country's currency - the Renminbi - and maintain financial stability;[17]

➢ The State Administration of Foreign Exchange (SAFE), which regulates China’s foreign exchange and market development.[18]

Furthermore, the Chinese Renminbi is still not completely convertible, a factor which, alongside China’s state-run financial system, has surely contributed to slow down the internationalisation of the currency, even though many investments in the oil market have been made in order to make the currency more competitive and valuable to the world’s largest, USA-dominated commodity market.[19]

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[14] Terence Foo, “China Establishes New Financial Regulator – amongst Major Priorities in Post-Covid Era,” *Clifford Chance*, November 3, 2023, https://www.cliffordchance.com/briefings/2023/06/china-establishes-new-financial-regulator---amongst-major-priori.html#:~:text=3%20November%202023,on%20financial%20regulation%20in%20China.

[15] “Who regulates banking and financial services in your jurisdiction?,” Baker Mckenzie, accessed October 30, 2023, https://resourcehub.bakermckenzie.com/en/resources/global-financial-services-regulatory-guide/asia-pacific/peoples-republic-of-china/topics/who-regulates-banking-and-financial-services-in-your-jurisdiction.

[16] “Overview,” China Securities Regulatory Commission, accessed October 30, 2023, http://www.csrc.gov.cn/csrc_en/c102023/common_zcnr.shtml?channelid=e9958c689bef4d468d81dc93c8d3479.

[17] “About PBC,” The People's Bank of China, accessed November 3, 2023, http://www.pbc.gov.cn/english/130712/index.html.

[18] “Major Functions,” State Administration of Foreign Exchange, accessed November 3, 2023, https://www.safe.gov.cn/en/MajorFunctions/index.html.

[19] John A. Mathews and Mark Selden, “China: The Emergence of the Petroyuan and the Challenge to US Dollar Hegemony,” *The Asia-Pacific Journal: Japan Focus*, Issue 22, no. 3 (2018): 1, https://apjjf.org/-Mark-Selden--John-A--Mathews/5218/article.pdf.

The AIIB

One of the latest projects implemented by the Chinese government has been the creation of the Asian Infrastructure Investment Bank (AIIB), a new Multilateral Development Bank which started to operate in 2016 under the auspices of a newly found, enthusiastic momentum as a means to enhance investments aiming at the development of Asian countries. The Bank, which represented an alternative model differing from the one followed during the previous years, was received with mixed reactions throughout the international community: many states decided to join the new institution, whereas others harshly criticised it or even tried to sabotage the initiative, as happened with the United States of America.

In October 2013, Xi-Jinping attended the Asia-Pacific Economic Cooperation Summit in Bali during which he announced the establishment of a new China-led Multilateral Development Bank (MDB), the Asian Infrastructure Investment Bank (AIIB). The Memorandum of Understanding setting out AIIB's main principles was signed in Beijing in October 2014 by the Bank's regional members, whereas the Bank's Articles of Agreement (AoA), the institution's constitutive instrument, were officially signed by the founding Members on June 29 after four rounds of negotiation and adopted in December 25, 2015.[20] The Bank, whose headquarter is located in Beijing, has currently reached the impressive amount of 102 official members, which can be divided in:[21]

- ➢ Regional Members, which are the 45 member countries belonging to either Asia or Oceania, and constitute 73.4% of the voting power. China is the main shareholder with 30.78% of the subscribed capital and 26.6% of the voting power. Japan is not a member of the Bank;

[20] Xuan Gao and Peter Quayle, "Asian Infrastructure Investment Bank (AIIB)," *Oxford Public International Law Search* (2018), 2, https://opil.ouplaw.com/display/10.1093/law-epil/9780199231690/law-9780199231690-e2196.

[21] "Asian Infrastructure Investment Bank (AIIB)," Agenzia ICE -Italian Trade & Investment Agency, accessed October 30, 2023, https://www.ice.it/it/mercati/cina/asian-infrastructure-investment-bank-aiib.

- ➢ Non-Regional Members, which are the 37 member countries located outside Asia or Oceania;
- ➢ Prospective members, which have signed the Statute within the month of June 2015 or later, but have not yet fulfilled their obligations.

Following article 4.1 AoA, the AIIB has an authorised capital stock of one hundred billion United States dollars[22] and has received many triple A ratings from credit rating agencies like S&P, Moody's and Fitch, making it a good candidate to become one of the most influential MDBs in the next few years.

During the Asian Infrastructure Investment Bank Inaugural Ceremony held on January 16, 2016, the Bank's President Jin Liqun remembered that the Bank was "*designed to improve the livelihoods of Asia's people through investment in infrastructure and enhanced regional connectivity.*"[23] Notwithstanding the various theories behind the Bank's creation, it was clear that the new AIIB would have underlined, from that point onwards, the relationship between the People's Republic of China and the United States of America.

