

An institutional analysis comparing the World Bank and Vatican's discursive and ideological orientations on their anti-poverty activities: how different are they really?

by

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Two of the most influential global institutions that pursue the eradication of poverty are the World Bank and the Vatican (Banchoff 2015). Both the World Bank and the Vatican have a tremendous political and economic influence, with the World Bank having projects in over 170 countries, Caritas is the largest Catholic development and relief organization, operating in over 160 countries, beyond this, 17% of the World identifies as Catholic (World Bank 2024d; Caritas 2024b; Llywelyn, 2022). These institutions appear very different on the surface, with the World Bank presenting itself as a rational and economically grounded institution, dedicated to macro-economic policy on the basis of purportedly objective, scientific, and dispassionate analysis. The Vatican, on the other hand, presents itself as an explicitly religious and ideological institution, combining a deeply personal and emotional Christian mission, aimed at winning hearts and souls, with pragmatic pursuits aimed at bottom-up social change. Given this, they also differ greatly in their discourse, with the World Bank using technical, financial, language filled with data, whereas Vatican discourse is religious, Christian moral language. I will argue that despite stated differences in their approaches, the often-held difference between the World Bank and the Vatican along the lines of rational/economic and ideological/social are much less significant than they first appear.

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## Introduction

Two of the most influential global institutions that pursue the eradication of poverty are the World Bank and the Vatican (Banchoff 2015). Both the World Bank and the Vatican have a tremendous political and economic influence, with the World Bank having projects in over 170 countries, Caritas, the largest Catholic development and relief organization, operating in over 160 countries, and 17% of the World identifying as Catholic (World Bank 2024d; Caritas 2024b; Llywelyn, 2022). These institutions appear very different on the surface, with the World Bank presenting itself as a rational and economically grounded institution, dedicated to macro-economic policy on the basis of purportedly objective, scientific, and dispassionate analysis. The Vatican, on the other hand, presents itself as an explicitly religious and ideological institution, combining a deeply personal and emotional Christian mission, aimed at winning hearts and souls, with pragmatic pursuits aimed at bottom-up social change. Given this, they also differ greatly in their discourse, with the World Bank using technical, financial, language filled with data, the Vatican discourse is religious, Christian moral language.

Poverty alleviation plays a central role in the ideology and practice of both institutions, with the World Bank's central mission being the "*alleviation of poverty and promotion of prosperity*" and the Vatican proclaiming that "... *man is called to render justice to the poor, releasing the oppressed, consoling the afflicted, actively seeking a new social order in which adequate solutions to material poverty are offered...*" (World Bank 2024c; CSDCC 2006, para. 325). Despite both pursuing a seemingly similar goal, the two institutions have only occasionally worked directly with each other (Banchoff 2015). The two institutions also appear similar as concentrated networks that are formative of power, which Richard Peet call's a 'power center'(2015). They both operate internationally, with the Vatican holding *de jure* functions as a

city state, and the World Bank functioning as a transnational organization (Hammond 2024; St. Claire 2006).

This project will pursue a comparative assessment of the discursive and ideological orientations of these seemingly different institutions with a focus on their anti-poverty activities. This is relevant to global development studies for three main reasons. First the two institutions have tremendous economic and political influence, meaning their approaches to development have great consequences for people's lives. Second, gaining a better understanding of how these institutions go about forming ideas and implementing development will give a better understanding of the obstacles institutions face when pursuing social change. And finally, this thesis will contribute to the body of literature that explores institutions in relation to power, with ramifications for how we understand global politics and the political economy of dominant institutions.

This paper is composed of three main chapters. The first chapter provides an in depth revision of Richard Peet's theory of institutions (2015), as well as discussing critical theory on the topic of the incongruency between a movement or policy's discourse and practice (Fridell 2006, Parisi 2020, Fisher 2009). This chapter will lay out a framework of how to compare and contrast institutions, relying on Peet's categories of economic, political and ideological as well as hegemonic, sub-hegemonic and counter-hegemonic (2015). The second chapter first provides and in-depth review into the ideological underpinnings of both institutions. Next, I analyse the discourse on the topic of poverty in five areas where the two institutions have key differences according to Peet's hegemony categories (2015). After this, I analyse documents that contain descriptions of projects that have been conducted by the two organizations, comparing their similarities and differences, the role of discourse in relation to their practice and whether the

apparent distinctions of ‘economic’ and ‘ideological’ really describe their differences (Peet 2015, Laffely & Weldes 2004).

The final chapter contains my conclusions and recommendations for further study. I will argue that despite stated differences in their approaches, the often-held difference between the World Bank and the Vatican along the lines of rational/economic and ideological/social are much less significant than they first appear.

## Chapter 1

### Outline of Chapter

The goal of this chapter is to formulate a framework for how to define, categorize, and analyze institutions for the purpose of comparing the Vatican and the World bank’s ideological orientations and anti-poverty activities. Relying primarily on the geographer Richard Peet’s framework for institutional analysis which examines institutions’ ‘expert discourse within a geography of power’ (Peet 2015, p.265), I examine if Peet’s categories are representative of the similarities and differences between the World Bank and the Vatican. Using a Gramscian/Foucauldian approach, Peet focuses on the power relations embedded in institutions and provides a framework for categorizing institutions in two ways. First, by the type of power the institution exudes (ideological, economic and political) and second, by its relation to hegemony, which is the dominant “cultural production of systems of values, attitude’s, beliefs, and morality so people support existing social orders” (Peet 2015 p.269).

This chapter proceeds through six sections. First, I discuss what an institution is, arguing that Richard Peet’s approach is best suited for this project. Second, I provide a systematic

overview of Richard Peet's approach to analyzing institutions. The following three sections cover Peet's two core ideas—hegemony and power centers— as well as adding insights from critical studies, drawing primarily from Mark Fisher (2009), Gavin Fridell (2004) and Laura Parisi (2020), as well as from religious philosophy, drawing primarily from Paul Tillich (1957), all of whom describe the incongruity between discourse and practice. Finally, I summarize Peet's theory and concepts and how it applies to the World Bank and Vatican, as well as outline how discourse analysis can be used for uncovering the similarities and differences between the World Bank and the Vatican's approach to poverty alleviation (Laffely & Weldes 2004).

### What is an institution?

Francesco Guala provides a conventional approach to describing institutions, defining them as social behaviour within a game-theory equilibrium, aimed at solving coordination problems, and are mentally represented as “rules” (Guala 2016, p.50, 55). As he puts it, institutions are made up of “rules that people are motivated to follow” (Guala 2016, p.xxv). Guala's approach to institutions focuses on how an institution perpetuates itself. My project is a comparative analysis that focuses on qualitative differences in discourse and practice between institutions, because Guala's theory does not provide a comparative framework for institutions, depicting them in fairly linear and standard ways, unable to account for the differences in power and ideology that shape them.

Alternatively, the geographer Richard Peet uses a Gramscian/Foucauldian approach, which differs from a more conventional approach due to its emphasis on power relations. Peet provides a two-pronged definition of an institution. First, an institution is a “physically organized entity, located in space, with a mission and dedicated purpose, backed by a command over some



kind of resource (ideas, expertise, money, connections)” (Peet 2015, p.266). Second, drawing from Foucault, Peet describes an institution as “a community of experts... sharing common ideas and ideals... taking some things for granted, .. and focusing debate productively on slight differences” (Peet 2015, p. 266). Central to this definition of institutions is the role of power and expertise in organizing the economy.

Peet’s approach is suitable for this project for three reasons. First, both the World Bank and the Vatican describe themselves as being composed of ‘experts’ (World Bank Annual Report 2020 p.43; Pontifical Council of Justice and Peace p.14), meaning an institutional analysis that excludes expertise would miss a key function of power that justifies the implementation of some ideas rather than others (Peet 2015, Laffely & Weldes 2004). Second, both have tremendous political and economic influence that have impacted the conditions by which billions live their lives, they command resources such as finance and expertise on the part of the World Bank, and expertise on the part of the Vatican, and operate globally, with the World Bank having projects in over 170 countries and Caritas having a confederation that includes 160 countries (World Bank 2024; Caritas 2024). This means that an analysis that excludes the role of power and the quality in which it is projected (which, according to Peet, specifically includes the command of resource such as expertise and money, as well as the material space in which it operates) misses key attributes of the institutions in question and how it shapes poverty alleviating practices (2015 p.266). Third, to analyse the key similarities and differences between institutions, a theory that provides categories to distinguish them is important. Peet’s framework provides each of these things, as compared to conventional accounts, which tend to overlook the role of expertise, power relations and categories that compares institutions on similar functions and missions

(2015, p.266). In the next section I explore Peet's framework in detail, with a focus on interpretive power, expert discourse, power centers and hegemony.

### Peet's approach to analysing institutions

Peet's goal in building his institutional analysis framework is to “add an intermediate-level analysis that focuses on the specific agencies that act in broader systems—producing definite ideologies as specific discourses... in other words... to construct a critical institutional analysis embedded within structural terms and categories...” (Peet 2015 p.265). By analyzing the specific power functions of institutions within a broader context of power, Peet puts forward a framework that categorizes institutions based on three different types of power: ideological, economic, and political in relation to hegemony, in which he provides three categories: hegemonic, sub-hegemonic and counter-hegemonic (2015).

In this section, I will unpack Peet's framework by, first, examining how he defines power in relation to the economy, second, I will discuss Peet's insights on Interpretive power followed by expert discourse (2015). Finally, I will explore what Peet means by hegemony, which he defines as the “cultural production of systems of values, attitude's beliefs, and morality so people support the existing social orders” (2015, p.269) and power centers, which Peet defines as “a place, in the sense of a cluster of interconnected institutions with and ambience...(Wall Street...)...”, or what might be termed an institutional complex, a congregation of grouped experts with its distinct culture and reputation...(Cambridge...)” (2015, p.267). I will add to the discussion with how the World Bank and Vatican fit into these categories.

