AUTONOMOUS UNIVERSITY OF BAJA CALIFORNIA

THE AIIB AND THE WORLD BANK: A PARADIGM CHANGE IN THE GLOBAL DEVELOPMENT GOVERNANCE

BY

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THESIS

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AKNOWLEDGEMENTS

I would like to start this work by acknowledging my privilege. Access to education is a goal that the majority of the population can only hope to achieve. In my country, not many people have the opportunity to study and graduate from a bachelors' program. Even less people enter to graduate school and complete their studies. And this is without even taking into account my chances as a woman raised by a single mother in a developing country.

However, I have been blessed with the cards that I have been dealt with. My mother has been a strong example of leadership, dedication and perseverance that instilled the importance of education during my early years. She gave me the stability and support to reach for my goals and thanks to her I had everything I needed to focus exclusively on my education and for this I will forever be grateful to her.

None of this would have been possible without the support of my professors and for that I would like to thank wholeheartedly Professor Jocelyne Rabelo Ramírez who has been an incredible mentor and friend during these years. I would like to thank to the Professors José de Jesús Monjaraz Sandoval and Ericka Chávez Nungaray, both of them have been instrumental in my writing and their example inspire me to continue striving for more.

Special thanks go to CONACYT and the academic and administrative personnel of the Faculty of Economy and International Relations of the Autonomous University of Baja California (UABC). This thesis is entirely thanks to the support that I received from CONACYT and the trust they deposited in my investigation and I am aware of the compromise that I hold as a scholarship recipient. I hope my work talks for itself about my interest in giving back to my community to hold the name of my country and my alma mater up high.

Finally, I dedicate this work to my country and to all developing countries' citizens. Because I am profoundly indebted to my community and it is my intention to do what I can to help improve our circumstances for our future generations.

The fall of Empire, gentlemen, is a massive thing, however, and not easily fought. It is dictated by a rising bureaucracy, a receding initiative, a freezing of caste, a damming of curiosity — a hundred other factors. It has been going on, as I have said, for centuries, and it is too majestic and massive a movement to stop.

-Isaac Asimov, *The Foundation*

INTRODUCTION

This work started as a mere study on the power distribution at the World Bank and the way that it may hindered the participation and promotion of interests of developing countries. Conforming I continued my studies the Chinese participation not only within the World Bank but its role in the international scene compelled me to look at its influence and growth that lead to the construction of the Asian Infrastructure Investment Bank and the way that its actions have formed a certain tension in the international system where the United States has been the dominant power for quite sometime.

Even though I knew that China was an emergent power with an incredible growth in just a few years, I started to question how far this state was from actually levelling or even surpassing the United States. If it was remotely close to it, how would that impact the international system and, most important of all, how would it impact the most vulnerable states? As a self described developing country, China taken the South to South Cooperation flag and I questioned if that could help promote the interests of developing nations in systems that were already seen as increasingly unfair thanks to capitalist practices and their rapid expansion through globalization.

I like to think of this thesis as a sort of love letter to International Relations. Since I was little I have been interested in getting to know how the world works and International Relations gave me exactly that through a mix of disciplines that seek to understand the correlation between different topics that seemed to lack any connection at first glance. I believe that this study does its best to bring different aspects of reality to provide a broad perspective about the international scene and the conditions that developing countries must confront in it.

This thesis is comprised of a total of seven chapters. During the Chapter 1 we make the outline that this research followed: statement, research question, objectives, hypothesis, etc. Chapter 2 reviews International Relations theory to gain knowledge about the international system and the way that it works in the most simplified manner. During this chapter we will explore the main assumptions and theories used to answer the questions made during the first chapter.

Chapter 3 studies the phenomena present in the current international system dominated by the United States and the root of inconformity within it. As that famous quote attributed to Mark Twain says “every civilization carries the seeds of its own destruction” we theorize that the same practices promoted by the system will fuel the motivation for change. Here, the presumption is that thanks to the practices of the system the unsatisfied members will rise through a challenger to defy the United State’s dominance. Chapter 4 looks within the institutions of this study to understand how they differentiate from one another and how their performance in the promotion of the developing state's interests.

The methodology in Chapter 5 is where things might get a little complicated thanks to the generation of an indicator and the explanation of the expected utilities model and how it requires of several negotiation rounds; however, everything makes a little more sense during Chapter 6 and 7 where we come to see the results and their respective conclusions.

CHAPTER 1: THESIS STATEMENT

Before World War II was finalized it was necessary to rebuild the international commerce order given its collapse during the great depression and the subsequent world wars (Ocampo, 2017, p. 3-4). The Bretton Woods accords represented a level in international cooperation without precedents that pretended to create the international rules and institutions that would establish the monetary and financial relations in the post-war era (Ikenberry, 1993, p. 155). The institutions that were born from these accords were the International Monetary Fund, the World Bank and -afterwards- the GATT (now the World Trade Organization) and they were strongly influenced by the American ideas about how the international economy should be managed (Bordo, 1993).

The World Bank started as the International Bank for Reconstruction and Development (IBRD) with the purpose of helping the rebuilding of "the economies destroyed by the Second World War and to foster economic advancement of poor countries" (Babb, 2009, p. 26). This new type of bank was founded along the International Monetary Fund (IMF) and they were meant to have complementary objectives, thus the similar organizational structure in both institutions and the overall importance of the United States in the decision making process (Babb, 2009, p. 22).

With time, other multilateral development banks (MDBs) have surged in the international arena, following the World Bank's lead and structure. This has meant a strong presence of American interests and ideals on the decision making on the global development governance, a fact that Joseph Stiglitz (2003) uses to explain the slow development of different economies around the world, considering that the influence of developed countries inside these organizations and the promotion of the erroneous idea of an "universal recipe" for economic growth have affected the development of these regions. On the other hand, there is also an increasing feeling of disagreement among the developing countries because of their limited participation that appears to benefit only the international elites (Peng and Tok, 2016; Weisbrot and Johnston, 2016).

A large part of the inconformity with the current representation arrangement in the World Bank started in the late eighties and nineties when external debt crises affected different developing economies from the Latin America and East Asia regions that lead to the Washington Consensus. This represented a shift in the Bretton Woods system from an assistance emphasis towards an "outward orientation, and free market capitalism" (Williamson, 1990, p. 1) that allowed the growth of inequality within the international system (Bauman, 2001) instead of helping alleviate and overcome the crises of the developing countries. To implement the new economic model, international financial institutions (IFIs) like the World Bank started to implement and promote the new economic policies by the use of incentives or strong conditionality to coerce the countries into applying the reforms to liberalize their markets (Babb, 2012, p. 274).

The international shift towards neoliberal policies fuelled a wave of criticism towards the rigid practices of international institutions that where trying to reform their macroeconomic and structural development policies. Hence, developing countries accused these institutions of generating policies that did not take into account the context of the recipient country while also eliminating any chance to adapt them without breaking the terms and conditions of their contracts (Ocampo, 2017, p. 157).

According to Alex He (2016), the financial crisis of 2008 sparked once again a wave of criticism that led to a movement among the developing countries looking to gain a bigger participation in the decision making process of these institutions. Daniel C. K. Chow (2016) explains that China has a considerably small representation in international organizations such as the IMF and the World Bank, as well as in regional organizations like the Asian Development Bank, when taking into consideration its real impact and participation in the world's economy, he also highlights the Chinese frustration over the patented preference that the United States and its allies have historically had inside these types of organizations.

Rationale or justification of the study

Since its opening to the international market in 1978, China has grown exponentially, positioning itself as an economic and commercial power (Morrison, 2016) obtaining an average annual growth of almost 10% of its GDP for more than three decades (World Bank, 2019). However, the increase in Chinese participation in the world's trade and economy was not accompanied by a greater influence within its corresponding institutions where the United States has retained its dominance while the European powers are overrepresented.

The lack of representation and the United States' reluctance to allow China to get a bigger participation inside of these institutions has led the latter to seek new means to exert its influence (Liao, 2015). Among the strategies used by this country, we can observe the promotion of new financial institutions that give it a greater role in decision-making, both regionally and internationally, taking "for the first time the role of leader and forging a new reality in the global financial system" (He, 2016).

A way in which China has sought to increase its presence and influence within the international economic order is through a South-South Cooperation (SSC) policies considering that its current position within the international system is that of a developing nation despite its economic relevance (Dominguez-Martin, 2016).

The Asian Infrastructure Investment Bank has had a relatively unexpected success within the international arena despite its Chinese influence (He, 2016), mainly because it has sought to differentiate itself from the preferential practices that historically characterized traditional institutions like the World Bank. In addition to this, the absence of conditionality and the promise of a greater efficiency in the lending process have been just some of the factors that have played a significant role in the AIIB's lure. Given the potential that it has shown to have within the international scenario, it is necessary to question the impact that this institution will have within it and, therefore, on the global development governance.

The following work will compare the performance of the World Bank (WB) and the Asian Infrastructure Investment Bank (AIIB) since the latter has emerged as an opponent that offers an alternative model to that traditionally promoted by the World Bank among other Multilateral Development Banks (MDBs) in different regions of the world. Regardless of the results, the present thesis will provide a forecasting of the behavior that the most important institutions in the global development governance will have in the future, which will have a direct impact in the lives of millions of people that live in poverty conditions in the Asian continent.

Research question

What is the impact of the Asian Infrastructure Investment Bank in the global development governance in comparison to the actions performed by the World Bank?

Specific questions

- What are the conditions that rule the current global development governance since the Washington Consensus?
- How will the Asian Infrastructure Investment Bank and the World Bank respond to the demands of the global South?

General objective

To assess the impact that the presence of the Asian Infrastructure Investment Bank will have on the definition and decision making towards global development governance.

Specific objectives

- *To evaluate* the conditions that rule the current global development governance
- *To estimate* the future results obtained by both institutions in global development governance and their possible implications for the population of the global South.

Hypothesis

The growing presence of the Asian Infrastructure Investment Bank within the international economic order will have a positive and significant impact on global governance for development since it will trigger a series of processes that will alter the *statu quo* established by

Bretton Woods and the Washington Consensus via the World Bank. The presentation of an alternative institutional system to traditional institutions responds to the general disagreement within the global south of having organizations that do not impose the interests of economic elites concentrated within the dominant states, mainly within the United States.

CHAPTER 2: LITERATURE REVIEW

Our estimates of the causes of war are determined by our presuppositions as much a buy the events of the world about us.

Kenneth N. Waltz, "The Man, the State and the War" (1954, p. 224)

Introduction

To initiate our research it is necessary to understand the analytical approach we will use to examine the political game between developed and developing countries inside the international organizations that interest the following research. This will help us in our reach to evaluate the conditions that rule the current global development governance as well as to clearly define its real meaning and the implications it has to each player.

In the following chapter we will explore the genesis of International Relations as a discipline and the thought process that has followed its most popular theories that explain the logic behind states and the way they conduct themselves to reach their goals. We will explore Bueno de Mesquita's take of international politics as well as explore in detail the implications that the system has for each of its relevant units.

All of this with the purpose of generating a template that helps to organize our thoughts and findings about the dynamics existent among international players and how that relates to the inclusion or exclusion of developing countries in the decision making within the global development governance.

International Relations: A biased story

The final verdict of history is liable to depend upon who writes the account of the event

-A.F.K. Organski, "World Politics" (1958: 409)

The need to study the way countries behaved among them and other players in the international arena was one of the main reasons that gave birth to International Relations as a discipline that distinguished itself from Political Science and other related disciplines that counted with their own international oriented branches, like History, Sociology and Economics. Despite there being a debate about the legitimacy of International Relations as its own independent discipline, it can't be denied that as the world became more interdependent it was necessary to establish a separate discipline to understand the different and unique interactions among states and other relevant players of the international system.

International Relations got formally established as its own discipline at the end of the World War I, when the hopes of avoiding another armed conflict motivated the study of war and peace, as well as the establishment of the first international organization: the League of Nations. The formation of the precursor to the United Nations was an event that helped establish an international system composed not only of states, but also international organizations that hoped to put in place a set of commonly approved norms that would avoid conflict among nations.

The liberalism that characterized the first attempts to generate a system that could enable states to deal with their conflicts through diplomatic means fell short to contain Hitler's ambitions, leading to another world war. The reoccurrence of conflict led to the embrace of classic political theories that could explain the aggressiveness and egoistic actions of nations during war. Since Liberalism failed to explain the failure of all the attempts to avoid another confrontation, Realism regained popularity among academics since it could explain and help understand the reasoning behind the international system players during that time.

An important thing to highlight is that theories are not just meant to understand reality, but that they must also have the ability to serve as a tool to shape the actions of any player. This means that if a theory can't help to explain the rules of the "game" then it has no use for decision makers and academics. Realism and liberalism have been classic theories of Political Science explaining their relevant place on International Relations during its first stages as a discipline. These theories share certain assumptions about the international system; however, they had very different views about the motivations behind a state's decision making process. As stated before, one of the main interests of International Relations as a discipline is to gain the ability to understand the origin and causes of war and peace. Historically, academics have gone back and forth in a debate about the nature of states and the causes of peace.

On table 1 we have a compilation of the most significant academic contributions to International Relations, and on close inspection it is possible to observe the way that the discipline has evolved on its perception of the international system and the players that conform it.

Table 1: Relevant theoretical contributions to International Relations

Year	Contribution
1930	1939- “The Twenty Years’ Crisis, 1919-1939: An Introduction to the Study of International Relations” Edward Hallett Carr
1940	1942- “Capitalism, Socialism, Democracy” Joseph Schumpeter 1943- “Nature and Destiny of Man, vol. 2” Reinhold Niebuhr 1946- “Scientific Man vs Power Politics” Hans Morgenthau 1948- “Politics Among Nations: The Struggle for Power and Peace” Hans Morgenthau
1950	1951- “The Origins of Totalitarianism” Hannah Arendt 1951-“Social Choice and Individual Values” Kenneth Arrow 1951-“Toward a General Theory of Action” Talcott Parsons 1954-“The Man, the Staten, and War: A theoretical analysis” Kenneth N. Waltz 1957-“Syntactic Structures” Noam Chomsky 1958- “World Politics” A.F. K. Organski
1960	1961- “The levels of Analysis Problem” Kenneth N. Waltz and J. David Singer 1962- “The Belief System and National Images: A Case Study” Ole Holsti 1967- “International Structure, National Force, and the Balance of World Power” Kenneth Waltz 1969-“Capitalism and Underdevelopment in Latin America: Historical Studies of Chile and Brazil” Andre Gunder
1970	1972- “Unequal Exchange: A Study of the Imperialism of Trade” Arghiri Emmanuel 1974- “The Rise and Future Demise of the World Capitalist System: Concepts for Comparative Analysis” Immanuel Wallerstein 1976- “Perception and Misperception in International Politics” Robert Jervis 1977- “The Anarchical Society” Hedley Bull 1978- “Orientalism” Edward Said 1979- “Theory of International Politics” Kenneth N. Waltz
1980	1980- “The War Ledger” A. F. K. Organski and Jacek Kugler 1981- “War and Change in World Politics” Robert Gilpin 1983- “Nations and Nationalism” Ernest Gellner 1984- “The Expansion of International Society” Hedley Bull and Adam Watson 1984- “After Hegemony: Cooperation and Discord in the World Political Economy” Robert O. Keohane 1986- “Achieving Cooperation under Anarchy: Strategies and Institutions” Robert Axelrod and Robert O. Keohane 1988- “Diplomacy and Domestic Politics: The Logic of Two Level Games” Robert D. Putnam 1989- “The Promise of Constructivism in International Relations Theory” Ted Hopf 1989- “Neorealism and its Critics” Robert O. Keohane

Table 1: Relevant theoretical contributions to International Relations

1990	1990- "Turbulence in World Politics: A Theory of Change and Continuity" James N. Rosenau 1990- "Back to the Future: Instability after the Cold War" John J. Mearsheimer 1992- "Anarchy Is What States Make Of It: The Social Construction Of Power Politics" Alexander Wendt 1992- "The End of History and the Last Man" Francis Fukuyama 1993- "Politics among Nations: The Struggle for Power and Peace" Hans J. Morgenthau 1994- "Diplomacy" Henry Kissinger 1995- "The Spread of Nuclear Weapons: A Debate Renewed" Kenneth N. Waltz and Scott D. Sagan 1996- "The Clash of Civilizations: The Remaking of the World Order" Samuel Huntington 1999- "Social Theory of International Politics" Alexander Wendt 1999- "The Lexus and the Olive Tree: Understanding Globalization" Thomas L. Friedman
2000	2000- "The Coming Anarchy" Robert D. Kaplan 2001- "Power and Interdependence" Robert O. Keohane and Joseph S. Nye 2001- "The Tragedy of Great Power Politics" John J. Mearsheimer 2002- "Globalization and its Discontents" Joseph E. Stiglitz 2003- "After Victory: Institutions, Strategic Restraint, and the Rebuilding of Order after Major Wars" John Ikenberry 2004- "Soft Power: The Means to Success in World Politics" Joseph S. Nye, Jr.
2010	2010- "Why the West Rules- For Now: The Patterns of History, and What They Reveal About the Future" Ian Morris 2011- "The Future of Power"- Joseph S. Nye Jr 2012- "Why Nations Fail: The Origins of Power, Prosperity, and Poverty" Daron Acemoglu and James A. Robinson 2016- "Who Rules the World?" Noam Chomsky

Source: Author's own elaboration

Realism and liberalism are the classic theories that can explain much of the duality of International Relations as a discipline. Its fascination on human capacity to go to war and justify its actions, and its hopes to understand why this happens in order to avoid it in the future is what fueled the study of the interactions among nations, especially after WWII when nuclear weapons increased the risk of going to another major armed conflict.

Although Realism and Liberalism occupied a prominent place among international relations theory, the period known as the Cold War came to challenge their assumptions about how the world worked. This was a period of great tension between the United States and the Soviet Union that resulted in a series of proxy wars that disputed the USA dominance over world politics. The debate between Realism and Liberalism that had dominated academic discussions before this period lacked the capacity to explain why the world hasn't gone through another world war or why it wasn't possible for both powers to cooperate in a peaceful manner.

We can see International Relations and its theories as a common thought process, where academics observe international events to then try to classify them -according to their characteristics- into pre-existing theoretical boxes, or build new boxes that fit them accordingly. In this way, a set of new theories and analytic approaches appeared in the academic community that attempted to explain the new and complex events of the international system during the Cold War.

The palpable tension among states increased the interest of politicians and academics equally in adapting idealist assumptions to fit the new international conditions creating what we know as neoliberal institutionalism. The Liberalism makeover doubled down on the importance of institutions and trusted them to create a set of incentives that could prevent nations from going to war. Interdependence became the favorite mechanism for theorist to prevent a new war so it became the preferred tool used to decrease the likelihood of another war.

Of course other theories and academic approaches appeared, like the Marxist, Feminist, and Social Constructivist views of reality, however, none of them got to get mainstream support within the academic and political community. On the other hand, Realism also received a well deserved makeover and Neorealist academics saw with skepticism the Neoliberal Institutionalism's optimism on interdependence capability to avoid armed conflicts. This could be confirmed with all the proxy wars that characterized the Cold War, however, it cannot be denied that so far there has not been another armed conflict with the same dimensions of a world war since 1945. Whether international organizations have been the reason why we haven't perished in a nuclear war remains unclear, nevertheless it cannot be denied that they have played an important role establishing the conducts that are allowed or frowned upon in the international arena.

In Table 2 it is possible to observe the main assumptions that each of the main currents of thought have on International Relations' theory, as well as the main authors of each theory. Hence, we have the classic theories like Realism and Liberalism, as well as their modified versions: Structural Neorealism and Neoliberal Institutionalism. On the other hand, we also included the main ideas of the most important "radical" theories, such as Marxism, Anarchism and Dependency Theory. Finally we added the Social Constructivism Theory, even though it is one of the most scattered currents of thought on International Relations, however, it has an important take on the relevance of identity and the formation of social meaning of concepts like "power" and "culture".

Table 2: Main International Relations' Theories

Theory	Main assumptions
Realism	1. The state is the principal actor 2. The state is a unitary actor 3. Decision makers are assumed to be rational players 4. States reflect human nature: selfish and egoistical 5. Anarchic international system 6. Power struggle among states 7. Power understood as military capacity ***Prominent authors:*** Thucydides, St. Augustine, Thomas Hobbes, Hans Morgenthau
Neorealism or Structural Realism	1. Looked to give a more rigorous approach to international politics from a classical realism point of view 2. The amount of peace and war in an anarchic system depends critically on the distribution of power, described in terms of system structure 3. Distribution of power in unipolar, bipolar or multipolar systems 4. Importance of relative power means that states hesitate to engage in cooperation ***Prominent authors:*** Kenneth Waltz, Robert Gilpin, John J. Mearsheimer
Liberalism	1. States are like humans: basically good and can improve 2. Bad or evil is the product of inadequate or corrupt social institutions 3. War is a product of society, not an attribute inherent in individuals 4. Anarchy can be overcome with collective action 5. States act in self-interested ways that will eventually lead to peace 6. Decision makers are rational 7. Free trade and commerce create interdependencies among states that raise the cost of war and reduce its likelihood ***Prominent authors:*** Montesquieu, Immanuel Kant, Woodrow Wilson
Neoliberalism or Neoliberal Institutionalism	1. Cooperation emerges because actors have continuous interactions with each other 2. Institutions prevent cheating by reducing transaction costs, reduce opportunity costs, and improve information flow between players 3. Cooperation in one area may spill over into other areas. 4. Institutional cooperation can deepen to the point where it may be said to have inertia becoming natural within the system 5. Security is essential, just like in realism 6. Institutions help shape state preferences, solidifying cooperative relationships. ***Prominent authors:*** Robert Axelrod, Robert O. Keohane, John Ikenberry

Table 2: Main International Relations' Theories

Marxism and other "radical" theories	1. Based on historical analysis 2. The state itself is usually seen as the problem within the system 3. The structure of the global system is hierarchical and is largely the by-product of imperialism (the expansion of certain economic structures in the world) 4. Expansion occurs because developed states have an overproduction of goods and services, underconsumption by workers and the lower clases because of their low wages, and over savings by the upper classes and the bourgeoise 5. Goods find new markets in underdeveloped regions, workers' wages are kept low because of foreign competition, and savings are profitably invested in new markets rather than in improving the lot of the workers within developed states 6. Imperialism leads to rivalry among the developed countries 7. Imperialism offers opportunities to some states, organizations, and individuals, but imposes significant constraints on behavior of others, particularly developing countries 8. Emphasizes the techniques of domination and suppression that arise from the uneven economic development inherent in the capitalist system 9. Uneven development empowers and enables the dominant states to exploit the weaker states 10. Such dynamics of power and economic expansion make such exploitation necessary to maintain the capitalist structures and *statu quo* 11. Dependency theorists add multinational corporations (MNCs) and international banks as new players that actively promote and benefit of the exploitation of developing countries 12. Marxists divide society in two factions: the controlled proletariat and the domineering bourgeoisie. The class conflict will provoque the evolution of capitalism into a new social order in favor of the proletariat ***Prominent authors:*** John A. Hobson, Karl Marx, Frederich Engels, Vladimir Lenin, Raul Prebisch, Enzo Faletto, Fernando Henrique Cardoso

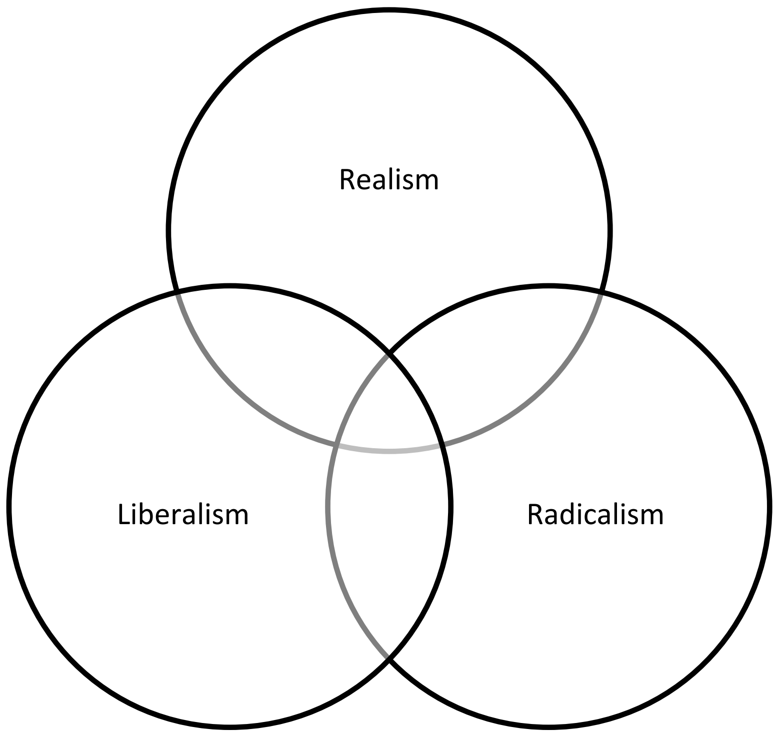
Table 2: Main International Relations' Theories

Social constructivism	1. Neither objects nor concepts have any necessary, fixed, or objective meaning. Meanings are constructed through social interaction 2. The state's conduct is shaped by elite's beliefs, identities, and social norms. 3. Individuals and collectivities forge, shape, and change culture through ideas and practices 4. Focuses on norms and practices of individuals and the collectivity 5. A political structure -whether one of anarchy or a particular distribution of material capabilities- cannot tell us much of interest: *"it does not predict whether two states will be friends or foes, will recognize each other's sovereignty, will have dynastic ties, will have revisionist or status quo powers, and so on"* (Wendt, 1992, p. 395). 6. Emphasis on normative structures, identity and their evolution thanks to cooperative behavior and learning 7. Anarchy exists because states decide so through their individualistic approach to international relations 8. Power seen as discursive rather than material (the power of ideas, culture, and language) 9. Sovereignty not an absolute, is a contested concept. State sovereignty is constantly challenged continuously by new institutional forms and new national needs 10. Change within the system occurs through diffusion of ideas or the internationalization of norms, as well as through socialization 11. Key players: the general population, the elites and general culture within the state ***Prominent authors:*** Ted Hopf, Alexander Wendt, Michel Foucault

Source: Author's own elaboration with information of Mingst, K. (2011). *Essentials of International Relations*.

Each theory has its shortcomings, as it is reflected on Table 2, no theory reflects reality in a completely accurate way and, therefore, they usually fail in their understanding of certain events. This lack of understanding promotes the creation of new theories or approaches that try to take into account the new reality that the theorist is experiencing. In a certain way, it may be easier to approach an analysis of international relations under constructivist assumptions, where we can say that our understanding of the global reality has been shaped by a great number of events and that the collective thought has evolved to comprise even more fragments of reality on its own analysis. A simplified illustration of this could be seen on Figure 1, where the main theoretical approaches to international relations are seen connected on a Venn diagram to represent the certain evolution of core ideas to a rich mix of principles that come together to give a better understanding of the same picture.

Figure 1: Connection among theoretical approaches



Source: Author's own elaboration

If we were to summarize the ideas that seem to be generally accepted among the different theories reviewed thus far, we would find the following:

Assumption 1: States are rational, therefore selfish

As far as we have seen, most of the theories admit that there is reasoning behind each state's actions. This is fundamental if we aim to form a theory since it would be impossible to predict or understand the behavior of a player if its actions lack of any logic. One possible reason why a state is seen as rational is that it follows its own need to survive to keep its social contract with the people that it represents. Is through this assumption that we see inside the metaphorical "box" of the state and understand that there are individuals that make decisions that represent the state in the international arena, and said decisions are meant to push the interests of the "people" however it is understood according to the type of government that the state holds within it.

If we understand that the state's actions are rational because they are bound to the political game that goes on inside of its borders, then it make sense that their actions are considered as selfish when they are taken seen in the international context. Since the decision-makers have as their main interest the state's survival and their hold of power within it, it is only natural that their actions will reflect these principles.

<u>Assumption 2: Power is a limited resource</u>

However, not all states have the same amount and it is deemed to be distributed among every state according to their capacities. Power and is definition varies among theories, while realists take it as military capacity, liberals see it as economic capacity. Nevertheless, power must be understood as any resource or set of resources that gives a state the capacity to influence the decisions of other states. Since the ability to decide among the international scenario depends on power, states are understood to be under a competence among them to get as much power as they can since they want to protect their ability to decide and protect their own interests. However, not all states have the same history, stability and conditions to compete for power, leading to an unequal distribution of it.

<u>Assumption 3: Implicit hierarchy</u>

Even thought, at the eyes of the United Nations all nations are treated as equals, reality paints a different story. The fact that power is a limited resource and that there has been an historic competence among nations for it, has contributed to an implicit hierarchy of nations that highly depends on said distribution of power. Considering the uneven distribution of power it is logical to expect the existence of a set of nations that hold more power than the rest and that use this characteristic of the system to impose rules that promote their own interest at the expense of the rest of the nations.

<u>Assumption 4: Cooperation is achievable</u>

Something that initially troubled realists is the notion of cooperation. The fact that states are in competition for power and are somehow able to overlook their competence to cooperate for economic or military reasons is hard to explain. However, it is generally understood that there are certain problems that a single player can't fix, problems that not only affect or benefit only one player and therefore collective action becomes a means to obtain certain advantages for all the involved actors. Cooperation, then, goes further than just a goodwill deed of the nations, but an important tool to achieve certain goals that wouldn't be within reach to a single player.

Power Transition Theory: The name of the game

Noticing patterns among theories, A.F.K. Organski proposed in 1958 the power transition theory that has as its main assumption that states in the international system are organized in a type of hierarchy where each country is placed according to its level of influence and power within the international scene (see Figure 2). Hence, states are classified according to the power that they hold. The concept of power is understood by this author as the preponderance of resources that influence the actions of other states.

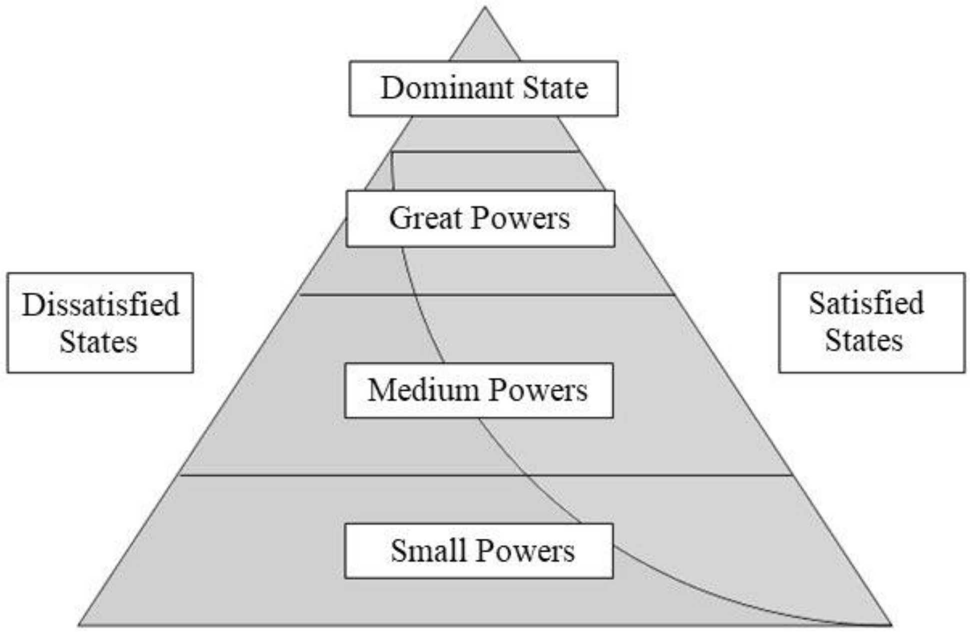
In this context, states behave as rational actors, whose main motivation is the maximization of their profits inside of the international system, meaning the growth of their power within it. Therefore, power could be understood as a wide variety of goals to achieve that allow the state to influence the behavior of other players in the international scene to achieve its own goals. Another important point to take into account is that this rationality is limited by the perceptions and beliefs that the player has about its environment, it is assumed that not all players have perfect information about the game they're playing but either way they have to decide according to the little or vast information they have while respecting their goals.

The position of a state –determined by its amount of power- gives a certain amount of possible courses of action. However, the way that the state ponders each possible action depends on its amount of satisfaction with its own position in the international hierarchy. To this, Organski adds that peace and the permanence of a world power in the cusp of the international hierarchy highly depends on the level of satisfaction and legitimacy that it holds towards the rest of the international actors (1958, p. 364).

By classifying the states by their respective levels of power and satisfaction it is possible to distinguish four groups of states within the international order established by the power transition theory: a) powerful and satisfied, b) the powerful and dissatisfied, c) the weak and satisfied, and finally d) the weak and dissatisfied with the international order.

In the Figure 2 is possible to observe a pyramid as the graphical representation of Organski's theory. The pyramid is divided in four levels of power in which the top is occupied by the dominant state –in the current world order represented by the US- which is responsible for establishing and maintaining the international order. As such, the country at the top of the pyramid receives most of the international systems' profits (Organski, 1958, p. 364).

Figure 2: Power transition pyramid.



Source: Organski, 1958 in Bueno de Mesquita, 2014, p. 196.

The so called "great powers" are placed in the second level of the pyramid and they have a considerable amount of influence within the international system but not at the same degree as that of the dominant state, therefore, their benefits are smaller in comparison. However, the dominant state depends highly on his strategic alliance with the great powers within the pyramid in order to keep its position at the cusp (Organski, 1958, p. 365). As the level in the pyramid lowers the amount of power within the states decreases while the amount of states increases. Hence, while the base of the pyramid is the level that has a greater number of actors, they carry the lowest level of influence and power within the international system.

When considering that the level of satisfaction helps to calculate the expected utility of the players, it is possible to observe its close relation to the power distribution inside the pyramid. Thus, as the number of countries increases down the pyramid, the dissatisfaction with the international order also increases. The important thing to note is that, if the existing balance within the pyramid is lost, there is an increasing possibility of the emergence of an unsatisfied actor with the sufficient resources and power to challenge the dominant state and take its place creating a power transition. However, the conditions for such transition depend greatly of the expected utilities of the disputing countries.