China's Belt and Road Initiative

One of the most accredited theories on the AIIB's creation is associated with China's foreign policies: many of the suspicions related to the AIIB project are motivated by Xi Jinping's aims to build stable ties with neighbouring countries. During the Conference on the Diplomatic Work with Neighboring Countries held in Beijing on October 25, 2013, Xi Jinping underlined how "*China would strive for a sound neighbouring environment for its*

[22] "Articles of Agreement - Basic Documents," Asian Infrastructure Investment Bank, accessed November 1, 2023, https://www.aiib.org/en/about-aiib/basic-documents/articles-of-agreement/index.html.

[23] Jin Liqun, "The Asian Infrastructure Investment Bank Inaugural Ceremony," transcript of speech delivered in Beijing, January 19, 2016, https://www.aiib.org/en/news-events/news/2016/The-Asian-Infrastructure-Investment-Bank-Inaugural-Ceremony.html.

own development and seek common development with neighbouring countries."[24] The Belt and Road Initiative (BRI), introduced in 2013, is probably the best example of this new Chinese foreign policy: a 2015 report by the China International Trade Institute identified 65 countries participating to the project, which will use trade, infrastructure and regional development to improve connectivity in Asia both by land, through the Silk Road Economic Belt (starting from 2013) and sea, through the 21st Century Maritime Silk Road (starting from 2014).[25] The BRI was born to push towards substantial trade and investment development, but it also caused mixed reactions by many countries that are worried about corruption, debt and lack of transparency. One of the most recent examples is Canada, which decided to freeze its cooperation with the bank and to start an an in-depth investigation after the declarations of the AIIB's global communications director Bob Pickard, a canadian citizen, who decided to resign on 14 June of this year due to his concerns about the Communist Party's interference in the institution. The AIIB denied any basis for said concerns.[26]

China's exclusion from Bretton Woods

Another presumed reason behind the AIIB's creation is the difficulty in the dialogue between China and the Bretton Woods institutions. In the words of David Dollar, in order to understand the Banks' genesis we must "*look no further than China's concern that the governance structure of existing international financial institutions was evolving too slowly,*"[27] a problem that has been stressed several times. Lou Jiwei, one of the former

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[24] "Xi Jinping: China to Further Friendly Relations with Neighboring Countries," Embassy of the People's Republic of China in the Democratic Socialist Republic of Sri Lanka, October 28, 2013, http://lk.china-embassy.gov.cn/eng/xwdt/201310/t20131028_1374040.htm.

[25] "Belt and Road: Connecting China and the World," International Capital Conference, accessed October 3, 2023, https://www.internationalcapitalconference.com/belt-and-road-initiative.

[26] Robert Wihtol, "Does China wield excessive influence in the Asian Infrastructure Investment Bank?," *The Interpreter* (blog), June 16, 2023, https://www.lowyinstitute.org/the-interpreter/does-china-wield-excessive-influence-asian-infrastructure-investment-bank.

[27] David Dollar, "Lessons for the AIIB from the Experience of the World Bank," *Brookings*, July 25, 2015, https://www.brookings.edu/articles/china-on-the-global-stage/.

Chinese Finance Ministers, participated at the 2016 G20 finance ministers and central bank governors meeting in Shanghai, where he underlined that structural reforms cannot be ignored to deal with the global economic challenges we face everyday,[28] but the appeal to give more weight to infrastructural changes was met with hostility.

These complaints are as old as the Bretton Woods institutions themselves: since their creation, the executive directors of the Institutions, which both have their seat in Washington DC, have always elected an American and a European representative to be, respectively, the President of the World Bank and the Managing Director of the IMF. Furthermore, the small shares detained by China were also pivotal in motivating the general discontent: China's voting shares amount to 6.08% in the IMF[29] and 6,26% in the World Bank.[30] For what concerns the Asian Development Bank (ADB), which is another Asian Multilateral Development Bank with close ties to the World Bank, the presidency has traditionally been given to a Japanese representative. A possible reform, proposed in 2010 to reduce the western dominance in the Board of Directors in favour of developing countries and China itself, was in the end a big swing and miss, being completely met with hostility.[31]

Criticisms of the new bank

A new, ambitious project like the AIIB could not avoid collecting a lengthy list of bitter criticisms and strongly contributed to stirring up the hatred between the United States and China. The US government strongly opposed the new Bank's creation, even though subsequent administrations lessened the hostilities, and urged its allied countries not to join the project in its first moments of life due to the concern regarding Chinese policies. These

[28] "First G20 Finance Ministers and Central Bank Governors Meeting in 2016 Held in Shanghai," G20 official website, March 1, 2016, http://www.g20chn.org/English/China2016/FinanceMeetings/201603/t20160321_2205.html.

[29] "IMF Members' Quotas and Voting Power, and IMF Board of Governors," International Monetary Fund, last updated November 4, 2023, https://www.imf.org/en/About/executive-board/members-quotas.

[30] "IBRD Number of Votes by Country," The World Bank, last updated November 4, 2023, https://finances.worldbank.org/Shareholder-Equity/IBRD-Subscriptions-and-Voting-Power-of-Member-Coun/rcx4-r7xj.