## Interpretive Power

Peet explains that the predominant definition of the economy is the “efficient allocation of goods and services”, however, he goes on to challenge the mainstream understanding of markets and explains that it is not just the market which determines the allocation of goods, but also the structure of society (Peet 2015 p.265; Polanyi 1944; Wallerstein 1974). Here, Peet emphasizes a Gramscian view of power called “hegemony” in which “power takes the form of persuasive ideologies” (Peet 2015 p.268, 269). In this sense, it is what people believe to be normal, or legitimate that plays a determining factor as to how resources are allocated. Therefore, power can be understood as the control of the interpretive frameworks and dominant ideas that are used to shape the economy (Peet 2015 p. 271).

According to Peet, beliefs are interpretive devices which filter material experience, meaning human lived experience is “lived belief” (Peet 2015 p.271). Peet defines interpretive power as the control of the belief system (Peet 2015 p.271). Therefore, according to Peet, the dominant institutions today are the ones that produce the ideas that control how resources are allocated (Peet 2015 p.268). One way that dominant ideas and ideals are transmitted is by expert discourse (Peet 2015; Escobar 1995).

## Expert Discourse

Peet explains that expertise “is always in part a front presented to the outside world” (2015 p.266). Discourse transmits the ideas of the institution; expert discourse presents itself as an authority of how a subject or topic ought to be understood (Peet 2015 p.267; Escobar 1995; Laffely, Weldes 2004). By claiming expertise, the institution positions itself as an authority. Today, science predominates as the authority on what is true, and institutions will embed their

discourses with “claims to science” to legitimize their position on a subject (Peet 2015 p.267-268).

Expert discourse, according to Peet, has two sides (Peet 2015 p.272). One side employ’s concepts and theories which construct a “theoretical memory” (Peet 2015 p.272), the other side points to how this “theoretical memory” institutes a social order, establishing “ways in which socialized and humanized individuals are fabricated, and saturates consciousness with the motives, values, and hierarchies of social life” (Peet 2015, p. 272; Escobar 1995). Peet refers to “social imaginaries” when defining the second side of discourse. Peet defines social imaginaries as “collective forms of consciousness, structured by specific social environments, that make people not only think in similar ways, but imagine in similar pictures, words” (2015 p.272; Earle 2020). Importantly, Peet explains that social imaginaries involve familiarity, and hence take different forms depending on class and location (2015, p.272; Earle 2020). In sum, discourse plays an instituting role that both constructs the intersubjective system of symbols, (which Peet refers to as the “social imaginary” or “belief system”) and institutes the behaviors by which we live (2015; Earle 2020). In the following section, I discuss Peets key institutional categories and how the World Bank and Vatican fit into these categories.

## Hegemony

Hegemony is a term coined by the Italian Marxist Antonio Gramsci (Gramsci & Forgacs 2000). Peet examines power by referring to Gramsci’s two conceptions of power, domination: which is coercion by force upheld for example by the police and the military, and hegemony: the dominant “cultural production of systems of values, attitude’s, beliefs, and morality so people support existing social orders” (Peet 2015 p.269; Gramsci & Forgacs 2000). When describing the

current tenets of hegemony, Peet refers to Boggs (1976) who describes current hegemony as “the validation of competitive individualism and the fetish of technological rationality” (Peet 2015 p.269). Peet goes on to describe a further tenet of modern hegemony, of which is the justification of ideas on the basis of scientific rationality (2015, p.271). In sum, hegemony is the instituted ideas of validating competitive individualism, fetishizing technological rationality and the justification of ideas on the basis of a scientific rationality, of which support the status quo of finance capitalism which is the control of capital through the mechanism of finance which control access to capital through loans (Peet 2015, p.263).

Peet proposes three categories for institutions in reference to hegemon: hegemonic, sub-hegemonic and counter-hegemonic. Hegemonic refers to an institution that produces “ideas and policies with enough theoretical depth and financing that they dominate thought over wide fields of power” (Peet 2015 p.267). Sub-hegemonic refer to institutions that “translate received discourse and practices, modifying and adding ideas, and exercising power in specialized regional ways.” (Peet 2015 p.267-268). In this sense, it is an institution of power that embeds hegemony into the familiar “theoretical memory” of a particular class or region, while not the originator of the hegemonic ideas, they do hold an authority within a particular class or region (Peet 2015). The final category is counter-hegemonic, this refers to “institutions founded on opposing political beliefs, that contend with the conventional, exercise counter-power and advocate alternatives.” (Peet 2015 p.267-268). Going forward, I discuss how the World Bank and Vatican fit into these categories.

## World Bank and Vatican and the Hegemonic categories

The World Bank appears to fit into the category of Hegemonic. This is because its approach to poverty alleviation is to promote markets via financing development projects, with the condition that specific economic policies are implemented (Goldman 2005, p.205-206). It promotes the view that individual, business driven people will develop business and technological innovations to create new markets, promoting prosperity and thus alleviating poverty (World Bank 2021 p.104, 106). Beyond this, it justifies the authority of its ideas on the aura of scientific rationality (Peet 2015; Goldman 2005, p.106)

The Vatican by contrast, does not appear to fit into the category of hegemony as it does not justify its authority on the basis of science, nor does it promote the view of competitive individualism or technological rationality as a basis for how society ought to be. However, Catholic organizations are very decentralized, operating with a common moral language, with various kinds of practical implementation. They often appear to fit more than one category depending on the catholic organization you analyze. In some cases, it would seem to fit into the category of hegemonic or sub-hegemonic, with the Catholic social imaginary having instrumental value to justify and project hegemonic power, for example as a language that provided justification and operated as an “agent of western imperial expansion” (Calderisi 2013, p.3), and according to Peets definition, also in supporting finance capitalism through microfinance programs (Clynch 2023). However, there are examples in which Catholic organizations appear counter-hegemonic, such as when the Brazilian branch of the Catholic Church challenged the governments land and income distribution between 1959-1964 during military rule and criticized the systemic and structural status quo, as well as the development of liberation theology (Calderisi 2013, p.16; Gutiérrez 1988). Thus, the Vatican can be compared to

the World Bank as a hegemonic institution, while at the same time recognizing its diverse and complex nature, allowing for it to sometimes function as sub-hegemonic and even counter hegemonic.

### Incongruence between discourse and practice

This project is seeking to uncover the key similarities and differences between the Vatican and the World Bank in their ideas and practices for poverty alleviation. Therefore, the relationship between discourse and practical implementation is key to uncovering these similarities and differences (Laffely & Weldes 2004). The study of the relationship between discourse and practice is well established in the critical development literature. Radical ideas and propositions do not necessarily translate into radical practice. Despite a movements discourse that challenges the *status quo*, it can end up instituting practice that is compatible with it (Fridell 2006, p.12, 19, 24) and losing its transformational aspect (Parisi 2020). The radical discourse can also act as a 'sheath' for large hegemonic institutions in a process Mark Fisher calls "aestheticization" (2009). Fisher defines aestheticization as a process of incorporation rather than repression, or the "transformation of cultural practices into aesthetic objects" (Fischer 2009 p.4). This affect takes place on older cultural practices and newer, subversive ideas, by appropriating discourse and images for marketing purposes (Fisher 2009). Because new ideas and cultural practices take the form of community and identity, the market response is to monetize, which encloses them into brands and market opportunities. Fischer articulates this point by noting "nothing runs better on MTV than a protest against MTV..." (Fisher 2009 p.9). Another example of what could be found when analyzing discourse and practice is something similar to what the philosopher and theologian Paul Tillich describes as the repression of a broken myth (1957, p.

60-61). Here, the “reality” of a myth becomes broken when the separation of the object of faith and the ultimate become apparent, in which the response can be to replace the myth with a broken myth or repress the uncertainty (Tillich 1957 60-61). Disavowal, for example, would be evidence of repressing a broken myth (Zizek 1989). This is not unlike what the philosopher Slavoj Zizek call’s ptolemization, in which a discipline in crisis tries to “change or supplement it’s theses within the terms of it basic framework..” (Zizek 1989 p.vii). The importance of these concepts as they pertain to Peet’s categories are that they highlight the dynamic that takes place between the incongruency of discourse and practice.

Up to now, I have offered a framework to define institutions on the basis of hegemony, as well as terms which describe ways in which discourse and practice can be incongruent. I will go on to describe Peets concept of power centers, and the various power “types” of ideological, economic and political. This is important to the project as it provides a framework of distinguishing the kind of power the institutions project outward, as well as further basis to distinguish similarities and differences between the World Bank and the Vatican’s approaches to poverty alleviation.

### Power Centers

Peet defines “power center” as “a place, in the sense of a cluster of interconnected institutions with an ambience...(Wall Street...), or what might be termed an institutional complex, a congregation of grouped experts with its distinct culture and reputation...(Cambridge...)” (Peet 2015 p.267). This concept is suitable to define the World Bank and the Vatican, as both these institutions are an agglomeration of interconnected institutions that project power on the authority of their expertise. Peet names three types of



power centers: ideological, economic, and political. Ideological power centers are institutions that “deal primarily in ideas at the level of theory- transmitting power as scientifically justified ideas”, such as university’s and think-tanks (Peet 2015 p.267). Economic power centers “deal primarily in money” such as banks (Peet 2015 p.267). Political power centers “Construct and enforce ideas in practical formats- that transmit power as policy” such as governments (Peet 2015 p.267).

What kind of power center do the Vatican and World Bank appear to be?

The World Bank appears to fit into the category of economic power center because of its use of, and self-claimed expertise around, finance in its discourse and practice. The World Bank of course, is a bank, and it mediates access to capital via financial tools, however, it also places the social mission of poverty alleviation as central to its practice. The World Bank funds an enormous amount of research that actively constructs and defines its ideas around the social issue of poverty, justifying their ideas and practices on the basis of science (Goldman 2005; World Bank, 2021, p.24). While its operations seem strictly related to financial tools, it’s ideological, and political function may be much more central than it appears (Goldman 2005).