The expected utilities depend highly on the institutions that rule the relations between the actors since they help to structure the incentives that can shape the behavior of the players. Considering this, it is important to notice that in the international level there is no formal hierarchy and therefore, no central authority that establishes the rules of the game. But there is a dominant state that has the necessary power and influence to establish "the fundamental rules and norms of behavior in the international arena" (Bueno de Mesquita, 2014, p. 194), thus establishing the institutions that regulate and promote global governance.

Samuel Huntington brings an interesting perspective about the role of the institutions as instruments for the dominant states –the West- to exert their influence "to achieve their goals and protect their interests" (1996, p. 81) searching for control in various economic, financial, territorial and even academic aspects of the relations among states. Institutions play a significant role in the success or failure of the states, according to Acemoğlu and Robinson (2012) they are the ones that promote the necessary incentives among the players that will eventually lead to development or will maintain poverty inside their societies. According to their theory, the institutions –either political or economical- can be inclusive, meaning that they encourage participation of the individuals in the decision making, so they usually distribute in an equal manner the power among its members or society, while extractive institutions tend to be more restrictive towards the participation of certain groups, leaving most of the decision making power to a small elite.

Given the importance that the power distribution plays in the incentive structure of the institutions and, therefore, in the type of policies that they promote it is necessary to study the international institutions that shape the world and how they are structured to understand the politics that go behind their policies.

The Selectorate Theory: The logic of the game

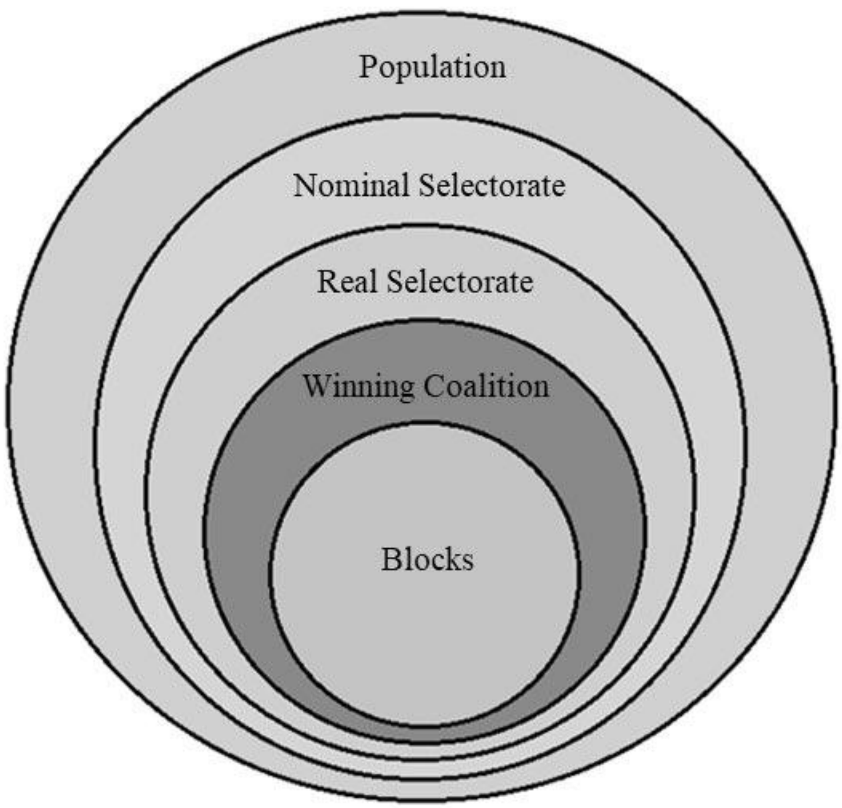
Central executives have a special role in mediating domestic and international pressures precisely because they are directly exposed to both spheres, not because they are united on all issues nor because they are insulated from domestic politics.

Robert Putnam, "The Logic of Two-Level Games" (1988: 432-433)

In the late eighties Robert Putnam (1988) wrote an article proposing the existence of a double-level game in that every national leader has to consider before making any relevant decision. The first level proposed by Putnam is the domestic level, where all the sub-national actors that have the power to influence in the decision-making process and in the leader's permanence in power are allocated. In contrast, the second level studies the international scenario comprised by diplomats and other international players (1988, p. 434). Bruce Bueno de Mesquita (2000) uses the international level proposed by Putnam as the place where Organski's power transition theory takes place. To better understand the domestic level Bueno de Mesquita's selectorate theory helps to establish the existence of different groups among the population that have different levels of influence in the decision making process (see Figure 3).

The first group that the selectorate theory distinguishes is that composed by the part of the population that has the capacity to influence in the politics of the country which translates, in the case of a democracy, to the part of the population that has the right to vote and this group receives the name of "nominal electorate". This group is followed by the real electorate, meaning the portion of the nominal electorate that actually used its influence power by participating in the electoral processes. The winning coalition is the name given to the part of the population that voted and that constitutes the critical amount of support that the leader needs to remain in power. Finally, in certain countries, Bueno de Mesquita observes the existence of smaller groups within the winning coalition, which come together to boost their own interests within the leader's agenda.

Figure 3: Governance institutions within the State.



Source: Bueno de Mesquita, 2000, 82.

Given the dynamics between real power and official power, it is assumed that there is a negotiation process to modify the distribution of power in which the heads of the institutions have to calculate the extent to which they can allow themselves to concede part of their power without risking their position within the organization and the international system. This negotiation process is considered inevitable, since the institutions are based on the concept of governance that implies a level of consensus among the countries that comprise them, including those countries that have the lowest levels of official power.

The accountability that institutions have towards its members is understood as the “internal governance budget” of Bueno de Mesquita. This concept is understood as the decision-makers balance in the distribution of public and private goods of the actions of the institutions to their members is understood under the term of "internal governance budget" of Bueno de Mesquita, which is understood as the dynamics of distribution of public and private goods within the institutions that allows a harmonious interaction within them. Public goods are understood as those benefits that every actor obtains by the simple fact of being part of the organization, in the case of banks it can be considered as the right to request loans to invest in infrastructure. Private goods are those to which only certain actors within the organization have access, which is why they are considered as privileges of those more powerful members within the institution.

Within private goods, the distribution of official power within the institution can be counted. Although all member countries are entitled to a percentage of the votes, this does not correspond to the percentage of financial contributions that the member country grants to the institution. This provision allows a significant part of the voting power within the institutions to be reserved for a specific group of countries, making official power a private good.

Given that the amount of goods that each organization has is limited, decision makers within the institution have to be strategic with the way in which they distribute private goods, since the level of power they hold depends on these structures within the organization. This follows the same logic established in the first chapter, in which it is understood that each international actor will always do everything possible to stay in power.

According to the theory of the Bueno de Mesquita selectorate, the existence of both types of goods (public and private) as well as the distinction between the members for the distribution of private goods determines that those countries that have access to them make up the "Winning coalition" within the existing "selectorate" in the organization. The winning coalition is considered the most powerful group within the organization and, due to its power, is rewarded by the dominant country for maintaining its loyalty through private goods.

The dominant country, and the main decision-maker within each organization, is part of the winning coalition and depends on the cooperation of the winning coalition to maintain the structure and functioning of the organization. Therefore, the winning coalition is usually made up of a majority of countries allied to the dominant country since the rules are established in such a way that the level of control that can be exercised by those members who are not satisfied with the current system can be controlled. .

The selectorate comprises both the winning coalition and the rest of the countries that are not part of this elite. This being the case, countries outside the winning coalition may have a considerable number of members, but their individual share of votes or official power pales in comparison to that held by members of the winning coalition.

Summary

In general terms, a theory is made to give a frame of study of a particular phenomenon. In the discipline of international relations, there has been several attempts to understand the basic rules that could help to understand and –hopefully- predict the interactions between the players of the international system. Since the system has changed significantly over time and that the common thought or understanding of it has also evolved with it, it is possible to see a continuous progression on the ideas and aspects taken into account in this discipline. However, it is also possible to observe that most of the theories (and theorists) of this discipline come from a very distinctive background –most of them come from developed countries- that has had a very visible impact on our understanding of the interactions among nations.

The power distribution theory developed by A. F. K. Organski (1958) is takes into account assumptions from a traditional theory like realism while also revising the precepts made by "radical" theorists that looked at the patent difference among developed and developing nations and how their power dynamics shaped their interactions. While Organski's theory helps to understand the role of power and the basic logic behind international politics, the selectorate theory proposed by Bruce Bueno de Mesquita (2000) helps to understand the way that decision makers tend to organize their interests in order to behave in a certain way within the international arena. Using Robert Putnam's two-level game analysis of international relations, it is possible to merge both Organski's and Bueno de Mesquita's theories to gain a better understanding of international actor's behavior.

CHAPTER 3: THE SYSTEMIC LEVEL

It may be well that the ultimate social purpose of science is to enable man to manipulate his environment to conform more to his values, but he cannot manipulate it unless he first understands how it works, and this is best learned through a scientific approach

-*A.F.K. Organski, "World Politics" (1958, p. 6)*

Introduction

Before the end of World War II was declared, the international trade system had collapsed given not only both worldwide conflicts but also the previous Great Depression (Ocampo, 2017, p. 3-4). As a result of this need to reconstruct the institutions that would rule the postwar monetary and financial relations, the Bretton Woods Agreement arose representing the beginning of a new international system (Ikenberry, 1993, p. 155). Institutions like the International Monetary Fund, the World Bank and the GATT –now known as the World Trade Organization- were established by being heavily influenced by American ideas about the way in which the international economic system should be managed (Bordo, 1993).

The original purpose of the World Bank was that of assisting in the reconstruction efforts of the economies destroyed during World War II, as well as promoting the economic development of the poorest countries (Babb, 2009, p. 26). This represented the emergence of a new type of bank that was founded in conjunction with the International Monetary Fund so that its activities would complement each other to achieve the aforementioned purpose. Given that the origins of both institutions - as well as a large part of their financial resources- came from the United States and the terms established in the Bretton Woods, it can be said that governance for development was shaped having a distinctive American influence (Babb, 2009, p. 22). Over time, a series of multilateral development banks began to emerge, usually distributed regionally. However, more than serving as alternative models of governance, these banks positioned themselves as followers of the World Bank's structure, policies and methods ensuring the promotion of economic practices aligned and promoted by the United States around the world.

The following chapter seeks to understand how the current governance definition came to be understood in the international arena and how power dynamics among states of different development levels are framed within this concept to identify if this model helps the empowerment of developing countries in the decision making of policies and programs that directly affect them. Considering this, the chapter is divided into three parts beginning with a review of the dynamics that characterize the contemporary international system in order to understand the environment in which the concept of governance arises. Followed by this, it seeks to define governance as such, as well as the characteristics that distinguish it from other forms of governmental organization. The last part is focused on the analysis of the challenges and opportunities that governance poses for developing countries to make their voices heard under global governance.

The rise of institutional neoliberalism

Walter Astié-Burgos (2019) determines that the new international system is characterized by having begun –almost at the same time- the third industrial revolution that formed a new civilization, society or era marked by "the widespread globalization that is fundamentally economic (the 'new economy'), but it is also present in all aspects of contemporary life" (p.103).

Globalization is a complex concept in which every part of itself seems to be up for debate. The academics seem to find themselves in constant discussion on different questions related to the term: its concrete definition, its antiquity, its possible culmination, its relevance and even its consequences. Thus, this has been a concept defined in different ways depending on the point of view of the author being studied. Although there is no concrete and universally accepted definition of what globalization is, it is possible to determine some specific characteristics that this concept encompasses.

Robert Keohane and Joseph Nye (2000) determine that regardless of whether globalization is studied as a phenomenon, a phase, an ideology, a change, the intensity of a process, etc. this has to be studied from the idea of an increase. This increase can be observed in the number of networks (economic, political, social and even cultural) between the actors, which entails a series of advances in the means of transport and communication as well as the establishment of a new role for the State in the face of such international context (Harris, 2002). Thus, globalization supposes the increase of the networks that unite the state actors, establishing the existence of a greater interdependence between them. Finally Keohane and Nye (2000) add globalism as an additional characteristic to globalization, giving it a multi-continental character.

One of the key events that ended up turning in international relations towards a more economic approach is found in the establishment of the "Washington Consensus" which was a strategy that laid the foundations that limited the power of the state in the national economy, eliminating its norms and interventions within it. Since then, according to Astié-Burgos, the study of International Relations has been much more focused in economic terms compared to other historical periods. Another factor that characterizes this new international system, according to Astié-Burgos (2019), is the inefficient distribution of income and inequality, which Joseph Stiglitz (2003) considers as the direct consequence of globalization and its neoliberal approach.

The "neoliberal approach" mentioned by Stiglitz (2003) stems from institutional liberalism or neoliberalism, a theory of IR that became particularly popular at the end of the Cold War and initiating the third digital industrial revolution that opened up new markets and facilities for economic actors. of all the world. This theory defends the role of multilateral institutions and their importance as actors that promote and implement actions for international cooperation (Schiavon and Prado, 2019).

Despite the fact that the theory of institutional liberalism promised that international organizations, international regimes and conventions would be sufficient to promote international cooperation to achieve common goals such as the development of countries, Stiglitz debates this point of view considering that there are problems in the theory and practice of this international trend. One of the main criticisms that this model has earned has been from its promotion of capitalist principles, in a way that has allowed the growth of inequality and the exploitation of and within the less powerful states of the international system. Capitalism is defined by Ariadna Estevez and Daniel Vazquez (2017, p. 15) through the observation of the characteristics that it has shown to have within Latin America. Thus, capitalism is observed from two aspects:

> 1) The idea of accumulation by dispossession of David Harvey (2004) who in turn radicalizes the concept of accumulation originating from Karl Marx, considering it as the "activity that extracts the resources of nature and the land to privatize and profit from them"; and,
> 2) From the point of view of Raul Ornelas (2013), who is based on the definition of two complementary concepts: strategic production and the role of transnational corporations, under which capital seeks to invest in strategic production activities that have the possibility of "controlling one's own production and, therefore, the generation of profit"

Hence, globalization arises from this trend of economic liberalization, based on capitalist principles that defend the strategic investment of capital to control production at the international level to allow the accumulation of wealth. Thus, globalization facilitated and accelerated the expansion of the neoliberal model thanks to the advantages that the new technologies placed within the international system, achieving that the movement of capital was rapid and that there was a general tendency to reduce state power, limiting its power to the minimum necessary to allow the economy to remain stable (Stiglitz, 2003; Bauman, 2001).

Governance

Understanding that the international system is currently marked by dynamics of interdependence between states due the connectivity and complex processes that characterize globalization and that have ended up limiting state authority at both the national and international levels, it is pertinent to study the way in which the international system has organized itself to deal with the problems that arise from them.

Governance has been a widely used concept to understand the dynamics of cooperation between international actors within the globalized context. Since the 1990s, this term has been widely used by different authors; however, its specific definition has been as interesting as the different attempts to define globalization. One of the first attempts to define this concept arises by James N. Rosenau and Ernst-Otto Czempiel (1992) both of whom note the growing need for states to cooperate to solve increasingly complicated problems due to the interdependent nature of globalization. Thus, the authors began to question how cooperation between states could be achieved if one considers the lack of a supranational actor that manages to coordinate such efforts and implement coercive measures for those actors that do not respect the agreements generated.

Despite the fact that Rosenau and Czempiel's work (1992) manage to describe the situation in which international relations were at that time, they failed to establish a specific definition for the concept of governance. Finkelstein (1995) would contribute determining that the lack of a concrete definition of governance was due to the confusion existing among academics in the face of the dizzying speed of international events that were transforming the foundations of the international system.

Krahmann (2003) would later debate the opinion of Finkelstein (1995) when carrying out a deep revision to the term and the connotations that it implies depending on the level of analysis that is being applied. Thus, Krahmann (2003) determines that although an ambiguity in the use of the concept of "governance" is evident among theorists of different social sciences and, particularly among internationalists, the concept could be reduced to a series of characteristics that define a universal phenomenon. The characteristics that the author observes during his study can be summarized as follows:

- It has its origin tied with the increasing influence of neoliberal ideology in international relations
- It searches for market solutions to social problems
- Fragmentation of authority that entails the empowerment of non-governmental actors and the loss of prominence of the state within the international political scene
- Complex and horizontal relationships between governmental and non-governmental actors in the absence of a central authority that prioritizes their interactions
- Loss of national sovereignty due to global interdependence that requires cooperation between actors to solve national and transnational problems

Therefore, Krahmann (2003) estimates that the term governance is used to describe the growing tendency to regularize the character of international and transnational relations in order to obtain predictable or standardized responses to social and political issues ranging beyond the capabilities of the nation-state. Although this concept seems to indicate the existence and creation of international institutions and regimes, in reality, governance implies not only the acceleration of interdependence thanks to globalization, but also the emergence of non-governmental actors that take on a fundamental role in the formulation of public policies at whatever level of study that is being used (national, regional or international). However, the aforementioned characteristics pose a series of challenges that even though they serve to promote the participation of certain actors as well as the democratization of decision-making, they also imply a somewhat adverse scenario for those actors hat lack the ability to represent their interests within governance structures.

Governance and power relations

Krahmann (2003) describes a series of aspects in which governance has led to a significant transformation compared to the processes traditionally marked by the logic of governance. Among the aspects that seem to highlight the dynamics of power and the potential to increase the gap of economic inequality between actors is the promotion of market solutions and self-regulation in areas such as finance, trade and the environment (Krahmann, 2003). This idealization of the competitiveness of the private sector continues by promoting its participation to meet public demands as a way to reduce the inefficiency and corruption of the public sector, as well as within the promotion of society seen as a market with different types of demands that they need to be satisfied by different private services rather than through a unified public sector.

Another delicate aspect of governance is found in the recognition of other actors within the decision-making process, this due to the fact that the power dynamics between the actors change from hierarchical or vertical relationships to more dispersed and horizontal relationships that force the actors to negotiate among themselves to reach agreements for the solution of common problems. In the first instance, this would not seem to represent a big problem, on the contrary, it sounds good to have other interested opinions within the discussion. However, the resources available to each actor vary, generating power relations that form hierarchies between the actors, giving priority to the interests of those actors who have the means to co-opt the negotiations. Finally, it must be added a series of norms that promote the fragmentation of power and the pursuit of individual interests over the common good.

Among the most recent articles is the work of Aguilar (2016), who determines that governance must be understood as the action or process of governing in which society and government define their fundamental values, objectives and means to reach them. Within its definition, the participation of non-governmental actors in decision-making is maintained, but it vindicates the role of the state not only as a facilitator of the private sector and protector of market forces, but also establishes it as the actor in charge of the management, leadership and coordination of the social system as a whole, based on the general interest, which clearly distinguishes its definition from those that had been revised up to now. Part of the reasons why this happens could be found in the growing skepticism about the goodness of monitoring market forces, especially after the 2008 housing crisis. However, Aguilar specifies in his work that governance has taken different forms throughout history and that there is no single model since it depends to a large extent on the existing relations between state and the society it directs. Despite the variations that Aguilar makes to the definition of governance, it continues to be a type of “relational government” in which the relationships between actors are horizontal and decision-making derives from a negotiation process between them being the power understood as financial capacity, which determines the type of interests that will govern the international agenda.

Despite the fact that the official governance narrative seems to advocate for a greater participation of all the actors involved in the issue that is under discussion, as has been discussed throughout this work, participation - and the case that is Give to this - each actor depends to a great extent on the power that it has within the system to provide the necessary resources for the formulation, application and evaluation of public policies.

Maria Gritsch (2005) studies the international system classifying states based on their amount of power within the international system. Thus, it determines the existence of dominant and non-dominant countries that, depending on their position within the international system, will benefit from the hegemonic practices characteristic of the international system or, otherwise, will be affected by them. Within this logic, the dominant countries voluntarily decide to join the globalization process since the benefits that they can obtain outweigh the option of retaining their power and maintaining their political and economic restrictions.

The reason why the dominant states want to join the globalization process, in addition to it serving as a means of opening their corporations to other markets that allow international hegemony, is that these types of countries should reduce their restrictions because this removes part of their responsibility and obligations to subnational actors that could hold them accountable. This means that, by creating or forming part of organizations such as the World Bank, the state restricts the ability of its citizens to participate in decision-making and, consequently, manages to strengthen its executive power.

Continuing with the logic expounded by Gritsch, advanced capitalist states want to reduce the participation of other subnational actors because they limit their accumulation capacity by holding them accountable. To understand this, the author explains the relationship between capital and the State, in which the former is in charge of providing the resources that allow the latter to show its power in the international arena and, in return, the latter provides protection to internal capitalists, as well as platforms to continue accumulating capital.

For their part, the non-dominant countries are forced to withdraw their restrictions and give up their power in exchange for very little benefits due to the international pressure generated by the dominant countries. Thus, Gritsch (2005) agrees with the premise of Estevez and Vazquez, determining that globalization has served as a soft power strategy for advanced capitalist states that seek to maximize their profits by influencing, manipulating and access-ing the markets of other countries. This is how developed states manage to open new horizons for their endogenous companies so that they can enter the world market with the protection that their state provides them.

Once the role that the state plays within this system has been determined, Astie-Burgos highlights the existence of “globalizing agents” that work as promoters of globalization, these being large transnational companies (2019, p. 103). Thus, these types of actors are the ones who have truly obtained the benefits of the current international system, acquiring “enormous” power, even exceeding the GDP of some countries. The level of power that these companies have achieved "has been translated into political influence, they have promoted public policies that fundamentally benefit them, as is the case of the Washington Consensus" (Rosas and Astié-Burgos, 2005, pp. 119- 142).

Ornelas (2013) establishes that corporations have been relatively free to fight among themselves to obtain the best strategic production points and as many markets as possible with the aim of becoming hegemonic actors within the international economy. Hegemony, according to Ornelas, implies "leadership in three branches of the capitalist production: military dimension, economic dimension and cultural dimension" (Estevez and Vazquez, 2017, p. 17), which requires active participation from the state to open the way for their national companies. Thus, multinational corporations are seen as bastions that "accumulate political and economic power, and are axes of world hegemony" (Estevez and Vazquez, 2017, p. 18) determining that it is precisely through these hegemonic practices that capitalism reproduces itself outside state borders. It is within this context that Estevez and Vazquez consider that neoliberal capitalism is marked by power relations between states and transnational corporations among other actors of the international system.

Given the unfair practices of neoliberal capitalism, Vazquez (2017) takes up Gramsci’s work (1975) in which he wonders why this system has been sustained for so long. This "capitalism permanence" is explained thanks to the existence of an hegemonic structure where the state and its transnational corporations not only access to developing countries to exploit their resources and accumulate profits, but this is allowed for long periods of time given a certain “arrangement –an active, though subordinate, consensus– of the governed, which allows us to understand this filiations”. In other words, the neoliberal model is sustained not only by the accumulation of wealth and the exploitation of resources, but these activities are usually justified under an arrangement that allows the society to consider that their interests are taken into account or by the promise that they could to obtain some kind of benefit for participating or allowing the permanence of this model.

Summary

As it was reviewed at the beginning of this chapter, the blueprint for Multilateral Development Banks (MDBs) come from institutions constructed during the postwar era as platforms to help Europe after the WWII’s devastation. Understandably so, the International

Monetary Fund and the International Bank for Reconstruction and Development were built to answer to the international context of the moment. Eventually, their activities expanded to serve more countries around the globe and a wider variety of projects related to a state's development.

The IBRD has suffered several changes since then, being later constituted as part of the World Bank Group with a membership of more than 180 countries, this MDB is considered to be the most influential bank of its kind and it has served as a model and leader in development efforts all around the globe. However, the leadership within the World Bank has remained stable throughout the years even though the international system has changed significantly since the beginning of the Cold War.

The relevance of the leadership and the internal governance within an institution, and even more of an institution with an international importance like the World Bank, derives from its role as moderator of international cooperation towards global development. Its actions, points of view and interests have a direct impact on the type of projects and policies promoted all around the globe exerting its influence in developing countries that depend on the help that only these sort of institutions can provide.

With phenomena like globalization and the increasing interdependence that the modern day supposes, developing countries are exposed and forced to participate in a system that promotes capitalist principles that in practice benefit only a reduced number of players of the international system. Nevertheless, the participation in the system comes as the only way to affront the increasingly complex problems in the international scene where cooperation among players is vital.

In this context, governance has appeared as a new sort of cooperation model where states do not necessarily depend on hierarchical institutions to achieve agreements towards the solution of international problems. However, as Krahmann (2003) points out, governance also caters to market solutions and capitalist interests in the solution of social problems while undermining the authority of the states in favor of cooperation. This may not come as a big trade in for developed countries that count with enough capital and power to utilize through the negotiation process but for developing countries the inequality within the system leaves them defenseless towards predatory deals co-opted by developing countries or multinationals.

When talking about global development governance there are but a few players that have the necessary tools to promote the development of the countries that need it the most, and the actions made towards it are usually made in multilateral actions through MDBs. This is why the way that they behave either inside and outside of their own institutional structures is understood as key in the construction of standards and policies around development and what it entails.

Since institutions are immersed in an international context and they are formed by the same players of the international arena, it is expectable to see them replicate the same power relations seen outside them. Even though they have their own set of rules and protocols agreed by their members, it cannot be presumed that said agreement is not a product of the same power relations seen in governance and that is why it is necessary to take time to understand the current conditions of global development governance and the way that the system is allowing developing countries voice their interests in the corresponding institutions.

CHAPTER 4: THE DOMESTIC LEVEL

National goals are determined by the interests of the most powerful groups and individuals within the nation, by their power position of the nation, and by the general climate of the times

-A.F.K. Organski, "World Politics" (1958, p. 475)

Introduction

In this chapter we will review the importance of institutions, how they evolve and what they mean in the context of international development. Therefore, the main point of this chapter is to review developing countries' efforts to reduce the discrepancy between the discourse or narrative that drives international institutions and the reality of the system itself and what they have tried to do to change it (SSC, China, etc.). Conclusion: there's an intrinsic problem in the institutions since they are meant to give a certain preference to the actors that don't really need their help. It seems to be that it is necessary an unprecedented level of cooperation among nations to counter the power of the developed countries and this is really difficult since there is a lack of consciousness that the system supports given the individualistic approach of the capitalist system.

Defining development: The World Bank, the MDBs and the importance of institutions

Since it has been established the existence of an economic model that shapes and distributes the power inside the international arena, it is important to establish how this model is enforced among the different actors that coexist within the system. Institutions are defined by Douglas North as the "rules of the game in a society or, more formally, are the humanly devised constraints that shape human interactions" (1990, p. 3). Considering the system outlined by Gritsch (2005), the dominant states are the ones that shape the rules and therefore, the institutions that have the responsibility of enforcing them.

Vázquez (2017) explores Mylai Burgos's ideas about law and norms being an instrument of domination applied regardless the type of economic system (2013, p. 737), given the necessity of a legal system supports it and that "reflects and formalizes the relationships that are in accordance with the interests of the ruling class in political power" (Burgos, 2013: 738-739). Sarquis elaborates on this by establishing that this notion ends up being founded within society by means of the legal norm which does not always seek the common good, but "reflects the nature of the interests created by the groups in power and the eagerness to defend their privileges, even when they try to cover them with the garment of the collective good" (2019, p. 211). Huntington (1996) observes the use of a narrative that legitimizes the actions of the dominant states acknowledging that the phrase 'world community' "has become the euphemistic collective noun (replacing "the Free World") to give global legitimacy to actions reflecting the interests of the United States and other Western powers" (p. 184).

Under this context, the Multilateral Development Banks (MDBs) are presented as international organizations that specialize in financing development programs in developing countries through loans and the World Bank comes as the oldest and more influential of them all, serving as the structural model that all the following MDBs would imitate in the following years (Sanford, 1982; Babb, 2009). This "Bretton Woods system" as Humphrey (2015) calls it, "has dominated the decades the decades since its establishment in the aftermath of World War II" (2015, p. iii); however he also identifies the existence of several emerging economies that are starting to organize to create their own MDBs outside the system, showing a "major shift in the global development finance architecture" (2015, p. iii).

Babb defines an MDB as organization with more than two parties that are primarily focused in the "business of economic development", that behave as banks (2009, p. 7). The MDBs offer different services, like loans at longer terms than those offered in the market referred to as "hard loans", or loans at subsidized interest rates for the poorest countries, also called "soft loans". These funds usually come from three main sources, the member contributions, the international capital markets –meaning, interest on bonds- as well as loan reflows (Babb, 2009; Sanford, 1982).

Historically speaking, the MDBs have shown different priorities in their actions, evolving in their consensus about what promotes development and how to achieve it. Wang (2017) notes that in their early years the MDBs were mainly focused in infrastructure projects towards the 1980s-1990s they would significantly reduce the amount of investment in these types of projects given the neoliberal trends that started to gain traction during those years, promoting the participation of the private sector in the infrastructure investment (Wang, 2017, p. 114).

Taking the "policy paradigm" concept from Hall (1989) Babb notices here a policy shift that started with the Washington Consensus and got formalized at a transnational level thanks to the MDBs, given their position to influence on the way in which developing countries adopt and apply policies aimed at their economic development. This influence can be applied through three different ways; the first one is by providing the funds for investment projects like infrastructure, the second type is by lending money for policy reforms and the last type is by generating trustworthy research in the field (Babb, 2009, p. 8).

However, this shift has lead to several criticisms based on the "massive need for greater volumes of development finance in many countries, particularly for basic infrastructure" (Humphrey, 2015, p.3) that has not been met by these actors that are regarded as the most adequate players to respond to this problem. Now, if we are looking for a possible explanation for the lacking response of these institutions to the infrastructure needs of the developing countries, then it is necessary to take a look at the decision-making process inside them to understand if the existing incentives are enough to make the development of the countries an attractive result for the decision makers.

As Williamson (1990) notes, most of the Washington Consensus was defined by American politicians and top decision makers of the IMF, the World Bank and the Inter-American Development Bank, meaning that most of the economic policies proposed by it were a set of political goals that got legitimated through expert knowledge (Babb, 2012, p. 272). And this influence is clearly observed by Sanford (1982) who highlights the importance that the US holds within the MDBs and recommends the maintenance of its working majority on their executive boards to ensure a continued control over the diplomacy and priorities of the MDBs standards.

If we take into account that the institutions are the ones that determine the trends regarding the global development and that they, in turn, are subject to the political interests of their leaders, we can understand that there is no definitive definition of “development” since it has evolved according to the interests of the dominant states, passing from infrastructure to a more general and ambiguous definition that even involves the existence of social and political freedom (Babb, 2009, p. 4).

Joseph Stiglitz (2003) considers the American dominance and the restrictive structure of this type of organization as one of the main causes of the slow development of the countries of the Global South, considering that this influence has pushed policies that only benefit a small number of actors. just as it has favored the idea of universal recipes for development that have failed when applied in developing countries. It is precisely this apparent inability to improve economic conditions in developing countries that has fueled growing disagreement within the Global South about the leadership of the United States and its allies in these types of institutions (Peng and Tok, 2016; Weisbrot and Johnston , 2016).

South-South Cooperation (SSC): A response to an unequal system

The inconformity with the World Bank’s shift towards neoliberal practices enforced via incentives and conditionality policies –followed closely by the rest of the MDBs part of the ‘Bretton Woods system’ mentioned by Humphrey (2015) - stirred the “desire of many emerging economies to reform the existing system of financial governance, especially to increase their voice at international financial institutions” (Wang, 2017, p. 114). When discussing the governance inside the MDBs, Paul Nelson highlights the lack thereof in the “adoption and implementation of new agendas” noticing that there is an observable pattern among them, where the World Bank would adopt the new measures and then “mandate on a global level at the initiative of Northern governments and with the encouragement of non-governmental organizations (NGOs)” (2000, p. 405).

However, the economy has evolved at a faster pace than the World Bank and major MDBs' governance and actors like Brazil, Russia, India, China and South Africa (BRICS) have been among the most vocal actors in their disagreement with the system that does not give them the recognition that the weight of their economy should bestow upon them (De Renzio & Seifert, 2014; Humphrey, 2015; Wang, 2017:2019). Nonetheless, this 'rebelling' behavior from developing countries towards the established institutions is far from being a new phenomenon, and in turn it comes as the most recent wave of the South-South Cooperation (SSC) set of practices that the 'global South' promote in the "hope that development may be achieved by the poor themselves through their mutual assistance to one another" (Gray & Gills, 2016, p. 558).

The South-South Cooperation is a concept and a global political movement that has been doing sporadic apparitions since the Bandung Conference of 1955 where the "newly decolonized countries of the global South emphasized economic and cultural cooperation, human rights and the promotion of world peace" (Gray & Gills, 2016, p. 558). This would become the "Bandung spirit" that characterized the Third World movement and the Non-Aligned Movement (NAM) during the Cold War period (De Renzio & Seifert, 2014; Gray & Gills, 2016). However idealistic their principles might seem, the motivation behind this movement was directed towards the reduction of their dependence on the global North and its unequal structures that deepened the global inequality.

The accomplishments of the BRICS within the international arena and the increasing influence of China has been a sign of the return of the SSC movement to the international politics after its stagnation during the 1990s given the economic and fiscal crises that many developing countries suffered (De Renzio & Seifert, 2014, p. 1862). In this context, the 'global South' that shape the SSC is not delimited by the geographical position of the countries that comprise it but by the set of technical, academic and financial cooperation practices that are carried out among developing countries in order to reduce their dependence on North-South cooperation (OECD-DAC, 2011).

The end of the "progressive era": China's disregards towards the international normative structure

Since opening up to the outside world, China has become one of the world's leading economic forces in a surprisingly short period (Eichengreen & Tong, 2006; Westad, 2012). However, despite its increasing global importance, China has continued presenting itself as a developing country, keeping its SSC activities and prioritizing its relations with other developing nations (He, 2016, p. 2). Part of this behavior can be attributed to the United States' reluctance to allow a greater participation and recognition of China within the institutions that had been traditionally dominated by the US. Therefore, China's participation has been active within the SSC, being recognized by Renzio and Seiferd as part of "a small group of large players, both in size and influence" (2014, p. 1865) that show a greater activity in the SSC and a stronger rejection towards the current development policies imposed by US led institutions.