[31] Daniel C.K. Chow, "Why China Established the Asia Infrastructure Investment Bank," *Vanderbilt Journal of Transnational Law* 49, no. 5 (2016): 1272, https://scholarship.law.vanderbilt.edu/vjtl/vol49/iss5/2.

pressures produced very scarce results: the United Kingdom and several other Member States of the European Union could not be stopped from joining the Bank at the beginning of 2015, which resulted in their classification as Founding Members.[32]

The Bank has gained the suspicion of the United States also due to China's shareholder majority and *de facto* veto power which was oftentimes interpreted as a signal of a strong inference in the Bank's decisions, alongside the Bank's efforts to make investments more efficient and quick - as the main slogan "lean, green and clean" underlines - and the structural form completely devoted to the main objective of efficiency. The Bank also has a non-resident Board of Directors, because a sitting board would have been costly and a big break to the institution's project, and the executive power is mainly administered by the Bank's President. Furthermore, the Bank, due to its nature and timing, has also been accused of being a mere instrument to aid the BRI project.

In reality, China has demonstrated to be contrary to interference in the state's internal affairs, having often opposed many international obligations perceived to be too intrusive, a fear which can be found in the Articles of Agreement of the Bank. Article 31 regulates the international character of the Bank, namely the institution's commitment to leave behind political conditions in the decisions whether to invest in a country or not, in three main points:[33] the Bank and its main bodies will not accept funds, act in ways or undergo the authority of third parties that may prejudice its international, impartial and economic character.

This is probably the most significant breaking point that differs from the practices of the Bretton Woods institutions, which have always explicitly linked financing to encouraging practices considered important to good governance on various occasions. The IMF published

[32] "Members and Prospective Members of the Bank," Asian Infrastructure Investment Bank, accessed October 30, 2023, https://www.aiib.org/en/about-aiib/governance/members-of-bank/index.html.

[33] "Articles of Agreement - Basic Documents."

a paper on The Role of the IMF in Governance Issues in 1997[34] and the Framework for Enhanced Engagement on Governance in 2018,[35] which is structured on four main pillars:

1. The evaluation governance vulnerabilities through fiscal and central bank governance, financial sector oversight, market regulation rule of law and anti-terrorism/money laundering measures;
2. The analysis of the identified governance vulnerabilities' effects that have been identified;
3. A guide for the Fund's policy recommendations through discussion with authorities and other international institutions, whose expertise is pivotal in assessing such issues;
4. The establishment of governmental measures aimed at preventing the bribing phenomenon and an active engagement in bilateral surveillance with the member state's institutions.

The AIIB has also been suspiciously regarded as lacking transparency in favour of smoother operation. In this regard, the AIIB introduced an accountability mechanism (Project-affected People's Mechanism) on March 31, 2019, *"to provide [...] for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its Environmental and Social Policy (ESP)."*[36]

Even the World Bank has engaged in a serious battle against the lack of accountability by establishing an Accountability Mechanism (AM) as *"an independent accountability*

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[34] "Good Governance - The IMF's Role," International Monetary Fund, 1997, https://www.imf.org/external/pubs/ft/exrp/govern/govindex.htm.

[35] "Review of 1997 Guidance Note on Governance - A Proposed Framework for Enhanced Fund Engagement," International Monetary Fund, April 22, 2018, https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/04/20/pp030918-review-of-1997-guidance-note-on-governance.

[36] "Rules of Procedure of the Project-Affected People's Mechanism," Asian Infrastructure Investment Bank, accessed October 2, 2023, https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/rules/index.html.

mechanism for people and communities who believe that they have been, or are likely to be, adversely affected by a World Bank-funded project." The Mechanism began to operate in 2021 and is made up of two main operative bodies: the Inspection Panel, created in 1993 to independently review the compliance of the various complaints, and the Dispute Resolution Service, established in 2020 to help people filing a complaint to facilitate an effective dispute resolution[37].

Conclusion

It is safe to say that multilateral development banks have gained an important role, mutatingfrom a desperate attempt to recollect the pieces of a world devastated by the war to a new flourishing area of international law with a plurality of new actors. The Bretton Woods institutions certainly set a standard that was followed by many subsequent international and regional institutions, whereas other Banks, such as the AIIB, tried to experiment with the knowledge gathered through the decades and to propose a different approach. Clearly, the new Chinese Bank and the Bretton Woods institutions have two different perspectives on multilateral investments, mainly for what concerns the issuing institutions' promptness, strictness of requirements and governance, and are both really active players in the pitch, a combination of factors which resulted in the inevitable clash between their main parties. Like any project that takes off, the AIIB still has many critical opinions and aspects to work on, even though the Bank has gone to great lengths to demonstrate its working ethics centred around accountability and self-awareness about past mistakes.

[37] "The World Bank Accountability Mechanism," World Bank Group, accessed October 2, 2023, https://www.worldbank.org/en/programs/accountability/brief/about-us.

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International Monetary Fund. “Good Governance - The IMF's Role.” Accessed October 3, 2023. https://www.imf.org/external/pubs/ft/exrp/govern/govindex.htm.

The World Bank. “IBRD Number of Votes by Country.” Last updated November 4, 2023. https://finances.worldbank.org/Shareholder-Equity/IBRD-Subscriptions-and-Voting-Power-of-Member-Coun/rcx4-r7xj.

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