The Vatican by contrast, fits neatly into the category of ideological power center. This is because the central Vatican administration’s primary function is not to project power against governments, corporations, or even upon social issues beyond proclamations and denunciations (CSDCC, p.41-42.81). The practical implementations of the Vatican’s insights and ideas are largely left up to the numerous catholic peoples and organizations. For the purposes of this project, I will select Caritas, which is one of the largest aide organizations on the planet (second

only to the Red Cross) as an example to study the practical implementations of the Vatican (Watkins, 2023).

## Summary

Peet's theory provides a basis to analyse intuitions on the quality of the power they project. The categories he provides are economic, political and ideological for what type of power is projected, and also the categories of hegemonic, sub-hegemonic and counter-hegemonic, as for whether the institution supports or subverts the status quo of competitive individualism, technological rationality and claiming authority on the basis of science (Peet 2015). These categories can be used to compare the similarities and differences between the Vatican and the World Bank's poverty alleviating missions. Because Peets theory holds the projection of ideas that define the economy, as a defining feature of institutions in today's day and age, discourse analysis is the method I choose in making my analysis (Laffely & Weldes 2004). What Fisher, Tillich, and critical studies add to this discussion, is insight into incongruencies between discourse and practice. If the Vatican and World Banks practice in alleviating poverty differ from their discourse on poverty, why is this the case? By analysing documents that describe what ought to be done, with documents that describe what is or has been done, the type of projected power can be uncovered. Do the categories of ideological and economic really describe the differences between these institutions?

## Chapter 2

### Goal of research

According to Peet, power centers today exert their power through the ideas that control the production of objects (p.268). For this reason, my research method is primarily discourse analysis (Laffely & Weldes 2004). The goal of this research is to determine the key similarities and differences between the Vatican and the World Bank's ideas and distinctions in their programs/practices on alleviating poverty. This research uses Peet's intermediate categories of economic, political and ideological power centers, as well as the categories of hegemony, sub-hegemony and counter-hegemony, to distinguish the similarities and differences (2015).

### What Is being compared

This discourse analysis reviews twelve documents, six from the World Bank and six from the Vatican. Of the twelve documents, six are grouped into what I would call "prescriptive" documents and the other six are grouped into what I call "descriptive" documents, (three descriptive and three prescriptive for each institution). While all contain both descriptive and prescriptive elements, the documents that were future oriented and focused on what "ought" to be done, I grouped as prescriptive; while the documents that focused on what projects had already been done, I grouped together as descriptive.

The prescriptive documents I analyzed from the World Bank are the World Development Reports. These annual reports explore a particular topic within development and how the challenges and prospects it offers can be best addressed to promote the World Banks goals of prosperity and poverty alleviation. The three reports I analyze are the: *World Development report 2020: Trading for Development in the Age of Global Value Chains*; *World Development Report*

*2021: Data for Better Lives*; and *World Development Report 2022: Finance for an Equitable Recovery*. The reason I chose these reports is that they were the most recent at the time of conducting research. I group these documents as prescriptive documents because they analyze current issues and justify ideas that are primarily future oriented.

The descriptive documents from the World Bank are the World Bank Annual reports. These reports cover where money was allocated and highlight development projects conducted across different regions in the World. They are the *2020 Supporting Countries in Unprecedented Times*; *2021 From Crisis to Green, Resilient, and Inclusive Recovery*; and *2022 Helping Countries Adapt to a Changing World* annual reports. I chose to group these documents as descriptive documents because they primarily analyze issues and justify ideas of projects that have already, or currently are taking place.

The prescriptive documents I analyzed from the Vatican are the two most recent Papal encyclicals as well as drawing from the Compendium of the Social doctrine of the Catholic church. The Papal encyclicals follow in the tradition of the Apostles writing letters to communities and contain general teachings on social, faith and doctrinal topics (Parisi 2023). While they are not considered infallible pontiff teachings, they do hold authority as representing the views coming directly from the Pope (Parisi 2023). Followers of the Catholic faith are instructed to consider and apply the teachings in their communities (Parisi 2023). I categorize them as prescriptive documents as they provide analysis of current world issues and offer guidance on what ought to be done. The two encyclicals analyzed are all written by the current Pope, Pope Francis, who has been the Pope since March of 2013. They are *Laudato Si- On Care for Our Common Home*, on the topic of the environment, published in 2015; and *Fratelli tutti on fraternity and social friendship*, on the topic of global cooperation and Covid-19, published in

2020. The Encyclicals are not considered divine inspiration but are founded on existing church doctrine (Parisi 2023). Because existing church doctrine plays a key factor in the writing of the encyclicals, I will also draw from the Compendium of the Social Doctrine of the Catholic Church (CSDCC) throughout the analysis. Published in 2004, the purpose of the CSDCC is to provide a “concise and complete overview of the Church’s social teaching” (CSDCC pg.11).

The Descriptive documents I analyze from the Vatican are the Caritas Internationalis annual reports. Caritas Internationalis is a Catholic organization of which a key part of their work is to put the encyclicals into practice (Caritas 2024b). Pope Francis has said that Caritas “institutionalizes love in the Church” (Caritas 2024b). Caritas Internationalis is connected to the Vatican with its central administration located in the Vatican state. The Pope has the power to exercise leadership changes, such as the dismissal of the Caritas leadership in 2023 (Allen 2023). Caritas is broken into member organizations, which operate in over 160 countries (Caritas 2024). It is structured as a parliament, with each member organization having a representative in its general assembly, which elects its president and treasurer (Caritas 2024b).

While there are many official and unofficial catholic organizations that function more or less independently from the Vatican state, I chose Caritas as an organization to analyze discourse for three reasons: the proximity of its central administration to the Vatican administration and direct power of the Pope on its central administration; for its focus on aid and development issues, such as poverty; and because of its size as the second largest aid organization in the world (Watkins 2023). Why not all Catholic organizations have a central administration connected to the Vatican state, is typically because the common moral language of Catholicism is what connects these groups rather than money, or administrative power. This decentralization leads to a variety of approaches that even seem contradictory to one another. Caritas itself operates in this

decentralized way, with member organizations functioning largely autonomously, however in recent years there has been a greater push for centralization and communication amongst the Caritas members (Caritas 2019 p.23). I chose the three most recent Caritas annual reports for the analysis, categorizing them as “descriptive”. The reason I categorize Caritas annual reports as descriptive is because, like the World Bank Annual reports, they describe and justify previous and current projects, rather than future oriented ideas.

### Methodology & Structure of Chapter

My methodology draws from Mark Laffely and Jutta Weldes description of discourse as being “the retroduction of a discourse through the empirical analysis of its realization in practices” of which they go on to describe discourse as “productive of objects, subjects and the relations among them” as well as “always being implicated in institutions” (2004, p.28). Here, discourse can only be understood within how it relates to the broader set of discourse it is a part of, and the realization of it practice (Laffely & Weldes 2004). For this paper, I analyze and compare the discursive and ideological orientations of poverty within the World Bank and the Vatican. This process followed three key steps. First, I analyzed documents for repeating themes, coding on the basis of justifications for their respective ideas where I found two key themes that underpin the ideologies of the two institutions. Second, I analyzed the discourse for the topics of poverty and debt using Peet’s theory to place their ideas and practices into Peets institutional categories (2015). Finally, I cross examined the similarities and differences between the prescriptive and descriptive documents, coding themes using terms from Peet (2015), Tillich (1957) and Fisher (2009). After comparing the similarities and differences, I conclude that the differences of economic and ideological are not so apparent, but rather it is the top-down,

bottom-up nature which differentiates them; as well as the World Bank being much more fundamentalist than the Vatican.

The analysis will be divided into three parts. The first briefly explores the missions of the two respective institutions, highlighting the ideological underpinnings of the Vatican and the World Bank. Second, I explore the differences between how the World Bank and Vatican define poverty using Peet's hegemony categories. Finally, I review the incongruence between discourse and practice, highlighting theory from Tillich (1957), Fisher (2009), Fridell (2006) and Parisi (2020), as well as Peet's power "types" of categories (2015).

### Ideological Underpinnings

In this section, I will discuss the similarities of the two institutions missions as being social, moral, and global. Their key differences within these areas are: 1. What they view as essential to achieving their missions and 2. Where they claim authority. I analyse these areas because, according to Peet, power centers operate through updating logics and rationalities of social imaginaries, competing as specialized monopolies for what is considered "rational" or "common-sense" (2015, 272; Earle 2020). These two areas will highlight the differences between what is considered rational for the two institutions, as well as give important context to the differences in their discourse and poverty alleviating practices. To begin, I will reference the missions of the two institutions, briefly examine their similarities, and then explore their key differences.

## Missions and what is essential to them

The mission of the Vatican <sup>1</sup>is: to carry forward the mission of Christ himself, in the promotion of a an “integral and solidary humanism” (CSDCC 2006, para. 7, 49). The Vatican administration describes itself an “expert in humanity” (CSDCC 2006, p14) and provides proclamations and denunciations of social issues (CSDCC 2006, para. 1, 7). The World Bank<sup>2</sup>, on contrast, aims to “work with countries to end poverty and boost prosperity for the poorest people. Helping create sustainable economic growth, investing in people and building resilience to shocks and threats that can roll back decades of progress.” (World Bank 2024c). The World Bank describes itself as providing expertise in financial tools and economic policy, financial advice, and financing to governments of developing countries (World Bank 2020b p.43)

Both institutions pursue missions that are social, moral, and global: social, due to emphasis on changing the social conditions by which we live; moral, due to their objection to some social conditions (explicitly poverty in the World Bank’s mission, and in the Vatican’s case, as the judge of social issues through a denunciation/proclamation function); and global, due

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<sup>1</sup> The Vatican has been criticized for providing justifications against women’s rights and reproductive health (Beatle 2014); keeping much of its operations shrouded in secrecy due to corruption and criminality (Posner 2015); perpetuating an intensely patriarchal hierarchy (Norwich 2011); attempting to cover up widespread child sexual abuse (BBC 2021); and hoarding immense wealth in the face of great poverty (Parker 2023). This paper does not disagree with these critiques, but rather focuses on the discursive and ideological orientations on their anti-poverty activities, analyzing the incongruency between discourse and practice and how the institution may be categorized according to a type of power function (Goldman 2005; Parisi 2020; Peet 2015).

