

International

Politics



WORLD BANK GROUP





WORLD BANK GROUP

Headquarters: Washington, DC

Established: July 1, 1944

Membership: 185 countries

Staff: Approximately 7,000 employees in Washington DC and over 3,000 in offices around the world.





WORLD BANK GROUP

- Acts as source of funding for developing world
- Focus on poorest people and poorest countries
- Uses resources and experience to reduce poverty and increase economic growth





THE MILLENNIUM DEVELOPMENT GOALS

Goal 1: End extreme poverty and hunger.

Goal 2: Achieve universal primary education

Goal 3: Empower women and promote equality between women and men

Goal 4: Improve health of pregnant women and mothers;

Goal 5: Reduce child death rates

Goal 6: Ensure environmental sustainability

Goal 7: Create a global partnership for development, with targets for aid, trade and debt relief.

Goal 8: Tackle HIV/AIDS, Malaria, and other diseases



WHO RUNS THE WORLD BANK?

- They run like a cooperative, with their member countries as share holders. The no. of shares a country has is based on the size of the economy.
- Largest Share holder: United State (16.41% of votes)
- Followed by: Japan (7.87%),
Germany (4.49%),
The United Kingdom (4.31%) &
France (4.31%) .

The rest of the shares are divided among the other member countries



WORLD BANK GROUP

CONSISTS OF FIVE ORGANIZATIONS

- The International Bank for Reconstruction and Development (IBRD)
- The International Development Association (IDA)
- The International Finance Corporation (IFC)
- The Multilateral Investment Guarantee Agency (MIGA)
- The International Centre for the Settlement of Investment Disputes (ICSID).



FIVE AGENCIES – ONE GROUP



World Bank Group

IBRD

IDA

IFC

M.I.G.A.

ICSID



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

- Provides loans and assistance for middle income countries in Latin America, Africa, and Eastern Europe
- Gets money by selling bonds



INTERNATIONAL DEVELOPMENT ASSOCIATION

- Provides interest-free loans and grants to poorest countries
- Depends on contributions from wealthier member countries



INTERNATIONAL FINANCE CORPORATION

- Finances private-sector investment and provides technical support and advice to governments and businesses
- Provides loans for business ventures in developing countries



MULTILATERAL INVESTMENT GUARANTEE AGENCY

- Encourages foreign investment by guaranteeing foreign investors against loss caused by noncommercial risks
- Provides technical support and legal services to reduce trade barriers



INTERNATIONAL CENTRE FOR THE SETTLEMENT OF INVESTMENT DISPUTES

- Settles disputes between foreign investors and host countries

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Fund Generation

- The world bank makes most of its money by lending out its own capital and selling bonds
- They earn interest and fee income on the loans
- Coordinates aid from donor countries