Hence, China has passed from recipient to donor of development aid and has created a strong development cooperation program with developing countries from all over the world, expanding its influence sphere well beyond its borders. As one could expect, this has been strongly criticized for using development cooperation as the means to access "trade and investment opportunities, as [well as] natural resources" (Renzio & Seiferd, 2014, p. 1865; Eichengreen & Tong, 2006, p. 80). Nevertheless, China's assistance has been focused on those areas that have been neglected by the traditional donors and institutions, extending its aid outside of Asia, towards Africa and Latin America.

Huntington (1996) observes China's behavior as a signal of the American decadence, calling it the "end of the progressive era", where the Western ideas decline while Non-Westerns start implementing their own ideologies through their own institutions while pointing out the flaws and hypocrisy of the current system. According to Huntington, the economic development of East Asia, and China's development in particular, will pose a significant challenge to the United States since their "differences go across the board" and they will inevitably lead to a clash of cultures since they are not willing to accept the other's hegemony, in the world or in Asia (1996, p. 228).

The idea that China is posed to be a direct challenger to the US hegemony in the international order has shaped most of the literature and political views of China's foreign policy (Perlez, 2015; Heilmann et al., 2014). On the other hand, Western countries are also concerned about the way that China does not ask for any conditionality for its financial aid, focusing only on the infrastructure, leaving on the side the international standards regarding of environmental protection, human rights and anti-corruption measures (He, 2016, p. 6; Peng & Tok, 2016, p. 747).

However this concern towards the ethics behind China's financial aid seems to only be a problem when it compromises the Westerns' ability to promote their own norms, given that these type of omissions are accepted and overlooked when allies like Saudi Arabia or Israel don't comply to these "international standards" (Huntington, 1996; Peng & Tok, 2006). Therefore, is the lack of compliance from China what drives the concern from the dominant states since it "weakens the attempts to pressure more authoritarian states to liberalize and reform and to accept liberal political and economic norms" (Breslin, 2012, p. 21).

The World Bank

The World Bank's history goes back to the end of the World War II when the Bretton Woods Agreements (1945) conferred to it the objective of helping to "rebuild the economies destroyed by the Second World War and to foster the economic advancement of poor countries" (Babb, 2009, p. 26). Nowadays, the World Bank is divided in three separate banks that each provides a different type of loan, according to the economic capacity of its members.

The first affiliate, the International Bank for Reconstruction and Development (IBRD) constitutes the original bank and its mainly focused on loans for middle income nations with slightly lower interest rates than those available in the market. The International Finance Corporation (IFC) is the second affiliate and it promotes the growth of the private sector inside developing countries through investments and loans. And the last affiliate is the International Development Association (IDA), created to give long-term loans with practically no interest rate for the world's poorest countries (Sanford, 1982).

Its structure was modeled after the International Monetary Fund's, distributing its voting shares according to each member's contributions. The United States has had a more than significant part of the votes of the WB, and even though its financial share has been reduced during the years, it still holds the majority of them and the veto power (Babb, 2009, p. 26).

Nowadays, the World Bank counts with 188 members, and the decision making process happens within the Executive Board where there are 25 directors that represent all the WB members distributed in the following order: one for each of the five major contributors (United States, Japan, China, Germany and France) and the remaining 20 executive directors are chose by constituencies. It is important to consider that each constituency is represented by an Executive Director and that they do not hold equal voting power (see Table 1), since the voting share of each member depends on the basic votes that are distributed equally among them and the votes that are assigned according to the value of the bank stocks that they hold (IBRD, 1945).

Table 3. Voting power distribution among the World Banks' Executive Board

No.	Country	No. Votes	Voting share
1	USA	385,236	15.41
2	JAPAN	193,711	7.75
3	CHINA	119,366	4.78
4	GERMANY	101,708	4.07

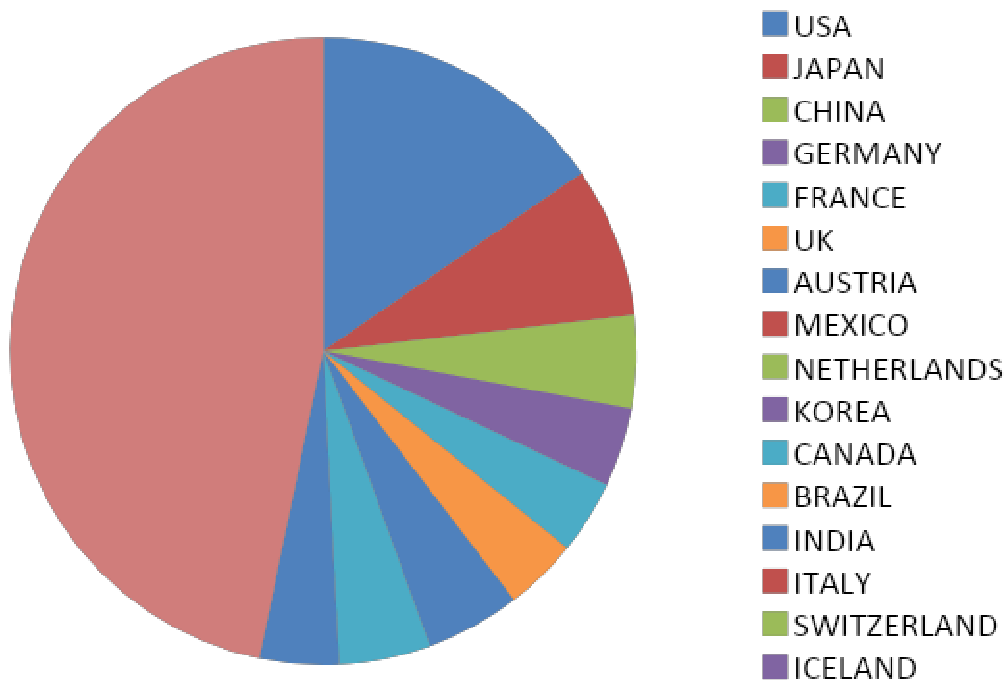
Table 3. Voting power distribution among the World Banks' Executive Board

5	FRANCE	94,779	3.79
6	UK	94,779	3.79
7	AUSTRIA	121,680	4.87
8	MEXICO	118,179	4.73
9	NETHERLANDS	101,793	4.07
10	KOREA	99,437	3.98
11	CANADA	99,224	3.97
12	BRAZIL	92,456	3.7
13	INDIA	91,260	3.65
14	ITALY	83,322	3.33
15	SWITZERLAND	76,195	3.05
16	ICELAND	75,998	3.04
17	PAKISTAN	75,575	3.02
18	THAILAND	72,458	2.9
19	RUSSIA	70,425	2.82
20	KUWAIT	68,770	2.75
21	SAUDI ARABIA	67239	2.69
22	URUGUAY	57,089	2.28
23	CAMEROON	50,802	2.03
24	UGANDA	47,810	1.91
25	NIGERIA	40,288	1.61
	TOTAL	**2,499,579**	**99.99**

Source: Author's own elaboration with information of The World Bank Group (2020) "International Bank for Reconstruction and Development Voting Power of Executive Directors". Available at: http://pubdocs.worldbank.org/en/329671541106474760/IBRDEDsVotingTable.pdf

In Figure 3 it is possible to observe the voting power distributed among the Executive Directors, where the United States holds the largest share with 15.41% of the voting power, followed by Japan (7.75%), China (4.78%), Germany (4.07) and the UK (3.79%) being the only five members that hold a director for themselves. The resting 20 are constituencies that can hold as many as 22 states like Uganda's constituency, or as little as one country, like in Saudi Arabia's case (IBRD, 2019).

Figure 3. Voting power distribution among the World Banks 'Executive Board



Source: Author's own elaboration with information of The World Bank Group (2020) "International Bank for Reconstruction and Development Voting Power of Executive Directors". Available at: http://pubdocs.worldbank.org/en/329671541106474760/IBRDEDsVotingTable.pdf

The main criticism to the World Bank's governance can be placed on the lack of consistency on the amount of votes that each member holds according to its stocks, considering that there are developed countries overrepresented and that emerging economies that hold a bigger economy weight are left with less votes than they should. Vestergaard and Wade (2014) agree that even after the 2010 reform the there's still an imbalance in the voting power distribution since it does not appear to be congruent with the gross domestic product (GDP) of the different countries.

Asian Infrastructure Investment Bank

The Asian Infrastructure Investment Bank was founded in 2015 and started functioning by December 2017 and in the short time it has been in existence, it has managed to generate various debates about its impact on the global financial governance (Xu, 2015; He, 2016;

Liao, 2015; Ra & Li, 2018; Wang, 2019). There are several reasons why this MDB came to be in a region where there's already another development bank: the Asian Development Bank (ADB) with a Japanese leadership.

The main reason that explains the existence of the AIIB is the great need for investment in infrastructure projects across Asia (Branchoux, Fang & Tateno, 2018; Ra & Li, 2018; AIIB, 2018). According to the AIIB's Articles of Agreement this MDB has two main purposes, the investment in infrastructure and other productive sectors to foster sustainable economic development and to promote regional cooperation by working with other multilateral and bilateral development institutions to address development challenges (AIIB, 2015). According to diverse studies (ESCAP, 2015; Bhattacharyay, 2012; Fay & Toman, 2010; ADB, 2017) the projections of the infrastructure financing requirements are around \$1.5- \$1.7 trillion per annum in order to provide the necessary infrastructure services to maintain and improve the current levels of economic growth of the region (Branchoux, et al., 2018).

China's desire for a greater participation in international financial governance is another reason that motivated the foundation of the AIIB. As it was discussed in the review of the World Bank, this institution has a more than questionable distribution of its voting shares that has diminished the legitimacy of that institution among emergent economies such as China (Liao, 2015; Chow, 2016, He, 2016). Even after the 2010 reform, China remains underrepresented in relation with its economic role in the world's economy (Vestergaard & Wade, 2014; Xu, 2015).

According to He (2016) an additional motive that encouraged China to push for the creation of this bank is the "One Belt, One Road Initiative" (OBOR) a project meant to connect China with its neighboring countries. In this case the AIIB would work as an auxiliary mechanism that in coordination with the Silk Road Fund would help China to build a "strategic economy" revealing the geoeconomics logic behind China's actions (Sidaway, 2017; Ordoqui, 2019). Considering this, the AIIB seems to be one of the tools that China is trying to implement to have an increasing influence in the global development governance (He, 2016, p. 2).

The AIIB currently counts with 78 member states, divided by their geographical location. While the AIIB also takes into account the financial contributions of the member states, it distributes the voting shares in three types of votes:

- Basic votes, resulting from the equal distribution of the 12 percent of the sum of all the votes held by all the members of the Bank
- Share votes, equal to the amount of shares of the capital stock of the Bank held by each member
- Founding member votes, a total of 600 votes for each founding member of the Bank

In contrast to the classic MDB organization, the AIIB reserves an amount of votes to the regional members, to ensure that they hold the majority of the voting power, having a stronger voice in the decision-making related to the development of their own region. Hence, the 44 regional members currently count with approximately 74% of the available votes of the AIIB, while the remaining 26% is distributed among the 34 non-regional members (see table 4). Another interesting modification that the AIIB makes to the traditional policies of the World Bank is that members are allowed to increase their contributions to the bank but it does not imply an increase in the number of voting shares initially conferred and it must be subjected to a Super Majority vote if it might change the voting power of the regional members bellow 70% (AIIB, 2015; Liao, 2015; Wang, 2019).

Table 4. Voting power distribution among the AIIBs' Executive Board

CONSTITUENCY	VOTES	VOTING POWER
CHINA	309357	27.4247
FRANCE	175411	15.5503
RUSSIA	91453	8.1074
INDIA	88268	7.8250
POLAND	83195	7.3755
KOREA	61603	5.4610
VIETNAM	61320	5.4361
SAUDI ARABIA	61073	5.4142
PAKISTAN	53437	4.7372
INDONESIA	52871	4.6870
BANGLADESH	46153	4.0914
CANADA	32584	2.8886
TOTAL	**1116725**	**98.9984**

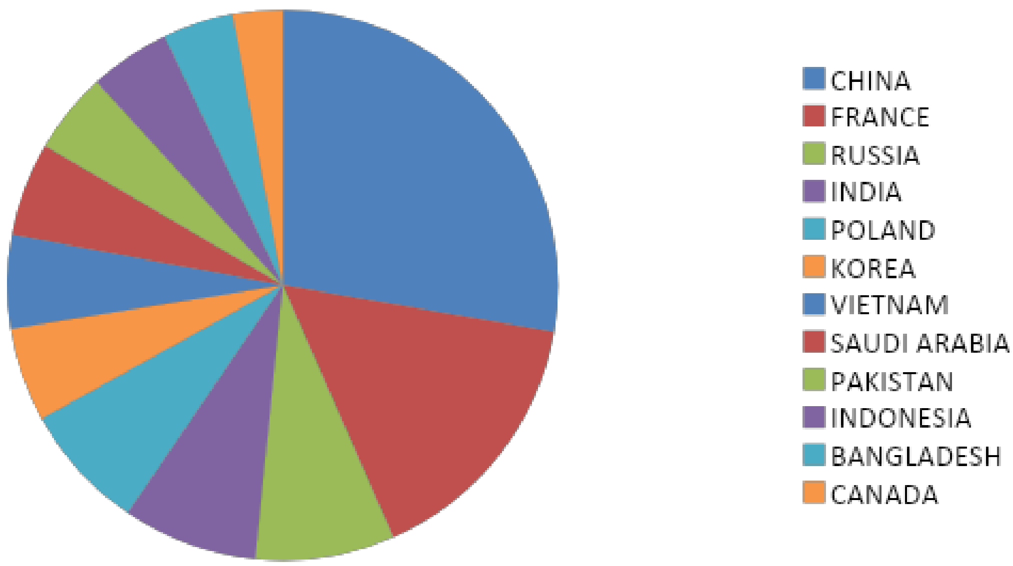
Source: Author's own elaboration with information of Asian Infrastructure Investment Bank (AIIB). (n. d. c). Members and Prospective Members of the Bank. Beijing, China: BAII. Available at: https://www.aiib.org/en/about-aiib/governance/members-of-bank/index.html

The AIIB is organized in a similar way to the World Bank in the way that it also counts with a Board of Governors as the highest decision-making body within the bank. The Board of Directors composed by 12 directors that represent the current 78 members, nine elected by the regional members and three elected by the non-regional members; however, the amount of directors is subject to change according to the changes that may occur in the member composition of the bank.

In Table 4 and in Figure 4 it is possible to observe that China holds the majority of the voting power with a 26.65 percent of the votes, being an even a larger amount than the 26.49% that all the non-regional members hold. However, this percentage is still subject to change, decreasing with the entrance of new members.

Summary

Figure 4. Voting power distribution among the AIIBs 'Executive Board



Source: Author's own elaboration with information of Asian Infrastructure Investment Bank (AIIB). (n. d. c). Members and Prospective Members of the Bank. Beijing, China: BAII. Retrieved from: https://www.aiib.org/en/about-aiib/governance/members-of-bank/index.html

There's an intrinsic problem in the institutions since they are meant to give a certain preference to the actors that don't really need their help. And the sad truth seems to be that it is necessary an unprecedented level of cooperation among nations to counter the power of the developed countries and this is really difficult since there is a lack of consciousness that the system supports given the individualistic approach of the capitalist system.

Throughout this work, the way in which the contemporary international system is based on neoliberal ideals that have been promoted relatively quickly thanks to the globalization phenomenon has been exposed. In turn, it has been reviewed how governance arose in response to the changes that neoliberal ideas made in relation to the roles of different international actors.

Just as the entry of neoliberal theory to the international scene was a direct response to the collapse of the Welfare State due to a series of crises that led to a growing distrust in the public sector and an admiration for the efficiency and administrative and technological innovation of the sector. private, governance was also a product of this environment. Despite the fact that the present work presents harsh criticisms of the implications that the blind application of neoliberal principles have both in globalizing logic and in governance, it would be extremely hard to consider that the practices of capital accumulation at the expense of the rest of the world. world population have been purposely established within the design of international policies.

However, today it is impossible to deny that economic and social inequality is not something that is experienced only at the national level, it is something that also marks the States and their negotiating capacity within the international system. Given the existing conditions, current governance is only - and will continue to benefit only the multinationals and the developed countries that host them, making it impossible to achieve or promote policies and projects that truly promote the economic development of the countries of the Global South.

It is necessary to promote mechanisms that allow less powerful countries and actors to assert their interests within the process of formulating public policies. This could theoretically be achieved through cooperation between them to put pressure together, however, given the competitive nature of the international system that promotes the pursuit of individual interests as opposed to the collective good, it is difficult to imagine the circumstances that could change this individualistic culture that limits the scope of collective efforts. Despite this, movements such as South-South Cooperation and their growing popularity under the leadership of China and other emerging economies give hope that reforms can be carried out that are more inclusive with the most vulnerable actors within the international system.

CHAPTER 5: METHODOLOGY

The behavior of nations in their relations with each other is determined by their goals and by their power to achieve their goals

A.F.K. Organski, "World Politics" (1958, p. 474)

Introduction

The methodology of a thesis must seek to answer its research question in a manner that could provide the necessary approval or refusal of the working hypothesis. Hence, the guidelines outlaid during the first chapter of this thesis form an integral part in the methodological planning process. This is why is important to remember that the research question of this thesis is:

"*What is the impact of the Asian Infrastructure Investment Bank in the global development governance in comparison to the actions performed by the World Bank?*"

To give direction to the answer of this question the objective was stated as follows:

To assess the impact that the presence of the Asian Infrastructure Investment Bank will have on the definition and decision making towards global development governance.

However, more than helping to answer the research question, the general objective brings more questions to the table. First of all, how do we measure the impact that an institution has on global development governance? What is considered to be global development governance? How do we compare the future performance of an institution on comparison to another? To what exactly do we refer to as "performance"? While some questions have been answered in past chapters, the ones related to assessing, measuring and foretelling the impact of the AIIB on the overall trends of global development governance are taken into account in this chapter.

In any case, it is important to consider that global development governance is considered as the common practices within the international system that are directed towards the promotion of development efforts among states. These efforts are not regulated by a specific institution or organization but is composed by a decentralized number of players with different characteristics that have the same purpose: global development. However, this purpose might be interpreted in slightly different ways by each player and the existence of a generalized definition depends on the consensus found among the system and the players that support said definition.

Consequently, the actors that participate in governance practices have a fundamental role not only in the definition of global development but as well in the popularization and spreading of common practices to achieve it. Considering this information, "performance" is taken as the practices that each player promotes that ends up impacting the perception or approach towards global development within governance process. Hence, the definition of each player and their level of influence are essential to the understanding of the "impact" that one has on global governance.

In order to fully understand the interests and impact of each player and specifically of the Asian Infrastructure Investment Bank on the global development governance, the present thesis investigates on the decision making processes of both the World Bank and the AIIB. As it was reviewed during Chapter 4, the World Bank occupies a privileged place as the leader on global development practices; thence, the AIIB's impact on global development governance is measured as its level of influence on the World Bank's practices.

Considering that every country has a level of power that determines their influence as well as their satisfaction with the international system, it is pertinent to consider its impact on the decision-making within international organizations. As discussed in Chapter 3, both the World Bank and the Asian Infrastructure Investment Bank have a system in which decision-making is carried out before a board of "directors" or "executives" representing groups of countries and a limited number of individual countries that gather enough power to require a single delegation. The power of each representative depends on the sum of voting power that each constituency member holds.

As previously observed, according to AFK Organski's theory of power transition, the international system is organized hierarchically in such a way that countries are categorized according to the distribution of power within it. Thus, institutions are established by the dominant country and its allies within the great powers, making their regulations intrinsically aligned with their interests at the time of their creation.

Naturally, the institutions have the necessary mechanisms to modify their regulations according to the advances within society. However, as it has been studied on several occasions, the speed at which such modifications are made is usually considerably slower compared to the dynamics observed within the society in which they are found. In theory, this is translated into institutions that have power dynamics (reflected in the distribution of voting power) that do not necessarily reflect those observed within the political, economic, social and even military interactions between the countries that make up international society.

The present chapter seeks to understand the existing power dynamics within the World Bank and the Asian Infrastructure Investment Bank. In order to do this, it is necessary to divide the methodology in two stages:

1. The approximation of the Real Power Index (RPI)
2. The application of the expected utilities model of Bruce Bueno de Mesquita

While the first stage will look into the creation of an index that could tell in an objective manner the power that each country of the international system holds, the second stage will use said index as a tool to determine the interests and posture of each one of them to negotiate the possibility of rearranging the voting structures in accordance to the real power patterns seen during the first stage.

We must stress on the importance that this index plays on the overall thesis of this work. Since we are trying to demonstrate the dissociation between the voting structures at the World Bank and the real power that certain countries have in the international system, it is important to have the tools necessary to compare the real influence of each state and their position within the international system with their official representation and participation at the World Bank and the Asian Infrastructure Investment Bank. This comparison is meant to prove not only if the participation of each country is fair considering its position within the international system, but also if the voting structures favor specific countries that align with the dominant state's interests.

On the other hand, the existence of a real power index (RPI) is fundamental to the second stage of the methodology where the negotiation rounds require of the determination of the interest and posture of each and every country around fairer practices around voting distribution within the institutions they form part of. The comparison between the official power and the RPI provides a more objective tool to the researcher to obtain said characteristics of the negotiation profile of each country.

First stage: Approximating the "real power" of the states

Organski established how difficult is to measure power since it is impossible to make a purely objective measurement of it. However, he also came to the conclusion that there were two types of determinants of power: natural and social determinants. Therefore, those characteristics natural to the region where the country is established are classified as natural while those that have to do with the human relation to space and society is categorized as social. For Organski, natural determinants could be separated in three categories:

- Geography
- Resources
- Population

In general terms, the natural determinants serve more as resources for the government to use and their value depends on how they are used. Therefore, the amount of power that these determinants have is deemed as relative under Organski's standards. The relativity depends on the second type of determinants:

- Economic development
- Political development
- National morale

It is important to take into account that Organski's work focused mainly in the description of how this determinants influenced the level of power that each country could reach. However, Organski's analysis did not extended to the realization of a practical method to assign power to each player. This meant the necessity of relying on the expertise of researchers specialized on the actors involved to assign the position of each country within the international hierarchy. This opens the opportunity to create an index that could try to objectively measure the power of each country to understand the power distribution within the international community.

The process to create this new index followed a series of steps that need to be established in a general manner to facilitate the comprehension of the general purpose of creating this index. The process has been distributed into four general steps that are described as it follows:

1) Database setting: During this step the work focuses on the selection and delimitation of the data that will be used to create an index to measure the "real power" of each country.

2) Concentrating the data into a component: The next step of this process consists on utilizing the factor analysis method to discriminate the variables that do not help the analysis while establishing the value that each variable has on the overall result of the Real Power Index.

3) The RPI composition: Once that we have established the value of the correlations between variables, we continue with the explanation of how these values are used to compose the RPI as a measurement of the power of a certain country at a specific moment in time.

4) Final considerations and the use of the RPI as an analytical tool: Finally, during this step we standardize the RPI to facilitate its use as a tool to comprehend the position of each country within the international system by establishing the logic behind the power pyramid.

Database setting

For the creation of a power index we find the necessity to pose a series of questions: what players, what years and what indicators will be used to build it. To describe in the most objective way the power that each player holds within the international system it is important to justify the data used for the creation of an objective measurement.

The easiest aspect to determine is the players to be taken into account in this study. Due to the fact that the present work is analyzing the behavior of two institutions with defined members, this means that the database used to create the RPI has to count with each and every member of both the World Bank and the Asian Infrastructure Investment Bank. Hence, the database used in this work counts with 190 players where most of them are independent countries but there are also some players that could count as territories of other independent states, such as Hong Kong.

The second aspect, regarding the years that this index will comprehend is a trickier one in comparison to the players' aspect. Considering that the purpose of this work is that of achieving prospective about the future of global development governance, it is important to count with a broad scope of data to back up the prospective results. It could be easier to take information of a determined year to estimate the RPI of a country; however, it is important to know that, as it was mentioned earlier, power is deemed to be a mutable factor that changes easily over time raising the importance of having a wide dataset to give strength to the index. Therefore, the RPI is going to take information from 1990 to 2019 giving a total of 29 years of information of each country that includes the beginning of the the neoliberal era, the 2008 financial crisis and the years preceding the COVID-19 pandemic.

Finally, the question about what indicators to use to measure power we will look back at Organski's determinants of power as guidelines to select a number of indicators provided by the World Bank Database classified as "Development" indicators (see Annex). After a discriminating process, the database was set with a total of 38 indicators shown in table 4.1.

Table 4.1 Negotiation profile of Japan's constituency at the World Bank

Organski category	Database Code	Name	Measure	Source
Economic Development	GDSTOTL	Gross domestic savings	% of GDP	World Bank national accounts data, and OECD National Accounts data files.

Table 4.1 Negotiation profile of Japan's constituency at the World Bank

Economic Development	DABTOTL	Gross national expenditure	% of GDP	World Bank national accounts data, and OECD National Accounts data files.
Economic Development	BXKLTD	Foreign direct investment, net inflows	% of GDP	International Monetary Fund, International Financial Statistics and Balance of Payments databases, World Bank, International Debt Statistics, and World Bank and OECD GDP estimates.
Economic Development	BMKLTD	Foreign direct investment, net outflows	% of GDP	International Monetary Fund, Balance of Payments database, supplemented by data from the United Nations Conference on Trade and Development and official national sources.
Economic Development	INDMANF	Manufacturing, value added	% of GDP	World Bank national accounts data, and OECD National Accounts data files.
Economic Development	TRDGNFS	Trade	% of GDP	World Bank national accounts data, and OECD National Accounts data files.
Economic Development	SRVTOTL	Services, value added	% of GDP	World Bank national accounts data, and OECD National Accounts data files.
Economic Development	LBLBMNY	Broad money	% of GDP	International Monetary Fund, International Financial Statistics and data files, and World Bank and OECD GDP estimates.
Economic Development	VALTOTL	Merchandising trade	% of GDP	World Trade Organization, and World Bank GDP estimates.
Economic Development	MKTLDOM	Listed domestic companies	Total number	World Federation of Exchanges database.
Economic Development	NLDTOTL	Net lending (+) / net borrowing (-)	% of GDP	International Monetary Fund, Government Finance Statistics Yearbook and data files.
Economic Development	GDPMKTKD	GDP growth	Annual %	World Bank national accounts data, and OECD National Accounts data files.

Table 4.1 Negotiation profile of Japan's constituency at the World Bank

Economic Development	GDPPCAP	GDP per capita, PPP	Current international $	International Comparison Program, World Bank | World Development Indicators database, World Bank | Eurostat-OECD PPP Programme.
Economic Development	GDPMKTPP	GDP, PPP	Current international $	International Comparison Program, World Bank | World Development Indicators database, World Bank | Eurostat-OECD PPP Programme.
Economic Development	BXGSRM	Goods exports (BoP)	Current US$	International Monetary Fund, Balance of Payments Statistics Yearbook and data files.
Economic Development	BMGSRM	Goods imports (BoP)	Current US$	International Monetary Fund, Balance of Payments Statistics Yearbook and data files.
Economic Development	FIRESTOTD	Total reserves	% of total external debt	World Bank, International Debt Statistics.
Economic Development	FIRESTOTC	Total reserves (includes gold)	Current US$	International Monetary Fund, International Financial Statistics and data files.
Economic Development	FPCPIT	Inflation, consumer prices	Annual %	International Monetary Fund, International Financial Statistics and data files.
Economic Development	FRINRR	Real interest rate	%	International Monetary Fund, International Financial Statistics and data files using World Bank data on the GDP deflator.
Government Efficiency	MMMPRT	Arms imports (SIPRI trend indicator values)	Total number	Stockholm International Peace Research Institute (SIPRI), Arms Transfers Programme (http://portal.sipri.org/publications/pages/transfer/splash).
Government Efficiency	MMXPNDG	Military expenditure	% of GDP	Stockholm International Peace Research Institute (SIPRI), Yearbook: Armaments, Disarmament and International Security.
Government Efficiency	MMXPND	Military expenditure	% of general government expenditure	Stockholm International Peace Research Institute (SIPRI), Yearbook: Armaments, Disarmament and International Security.

Table 4.1 Negotiation profile of Japan's constituency at the World Bank

Government Efficiency	XPDTGD	Government expenditure on education, total	% of GDP	UNESCO Institute for Statistics (http://uis.unesco.org/). Data as of September 2020.
National Morale	SHH2O	People using at least basic drinking water services	% of population	WHO/UNICEF Joint Monitoring Programme (JMP) for Water Supply, Sanitation and Hygiene (washdata.org).
National Morale	STABASS	People using at least basic sanitation services	% of population	WHO/UNICEF Joint Monitoring Programme (JMP) for Water Supply, Sanitation and Hygiene (washdata.org).
National Morale	MMTTF	Armed forces personnel	% of total labor force	International Institute for Strategic Studies, The Military Balance.
National Morale	MMTP	Armed forces personnel, total	Total number	International Institute for Strategic Studies, The Military Balance.
Resources	NGDPTRT	Total natural resources rents	% of GDP	Estimates based on sources and methods described in "The Changing Wealth of Nations: Measuring Sustainable Development in the New Millennium" (World Bank, 2011).
Geography	ALTK	Land area (sq. km)	Square kilometres (sq. Km)	Food and Agriculture Organization, electronic files and web site.
Population size	SPOTOT	Population, total	Total number	(1) United Nations Population Division. World Population Prospects: 2019 Revision. (2) Census reports and other statistical publications from national statistical offices, (3) Eurostat: Demographic Statistics, (4) United Nations Statistical Division. Population and Vital Statistics Reprot (various years), (5) U.S. Census Bureau: International Database, and (6) Secretariat of the Pacific Community: Statistics and Demography Programme.

Table 4.1 Negotiation profile of Japan's constituency at the World Bank

Population size	STOTIN	Labor force, total	Total number	Derived using data from International Labour Organization, ILOSTAT database. The data retrieved on January 29, 2021.
Population size	SRTOTZ	Rural population growth	Annual %	World Bank staff estimates based on the United Nations Population Division's World Urbanization Prospects: 2018 Revision.
Population size	SUGROW	Urban population growth	Annual %	World Bank staff estimates based on the United Nations Population Division's World Urbanization Prospects: 2018 Revision.
Population size	SDTFRTI	Fertility rate, total (births per woman)	Total number	(1) United Nations Population Division. World Population Prospects: 2019 Revision. (2) Census reports and other statistical publications from national statistical offices, (3) Eurostat: Demographic Statistics, (4) United Nations Statistical Division. Population and Vital Statistics Reprot (various years), (5) U.S. Census Bureau: International Database, and (6) Secretariat of the Pacific Community: Statistics and Demography Programme.
Population size	SPOPGR	Population growth	Annual %	Derived from total population. Population source: (1) United Nations Population Division. World Population Prospects: 2019 Revision, (2) Census reports and other statistical publications from national statistical offices, (3) Eurostat: Demographic Statistics, (4) United Nations Statistical Division. Population and Vital Statistics Reprot (various years), (5) U.S. Census Bureau: International Database, and (6) Secretariat of the Pacific Community: Statistics and Demography Programme.
Population size	SPOPDP	Age dependency ratio	% of working-age population	World Bank staff estimates based on age distributions of United Nations Population Division's World Population Prospects: 2019 Revision.
Population size	ENPOPD	Population density	People per sq. km of land area	Food and Agriculture Organization and World Bank population estimates.

Source: Author's own elaboration with information of the World Bank. Retrieved from: https://databank.worldbank.org/reports.aspx?source=world-development-indicators

Concentrating data into a component

Since this work counts with information of 38 variables of 190 countries over the course of 29 years, it is necessary to implement a series of analytic tools to process and condense their information in a way that the qualities of each player are represented in a way that is as faithful as $RPI_{Albania} = Albania_{GDSTOTL} + \ldots + Albania_{ENPOPD}$ possible to reality. For this, it has been selected the factor analysis method to reduce the dimensions of the collected data. The factor analysis model is defined as follows:

$$X1 = l11F1 + \ldots\ldots + l1mFm + e1$$

$$\ldots\ldots\ldots\ldots\ldots\ldots$$

$$X2 = lp1F1 + \ldots\ldots + lpmFm + ep$$

Or it can be represented in a simplified manner as it follows:

$$X = Lf + e$$

Where *X* is the vector of the original variables, *L* represents the lineal system coefficient matrix and *f* the vector of common factors. Finally, *e* comes as the vector of unique or specific factors. This could be translated to simpler words in the following manner: the entirety of the database equals to the coefficient to which each indicator correlates with each other plus those factors that do not correlate with the others. Thus, the factor analysis implies the creation of factors or components that assign coefficients to each indicator according to the level of correlation that exists among similar variables. Those variables that do not share correlation with each other are excluded of the factor.

For the creation of the Real Power Index (RPI) it was used the factor analysis method to obtain one factor that would summarize the relevance of each of the 38 variables obtained during the database setting step. According to the factor analysis, this component would comprise approximately 20.574 % of the data collected of the 190 players (see Table 4.2). Even though the percentage is not the greatest, it gives enough information to serve as a template to further the study.