<sup>2</sup> The World Bank has been criticized for taking advantage of legal loopholes and the lack of legal frameworks (Head 2008); corruption and hypocrisy within their governance (Weaver 2008); bolstering narratives supporting the idea that inequality is decreasing, despite massive increases in inequality (Hickel 2017); imposing coercive conditions on it loans to developing countries, as well as impoverishing said countries with high interest rates (NewsRescue 2009); and the lack of serious action to address climate change, all while continuing to promote economic growth despite evidence suggesting that it is incompatibility with meeting Sustainable Development Goals (Moore 2023; Hickel 2019). This paper does not disagree with these critiques, but rather focuses on the discursive and ideological orientations on their anti-poverty activities, analyzing the incongruency between discourse and practice and how the institution may be categorized according to a type of power function (Goldman 2005; Parisi 2020; Peet 2015).



to the global scale and aim of the missions (World Bank 2024c; CSDCC 2006, para. 1, 7). While both institutions mission take a similar shape, they have key differences on where they stake their authority as experts, as well as what is essential to achieving their missions. For the World Bank, achieving their missions require the expansion of market economy via state economic policy (World Bank 2020a, p.6), whereas for the Vatican, it mission requires the promotion of Christian values via individual changes of heart (Pope Francis 2020, para.166). This is apparent in two ways: the intended audience of their prescriptive documents, and in what the two institutions suggest the poor are marginalized *from*. I will argue that the biggest implication in these differences is in the top-down and bottom-up nature of two institutions approach to change-making.

The audiences that the Vatican writes *to* is all people of goodwill, and in the case of the encyclical *Laudato Si*, which discusses climate change and its intersections with poverty, it is addressed to all people (Pope Francis 2015, para. 3; California Catholic Conference, 2023) emphasizing in particular the social nature of people. By contrast, the World Bank writes to state officials and governments, emphasizing specific market-centric state policies (Open Knowledge 2024). This is also clear in the titles of the documents reviewed, with the World Bank Development reports referring to trading, data and finance, (tools and practices for markets), where the Encyclicals refer to praise, fraternity, and light (using a religious and moral language). What is important here, is that the Vatican appeals, formally, to individuals as the beginning of change making, where the World Bank's focus is state-centric. In other words, change, according to the World Bank begins through state policy that specifically promotes market economy (Goldman 2005).

When the Vatican or the World Bank refer the poor, they differ when it comes to what the poor are marginalized *from*. The Vatican emphasizes marginalization from what it perceives to be the face-to-face social communities: *“Indeed, when all is said and done, [the poor] they frequently remain at the bottom of the pile. This is due partly to the fact that many professionals, opinion makers, communications media and centres of power, being located in affluent urban areas, are far removed from the poor, with little direct contact with their problems.”* (Pope Francis 2015, para. 49). The World Bank on the other hand, refer to poor communities marginalized from new technology and market opportunities: *“A key theme of this Report is that governments should take advantage of complementarities between new and traditional data to confront development challenges. For example, because the majority of the world’s poor live in rural areas and derive their livelihoods from the land, measuring agricultural productivity is central to policies and programs to eliminate extreme poverty”* (World Bank 2021a p.29). Here, the essential instruments to their missions are made clear. The World Bank emphasis the use of technologies to boost productivity of farmers, with the belief this will increase prosperity and alleviate poverty. The Vatican emphasizes the social nature of people, and the lack of connection between the poor and centers of power.

A key implication from the difference in what is essential to their missions, is the direction from which they assert change comes. For the World Bank, it is top-down, structural change, with the goal of then altering behavior of peoples, so they live in accordance with market economy and generate a business culture (Goldman 2005). The Vatican, by contrast, pursues is a bottom-up change of individuals hearts, that will alter behavior to live in a society that seeks community building— what the Vatican calls a “culture of encounter” (Pope Francis 2020, para. 215). An interesting foundational similarity here is that both institutions aim to change people’s

behavior as a means to changing their conditions, as opposed to more structural approaches that would place an emphasis on first changing power structures (markets, institutions, capital) before behavior can be changed (World Bank 2022a p.82, 187; CSDCC 2006, para 81).

In terms of comparisons between the two, the difference in what is essential to the missions of the World Bank and the Vatican is that the World Bank emphasizes a top-down state intervention that promotes market economies and a business culture (World Bank 2022a p.82, 187). Here, the idea is that people will be entrepreneurial, become prosperous and thus reduce poverty. The Vatican emphasizes bottom-up community building, and the values that underpin them, arguing that it is a change in a person's heart that then changes the structure of institutions (Pope Francis 2015, para. 183). The idea here, is that shifting the values of people in institutions, would amount to a shift in the actions and structure of said institution; in which the poor are included, and poverty reduced (Pope Francis 2020, para. 215).

An important point to note here, is that the Vatican administration is an intensely patriarchal hierarchy, worth anywhere between 4 to 30 billion; with some estimates placing its net assets in the hundreds of billions (Carlson 2023). There are many who criticize that this wealth is not used directly for the poor, while others argue that the Vatican would be unable to make actual systemic change should it sell its assets to fund poverty alleviation (Carlson 2023). However, the role that the Vatican administration plays in the wider Catholic community is to project its ideas as an ideological power center, reinforcing its position of authority, rather than projecting political power directly. For example, the Vatican keeps itself at a distance from political power, claiming its proclamation and denunciation function is “*not an attempt to structure or organize society, but to appeal to, guide and form consciences*” (CSDCC 2006, para. 81). This leaves Catholic organizations to interpret and implement the ideas of the Vatican

within their own contexts. This has two consequences: first, the Vatican can include radical ideas alongside moderate or conservative ideas without asserting political power; second, because Catholic organizations interpret and implement the ideas of the Vatican, it creates space for a wide variety of practice (Calderisi 2013).

### Where they claim authority

The World Bank claims itself to be an expert in financial tools and economic policies (World Bank 2020b p.43; Goldman 2005) in contrast, the Vatican claims itself to be “experts on humanity” (CSDCC 2006, p14). They appeal to different authorities. The World Bank appeals to its data, technology and scientific analysis, by contrast, the Vatican appeals to God, and justifies its ideas on the basis of two fundamental values: transcendent dignity and love (World Bank 2022a, p.83; World Bank 2021a p.189; CSDCC 2006, para. 4; CCC, 1997, para. 1766).

Transcendence here refers to going beyond the world, its institutions, and social structures, to a basis on God (CSDCC 2006, para. 4). According to the Vatican, God is understood to be both the originator of all that is, and the measure of what ought to be (CSDCC 2006, para. 20). This, in turn, is expressed in two foundational values that underpin the Vatican’s value system: the transcendent dignity of all people; and love. Transcendent dignity refers to the belief that all peoples have an intrinsic, equal value derived from their being created in the image of God (CSDCC 2006, para. 4). It is transcendent, because the dignity is sourced from God which is beyond social circumstances, reputation, or position in society; according to the Vatican, even one’s own actions cannot strip away this transcendent dignity (Pope Francis 2020, para. 269). The Vatican defines love as being concerned for the good of the other (CCC, 1997, para. 1766). God is love, and it is in love through which God is expressed (CSDCC 2006, para. 54). The

Vatican's analysis stems from these two values as a measure of how institutions should function (Pope Francis 2020, para. 186). This is very different than the World Bank, who justifies its ideas in the language of technical solutions based on data.

Thus, where the Vatican emphasises social values and principles, such as love or solidarity, rooted in religious and moral language, the World Bank emphasis market economy, in technical, data centric, "scientific" language. However, there is one value that the World Bank refers to consistently: trust. The World Bank repeatedly brings up the importance of trusting market and financial institutions so that they can work properly (World Bank 2022a, p.83; World Bank 2021a p.189). This highlights that the World Bank, like the Vatican, want to change people's behavior so that they live in accordance to how they believe poverty can be eradicated. For The Vatican, it is drawing close to one another in community (Pope Francis 2020, para. 30), for the world bank, it is participating in, and expanding markets (World Bank 2021a, p.6). Another important implication from the different places they claim their authority, is that the World Bank relies heavily on quantitative descriptors, while by contrast the Vatican on qualitative descriptors.

### Poverty, similarities & differences

In this section, I will first cover some similarities the World Bank and the Vatican share in their discourse about poverty. After this I will cover five key differences in how they conceptualize poverty and relate these ideas according to Peet's definition of hegemony, which is "the validation of competitive individualism, the fetish of expertise from technological rationality ... and a language that exudes an aura of science" (Peet 2015, p. 269, 271). This section will draw primarily from prescriptive documents to determine how the World Bank and

the Vatican fit into Peet's hegemony categories. In the following section, I will analyze primarily the descriptive documents and whether the categories of hegemony still hold up, and whether the power types of "economic" and "ideological" really describe their differences (2015).

Both the Vatican and the World Bank argue that poverty is a lack of material things, such as food, water, housing, and nonmaterial things, such as healthcare and education (Pope Francis 2015, para. 25, 94; World Bank 2021a, p.135). Both the World Bank and the Vatican use the term "poor" to describe people or countries that comparably have more poverty (Pope Francis 2020, para. 119; 2015, para 51; World Bank 2021a, p.35, 304). Both recognize the disproportionate impact that debt, climate-change, conflict and natural disasters have had on the poor (World Bank 2022a p.44; Pope Francis 2015, para. 25). Poverty is a social condition (Crossman 2019), and the manner by which both institutions describe poverty (lack of material and social *needs*) does reflect this. However, despite the common understanding of poverty in the area of material and nonmaterial lack, their underlying understanding of poverty is very different, with the Vatican even considering poverty to be a virtue (CSDCC 2006, para. 324).

