

# The BRICS New Development Bank: Corruption-riddled Development Finance

By [Prof. Patrick Bond](#)

Global Research, March 30, 2019

Region: [sub-Saharan Africa](#)

Theme: [Global Economy](#), [History](#)

*The BRICS New Development Bank is having its **Annual General Meeting on 1-2 April**, here in South Africa. There's information about the meeting [here](#), including public sessions. Critics meet to discuss the Bank on 31 March – 3 June in Cape Town and Johannesburg, especially to interrogate bank loans to South Africa.*

The more we look at this institution, the more its rhetoric on sustainability and claims to offer an alternative approach to that of the Bretton Woods Institutions grate. The World Bank has a new leader, David Malpass, following a quite disastrous run by [ex-leftist Jim Yong Kim](#) (as [predicted](#) when he took up the post in 2012). With Malpass in the lead we can predict [abundant hypocrisy](#) when it comes to South African corruption, especially in Eskom and Transnet, as described in the attached files. To his credit, Malpass was [honest](#), back in 2017:

Malpass: "They're often corrupt in their lending practices, and they don't get the benefit to the actual people in the countries. They get the benefit to the people who fly in on a first-class airplane ticket to give advice to the government officials in the country, that flow of money is large, but not so much the actual benefit to normal people within poor countries, and that's what I'd like to see change."

Rep. Maxine Waters: "Do you have an example of that?"

Malpass: "Well, for example, we have countries such as South Africa that are deteriorating rapidly as their government is unable to provide efficiency and effectiveness... South Africa is heavily indebted and not making progress and is not being well served by its relationships with international financial institutions."

**Join us for a People's Audit of BRICS banking!**

**BRICS New Development Bank AGM**

**NDB 2019**

**March 31**

**9am-5pm**

129 Rochester Road  
Observatory, Cape Town

**AIDC**  
Alternative Information & Development Centre

**ILRIG**  
International Labour Research and Information Group

**from-below**

**2019**

**COUNTER SUMMIT** CAPE TOWN SOUTH AFRICA

**UWC SCHOOL OF GOVERNMENT AND THE AFRICAN CENTRE FOR CITIZENSHIP AND DEVELOPMENT PRESENTS A DEBATE ON:**

**NEW DEVELOPMENT BANK**

**APRIL 1**

**12:30-3:30 PM**

**UWC SCHOOL OF GOVERNMENT VENUE 1H**

BRICS' most ambitious multilateral financial institution, the New Development Bank (NDB), will be hosting its annual general meeting (AGM) at the CTICC in Cape Town from 1 – 2 April, 2019.

According to BRICS state leaders, the NDB heralds a new form of sustainable development finance in the Global South. However, state-owned enterprises such as Eskom and Transnet have been pledged funds that draw into question both the sustainable development paradigm the NDB is claiming to support, as well as claims of transparency with respect to loan oversight.

Activists and researchers are meeting prior to the bank's AGM to "audit" the NDB's performance to date. International participants from BRICS states will also be exploring the sustainable development content of the BRICS bloc against the backdrop of broader global political economy trends in 2019.

Please join us for a debate on 1 April on sustainable development in BRICS and the role of the NDB. The debate will be hosted by UWC's African Centre for Citizenship and Democracy, at the School of Government. International researchers will provide stimulus for a broader debate on BRICS, development, and the Global South in the Global Political Economy of 2019.

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**Development or Underdevelopment Finance?**

**NDB 2019**

**April 3**

**12:30-3 pm**

University of Johannesburg  
Nadine Gordimer Room, Library, Level 5  
Kingsway Campus, Auckland Park

should Eskom, Transnet and the DBSA receive BRICS Bank mega-project loans?

The BRICS New Development Bank Annual General Meeting in Cape Town in April 1-2, loans are made at its Sandton branch.

The 'brics from below' network remains concerned that BRICS leaders Bolsonaro-Putin-Modi-Xi-Ramaphosa threaten:

- economic justice
- democracy
- freedom
- human rights
- gender equity
- LGBTQ+ rights
- internet privacy
- decent jobs
- the right to strike
- social spending
- remilitarisation
- climate change
- local environments

with brics-from-below, including United Front (Johannesburg), Earthlife Africa, Soweto Action Committee, Soweto Electricity Crisis Committee, UWC African Centre for Citizenship & Democracy, 350.org, People's Dialogue, AIDC, South Durban Community Environmental Alliance, International Labour Research and Information Group

**join the discussion, following brief presentations from:**

- Ilya Matveev, European University at St Petersburg, Russia
- Brian Mier, *TelesUR* correspondent, São Paulo, Brazil
- Ranjita Mohanty, author of *Democratising Development*, Delhi
- Makoma Lekalaka, Earthlife Africa, Johannesburg
- Lerato Mogapi, Soweto Action Committee
- Cleopatra Shezi, Soweto Electricity Crisis Committee
- Lisa Thompson, UWC School of Government
- Patrick Bond, Wits School of Governance
- Trevor Ngwane, UJ Sociology Department
- Ashwin Desai, UJ Centre for Sociological Research and Practice

True! South Africans are pushing the Bank to write off its largest-ever loan now: Eskom's Medupi, a \$3.75bn [corruption-riddled](#) coal-fired power station, a gargantuan [white elephant](#). Last Sunday, a national tv town-hall show – [The Big Debate](#) – explored this question of lender liability.

Just as Donald Trump appointed the [idiot](#) Malpass with no BRICS opposition, Jair Bolsonaro will appoint the next BRICS Bank president.

The BRICS Bank is facing the same questions about Odious Debt in relation to the loan to Transnet, to expand the main Durban harbour. But BRICS NDB Compliance Officer Srinivas Yanamandra is in corruption-denial, as you see from correspondence which ended yesterday. He convincingly shows that the BRICS NDB cannot be reasoned with.

\*

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