Table 4.2 Variance explained by component number

Total Variance Explained

Component	Initial eigenvalues			Sums of charges squared from extraction		
	Total	% of variance	% accumulated	Total	% of variance	% accumulated
1	7.818	20.574	20.574	7.818	20.574	20.574
2	7.188	18.917	39.491	7.188	18.917	39.491
3	4.732	12.451	51.943	4.732	12.451	51.943
4	3.785	9.960	61.903	3.785	9.960	61.903

Table 4.2 Variance explained by component number

5	2.484	6.536	68.438	2.484	6.536	68.438
6	1.984	5.222	73.660	1.984	5.222	73.660
7	1.627	4.281	77.941			
8	1.479	3.891	81.832			
9	1.033	2.718	84.550			
10	.873	2.297	86.847			
11	.727	1.912	88.759			
12	.654	1.721	90.480			
13	.590	1.553	92.033			
14	.559	1.471	93.504			
15	.403	1.062	94.566			
16	.339	.893	95.459			
17	.309	.812	96.271			
18	.244	.641	96.912			
19	.235	.619	97.530			
20	.197	.518	98.048			
21	.169	.444	98.492			
22	.120	.317	98.809			
23	.096	.254	99.063			
24	.079	.207	99.271			
25	.069	.183	99.453			
26	.054	.143	99.597			
27	.036	.096	99.692			
28	.031	.082	99.775			
29	.020	.053	99.827			

Table 4.2 Variance explained by component number

30	.015	.040	99.867
31	.013	.034	99.901
32	.012	.031	99.931
33	.009	.023	99.954
34	.006	.017	99.971
35	.006	.015	99.986
36	.004	.009	99.995
37	.002	.004	100.000
38	.000	.000	100.000

Source: Author's own elaboration

Once we know how much information is being taken into account in this study, it is necessary to determine the value that each variable will have in the overall composition of the component. According to the factor analysis, the contribution of each indicator to the RPI is displayed with detail at Table 4.3.

Table 4.3 Percentage contribution to the Real Power Indicator (RPI) by indicator

Organski category	Database Code	Name	Indicator %
Economic Development	GDSTOTL	Gross domestic savings	.681
Economic Development	DABTOTL	Gross national expenditure	.686
Economic Development	BXKLTD	Foreign direct investment, net inflows	.438
Economic Development	BMKLTD	Foreign direct investment, net outflows	.433
Economic Development	INDMANF	Manufacturing, value added	.719
Economic Development	TRDGNFS	Trade	.802

Table 4.3 Percentage contribution to the Real Power Indicator (RPI) by indicator

Economic Development	SRVTOTL	Services, value added	-.494
Economic Development	LBLBMNY	Broad money	.738
Economic Development	VALTOTL	Merchandising trade	.800
Economic Development	MKTLDOM	Listed domestic companies	.664
Economic Development	NLDTOTL	Net lending (+) / net borrowing (-)	-.567
Economic Development	GDPMKTKD	GDP growth	.506
Economic Development	GDPPCAP	GDP per capita, PPP	-.821
Economic Development	GDPMKTPP	GDP, PPP	.915
Economic Development	BXGSRM	Goods exports (BoP)	.799
Economic Development	BMGSRM	Goods imports (BoP)	.796
Economic Development	FIRESTOTD	Total reserves	.483
Economic Development	FIRESTOTC	Total reserves (includes gold)	.835
Economic Development	FPCPIT	Inflation, consumer prices	-.553
Economic Development	FRINRR	Real interest rate	-.549
Government Efficiency	MMMPRT	Arms imports (SIPRI trend indicator values)	.576
Government Efficiency	MMXPNDG	Military expenditure	.686
Government Efficiency	MMXPND	Military expenditure	.704
Government Efficiency	XPDTGD	Government expenditure on education, total	-.416
National Morale	SHH2O	People using at least basic drinking water services	-.613
National Morale	STABASS	People using at least basic sanitation services	-.885
National Morale	MMTTF	Armed forces personnel	.611
National Morale	MMTP	Armed forces personnel, total	.793

Table 4.3 Percentage contribution to the Real Power Indicator (RPI) by indicator

Resources	NGDPTRT	Total natural resources rents	.515
Geography	ALTK	Land area (sq. km)	.676
Population size	SPOTOT	Population, total	.666
Population size	STOTIN	Labor force, total	.688
Population size	SRTOTZ	Rural population growth	.524
Population size	SUGROW	Urban population growth	.461
Population size	SDTFRTI	Fertility rate, total (births per woman)	.734
Population size	SPOPGR	Population growth	.564
Population size	SPOPDP	Age dependency ratio	.701
Population size	ENPOPD	Population density	.481

Source: Author's own elaboration with information of the World Bank. Retrieved from: https://databank.worldbank.org/reports.aspx?source=world-development-indicators

The RPI composition

Knowing the value that each variable has in the factor that resulted from the factor analysis, we proceeded with the creation of our indicator. The real power index is calculated under the following equation:

$$RPI_j = \sum P_i \frac{X_{ij} - \overline{X}_i}{S_i}$$

Where:

$RPI_j = RealPowerIndicatorofcountryj$

$P_i = Percentageofindicatori$

$X_{ij} = Valueofindicatoriincountryjinaspecificyear$

$\overline{X}_i = Averagevalueofindicatori$

$S_i = Standarddeviationofindicatori$

Hence, the equation indicates that the RPI is calculated in the following way: we must take the value of the variable of a specific year and subtract from it the average value of said indicator among all the countries comprehended by this study during the 29 years of collected data. The resulting value of the subtraction is then divided between the standard deviation of the same indicator. Afterwards, the outcome is multiplied by the percentage value of each variable that ponders the overall significance of said variable in the RPI, this value is the one displayed at Table 4.3. Finally, the RPI is the addition of the results of each one of the 38 variables for a single country at a specific year.

To comprehend this process in a more practical way we will begin the process by going with a country (Albania) and variable (GDSTOTL: Gross domestic savings as % of GDP) of this work to exemplify the equation. As this thesis is looking to utilize the results of the RPI to create prospective scenarios to the future of global development governance, it was considered that the best year to use as a base is the last year with available information and that being the year 2019.

Now, Albania's 2019 GDSTOTL value is 8.2316 while the general average of this indicator is 18.7004 and the standard deviation is 18.5688. On the other hand, the value of this indicator for the overall measure of the RPI is 0.681 (see Table 4.3). Considering the aforementioned information, the equation so far is represented in the following manner:

$$Albania_{GDSTOTL} = 0.681\frac{8.2316 - 18.7004}{18.5688}$$

$$Albania_{GDSTOTL} = -0.3839$$

This process is repeated through each variable that form the dataset. Hence, the next variable would follow the same logic:

$$Albania_{BXKLTD} = -0.205\frac{7{,}8605 - 4.804}{14.2443}$$

$$Albania_{BXKLTD} = -0.2716$$

Nevertheless, the equation is not yet finished since it is necessary to repeat this process with each indicator for Albania at the year 2019 and they must be subsequently added to obtain the RPI that corresponds to Albania in 2019, as it is shown below:

$$RPI_{Albania} = \sum P_i \frac{X_{ij} - \overline{X}_i}{S_i}$$

As it can be observed in Table 4.3, there are indicators with positive percentages while others have negative signs before their respective percentages. This must be understood as the negative influence of said indicator on the overall power of a player, meaning that while good performance of a country within a certain variable might increase its overall power, other times it might diminish it.

Final considerations and the use of the RPI as an analytical tool

Technically, up to this point the RPI has been calculated and the database has accomplished its purpose. However, the RPI obtained is given in a "pure" or unfiltered form. This means that the results of every country fall within a spectrum that takes into account positive and negative values. Returning to Albania's example, its pure RPI is of 0.6070, a positive value. However, the grand majority of countries -121 to be exact- have a negative pure RPI, like Greece that has a pure RPI of -0.8670.

To facilitate the conversion of this indicator into a practical tool we needed to turn the negative values into positive ones. To do this we used subtracted the smallest pure RPI to all of the countries, meaning that Liberia's -7.2850 pure RPI was subtracted to each of the 190 players, leaving Liberia with a RPI of 0 and turning the rest of the RPI's into positive values. It is important to notice at this point that the Cook Islands, Eswatini and Grenada were excluded due a lack of data regarding their development; therefore, their RPI index equals to zero.

Since we're looking for a comparative between the voting powers that each country has within the World Bank and the Asian Infrastructure Investment Bank and this work is based on the Power Transition Theory that assumes that power is a limited resource that gets distributed among the members of the international system in a manner that allows their hierarchical classification within a power pyramid, it is deemed necessary to standardize the RPI to fit under a scale of 0-100 and allow the classification of each country under a hierarchical structure. Knowing the standardized RPI of each country allows for the creation of the power pyramid used by Organski to represent the international arena.

Although most of the RPI calculation has been as objective as possible, there are two aspects that need to be decided to finish with the power pyramid setting. How do we separate each level of influence within the power pyramid? And how do we determine if a player is satisfied with its position in the system? Both questions require of the expertise of the researcher and the criteria that he sees fit to utilize and may vary according to the professional and its perspective on the international reality.

In the present work the pyramid was divided in the three levels that Organski establishes – four if we take into account the dominant country- by taking into account the income level classification made by the World Bank to divide its members into lending groups. In this way, the increasing presence of players with a lower income level than the majority of that pyramid tier is going to be seen as a sign to pass on to a lower tier, this sign is supported if the standardized RPI of the countries start to have a greater gap between members.

Satisfaction is measured according to the RPI and income level category's synchronicity, both in an individual manner and in comparison with other countries with a similar real power index. Meaning that if a country is categorized as a high income country but is within lower middle income countries at the regional power category of the power pyramid due to its RPI, said country will qualify as unsatisfied. Another example could be a low income country with a real power index that would classify it as a great power of the power pyramid. In such a case this country has the capacity but lacks the tools or options to improve the quality of living of their population. In both options there's a mismatch of capacity and position within the international system and it is seen as a source of dissatisfaction for said countries.

The interesting part of the unsatisfied countries that have a higher income level than their position within the power pyramid is that their dissatisfaction could be interpreted as their capacity being "unused" by the dominant power or their want to form part of the dominant elite of the power pyramid considering that their RPI should technically qualify them as part of it.

Second stage: The Expected Utility Model

The expected utilities model parts from the assumption that every situation where there is a negotiation among different actors to achieve a resolution can be predicted by establishing the possible solutions and estimating the possible utilities that each player might get with each one of them. This is done with the express purpose to know which possible solution will appeal the most to each player. In this process, we come to understand the expected utilities that each possible outcome offers to the players and in knowing so we can infer that it will undoubtedly prefer the solution that provides the greatest utilities to them.

However, this same process goes on with every player involved in the negotiation process meaning that most certainly there will be a conflict of interests where each player will push for a specific outcome that might hurt the expected utilities of other countries. Hence, the negotiation seeks to find a middle ground where each player gets the maximum profit available considering the interests and power of the other players involved.

The possibility that the outcome of a negotiation favors the interests of a determined player depend of the amount of power that said player have. This means that each player takes into account their power and that of the other players to estimate their most achievable outcome considering that the most powerful players will try to influence their posture to benefit its own interests.

Considering the power dynamics and intricacies of a negotiation round, the expected utilities model require of the creation of detailed profiles of each one of the players involved in the situation at hand. The profile must specify the power that the player holds, its interest on the topic and the posture that it considers as achievable.

When adapting the model to the present thesis we need to remember that the general purpose of this work is "to assess the impact that the presence of the Asian Infrastructure Investment Bank will have on the definition and decision making towards global development governance" (see p.6). The expected utility model provides a method to asses said impact due to its ability to foretell the outcome of the negotiations made around the future of the global development governance and the role that each country will play within it.

Since the objective of this work is to determine the impact that one institution (the AIIB) will have on another (the World Bank), the model could go straight forward to create the profiles of both institutions and run a round of negotiations to obtain a general result. However, in doing so, we risk the possibility of oversimplifying the interests and postures of each institution with the natural perceptions and biases of the researcher. The present thesis will try to back as much as possible every assumption made during this process, which is means that in order to obtain the most accurate representation of each institution we must turn to look at their own internal composition.

Thus, the negotiation rounds will be broken down into three separate levels of analysis to obtain a complete overview of the institutional decision-making process. The negotiation rounds turn around the topic of reforming the current voting power hierarchy in favor of new structures that better reflect the current international system and the real power that each country holds within it. This, considering that the voting structure of the World Bank is deemed outdated and unfair to several countries that hold a great amount of real power within the international system but fail to see said power represented.

As it was seen during Chapter 3, institutions are usually established by the dominant power and their rules are meant to uphold its values and –more importantly- its interests; this is seen in the old fashioned voting structures of the World Bank that are seen as a tool that only benefits the current dominant power and its allies by pushing their agendas in the decision-making process affecting effectively the global development governance due to the World Bank's influence as a leader among other Multilateral Development Banks (MDB's).

Once again we see the relevance that the Real Power Index plays within the present work as a tool to establish the dissonance between the official voting powers of a country and their perceived real position within the international system. This means that before we begin with the negotiation rounds it is pertinent to analyze the RPI of each of the 190 countries of this thesis and determine if there is in fact a dissonance between the World Bank's voting structure and the real power of its members. This is important since it is the premise that justifies the dissatisfaction of raising powers like the BRICS (Brazil, Russia, India, China and South Africa) and the necessity of creating alternative institutions like the AIIB.

Yet, the RPI's importance does not only lie as a measurement to classify the countries, but it will also provide a contrast point to determine the interests and posture that each will show in their respective negotiation rounds. Now, the expected utility model needs to estimate the power, interest and posture of each country and it is important to define the way that each one of these aspects is estimated.

The characteristics of the players

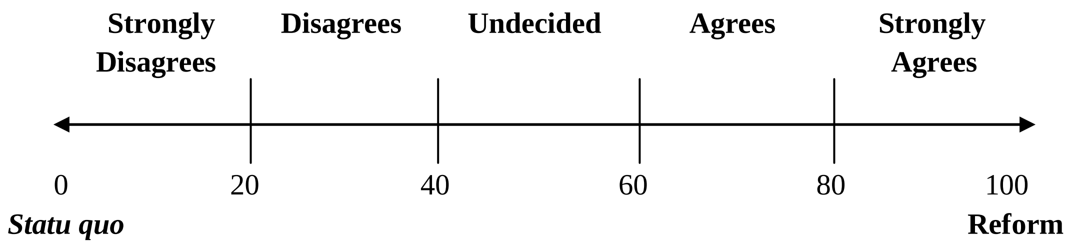
According to the expected utilities model it is necessary to clearly define the ***power*** of every player involved. Power is defined as the ability to promote its interests and preferences among other actors, so that it can influence the final outcome in its favour. This influence can be expressed by any number greater than zero. Since the focus of the present work is made on the choices made within institutions that already have defined voting structures, the value assigned to each country will be that that it holds within the World Bank and the AIIB respectively.

The second characteristic to be taken into account is the player's ***interest*** in the debating topic. In this context, interest is understood as the rank that the player concedes to the topic among its list of priorities. This aspect is also represented as a value ranging from 0 to 100, where the higher the value, the higher the interest in the topic. Hence, if the number that they assign to the topic is greater than ninety it can be concluded that the matter is highly important for the player, but if the value is a number between seventy and eighty then it can be determined that the matter, though important, it cannot be considered of vital importance, and so on.

Now, the estimation of the interest of each country follows a subjective assessment that takes into account the player's position within the international system, its satisfaction with it and a comparison with its position within the institution represented by its voting power. It is also taken into account if the player is also represented at the competing institution and if there's a significant difference in its participation on both of them. Finally, the researcher's expertise has to be taken into account about possible historical, diplomatic or socio-economical issues that might have an impact on the overall interests of the country.

Ultimately, the last aspect to observe is that of the ***position*** that the player has about the topic in discussion. The position is the result that the player decides to pursue because it reflects its individual preferences while also taking into account the influence and positions of the other players, therefore giving the player the maximum possible utility. Thus, the posture is the one that the actor thinks that is within its possibilities of achieving, not the one that he would ideally wish to obtain. Graphically, the position of a player would be located within an attitude scale represented as a continuous line where the extremes reflect the most opposite and radical positions available for the players.

Figure 4.1 Attitude scale regarding global development governance



Source: Author’s own elaboration

The position is estimated according to the observed interest and the power that the player has within the institution. In practice, most of the players that count with an interest that surpasses the 60 points retains the same points in seen in its interest as their position. On the other hand, those countries that have an interest lower than 60 and are satisfied with the system will also take their interest as their position minus 10 points.

The reason behind this apparently random rule is that we part from the assumption that if a country agrees at any level with the necessity of reforming the restrictive structures within global development governance it is considered that its position will reflect it since it is unlikely that their official position could hurt their role within the international system due to the different rounds where the individual positions are harder to identify since it will be negotiated at a constituency level. If, however, a player is undecided or disagree at any level with changes to the *statu quo*, it is estimated that the players will negotiate with a lower position in comparison to their interest due to their knowing that if there is –in fact- a review of the voting structures among institutions as the World Bank they might end up losing part of their current power. Finally, it also has the added benefit that it facilitates the procedure.

As it was mentioned earlier, to facilitate the analysis of the decision-making process within the institutions it has been determined to divide it in stages or levels of analysis. This has a direct impact on the way that the characteristics power, interest and position are estimated. So far, we have explained the way that they are approximated at an individual level, meaning at a state level. However, these assumptions must be slightly adjusted when we start talking about constituencies and institutions.

How, then, do we estimate the power, interest and position of a constituency or an institution? For a constituency the estimation of its power is fairly simple: it is understood as the addition of the voting power of each one of its members. The interest of a constituency is obtained calculating the average of the interest of its members. Finally, the position of the constituency is the position agreed upon its members. Said negotiation process is calculated through the following equation:

$$Winningposture = \sum \frac{I*S*P}{I*S}$$

Where:
I = power or influence of the actor
S = interest of the actor in the subject
P = position of the actor in the subject

This means that to estimate the outcome of a negotiation it is necessary to multiply the influence, the interest and the position of each member of the constituency and then the product of each player is added and then divided by the sum of the multiplication of the influence and the interest of each actor. This will be easier to observe during the actual negotiation rounds, where the process will be represented through tables.

Conversely, these characteristics (power, interest and position) are estimated in a slightly different way when they are meant to represent the totality of the members of a whole institution. To do this, the power can no longer rely on the voting structures of the World Bank or the AIIB since the power of an organization must be measured according to the international system's rules, which means that we will resort to use the RPI to calculate the influence of each institution. To do so, the power is understood as the addition of the RPI of each member of both organizations.

The method to obtain the interest of an institution does not differ from the one used to estimate that of a constituency. A simple average of the interest observed by each constituency is enough to obtain the overall attitude of the institution. Finally, the position of each institution is determined after running a negotiation round among their own constituencies following the same equation previously explained.

Even though it has been explained that the negotiation process is going to be divided in three levels of analysis, it is important to take a moment to describe in further detail how they are going to represent the global trends in relation to the fair participation of emerging powers in the international system and their impact in global development governance practices.

The levels of analysis

- ***First level: The constituencies.***

Going to the smallest players within the studied scenario, the first level concerns itself with each one of the 190 countries that form part of this research. To do so, they are classified according to their membership and belonging to a specific constituency. It is important to remember that both the World Bank and the Asian Infrastructure Investment Bank count with an Executive Board or –in the case of the AIIB- a Board of Directors, where each of its members is being represented through constituencies.

Even though there are some exemptions to the rule, the existence of constituencies means that each member must negotiate among its partners to determine the official posture of their constituency. The resulting posture is meant to be represented at the Executive Board or Board of Directors (depending on the institution) through their representative (executive or director). Thus, this level focuses in profiling each country, their constituencies and the negotiation process at the constituency level. For organizational purposes, this level is divided in two: one for all the World Bank's constituencies and another one for all the AIIB's constituencies.

The main purpose of having this level of analysis is that it backs up the interest and position of the constituencies through an individual assessment of each one of its members. This provides a certain sense of objectivity that reduces the possibility of generalizations or biases.

- ***Second level: Executive Boards***.

Once we get to know the position of each and every constituency of both institutions, then it is pertinent to simulate the negotiation round that is meant to occur once all the representatives are reunited in their respective boards. For this level we must look back at the outcomes found during the first level and comprise them all into one negotiation for each institution.

Hence, this level is also divided into two different parts: the negotiation round among the World Bank's constituencies and the negotiation round among the AIIB's constituencies. The resulting posture of both rounds is meant to represent the general posture of the institution towards global development and their openness towards a reform of the *statu quo* in favor of a fairer representation of the member states within their own voting structures. The outcome of both negotiation rounds will pass on to the last level of analysis that seeks to understand the way that both institutions are going to negotiate their respective positions.

- ***Third level: The institutions.***

Knowing the official posture of each institution, it is necessary to run a negotiation round between both banks to understand the trend that will follow the global development governance in the future. The third level of analysis must be understood as a simulation where the negotiation process is deemed to demonstrate the influence or impact that one organization has over the other. This is the most significant level since its outcome answers to the general objective of this thesis and is meant to prove or refute our hypothesis.

It is important to determine that this final negotiation round is different to those seen during the first and second level of analysis. The main difference is that this negotiation is not a formal one; this level does not contemplate the existence of a summit or congress where representatives of both institutions sit to discuss the future of global development governance. It is meant to represent the subtle and unofficial influence that each institution has directly and indirectly into the actions of its counterpart.

On the other hand, while the first and second levels were held under institutional structures, the third level goes beyond them and its outcome influences not only the institutions of this thesis, but it is meant to shape the future of global development governance. Hence, the outcome determines whether the majority of the countries of the international system support the *statu quo* or if they believe that the voting structures of the MDB's (Multilateral Development Banks) should aspire to represent as accurately as possible the real influence of its members on the international arena.

Summary

Approximating the impact of an institution is not an easy feat. The methodology explained during this chapter might seem confusing or even overly complicated. Nonetheless, each method serves two main purposes: to evaluate the role that each country has in the creation of an institutional position and to estimate the future of global development parting from the impact that the Asian Infrastructure Investment Bank will have on it. If we look back to Chapter 1 of this thesis, both purposes are detailed as the specific objectives of this study.

Even though these objectives share their interest in the global development governance scene they differ in a crucial way: the moment in time they're interested in. While the first specific objective wants "to evaluate the conditions that rule the *current* global development governance" that clearly emphasizes on the present situation while the second objective specifies sets its sights on the future when it states its desire "to estimate the *future* results obtained by both institutions in global development governance and their possible implications for the population of the global South".

This clash in approaches is solved through the separation of the methodology in two different stages, one that focuses on the establishment and description of the current system while the second one looks into what might be expected in the future within it. The stages are briefly summarized in the following manner:

1) Approximating the “real power” of the states: Focusing in the in the creation of a tool that allows the evaluation of the current system, this first stage establishes the methodology to create the Real Power Index (RPI). This index serves to establish in the power of each state and their position within the international system considering more than just economic influence.

1) The Expected Utilities Model: Once that every player counts with an assigned position within the international system it is possible to use this information to create prospective scenarios to determine the future positions of both the AIIB and the World Bank. To do so, we explain the value of using the Expected Utilities Model proposed by Bruce Bueno de Mesquita. With it, it is possible to approximate the future approach to global development in the governance promoted by the World Bank and the AIIB. The result of this stage is set to give a straightforward answer about the pertinence of the hypothesis of this work.

As it has been stated, both stages are fundamental to not only accomplish the two specific objectives but it naturally answers the hypothesis. However, it can be observed that the basis of this methodology is in the creation of the RPI to provide an objective measurement of power to compare the existing voting structures that rule the participation of the states in the global development governance. A change in attitude towards the voting power distribution on the main MDB (multilateral development bank) is understood as a shift on the global development governance.

CHAPTER 6: RESULTS

Introduction

Since the main objective of the present thesis is to assess the impact that the presence of the Asian Infrastructure Investment Bank will have on the definition and decision making towards global development governance, it is important to understand the decision-making process inside both AIIB and World Bank. The reason why decision-making process is a fundamental factor to understand the impact of a particular institution we must understand institutions as the "rules of the game in a society" (North, 1990, p.3) they help to shape the interactions among players. The way that an institution enforces its laws is based on incentives and disincentives or coercion that are established based on a set of ideals, goals and interests that give purpose to the institution, and they are usually the result of a negotiation process within the players that make part of it.

Acemoğlu and Robinson (2012) give a particular importance to this negotiation process since they consider that it depends on the way that an institution distributes the power among its members has a direct influence in the nature of the policies, goals and interests of the institution itself. If the distribution of power is inclusive, the institution will encourage the participation of all of its members and take into account their interests, creating more inclusive policies. If an institution has a more extractive nature, meaning that only a small group of members hold a significant part of the decision-making power, then its policies will only tend to that group's interests. If we analyze the decision making process of both institutions, we will obtain the necessary information to understand whose interests are being taken into account and the likely results of their negotiations regarding global development.

In this chapter, we will review the characteristics of each institution and by applying our methodology we aim to determine the future postures of both institutions and the way that their attitude might impact global development governance. Since part of the hypothesis of this work is based on Acemoğlu and Robinson's ideas (2012), the outcome of the present study will also prove if their assumptions are on the right path. Nevertheless, it is important to notice that in this case we're not looking for signals of the institutions becoming more inclusive, but of them adhering to voting structures that seek to reflect the reality of the international system than to the interests of the dominant state. However, this could also be observed as a significant step towards inclusivity.

Power distribution with Real Power Index

Each organization has a power distribution that allows decision making within it. This distribution is marked by the regulations that establish official power and its level of attachment to real power within the system in which such institutions are found. Official power is ruled by the organization norms and it is assigned to each and every member of the organization. On the other hand, real power is not established in any document, varies over time and responds to the capacities of each country and its negotiation capacity within the international system.

The problem that gives motive to the hypothesis of this work consists in the mismatch between the official power and the real power in voting structures. Therefore, it is assumed that there is social pressure within the institutions so that official power reflects the real power of each country in the international society. However, this pressure is assumed to be met with a certain level of resistance that depends on the level of utilities that the existing system provides to those countries that obtain the greatest benefits from the regulations in force, that is, those countries that have the greatest voting power within it. This is because the distribution of power forms a zero-sum game in which the power represents a limited resource that a player gains causing the loss of power of another player.

The methodology described in chapter 5 aims to obtain an index that helps with the measurement of the real power of the countries to generate a comparison between real and official power. For this, information obtained by the World Bank is taken in relation to different development aspects of the countries to align with the development categories established by Organski. After eliminating those variables that did not have sufficient data or a significant correlation, the creation of a factor analysis is proposed through which each value can be weighted according to its level of importance. The result of the sum of the individual values weighted by the score of each variable is standardized by country so that a clear image can be obtained about the way in which real power is distributed within the international system towards the year in which this thesis is based on.

Once such a classification has been obtained, the methodology developed by Bruce Bueno de Mesquita can be applied to simulate negotiations between countries, determining that the "interest" factor is determined by the real power that the members of the organization have. Thus, it is estimated that it is possible to obtain an approximation to the position of each country, to later generate a series of rounds at the constituency, organization and system level in order to understand the general trend of the distribution of power within international governance.

Since the details behind the construction of the Real Power Index (RPI) have already been discussed during Chapter 5, we can move on to discuss the results that it obtained. In table 6.1 it is possible to observe the power distribution within the international system according to the results of the RPI using the year 2019 as a base.

Table 6.1 The RPI distribution on International System

COUNTRY	ORGANSKI CLASSIFICATION	SATISFACTION	STANDARDIZED RPI
CHINA	GREAT	NO	5.13924332

UNITED STATES OF AMERICA	GREAT	YES	3.20364006
INDIA	GREAT	NO	2.30003889
JAPAN	GREAT	YES	2.00344943
GERMANY	GREAT	YES	1.63362395
KOREA, REPUBLIC OF	GREAT	YES	1.25148316
SAUDI ARABIA	GREAT	YES	1.18461503
RUSSIAN FEDERATION	GREAT	NO	1.16846676
FRANCE	GREAT	YES	1.0475804
CANADA	GREAT	YES	1.04628249
UNITED KINGDOM	GREAT	YES	1.03474905
SWITZERLAND	GREAT	YES	0.98355237
ITALY	GREAT	YES	0.95352852
INDONESIA	GREAT	NO	0.9362858
HONG KONG, CHINA	GREAT	YES	0.92677805
SINGAPORE	GREAT	YES	0.92360467
QATAR	GREAT	YES	0.91001985
MEXICO	GREAT	NO	0.905056
BRAZIL	GREAT	NO	0.90326679
NETHERLANDS	GREAT	YES	0.87185596
AUSTRALIA	REGIONAL	NO	0.80376408
THAILAND	REGIONAL	YES	0.79505131
TURKEY	REGIONAL	YES	0.7736894
SPAIN	REGIONAL	NO	0.76296584
POLAND	REGIONAL	NO	0.74818053
SAN MARINO	REGIONAL	NO	0.71478368
ERITREA	REGIONAL	NO	0.70275217
NAURU	REGIONAL	NO	0.70194615
PALAU	REGIONAL	NO	0.68797235
VENEZUELA	REGIONAL	YES	0.68663532

MYANMAR	REGIONAL	NO	0.67944353
MARSHALL ISLANDS	REGIONAL	YES	0.67771078
UNITED ARAB EMIRATES	REGIONAL	NO	0.66444384
IRELAND	REGIONAL	NO	0.64621364
TUVALU	REGIONAL	YES	0.64349109
KUWAIT	REGIONAL	NO	0.6409244
MALAYSIA	REGIONAL	YES	0.64063292
ALGERIA	REGIONAL	NO	0.63931333
BANGLADESH	REGIONAL	NO	0.61790561
BELGIUM	REGIONAL	NO	0.60981851
VIETNAM	REGIONAL	NO	0.60740754
DOMINICA	REGIONAL	YES	0.60740071
NORWAY	REGIONAL	NO	0.60448303
LIBYA	REGIONAL	YES	0.59681749
AUSTRIA	REGIONAL	NO	0.59268987
SYRIAN ARAB REPUBLIC	REGIONAL	NO	0.58795185
LUXEMBOURG	REGIONAL	NO	0.58511124
IRAQ	REGIONAL	YES	0.58145393
ISRAEL	REGIONAL	NO	0.5809478
MICRONESIA, FEDERATED STATES OF	REGIONAL	NO	0.57686896
CZECH REPUBLIC	REGIONAL	NO	0.5706836
TURKMENISTAN	REGIONAL	YES	0.56276764
KIRIBATI	REGIONAL	NO	0.56230736
BRUNEI DARUSSALAM	REGIONAL	NO	0.56091729
ALBANIA	REGIONAL	YES	0.55951457
TRINIDAD Y TOBAGO	REGIONAL	NO	0.55568478
DENMARK	REGIONAL	NO	0.55500405
ST. KITTS AND NEVIS	REGIONAL	NO	0.55179173
SWEDEN	REGIONAL	NO	0.54997291

SOUTH SUDAN	REGIONAL	NO	0.54883167
TONGA	REGIONAL	YES	0.53682212
SUDAN	REGIONAL	NO	0.53198937
NEW ZEALAND	REGIONAL	NO	0.52186844
EGYPT, ARAB REPUBLIC OF	REGIONAL	NO	0.52116568
IRAN, ISLAMIC REPUBLIC OF	REGIONAL	YES	0.51992056
ARGENTINA	REGIONAL	YES	0.51990834
KAZAKHSTAN	REGIONAL	YES	0.51879044
SOUTH AFRICA	SMALL	NO	0.51118423
ROMANIA	SMALL	NO	0.50995951
PAPUA NEW GUINEA	SMALL	YES	0.50631117
ANGOLA	SMALL	YES	0.50509719
TAJIKISTAN	SMALL	YES	0.50273799
HUNGARY	SMALL	NO	0.5013286
FINLAND	SMALL	NO	0.50116162
ST. LUCIA	SMALL	NO	0.49855047
FIJI	SMALL	NO	0.49460566
VANUATU	SMALL	YES	0.49336791
SURINAME	SMALL	NO	0.4926303
ZIMBABWE	SMALL	YES	0.49086933
TANZANIA	SMALL	YES	0.49040749
ST. VINCENT AND THE GRENADINES	SMALL	NO	0.49030212
GUYANA	SMALL	NO	0.48949515
AFGHANISTAN	SMALL	YES	0.48933397
NIGERIA	SMALL	YES	0.48882111
LAO PEOPLE'S DEMOCRATIC REPUBLIC	SMALL	YES	0.4863322
ANTIGUA AND BARBUDA	SMALL	NO	0.48587611
PHILIPPINES	SMALL	YES	0.48509396

SOLOMON ISLANDS	SMALL	YES	0.48435066
AZERBAIJAN	SMALL	NO	0.48299347
BAHAMAS, THE	SMALL	NO	0.48299347
BELARUS	SMALL	NO	0.47814744
PERU	SMALL	NO	0.47583716
PAKISTAN	SMALL	YES	0.47312437
PORTUGAL	SMALL	NO	0.47305666
YEMEN, REPUBLIC OF	SMALL	YES	0.47167196
GABON	SMALL	NO	0.46006494
OMAN	SMALL	NO	0.45806041
GREECE	SMALL	NO	0.45500719
CHILE	SMALL	NO	0.44580845
COLOMBIA	SMALL	NO	0.44480231
SLOVAK REPUBLIC	SMALL	NO	0.44437861
LITHUANIA	SMALL	NO	0.44317425
BULGARIA	SMALL	NO	0.4406934
BARBADOS	SMALL	NO	0.43770375
UKRAINE	SMALL	YES	0.43577878
SAMOA	SMALL	NO	0.4322716
COSTA RICA	SMALL	NO	0.43177071
SLOVENIA	SMALL	NO	0.42693659
UZBEKISTAN	SMALL	YES	0.42679256
CROATIA	SMALL	NO	0.4266711
ESTONIA	SMALL	NO	0.41577108
LATVIA	SMALL	NO	0.40992175
COMOROS	SMALL	YES	0.40714618
SERBIA	SMALL	NO	0.4022513
BAHRAIN	SMALL	NO	0.39003398
URUGUAY	SMALL	NO	0.38961105

DJIBOUTI	SMALL	YES	0.38361263
PANAMA	SMALL	NO	0.38256772
SAO TOME AND PRINCIPE	SMALL	YES	0.38059074
KOSOVO	SMALL	NO	0.37981237
SRI LANKA	SMALL	YES	0.37865105
NICARAGUA	SMALL	YES	0.37847098
DOMINICAN REPUBLIC	SMALL	NO	0.3772062
ECUADOR	SMALL	NO	0.37350182
MOROCCO	SMALL	YES	0.36126182
PARAGUAY	SMALL	NO	0.35994122
ICELAND	SMALL	NO	0.35894328
MOLDOVA	SMALL	YES	0.358866
CYPRUS	SMALL	NO	0.35646598
MAURITIUS	SMALL	NO	0.35119045
JAMAICA	SMALL	NO	0.35072384
BOTSWANA	SMALL	NO	0.35060475
NORTH MACEDONIA	SMALL	NO	0.33697809
BOSNIA AND HERZEGOVINA	SMALL	NO	0.33389905
ETHIOPIA	SMALL	YES	0.33311156
CAMBODIA	SMALL	YES	0.32997777
MONGOLIA	SMALL	YES	0.32643185
GEORGIA	SMALL	NO	0.32304972
BHUTAN	SMALL	YES	0.31193701
GHANA	SMALL	YES	0.30967237
BOLIVIA	SMALL	YES	0.30609271
CONGO, REPUBLIC OF	SMALL	YES	0.30505948
MONTENEGRO	SMALL	NO	0.30489526
CONGO, DEMOCRATIC REPUBLIC OF	SMALL	YES	0.28807365
GUATEMALA	SMALL	NO	0.28526526

TUNISIA	SMALL	YES	0.27882666
COTE D'IVOIRE	SMALL	YES	0.27771956
MALDIVES	SMALL	NO	0.27227404
CABO VERDE	SMALL	YES	0.26804821
JORDAN	SMALL	NO	0.26703891
MAURITANIA	SMALL	YES	0.26609998
EL SALVADOR	SMALL	YES	0.262608
ZAMBIA	SMALL	YES	0.26235538
CAMEROON	SMALL	YES	0.26063768
KENYA	SMALL	YES	0.2606308
ARMENIA	SMALL	NO	0.25975148
LEBANON	SMALL	NO	0.25433098
EQUATORIAL GUINEA	SMALL	NO	0.25194222
SEYCHELLES	SMALL	NO	0.24757656
SOMALIA	SMALL	YES	0.24569475
TOGO	SMALL	YES	0.24363008
SIERRA LEONE	SMALL	YES	0.23570759
HONDURAS	SMALL	YES	0.23304196
BENIN	SMALL	YES	0.23070801
NEPAL	SMALL	YES	0.22871131
MADAGASCAR	SMALL	YES	0.22083483
BELIZE	SMALL	NO	0.22045471
MALTA	SMALL	NO	0.2121443
CHAD	SMALL	YES	0.21127122
RWANDA	SMALL	YES	0.202944
HAITI	SMALL	YES	0.19935203
UGANDA	SMALL	YES	0.19925725
BURKINA FASO	SMALL	YES	0.19528704
SENEGAL	SMALL	YES	0.19403982

TIMOR-LESTE	SMALL	YES	0.1866929
NAMIBIA	SMALL	NO	0.17872796
CENTRAL AFRICAN REPUBLIC	SMALL	YES	0.17429128
GUINEA	SMALL	YES	0.17209872
KYRGYZ REPUBLIC	SMALL	YES	0.17174962
MALI	SMALL	YES	0.1710246
MALAWI	SMALL	YES	0.17030155
GUINEA-BISSAU	SMALL	YES	0.15933302
GAMBIA, THE	SMALL	YES	0.14409854
MOZAMBIQUE	SMALL	YES	0.12666358
NIGER	SMALL	YES	0.12259814
LESOTHO	SMALL	YES	0.10071557
BURUNDI	SMALL	YES	0.08780722
LIBERIA	SMALL	YES	0
COOK ISLANDS	SMALL	NO	0
ESWATINI	SMALL	YES	0
GRENADA	SMALL	NO	0
			100

Source: Author's own elaboration.
Note: The Cook Islands, Grenada, Liberia and Eswatini are not being taken into account due to a lack of data available

There are several interesting discoveries in this table. First of all, how the addition of the RPI of each state sums to a total of a 100, establishing that power is a limited resource that has to be distributed among the members of the international system without it being equally distributed among them.