#### Qualitative vs quantitative

The first key area difference is the implication of qualitative and quantitative descriptions of poverty that stems from their different ideological underpinnings. The World Bank puts quantitative measures on poverty: less than \$2.15 a day is considered "extreme" poverty, less than \$3.65 a day is considered impoverished in countries deemed "upper-middle", a ranking of how economically developed a country is, and less than \$6.85 a day is considered impoverished in upper-middle countries (World Bank, 2024a). The current \$2.15 a day poverty line was amended in 2022, however, it was established by data gathered in 2017 (World Bank 2024a;

World Bank 2024b). This number does not adjust for inflation, market swings or to any changing economic conditions. In fact, evidence suggests that even by this measure, if China's rapid economic growth was not taken into account, poverty has actually increased in the rest of the World (Hung 2016). In the World Bank's understanding, poverty becomes confined to a specific quantitative number— that if enough people made a few pennies more, without any qualitative change, it would be considered poverty alleviation. Why people are poor, and how to alleviate this, is understood in relation to access to emerging markets, and ability to participate in business (World Bank 2021a p.30,35; World Bank 2020a p, 47).

The Vatican, by contrast, has a broad, qualitative understanding of poverty, and does not place a specific quantitative measure on the subject. To be poor is associated with a lack of connection, and alienation from community (Pope Francis 2020, para. 53). Poverty thus, becomes disassociated with prosperity in a material sense, and rooted in the praxis of a communities' relations. The Vatican names the interests of power and profits, consumer culture, market centrism, societal structure, and a desire for prosperity as things that alienate people and impoverish (Pope Francis 2020, para. 116, 143, 37, 168; CSDCC 2006, para. 119).

According to Peet, one of the key factors that defines hegemonic institutions today is that they exude an aura of science (2015, p.271). The World Bank's use of quantitative descriptors, and economic research built upon its quantitative description, exudes an aura of scientific research and technical rationality. However, poverty is a social condition that cannot be confined strictly to a numerical descriptor, meaning, that the World Bank's language on poverty is distanced from the experiential reality of poverty for many (Nilsen 2018). Beyond this, its state-centric perspective removes the context of justice and responsibility from corporations, western

governments, and broader supply chains to local governments. This perspective is not unlike that of a scientist examining different petri dishes.

By contrast, the Vatican exudes religious and moral language, appealing to peoples “hearts and goodwill” (Pope Francis 2020, para. 166). The Vatican does not rely on numbers, nor cite detailed empirical evidence, rather, the encyclicals provide analysis on present day issues, with prescriptive language of how people ought to live. Thus, the World Bank’s language is hegemonic, to a capitalist order, because it justifies itself on the basis of science, whereas the Vatican presents something different, justifying its claims via its position of authority on moral issues in Catholicism.

#### Prosperity vs poverty the virtue

A stark area of difference between how the poor are understood between the World Bank and the Vatican becomes clear when contrasting the World Bank’s idea of material prosperity and the Vatican’s idea of poverty as a virtue. Promoting prosperity is a key goal of the World Bank and is directly alongside the goal of poverty alleviation (World Bank, 2013). By contrast, the Vatican suggests that material poverty can be a virtue (CSDCC 2006, para. 324).

Poverty as a virtue can be understood through the Vatican’s “integral approach” which emphasizes the holistic, or interconnectedness of things. Here, the idea presented by the Vatican, is that a healthy relationship with people, objects and the world more generally, is to recognize the profound interconnections that make up the people or things that you relate to (CSDCC 2006, para. 373). To approach the world without this underlying recognition is considered a reductive way of understanding the world according to the Vatican (CSDCC 2006, para. 271). Thus, as a rejection of objectifying the world as something that can be used and controlled is to reject a



reductive view of the world (Pope Francis 2015, para. 106). In this, a lack of material possessions can be an expression of a rejection of objectifying the world. (Pope Francis 2015, para. 11). For this reason, the poor do not only have dignity that ought to be protected and promoted, but they also have insights by which others can learn from (Pope Francis 2020, para. 215). This understanding of the poor is made clear in the language of both the encyclicals and is central to how Caritas describes its practice, as it is suggested that programs are developed not “for” the poor but “of” and “with” the poor (Pope Francis 2020, para. 169; Caritas 2019 p.16).

This differs from the World Bank’s objective, to protect and promote market institutions, which, beyond being tightly confined to promoting top-down economic policies for the purpose of promoting market productivity, suggests that developing countries should be changing the economic policies to be more like western countries (World Bank 2020a p.6-7). To clarify this point further, in the World Bank literature, the poor are not to be “learned from” but are to be taught. For example, the World Bank frequently refers developing countries officials lack of understanding the value of things like data or finance (World Bank 2021a 66,67). Beyond this, the World Bank frequently mentions the importance of peoples in developing countries trusting in bank and credit systems so that these systems can work properly (2021a, p.72, 73). The World Bank emphasizes the importance of the poor adapting to its programs and existing institutions, where the Vatican emphasizes the need for peoples to draw close to the poor, and in changing their own values, institutional change will follow (World Bank 2020a, p.6; Pope Francis 2020, para. 219). These perspectives are radically different from one another and reflects the ideas the two institutions have of how poverty ought to be alleviated.

## Communal vs competitive individualism

Another key characteristic of contemporary hegemony according to Peet, is the promotion of competitive individualism (Peet 2015 p.269). Both the Vatican and the World Bank promote a form of individualism but differ as to what the prescriptive role of the individual is. For the World Bank, the state, not the individual, is the center of focus. However, the kind of change the World Bank suggests, such as increasing access to credit and banking, increasing platforms for business development, and expanding new technologies such as data collection and blockchain, encourage a western business culture that resembles the competitive individualism of the West (World Bank 2022a p.82, 187; World Bank 2021a 30, 35). They encourage designing business models that have career incentives to encourage valuing data and high productivity with awards and monetary compensation, encouraging individual competition in work forces (Word Bank 2021a p.66,67). The Vatican on the other hand argues that individualism is one of the greatest issues that our world faces today (Pope Francis 2020, para. 101). When the Vatican denounces individualism, it is a particular kind of individualism associated with relativism: *“When human beings place themselves at the centre, they give absolute priority to immediate convenience and all else becomes relative”* (Pope Francis 2015, para. 122). According to the Encyclical Fratelli Tutti, this kind of individualism is denounced: *“the notion of ‘every man for himself’ will rapidly degenerate into a free-for-all that would prove worse than any pandemic”* (Pope Francis 2020, para. 36). The encyclical goes on to argue that *“there are markets where individuals become mere consumers or bystanders. As a rule, the advance of this kind of globalism strengthens the identity of the more powerful, who can protect themselves, but it tends to diminish the identity of the weaker and poorer regions, making them more vulnerable and dependent.”* (Pope Francis 2020, para. 12). The kind of individualism encouraged by the Vatican

is a communal individualism. I suggest it is an “individualism”, because, according to the Vatican, it is still the individual who takes upon themselves to adopt (or not) a new set of values; and communal, because they promote a “culture of encounter”, in which people are meant to draw close and care for each other, spurring individual changes (Pope Francis 2020, para. 30). Here, the World Bank’s discourse is hegemonic, while Vatican’s can appear as counter-hegemonic, denouncing the competitive aspect of capitalist notions of individualism. Later, I will discuss whether the categories of hegemonic and counter-hegemonic still describe the two institutions when analyzing the descriptive documents.

#### Technical vs Radical

The fetishization of expertise from technological rationality is another key component of contemporary hegemony according to Peet (Peet 2015 p.269). Technology is seen as a pathway out of poverty by the World Bank, as the World Bank suggests technology opens new market opportunities and promotes prosperity. Given this, the suggestions the World Bank makes for poverty alleviation are often excessively technical, both in measuring poverty and in attempting to alleviate it. One example of a technical method for measuring poverty suggested by the World Bank is satellite readings of nighttime light, with more light suggesting more development and less light suggesting less development (World Bank 2021a p.129). The implication is that better technology gives better data on poverty. Another example of a technical approach is that the World Bank suggests that by implementing data infrastructure, there will be opportunities for the poor to profit from selling their data (World Bank 2021a p.30). They go on to suggest that by building the infrastructure for companies like Google, Facebook, and Amazon, will increase market access for existing companies in developing countries, as well as “*directly improve the*

*lives of poor people... through digital credit and financial inclusion*” (World Bank 2021a p.35). By defining poverty as less than \$2.15 a day, the world bank draws the boundaries and defines the techniques on the issue of poverty, in what Tania Li call’s “rendering technical” (2007). As noted above, prescribing the latest technology in Western countries, such as blockchain or data mining, as ways to reduce poverty is in line with World Bank thinking, as they are simply arguing to include poor countries into emerging markets.

By contrast, the Vatican is deeply skeptical of technology. While Vatican officials acknowledge the many benefits technologies has brought to improving the conditions of people’s lives, they also critique technology as a tool often used for expanding power (Pope Francis 2015, para. 102, 16). Given that, according to the Vatican, it is a shift in individual values that creates change, technology (a tool) cannot alone solve symptoms that are predicated on individualist values. As the Encyclical *Laudato Si* says: *“The basic problem goes even deeper: it is the way that humanity has taken up technology and its development according to an undifferentiated and one-dimensional paradigm. This paradigm exalts the concept of a subject who, using logical and rational procedures, progressively approaches and gains control over an external object.* (Pope Francis 2015, para. 106)”. The Vatican calls for new and better systems and a new model of political and social participation (Pope Francis 2020, para.169; 2015, para. 174-175; CSDCC 2006, para. 364). This differs to the World Bank which calls for people to put their faith in existing financial institutions and to actively protect and promote them (World Bank 2022a p.87).

## Economic growth vs universal destination of goods

Economic growth is the key to alleviate poverty according to the World Bank (World Bank 2020a, p.6). Because of the state centric view of economies, the World Bank takes the understanding that state governments are responsible for their own development and economic growth (Rostow, 1956; Sachs 2005). This view justifies the existing, uneven economic conditions of the world and suggests that poorer countries can learn from what the rich countries have done so they too can develop (Rostow, 1956; Sachs 2005). This view is void of global political economic analysis as there is no responsibility, or obligation, to change the way wealthy countries exist or conduct trade. Its core focus is on how poor countries formulate their economic policies. Thus, the World Bank aims to protect and promote existing Western institutions, such as financing for the purpose of economic growth (Goldman 2005; World Bank 2022a, p.95). This is in stark contrast to the Catholic principle of the universal destination of goods.

The Social Compendium of the Catholic Church describes the principle of the universal destination of goods by stating that “*all created things would be shared fairly by all mankind under the guidance of justice tempered by charity. All other rights, whatever they are, including property rights and the right of free trade must be subordinated to this norm* [the universal destination of goods]. (2006, para. 171-172)”. In this perspective, if one person has plenty, and another does not and suffers for it, it is an injustice with responsibility on part of whom who has plenty to give. The goods themselves have a purpose to uphold the “common good”, which the Vatican defines as “*the sum total of social conditions which allow people, either as groups or as individuals, to reach their fulfilment more fully and more easily*” (CSDCC 2006, para. 164). Where the World Bank does not suggest a change in the status quo for the purpose of poverty alleviation, the principle of the universal destination of goods demands it above any existing

norm or right, leading to differences in who it is that is owed. One topic which highlights this difference is the example of sovereign debt.

According to the Vatican, sovereign debt is used to control poorer countries, and enslave populations (Pope Francis 2015, para. 32, 123). Given this, a component of Caritas's advocacy is to attend multilateral conventions and summits where policy makers and powerful actors meet, and lobby to cancel debt for developing countries (Caritas 2021 p.21). From the perspective of the Vatican, sovereign debt is an affront on the dignity of the people living in these countries, and something that would have an immediate positive effect, should it take place (Pope Francis 2015, para. 51). The World Bank has a very different point of view, providing a mixed assessment of canceling debt or restructuring debt in its 2022 development report. It provides examples of where the reconstruction of debt was successfully achieved, such as in Benin (World Bank 2022a p.216) and where it has had negative outcomes, such as in Chad, where the country applied for debt reconstruction three times since 2014, meaning it continued to lack social spending or investment in the local economy (World Bank 2022a p.219). It does something similar for debt cancellation, describing the case of Rwanda where it was successful, only to note that that, because Rwanda has regained debt distress, the cancellation was not effective, even if there was an increase in social expenditure and reduction in child mortality (World Bank 2022a p.208). The World Bank itself makes its money through interest on the loans it gives, so any advocacy to the point of canceling debt would be against its own interest in sustaining itself as the kind of institution that it is (Goldman 2005, p.290).

## Summary of poverty according to prescriptive documents

The Vatican's understanding of poverty, I would argue, fits into the category of counter-hegemonic. This is because it does not justify its appeals through science, but rather on its own moral authority (CSDCC 2006, p14). Nor does it promote competitive individualism but proclaims it to be one of the greatest evils of today, suggesting a form of communal individualism in its place (Pope Francis 2020, para. 30, 36). Finally, it does not purport a technological rationality, but rather warns of technology being used for the purposes of extending control and power (Pope Francis 2015, para. 106). The World Bank's approach to poverty, in contrast, fits neatly into the category of hegemonic. This is because it justifies its position on the basis of science, appeals to technological rationality as a means of alleviating poverty and promotes a business culture, of which by extension emphasizes individual competition (World Bank 2022a p.82, 187). Beyond this, the World Bank's mission takes a top-down form via state-policy in the pursuit of changing the behavior of poor people to suite western models of economy (Goldman 2005, p.13). The Vatican's mission takes a bottom-up form via change in individuals' values that, it is argued, will extend to changing the institutions that define our economy (Pope Francis 2015, para. 183).

In the next section, I will focus on descriptive documents, drawing on critical theory to analyze whether the categories of hegemonic and counter-hegemonic can effectively describe the differences between the World Bank and the Vatican, while looking at the incongruity between discourse and practice. I will also analyze the type of power that is projected, and whether the categories of "economic" and "ideological" really do describe the differences between the two institutions (Peet 2015).

## Incongruency between Discourse and Practice

In this section, I will focus primarily on the descriptive documents and highlight the difficulty in categorizing the Vatican in accordance with a type of hegemony, as well as the difficulty in categorizing the World Bank as a particular type of power center. I will first analyze Caritas documents, drawing on critical theory from Fridell (2006) and Parisi (2020) to describe why it's difficult to fit the Vatican into Peet's hegemonic categories. Following this, I describe why the Vatican really does fit into Peet's category of "Ideological." Next, I will analyze the World Bank's annual reports, drawing insights from Fisher (2009), I will argue that the World Bank does fit easily into Peet's category of hegemonic, but does not fit well into Peet's category of economic, due the centrality of its ideological function (2015; Goldman 2005).

## Caritas

Caritas is an international confederacy with 162 national organizations (Caritas 2019 p.22). Caritas describes itself as the "heart of the church", and actively works to put into practice the mission prescribed in the encyclicals, with an emphasis on advocating at political summits and doing aid work (Caritas 2024b). The Caritas annual reports cover finances, fundraisers, advocacy campaigns, internal changes and ongoing charity programs. I will highlight how Caritas strives to put the Vatican's discourse into practice. Drawing on theory from Fridell (2006) and Parisi (2020), I argue that the bottom-up direction of social change advocated by the Vatican and put into practice by Caritas, while Caritas states it is directly challenging the interests of power, is ultimately a charitable practice that can be indirectly compatible with



power (Fridell & Kapoor 2024). Thus significantly challenges the “transformational” aspect otherwise touted in the prescriptive documents (Fridell & Kapoor 2024; Parisi 2020).

There are three areas of practice that are highlighted in the Caritas annual reports. They are charity (with a focus on disaster relief), advocacy, and fundraising. Money is a major topic in the annual reports, with Caritas raising over \$5 million Euro’s annually, with many appeals for specific amounts of money ranging from hundreds of thousands to millions of euros to be used for emergency relief for specific disasters around the world (Caritas 2019, Caritas 2020, Caritas 2021). What the money is used for is also described, including information on their charity work, education about diseases such as HIV and COVID (Caritas 2020, p.21,33), and information on their work administering medical and psychological aide (Caritas, 2021 p.16), providing housing supplies and food (Caritas 2019 p.9), and providing shelter (Caritas 2021, p.16). While longer term development is an aspect of Caritas charity, they are focused primarily on disaster relief. The final area of practice is advocacy. Here, caritas will travel to the United Nations, the G7 summit and other international forums and conventions advocating for the right for adequate housing, against human trafficking, for peace and reconciliation, migration, Covid 19 vaccine equity and debt relief of poor countries (Caritas 2019 p.20; Caritas 2021 p.20-21 Caritas 2020, p.19). However, while Caritas does conduct much needed critical aide work across much of the world, it does not transform the dominant institutions in the world or how they operate (Fridell & Kapoor 2024). This is largely due to its bottom-up emphasis on change, and its focus on the *symptom* of injustice (Zizek 1989)

## Bottom-up movement

The emphasis on changing the values of individuals', who then go on to change institutions of power, is fundamental to how change is made according to the Vatican (Pope Francis 2015, para. 183). The common moral language of Catholicism allows for deep community connections across local communities, for example, in communities in the Congo and Nigeria, where Caritas was able to administer pediatric HIV testing with the help of local religious leaders (Caritas, 2020, p.21). However, the focus on alleviating the symptoms of across communities does not necessarily translate into changing the institutions. Caritas, aware of this, uses advocacy as a key part of its work, advocating to end fossil fuel subsidies and begin taking climate change seriously, lifting economic sanctions in the Middle East and Venezuela, cancelling debt for developing countries, respecting the dignity of migrants (Caritas 2020 p. 21, 19; Caritas 2021, p. 21-22. Caritas 2019, p.19). All of which Caritas describes as bringing "the voice of the poor to the seat of power" (Caritas 2019, p.17). Drawing from Fridell's work on Fair Trade, who argues that despite Fair Trade narratives that it is subversive to neoliberalism, it is in fact compatible with it; and Laura Parisi, who argues that Canada's use of feminist moral language is less a transformational shift, but an movement that ensures "pro-gender norms are aligned with global economic norms around growth, productivity, and competitiveness" (Fridell 2006, p.19; Parisi 2020, p.164-165), I will demonstrate why it is difficult to categorize the practice of Caritas in any of Peet's hegemonic categories, including counter-hegemonic ones.

## Why it does not fit into Peet's hegemonic categories

The Vatican discourse, as noted in the previous section, can be construed as counter-hegemonic. However critical studies have shown that the incongruence between discourse and

practice can at times remove the transformation aspect of counter-hegemonic language, making it compatible or even conformed with the *status quo* (Fridell 2006; Parisi 2020). In the case of Caritas practice, there are three areas that make it difficult to remain the notion that its projects, in action, are counter-hegemonic. These are its primary focus on aid, its reliance on donations for funding, and its own political power while lobbying for important policy changes. This focus is primarily on the *symptoms* of injustice (Zizek 1989).

In this case, “the poor” are the symptom of capitalism (Fridell, Kapoor 2024, p.59). This is because ideologies that purport capitalism suggest poverty alleviation as a key justification, however, capitalism nonetheless reproduces poverty as a central function (Fridell, Kapoor 2024, p.59; Rodney 2018). It goes without saying that addressing the symptoms of injustices with aid work is critical and necessary (Zizek 1989, p.56). However, this does not address the systems and institutions that cause the injustice, making it compatible with the status quo, by not directly challenging it, but instead only dealing with the outcomes it produces (Fridell, Kapoor 2024, p.59). Furthermore, Caritas is a charity model that draws its money from private donations, meaning it will always rely on those donations for its survival as an institution. Its model is also a franchise model, with member organizations receiving their own donations and finances that are not tied to the central Caritas Internationalis organization (Caritas 2024a); due to this, Caritas reports are always full of emotive stories highlighting the impact of their work.