On the other hand Liberia, Cook Islands, Eswatini and Grenada stand out due to their lack of RPI. To explain this we must remember that during the methodology there was a "pure" RPI that varied in its value on positive and negative numbers complicating the analyzing process; thus, it was decided that the minimum value of the RPI was going to be subtracted of the RPI of every country allowing the creation of a clear scale where the “weakest” country would be at the bottom of the pyramid. This is Liberia’s case that is the country that received the lowest pure RPI of all of the 190 states taken into account.

However, the situation of the Cook Islands, Eswatini and Grenada is not explained through their data giving a low RPI as an outcome but through the lack of information available to generate a RPI. Since they lack an RPI, their power is set as 0 to avoid their data disturbing the power distribution generated thanks to the RPI.

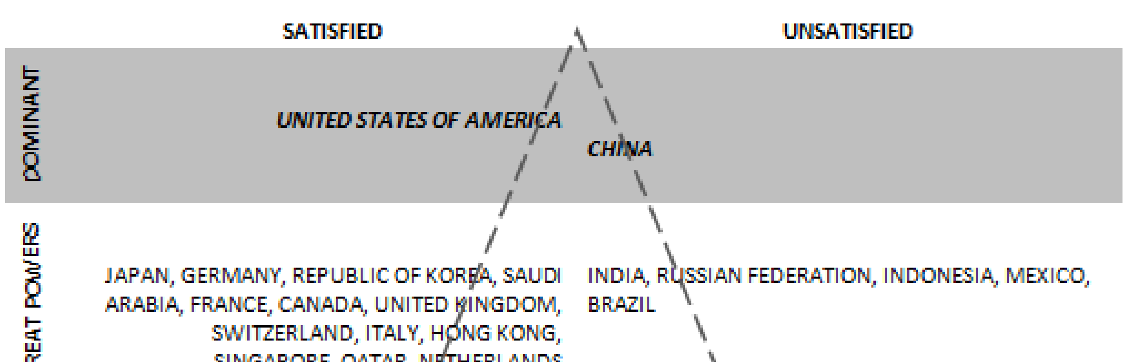
Now, certainly the major discovery of this tool has to do with the position of both the United States of America and China. Even though general knowledge might give a grasp of China’s importance within the international system, it was a surprise to find that this country is not only a significant member of the international system but that it is the most influential one. The disparity of power between both countries is almost the double of the USA’s real power index, and this difference only increases if we add Hong Kong’s RPI to China’s overall power.

Notwithstanding China’s RPI, the position does not signify their role as dominant power. This is due to the fact that the RPI may measure the real power of a state but it does not take into account the institutional control that a state may have on the international arena. This gives straight power and dominance to the United States of America without even considering its military power.

Considering the type of indicators taken into account in the construction of the RPI it must be understood that it works mainly as a measuring tool of economic capacity and influence, factors of vital importance considering that the topic at hand is global development and the role of developing countries that not necessarily count with military power. Even though the higher RPI does not necessarily show the dominance of the state, it does show its level of influence and threat that it may pose for the real dominant power. Considering the clear advantage that China has over the United States, it is safe to determine that China is the patent challenger to the dominance of the United States in global governance and that at 2019 the international system is in a process of a power transition.

The assumption of a power transition lies on the level of power that China has over the United States, their difference in their satisfaction and opinions about governance as well as

Figure 6.1Power pyramid according to the RPI



China's effort to make its power patent and interests heard through traditional institutions like the World Bank and by creating its own institutions where it is no longer restrained by the dominant state's power and interests. Considering this information, Organski's power pyramid is represented in Figure 6.1 where China is represented as a rising state at the dominant power level.

According to the methodology described in Chapter 5, the classification of each country within the different levels of the power pyramid according to the income level classification made by the World Bank while their satisfaction is determined through the accordance of income level and position within the pyramid. Taking into account this information, the tiers of the pyramid were established according to the following levels:

- Dominant power: 5.061 to 3.155 RPI
- Great powers: 2.267 to 0.859 RPI
- Regional powers: 0.792 to 0.511RPI
- Small powers: 0.510 to 0 RPI

Maybe unsurprisingly, the majority of the BRICS (with South Africa's exception) are within the first 20 countries of the list, even surpassing the RPI of established countries like Japan, Germany, France and the United Kingdom. This information provides a significant insight regarding our thesis since it proves that the voting structures don't represent the real power that a country might have within the international system.

Another interesting observation is that the unsatisfied members of the system are more than the satisfied ones. With a total of 97 countries, the unsatisfied part of the power pyramid sums a total of 53.6508 RPI; this is compared with the satisfied side of the pyramid that counts with 94 members and a total of 46.3491. The fact that the majority of the states form part of the unsatisfied side of the pyramid and that they count with more than half of the RPI of the international system adds on the suspicion of a power transition.

Negotiation Rounds

With the RPI of every member state of both the World Bank and the Asian Infrastructure Investment Bank it is possible to obtain a clearer image of the international system. This is essential to the creation of prospective scenarios of global development governance. As seen during the Chapter 5, Bueno de Mesquita's model is meant to be processed as a series of negotiations among members of a certain system to understand where the point within a spectrum of policies is where most of the players will find themselves in a position of equilibrium with respect to the rest of actors. This point is understood as the winning position where none of the actors have incentives to start a new negotiation.

It is important to remember that given the complexity of this work, the negotiation rounds are represented in three rounds:

- The first round: This round focuses at the individual constituencies, seeking to comprehend the negotiation between countries with different interests, voting power and positions that form part of each constituency and that will have to get to an agreement among them that will represent them at the institutional level.

- The second round: Taking the information gathered during the first round, this level takes all the individual constituencies to form a single negotiation round among them to form an institutional posture that will be understood as their take on global development governance.

- The third round: Using the final postures of both the World Bank and the AIIB to create a new negotiation between the both of them. The result is deemed to be the equilibrium point and the unofficial agreement reached about the future of global development governance and the role of developing countries within it.

It is pertinent to remember that the purpose of the negotiations lies in the following question: Will the players push for policies and reforms that improve the representation of developing countries within global development governance by promoting voting structures that reflect the states' real position within the international scene?

The implications for this question are ever so slightly different in both institutions. Within the World Bank an affirmative result of the negotiations implies a reform of the voting distribution and the search for a new *statu quo*. On the other hand, the members of the AIIB would be betting on furthering the Chinese counterpart's practices that promote a higher participation to developing and regional countries while the opposite side of the spectrum means conformity to the *statu quo* and an eventual lessening of the AIIB's efforts.

It is important to notice that none of the institutions studied during this thesis is technically looking for a fair representation of developing countries. It is estimated that the World Bank would like to keep the existing voting structures since they maintain power structures established by the dominant power; on the other hand, the AIIB is studied as a proponent of a voting structure that promotes a higher participation of the regional countries preventing the possibility that developed countries use their power to promote their interests over those of the most interested players.

However, the realization any reform of antiquated voting structures is seen as an improvement towards a fairer representation of the countries, since it is something that directly challenges the existing international system and may accelerate a power transition. Nonetheless, the power and influence that the World Bank may even be enough to repress and even eliminate proposals like the one seen at the AIIB. Hence, the importance of generating a series of simulations that might give a prospective scenario of the future trends within global development governance.

First level: Constituency level

The World Bank Constituencies

To begin with the analysis of the first level, it is important to remember that the World Bank's decision-making organ is an Executive Board that is composed by 25 executive directors that represent its 189 members that are grouped in constituencies. While the most powerful countries are granted a single representative, the rest of the members have to share their representative with more countries. The size of each constituency may vary, going from as little as 2 (like in Russia) or as big as 23 as in Cameroon's case.

United States

As the dominant country of the system and the owner of the majority of the voting shares at the World Bank, the United States of America is the most powerful country within this institution and has a 0 interest in the scale because it is benefiting of the current structures even if it's real economical power does not qualify it to be on top of the power pyramid. As it is determined that the dominant power is the one that establishes the institutions and their corresponding rules it is understood that the superpower will do anything within its reach to retain its role as the dominant power. Given that the USA also lacks representation in the AIIB, it is understood that this country will put all of its efforts to promote the traditional structures that it has under his control, so its position will rely uniquely on its reach within the World Bank, that's why it will support fully the left extreme of the spectrum.

As a position, the USA is determined to have a slightly higher position than its interest due to its need to appease the rest of the members of the organization. However, the voting shares of the USA have already diminished due to the 2010 reform so the openness to redistribution will decrease significantly to have a posture of 10.

Table 6.2 Negotiation profile of the United States of America constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION
UNITED STATES OF AMERICA	15.8661	0	10	YES

Source: Author's own elaboration with data of the World Bank.

Japan

Japan is a country that would technically benefit of the regional measures promoted by the AIIB. However, this country has a long ally ship with the United States and it has its own presidency within the Asian Development Bank where it holds the majority of the voting power within the institution. Therefore, the AIIB comes as a competence to the work that the ADB has been doing since 1966.

Japan, like the United States, is not a member of the AIIB hence it is understood that it will put all of its efforts to support current or traditional structures in opposition to China's proposals. To this, we have to add an historic animosity between both countries and the reserve of other Asian countries to the rise of China as a dominant power not only within the region but within the international scene. Considering all of this information, Japan's interest and posture are estimated as a 10, not as closed as the United States' 0, but close since Japan has a lot to lose if China gathers anymore power.

Table 6.3 Negotiation profile of Japan's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION
JAPAN	7.7082	10	10	YES

Source: Author's own elaboration with data of the World Bank.

China

China is classified as the challenger by Organski's theory since it is the most powerful country within the unsatisfied section of the power pyramid. China is an interesting case, even though it is not seen as the dominant country in the international system (since it entails a control over the institutions, power that China is currently defying), it is the most powerful country according to the Real Power Index (RPI). Therefore, the interest of China is located at the direct opposite to that of the United States at 100.

Table 6.4 Negotiation profile of China's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION
CHINA	4.7497	100	100	NO

Source: Author's own elaboration with data of the World Bank.

Germany

Germany has a considerable amount of power with the World Bank however its voting power is matched and even raised within the AIIB. As a European country and ally of the United States, Germany is considered as a satisfied player within the power pyramid, but its interest is not as limiting as that of the United States or Japan. Since its position is quite similar in both institutions but its alignment is closer to the United States, Germany's interest is esteemed at a 20.

Table 6.5 Negotiation profile of Germany's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION
GERMANY	4.0471	20	10	YES

Source: Author's own elaboration with data of the World Bank.

France

France has more power within the World Bank than in the AIIB. However, it participates in both institutions and it benefits from the current structure. Henceforth, France's interest is esteemed at a 25.

Table 6.6 Negotiation profile of France's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION
FRANCE	3.7714	25	15	YES

Source: Author's own elaboration with data of the World Bank.

United Kingdom

This country participates in both institutions, but its participation is greater at the World Bank than at the AIIB. Since it seems like the country is open to support projects such as the AIIB's while benefiting from the current structures formed by the USA, it is esteemed that the UK's position is on 20. The interesting thing about this constituency is that the

United Kingdom has an executive director that only represents its interests, even though it is not one of the constituencies reserved to the five more powerful members of the World Bank.

Table 6.7 Negotiation profile of the United Kingdom at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION
UNITED KINGDOM	3.7714	20	10	YES

Source: Author's own elaboration with data of the World Bank.

Austria

This constituency consist on a total of 10 members. And each one of them is deemed to have their own power, interest and position that they're going to negotiate within the constituency to obtain a single profile of the group as a whole. Considering this, we need to study each individual country to justify their position in this stage of negotiation.

Turkey has a unique position. Not only it expands in both European and Asian continents, but it also counts with more power than other similar regional powers. Even though the AIIB offers a higher voting power to this country, its standing is among the satisfied side of the pyramid. Given the possibility of having more power within the institutions we assume that this country will try to match the voting power of the WB to that that it has at the AIIB, so its interest will be within the disagreement rage but closer to an undecided interest with a number of 35.

Belgium is one of those countries that qualify as unsatisfied given their higher development category and their lower position within the power pyramid. Since its voting power is considerably higher in the WB than at the AIIB and than that presented by countries with a similar real power index, it is determined that Belgium's interest in a reform is low at 20.

Austria is in a similar position to that seen in Norway. Having very little difference between its voting shares in both institutions, Norway's interest is calculated at 40 since it is an unsatisfied country but there is little that it could gain or lose from a reform.

Luxembourg is a member of both the AIIB and the WB and its participation is small considering its RPI. Its interest is calculated as 35.

Czech Republic is a member of the WB and as a high income country with a good RPI; however, its position within the power pyramid is low enough to make of this a unsatisfied country. The interest of this state in a reform is calculated as within the disagreement at 30.

Hungary is a member of the WB where it holds a higher voting power than at the AIIB. As a high income country it qualifies as an unsatisfied member of the power pyramid due; therefore, its interest is calculated as 30.

Belarus's interest in a possible reform is determined to be within the agreement range at 60, since its participation at both organizations is similar to one another and its position within the pyramid should grant it a higher voting share than the one it has at the WB.

Slovak Republic is a high income member of the WB. As a small power on the Organski's pyramid, this country's interest is deemed to be within the disagreement range at 40 given its voting power is relatively good in comparison to other similar countries.

Slovenia is a high income country unsatisfied with its position in the power pyramid due to its dissonance between its real power index and development classification. Its interest in a reform is calculated as 80.

Kosovo only participates at the WB and as an upper middle income country it qualifies as a unsatisfied member of the lower tier of the power pyramid. However, its interest is determined to be at 80.

In Table 6.8 it is possible to observe the individual profiles of each country that forms part of this constituency and the negotiation process itself on the last two columns. As it was explained during Chapter 5, the result of this negotiation is meant to represent the position of this constituency at the next stage of negotiations.

Considering this, it can be observed that the power of this constituency is the addition of the individual power of each of its members, the interest is calculated through the average interest within the constituency and the position is the outcome of the negotiation. In this case, the total power of this constituency is almost comparable to China's (4.7497), while its interest is undecided going towards disagreement and the negotiated posture is of disagreement towards a reform.

Table 6.8 Negotiation profile of Austria's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
TURKEY	1.0496	35	25	YES	918.4	36.736
BELGIUM	1.5179	20	10	NO	303.58	30.358
AUSTRIA	0.7511	40	30	NO	901.32	30.044
LUXEMBOURG	0.1203	35	25	NO	105.2625	4.2105
CZECH REPUBLIC	0.3590	30	20	NO	215.4	10.77

Table 6.8 Negotiation profile of Austria's constituency at the World Bank

HUNGARY	0.4587	30	20	NO	275.22	13.761
BELARUS	0.2034	60	60	NO	732.24	12.204
SLOVAK REPUBLIC	0.2026	40	30	NO	243.12	8.104
SLOVENIA	0.0998	80	80	NO	638.72	7.984
KOSOVO	0.0794	80	80	NO	508.16	6.352
	4.8418	45		TOTAL	4841.4225	160.5235
				WINNING POSITION		**30.1602102**

Source: Author's own elaboration with data of the World Bank.

Mexico

This constituency counts with eight members that sum a total of 4.7024 and is lead by Mexico's executive director. Interestingly, Mexico qualifies as a unsatisfied country; however, it is the first one of them that does not count with a membership of the AIIB. Mexico is a neighboring country to the United States and it has historically aligned to its interests or remained neutral. Nevertheless, the data collected suggests that Mexico is interested in a reform of the voting shares within the WB since its Real Power Index and income category do not match. Since its position within the power pyramid is relatively high and there are other states like Brazil or Spain with a lower RPI that still get a bigger representation at the WB and have the opportunity to participate at the AIIB it is determined that Mexico's interest is within the agreement range (80) but not as strong as those countries that count with a representation at the AIIB.

Spain has a representation in both the AIIB and the WB with little disparity between both voting shares. However, it qualifies as a unsatisfied country given its position within the power pyramid. Since its RPI doesn't match its income level, Spain is meant to ask for a higher position even if it does not have the economic power to sustain it. However, even though it is an unsatisfied country, it is determined that the level of interest in a reform might not be the highest (35) given the possibility of losing the position and voting shares that this country has.

Venezuela is a Latin American country that only belongs to the WB. Since this is the only platform where Venezuela might try to lobby to improve its position within the international scene, we believe that it will have a high interest in a reform. To this, we have to add the knowledge of the strained diplomatic relations between this country and the USA and its allies to form a better understanding of Venezuela's stand on the international scene. Since the USA established an embargo on Venezuela's government it has suffered several setbacks that affect its current position as an upper middle income regional power. Considering this, Venezuela's interest on a reform of the current structure of the WB will be esteemed within the strongly agreement range at 90.

Costa Rica only has a small participation at the WB and even though it has a higher RPI, its voting power is significantly lower than countries like Slovenia, Uzbekistan and even Serbia or Uruguay. Hence, its interest in a reform at the WB is estimated at 90. Nicaragua qualifies as a satisfied member of the small powers tier of the power pyramid and its interest is calculated as a 60.

Guatemala is an upper middle income with a representation at the WB. The interest of this country is calculated at 80 due to its voting power. Since it is relatively high given Guatemala's position, but lower than that seen at other countries with similar Real Power Index, its interest is deemed to be within the agreement side of the spectrum. Meanwhile, El Salvador counts with a membership to the WB and a small voting power within it. Its interest is going to be 50, being an undecided country.

Honduras is a low middle income country that qualifies as a satisfied member of the system where it only counts with a representation at the WB. However, its interest in a reform is counted as higher as that of countries in a similar position like Sierra Leone or Benin, because it is a lower middle income country with a low RPI and a low voting power with no representation at the AIIB. Therefore, it is determined that Honduras will try to improve its position at the WB with a position of 70.

As a group, this constituency is sees a match on the average interest of its members and their negotiated position. Falling into agreement territory, this constituency is deemed to have a clear opinion on the matter even though some members disagree with the general consensus.

Table 6.9 Negotiation profile of Mexico's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
MEXICO	1.6256	80	80	NO	10403.84	130.048
SPAIN	1.8917	35	25	NO	1655.2375	66.2095
VENEZUELA	0.8394	90	90	YES	6799.14	75.546
COSTA RICA	0.0760	90	90	NO	615.6	6.84

Table 6.9 Negotiation profile of Mexico's constituency at the World Bank

NICARAGUA	0.0639	60	60	YES	230.04	3.834
GUATEMALA	0.1088	80	80	NO	696.32	8.704
EL SALVADOR	0.0423	50	40	YES	84.6	2.115
HONDURAS	0.0547	70	70	YES	268.03	3.829
	4.7024	69.375		TOTAL	20752.8075	297.1255
				WINNING POSITION		**69.845259**

Source: Author's own elaboration with data of the World Bank.

Netherlands

Netherlands is a European country that participates in both institutions with a greater participation in the World Bank; this may be understood since it is a non-regional member of the AIIB. However, its level of voting participation in the WB is deemed as higher than that reflected by its RPI, having more power than countries like Singapore or the Republic of Korea even though they have a higher Real Power Index. This country is on the top levels of the power pyramid and is deemed as satisfied with its position; this determines a low interest (20) in any reform that could affect its existing voting participation.

Israel is an unsatisfied country with a representation at both institutions. Its dissatisfaction can be traced to their income classification and its low real power index, so its interest is calculated as 15. Romania is a high income country that participates at both the WB and the AIIB, where its voting shares don't differ than much one from the other. However, its development category does not match its position within the power pyramid and it is estimated that its interest will tend towards disagreement at 40.

Bulgaria's interest is calculated as 35 given its position of voting shares in comparison to other countries with higher real power index like Greece, Gabon or even Luxembourg. Ukraine is mildly interested in a reform of the voting power distribution since it doesn't benefit of a representation on the AIIB and its voting power at the WB is higher than those other countries with a similar real power index have. This leads to estimate Ukraine's interest in a reform as undecided at 45.

Croatia only participates at the WB. However, this country's voting shares are significant given its real power index and position within the pyramid. Therefore, even though this country qualifies as a unsatisfied country, it is determined that Croatia's interest is within the disagreement side of the spectre at 25. Moldova counts only with a representation to the WB. Given its status and satisfaction with it, it is determined that this country tends to agree (60) with a possible reform but it is not one of the main interests of this player.

Cyprus counts with voting shares at both the AIIB and the WB. Since the difference in the participation of this country is slightly higher at the AIIB and its dissatisfaction with its position at the power pyramid suggest a high interest (65) in a reform at the WB. North Macedonia has a similar situation to that of Botswana, having a low participation at the WB and its upper middle income it is determined that this country has a high interest (75) in a reform to gain more voting power, even more so considering that countries with a lower real power index have a greater voting power than North Macedonia.

Bosnia and Herzegovina only counts with a participation at the WB. This country is classified as an upper middle income and its voting power is low compared to other countries with a similar real power index and even lower. Hence its interest in a possible reform is determined at 70. Georgia participates as a member at both institutions and its income classification situates this country as an upper middle income. However, as a small power with representation at the WB and the AIIB and a relatively good voting power at both, it is understood that its interest will tend towards agreement at 75.

Montenegro's interest is calculated as high (80) due to its low voting participation at the WB and lack of representation at the AIIB. It is also noted that its upper middle income classification among a majority of lower middle income and low income countries is a factor that may encourage Montenegro to seek a reform. Armenia is an upper middle income country with a low representation at the WB and its interest is calculated as high (85) in a possible reform of the voting power distribution at said institution. Thus, considering that a reform may give it the opportunity to achieve a greater participation.

In Table 6.10 we can observe that this constituency leans towards disagreement with a possible reform even though most of the countries are within an agreement or indecisiveness posture about the topic at hand. However, the fact that the most influential members disagree with the reform results in the tilting the general posture towards disagreement.

Table 6.10 Negotiation profile of the Netherlands constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
NETHERLANDS	1.8528	20	10	YES	370.56	37.056
ISRAEL	0.2687	15	5	NO	20.1525	4.0305
ROMANIA	0.3024	40	30	NO	362.88	12.096
BULGARIA	0.2921	35	25	NO	255.5875	10.2235

Table 6.10 Negotiation profile of the Netherlands constituency at the World Bank

UKRAINE	0.5827	45	35	YES	917.7525	26.2215
CROATIA	0.1485	25	15	NO	55.6875	3.7125
MOLDOVA	0.1082	60	60	YES	389.52	6.492
CYPRUS	0.1029	65	65	NO	434.7525	6.6885
NORTH MACEDONIA	0.0517	75	75	NO	290.8125	3.8775
BOSNIA AND HERZE-GOVINA	0.0621	70	70	NO	304.29	4.347
GEORGIA	0.1197	75	75	NO	673.3125	8.9775
MONTENEGRO	0.0639	80	80	NO	408.96	5.112
ARMENIA	0.0947	85	85	NO	684.2075	8.0495
	4.0504	53.0769231		TOTAL	5168.475	136.884
				WINNING POSITION		37.7580652

Source: Author's own elaboration with data of the World Bank.

Korea

This constituency is one of the largest of the World Bank. With a total of fifteen members, the group lead by the Republic of Korea shows a wide variety of positions. Starting with the leader of this constituency, the Republic of Korea's position is that of a satisfied country with the status quo, therefore, even when its position is thought to be more lenient towards a fairer representation of developing countries' participation, it will be relatively low within the scale at an esteemed interest of 30.

Australia is also a member of the AIIB where it finds a greater participation. Australia is also a member of MIKTA a similar organization to the BRICS that seeks to promote South to South Cooperation (SSC). According to the Real Power Index, Australia is the first country of the regional powers even though it is categorized as a high income state and has a relevant voting share at both the AIIB and the WB. Given its position, it is determined that Australia's interest in a possible reform tends towards an agreement at 80.

Nauru is a high income country that only participates at the WB with a relatively small voting power. Due to its position within the power pyramid, it is determined that Nauru will agree with a reform at 80. Palau is a member of the WB and counts with the smallest participation within it. However, its real power index and its development category would suggest that this country deserves a higher voting power, thus it is calculated that Palau's interest in a reform is within the agreement range at 80.

With no representation on the AIIB, the Marshall Islands counting only with a participation at the WB, this added to the low voting power and the relatively high real power index suggests that this country will have a certain interest in reforming the voting structure of the WB. However, this country has been established as satisfied with its current position on the pyramid so its attitude or interest towards a reform will be within the undecided range with a 55.

Tuvalu has a similar position to that of the Marshall Islands. Besides being represented only at the World Bank with a low percentage of voting power, Tuvalu is deemed as having a limited interest (50) on having a higher participation at the WB since it is an upper middle income country satisfied with the status quo. The Federated States of Micronesia is only a member of the WB and its voting power is small in comparison to that seen by Israel and the Czech Republic that rank in a similar position due to their real power index. Micronesia's interest in a possible reform is estimated at 80.

Kiribati is an interesting case since it qualifies as a regional power while being a low income country and having a small representation at the WB. Kiribati's interest is, therefore, estimated as high at 95. New Zealand is a member of both the WB and the AIIB. In this country's case, it is determined that the dissatisfaction classification on the power pyramid is due to its income dissonance with its real power index. Hence, New Zealand's interest is determined to be within the disagreement range at 40.

Papua New Guinea is the first satisfied country at the base of the power pyramid. While being only represented at the World Bank, this country is esteemed to be on the undecided range leaning towards agreement at 60. Vanuatu, shares a similar position to that of Tajikistan. With a membership on both institutions and a greater share on the AIIB while satisfied with its position on the international scene, Vanuatu's interest is determined as leaning towards agreement at 65.

Solomon Islands appears as a satisfied member of the international system. While being represented only at the WB, this country is determined to have an undecided position at 50. Samoa is a member of both the AIIB and the WB. While holding a higher voting power at the AIIB, this country's interest is considered to be within the agreement range at 85.

Cambodia's voting power in the AIIB is significantly greater than that perceived at the WB. This is observed as a factor that might increase the interest (70) of this country towards a reform even though it is part of the satisfied portion of the power pyramid. In a similar fashion to that seen in Cambodia, Mongolia is a member to both the AIIB and the WB and appears as a satisfied member of the current system. However, the possibility to reform the system to its favor is high enough to peak its interest to 70.

Since this is a relatively large group, it is interesting to notice that the average interest and the winning posture of the constituency are relatively close. Even more so if we take into account the wide variety of individual interests and postures. However, the 3.9567 voting power of this constituency is thought to be directed towards supporting a possible reform of the World Bank's voting structures.

Table 6.11 Negotiation profile of the Republic of Korea's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
KOREA, REPUBLIC OF	1.5840	30	20	YES	950.4	47.52
AUSTRALIA	1.2863	80	80	NO	8232.32	102.904
NAURU	0.0525	80	80	NO	336	4.2
PALAU	0.0298	80	80	NO	190.72	2.384
MARSHALL ISLANDS	0.0479	55	45	YES	118.5525	2.6345
TUVALU	0.0476	50	40	YES	95.2	2.38
MICRONESIA, FEDERATED STATES OF	0.0483	80	80	NO	309.12	3.864
KIRIBATI	0.0563	95	95	NO	508.1075	5.3485
NEW ZEALAND	0.4176	40	30	NO	501.12	16.704
PAPUA NEW GUINEA	0.1034	60	60	YES	372.24	6.204
VANUATU	0.0596	65	65	YES	251.81	3.874
SOLOMON ISLANDS	0.0582	50	40	YES	116.4	2.91
SAMOA	0.0601	85	85	NO	434.2225	5.1085
CAMBODIA	0.0488	70	70	YES	239.12	3.416
MONGOLIA	0.0563	70	70	YES	275.87	3.941

Table 6.11 Negotiation profile of the Republic of Korea's constituency at the World Bank

	3.9567	66		TOTAL	12931.2025	213.3925
				WINNING POSITION		**60.5982052**

Source: Author's own elaboration with data of the World Bank.

Canada

The constituency represented by Canada is an interesting mix of countries from different geographical regions. With a majority of Caribbean states with low voting power, this group's power can be attributed to Canada's and Ireland's and Jamaica's voting shares. This asymmetry makes the negotiations turn towards the interest of those countries even though the majority of the members are open to the idea of a reform. This is seen in the average interest of the constituency and its winning position, passing from an agreement towards disagreement (see Table 6.12).

Starting with the individual profiles, Canada counts with more voting power in the WB than in the AIIB. Canada also participates in both institutions however its satisfaction relies in the current structure so it is esteemed that its interest is located at 20.

Ireland is a member of both institutions and its most significant voting power is within the WB. In this sense, Ireland comes as an atypical case within the unsatisfied members of the power pyramid. However, we must remember that if a development category does not match its real power index it will be determined that a country is not satisfied with its position in the power pyramid. In this case, Ireland is a high income country that is within the regional powers when its voting powers and development category should qualify it to be a great power. Nevertheless, the real power index clearly establishes Ireland as a regional power. Therefore, the interest in this country in a reform will tend towards disagreement (30) since it may signify a loss of voting power within the WB in favor of countries with a higher real power index.

Dominica has a small voting power at the WB and does not have participation at the AIIB. However, this country has been esteemed as satisfied with its position given the coherence with its income and its development level. Since Dominica counts with a relatively high real power index but a low participation, there is a level of interest that does not go as far as agreeing but is within the undecided range with a 40.

St. Kitts and Nevis is a unsatisfied high income country that counts with a low voting power that will grant an interest ranging towards indecisiveness at 40. St. Lucia only participates at the WB. As an upper middle income country with a low voting share at only one institution and a relatively high real power index, its interest is calculated as 80.

St. Vincent and the Grenadines only participates at the WB and its voting shares are at the bottom of said institution. Given its position, dissatisfaction and little to lose, it is determined that this country's interest is high at 95. Guyana is an upper middle income country with an interest of 80 due to its dissatisfaction with the current distribution of power.

Antigua y Barbuda's interest in a possible reform is calculated as high (85) since its voting power is low enough for it to not really matter if the reform changes the voting shares distribution and its real power index is high enough to make plausible the possibility of being benefited from a reform.

The Bahamas is another member of the small powers tier that participates only at the WB. Its voting shares are low considering other countries with similar real power index and its interest is calculated to be at 85.