Its advocacy for important policy changes, while important, is up against major interests of power. Similar to Fair Trade’s subversive narratives actually being compatible with neoliberalism in its market model practice (Fridell 2006, p.19), Caritas’s charitable model removes the transformational component that is heavily touted in the encyclicals (Parisi 2020). However, it does not fit neatly into the categories of “hegemonic” or “sub-hegemonic” either. It

does not directly promote competitive individualism or rely on technological rationality, or market economy, nor does it translate Peet's take on hegemony into the ideas and culture of Catholicism (2015). It is not hegemonic or sub-hegemonic, but also not really counter-hegemonic, as its transformational aspect is lost in addressing the symptoms of injustice without addressing the causes of injustice (Fridell & Kapoor 2024; Parisi 2020). This is not to say that Caritas is without power, but rather than projecting power directly, it provides a form of insulation for power, by addressing the urgent symptom without addressing the cause of said symptom (Fridell, Kapoor 2024, p.59; Žižek 1989). To carry this point further, the Vatican and Caritas are not without hegemony, but carry aspects of each of Peet's categories within the same institution (2015).

#### Ideological power center

The Vatican administration does fit neatly into Peet's category of ideological power center. This is because the Vatican administration itself does not provide any specific models of programs or how to enact global change beyond its analysis of social issues and proclamations and denunciations of what ought to be promoted or opposed (CSDCC 2006, para. p.1, 7). The power it projects is largely the moral authority it holds in the production of ideas at the level of theory. This leaves Catholic organizations to interpret and implement the ideas of the Vatican within their own contexts, leading to a wide variety of practice as well as allowing the Vatican to include radical ideas alongside moderate ones.

## The World Bank Annual reports

The World Bank continues to fit neatly in the category of hegemonic. The World Bank annual reports reviewed cover three areas: first, an overview specific projects that were financed in each region of the world, such as public financial management, (World Bank 2020b, p.19), infrastructure (World Bank 2020b, p.19), communication technology (World Bank 2021b, p.22), supporting job creation and economic growth (World Bank 2021b, p.25) climate adaptation (World Bank 2022b, p.6), and debt sustainability (World Bank 2022b, p.6). Second, an overview of key issues such as, the war in Ukraine (World Bank 2022b, p.8), COVID-19 (World Bank 2021b, p.46; 2022, p.51) and the impacts of climate change (World Bank 2020b, p.59; 2021, p.40). And finally, an overview of procedures internal to the bank itself, such as its creation of a institutional mechanism that can address concerns and grievances and recognition of the Banks own comparative advantage (World Bank 2020b p.81,86)

The World Bank's practice is to provide finance and expertise for governments to develop their economies (World Bank 2020b p.3). The key concerns the Bank emphasize center on its essential to its mission: to alter policy so that it promotes economic growth. For example, addressing the issues of fragile state (World Bank 2021b, p.5, 66) and arguing to include more people into the market to alleviate poverty (World Bank 2020b, p.47). This is done via expanding the availability of financial tools (World Bank 2020b, p.48), better data collection (World Bank 2020b, p.20; 2021b, p.58), and promoting the private sector via loans and sharing expertise (World Bank 2020b, 19; 2022b, p.96).

The practice of the World Bank in its descriptive documents remains hegemonic because of its use of technological rationality in alleviating poverty which promotes data infrastructure, communication technology, and broader applications to government management, climate

disasters and public services (World Bank 2021b, p.36, 2022b, p.63). The World Bank renders problems technical, suggesting that they can be resolved by technological application rather than a deeper shift in the system altogether (Li 2007). The World Bank also promotes competitive individualism via its emphasis on incorporating people into the market. For example, the World Bank wants to expand financial services, (World Bank 2020b, p.48), expand trade (World Bank 2020b, p.49), and promote training for developing countries so that they are more appealing for investment (World Bank 2020b, p.50). The World Bank also justifies itself on the basis of scientific research, arguing for better data to improve its analysis on the issues it discusses (World Bank 2021b, p.58, 68). However, the World Bank does not only use science in its justifications, it also justifies its stance on economic growth by naming some of the major externalities of economic growth and trade alongside references to economic growth (World Bank 2020b, p.19, 23; World Bank 2021b, p.7, 12, 22; World Bank 2022b p.19, 27).

### Repressed myth

Economic growth is rarely termed just economic “growth” but is often accompanied by terms such as “sustainable” growth, “inclusive” growth, “green” growth, “low-carbon” growth, “long term” growth, “resilient” growth (World Bank 2020b, p.19, 23; World Bank 2021b, p.7, 12, 22; World Bank 2022b p.19, 27). You wouldn’t call growth “inclusive growth”, unless its history is one of exclusion, nor would you call growth “green growth” unless its history is one of harm to the climate, and you would not call growth “sustainable growth” unless its history is one of unsustainability. These titles disavow the major negative consequences of growth by both acknowledging the consequences as being tied to growth, but nonetheless emphasizing the continuation and promotion of neoliberal policies (Zizek 1989; Goldman 2005; Parisi 2020).

This fits with Tillich's take on a repressed myth, in which after the object of faith (in this case economic growth) and the ultimate (in this case expressed as alleviation of poverty) become separated, and the choice of the World Bank is to repress this, clinging to the original object of faith (economic growth) as the vessel for the ultimate (poverty alleviation) (1957 60-61). This not unlike what Žižek describes as Ptolemization, in which a discipline in crisis tries to resolve its issues (in this case poverty) using techniques from within the discipline (in this case modern/neoliberal ideology), despite mounting evidence that suggests alternatives (in this case, the utter lack of poverty alleviation) (1989; Hung 2016). This suggests a deep fundamentalist characteristic to how the World Bank functions, clinging to what it understands as truth despite evidence to the contrary (Bilgrami 2015).

Beyond repressing the myth of neoliberalism, the World Bank has re-branded neoliberal economic growth (Goldman 2005; Fisher 2009). By incorporating the topics of addressing climate change, gender equity and inclusiveness, they re-brand neoliberal economic growth as being a way to fight against the very issues that neoliberal economic growth directly contributes to, instrumentalizing the critical language (Fisher 2009; Parisi 2020). This fits with what Fisher calls aestheticization, as it incorporates ideas that appear subversive to the ideological underpinnings of the World Bank, but it is nonetheless incorporated (2009). This repressed myth has two consequences (Tillich 1957). First, it means that the World Bank has deep fundamentalist characteristics due to the lack of variety in its practice and method, clinging to what it understands as the truth (capitalist market economy as the *only* way to alleviate poverty) despite the evidence (Bilgrami 2015; Hung 2016); Second, it contributes to the difficulty in categorizing the Vatican as one power type.

Why it difficult to categorize the World Bank in Peet's power types

There are two reasons why it is difficult to categorize the World Bank in accordance to the type of power it projects. First, it does not project power simply by defining rules around money and finance, it also projects power in exchanging loans for specific economic policy changes for the receiving country, meaning it functions more like a political power center (Goldman, 2005 p.228). Second, the purpose of the World Bank's idea of poverty, more precisely, its projection of this idea, is to bolster's its "expert status" (Goldman 2005; Escobar 1995). This produces the justifications for the different forms of programs and policies that the World Bank advocates. This is central to its survival as an institution, as it could not project political power without its ideological function to facilitate it (Goldman 2005).

The World Bank has a central mission of poverty alleviation at the same time, giving it control over how poverty is defined (Goldman 2005). The World Bank advises on how to gather information on poverty (2020b p.32). By gathering more data, it increases the depth of research that based on it fundamental measure of poverty (more than \$2.15 a day). The more that this is used as the measure of poverty by other governments and officials, the more legitimacy it holds, but also the more authority the World Bank holds as an ideological power center (Goldman 2005). When considering this as a repressed myth, the myth that poverty is earning less than \$2.15 a day, irrespective of inflation, economic shocks, or qualitative conditions, it ends up overlooking the incongruency between qualitative experience with the technical, quantitative discourse (Tillich 1957). The World Bank disavows it approaches by suggesting the reason why it's policies and programs fail are due to developing countries not valuing the right things, or that developing countries need to learn to trust in the financial institutions so they work properly



(World Bank 2021a p.282; Zizek 1989). By defining poverty as a quantitative, monetary number, it emphasizes practice that is disconnected from any qualitative changes. This creates space for the incongruency of discourse and practice, specifically providing the space for the movement of power, aestheticized by notions of “poverty alleviation”, all while facilitating an increase of poverty (Fisher 2009; Hung 2016).

The World Bank neatly fits into the category of hegemonic, and as a power center (Peet 2015). However, it does not fit neatly into the different power types as the projection of political and ideological power are central to its survival as an institution (Goldman 2005; Peet 2015). The World Bank fits into the different categories of power centers simultaneously.

Peet’s typology is a useful starting point and can be useful in distinguishing various aspects *within* an institution, however, it falls short when categorizing institutions as a whole. Peet presumes that an institution can be primarily one type of power, economic, ideological, or one type of hegemony, hegemonic, sub-hegemonic, counter-hegemonic, however, both the Vatican and World Bank fit into multiple categories simultaneously (Peet 2015).

## Summary

The World Bank and the Vatican’s different ideological underpinnings and approaches to defining poverty result in widely different practical programs. The World Bank puts forward a quantitative definition of poverty that serves as a measure which justifies its emphasis on material prosperity via economic growth (World Bank 2024c). This is achieved by better data, technology, and education so individuals can compete and achieve prosperity in the marketplace, alleviating poverty. The Vatican in contrast, puts forward a qualitative understanding of poverty, linking it directly to one’s place in community rather than material prosperity (Pope Francis

2020, para. 215). The emphasis on values which bring community together are paramount, emphasizing a radical shift in how institutions ought to distribute goods in the economy (SCCC 2006, para. 171-172). When situated within Peet's categories, the Vatican fits neatly into the category of an ideological power due to its primary function of proclamation and denunciation, giving analysis on current topics and issues (2015). However, when analyzing the incongruency between discourse and practice, it was difficult to fit Caritas into any of the hegemonic categories, as it did not project hegemonic power directly, or into a regional space. However, it did not counter or subvert hegemony either. The World Bank by contrast, neatly fits into the category of Hegemony due to its projection of power emphasizing technological rationality, competitive individualism, and justifications on the basis of science (World Bank 2021a p.35). However, it is difficult to fit the World Bank into one of the power types. This is due to its role in policy changes across the developing world, as well as the central role ideology plays for the purpose of maintain its authority and legitimacy (Goldman 2005).

## Chapter 3

### Conclusion and Recommendations

One major outcome of this investigation is that the key differences between the World Bank and the Vatican are not "economic" or "ideological" but rather top-down vs bottom-up, qualitative definitions vs quantitative, and around how poverty is defined. Beyond this, the World Bank is more fundamentalist than the Vatican. This is because the space between discourse and practice in the Vatican leads to a diversity of interpretation and practice, by

contrast, the World Bank lacks variety in its discourse, practice, and method, clinging to what it understands as truth (capitalist market economy as the *only* way to alleviate poverty) and repressing alternatives, despite clear evidence suggesting otherwise (Bilgrami 2015; Hung 2016; Fridell, Kapoor 2024; Rodney 2018).

Overall, there are three key takeaways from this research. First, the implications of the incongruity between discourse and practice. To explain further, discourse frames phenomenon with meaning in ideology, operating as a moral language in which a community forms their attitudes and the realization of practice (Laffely & Weldes 2004). However, the incongruity between discourse and practice can create space for a diversity of ideas, as well as movements of power (Fridell & Kapoor 2024; Parisi 2020; Fisher 2009).

The second takeaway is the role that capitalist power plays in bottom-up movements. Many movements that purport themselves to be subversive to the status quo, nonetheless can be compatible with it, or even instrumentalized or aestheticized for the purposes of power (Fridell 2006; Parisi 2020; Fisher 2009). In the case of Caritas, rather than projecting political power directly, it insulated power by primarily addressing the symptoms of capitalism, and not the causes (Fridell & Kapoor 2024; Zizek 1989).

And finally, how categorizing institutions in accordance to the type of power they project is difficult when the institution projects multiple types of power simultaneously. When analyzing the similarities and differences between the World Bank and the Vatican, there were obvious differences, but also some key similarities. While Peet's categories were excellent starting points, I found that neither institution can be categorized by a single type, because both institutions have parts that fit into differing types simultaneously.

## Multiple power types, one institution, simultaneously

Both institutions hope to change people's behavior to create, or suite, a kind of world in which poverty is alleviated by measure of their respective definitions of poverty. Given this, the ideological function is crucial for the survival of both institutions (Goldman 2005). If the World Bank did not ensure the mass production of research and reports, it would not maintain its "expertise", losing its authority and legitimacy (Goldman 2005). Similarly, if the Vatican did not continue to produce and project knowledge via its proclamations and denunciations, it too would lose legitimacy, as it is the source of its authority. Both institutions rely on ideological production to ensure their survival (Goldman 2005). For the World Bank, its ideological function facilitates it's economic and political projections of power, and for the Vatican, it ideological production is fundamental for the continuation of the administrations moral authority, receiving donations, political relevance, and global influence (Goldman 2005). It is this similarity between the ideological functions of the World Bank and Vatican that Michael Goldman references the political scientist Robert Wade: "the banks legitimacy in the global marketplace of ideas and commerce depends on the authority of it research and policies. *"Like the Vatican, and for similar reasons, it cannot afford to admit fallibility."* (Goldman 2005, p. 148). Admission of fallibility would cut into the legitimacy of the institutions as expertise, undermining their authority (Goldman 2015).

Another key finding, is that the World Bank seems to fit neatly into Peet's category of hegemony, whereas the Vatican does not. This, I argue is because of the nature of capitalist power in relation to movements that are external to its centers of power (Wallerstein 1974; Wood 1999; Rodney 2018). This relation follows in four key steps. First, a radical movement arises forming an organization to challenge inequality in the marketplace. Second, this organization

requires the mobilization of people and resources, which are acquired by the existing marketplace. Three, to maintain the organization means building ways to continue to acquire resources by said existing marketplace. Finally, this results in the compatibility of the organization with the very system producing the issues it sought to address. This has similarities with Ellen Wood's insight that peoples have the imperative to work to make money for their survival (1999). This imperative means one is invariably tied to capitalism and capitalist behavior—profit maximization, efficiency, accumulation, competition— even when they purport to offer a different set of values (Wood 1999). Loosely analogizing, organizations that pursue a radical cause have the imperative to acquire money for their survival, so they can work. Thus, the landscape by which negative externalities are addressed is via charity, government policy, and programs, all of which are reliant on existing power to facilitate their operations. This is the environment in which Caritas's application of the radical aspects of discourse in the encyclicals takes place (Parisi 2020). Out of necessity to survive as an institution, it does not fit Peet's category of counter-hegemonic, however, it does not fit the other categories of hegemonic or counter-hegemonic either. This is because Caritas does not project power directly, rather, it insulates power by addressing the urgent symptoms of capitalism without addressing the causes (Zizek 1989; Fridell, Kapoor 2024, p.59). The Vatican's power comes from exerting its ideas rather than having direct political control, therefore, there is a diversity within the Vatican which the World Bank does not have. This is how liberation theology, and microfinance are both inspired from the same institution (Gutiérrez 1988, Clynch 2023). My key point is not that the Vatican is beyond power, but that different parts of the Vatican are projecting different types of power all within the same institution.

Another difference is that while the Vatican fits neatly into Peet's category of ideological, the World Bank does not. I argue that this is because of the necessity of the World Bank's ideological function to facilitate the projection of its economic and political power (Goldman 2005). All three of which hold a primacy to the Bank's survival, that if transformed would massively restructure its entire operations (Goldman 2005). The World Bank's power type would differ depending on the organization it is relating with. For example, its relationship with many developing countries is political, as the Bank demands changes to their economic policies (Goldman, 2005 p.228). Furthermore, its relationship with Wall Street is economic, as it projects power with money (Goldman 2005, p.57). Finally, it is only capable of maintaining these functions by means of its authority as an expert on the topic of poverty, making it an ideological power center that instrumentalizes poverty discourse (Goldman 2005; Parisi 2020). The various power types Peet suggests as categories are compatible as all being fundamental functions with one another in a single institution, and at times necessarily so, such as in the case of the World Bank (2015). Similar to the Vatican fitting into multiple types of hegemony simultaneously, the World Bank fits into multiple types of power centers simultaneously.

#### The World Bank is more fundamentalist than the Vatican

Another important difference is the qualitative/quantitative ways of understanding poverty. Definitions serve an explanatory purpose, but they also enclose phenomenon into a particular ideology. Both the Vatican and World Bank's understanding of poverty allude to how poverty ought to be alleviated. Poverty is a social condition, and the World Bank's quantitative measure of poverty separates it from the qualitative conditions of poverty. This means accounting tricks could well bring more people out of poverty, according to this measure, than a real conditioned

change that was not reflected by the \$2.15 measure (Nilsen 2018). It does not provide so much the means of measuring poverty, but rather the means of justifying the status quo of the world economy with the production of research, data, and arguments based on this measure (Goldman 2005). The Vatican provides an understanding of poverty that is based on drawing community together as a means of poverty alleviation (Pope Francis 2020, para. 215). However, the encyclicals do not provide a “how”, so much as a “what” and “why”. The implementation of these ideas is left up to the catholic peoples and organizations. This difference between the institutions, and the fundamental role of the \$2.15 measure for the World Bank, is part of why I conclude that the World Bank is more fundamentalist than the Vatican.

What makes the World Bank more fundamentalist than the Vatican, is due to the differences between their missions and what is essential to them, as well as where the space between discourse and practice takes place. Because the Vatican holds a particular set of values as fundamental to change making, projecting its ideas rather than projecting political power directly, a space is created for a wide variety of interpretation and practice, which can even be quite contradictory to one another (CSDCC 2006, para. 81; Calderisi 2013). In the case of the World Bank, it is the specific economic model of top-down state intervention that promotes market economies which must be conformed to (Goldman 2005). The World Bank reduces the understanding of poverty to making less than \$2.15 a day, separating itself from the qualitative reality of poverty. This creates a space for the incongruity of discourse and practice, specifically providing the space for the movement of power, aestheticized by notions of “poverty alleviation”, all while facilitating an increase of poverty (Fisher 2009; Hung 2016; Parisi 2020). Because of the lack of space for diverse practice from the World Bank, and the

instrumentalization of poverty discourse to justify its projection of political power, the World Bank is more fundamentalist than the Vatican (Parisi 2020)

Another way of explaining this, drawing from Tillich (1957), Bilgrami (2015) and Parisi (2020), is to examine what is intrinsic and instrumental in its discourse vs its practice. The World Bank's official mission is to alleviate poverty and promote prosperity utilizing markets as the means to do so (World Bank 2020, p.6). Markets in this equation are meant to serve instrumental value to the intrinsic goal of alleviating poverty and promoting prosperity, however, what the \$2.15 measure of poverty highlights is the reversal of this equation in practice. The \$2.15 measure does not account for market fluctuations, inflation, or economic conditions, but as mentioned above, does serve to justify the status quo of the global economy. What this means, is that the initial intrinsic goal of alleviating poverty, becomes instrumentally valuable in promoting market economy (Parisi 2020). As mentioned above, because of the greater variety found in Catholic organizations, and the uniform, intrinsic use of market economy by the World Bank, the World Bank is more fundamentalist than the Vatican.

## Recommendations

One aspect of Peet's definition of an institution is that debate focuses productively on slight differences in ideas (2015, p.266). When considering the bottom-up/ top-down differences in the two institutions approach of making change, the boundaries around how creativity can function in culture, economy and government are drawn. In World Bank logic, creativity is limitless in how governance, economy, and culture grow—so long as it supports market economy and productivity. By contrast, in Vatican logic, creativity is limitless in how



governance, economy, and culture could grow—so long as it is based upon the communal values it purports. A recommended area of study would be upon the areas of an institution that are rigid and the implications of this rigidity with the incongruence of discourse and practice have on realizing practice. To take it further, what factors lead to variety or uniformity in institutions, and what implications does this have on social change?

Another area for further research would be on the historical role of the Vatican and its projection of power compared to the role of the World Bank today, analyzing how institutions of power change over time, and react to new information, issues, and the ever dynamic shifts in the geography of power. A better understanding of how institutions form ideas, project power, and pursue social missions such as alleviating poverty, may open the space for better institutions that better pursue the mission of poverty alleviation.

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