Barbados is a high income country with a membership to the WB. Its interest is determined to be located at 70 due to its low voting shares contrasted to its high development classification. Jamaica is an upper middle income country that only participates at the WB. Its interest is determined to be at 55 because this country counts with a generous voting power in comparison to other countries with a similar real power index.

Belize is an upper middle income country with a low participation at the WB and an estimated interest at 90 Grenada is an upper middle income country that only haves a small participation at the WB. Its interest is determined to be high since the possibility to improve its position within the power pyramid relies uniquely with its performance at the WB. Since its real power index suggest that this country deserves a greater participation, it is determined that Grenada's interest in a possible reform will be at 95.

Table 6.12 Negotiation profile of Canada's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFAC-TION	I*S*P	I*S
CANADA	2.8327	20	10	YES	566.54	56.654
IRELAND	0.3520	30	20	NO	211.2	10.56
DOMINICA	0.0548	40	30	YES	65.76	2.192
ST. KITTS AND NEVIS	0.0401	40	30	NO	48.12	1.604
ST. LUCIA	0.0570	80	80	NO	364.8	4.56

Table 6.12 Negotiation profile of Canada's constituency at the World Bank

ST. VINCENT AND THE GRENADINES	0.0446	95	95	NO	402.515	4.237
GUYANA	0.0899	80	80	NO	575.36	7.192
ANTIGUA AND BAR-BUDA	0.0554	85	85	NO	400.265	4.709
BAHAMAS, THE	0.0832	85	85	NO	601.12	7.072
BARBADOS	0.0669	70	70	NO	327.81	4.683
JAMAICA	0.1629	55	45	NO	403.1775	8.9595
BELIZE	0.0525	90	90	NO	425.25	4.725
GRENADA	0.0560	95	95	NO	505.4	5.32
	3.948	66.53846 15		TOTAL	4897.317 5	122.4675
				WINNING POSITION		39.9887113

Source: Author's own elaboration with data of the World Bank.

Brazil

Brazil is right bellow Mexico in the power pyramid. It is an interesting case to study since they are in a relatively similar position but it is calculated that their interest differ. Where Mexico might be restricted in further supporting a reform due to its political position in relation to the USA and lack of representation at the AIIB, Brazil does not have the same restrictions since its economy doesn't depend as much from the USA. At the same time, Brazil counts with a close partnership with China, it forms part of the BRICS, and it has a representation at the AIIB. Thus, Brazil's interest is calculated as a strong agreement at 95.

Trinidad y Tobago is a country represented only at the WB. Since it is classified as a regional power with a high income and a low voting power, it is calculated that this country's interest in a reform is within the disagreement range at 30. Suriname holds one of the smallest voting shares at the WB. With no representation at the WB and an upper middle income classification it is determined that its interest is located at 90.

Philippines participate as a member of both the AIIB and the WB with a considerable participation within the former. Being a lower middle income country satisfied with its position at the pyramid, it is determined that its interest towards a reform will be closer to agreement at 60.

Colombia's interest is determined to follow a similar logic to that seen with Chile. Located as a disagreement at 25, Colombia's representation at the WB is considerable even when taking into account its real power index. As such, it is understood that this country wishes for things to remain the same because it is currently benefitting from its position. Panama only counts with a small participation at the WB and despite its high income classification its position within the power pyramid is at the lower tier. Besides this, the voting shares that this country has in comparison to other countries with a similar or lower real power index is small. All of this contributes to calculate its interest at 90.

Dominican Republic is an upper middle income unsatisfied with its position at the power pyramid due to its low real power index in comparison to its small power category. Its interest in a reform is estimated to be at 40 since it is benefiting from its position at the pyramid. Ecuador participates at both institutions, having a greater participation at the WB. As an upper middle income country positioned at the bottom of the power pyramid, it is unsatisfied. However, its voting power at both institutions approaches to that seen in other countries with a similar real power index and this is understood as a sign of this country's interest against a possible reform at 30.

Haiti is classified as a satisfied member of the small power tier of the power pyramid. With only a representation on the WB, this country's interest in a possible reform is calculated within the agreement range (65) since its voting power is not particularly large and its real power index provides it the possibility –however small- of gaining more representation in case of a reform.

With nine members with varying grades of interest in the topic being lead by an influential country unsatisfied with the voting structures, this constituency shows a significant difference between the average interest of its membership and the winning position. This increase in the position may be attributed almost exclusively to Brazil's position and interest, since it is the most powerful country within the constituency and it is the only one with enough power to support a strong agreement towards reform since the only other members that share this posture have a really small voting share to pass from a general indecision towards a strong agreement.

Table 6.13 Negotiation profile of Brazil's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
BRAZIL	2.1584	95	95	NO	19479.56	205.048

Table 6.13 Negotiation profile of Brazil's constituency at the World Bank

TRINIDAD Y TOBAGO	0.1635	30	20	NO	98.1	4.905
SURINAME	0.0456	90	90	NO	369.36	4.104
PHILIPPINES	0.4233	60	60	YES	1523.88	25.398
COLOMBIA	0.4164	25	15	NO	156.15	10.41
PANAMA	0.0647	90	90	NO	524.07	5.823
DOMINICAN REPUBLIC	0.1347	40	30	NO	161.64	5.388
ECUADOR	0.1815	30	20	NO	108.9	5.445
HAITI	0.0909	65	65	YES	384.0525	5.9085
	3.679	58.333333 3		TOTAL	22805.7125	272.4295
				WINNING POSITION		83.7123458

Source: Author's own elaboration with data of the World Bank.

India

India, being the third most powerful country according to the real power index and being a lower middle income with access to the AIIB where it gets a greater voting share to that that it perceives at the WB, India is calculated to have an interest of 85. It could have a greater interest in a reform, but since the alternative would greatly benefit China –a regional rival- it is estimated that the interest in a reform is affected. Bangladesh has a representation in both the AIIB and the WB. Having a greater participation at the AIIB and being an unsatisfied country, Bangladesh's interest in a reform is calculated as high at 80.

Sri Lanka counts with a participation in both the AIIB and the WB. It is determined that this country will be interested (70) in a reform to improve its voting power. Bhutan is a satisfied member of the WB, but given its small participation taking into account its position within the pyramid its interest is calculated as relatively high (65) since the WB is the only available platform where it could try to push its interests and it counts with the real power index to believe it deserves a higher participation.

As it can be observed, this constituency counts with only four members making of it one of the smallest constituencies. Looking at Table 6.14 the interest of each member seems to be closer than in other groups where the members may hold drastically different positions. In this way, the average interest is close to the winning position; however, the increase in the winning position might be thanks to India's influence during the negotiation process.

Table 6.14 Negotiation profile of India's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
INDIA	3.0542	85	85	NO	22066.595	259.607
BANGLADESH	0.2866	80	80	NO	1834.24	22.928
SRI LANKA	0.2343	70	70	YES	1148.07	16.401
BHUTAN	0.0563	65	55	YES	201.2725	3.6595
	3.6314	75		TOTAL	25250.1775	302.5955
				WINNING POSITION		83.4453173

Source: Author's own elaboration with data of the World Bank.

Italy

Italy's position is calculated at 25 since it has little advantage in the World Bank in comparison to the voting power granted at the AIIB. However, as seen in other European countries, Italy is deemed as satisfied with the current order, so it will tend to support the status quo but with certain openness to the possibility of opening more opportunities to developing countries. San Marino is only a member of the WB and its voting power is small considering its real power index. Since it doesn't have much to lose in voting shares, its interest is calculated as indecisive at 50.

Albania is another satisfied country classified as a regional power. This country only has a representation in the World Bank with a low voting power. With a similar position to that seen in Turkmenistan, Albania is esteemed to lean towards agreement while staying close to indecisiveness with a 55. Portugal is a member of both organizations and its voting shares are higher at the WB than at its counterpart. However, its interest in a reform is determined to be within the undecided at 55.

Greece's interest is determined to be in agreement towards an agreement at 70. As a member of both the WB and the AIIB, Greece finds itself with little difference among both voting shares; nonetheless, its classification as a high income country and its lower voting share in comparison to other countries with similar real power indexes are deemed as the main reasons why this country would take interest in a reform.

Malta's interest is deemed to be within the agreement range (95) due to its low voting participation at the WB and dissatisfaction with its position at the power pyramid. Timor-Leste's situation is similar to Senegal's but with the advantage of counting with a participation at the AIIB. This moves Timor-Leste's to undecided territory at 40.

This group of seven members has a fairly low interest in a possible reform of the voting structures of the World Bank. Even though Malta expresses a high interest and posture, its low voting power (see Table 6.15) inhibits its ability to push its interest in the constituency's negotiation. Hence, the winning posture of the constituency lead by Italy's representative is one of disagreement with a reform of the current structures of the World Bank.

Table 6.15 Negotiation profile of Italy's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
ITALY	2.5509	25	15	YES	956.5875	63.7725
SAN MARINO	0.0529	50	40	NO	105.8	2.645
ALBANIA	0.0764	55	45	YES	189.09	4.202
PORTUGAL	0.3281	55	45	NO	812.0475	18.0455
GREECE	0.1647	70	70	NO	807.03	11.529
MALTA	0.0834	95	95	NO	752.685	7.923
TIMOR-LESTE	0.0592	40	30	YES	71.04	2.368
	3.3156	55.7142857		TOTAL	3694.28	110.485
				WINNING POSITION		**33.4369371**

Source: Author's own elaboration with data of the World Bank.

Switzerland

Switzerland is a small country with a significant economic power, this is reflected in a comfortable voting power in the WB and in the AIIB. However, the participation in the WB is greater to that in the AIIB and this added to the conformity to the current structures gives an esteemed interest of 20. In direct contrast, Poland is a unsatisfied country that counts with an estimated interest of 40. Although this country has a representation in both the AIIB and the WB and a relatively high real power index, it doesn't match its higher development category. Hence, it is estimated that Poland wouldn't risk losing part of its voting power if a reform where to be had.

Turkmenistan is an upper middle income country that qualifies as a satisfied with its position as a regional power in Organski's power pyramid. With a membership at the World Bank and a relatively small voting power compared to its real power index and other countries in a similar position, this country is esteemed to fall on the undecided range while also leaning towards agreement at 55. Kazakhstan is the last upper middle income country that still qualifies to be on the satisfied side of Organski's power pyramid. Its membership to the WB grants it the half of the voting power that it perceives at the AIIB, this due to the preference that the AIIB gives to regional members. Given the conditions described, Kazakhstan is esteemed to have an interest leaning towards agreement at 65.

Tajikistan classifies at the lower tier on Organski's power pyramid due to its real power index. Nonetheless, it is also esteemed to be on the satisfied side of said pyramid. However, this country has a representation on both organizations, allowing it to have a greater influence on the AIIB due the location preference. This is positions Tajikistan's interest in the agreement range of the scale at 65. Azerbaijan is a member of both the WB and the AIIB. Its higher shares at the AIIB could be explained by the location consideration in the voting power distribution at said organization. Therefore, Azerbaijan's interest is calculated as 70.

Uzbekistan is a satisfied member of the small powers tier of the power pyramid. Given that this country has access to both the AIIB and the WB, it is considered that it will have a high interest (70) to see its power increased at the WB. Serbia is a member of both the WB and the AIIB. While getting a higher voting share at the WB, this country's interest is determined to be within the disagreement range at 25.

Kyrgyz Republic has a similar position to that of Guinea, but with a few significant differences. While Guinea's difference in voting shares is not that different between institutions (0.1034 at the WB and 0.1439 at the AIIB), Kyrgyz Republic difference goes from 0.0733 on the WB to a 0.2116 at the AIIB. This and the fact that this country is classified as a lower middle income country, it is determined that Kyrgyz Republic might feel entitled to a higher participation at the WB. Even more so if we consider the fact that there are countries like Mali and Malawi have a higher voting power even though they have a lower real power index. Therefore, Kyrgyz Republic's interest is calculated as 80.

This constituency represent an interesting mix of countries, with both European and Asian countries, this group most radical positions are taken by Switzerland's 10 and Kyrgyz Republic 80. The final position is set at 40.71 representing a disagreement that tends towards indecisiveness.

Table 6.16 Negotiation profile of Switzerland's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
SWITZERLAND	1.4084	20	10	YES	281.68	28.168
POLAND	0.7441	40	30	NO	892.92	29.764
TURKMENISTAN	0.0542	55	45	YES	134.145	2.981
KAZAKHSTAN	0.2112	65	65	YES	892.32	13.728
TAJIKISTAN	0.0771	65	65	YES	325.7475	5.0115
AZERBAIJAN	0.1236	70	70	NO	605.64	8.652
UZBEKISTAN	0.1675	70	70	YES	820.75	11.725
SERBIA	0.1727	25	15	NO	64.7625	4.3175
KYRGYZ REPUBLIC	0.0733	80	80	YES	469.12	5.864
	3.0321	54.4444444		TOTAL	4487.085	110.211
				WINNING POSITION		**40.7135858**

Source: Author's own elaboration with data of the World Bank.

Iceland

Norway is a high income country with a relatively high real power index but with a relatively small voting power at the WB. On the other hand, Norway's representation at the AIIB is higher than that of the WB but the difference between both voting shares is not particularly large. Considering this information, this country's interest is estimated at 40.

Denmark is represented at both institutions with relatively good voting powers in comparison to countries with a similar real power index. However, its position does not go with the development classification, and this situates its interest at 25.Sweden is a high income country represented at the WB and the AIIB. As an unsatisfied country with a good voting power at both institutions and a respectable real power index, it is calculated that Sweden's interest in a reform is close to strong disagreement at 20.

Finland has a very similar voting power in both the AIIB and the WB. Due to its position in the power pyramid and the development category that it holds, this country's interest is calculated as 30.

Lithuania is a unsatisfied country that has its interest positioned at 65 due to its voting shares are not as great as they could be, but its position is not as unbalanced as to make it have a strong interest in this debate. Estonia's interest is calculated at 70 due to its low participation at the only organization that it is a member of, meaning the WB. Latvia is a high income country that counts with a membership to the WB. Its dissatisfaction comes from its position within the power pyramid and it is determined that its interest lies at the agreement side of the spectrum at 85.

Iceland's interest in a possible reform is determined to be high (70) considering its low voting shares at the WB in comparison to those that it has at the AIIB and its dissatisfaction with the current system.

As seen in table 6.17, the constituency lead by Norway has a indecisive interest that turns into disagreement during the negotiation round. This represents quite a compromise for countries like Latvia that had a strong agreement but had to conform with a position that resembles more to that seen in Norway or Finland.

Table 6.17 Negotiation profile of Iceland's constituency at the World Bank

COUNTRY	**POWER**	**INTEREST**	**POSTURE**	**SATISFACTION**	**I*S*P**	**I*S**
NORWAY	0.5631	40	30	NO	675.72	22.524
DENMARK	0.7373	25	15	NO	276.4875	18.4325
SWEDEN	0.8607	20	10	NO	172.14	17.214
FINLAND	0.4844	30	20	NO	290.64	14.532
LITHUANIA	0.1052	65	65	NO	444.47	6.838
ESTONIA	0.0758	70	70	NO	371.42	5.306
LATVIA	0.0990	85	85	NO	715.275	8.415
ICELAND	0.0985	70	70	NO	482.65	6.895
	3.024	50.625		TOTAL	3428.8025	100.1565
				WINNING POSITION		**34.2344481**

Source: Author's own elaboration with data of the World Bank.

Pakistan

Algeria, like Ireland, has a higher participation at the WB than in the AIIB. Its dissatisfaction comes from the lower middle income development category it has and its position as a regional power. For that reason, it is estimated that Algeria's interest in a reform will tend to agreement at 65. It is not as higher as other countries given Algeria's privileged voting rights.

Islamic Republic of Iran is a country that counts with a membership in both institutions, with a greater participation at the World Bank. This country also displays a greater voting power when compared to other countries with a similar real power index. Even though its satisfaction and position within the pyramid would suggest a tendency towards disagreement, the interest is esteemed to be higher leaning towards strongly agreement (90) due to the historical relations between Iran and the dominant power (the USA) and most of its closest allies.

Afghanistan comes as an interesting case since it is the first low income country in this category (small power) that counts with a higher real power index than other countries in a similar position, like Nigeria or Lao People's Democratic Republic. Counting with a membership in both institutions and benefiting of the geographical preference of the AIIB, this country's interest is determined as undecided leaning towards agreement at 55.

Pakistan has a significant voting power at the AIIB and even though it seems to be satisfied with the system, the possibility to get a higher participation power at the WB may serve as an incentive to push towards a reform. Hence, the interest perceived for Pakistan is of 70.

Morocco is a member of the WB and its interest is determined to be 65 since it could benefit from a reform of the WB, but its satisfaction with the system and current position prevents it from taking a stronger interest in the matter.

Ghana is one of those countries that have a participation in both organizations and where its voting power in both of them is not that different. With a voting power of 0.1168 in the World Bank and a 0.1431percentage at the AIIB, Ghana is a limited example where the difference between voting powers is not that great as other cases. Since this country is deemed as satisfied with the current system and its stakes at both organizations don't seem to be that significant, its interest is calculated as indecisive at 50.

Tunisia only counts with a relatively low participation at the WB. However, it qualifies as a satisfied member of the small powers tier of the power pyramid and this adds to a 40 of interest.

With a total of seven members, the constituency lead by Algeria shows a relatively small gap between the average interest of its constituents and the winning position of the negotiation process since both are agreement scores.

Table 6.18 Negotiation profile of Pakistan's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
ALGERIA	0.5153	65	65	NO	2177.1425	33.4945
IRAN, ISLAMIC REPUBLIC OF	1.4204	90	90	YES	11505.24	127.836
AFGHANISTAN	0.0493	55	45	YES	122.0175	2.7115
PAKISTAN	0.5001	70	70	YES	2450.49	35.007
MOROCCO	0.3087	65	65	YES	1304.2575	20.0655
GHANA	0.1168	50	40	YES	233.6	5.84
TUNISIA	0.0966	40	30	YES	115.92	3.864
	3.0072	62.1428571		TOTAL	17908.6675	228.8185
				WINNING POSITION		**78.2658199**

Source: Author's own elaboration with data of the World Bank.

Thailand

This constituency counts with a total of eleven members and is lead by Thailand. As an Asian country, the leader of this group benefits from a generous voting participation in the AIIB when compared to its power in the WB. As an upper middle income country that falls within the regional power classification on Organski's power pyramid, this country feels satisfied with its position in the international arena. Henceforth, its interest is esteemed as a 40 because its power in the WB could improve to match its position in the power pyramid, but at the same time it is not a significant driver to promote a higher interest from this player.

Indonesia is the fourth most powerful unsatisfied country, as the first three (China, India and Russia) it has a membership to both the WB and the AIIB, receiving a greater voting share at the AIIB. As an upper middle income country among high income and satisfied countries, it is calculated that Indonesia's interest will be high (90) due its inherent want to match its power to its development category.

Singapore has the double of its participation in the AIIB than in the WB, however, this country is esteemed to be content with the status quo, so its interest will tend slightly to the right side of the spectrum while standing close to the status quo since its position in the power pyramid is deemed as comfortable. Therefore, the interest of Singapore is estimated at 30.

Myanmar counts with a participation in both the AIIB and the WB. Being an unsatisfied country with a greater participation at the AIIB, it is calculated that Myanmar will be interested in a reform with a 75.

Malaysia is a member of both the WB and the AIIB. Having a greater participation on the WB than in the AIIB and being satisfied with the current structure, this country is esteemed to have a low interest (25) on a significant reform of the voting power assignment.

Vietnam is another dissatisfied country that counts with a greater participation at the AIIB and even though it is classified as a lower middle income surrounded by upper middle or high income countries with similar real power index. Vietnam's interest is calculated as an agreement (70) with a hope to improve its development classification by increasing its participation at the WB.

Brunei Darussalam is a high income country with a respectable representation at both institutions. Nevertheless, Brunei is classified as an unsatisfied country and its interest is understood as a 30 since a reform may not be of its convenience.

Tonga is an Oceanic kingdom with a representation in both the WB and the AIIB, having a greater participation on the latter. This country is esteemed as satisfied due the accordance in both its development level and place within the power pyramid, therefore its interest is located at indecisiveness with a tendency towards agreement at 55.

Fiji, due to its location, has a higher voting power at the AIIB than at the WB. Its dissatisfaction with the system is due to its upper middle income classification and position within the pyramid, giving it an interest of 80.

Lao People's Democratic Republic is a member of both the WB and the AIIB. Since this country is within the satisfied side of the power pyramid, but its voting power its higher at the AIIB, it is determined that this country's interest in a reform will be within the undecided range at 60.

Nepal has a membership to both institutions and is deemed that it will tend to favour a reform due to similar reasons to those exposed for Honduras. With an interest of 60, this country will be open to the possibility of a reform.

According to the characteristics of this constituency is interesting to notice that, even though there is an interest and a position of agreement towards a reform, the position does not lay farther in the right side of the spectrum. Either way, this group presents a slightly lower interest and position to that seen as the outcome of the negotiation round.

Table 6.19 Negotiation profile of Thailand's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
INDONESIA	0.9456	90	90	NO	7659.36	85.104
SINGAPORE	0.2712	30	20	YES	162.72	8.136
THAILAND	0.4712	40	30	YES	565.44	18.848
MYANMAR	0.1671	75	75	NO	939.9375	12.5325
MALAYSIA	0.4449	25	15	YES	166.8375	11.1225
VIETNAM	0.1953	70	70	NO	956.97	13.671
BRUNEI DARUSSALAM	0.1236	30	20	NO	74.16	3.708
TONGA	0.0577	55	45	YES	142.8075	3.1735
FIJI	0.0790	80	80	NO	505.6	6.32
LAO PEOPLE'S DEMOCRATIC REPUBLIC	0.0400	60	60	YES	144	2.4
NEPAL	0.0875	60	60	YES	315	5.25
				TOTAL	11632.8325	170.2655
	2.8831	**55.9090909**		**WINNING POSITION**		**68.321724**

Source: Author's own elaboration with data of the World Bank.

Russian Federation

Russian Federation is a unsatisfied member of the international system. This is not much of a surprise taking into account historic and current frictions between Russia and the dominant power, that being the USA. This country's interest is calculated as high at 95, since supporting China's interests is the better option available for Russia to obtain more power within the international system. This comes too as the only available option given the difficult diplomatic relations that this country has with the dominant power and its established allies in Europe.

Syrian Arab Republic only counts with its representation at the WB. It is counted as a unsatisfied country due to its income classification as a low income country with a high enough real power index to enter to the regional power tier at the pyramid. Nonetheless, this country has been at war since 2011 and part of its real power index may be attributed to the lack of current data. Hence, its interest is going to be calculated as indifferent at 55.

This is the smallest shared constituency of the World Bank and it is safe to say that its position is heavily influenced by Russia's interests. The negotiated position barely differs from the proposed position made by the leader of this group.

Table 6.20 Negotiation profile of the Russian Federation constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
RUSSIAN FEDERATION	2.6755	95	95	NO	24146.3875	254.1725
SYRIAN ARAB REPUBLIC	0.1268	55	45	NO	313.83	6.974
	2.8023	75		TOTAL	24460.2175	261.1465
				WINNING POSITION		**93.6647342**

Source: Author's own elaboration with data of the World Bank.

Kuwait

Qatar is a Middle Eastern country with a high income and a position in the higher levels of the power pyramid that grants it a satisfied quality to its role within the international scenario. However, its voting power has a distinctive variation when compared among both development banks. While the AIIB grants a .7281 the WB only offers a 0.0845. Even though the real power index reveals that Qatar has more power than countries like the Netherlands and Turkey, these countries achieved a greater participation within the WB. This is deemed as a reason for this country to support a greater reform of the system than other countries with a similar level on the power pyramid, with an interest of 40.

United Arab Emirates is a member of both the WB and the AIIB, with a greater participation at the latter. However, this country is deemed as unsatisfied given its development level and position in the power pyramid. Since its real power index does not back its aspirations to increase its voting power, and its voting power is similar to that of Singapore (being even greater in at the AIIB), it is calculated that this country will be moderately (65) interested since there is the possibility that a reform could further damage its voting power at the WB.

Kuwait is an unsatisfied country that only counts with a membership to the WB. However, its voting power is good when compared with other countries that count with a similar real power index. Since its dissatisfaction comes from its category being higher than its position within the power pyramid, it is calculated that the interest of this country in a reform lies in disagreement at 30.

Libya only has a representation at the WB, is satisfied with its position on the current system and is classified as a regional power. This gives an esteemed interest of 30.

Having a membership to the WB that grants it a low voting power, Iraq presents itself as a satisfied country even though it has more real power index than other countries like Iran or Argentina that have a greater voting participation. Hence, Iraq's interest is deemed as 40.

Arab Republic of Egypt is an unsatisfied country with a membership to both institutions. As a lower middle income country with a high capacity, it is determined that its interest is high at 75.

The Republic of Yemen only has a membership to the WB and it is classified as a satisfied member of the international system. An interesting point about this country is that it is the second low income country with a real power index higher than other countries classified in a higher development tier like Ukraine or Sri Lanka. Considering this, it is determined that Yemen's interest in a reform will turn towards agreement (85) because even though it is benefiting from its current position, the possibility to gain more power might sound like an interesting proposal.

Oman counts with a higher representation at the AIIB than that seen at the WB. However, its interest in reforming the voting shares distribution at the western organization is calculated as undecided leaning towards agreement at 60.

Bahrain counts with a higher participation at the AIIB than the one it holds at the WB. This high income country's interest is calculated to be at 90.

Maldives interest in a possible reform is estimated at 85 due to the difference seen in its voting participation in both organizations having a clear advantage at the AIIB. This, summed to its dissatisfaction with its position within the power pyramid is a factor taken into account in its high interest.

Jordan is a member of both the AIIB and the WB. Having a greater participation at the former, Jordan's interest is understood to be within the agreement side of the spectrum (85) of the debate about the need to reform the voting power distribution at the WB.

Lebanon is a member of the WB and is classified as an upper middle income country. However, it is calculated that its interest falls within the agreement side of the spectrum (90) due to its low position within the power pyramid and dissatisfaction with the current power distribution.

With 12 countries in this constituency, the average interest in a reform is of approximately 65, falling into agreement territory. However, more than one country disagrees with the necessity of a reform to the voting structures of the World Bank. Nonetheless, the negotiated position within the constituency falls from the interest seen into the undecided range of the spectrum at 58. While still close to agreement, the voting power of those countries that disagreed with a reform pushed the official position of the group to a lower level.

Table 6.21 Negotiation profile of Kuwait's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
QATAR	0.0845	40	30	YES	101.4	3.38
UNITED ARAB EMIRATES	0.2464	65	65	NO	1041.04	16.016
KUWAIT	0.8024	30	20	NO	481.44	24.072
LIBYA	0.4245	30	20	YES	254.7	12.735
IRAQ	0.1834	40	30	YES	220.08	7.336
EGYPT, ARAB REPUBLIC OF	0.4543	75	75	NO	2555.4375	34.0725
YEMEN, REPUBLIC OF	0.1172	85	85	YES	846.77	9.962
OMAN	0.1079	60	60	NO	388.44	6.474
BAHRAIN	0.0873	90	90	NO	707.13	7.857
MALDIVES	0.0479	85	85	NO	346.0775	4.0715
JORDAN	0.1091	85	85	NO	788.2475	9.2735
LEBANON	0.0715	90	90	NO	579.15	6.435
	2.7364	64.5833333		TOTAL	8309.9125	141.6845

Table 6.21 Negotiation profile of Kuwait's constituency at the World Bank

	WINNING POSITION	**58.65082 28**

Source: Author's own elaboration with data of the World Bank.

Saudi Arabia

Saudi Arabia's position is esteemed at a 25 because this country receives more power within the World Bank than in the AIIB, but the difference is not as large as to observe a stronger position for the status quo. Besides, this country is considered to be satisfied with the current international arrangement, so even if it may be more open to a more active participation of developing countries within the governance, it would not make a stronger statement by taking a position further in the right axis of the scale.

As a constituency, Saudi Arabia's case is interesting. As it can be noticed in table 6.22, there is only one country in this constituency even though it is not established as an exclusive representation like the ones that the most powerful five countries have. In this way, this constituency is similar to the representation of the United Kingdom, even though its voting power is below to the one seen at the European country. Even though this country has less influence than India and Canada, it is interesting to see that it holds its own representation where this country does not have the necessity to negotiate its position to be represented at the Executive Board.

Table 6.22 Negotiation profile of Saudi Arabia's constituency at the World Bank

Table 6.22 Negotiation profile of Saudi Arabia's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION
SAUDI ARABIA	2.6755	25	15	YES

Source: Author's own elaboration with data of the World Bank.

Uruguay

Argentina is an upper middle income from Latin America that counts with a membership in both the WB and the AIIB. Since it is esteemed that this country is satisfied with its position on the international politics and it also has a significant voting power at the WB it is determined that this country leans towards disagreement with a 40.

Peru is a member of the WB and its real power index is lower than the power that it holds at said organization. Hence, its interest will tend towards disagreement at 35. Chile has a considerable amount of voting shares at the WB giving its position within the power pyramid. Even though it does not have participation at the AIIB and has no possibility to compare one system to the other, it is determined that this country's interest is low at 25 due to its advantageous position.

Uruguay is an interesting case since it holds a high voting participation in both the AIIB and the WB. The difference in both voting shares is not as significant; however, this country does have a greater participation at the WB. As a high income country with a low position at the power pyramid, it is determined that this country's interest is at 25.

Paraguay is a member of the WB. Its interest is determined to be at 60 due to its low participation at said institution and its income classification dissonance. Bolivia's interest is determined as disagreeing at 40 because it is deemed that this country currently benefits from the current power distribution since it has a higher voting power than those with the same level of real power index. Therefore, a change in the voting power distribution might affect its current voting power percentage.

This constituency of six Latin American countries has a surprisingly low interest in a possible reform and this is reflected on the final outcome of the negotiation.

Table 6.23 Negotiation profile of Uruguay's constituency at the World Bank

COUNTRY	**POWER**	**INTEREST**	**POSTURE**	**SATISFACTION**	**I*S*P**	**I*S**
ARGENTINA	1.0794	40	30	YES	1295.28	43.176
PERU	0.3633	35	35	NO	445.0425	12.7155
CHILE	0.4279	25	15	NO	160.4625	10.6975
URUGUAY	0.1712	25	15	NO	64.2	4.28
PARAGUAY	0.0997	60	60	NO	358.92	5.982
BOLIVIA	0.1315	40	30	YES	157.8	5.26
	2.273	37.5		TOTAL	2481.705	82.111
				WINNING POSITION		**30.2237824**

Source: Author's own elaboration with data of the World Bank.

Cameroon

Cameroon is by far the largest constituency with a total of 23 members, only followed by Uganda's with 22 countries. Starting with the leader of this constituency, Cameroon, is a satisfied member of the international system, with only a membership to the WB of a modest voting power, it is considered that this country's interest is undecided leaning towards disagreement at 40.

Gabon's interest in a possible reform at the WB is calculated as relatively high at 85 since its voting power at said institution is low considering its real power index and position within the power pyramid.

As a small power, Comoros participates as a satisfied member of the international system. Since its representation is limited to the WB, it is esteemed that this country will be intrigued by the possibility to increase its participation within the WB or to support other institutions that might provide more representation to its interests. Therefore, the interest is determined to be of 65.

Djibouti is only represented at the World Bank, and as a country with a relatively small real power index it is esteemed that it will be curious towards a reform with an interest of 65.

Sao Tome and Principe is another satisfied country with a modest voting power at the WB and no representation at the AIIB. Since this country has a limited amount of power and it is classified as a lower middle income country it is considered that its interest tends towards agreement at 65.

Mauritius has a representation at the WB and it is a high income country with a relatively low voting power. Its interest in a reform is determined to be at 65.

Republic of Congo only counts with a membership to the WB and even though it qualifies as a satisfied member of the current international system, it is calculated that the interest in a reform will be moderately high (65) since it counts with a limited voting power in comparison to other countries with a similar real power index like the Democratic Republic of Congo, Tunisia or Côte d'Ivoire.

Democratic Republic of Congo is a low income country with a real power index that puts it among several lower middle income countries within the pyramid. Since its voting power at the WB is relatively high compared to other countries with a similar real power index, and the fact that this country lacks a participation on the AIIB, it is determined that the interest of the Democratic Republic of Congo will have a low interest in a reform with a 40.

Cote d'Ivoire is one of the rare countries that participates in both institutions but has a bigger voting power at the WB. This and the satisfied position it occupies at the power pyramid leads to determine that its interest in a reform will tend towards disagreement (30) since it could mean lowering its current voting power.

Cabo Verde is a member of the WB and it qualifies as a satisfied with the current international order, therefore it is determined that its interest in a reform is undecided (55).

As most of the African states, Mauritania only has a membership to the WB and is classified as a satisfied country thus its interest is considered to be within the undecided range at 50.

Equatorial Guinea counts with a similar situation to that seen with Lebanon. With no representation at the AIIB and a low participation at the WB, this upper middle income country is deemed to agree with the necessity of a reform at 90.

Togo is a country with a WB membership that falls into the low income category according to the WB classification. Even though Togo appears as a satisfied country, it is calculated that since its amount of voting power and real power index is already considered as low, the interest in a reform that might give a higher priority to developing countries could interest this country (60), especially considering that this country has a high real power index among low income states.

Benin is represented at both the AIIB and the WB and is classified as a satisfied member of the lower tier of the power pyramid. Its interest in a possible reform is calculated as undecided leaning towards agreement at 60.

Madagascar's interest in a reform is calculated as a 30 since the difference in the voting shares of the AIIB and the WB is not that great, it is a satisfied member of the pyramid and its real power index indicates that the voting power that this country might not correspond with its real position in the international system.

Chad is a low income country with no participation in the AIIB and with a low voting power at the WB, and given its satisfied stance it is calculated that this country has an undecided interest in a possible reform (50).

Burkina Faso has a small participation at the WB and, even though it is classified as a satisfied country, it is calculated that its interest in a possible reform on the voting power distribution within the WB would interest (65) this country with hopes of improving its current situation.

Senegal is a lower middle income country with a relatively high voting power at the WB. This sets this country apart of other countries with a similar real power index and it is one of the main reasons to believe there would be certain hesitancy on this countries behalf to a reform in the voting power because it could represent a significant decrease on its participation at the only institution it belongs to. Hence, Senegal's interest is calculated at 35.

Central African Republic, as a satisfied low income country presents its interest in a possible reform of the voting power distribution within the WB with indecisiveness at 55 since it may represent a good idea in theory even though the possibility of increasing its participation is small, limiting the real interest (55) of this country.

Guinea has a similar participation in both the AIIB and the WB. Even though it is a satisfied country, it is determined that its interest is going to be high (65) since its voting power is a little higher at the AIIB and there could exist the interest in closing the distance in the participation at both institutions.

Mali is a member of the WB and while it is a satisfied member of the system, it is determined that this country will be interested in a possible reform but would not do something to lobby for it, hence, a 60 of interest is assigned to Mali.

Guinea-Bissau is a satisfied member of the WB. With no participation in the AIIB and a lower voting power than countries with lower real power index, it is calculated that Guinea-Bissau's interest is at 65 on the agreement range.

Niger is a satisfied member of the WB, as a low income country with a voting power similar to that seen in countries with a close real power index, its interest is calculated at 60.

In table 6.24 we can observe a summarized version of each member's profile and the results of the negotiation process between them. As it may be expected, there are a variety of interests in this large constituency, going as far as 90 (Equatorial Guinea) or as low as 35. This results in an average interest of approximately 57 that is really similar to the winning posture of the negotiation at 54. This may be explained thanks to the fact that most of the countries share similar positions and those that disagreed were outnumbered.

Table 6.24 Negotiation profile of Cameroon's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
GABON	0.0685	85	85	NO	494.9125	5.8225
COMOROS	0.0439	65	65	YES	185.4775	2.8535
DJIBOUTI	0.0611	65	65	YES	258.1475	3.9715
SAO TOME AND PRINCIPE	0.0573	65	65	YES	242.0925	3.7245
MAURITIUS	0.0918	65	65	NO	387.855	5.967
CONGO, REPUBLIC OF	0.0710	65	65	YES	299.975	4.615

Table 6.24 Negotiation profile of Cameroon's constituency at the World Bank

CONGO, DEMO-CRATIC REPUBLIC OF	0.1651	40	30	YES	198.12	6.604
COTE D'IVOIRE	0.1687	30	20	YES	101.22	5.061
CABO VERDE	0.0582	55	45	YES	144.045	3.201
MAURITANIA	0.0813	50	40	YES	162.6	4.065
CAMEROON	0.1168	40	30	YES	140.16	4.672
EQUATORIAL GUI-NEA	0.0577	90	90	NO	467.37	5.193
TOGO	0.0928	60	60	YES	334.08	5.568
BENIN	0.0793	60	60	YES	285.48	4.758
MADAGASCAR	0.1155	30	20	YES	69.3	3.465
CHAD	0.0680	50	40	YES	136	3.4
BURKINA FASO	0.0793	65	65	YES	335.0425	5.1545
SENEGAL	0.1463	35	25	YES	128.0125	5.1205
CENTRAL AFRICAN REPUBLIC	0.0680	55	45	YES	168.3	3.74
GUINEA	0.1034	65	65	YES	436.865	6.721
MALI	0.0957	60	60	YES	344.52	5.742
GUINEA-BISSAU	0.0536	65	65	YES	226.46	3.484
NIGER	0.0783	60	60	YES	281.88	4.698
	2.0216	57.3913043		TOTAL	5827.915	107.601
				WINNING POSITION		**54.1622754**

Source: Author's own elaboration with data of the World Bank.

Uganda

Eritrea is a low income country with a significant real power index, however its only representation at the WB is small in comparison to other regional powers. Since this country is unsatisfied with the current arrangement, its interest is calculated as 75.

South Sudan is an unsatisfied country since it has a real power index that is higher to both its representation at the WB and its development classification. Knowing this, it is understood that this country's interest is within the strong agreement range at 95.

Sudan, like South Sudan, is a low income country with relatively similar real power index. Nevertheless, Sudan participates at both institutions with higher voting shares than those seen by South Sudan. The interest of this country is calculated as an agreement at 85.

Zimbabwe only has a membership to the WB and classifies as a lower middle income country satisfied with the system in place. It is esteemed that the interest in a reform to the WB voting power distribution would be indecisive at 50.

Tanzania counts with a low voting power at the WB, being the only institution that it counts a membership in. Since it is determined that this country is satisfied with its position, the interest of Tanzania is calculated as indecisive at 50.

Botswana's interest is determined to be at 70 due to its low voting power at the WB and its upper middle income classification.

Ethiopia is a low income country with a higher real power index than other countries classified in the same development level, such as the Democratic Republic of Congo and Somalia. Even though it is satisfied with its position, it is determined that Ethiopia's interest will tend towards agreement (65) since it may conceive the possibility of reforming the current system to increase its voting power.

Zambia has a moderate representation at the WB and no membership to the AIIB. Since it has a greater voting power than other countries with a similar real power index, it is deemed that its interest in a reform is on the disagreement range at 35.

Kenya's interest is calculated at 30 in disagreement of a reform since it could mean the a lower voting power that could match its low real power index in comparison to other countries in similar positions with lower voting powers like Cameroon or El Salvador.

Seychelles posses one of the lowest voting shares at the WB. Without a representation at the AIIB and a high income classification, it is determined that the Seychelles have a great interest (95) in a reform within the WB.

Somalia is a country with a small percentage of voting power at the WB and no representation at the AIIB. However, Somalia counts as a satisfied country and its interest (60) reflects its conformity even though it might be curious for the possibility of a reform since it already has a small voting power and the possibility of gaining power is greater than loosing.

Sierra Leone shares the same conditions seen in Togo, therefore, its position will be calculated as undecided leaning towards agreement at 60.

Rwanda is represented at both the AIIB and the WB. While being a satisfied member of the international system, this country's interest is calculated as undecided leaning towards agreement (60) given its higher voting power at the AIIB. Since Uganda presents similar conditions to those observed on Haiti its calculated interest is also a 65.

Namibia participates only at the WB where it holds a respectable voting power considering its real power index. Considering this, its interest in a reform is deemed to be within the disagreement range at 35, since it may represent the loss of the power it currently has.

Malawi shares several similarities to Mali's case; they both have similar voting shares and real power index and qualify as satisfied members of the system. Since Malawi doesn't have much to lose if a reform were to change the voting power distribution, it is estimated that its interest remains in undecided territory leaning towards agreement at 60.

The Gambia is a member of the WB and it qualifies as a satisfied member of the system. Since its voting share is not a particularly big one and its position as one of the last satisfied countries of the bottom tier of the pyramid, it is determined that the interest of this country lies at the right end of the undecided range at 60.

Mozambique shares almost the same position of The Gambia, so its position is determined as 60. Lesotho is the last lower middle income country mixed in with low income countries due to its low real power index. It also holds a membership to the WB that grants it a small voting power percentage, however it is determined that Lesotho's interest tends towards agreement at 65.

Burundi holds no membership at the AIIB and its participation at the WB corresponds to its low real power index. However, due to it being almost the last satisfied country on the last power tier of the power pyramid, it is calculated that Burundi's interest in a possible reform is undecided leaning towards agreement at 60.

Liberia is a curious case since it holds the lowest real power index within the satisfied countries. With a real power index of 0, Liberia has a participation in both the AIIB and the WB and is satisfied with its current position, therefore, its interest in a reform is determined as low (20) since it may not necessarily benefit it.

Eswatini only counts with a small participation at the WB and even though it is a satisfied country, so it is determined that its interest in a potential reform will be 70 because its real power index and the position that it shares with other similar countries might make this country feel entitled to a larger voting power than that that it currently holds.

As it can be seen, this is another large constituency. Uganda leads a total of twenty two countries that, similarly to Cameroon's case, have a wide variety of interests and positions. This leads to results that look alike to those observed in Cameroon as well. In table 6.25 it is possible to observe each individual profile of the member states, where the interest varied across the spectrum but managed to have an average that could count as an agreement with a reform. This interest is reflected in the winning position of the negotiation of this round, decreasing the level of approval, but within a small change of numbers between them.

Table 6.25 Negotiation profile of Uganda's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
ERITREA	0.0528	75	75	NO	297	3.96
SOUTH SUDAN	0.0864	95	95	NO	779.76	8.208
SUDAN	0.1084	85	85	NO	783.19	9.214
ZIMBABWE	0.1715	50	40	YES	343	8.575
TANZANIA	0.0807	50	40	YES	161.4	4.035
BOTSWANA	0.0657	70	70	NO	321.93	4.599
ETHIOPIA	0.0877	65	65	YES	370.5325	5.7005
ZAMBIA	0.1835	35	25	YES	160.5625	6.4225
KENYA	0.1659	30	20	YES	99.54	4.977
SEYCHELLES	0.0397	95	95	NO	358.2925	3.7715
SOMALIA	0.0544	60	50	YES	163.2	3.264
SIERRA LEONE	0.0707	60	50	YES	212.1	4.242
RWANDA	0.0890	60	50	YES	267	5.34
UGANDA	0.0661	65	65	YES	279.2725	4.2965
NAMIBIA	0.1060	35	25	NO	92.75	3.71
MALAWI	0.0918	60	50	YES	275.4	5.508
GAMBIA, THE	0.0601	60	50	YES	180.3	3.606
MOZAMBIQUE	0.0822	60	50	YES	246.6	4.932
LESOTHO	0.0668	65	50	YES	217.1	4.342

Table 6.25 Negotiation profile of Uganda's constituency at the World Bank

BURUNDI	0.0707	60	50	YES	212.1	4.242
LIBERIA	0.0533	20	60	YES	63.96	1.066
ESWATINI	0.0491	70	70	YES	240.59	3.437
	1.9025	60.2272727		TOTAL	6125.58	107.448
				WINNING POSITION		**57.0097163**

Source: Author's own elaboration with data of the World Bank.

Nigeria

South Africa is an upper middle income country with a membership to the WB only. Its participation is in accordance to countries with similar real power indexes; however, this country is classified as unsatisfied given its position in the power pyramid as a small power when its category as an upper middle income country should grant it a higher participation. Its interest is determined, thus, as high at 70

Angola is a lower middle income country with a membership to the World Bank that classifies as satisfied with its position in the power pyramid. Considering this information, Angola's interest in a reform to the voting distribution at the WB tends to indecision with a 50.

Nigeria only counts with its WB membership. However, this country qualifies as a satisfied member of the small power category and its interest is calculated as undecided leaning towards disagreement (45) since its voting share is relatively high in comparison to other countries with a similar real power index like Afghanistan or Solomon Islands.

As it may be easy to see in Table 6.26 this constituency has a small membership and the interests of each one of the countries varies but are not as far away from each other within the spectrum of possible postures. This provides an average interest of 55 that coincides with the negotiation's outcome at 55 too.

Table 6.26 Negotiation profile of Nigeria's constituency at the World Bank

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
SOUTH AFRICA	0.7387	70	70	NO	3619.63	51.709

Table 6.26 Negotiation profile of Nigeria's constituency at the World Bank

ANGOLA	0.1911	50	40	YES	382.2	9.555
NIGERIA	0.6733	45	35	YES	1060.4475	30.2985
	1.6031	55		TOTAL	5062.2775	91.5625
				WINNING POSITION		55.2876724

Source: Author's own elaboration with data of the World Bank.

The Asian Infrastructure Investment Bank

As the World Bank start negotiations among its members to see if there's an interest in modifying the voting shares' distribution the AIIB is considered to be in another negotiation to determine its position as an institution to promote the participation of developing countries in the decision making process by asking for a fairer voting power distribution.

The negotiation process inside the AIIB is deemed to follow the same process as that seen at the WB, with internal negotiations within the constituencies and an institutional negotiation that would set the final posture of the institution with which it will negotiate against the WB to determine the global development tendency towards membership representation at multilateral development banks (MDBs').

The interest and posture of each country will be the same as that seen during the WB's constituency negotiations. Therefore, it will only be reviewed the power and the resulting posture of each constituency since those are the only factors that see a change in comparison to the WB's section of this chapter.

China

As the founding member of the AIIB and being the most powerful country according to the real power index, China positions itself as the main challenger to the statu quo. According to the profiles given during the WB's negotiations, China's interest and posture are located at the right end of the spectrum at 100. This country counts with the higher voting power at the AIIB and Hong Kong's voting shares must be added to the power of this constituency as a whole.

Internationally recognized as part of mainland China, Hong Kong has its own representation at the AIIB due to its separate government structure. As part of China, it is not an independent member of the WB. Therefore, its alignment will lean towards China's interest (100) even when it qualifies as a satisfied economy that benefit of the current international structures. Hence, Hong Kong's interest is located at 65. Following the same logic to that seen at the WB, the posture of each country will be the same if its interest goes beyond 60, and it will be 10 points lower if it goes below 60.

Being the constituency that counts with the highest voting shares of the institution and having the most radical country of the international system, it is understandable that the final posture of this constituency leans strongly towards the right spectrum at 99.3139.

Table 6.27 Negotiation profile of China's constituency at the AIIB

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
CHINA	26.5726	100	100	NO	265726	2657.26
HONG KONG, CHINA	0.8173	65	65	YES	3453.0925	53.1245
TOTAL	27.3899	82.5			269179.093	2710.3845
			WINNING POSTURE		99.31398755	

Source: Author's own elaboration with data of the AIIB.

France

This constituency counts considerable amount of European countries among its members. With fourteen players, France's group posture is located at the 23.636 point of the spectrum, being at disagreement with the reform that the institution proposes. The posture of each individual member is the same seen at the WB's negotiations and the power is adjusted to the AIIB's structure. Thus, the power of France's constituency is of 15.4437% with an average interest of 40.35 disagreeing to the reform and a posture that similarly rejects a more inclusive approach to the voting shares' distribution.

Table 6.28 Negotiation profile of France's constituency at the AIIB

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
GERMANY	4.1648	20	10	YES	832.96	83.296
FRANCE	3.1828	25	15	YES	1193.55	79.57
ITALY	2.4708	25	15	YES	926.55	61.77
NETHER-LANDS	1.1062	20	10	YES	221.24	22.124
SPAIN	1.753	35	25	NO	1533.875	61.355

Table 6.28 Negotiation profile of France's constituency at the AIIB

IRELAND	0.2558	30	20	NO	153.48	7.674
BELGIUM	0.3916	20	10	NO	78.32	7.832
AUSTRIA	0.6363	40	30	NO	763.56	25.452
LUXEM-BOURG	0.2544	35	25	NO	222.6	8.904
FINLAND	0.4675	30	20	NO	280.5	14.025
PORTUGAL	0.2502	55	45	NO	619.245	13.761
GREECE	0.1484	70	70	NO	727.16	10.388
CYPRUS	0.1572	65	65	NO	664.17	10.218
MALTA	0.2047	95	95	NO	1847.4175	19.4465
TOTAL	15.4437	40.3571429			10064.6275	425.8155
			WINNING POSTURE			**23.6361229**

Source: Author's own elaboration with data of the AIIB.

Russia

This constituency is composed by five Asian countries where Russia and the Islamic Republic of Iran count with the higher voting power. Even though the majority of the countries that form this constituency qualify as satisfied with the statu quo, the final posture of this group is set at 91, strongly agreeing to the push of policies that would improve the accordance between real power index and the participation within institutions like the WB.

Table 6.29 Negotiation profile of Russia's constituency at the AIIB

COUNTRY	POWER	INTEREST	POSTURE	SATISFAC-TION	I*S*P	I*S
RUSSIAN FEDERATION	5.9825	95	95	NO	53992.0625	568.3375
IRAN, ISLAMIC REPU-BLIC OF	1.0329	90	90	YES	8366.49	92.961
KAZAKHSTAN	0.8387	65	65	YES	3543.5075	54.5155

Table 6.29 Negotiation profile of Russia's constituency at the AIIB

TAJIKISTAN	0.2173	65	65	YES	918.0925	14.1245
BELARUS	0.1963	60	60	NO	706.68	11.778
TOTAL	8.2677	75			67526.8325	741.7165
			WINNING POSTURE		**91.04129745**	

Source: Author's own elaboration with data of the AIIB.

India

Composed by two countries, this constituency leans towards the interest of the most powerful country within it. In this way, the final posture of the constituency represented by India is really close to that estimated for India, meaning that it will support a different approach to voting distribution within the AIIB and promote its use at the general global development governance.

Table 6.30 Negotiation profile of India's constituency at the AIIB

COUNTRY	**POWER**	**INTEREST**	**POSTURE**	**SATISFACTION**	**I*S*P**	**I*S**
INDIA	7.6046	85	85	NO	54943.235	646.391
AFGHANISTAN	0.1856	55	45	YES	459.36	10.208
TOTAL	7.7902	70			55402.595	656.599
			WINNING POSTURE		**84.37812881**	

Source: Author's own elaboration with data of the AIIB.

Poland

Poland's constituency represents a total of nine European countries that reflect a conservative stance that seeks to protect the current statu quo, this is seen both in the individual postures of each member as well as on the negotiated posture of the constituency that landed on the disagreement side of the spectrum at 22.63.

Table 6.31 Negotiation profile of Poland's constituency at the AIIB

COUNTRY	POWER	INTEREST	POSTURE	SATISFAC-TION	I*S*P	I*S
UNITED KING-DOM	2.8986	20	10	YES	579.72	57.972
SWITZERLAND	0.8184	20	10	YES	163.68	16.368
POLAND	0.9295	40	30	NO	1115.4	37.18
NORWAY	0.6804	40	30	NO	816.48	27.216
DENMARK	0.52	25	15	NO	195	13
SWEDEN	0.7507	20	10	NO	150.14	15.014
ROMANIA	0.275	40	30	NO	330	11
HUNGARY	0.2281	30	20	NO	136.86	6.843
ICELAND	0.2083	70	70	NO	1020.67	14.581
TOTAL	7.309	33.8888889			4507.95	199.174
			WINNING POSTURE		**22.63322522**	

Source: Author's own elaboration with data of the AIIB.

Korea

In the following table, it can be seen that Korea's constituency has a wide variety of interests among its members. Ranging from Israel's 15 to Samoa's 85, this constituency seems to be distributed all around the spectrum, explaining the general interest falling into undecided territory at 58.75. However, the negotiation is deemed to go towards Korea's and Israel's interest since the winning posture of this constituency falls at 39.56.

Table 6.32 Negotiation profile of the Republic of Korea's constituency at the AIIB

COUNTRY	POWER	INTEREST	POSTURE	SATISFAC-TION	I*S*P	I*S
KOREA, REPUBLIC OF	3.5045	30	20	YES	2102.7	105.135
ISRAEL	0.8569	15	5	NO	64.2675	12.8535
TONGA	0.1406	55	45	YES	347.985	7.733

Table 6.32 Negotiation profile of the Republic of Korea's constituency at the AIIB

FIJI	0.1506	80	80	NO	963.84	12.048
VANUATU	0.14	65	65	YES	591.5	9.1
SAMOA	0.1414	85	75	NO	901.425	12.019
UZBEKISTAN	0.3874	70	70	YES	1898.26	27.118
MONGOLIA	0.2291	70	70	YES	1122.59	16.037
TOTAL	5.5505	58.75			7992.5675	202.0435
			WINNING POSTURE		**39.55864702**	

Source: Author's own elaboration with data of the AIIB.

Vietnam

With a total voting power of 5.34 at the AIIB, this constituency has five members where Australia holds the higher number of shares. With no apparent inclination to a single side of the spectrum, the average interest lies in indecisiveness while the final posture negotiated among the countries is in agreement (73) towards pushing the reforms seen at the AIIB at the global arena.

Table 6.33 Negotiation profile of Vietnam's constituency at the AIIB

COUNTRY	**POWER**	**INTEREST**	**POSTURE**	**SATISFAC-TION**	**I*S*P**	**I*S**
SINGAPORE	0.4141	30	20	YES	248.46	12.423
AUSTRALIA	3.4624	80	80	NO	22159.36	276.992
VIETNAM	0.7802	70	70	NO	3822.98	54.614
NEW ZEA-LAND	0.6015	40	30	NO	721.8	24.06
COOK IS-LANDS	0.14	65	65	NO	591.5	9.1
TOTAL	5.3982	57			27544.1	377.189
			WINNING POSTURE		**73.02466403**	

Source: Author's own elaboration with data of the AIIB.

Saudi Arabia

Composed by six Middle Eastern countries that hold approximately 5 percent of the total voting power within the AIIB, this constituency holds a neutral posture at almost 52. This is interesting due to the majority of unsatisfied members of this group and the average interest being at 60.83 as a general agreement towards a reform. Nevertheless, Saudi Arabia and Qatar's voting power and interest push the balance to the left side of the spectrum, showing the importance of the power that each country holds not only at the general level of the institution but as well as within the constituency negotiations.

Table 6.34 Negotiation profile of Saudi Arabia's constituency at the AIIB

COUNTRY	POWER	INTEREST	POSTURE	SATISFAC-TION	I*S*P	I*S
SAUDI ARABIA	2.4467	25	15	YES	917.5125	61.1675
QATAR	0.7281	40	30	YES	873.72	29.124
UNITED ARAB EMI-RATES	1.243	65	65	NO	5251.675	80.795
OMAN	0.4223	60	60	NO	1520.28	25.338
BAHRAIN	0.2313	90	90	NO	1873.53	20.817
JORDAN	0.2983	85	85	NO	2155.2175	25.3555
TOTAL	5.3697	60.8333333			12591.935	242.597
			WINNING POSTURE		**51.90474326**	

Source: Author's own elaboration with data of the AIIB.

Pakistan

Pakistan's constituency has a similar final posture to that seen in Saudi Arabia's group. With a posture of 52.91, this constituency distinguishes itself by having a series of contradictions among the postures of its members. With unsatisfied countries that support the system (Brunei Darussalam) and satisfied countries that don't support it (Pakistan and Kyrgyz Republic) this constituency positions itself at the middle of the spectrum while the average interest of its members points to a general agreement.

Table 6.35 Negotiation profile of Pakistan's constituency at the AIIB

COUNTRY	POWER	INTEREST	POSTURE	SATISFAC-TION	I*S*P	I*S
TURKEY	2.5046	35	25	YES	2191.525	87.661
BRUNEI DARUSSALAM	0.2391	30	20	NO	143.46	7.173
AZERBAIJAN	0.4178	70	70	NO	2047.22	29.246
PAKISTAN	1.1087	70	70	YES	5432.63	77.609
GEORGIA	0.2404	75	75	NO	1352.25	18.03
KYRGYZ REPUBLIC	0.2116	80	80	YES	1354.24	16.928
TOTAL	4.7222	60			12521.325	236.647
			WINNING POSTURE		**52.91140391**	

Source: Author's own elaboration with data of the AIIB.

Indonesia

The negotiation within this constituency takes the average interest of its members from a 67.5 to a final posture of 84.24 thanks to Indonesia's voting power and strong posture within the group and the general agreement towards the push of more inclusive policies like the ones seen at the AIIB at the international scene.

Table 6.36 Negotiation profile of Indonesia's constituency at the AIIB

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
INDONESIA	3.1696	90	90	NO	25673.76	285.264
MYANMAR	0.427	75	75	NO	2401.875	32.025
LAO PEOPLE'S DEMOCRATIC REPUBLIC	0.2308	60	60	YES	830.88	13.848
SRI LANKA	0.4309	70	70	YES	2111.41	30.163
CAMBODIA	0.2479	70	70	YES	1214.71	17.353
TIMOR-LESTE	0.1537	40	30	YES	184.44	6.148

Table 6.36 Negotiation profile of Indonesia's constituency at the AIIB

TOTAL	4.6599	67.5			32417.075	384.801
				WINNING POSTURE	**84.24373897**	

Source: Author's own elaboration with data of the AIIB.

Bangladesh

Interestingly, this is the only constituency that sees a match between the average of its interests and the resulting posture of their negotiation process. Even though the interests and postures of each individual member differs greatly within the spectrum of this study, the average interest and the winning posture that represents this constituency at the final negotiation at the AIIB's institutional negotiation is within the undecided range leaning towards agreement at 58.18.

Table 6.37 Negotiation profile of Bangladesh's constituency at the AIIB

COUNTRY	**POWER**	**INTEREST**	**POSTURE**	**SATISFAC-TION**	**I*S*P**	**I*S**
THAILAND	1.4572	40	30	YES	1748.64	58.288
MALAYSIA	0.2897	25	15	YES	108.6375	7.2425
BANGLA-DESH	0.7777	80	80	NO	4977.28	62.216
PHILIPPINES	1.06	60	60	YES	3816	63.6
MALDIVES	0.199	85	85	NO	1437.775	16.915
NEPAL	0.2643	60	60	YES	951.48	15.858
TOTAL	4.0479	58.3333333			13039.8125	224.1195
			WINNING POSTURE		**58.18240938**	

Source: Author's own elaboration with data of the AIIB.

Canada

The largest constituency of the AIIB is lead by Canada and represents a total of twelve African countries that qualify as mostly satisfied with the statu quo. Even though there are some countries with more interest in a possible reform to the current global development governance, the majority of them are below the 60 points of interest to be taken into account as in favour of a reform. The posture of this constituency after a round of negotiations is determined to be at 54.57.

Table 6.38 Negotiation profile of Canada's constituency at the AIIB

COUNTRY	POWER	INTEREST	POSTURE	SATISFACTION	I*S*P	I*S
CANADA	1.0213	20	10	YES	204.26	20.426
ALGERIA	0.1439	65	65	NO	607.9775	9.3535
EGYPT, ARAB REPUBLIC OF	0.7689	75	75	NO	4325.0625	57.6675
URUGUAY	0.1439	25	15	NO	53.9625	3.5975
ETHIOPIA	0.1719	65	65	YES	726.2775	11.1735
GHANA	0.1431	50	40	YES	286.2	7.155
COTE D'IVOIRE	0.1431	30	20	YES	85.86	4.293
BENIN	0.1439	60	60	YES	518.04	8.634
MADAGASCAR	0.1439	30	20	YES	86.34	4.317
RWANDA	0.1439	60	60	YES	518.04	8.634
GUINEA	0.1439	65	65	YES	607.9775	9.3535
LIBERIA	0.1439	20	10	YES	28.78	2.878
TOTAL	3.2556	47.0833333			8048.7775	147.4825
			WINNING POSTURE		**54.57445799**	

Source: Author's own elaboration with data of the AIIB.

Second level: Institutional Negotiations

While the first round of negotiations was made at the constituency level within the World Bank and the Asian Infrastructure Investment Bank the second round of negotiations is made at the institutional level. This means that the individual results of each constituency is going to be summarized in a single table where the power, interest and posture of each constituency will be presented to determine the overall posture of the institution as a result of the negotiation among the different executive directors that conform their decision-making organ.

The World Bank

Starting with the well established World Bank, in table .38 we can see the summarized data of each constituency. It is important to remember that the Power is sum of the voting power granted by the World Bank to each country that forms part of each constituency. The interest was the average seen among the members of each group and the posture was the result of the negotiation made between the same players. Knowing so, we can corroborate the information shown below with that displayed from tables .1 to .25.

Since the individual results of each constituency have already been reviewed, we must turn to see the results under a broader perspective as we turn from isolated postures and interests to a general view of all 25 constituencies. An interesting observation is that even though there are interests all over the spectrum –from the USA's 0 to China's 100, passing through Germany's 20, Netherland's 53.08 and Russia's 75- the average interest of the constituencies of the World Bank is almost perfectly neutral at 50.47.

Nevertheless, the result of the negotiation round among all executive directors is determined to have a weak agreement towards a higher participation of developing countries at 58.59. It is important to remember that a posture must fall within the 60-100 to be considered as an agreement, making the result of this negotiation an indecisive posture towards the topic at hand.

Table 6.39 Negotiation round between constituencies at the World Bank

CONSTITUENCY	POWER	INTEREST	POSTURE	I*S*P	I*S
UNITED STATES OF AMERICA	15.8661	0	10	0	0
JAPAN	7.7082	10	10	770.82	77.082
CHINA	4.7497	100	100	47497	474.97
GERMANY	4.0471	20	10	809.42	80.942
FRANCE	3.7714	25	15	1414.275	94.285
UNITED KINGDOM	3.7714	20	10	754.28	75.428
AUSTRIA	4.8418	45	30.1602102	6571.33676	217.881
MEXICO	4.7024	69.375	69.845259	22785.549	326.229
NETHERLANDS	4.0504	53.0769231	37.7580652	8117.33342	214.982769

Table 6.39 Negotiation round between constituencies at the World Bank

KOREA	3.9567	66	60.5982052	15824.7486	261.1422
CANADA	3.948	66.5384615	39.9887113	10504.7884	262.693846
BRAZIL	3.679	58.3333333	83.7123458	17965.367	214.608333
INDIA	3.6314	75	83.4453173	22726.7494	272.355
ITALY	3.3156	55.7142857	33.4369371	6176.6812	184.726286
SWITZERLAND	3.0321	54.4444444	40.7135858	6721.03945	165.081
ICELAND	3.024	50.625	34.2344481	5240.95166	153.09
PAKISTAN	3.0072	62.1428571	78.2658199	14626.0034	186.876
THAILAND	2.8831	55.9090909	68.321724	11012.8812	161.1915
RUSSIAN FEDERATION	2.8023	75	93.6647342	19685.7513	210.1725
KUWAIT	2.7364	64.5833333	58.6508228	10365.1155	176.725833
URUGUAY	2.273	37.5	30.2237824	2576.19966	85.2375
CAMEROON	2.0216	57.3913043	54.1622754	6284.02965	116.022261
UGANDA	1.9025	60.2272727	57.0097163	6532.30934	114.582386
NIGERIA	1.6031	55	55.2876724	4874.74172	88.1705
SAUDI ARABIA	2.6755	25	15	1003.3125	66.8875
		50.4744523		250840.684	4281.36241
			WINNING POSITION		58.5889864

Source: Author's own elaboration with data of the World Bank.

The indecisiveness and apparent neutrality of certain constituencies towards supporting policies that would push for a greater participation of developing countries in the decision making within this institution might be explained by the way that constituencies are formed. Looking back at tables that describe large constituencies like Cameroon's or Uganda's and even Switzerland's where the amount of members and diversity of interests gets lost favoring the interests of those players with higher voting power that dilute or give strength to the majority's interest.

The Asian Infrastructure Investment Bank

This institution has only twelve constituencies with its corresponding executive directors. Even though this organization is seen as the main challenger to the World Bank's policies and *statu quo*, not all constituencies position themselves towards the left side of the spectrum that supports a reform. As it was seen during the first set of negotiation rounds at the AIIB, the general interests of constituency vary within the spectrum having China at the far right of the spectrum with a slightly lower posture than a 100 due to Hong Kong's influence.

As it could be expected, the constituencies that position themselves further to the left of the spectrum are those formed by European countries. As non-regional members their voting power is lower in comparison to the regional ones however their overall power as constituency is high enough to be within the most powerful constituencies of the organization due to the amount of countries that form part of them. This contrast with Canada's constituency that even though is composed by a total of twelve African countries the amount of total voting power is the smaller of all of the constituencies of the AIIB.

With an average interest that is still within the indecisive range at 59.27 the lowest interest is that of Poland's constituency at 33.89 followed closely by France's constituency at 40.35. In comparison, the closest to the right end of the spectrum –besides China- is Russia followed by India being both partners of China at the BRICS.

The negotiation round within the constituencies that form part of the AIIB determines that the direction that this institution will take forward in the future will support a higher participation of developing countries within the decision making process in favor of changing the tendencies at global development governance. Nonetheless, the 74.18 posture of the AIIB is not a strong enough agreement to represent a hard challenge to the WB posture of 58.59 but at least we can see a clear tendency towards agreement that will be contested during the final negotiation round between institutions.

Table 6.40 Negotiation round between constituencies at the AIIB

COUNTRY	POWER	INTEREST	POSTURE	I*S*P	I*S
CHINA	27.3899	82.5	99.3139876	224416.515	2259.66675
FRANCE	15.4437	40.3571429	23.6361229	14731.5352	623.263608
RUSSIA	8.2677	75	91.0412974	56452.6601	620.0775
INDIA	7.7902	70	84.3781288	46012.5749	545.314
POLAND	7.309	33.8888889	22.6332252	5606.11157	247.693889

Table 6.40 Negotiation round between constituencies at the AIIB

KOREA	5.5505	58.75	39.558647	12899.7534	326.091875
VIETNAM	5.3982	57	73.024664	22469.4993	307.6974
SAUDI ARABIA	5.3697	60.8333333	51.9047433	16955.0347	326.65675
PAKISTAN	4.7222	60	52.9114039	14991.4939	283.332
INDONESIA	4.6599	67.5	84.243739	26498.2994	314.54325
BANGLADESH	4.0479	58.3333333	58.1824094	13738.4669	236.1275
CANADA	3.2556	47.0833333	54.574458	8365.4185	153.2845
TOTAL	99.2045	59.2705026		463137.363	6243.74902
			WINNING POSTURE		74.1761659

Source: Author's own elaboration with data of the AIIB.

Third level: Global Governance Negotiation

In the third level negotiations we are presented by two approaches to global development governance. First we find the the traditional policies established by the World Bank while on the other hand there are the policies pushed by the AIIB that seek to promote a higher participation of the interested developing countries within the institution. This negotiation must be understood as the unofficial relations between institutions and the popularity of certain practices among countries that would encourage the creation and transformation of new or existing structures within multilateral development banks, not as an official negotiation or summit among representatives of both institutions to determine the global trends around development governance since that isn't common practice in this type of matters.

To estimate each institution's profile in this negotiation round we must look at the results seen during the second level negotiations. In this way, the interest is the average seen during the institutional negotiation rounds (seen in tables .38 and .39), and the posture is the winning posture of each institution during the second level negotiations. To calculate the power of each institution is deemed according to the sum of the real power index of each member country.

Understandably, the World Bank counts with a higher power due to the amount of members that it holds and the amount of power that each one of them hold in the international system. It is interesting to notice that, even though the AIIB counts with less than the half of the members of the World Bank and it still manages to have a hold on a little bit more than half of the total real power in the world.

During the negotiation we are able to see that the average interest of both institutions are not that far from one another (see Table .40). However, the winning posture goes beyond the average interests of each institution in favor of the AIIB's posture finding a middle ground between the World Bank's 58.59 posture and the 74.18 of its counterpart. Having equilibrium between these two organizations at 64.72 establishes a general agreement on the necessity of finding new structures that promote a fairer representation of developing countries at institutions meant to represent their interests and promote their development.

Table 6.41 Final negotiation between the WB and the AIIB

INSTITUTION	POWER	INTEREST	POSTURE	I*S*P	I*S
WORLD BANK	98.578764	50.4744523	58.5889864	291521.754	4975.70912
AIIB	54.4344409	59.2705026	74.1761659	239318.768	3226.35668
		54.8724775		530840.522	8202.06579
			WINNING POSTURE		64.7203443

Source: Author's own elaboration with data of the World Bank and the AIIB.

Summary

The results of the methodology give a great insight to both the present and prospective scenarios for global development governance. With the development of the Real Power Index as a tool to objectively classify the member states of both institutions we are able to determine the position of the countries within the international power structure and use this information to establish the interest that these countries will show according to their position in the international scene.

Across this chapter we were able to observe the existence of a power disparity between the United States –the dominant state- and China. This clearly positions China as the challenger state of the system and it gives insight into the interest that this country has shown in achieving a more prominent position within the international institutions and how the power that it holds has giving it the opportunity of creating its own institutions to establish its position within the international system.

During the first level of negotiations we were able to see the way that the position of each country within the international system is deemed to influence the interests and position of the members of every constituency. This round of negotiations showed how the way that the constituencies are conformed also influence in their overall position, meaning that the combination of certain countries may determine the inclinations of the constituency depending on the power they hold.

Once the positions of each constituency were negotiated among its members, the second level of negotiations may be used to determine the position that each institution has towards global development governance and the role that voting structures should play within it. Table 6.39 and 6.4 show the decision-making process in both institutions, thus it can be determined that the World Bank would carry out a series of superficial reforms for the benefit of the Global South. For its part, in the case of AIIB, it is observed that its decisions will tend to compete with the World Bank, but not in a completely open and antagonistic way, but that it would maintain a certain level of commitment to the current system, but with a view to obtaining greater power within it.

Based on the above, it is possible to generate a profile of both institutions in order to obtain a final round of negotiations at the international level. Thus, both would be found in the positions obtained in the past rounds. It is estimated that the World Bank has more considerable power compared to the Asian Bank; however it is considered that the World Bank does not particularly care about the progress of the AIIB (10), while the latter does focus a considerable amount of its efforts in increasing its international influence (80). In the case of the resolution, both organizations are determined to defend their position, but neither has veto power. Thus, Table 29 represents the negotiation round between both institutions.

The result of this negotiation represents a significant change in relation to the interests of the World Bank, observing a result that tends more towards a change in the status quo, which would lead to reforms within the international financial system in favour of greater participation by of developing countries, that is, the Global South. However, these are the results of only one round of negotiations, and the results may vary in a second round, which will be the purpose that will follow this document.

It is also important to notice the sensibility of this model towards changes in our estimations about the interest, position and resolution of each player. Therefore, it is highly significant to continue working towards the perfection of an indicator that can help to rank the countries within the international hierarchy and a function to explain the position and interest of each player.

CHAPTER 7: CONCLUSIONS

During this work we have explored the way that international relations are studied and theorized with the hope of understanding the complex processes of decision-making that lead towards war and peace in the international arena. Although International Relations as a discipline offers a wide variety of theories and tools to study the relations among nations, it is commonly accepted that there is no single fit-all theory that could explain cooperation and conflict at an international level. This lack of certainty has lead some authors to believe in an anarchical system where each state is free to do as it seems fit being this one of the main reasons of conflict. Other authors argue that the current complexity of the international system and the interdependence existent among players thanks to globalization has established a set structures -formal and informal- that promote a level of cooperation that has never been seen before this time.

If we go back to the assumptions made during Chapter 1, we were able to find some general issues that were present in most of the reviewed theories. The first thing that no theory has debated is the presence of players within the international system, players that behave in a rational manner. Now, what actors count as players of the international system has been discussed by many scholars however, for the purpose of this thesis, the only players taken into account are the states. Even if this thesis main focus the behavior of the World Bank and the Asian Infrastructure Investment Bank, both are understood as the collective action of its members.

The second topic of interest was power. Power is one of the main areas of study within International Relations since it is deemed to determine the position and freedom of the player to pursue its interests. However, power as many other concepts is subjective and its definition in practical matters is hard to point. While some may associate it to military strength, economic capacity or even cultural influence, power is that something that the player may use to promote its interest and push them over those of others in a negotiation, even if said negotiation is made through military means. As Carl von Clausewitz famously said “war is a mere continuation of policy by other means” (1981, p. 25), we must understand that each and every interaction in the international arena constitutes an implicit or explicit negotiation among the players involved where each party seeks to obtain a certain degree of power, however said player defines it.

Since the players are understood as the ones that define what power is, and that power is what motivates them then power is seen as a limited resource within the international system. This necessarily makes some players more powerful than others establishing a de facto hierarchy. Realism recognizes the need to achieve and accumulate as much power as possible to protect and push the state's interests against those of other states.

The sovereignty of all states leaves them free but vulnerable to the interests of their equally sovereign rivals, the pursuit of power is a competition where those that have more of it are the only ones "secure" enough in the international system. Hence, under Realism the state is always pursuing power and aiming to be the most powerful country in the world to secure its peace, and this inevitably classifies the states as those that are powerful and those that are not. Neorealists even theorized about the stability of the international system according to the amount of powerful states, being their thirst of power the culprit of international conflict. The balance of power was stable when the system was multipolar and more than two states had similar levels of power facilitating them to hold themselves accountable. And even knowing this, the anarchical system established by the realists is divided according to the level of power that each state holds. True, there is no player that could take the sovereignty of a state making all to them "equal" within the international system but there is an informal hierarchy that categorizes the states according to the power distribution within it.

As dire as it may seem a system where the states are constantly looking for power, even if it is a limited resource, power may come in different presentations for each state. Since power is defined according to the interests of the state and they depend on the context where it lives, it may be argued that the current system characterized by globalization and interdependent economic relations the states may be more incentivized than ever to cooperate to achieve power with the least amount of risk. Proving the constructivist point about how the international system and its understanding depend on the beliefs, identities and social norms made thanks to repeated interactions between states within it, the economization of international relations promoted by the liberal and neoliberal theories have derived in the creation of institutions and international norms that seek the promotion of cooperation and interdependence among states.

Nevertheless, cooperation and interdependence alone are not enough to make of the international system a friendly environment for all. In Chapter 3 we saw that even though there are institutions that promote certainty and cooperation while raising the costs of straying away from the commonly accepted norms, states retain their sovereignty and are free to do as they please as long as they have the means to pay the consequences and generally this freedom is associated to the amount of power that each state holds. We cannot forget that states will continue to look for their own interests and the accumulation of power and that their possibility to do so may be hindered by the institutions or even supported by them depending on their position within the international system. And for this is pertinent to question the origins of institutions, since they are not a phenomenon that simply popped out in the international scene that every state agreed upon just because they agreed upon them.

The permanence and success of institutions depend on the amount of support that they have within the international system. In a similar way as that seen in states, institutions rely on power to establish their norms and make sure everyone respects them. This power is achieved through the states that support and provide for them, making the common norms and institutions those that are supported by those countries in the top of the power hierarchy.

In theory, cooperation, institutions and norms sound as a democratic option where every state is able to pursue their interests by negotiation, the reality is that the system is set up in a way that only allows a few countries to enjoy the full access to all of the benefits that these institutions are said to provide. In this sense, although the system may provide equality it counts and depends on the lack of equity to continue functioning.

As history has proved time and time again, international systems come and go, depending on the rise and eventual fall of the dominant powers of each era. A. F. K. Organski (1958) made its Power Transition Theory according to this observation, estimating that the system confronts a higher chance of conflict within it when the circumstances align for a power transition. Like its name suggests, a power transition implies the existence of an international hierarchy where a dominant power occupies the top of it but is slowly loosing its power against a challenger power that may or may not take its place in the pyramid. Conflict arises from the attempts of the dominant state to retain its position within the international system. A challenger arises from those states that are unsatisfied with the international system and the dominant power that established it.

In this context, the present thesis reviewed the rise of the United States of America as the dominant power of the international system that has been in place since the end of the Second World War and the way its structures seem to only benefit the most powerful states' interests even though they might market themselves in a different way. Afterwards, we took the opportunity to observe how global development governance exists in the international system in Chapter 4.

Global governance is understood as the collective action of a set of players that have a common goal. However, who are the players involved in global development governance? We established before that the main players studied in this thesis are the states and their actions within the institutions. In global development governance this is understood as the Multilateral Development Banks (MDBs) and their respective memberships. The reason behind this is that MDBs are involved in the construction of practices, policies and definitions related to global development and their collaboration among them is understood as general consensus of the acceptable practices in the pursuit of global development.

As the original model of most MDBs structures, the World Bank has been established as the main leader in development topics. Being the lead authority figure, the World Bank has been the inspiration of the different development banks that have surged in different regions of the world and the data that its projects have collected has made it the main source to consult for academics interested in this topic. However, as an institution the World Bank suffers from the same flaws seen during Chapter 3.

Since inequality prevails in the current structures to protect the power and dominance of the elites, there have been some attempts from developing countries to push their interests in the global arena either in or outside of the institutional structures. However, these efforts have failed to make significant progress in the struggle to achieve a fairer system where the system is set to represent the needs and interest of developing countries even when it may hurt the interest of the elites.

The lack of success or the rather underwhelming gains of the South to South movement might be attributed to the existing interdependence of the international system and the strong control that the developed nations hold on institutions that are set to promote their interests and even taking advantage of the vulnerabilities of developing countries. This situations where challenged by China who has been seen as sort of a rogue country that has used said institutions when it has been to its best interest and retired or ignored their guidelines when they went against its motivations.

As a developing country, China has expressed its dissatisfaction with the current institutions and the way that they try to undermine its power to protect the statu quo. This has led China to embrace the South to South movement and to join forces with other emerging powers to create its own institutions. What may come as a distinguishing factor from this new wave of South-South Cooperation (SSC) is the amount of influence that China holds in the international system and the alliances that it has formed thanks to its economic strength.

As an institution lead by China as a counterpart to the World Bank's influence in global development governance, the AIIB may come as a threat to the USA's dominance in the international system. Since institutions play an essential role in the creation of structures that promote and perpetuate power dynamics in the international system, the relevance of the AIIB may signify the pressure within the World Bank to modify its antiquated model or its eventual replacement with the AIIB or another similar institution. Anyhow, the way in which both institutions relate and coexist will have an impact on accepted practices within global governance and that is the question that the present thesis seeks to answer. Thus, the research question is summarized in the following manner: what is the impact of the Asian Infrastructure Investment Bank in the global development governance in comparison to the actions performed by the World Bank?

To answer this question, the intention of this work was to assess the impact that the presence of the Asian Infrastructure Investment Bank will have on the definition and decision making towards global development governance. However, this represented a few difficulties where the main question was how to measure the impact of one institution into the other and its relation towards global development governance?

Bruce Bueno de Mesquita's expected utilities model provided a way to determine the impact that a player has on another during a negotiation around a certain topic. This model fits perfectly into the dynamics present in governance and it was thus selected as the tool to assess the impact that the AIIB will have on the global development governance while taking into account the influence that the World Bank has within it.

Considering what was seen during Chapter 3, to understand the way that decisions are made in the international system it is necessary to get a grasp on the position that each relevant player has within it. To do so, Organski's power transition theory helped to theorize the international system's logic before establishing a certain order, this lead to the necessity of creating a tool that could help in creating a clear image of the power structure between countries in the international scene.

The creation of the Real Power Index helped to answer the first specific question of this thesis: what are the conditions that rule the current global development governance since the Washington Consensus? With it, a power pyramid could be approximated and it helped to establish the relevance of this specific time through the discovery of data that imply that the international society is living a power transition process due to China's RPI and the way that it considerably surpasses the United State's RPI. If we add China's actions and behavior studied in this thesis, it is justifiable the presumption that this country will continue with its attempts to achieve more recognition as a dominant country in the international politics sphere.

However, the possible raise of China as a superpower over the United States is not the purpose of this thesis but rather the assessment of how the power dynamics between both countries and their approach to development through their institutions have in the representation of the rest of the countries in the global development governance. This is summarized in the second specific question of this work: How will the Asian Infrastructure Investment Bank and the World Bank respond to the demands of the global South? To answer this question, a set of tools were used to estimate the future results obtained by both institutions in global development governance and their possible implications for the population of the global South.

The expected utilities model was used in three stages of decision making: two within the institutions that are being studied and another one that represented the impact of one another at the international level. To do so, it was necessary to get a better knowledge of each one of the countries that form part of the international system to size in the most accurate way the power relations between the players at each one of the negotiation stages. To do so, it was necessary to take account the RPI, voting power information and professional expertise about each one of the countries and to run a series of simulations that could provide an insight into why each institution would take a determined position regarding voting representation of its member states.

The Real Power Index and the expected utilities model provided as much objectivity as possible to this prospective study where personal perceptions might have biased the results seen during Chapter 6. This is not to say that there is no space for biases within the methodology of this study, since the researcher's perceptions tend to guide its comprehension on what information is essential and what can be ignored.

There are several observations to make about the results obtained in this thesis. On a first level, it is important to note that the RPI shows consistency with the informal hierarchy proposed by Organski (1958) and the categorization of the states according to their income level made by the World Bank. This implies that power does have a strong economic component. However, as it was seen with the dominant country, the RPI cannot accurately determine the amount of power that a state has. The RPI obtained gave China the higher index while the United States still holds this position. This may be explained with a lack of data related to military capacity, however it is worth noticing this point for future updates to the methodology of this indicator.

The RPI helped achieve the first specific objective of this thesis "To evaluate the conditions that rule the current global development governance" by helping in the profiling of each member within both institutions. This lead to a series of revelations when observing the power distribution within the World Bank and the AIIB.

Constituencies, as it was reviewed during this work, serve in both institutions as organizing groups that facilitate decision making. Instead of sitting at tables with 189 and 78 delegates to discuss the internal governance of the institution, they are divided in groups that have their own organization to represent themselves through an unique delegate that is meant to represent their interest at the executive board of the institution in question.

The World Bank's constituencies vary in different ways from one another, not one constituency is similar to another. While some constituencies are really small having only one member (United Kingdom and Saudi Arabia), others hold an almost ridiculous amount of members (Cameroon and Uganda). While many constituencies have relatively similar members in power (voting power and RPI) and even geographical terms (Uruguay, Kuwait, Thailand, etc.) others hold starkly different members with no apparent relation between them (Switzerland, Canada, etc.). Constituencies get formed in a voluntary way, where each state has to apply to get accepted into an existent constituency and this could explain the large constituencies where the amount of members may give more voting power to the group, or the existence of constituencies with generally small powers and one or two members that have way more power than the rest of its members.

When taking into account the fact that each discussion that the executive board holds has to pass first at the constituency level, it is important to take the time to examine the way that they are organized. This was made obvious during the first stage of negotiations, where the interest of the most powerful member of each constituency proved to have a great impact in the overall decision that the group made. It doesn't matter if the majority of the constituency members support a certain posture, if there is a strong enough country it could tilt the negotiation towards its own interests without the consensus of the other members. This furthers the observation of the lack of democracy within governance structures that favors the most powerful countries within the international system. This also gives further support to the idea that to obtain a clear image of the system dynamics it is necessary to study to a certain profundity the profile of each one of the players involved and the decision making process to get a better understanding of power dynamics and their relevance and influence in developing countries.

In the AIIB the constituencies show a little more consistency within its constituencies, where no country -but China- holds a single delegation to represent them at the board of directors. China does hold a single delegate, even though it technically shares it with Hong Kong. However, the amount of power that this delegation alone holds would directly minimize the participation of any other country that would like to share its delegate with China.

Another interesting factor to notice is the distribution of power within the institutions and its relation to the RPI. Even though it has been established that the indicator may benefit from some updates, it has also shown a great capacity to determine the economic capacity of each state and it allowed us to obtain a certain perspective about the international reality and the way that it was reflected within the institutional structures of both the AIIB and the World Bank.

One of the first things to jump in our results was the fact that the distribution of power within the World Bank and the RPI distribution of power did not fully coincide. This meant that some countries would get a relatively high voting power within the bank even though its RPI showed a lower voting power. This effectively affects countries with higher RPI that would technically be entitled to a higher voting power. This was one of the main complaints with this institution, and the RPI proved that many European countries and allies of the United States hold a higher voting power than the power that they hold at the international scene.

Even though it could be argued that the voting power within institutions like the World Bank cannot change rapidly to adapt to the ever-changing international scene, the data obtained suggests the use of voting power as a strategic good to be distributed among the most trusted allies even if their RPI is not as high a other states. Some examples of this are the Arab Emirates, Belgium, Colombia, Iraq and Israel, among others. Voting power also seems to work as a tool used to appease powerful rival countries that may be unsatisfied with the current statu quo, this is the case of China, Russia and Iran.

Satisfaction is an important factor to take into account. Looking back at Chapter 4, it is curious but unsurprising to see that most of the members of groups like the BRICS and even MIKTA form part of the unsatisfied members of the power pyramid according to the RPI. Satisfaction is determined by comparing the RPI and the income level of each state, this to reflect the values of the current international system where technically a state should be able to influence in the international arena according to their economic position but this does not necessarily happens since the voting power in these type of institutions seems to be linked to the interests of the dominant power and its allies; hence, the dissatisfaction of high RPI countries with low voting power.

Even though there seems to be plenty of unsatisfied players in the international scene, the system continues. This could be explained by the way that the system is set up, where in order to make a significant change the only apparent option available is the support of a challenging power that could take the position of the dominant power. Since the system encourages individualistic approaches, many states would prefer to wait and see if they are able to qualify for the job instead of supporting another state with similar conditions as them. And to this leads to unnecessary competition among emerging economies that allows the establishment to remain in power. And this is without even taking into account the complexities of historical, economical and political relations that could prevent states from cooperating with one another.

China's leadership has found several setbacks not only from the institutions that apparently protect the interests of the United States and its allies, but also from a lack of support from other emerging economies that see with caution the rise of China in international economy and politics. Now, how well deserved this caution towards a Chinese-lead system is constitutes a whole other theme. However, this shows how collective action is hard to achieve at the international level where so many interests clash while the system encourages short term, individualistic decisions.

The results of the negotiations at the international level showed a winning position that clearly supported a general change in global development governance towards a better representation of the states's power within institutions voting power. This result and the RPI power distribution suggest an effective paradigm change fueled by a power transition in the international scene. The threat of losing its position at the international system by holding power is determined to be the main factor behind the apparent compromise shown by the United States and the World Bank towards the proposals made by China and its AIIB.

The fact that the results prove the hypothesis of this study is even more interesting when looking at the conditions of the negotiation at table 6.41 at Chapter 6. While having a great difference in power, their postures met at the middle. This shows that even thought there is a clear leadership at both institutions, their general posture does depend greatly of the general consensus within them. Hence, the strong positions shown by China and the United States on the second level negotiations where tempered during the decision-making process proving the merits of governance.

It should be interesting to see how this new disposition towards inclusion and a fairer power distribution will be materialized in the future. Since the World Bank attends to countries all around the globe, it cannot afford the preference that the AIIB does with its regional members, but preferential votes may be given towards interested states during project proposals and negotiations that directly involves them over those countries that are not. Another voting reform may be the easiest solution but it may cost the United States its veto power and even though the result of the negotiations gave an agreement we must remember that the World Bank was in the undecided side of the spectrum (58.59) and the winning position (64.72) was still far from a strong agreement (80-100).

This thesis has plenty of areas to explore in the future. As it was stated before, it may be convenient to continue working perfecting the RPI to take into account the level of economic influence of states and their military capacities. Another interesting prospective comes from the generation of the RPI during the 29 years that formed our database to observe the behavior of this indicator during time and the fluctuation of power that each state suffered through the years. Another compelling theme for future investigations related to this thesis may be the generation of the new RPI with information post-covid 19 to see if the sanitary, economical and even political global crises has change at all the current tendency.

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ANNEX

List. Development World Bank Dataset indicators

1. **ECONOMIC POLICY & DEBT**

   1.1.BALANCE OF PAYMENTS

      1.1.A.CAPITAL & FINANCIAL ACCOUNT

      1.1.B. CURRENT ACCOUNT

         1.1.B.1.BALANCES

         1.1.B.2.GOODS, SERVICES & INCOME

         1.1.B.3.TRANSFERS

      1.1.C. RESERVES & OTHER ITEMS

   1.2.EXTERNAL DEBT

      1.2.A. DEB OUTSTANDING

      1.2.B. DEBT RATIOS & OTHER ITEMS

      1.2.C. DEBT SERVICE

      1.2.D. NET FLOWS

   1.3.NATIONAL ACCOUNTS

      1.3.A. ADJUSTED SAVINGS & INCOME

      1.3.B. ATLAS GNI & GNI PER CAPITA

      1.3.C. GROWTH RATES

      1.3.D. LOCAL CURRENCY AT CONSTANT PRICES

         1.3.D.1.AGGREGATE INDICATORS

         1.3.D.2.EXPENDITURE ON GDP

         1.3.D.3.OTHER ITEMS

         1.3.D.4.VALUE ADDED

      1.3.E. LOCAL CURRENCY AT CURRENT PRICES

         1.3.E.1.AGGREGATE INDICATORS

         1.3.E.2.EXPENDITURE ON GDP

         1.3.E.3.VALUE ADDED

      1.3.F. SHARES OF GDP & OTHER

1.3.G. US$ AT CONSTANT 2010 PRICES

1.3.G.1.AGGREGATE INDICATORS

1.3.G.2.EXPENDITURE ON GDP

1.3.G.3.VALUE ADDED

1.3.H. US$ AT CURRENT PRICES

1.3.H.1.AGGREGATE INDICATORS

1.3.H.2.EXPENDITURE ON GDP

1.3.H.3.VALUE ADDED

1.4.OFFICIAL DEVELOPMENT ASSISTANCE

1.5.PURCHASING POWER PARITY

2. EDUCATION

2.1.EFFICIENCY

2.2.INPUTS

2.3.OUTCOMES

2.4.PARTICIPATION

3. ENVIRONMENT

3.1.AGRICULTURAL PRODUCTION

3.2.BIODIVERSITY & PROTECTED AREAS

3.3.DENSITY & URBANIZATION

3.4.EMISSIONS

3.5.ENERGY PRODUCTION & USE

3.6.FRESHWATER

3.7.LAND USE

3.8.NATURAL RESOURCES CONTRIBUTION TO GDP

4. FINANCIAL SECTOR

4.1.ACCESS

4.2.ASSETS

- 4.3.CAPITAL MARKETS
- 4.4.EXCHANGE RATES & PRICES
- 4.5.INTEREST RATES
- 4.6.MONETARY HOLDINGS (LIABILITIES)

5. GENDER

- 5.1.HEALTH
- 5.2.PARTICIPATION & ACCESS
- 5.3.PUBLIC LIFE & DECISION MAKING

6. HEALTH

- 6.1.DISEASE PREVENTION
- 6.2.HEALTH SYSTEMS
- 6.3.MORTALITY
- 6.4.NUTRITION
- 6.5.POPULATION
  - 6.5.A. DYNAMICS
  - 6.5.B. STRUCTURE
- 6.6.REPRODUCTIVE HEALTH
- 6.7.RISK FACTORS

7. INFRASTRUCTURE

- 7.1.COMMUNICATIONS
- 7.2.TECHNOLOGY
- 7.3.TRANSPORTATION

8. POVERTY

- 8.1.INCOME DISTRIBUTION
- 8.2.POVERTY RATES
- 8.3.SHARED PROSPERITY

9. PRIVATE SECTOR & TRADE

9.1.BUSINESS ENVIRONMENT

9.2.EXPORTS

9.3.IMPORTS

9.4.PRIVATE INFRASTRUCTURE INVESTMENT

9.5.TARIFFS

9.6.TOTAL MERCHANDISE TRADE

9.7.TRADE FACILITATION

9.8.TRADE INDEXES

9.9.TRADE PRICE INDICES

9.10.TRAVEL & TOURISM

10. PUBLIC SECTOR

10.1.CONFLICT AND FRAGILITY

10.2.DEFENSE & ARMS TRADE

10.3.GOVERNMENT FINANCE

10.3.A.DEFICIT & FINANCING

10.3.B.EXPENSE

10.3.C.REVENUE

10.4.POLICY & INSTITUTIONS

11. SOCIAL PROTECTION & LABOR

11.1.ECONOMIC ACTIVITY

11.2.LABOR FORCE STRUCTURE

11.3.MIGRATION

11.4.PERFORMANCE

11.5.UNEMPLOYMENT

12. SOCIAL: HEALTH

12.1.UNIVERSAL HEALTH CARE

Table 9.1 Preliminary Development World Bank Dataset indicators selected by Organski's categories

CATEGORIES	INDICATORS
Economic Development	1. ADJUSTED NET NATIONAL INCOME (ANNUAL % GROWTH) 2. EXPORTS OF GOODS AND SERVICES (ANNUAL % GROWTH) 3. FINAL CONSUMPTION EXPENDITURE (ANNUAL % GROWTH) 4. FOREIGN DIRECT INVESTMENT, NET INFLOWS (% OF GDP) 5. FOREIGN DIRECT INVESTMENT, NET OUTFLOWS (% OF GDP) 6. GDP GROWTH (ANNUAL %) 7. GDP PER CAPITA, PPP (CURRENT INTERNATIONAL $) 8. GDP, PPP (CURRENT INTERNATIONAL $) 9. GENERAL GOVERNMENT FINAL CONSUMPTION EXPENDITURE 10. GENERAL GOVERNMENT FINAL CONSUMPTION EXPENDITURE (ANNUAL % GROWTH) 11. GNI GROWTH (ANNUAL %) 12. GNI PER CAPITA GROWTH (ANNUAL %) 13. GOODS EXPORTS (BOP, CURRENT US$) 14. GOODS IMPORTS (BOP, CURRENT US$) 15. GROSS CAPITAL FORMATION (% OF GDP) 16. GROSS DOMESTIC SAVINGS (% OF GDP) 17. GROSS NATIONAL EXPENDITURE (% OF GDP) 18. GROSS SAVINGS (% OF GDP) 19. MANUFACTURING, VALUE ADDED (% OF GDP) 20. PERSONAL REMITTANCES, RECEIVED (% OF GDP) 21. SERVICES, VALUE ADDED (% OF GDP) 22. SERVICES, VALUE ADDED (ANNUAL % GROWTH) 23. TOTAL RESERVES (% OF TOTAL EXTERNAL DEBT) 24. TOTAL RESERVES (INCLUDES GOLD, CURRENT US$) 25. TRADE (% OF GDP) 26. BANK CAPITAL TO ASSETS RATIO (%) 27. BROAD MONEY (% OF GDP) 28. BROAD MONEY GROWTH (ANNUAL %) 29. CLAIMS ON CENTRAL GOVERNMENT, ETC. (% GDP) 30. DEPOSIT INTEREST RATE (%) 31. DOMESTIC CREDIT PROVIDED BY FINANCIAL SECTOR (% OF GDP) 32. DOMESTIC CREDIT TO PRIVATE SECTOR (% OF GDP) 33. DOMESTIC CREDIT TO PRIVATE SECTOR BY BANKS (% OF GDP) 34. INFLATION, CONSUMER PRICES (ANNUAL %) 35. INFLATION, GDP DEFLATOR (ANNUAL %) 36. LENDING INTEREST RATE (%) 37. LISTED DOMESTIC COMPANIES, TOTAL 38. MARKET CAPITALIZATION OF LISTED DOMESTIC COMPANIES (% OF GDP) 39. MONETARY SECTOR CREDIT TO PRIVATE SECTOR (% OF GDP) 40. REAL INTEREST RATE (%) 41. STOCKS TRADED, TOTAL VALUE (% OF GDP) 42. STOCKS TRADED, TURNOVER RATIO OF DOMESTIC SHARES (%) 43. MERCHANDISE TRADE (% OF GDP) 44. NET LENDING (+) / NET BORROWING (-) (% OF GDP)

Government Efficiency	1. GOVERNMENT EXPENDITURE ON EDUCATION, TOTAL (% OF GDP) 2. GOVERNMENT EXPENDITURE ON EDUCATION, TOTAL (% OF GOVERNMENT EXPENDITURE) 3. CURRENT HEALTH EXPENDITURE (% OF GDP) 4. RESEARCH AND DEVELOPMENT EXPENDITURE (% OF GDP) 5. AVERAGE TIME TO CLEAR EXPORTS THROUGH CUSTOMS (DAYS) 6. COST TO EXPORT, BORDER COMPLIANCE (US$) 7. COST TO EXPORT, DOCUMENTARY COMPLIANCE (US$) 8. COST TO IMPORT, BORDER COMPLIANCE (US$) 9. COST TO IMPORT, DOCUMENTARY COMPLIANCE (US$) 10. CENTRAL GOVERNMENT DEBT, TOTAL (% OF GDP) 11. EXPENSE (% OF GDP) 12. TAXES ON INTERNATIONAL TRADE (% OF REVENUE) 13. COVERAGE OF SOCIAL PROTECTION AND LABOR PROGRAMS (% OF POPULATION) 14. COVERAGE OF SOCIAL SAFETY NET PROGRAMS (% OF POPULATION) 15. COVERAGE OF SOCIAL INSURANCE PROGRAMS (% OF POPULATION) 16. ARMS EXPORTS (SIPRI TREND INDICATOR VALUES) 17. ARMS IMPORTS (SIPRI TREND INDICATOR VALUES) 18. MILITARY EXPENDITURE (% OF GDP) 19. MILITARY EXPENDITURE (% OF GENERAL GOVERNMENT EXPENDITURE)
National Morale	1. PROPORTION OF SEATS HELD BY WOMEN IN NATIONAL PARLIAMENTS (%) 2. WOMEN BUSINESS AND THE LAW INDEX SCORE (SCALE 1-100) 3. PEOPLE USING AT LEAST BASIC DRINKING WATER SERVICES (% OF POPULATION) 4. PEOPLE USING AT LEAST BASIC SANITATION SERVICES (% OF POPULATION) 5. PEOPLE USING SAFELY MANAGED DRINKING WATER SERVICES (% OF POPULATION) 6. PEOPLE USING SAFELY MANAGED SANITATION SERVICES (% OF POPULATION) 7. PREVALENCE OF HIV, TOTAL (% OF POPULATION AGES 15-49) 8. PREVALENCE OF MODERATE OR SEVERE FOOD INSECURITY IN THE POPULATION (%) 9. PREVALENCE OF UNDERNOURISHMENT (% OF POPULATION) 10. POVERTY HEADCOUNT RATIO AT NATIONAL POVERTY LINES (% OF POPULATION) 11. PROPORTION OF PEOPLE LIVING BELOW 50 PERCENT OF MEDIAN INCOME (%) 12. ARMED FORCES PERSONNEL (% OF TOTAL LABOR FORCE) 13. ARMED FORCES PERSONNEL, TOTAL 14. BATTLE-RELATED DEATHS (NUMBER OF PEOPLE) 15. INTERNALLY DISPLACED PERSONS, NEW DISPLACEMENT ASSOCIATED WITH DISASTERS (NUMBER OF CASES) 16. INTERNALLY DISPLACED PERSONS, TOTAL DISPLACED BY CONFLICT AND VIOLENCE (NUMBER OF PEOPLE)
Resources	1. COAL RENTS (% OF GDP) 2. FOREST RENTS (% OF GDP) 3. MINERAL RENTS (% OF GDP) 4. NATURAL GAS RENTS (% OF GDP) 5. OIL RENTS (% OF GDP) 6. RENEWABLE INTERNAL FRESHWATER RESOURCES PER CAPITA (CUBIC METERS) 7. TOTAL NATURAL RESOURCES RENTS (% OF GDP)

Geography	1. AGRICULTURAL IRRIGATED LAND (% OF TOTAL AGRICULTURAL LAND) 2. AGRICULTURAL LAND (% OF LAND AREA) 3. ARABLE LAND (% OF LAND AREA) 4. FOREST AREA (% OF LAND AREA) 5. LAND AREA (SQ. KM) 6. MARINE PROTECTED AREAS (% OF TERRITORIAL WATERS) 7. PERMANENT CROPLAND (% OF LAND AREA) 8. RURAL LAND AREA (SQ. KM) 9. SURFACE AREA (SQ. KM) 10. TERRESTRIAL AND MARINE PROTECTED AREAS (% OF TOTAL LAND AREA) 11. URBAN LAND AREA (SQ. KM)
Population size	1. POPULATION DENSITY (PEOPLE PER SQ. KM OF LAND AREA) 2. POPULATION IN URBAN AGGLOMERATIONS OF MORE THAN 1 MILLION (% OF TOTAL POPULATION) 3. RURAL POPULATION (% OF TOTAL POPULATION) 4. RURAL POPULATION GROWTH (ANNUAL %) 5. URBAN POPULATION GROWTH (ANNUAL %) 6. AGENCY DEPENDENCY RATIO (% OF WORKING-AGE POPULATION) 7. FERTILITY RATE, TOTAL (BIRTHS PER WOMAN) 8. POPULATION GROWTH (ANNUAL %) 9. POPULATION, TOTAL 10. INTERNATIONAL MIGRANT STOCK (% OF POPULATION) 11. INTERNATIONAL MIGRANT STOCK, TOTAL 12. LABOR FORCE, TOTAL 13. NET MIGRATION

Source: Author’s own elaboration